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SEVENTY-FIFTH CONGRESS, FIRST SESSION

SENATE

WEDNESDAY, MAY 19, 1937

(Legislative day of Thursday, May 13, 1937)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

THE JOURNAL

On request of Mr. ROBINSON, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Monday, May 17, 1937, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Megill, one of its clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 210. An act for the relief of soldiers who were discharged from the Army during the Spanish-American War, the Philippine Insurrection, and the Boxer Uprising because of minority or misrepresentation of age;

S. 1124. An act to authorize the Director of the Census to collect and publish statistics of red-cedar shingles;

S. 1189. An act to provide for the establishment of a Coast Guard station on the coast of Georgia at or near Tybee Island;

S. 1212. An act authorizing the conveyance to the State of Virginia, for highway purposes only, of portions of the Fort Myer Military Reservation, Va., and for other purposes;

S. 1247. An act to amend the act of June 23, 1936, authorizing the Secretary of War to set apart as a national cemetery certain lands of the Fort Snelling Military Reservation, Minn.;

S. 1586. An act to authorize the Secretary of War to sell to the General Motors Corporation a tract of land comprising part of Holabird Quartermaster Depot, Baltimore, Md.;

S. 1724. An act to authorize the transfer to the Attorney General of a portion of the Fort Reno Quartermaster Depot Military Reservation, Okla., as a permanent site of the United States Southwestern Reformatory;

S. 1769. An act for the relief of the State of Maine;

S. 1904. An act declaring Park River, Hartford County, Conn., to be a nonnavigable waterway;

S. 1943. An act to amend an act entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved June 22, 1936;

S. 1973. An act to authorize the Secretary of War to transfer to the people of Puerto Rico certain real estate pertaining to the post of San Juan, San Juan, P. R., and for other purposes;

S. 2084. An act to provide that graduates of approved school ships may be rated as able seamen upon graduation, and for other purposes; and

S. 2172. An act to prevent speculation in lands in the Columbia Basin prospectively irrigable by reason of the construction of the Grand Coulee Dam project and to aid actual settlers in securing such lands at the fair appraised value thereof as arid land, and for other purposes.

The message also announced that the House had passed the bill (S. 1330) to authorize the attendance of the Marine Band at the United Confederate Veterans' 1937 Reunion at Jackson, Miss., June 9, 10, 11, and 12, 1937, with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the following bills of the Senate, severally with amendments, in which it requested the concurrence of the Senate:

S. 2049. An act to authorize the establishment of a naval air station on San Francisco Bay, Calif., and for other purposes;

S. 2076. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Arrow Rock, Mo.; and

S. 2077. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near St. Charles, Mo.

The message also announced that the House had passed the following bills and joint resolutions, in which it requested the concurrence of the Senate:

H. R. 195. An act to convey certain lands to Clackamas County, Oreg., for public-park purposes;

H. R. 1502. An act to amend Public Law No. 626, Seventy-fourth Congress;

H. R. 2565. An act to confer jurisdiction on the Court of Claims to hear, determine, and enter judgment upon the claims of contractors for excess costs incurred while constructing navigation dams and locks on the Mississippi River and its tributaries;

H. R. 2887. An act to amend the provisions of the pension laws for peace-time service to include Reserve officers and members of the enlisted Reserves;

H. R. 3031. An act to provide for the establishment of Coast Guard stations along the Maine coast;

H. R. 4795. An act to provide for a term of court at Livingston, Mont.;

H. R. 4809. An act to authorize the Works Progress Administration to lend or give World War relics and other property at Fort Eustis, Va., to the American Legion Museum at Newport News, Va.;

H. R. 5536. An act making allowances to letter carriers in lieu of carfare;

H. R. 5552. An act to provide for the relinquishment of an easement granted to the United States by the Green Bay & Mississippi Canal Co.;

H. R. 5848. An act to extend times for commencing and completing the construction of a bridge across the Wabash River at or near Merom, Sullivan County, Ind.;

H. R. 5901. An act to amend the National Stolen Property Act;

H. R. 6249. An act to reserve certain lands in the State of Utah for the Kanosh Band of Paiute Indians;

H. R. 6250. An act to reserve certain lands in the State of Utah for the Shivwitz Band of Paiute Indians;

H. R. 6252. An act to reserve certain lands in the State of Utah for the Koosharem Band of Paiute Indians;

H. R. 6285. An act authorizing the State Roads Commission of the State of Maryland and the State Road Commission of the State of West Virginia to construct, maintain, and operate a free highway bridge across the Potomac River in Washington County, Md., at or near a point opposite Shepherdstown, W. Va., and a point at or near Shepherdstown, Jefferson, County, W. Va., to take the place of a bridge destroyed by flood;

H. R. 6286. An act authorizing the State Roads Commission of the State of Maryland and the State Road Commission of the State of West Virginia to construct, maintain,

and operate a free highway bridge across the Potomac River at or near a point in the vicinity of Hancock, in Washington County, Md., and a point near the north end of Morgan County, W. Va., to take the place of a bridge destroyed by flood;

H. R. 6292. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Niobrara, Nebr.;

H. R. 6338. An act to fulfill certain treaty obligations with respect to water levels of the Lake of the Woods;

H. R. 6341. An act to provide for a stenographic grade in the office of chief clerks and superintendents in the Railway Mail Service;

H. R. 6494. An act to extend the times for commencing and completing the construction of a bridge across the Snake River between Clarkston, Wash., and Lewiston, Idaho;

H. R. 6910. An act to provide for the exchange between the United States and the Union Terminal Co. of certain properties in connection with the parcel post building site at Dallas, Tex.;

H. J. Res. 334. Joint resolution to protect the copyrights and patents of foreign exhibitors at the New York World's Fair, to be held at New York City, N. Y., in 1939;

H. J. Res. 348. Joint resolution designating May 28, 1937, National Aviation Day; and

H. J. Res. 359. Joint resolution authorizing the President to proclaim the tercentenary of the birth of Pere Jacques Marquette.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolutions, and they were signed by the Vice President:

H. R. 593. An act for the relief of Albert Wheeler;

H. R. 859. An act for the relief of the Union Shipping & Trading Co., Ltd.;

H. R. 1092. An act for the relief of May Howard Bloedorn;

H. R. 1119. An act for the relief of Dr. E. T. Kirkendall;

H. R. 1254. An act for the relief of William A. McMahan;

H. R. 1346. An act for the relief of James M. Winter;

H. R. 2218. An act for the relief of Helen Marie Lewis;

H. R. 2352. An act for the relief of Donald L. Bookwalter;

H. R. 3135. An act for the exchange of land in Hudson Falls, N. Y., for the purpose of the post-office site;

H. R. 3326. An act for the relief of Printz-Biederman Co.;

H. R. 3573. An act for the relief of D. B. Carter;

H. R. 3773. An act for the relief of B. B. Odom and Lilla Odom;

H. R. 4329. An act for the relief of George T. Heppenstall;

H. R. 4778. An act to confer jurisdiction on the United States District Court for the Southern District of New York to hear, determine, and render judgment on the claim of A. Mateos & Sons, owner of the coal hulk *Callixene*;

H. R. 5142. An act to provide for the issuance of a license to practice the healing art in the District of Columbia to Dr. William Hollister;

H. R. 5171. An act to reimpose a trust on certain lands allotted on the Yakima Indian Reservation;

H. R. 5311. An act for the relief of the estate of Robert Edwin Lee;

H. R. 5416. An act to amend the act entitled "An act to enable the Legislature of the Territory of Hawaii to authorize the issuance of certain bonds, and for other purposes", approved August 3, 1935;

H. R. 6566. An act granting a pension to Helen H. Taft;

H. J. Res. 228. Joint resolution authorizing the payment of salaries of the officers and employees of Congress for December on the 20th day of that month each year; and

H. J. Res. 251. Joint resolution to extend the lending authority of the Disaster Loan Corporation to apply to flood disasters in the year 1936.

CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Copeland	Lee	Radcliffe
Ashurst	Davis	Lodge	Robinson
Austin	Dieterich	Logan	Russell
Bailey	Donahey	Lonergan	Schwartz
Barkley	Duffy	Lundeen	Schwellenbach
Berry	Ellender	McAdoo	Sheppard
Black	Frazier	McCarran	Smathers
Borah	Gillette	McGill	Smith
Bridges	Green	McKellar	Steiwer
Brown, Mich.	Hale	McNary	Thomas, Okla.
Brown, N. H.	Harrison	Maloney	Thomas, Utah
Bulkley	Hatch	Minton	Townsend
Bulow	Hayden	Moore	Truman
Burke	Herring	Murray	Tydings
Byrd	Hitchcock	Neely	Vandenberg
Byrnes	Holt	Norris	Van Nuys
Capper	Hughes	Nye	Wagner
Caraway	Johnson, Calif.	O'Mahoney	Walsh
Chavez	Johnson, Colo.	Overton	Wheeler
Clark	King	Pittman	White
Connally	La Follette	Pope	

Mr. MINTON. I announce that the Senator from Washington [Mr. BONE] and the Senator from Virginia [Mr. GLASS] are absent from the Senate because of illness in their families.

The Senators from Florida [Mr. ANDREWS] and [Mr. PEPPER], the Senator from Georgia [Mr. GEORGE], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Illinois [Mr. LEWIS], and the Senator from North Carolina [Mr. REYNOLDS] are detained on important public business.

The Senator from Mississippi [Mr. BILBO] is necessarily absent.

Mr. AUSTIN. I announce that my colleague the junior Senator from Vermont [Mr. GIBSON] and the Senator from Minnesota [Mr. SHIPSTEAD] are necessarily absent.

The VICE PRESIDENT. Eighty-three Senators have answered to their names. A quorum is present.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

ATTENDANCE OF MARINE BAND AT CONFEDERATE REUNION

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 1330) to authorize the attendance of the Marine Band at the United Confederate Veterans' 1937 Reunion at Jackson, Miss., June 9, 10, 11, and 12, 1937, which was, on page 1, line 9, to strike out "$10,000" and insert "$6,000."

Mr. HARRISON. Mr. President, the bill as passed by the Senate carried a $10,000 authorization for the Marine Band to attend the Confederate Reunion at Jackson, Miss. The House reduced the amount to $6,000. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

TRIBUTE TO THE LATE JAMES B. FRAZIER, OF TENNESSEE

Mr. McKELLAR. Mr. President, I ask unanimous consent to have printed in the RECORD as a part of my remarks, resolutions of the Chattanooga and Hamilton County Bar Association, adopted April 12, 1937, relative to the recent death of the Honorable James B. Frazier, of Chattanooga, and a former distinguished and able Senator in this body. Senator Frazier and I were devoted friends, personal and political. He was a man of unblemished character, of distinguished ability, and one of the greatest orators I ever heard speak. As a convention orator he had no superior. He was an unswerving Democrat, and one of the kindliest and gentlest men I ever knew. I deeply deplore his death.

His life was an inspiration to every ambitious young man in our State. He was a gentleman of the old school in the highest and best sense of that term.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

Senator James Beriah Frazier was born at Pikeville, Bledsoe County, Tenn., on the 18th day of October 1856, and died at his home in Chattanooga, Tenn., on March 28, 1937. He was the son of Thomas N. and Margaret (McReynolds) Frazier.

He left surviving his widow, Mrs. Louise Douglas Keith Frazier, four children, James B. Frazier, Jr., of Chattanooga, Thomas A. Frazier, of Clarksdale, Miss., Mrs. Robert N. Somerville of Cleveland, Miss., and Mrs. John P. Fort of Chattanooga, eight grandchildren, Keith Somerville, Aston Somerville, John P. Fort, Jr., James Frazier Fort, Keith Fort, Thomas A. Frazier, Jr., Frances Frazier, and Jane Louise Frazier. His two sons are prominent lawyers, having followed their father's chosen profession. James B. Frazier, Jr., is a member of the Chattanooga Bar and at present United States District attorney for the eastern district of Tennessee. Thomas A. Frazier is a member of the Mississippi Bar.

On the 10th day of January 1883, at Athens, Tenn., he was married to Miss Louise Douglas Keith, daughter of Colonel Alexander and Sarah Ann Keith. Colonel Keith was a prominent attorney and a veteran of the Seminole and Mexican wars, and a man of great influence and prestige.

Senator Frazier descended from Scotch and French Huguenot ancestors, and was a great-grandson of Samuel Frazier and a grandson of Abner Frazier, both of whom fought in the Battle of King's Mountain. Samuel Frazier was a delegate to the first constitutional convention of Tennessee in 1796, and was on the subcommittee with Andrew Jackson and others who drafted the constitution of Tennessee. He served as the first State's senator from Greene County.

Senator Frazier's ancestors have long been associated with the practice of law. His father was admitted to the bar at Greeneville, Greene County, Tenn., and later became clerk and master of the chancery court of Bledsoe County, which office he resigned to engage in the practice of law at Pikeville. In 1861 he was elected circuit judge, but before he could take his seat the State seceded, and he never received his commission. He moved to Rutherford County from Pikeville in 1863 and was appointed criminal judge of the Hermitage district by Andrew Johnson. After he was appointed and in the year 1867 he was impeached by a radical legislature for granting writs of habeas corpus releasing several members of the body held prisoners in the State capital for absenting themselves from the legislature for the purpose of breaking a quorum. In 1870 his political rights were restored by a State constitutional convention. This is the only time in the history of this country that a constitutional convention restored the political rights of a citizen. In 1870 he was elected criminal judge, without opposition, of Davidson and Rutherford Counties, and held such office for many years. The first case tried by Senator Frazier was before his father at Nashville, who was then serving as criminal judge. Senator Frazier's father was originally a stanch Union man, but after the State of Tennessee adopted the policy of secession he did what he could to further the cause of the Confederacy.

After attending the common schools of Rutherford and Davidson Counties, Senator Frazier continued his education at Franklin College near Nashville, and at the University of Tennessee, where he graduated in 1878 with a bachelor of arts degree. He attained prominence as an orator in early manhood, having been awarded the oratorical medal in 1877 at the University of Tennessee. The Chattanooga College of Law in 1914 conferred upon him the degree of master of law, and Tuscalum College conferred upon him the honorary degree of doctor of law.

After Senator Frazier graduated from the University of Tennessee he taught school for a period of time and studied law in his father's office at Nashville, thus preparing himself for admission to the bar, being admitted in 1880. In 1880 he moved from Nashville to Washington, then the county seat of Rhea County, where he became associated in the practice of law with Capt. S. J. A. Frazier, at that time attorney general for his district. He left Rhea County in 1882 and came to Chattanooga, where he engaged in the practice of law. Shortly after coming to Chattanooga he was employed with Col. Joe Clift to defend a man for murder by the name of Taylor. This was an important law suit and attracted wide attention. Col. Lawrence Spears was then attorney general and had associated with him in the prosecution of the case Judge W. H. DeWitt and Judge Lewis M. Shepherd, both outstanding lawyers. Colonel Clift became ill and it was necessary for Senator Frazier, then a young and almost inexperienced lawyer, to alone conduct the defense for his client. The trial lasted approximately one week, and Senator Frazier defended his client with such skill and eloquence that he gained almost instant recognition. His speech before the jury in defense of his client in this case lasted for 5½ hours, and was said by many to have been the most eloquent appeal ever delivered before a jury at this bar. His client was convicted of some degree of homicide, and while the sheriff was taking him to the supreme court at Knoxville some parties boarded the train, killed the sheriff and secured Taylor's release. He was never recaptured. Probably as the direct result of the trial of this case, Senator Frazier was invited to form a partnership with Judge DeWitt and Judge Shepherd, and the well-known law firm of DeWitt, Shepherd & Frazier of Chattanooga was formed, and continued until the year 1891. In 1891 he became associated as a partner in the law firm of Cooke, Frazier & Swaney of Chattanooga, the other members of the firm being the late T. H. Cooke and W. B. Swaney. Mr. Swaney was a classmate and roommate of Senator Frazier at the University of Tennessee, and is at present a beloved member of this bar. This connection continued until 1896 when he became senior member of the law firm of Frazier & Coleman of Chattanooga, the other member being the late Lewis M. Coleman. This firm was dissolved when Senator Frazier was elected Governor of Tennessee.

For many years Senator Frazier had been recognized as a leader in the Democratic Party, and in the year 1900 was made elector-at-large on the Democratic Presidential ticket. He stumped the State in behalf of his party, and his speeches were so eloquent that he immediately gained State-wide recognition. As a result, in 1902 he was unanimously nominated by acclamation by the Democratic convention as party nominee for Governor and was elected Governor of Tennessee by the largest plurality—44,000 votes—at that time given to any gubernatorial candidate since the Civil War. That his administration received public endorsement is shown by the fact that in 1904 he was again nominated without opposition by the Democratic convention as party nominee to succeed himself, and a second time was elected Governor by almost as large a plurality as he received in his first election.

His administration as chief executive of this State was strictly a business one. He insisted upon the most rigid economy. He refused to sanction the creation of unnecessary offices and increase of salaries of public officials, and when the legislature indirectly attempted to increase his own salary, he promptly vetoed it. During his terms the biannual appropriation was $5,000,000, and out of this amount he reduced the State debt during his two terms more than $2,463,000, the most economical administration in the history of this State. This is the latest reduction that has been made in the State debt, although more than 30 years have elapsed since he ended his second term.

He carefully considered the qualifications of those appointed to office. On April 19, 1903, he appointed the Honorable Cordell Hull, now Secretary of State, judge of the Fifth Judicial Circuit of Tennessee, and on April 17, 1903, he appointed the Honorable SAM D. MCREYNOLDS, now Representative of the Third Congressional District, criminal judge of the Sixth Judicial Circuit of Tennessee.

He made his first race for Governor on the platform of an 8- or 9-months' school for every boy and girl in Tennessee. At that time many of our counties had only a 3-month term. At the time he became Governor, the State, as such, had never made appropriation for the support of public schools, except the small sum annually paid on what was known as the school fund. Shortly after he was first elected Governor he appointed his schoolmate, Seymour D. Mynders, State superintendent, who assisted him in a systematic campaign to develop the public schools. Senator Frazier was a strong advocate of public schools, and at his instance the legislature passed a bill making the first appropriation for the support of public schools of this State. This was the real beginning of our present public-school system and for which Senator Frazier is undoubtedly entitled to more credit than any other person.

A short time before Senator Frazier first became Governor there had been a number of disastrous explosions in the coal mines of the State, involving great loss of life. When he became Governor he studied this problem very carefully and helped draft and secured the passage of laws regulating the operation of and providing for the inspection of coal mines in this State, which has resulted in reducing mine disasters and the consequent loss of life therefrom to a minimum. This law, with slight amendments, stands on the statute books of the State to safeguard the lives of the workers inside the mines, and as a monument to Senator Frazier. His administrations as Governor are the most successful, economical, and progressive in the history of this State.

In March 1905 Senator Frazier was elected by the State legislature as United States Senator to succeed the Honorable William B. Bate, who died before he took office, Senator Frazier being elected for the full term. He thereupon resigned as Governor of Tennessee and entered upon his new duties as that of a United States Senator. He served in the United States Senate from March 1905 until March 1911, and his record in the Senate was in keeping with the record he made as chief executive of his State. Being a Democrat, he stood for the fundamental principles of his party, both in speech and by his vote. While in the United States Senate a question arose between the National Government and the State of California as to the admission of Japanese children into the public schools. Theodore Roosevelt, then President, espoused the cause of the Japanese children and threatened to use force if necessary.

Thereupon Senator Frazier introduced into the Senate a resolution defining the legislative powers of the Federal Government and the States and insisted that the public schools of the States were domestic institutions, over which the States were supreme, and that the Federal Government had no right or power to dictate as to who should enter the schools. He made a strong speech in the Senate in favor of this resolution, which attracted great attention at the time over the country and particularly in the Western States. It was never answered, and the administration abandoned its efforts in that respect. Senator Joe Bailey, of Texas, himself a great statesman and orator, said that the speech of Senator Frazier in behalf of this resolution was the greatest that had been delivered in the Halls of the United States Senate since the days of Daniel Webster.

While in the Senate he was a strong advocate of an income-tax law. He was also an advocate of Federal aid to the States in the construction of public highways and prepared and introduced the first bill on that subject, which failed to pass. The principles he then advocated and provided for in his bill have since been adopted. He wrote the majority report of the committee appointed by the Senate to investigate the discharge of a battalion of soldiers for shooting up the town of Brownsville, Tex. He made

an eloquent speech in the Senate in support of his report sustaining the action of the President in discharging the soldiers. His report was accepted. He was a member of the investigating committee appointed to investigate the election of Senator Lorimer, of Illinois. He did not believe that Senator Lorimer had been legally elected and was strong in his conviction that he should not be seated as a United States Senator. Senator Frazier stood alone on the committee and brought back to the Senate a minority report, signed only by himself, to the effect that Senator Lorimer had been illegally elected. After much debate the Senate adopted the minority report of Senator Frazier, and Senator Lorimer was not allowed to take his seat. As a member of the Military Committee he introduced and secured the passage of a bill authorizing the Government to purchase the first airplane built by Wright Bros.

The year 1911 witnessed one of the bitterest political wars in the history of this State. The Democratic Party was divided into bitter factions. Senator Frazier refused to engage in factional fight, and stood loyally by the principles of his party. As a result, a long and bitter fight was engaged between the different factions of the two parties in the legislature over the election of United States Senator. After more than 20 votes had been taken without election, Senator Frazier withdrew his name. Unquestionably he could have been reelected to the United States Senate without serious opposition had he been willing to lay aside principles that to him were sacred and right. This he did not do, because to him nothing could justify the sacrifice of the principles he believed.

After Senator Frazier left public offices he came back to his beloved city of Chattanooga to practice law, and in 1912 formed a partnership with his kinsman, Fred B. Frazier, now a prominent member of this bar, the firm name being Frazier & Frazier. This firm was dissolved in 1914 when he formed a partnership with his son, James B. Frazier, Jr., also under the firm name of Frazier & Frazier, which association continued until his death.

Senator Frazier's associates in the practice of law were all leaders in their profession, and the different firms he associated with engaged in extensive practice. Senator Frazier tried many important lawsuits. He was a skilled and learned lawyer, and noted not only for his ability as an orator in affairs of State but also as a strong advocate before the court and jury. He served by appointment as special chancelor for Chancelor Somerfield Key and as circuit judge for Judge Trewhitt. While so serving on the bench he delivered many opinions in important cases that are regarded as strong presentations of the law.

Shortly before the Democratic convention in 1908 William Jennings Bryan, in an editorial in the Commoner, a newspaper published at Lincoln, Nebr., referred to Senator Frazier as one of the few qualified to be President.

In 1920 he was again made elector-at-large on the Democratic Presidential ticket. Several times he was a delegate from the State at large to the national Democratic convention. Probably his greatest speech was delivered before the Democratic harmony convention at Nashville in 1912. The ovation he received on this occasion was said to have been the greatest given to anyone on any occasion in this State. After he had finished his address the delegates carried him on their shoulders around the convention hall.

Though he had a long career as an officeholder, State and National, he was known as a statesman and never as a politician. He was a strong party man, but never narrow in his convictions.

He had no superior throughout the State or Nation as a public speaker. He was tall, stately, and commanding in appearance, eloquent in speech and forceful in argument. For years he has been recognized as one of the country's most eloquent and accomplished orators. His private life was pure and spotless, his public and professional career honest, able, and sincere.

We concur in an editorial which appeared following his death in one of our leading local newspapers, and which, among other things, said: "Children who receive the advantage of the fine public schools of which Tennessee now is so justly proud; miners busy in the half lights far below the surface of the earth; motorists who drive comfortably and swiftly over broad, modern highways—all these and many more have reason to be glad that James B. Frazier lived and made his contribution to government."

Senator Frazier was raised a Presbyterian, but after his marriage he affiliated with the Southern Methodist Church. He was a Mason and Knight of Pythias. We believe, as has often been said, that his name will stand in the history of this State alongside that of Andrew Jackson, Andrew Johnson, and James K. Polk.

He was especially well versed in constitutional and statutory law. Few have obtained the position he did in affairs of state. None have excelled him in the respect and love of his fellowman. Truly he was one of the State's most illustrous son.

While we mourn his loss, we are thankful for his life. He was a tender father and husband, and to his family we extend our deepest sympathy: Therefore be it

Resolved, That a copy of this resolution be furnished the bereaved family, that members of the bar be appointed to present copies to the local criminal, chancery, and circuit courts, to the Court of Appeals and Supreme Court of Tennessee, and to the United States district court at Chattanooga, and to Senators Kenneth McKellar and Nathan Bachman in order that they may present them to the Senate, to be enrolled upon its records.

FRED B. BALLARD,
Chairman,
R. B. COOKE,
P. H. THACH,
Memorial Committee.

The foregoing is a true and correct copy of resolutions which were presented before, and unanimously adopted by, a largely attended meeting of the Chattanooga and Hamilton County Bar Association, which convened at the courthouse on Monday, April 12, 1937.

AUBREY F. FOLTS,
Secretary, Chattanooga Bar Association.

DESTRUCTION AND REPLACEMENT OF FEDERAL RESERVE NOTES

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation authorizing the destruction of Federal Reserve notes of the series of 1928, and their replacement by Federal Reserve notes of the series of 1934, or a later series, at the expense of the United States, which, with the accompanying paper, was referred to the Committee on Banking and Currency.

TRANSFER OF JURISDICTION OF DISTRICT OF COLUMBIA CREDIT UNIONS

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation to transfer the jurisdiction over District of Columbia credit unions from the Commissioners of the District of Columbia and the Comptroller of the Currency to the Farm Credit Administration, which, with the accompanying paper, was referred to the Committee on the District of Columbia.

BOUNDARIES OF NAVAJO INDIAN RESERVATION, N. MEX.

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of the Interior, transmitting a draft of proposed legislation to define the exterior boundaries of the Navajo Indian Reservation in New Mexico, and for other purposes, which, with the accompanying papers, was referred to the Committee on Indian Affairs.

RELIEF OF R. F. LASSLY

The VICE PRESIDENT laid before the Senate a letter from the Federal Emergency Administrator of Public Works, transmitting a draft of proposed legislation for the relief of R. F. Lassly, former chief disbursing clerk, Department of the Interior, which, with the accompanying paper, was referred to the Committee on Claims.

REPORT OF THE TEXTILE FOUNDATION

The VICE PRESIDENT laid before the Senate a letter from the Chairman of the Textile Foundation, transmitting, pursuant to law, the annual report of the foundation for the fiscal year ending December 31, 1936, which, with the accompanying report, was referred to the Committee on Commerce.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following joint resolutions of the Legislature of the Territory of Hawaii, which were referred to the Committee on Territories and Insular Affairs:

Joint resolution memorializing the Congress of the United States of America to amend the income-tax laws of the United States so as to exempt salaries and compensation paid to public officers and employees in the Territory of Hawaii from the Federal income taxes

Be it enacted by the Legislature of the Territory of Hawaii:

SECTION 1. That the Congress of the United States of America be, and it hereby is, requested to amend the income-tax laws of the United States so as to exempt salaries and compensation paid to public officers or employees in the service of the government of the Territory of Hawaii or of any of its political subdivisions from Federal income taxes in the same manner and to the same extent as would be the case under similar circumstances in the event the Territory were a State.

SEC. 2. That the secretary of the Territory is requested and directed to forward to the President of the Senate, the Speaker of the House of Representatives, and the Secretary of the Interior of the United States, and to the Delegate to Congress from Hawaii duly authenticated copies of this joint resolution.

Joint resolution requesting the Congress of the United States to ratify and confirm Act 23 of the Session Laws of Hawaii, 1937, amending Act 174 of the Session Laws of Hawaii, 1935, by extending the time within which revenue bonds may be issued and delivered

Be it enacted by the Legislature of the Territory of Hawaii:

SECTION 1. The Congress of the United States is hereby respectfully requested to ratify and confirm Act 23 of the Session Laws

of Hawaii, 1937, amending Act 174 of the Session Laws of Hawaii, 1935, by extending the time within which revenue bonds may be issued and delivered.

SEC. 2. This joint resolution shall take effect upon its approval.

The VICE PRESIDENT also laid before the Senate a resolution adopted by the Municipal Housing Commission of the City of Los Angeles, Calif., favoring the enactment of the pending low-cost housing bill, which was referred to the Committee on Education and Labor.

He also laid before the Senate a resolution adopted by the St. Lawrence Ministers' Club, Massena, N. Y., protesting against the enactment of the bill (S. 25) to prevent profiteering in time of war and to equalize the burdens of war and thus provide for the national defense, and promote peace, which was referred to the Committee on Military Affairs.

He also laid before the Senate the memorial of Sallie M. McAlpin and several other citizens of Savannah, Ga., remonstrating against the enactment of legislation to enlarge the membership of the Supreme Court of the United States, which was ordered to lie on the table.

He also laid before the Senate a resolution adopted by the seventh annual convention of the Evangelical Men's Association of Puerto Rico, at Ponce, P. R., favoring the enactment of legislation to extend the benefits of the Social Security Act to Puerto Rico, which was referred to the Committee on Territories and Insular Affairs.

Mr. SHEPPARD presented the following resolution of the House of Representatives of the State of Texas, which was referred to the Committee on Appropriations:

Whereas the May old-age pension checks have not been sent to those on the rolls; and

Whereas the reason for this delay is because the Federal allotment has not been received; and

Whereas it will be necessary for Congress to make additional appropriations to take care of the Federal part; and

Whereas the old people of Texas are in distress because of the need for their May checks; and

Whereas unless Congress takes immediate action on this matter it may be several weeks before these funds are received: Now, therefore be it

Resolved by the house of representatives, That we urge the National Congress to give immediate attention to this matter and to pass sufficient appropriations to take care of the Federal allotment at once; and be it further

Resolved, That the chief clerk of the house be instructed to send a copy of this resolution to the Speaker of the House of the National Congress and to the Members of the Texas delegation.

REPORTS OF COMMITTEES

Mr. SHEPPARD, from the Committee on Commerce, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H. R. 4550. A bill to extend the times for commencing and completing the construction of a bridge across the Ohio River between Rockport, Ind., and Owensboro, Ky. (Rept. 563); and

H. R. 5595. A bill to extend the time for completing the construction of two bridges, one across a part of Lake Michigan at or near the entrance to the Chicago River, Ill., and the other across the Michigan Canal or Ogden Slip, in the city of Chicago, Ill. (Rept. No. 564).

Mr. SMITH, from the Committee on Agriculture and Forestry, to which was referred the bill (H. R. 5722) to reenact and amend provisions of the Agricultural Adjustment Act, as amended, relating to marketing agreements and orders, reported it with amendments and submitted a report (No. 565) thereon.

Mr. McADOO, from the Committee on Patents, to which was referred the joint resolution (H. J. Res. 292) to protect the copyrights and patents of foreign exhibitors at the Golden Gate International Exposition, to be held at San Francisco, Calif., in 1939, reported it without amendment and submitted a report (No. 566) thereon.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. McGILL:

A bill (S. 2448) granting a pension to Marian A. Phelps; and

A bill (S. 2449) granting an increase of pension to Lottie Grice; to the Committee on Pensions.

By Mr. WHEELER:

A bill (S. 2450) to aid in the development of certain mineralized areas located within the exterior boundaries of the national forests, and for other purposes; to the Committee on Public Lands and Surveys.

By Mr. GREEN:

A bill (S. 2451) granting a pension to Emma S. Boutwell; to the Committee on Pensions.

By Mr. LONERGAN:

A bill (S. 2452) granting an increase of pension to Clara Prentis Billard; to the Committee on Pensions.

By Mr. LA FOLLETTE:

A bill (S. 2453) for the relief of John Reinke; to the Committee on Claims.

(Mr. BLACK introduced Senate bill 2454, which was referred to the Committee on Education and Labor, and appears under a separate heading.)

By Mr. COPELAND:

A bill (S. 2455) to amend the Merchant Marine Act, 1936 (act of June 29, 1936, c. 858; 49 Stat. 1985); to the Committee on Commerce.

PROHIBITION OF CHILD LABOR

Mr. BLACK. Mr. President, I ask consent to introduce a bill for reference to the Committee on Education and Labor. This is the bill prohibiting child labor, which was passed by both Houses and signed by the President of the United States September 1, 1916. I offer it in the exact form in which it was originally passed and which the Supreme Court, by a 5-to-4 decision, held to be unconstitutional.

The VICE PRESIDENT. Without objection, the bill will be received and referred, as requested by the Senator from Alabama.

The bill (S. 2454) to prevent interstate commerce in the products of child labor, and for other purposes, was read twice by its title and referred to the Committee on Education and Labor.

HOUSE BILLS AND JOINT RESOLUTIONS REFERRED

The following bills and joint resolutions were severally read twice by their titles and referred as indicated below:

H. R. 195. An act to convey certain lands to Clackamas County, Oreg., for public-park purposes; to the Committee on Public Lands and Surveys.

H. R. 1502. An act to amend Public Law No. 626, Seventy-fourth Congress; to the Committee on Territories and Insular Affairs.

H. R. 2565. An act to confer jurisdiction on the Court of Claims to hear, determine, and enter judgment upon the claims of contractors for excess costs incurred while constructing navigation dams and locks on the Mississippi River and its tributaries; to the Committee on Claims.

H. R. 2887. An act to amend the provisions of the pension laws for peacetime service to include Reserve officers and members of the enlisted Reserves; to the Committee on Pensions.

H. R. 3031. An act to provide for the establishment of Coast Guard stations along the Maine coast;

H. R. 5848. An act to extend times for commencing and completing the construction of a bridge across the Wabash River at or near Merom, Sullivan County, Ind.;

H. R. 6285. An act authorizing the State Roads Commission of the State of Maryland and the State Road Commission of the State of West Virginia to construct, maintain, and operate a free highway bridge across the Potomac River in Washington County, Md., at or near a point opposite Shepherdstown, W. Va., and a point at or near Shepherdstown, Jefferson County, W. Va., to take the place of a bridge destroyed by flood;

H. R. 6286. An act authorizing the State Roads Commission of the State of Maryland and the State Road Commission of the State of West Virginia to construct, maintain, and operate a free highway bridge across the Potomac River at or near a point in the vicinity of Hancock, in Washington County, Md., and a point near the north end of Morgan County, W. Va., to take the place of a bridge destroyed by flood;

H. R. 6292. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Niobrara, Nebr.; and

H. R. 6494. An act to extend the times for commencing and completing the construction of a bridge across the Snake River between Clarkston, Wash., and Lewiston, Idaho; to the Committee on Commerce.

H. R. 4795. An act to provide for a term of court at Livingston, Mont.; and

H. R. 5901. An act to amend the National Stolen Property Act; to the Committee on the Judiciary.

H. R. 4809. An act to authorize the Works Progress Administration to lend or give World War relics and other property at Fort Eustis, Va., to the American Legion Museum at Newport News, Va.; to the Committee on Military Affairs.

H. R. 5536. An act making allowances to letter carriers in lieu of carfare; and

H. R. 6341. An act to provide for a stenographic grade in the office of chief clerks and superintendents in the Railway Mail Service; to the Committee on Post Offices and Post Roads.

H. R. 5552. An act to provide for the relinquishment of an easement granted to the United States by the Green Bay and Mississippi Canal Co.; to the Committee on Public Buildings and Grounds.

H. R. 6338. An act to fulfill certain treaty obligations with respect to water levels of the Lake of the Woods; to the Committee on Foreign Relations.

H. J. Res. 334. Joint resolution to protect the copyrights and patents of foreign exhibitors at the New York World's Fair, to be held at New York City, N. Y., in 1939; to the Committee on Patents.

H. J. Res. 359. Joint resolution authorizing the President to proclaim the tercentenary of the birth of Pere Jacques Marquette; to the Committee on the Library.

AMENDMENT TO MILITARY APPROPRIATION BILL

Mr. SHEPPARD submitted an amendment intended to be proposed by him to the bill (H. R. 6692) making appropriations for the Military Establishment for the fiscal year ending June 30, 1938, and for other purposes, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

At the proper place in the bill to insert the following: "For work authorized by the act approved May 6, 1937, at Fort Niagara, N. Y., $54,000; for work authorized by the act approved May 14, 1937, at Camp Stanley, Tex., $578,050; and at Savanna Ordnance Depot, Savanna, Ill., $861,190."

ACCEPTANCE BY SENATE OF CLOCK OF THE LATE VICE PRESIDENT MORTON

Mr. LODGE. Mr. President, I submit a resolution, which I ask to have read and immediately considered.

The VICE PRESIDENT. The resolution will be read.

The legislative clerk read as follows:

Senate Resolution 134

Resolved, That the Vice President of the United States be, and hereby is, authorized to accept on behalf of the United States Senate as a gift of Mrs. William C. Eustis a bronze marble clock bequeathed to her by the late Levi Parsons Morton, Vice President of the United States (1889–93), to be placed in the President's room in the Senate wing of the Capitol.

Resolved further, That a copy of this resolution, suitably engrossed and duly authenticated, be transmitted to Mrs. William C. Eustis.

Mr. ROBINSON. Mr. President, I desire to say that I have no objection to the consideration of this resolution, and to add to that statement that this proposed gift to the Senate is one which I think all Senators will appreciate.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

EXCHANGE OF PROPERTIES AT DALLAS, TEX.

Mr. CONNALLY. Mr. President, at the session of the Senate last Monday the Senate passed Senate bill 2363, to provide for the exchange between the United States and the Union Terminal Co. of certain properties in connection with the parcel post building site at Dallas, Tex. On the same day the House passed House bill 6910, bearing the same title.

I ask that the Chair lay the House bill before the Senate, and then I shall ask unanimous consent for the immediate consideration of the House bill.

The VICE PRESIDENT laid before the Senate the bill (H. R. 6910) to provide for the exchange between the United States and the Union Terminal Co. of certain properties in connection with the parcel post building site at Dallas, Tex., which was read twice by its title.

Mr. CONNALLY. I now ask unanimous consent for the immediate consideration of the House bill.

There being no objection, House bill 6910 was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized, in his discretion, to convey by the usual quitclaim deed to the Union Terminal Co., a corporation organized and existing under the laws of the State of Texas, upon such terms and conditions as the Secretary of the Treasury may deem to be to the best interests of the United States, the following-described piece or parcel of land forming a part of the Dallas (Tex.) Parcel Post Building site:

Beginning at the point of intersection of the easterly line of what was formerly Broadway Street with the center line of what was formerly Jackson Street; thence westerly with the center line of what was formerly Jackson Street 40 feet to the center line of what was formerly Broadway Street; thence northerly with the center line of what was formerly Broadway Street 120 feet to the point of intersection of the center line of what was formerly Broadway Street with a straight line extending from the point of intersection of the southerly line of Commerce Street with the westerly line of what was formerly Broadway Street to the point of intersection of the easterly line of what was formerly Broadway Street with the center line of what was formerly Jackson Street; thence in a southeasterly direction 126.49 feet along said last-mentioned straight line to the place of beginning; in exchange for the following-described two parcels of land in the city of Dallas, Tex.:

Beginning at the intersection of the westerly line of Houston Street with the center line of what was formerly Jackson Street; thence westerly along the center line of what was formerly Jackson Street 120 feet; thence southerly parallel with the westerly line of Houston Street 28 feet; thence easterly parallel with the southerly line of what was formerly Jackson Street 120 feet to the westerly line of Houston Street; thence northerly with the westerly line of Houston Street 28 feet to the place of beginning; and

Beginning at the point of intersection of the center line of what was formerly Broadway Street with a straight line extending from the point of intersection of the southerly line of Commerce Street with the west line of what was formerly Broadway Street to the point of intersection of the east line of what was formerly Broadway Street, with the center line of what was formerly Jackson Street; thence in a northwesterly direction in a straight line 126.49 feet to the point of intersection of the southerly line of Commerce Street with the westerly line of what was formerly Broadway Street; thence easterly with the southerly line of Commerce Street 40 feet to the center line of what was formerly Broadway Street; thence southerly with the center line of what was formerly Broadway Street 120 feet to the place of beginning; when a valid title to the last-described two parcels of land has become vested in the United States and has been approved by the Attorney General.

THE PRESIDENT AND THE COURT—ADDRESS BY SENATOR COPELAND

[Mr. BRIDGES asked and obtained leave to have printed in the RECORD an address on the subject The President and the Court, delivered by Senator COPELAND at Dartmouth College, Hanover, N. H., on Apr. 16, 1937, which appears in the Appendix.]

REORGANIZATION OF THE FEDERAL JUDICIARY—ARTICLE BY MSGR. JOHN A. RYAN

[Mr. ROBINSON asked and obtained leave to have printed in the RECORD a brief statement published in the Commonweal, of the issue of Apr. 16, 1937, by Msgr. John A. Ryan,

relating to the proposal to enlarge the Supreme Court, which appears in the Appendix.]

THE UNITED STATES SUPREME COURT—ARTICLE BY HENRY M. HART, JR.

[Mr. BULKLEY asked and obtained leave to have printed in the RECORD an article appearing in the Harvard Alumni Bulletin on Apr. 16, 1937, written by Henry M. Hart, Jr., entitled "The United States Supreme Court, an Argument on the President's Side", which appears in the Appendix.]

MILITARY CONTROL OF C. C. C. CAMPS—ARTICLE BY O. G. VILLARD

[Mr. FRAZIER asked and obtained leave to have printed in the RECORD an article on the subject of the Military Control of C. C. C. Camps, by Oswald Garrison Villard, which appears in the Appendix.]

RADIO AND THE LAW—ADDRESS BY G. H. PAYNE

[Mr. BARKLEY asked and obtained leave to have printed in the RECORD an address entitled "Radio and the Law", delivered on Apr. 30, 1937, at New York City, by Commissioner George Henry Payne before the New York Chapter of the National Lawyers' Guild, which appears in the Appendix.]

PAYMENTS UNDER SOIL CONSERVATION AND DOMESTIC ALLOTMENT ACT

The Senate resumed the consideration of the bill (H. R. 3687) to extend the period during which the purposes specified in section 7 (a) of the Soil Conservation and Domestic Allotment Act may be carried out by payments by the Secretary of Agriculture to producers.

Mr. SMITH. Mr. President, I think perhaps a brief explanation of just why this bill is proposed should be made.

Directly after the decision of the Supreme Court in the Triple A case, it was thought important, and almost imperative, to have the real beneficial elements of that act embodied in a measure which would meet the test of the Court. That act included a measure which was already on the statute books, namely, the Soil Conservation Act, which was already operative, in conjunction with certain other features that were necessary for the preservation not only of the soil but, as far as possible and as rapidly as possible, to reforest the watersheds of our streams in order to stop the devastating effects of their overflow upon the lower levels.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. SMITH. I yield.

Mr. TYDINGS. As the Senator is explaining the bill—and I am very much interested in his explanation—I will suggest that I notice that it proposes an amendment the effect of which will be to continue the existing law until 1942. But for the amendment, as I understand, the present law would expire on January 1, 1938.

Mr. SMITH. I am coming to that.

Mr. TYDINGS. I hope the Senator, in his explanation, will tell us why the 4-year extension was inserted in lieu of the shorter one.

Mr. SMITH. Under the terms of the law—and I take it for granted that most Senators are familiar with its terms—it was provided that up to January 1938 the administration of the measure would be wholly in the hands of the Federal Government, pending the adoption of certain enabling acts by the several States. When a State passed such an act the State and its counties would then be responsible for the entire administration of the law.

I have a list of the States which have qualified. In several of the States the legislatures meet only once in each 4 years and, therefore, they have been unable to qualify under the terms of the act. For that reason the administration has asked that the time for the States to qualify be extended to 1942. When they shall have qualified under the terms set forth in the bill then the program comes entirely under the jurisdiction and administration of the States.

Mr. TYDINGS. Mr. President, will the Senator yield for another question?

The VICE PRESIDENT. Does the Senator from South Carolina yield further to the Senator from Maryland?

Mr. SMITH. I yield.

Mr. TYDINGS. I wonder if the Committee on Agriculture and Forestry has considered ways and means of effecting a more equable distribution of these benefits to the States on the basis of some plan similar to that which carries Federal aid for highways. As I recall, in some States almost all the farmers came in for benefits or soil-conservation payments. In other States the percentage of farmers obtaining benefits was smaller. It occurs to me that in taking money from the Federal Treasury and distributing it for agricultural purposes in the nature of benefits to the farmers, it would be the part of wisdom if the expenditures were made so that no one State would have too great and no one State too little of the benefits provided by the act.

Mr. SMITH. Mr. President, in the administration of the terms of an act which contains so many elements affecting the farmers, it is almost impossible to draw an exact balance as between the States; but I unhesitatingly say that the operation of the act during the past 2 years has aroused great interest in the preservation and conservation of the soil, in preventing erosion and protecting land from streams which overflow their banks.

The administration has started out constructively to administer the act. The feature which appeals to me more than any other is that the act will not be applicable, and benefit payments under it cease if the State itself does not, by an enabling act, come into the picture and administer the act itself. It is a recognition of the fundamental principle of State rights.

Mr. TYDINGS. Mr. President, will the Senator yield again?

Mr. SMITH. Certainly.

Mr. TYDINGS. Is it contemplated that when the original act shall have expired by reason of the limitation set forth in the act, thereafter the States shall raise the money to carry on the program, or shall the Federal Government raise it and have the States administer it, or are they to raise it jointly?

Mr. SMITH. They are to raise it jointly.

Mr. TYDINGS. On what percentage basis?

Mr. SMITH. That is not contemplated in the bill. The original amount which the Government obligated itself to supply will continue to be supplied so long as the program continues or so long as may be necessary. Senators can readily see that in some States, in the course of time, so far as soil erosion is concerned, the program will be completed; that so far as reforestation of the watersheds of rivers is concerned, that work will be completed; and so far as the educational program relates to the kind of soil-binding crops to plant, that part of the program will be completed.

It is an intensely educational program in that under the supervision of those who really study the chemicals of the soil the farmers may obtain correct and exact information as to what best to plant. I have been a farmer all my life, and I did not know why certain parts of my land would produce one crop better than another. An analysis of the soil will indicate what is necessary to plant in order to secure the elements which may be lacking in that particular soil. In addition to that there are certain lands that should not be cultivated. The program goes into every element of practical education by physical demonstration.

I know some excesses have been committed under the act, some things done that ought not to have been done. However, the Senate itself has done many things it had no business to do, but did nevertheless. When we embark upon a soil-conservation program which is so essential to the preservation of two of our great resources, namely, the farms and the farmers, we ought all to cooperate to see that the farmer has every advantage that legitimately can be given to him.

Mr. VANDENBERG. Mr. President, may I ask the Senator a question?

The PRESIDENT pro tempore. Does the Senator from South Carolina yield to the Senator from Michigan?

Mr. SMITH. I yield.

Mr. VANDENBERG. Is there under consideration before the Senator's committee another farm relief bill embodying a very ambitious program?

Mr. SMITH. No; we have not such a bill before our committee as a bill, but yesterday a number of gentlemen who appeared before the committee submitted to us a proposed form of bill—that is, one which they contemplate asking to have introduced—but I take it that the Senate will scrutinize any such measure and exercise its judgment as to its practicability.

Mr. VANDENBERG. Such a program as that would inevitably link in with a soil-erosion program; but would it supersede the soil-erosion program?

Mr. SMITH. So far as I was able to grasp just what the proposed bill meant, I believe it does not enter the field of this particular soil-erosion program. I believe no conservation of soil is contemplated by that proposal. I think it is more in the nature of a marketing plan.

Mr. VANDENBERG. I wish to submit a query to the Senator which relates to a problem that is a conundrum to me. If we are still experimenting in respect to our farm legislation, why should we extend this particular law for 4 years when the new program, it would seem to me, inevitably must synchronize with the old one? Why not do it all at once? Why take the 4-year leap at the present time in respect to this particular program?

Mr. SMITH. Because we have had 2 years' experiment with the present program, and it is a practical program. It remains to be seen whether, in our judgment, the other plan ought to be considered or adopted. The present plan has been tried for 2 years and has proven a success. Why not extend it until all the States may have an opportunity to have their legislatures pass enabling acts so they may come in under the program, and then carry on the program under the auspices of the respective States?

Mr. FRAZIER. Mr. President——

The PRESIDENT pro tempore. Does the Senator from South Carolina yield to the Senator from North Dakota?

Mr. SMITH. I yield.

Mr. FRAZIER. I want to say in fairness to the group which appeared before the Committee on Agriculture and Forestry yesterday that in the new bill which they discussed, only four or five farm products are covered. There is a specific provision that soil conservation, if the soil-conservation law should remain in effect, shall not apply to those four or five products. The payments under the Soil Conservation Act would not go to the producers of those particular products.

Mr. VANDENBERG. Mr. President——

Mr. SMITH. I yield to the Senator from Michigan.

Mr. VANDENBERG. Am I to understand that the proposed bill which we are rather vaguely discussing is presented solely on the responsibility of the farm organizations, or is it presented also on the recommendation and with the approval of the Department of Agriculture?

Mr. FRAZIER. As I understand, the Secretary of Agriculture sometime ago called in leaders of the farm group for a discussion and conference on farm problems. The bill which has been mentioned is the outgrowth of that conference. As nearly as I can understand, it was sponsored by the American Farm Bureau Federation.

Mr. VANDENBERG. And not by the Department of Agriculture?

Mr. FRAZIER. I do not know. There was nothing yesterday to indicate that it is sponsored by the Department of Agriculture.

Mr. SMITH. Mr. President, I desire to say that as a practical farmer I heartily endorse the principles incorporated in the act which the pending bill proposes to extend. I have seen its beneficial effects around me, and I hope we shall not take any backward step. The Government is educating the farmers as they have never been educated before as to the methods of conserving their soil, improving its fertility, and getting better returns from the portion which they cultivate.

Mr. TYDINGS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from South Carolina yield to the Senator from Maryland?

Mr. SMITH. Yes.

Mr. TYDINGS. Of course, we could extend the present act for 1 year, and another Congress could extend it for another year, and we could extend it yearly for as long a time as we desired. I point out to the Senator, however, that under the present bill we not only extend the soil-conservation part of the act for 4 years, but we also extend the allotment plan for 4 years. I wondered if the committee had separated what might be called permanent soil-conservation work from benefit-payment work.

Mr. SMITH. If the Senator were as familiar with the character of the farms and farmers in all sections of the country as I am with the character of those in the Southeast, he would realize that the allotment plan fits in splendidly with the soil-erosion and soil-conservation idea. A great many farmers have land which, no matter how poor it is, is all they have, and they have to make something on it. Under the act which it is proposed to extend the Government says to them, "If you will discontinue raising crops for market on a certain percentage of the area of that land we will make you an allotment and give you a benefit payment and prove to you that by planting certain things you cannot market, but certain things for improvement of the soil, your action will repay you in years to come."

That is being done all over my section of the country. I think the allotment plan fits in splendidly with this whole scheme.

Mr. McNARY. Mr. President, I desire to speak briefly in answer to some of the suggestions made by the able Senator from South Carolina [Mr. SMITH], the chairman of the Committee on Agriculture and Forestry.

The Soil Conservation Act to which the Senator refers was builded upon the old A. A. A. Act, which was held unconstitutional by the Supreme Court. I opposed the Soil Conservation Act when it was before the Senate 2 years ago upon the theory that the principles involved in it fell clearly within the same category as the provisions of the Agricultural Adjustment Act which the Supreme Court had specifically declared to be unconstitutional, and therefore the Soil Conservation Act could not stand the constitutional test. I think, as Mr. Justice Roberts said, that the Agricultural Adjustment Act invaded the sacred rights of the States. I assume that to be the law of this case and the law of the country at the present time. It has not yet been overturned.

Mr. President, the Soil Conservation Act provides for the payment of benefits, even though they carry a different name. In my opinion, there is no way in which that act can be differentiated from the Agricultural Adjustment Act in that respect. It is true that under the Soil Conservation Act there has been some planting of legumes and other soil-conserving crops. That was incidental to the main purpose, however, which was to give benefits to farmers, prevent surpluses, and control production. I think no one will rise in the Senate and disagree with the frank statement I have made.

I should not oppose this proposal if it were to extend the present act for 2 years; but I see no reason for going forward with this program definitely for 4 years.

That brings me to the particular reason I have in mind, which is quite apart from my view that the Soil Conservation Act flies in the face of the decision of the Supreme Court.

Yesterday there was laid on my desk a bill and an explanation thereof; and hurriedly, in the afternoon, the Senate Committee on Agriculture and Forestry was summoned to listen to advocates of that measure. I was not able to be present, but I took home last evening the bill and the explanation of it, and read them with some care. The purpose of that bill is to give farmers a parity price, which means that

the years 1914–19 are taken as the base period, and the prices derived during that period are specified as those which the farmer shall receive. The bill goes further, however, and provides that the farmer shall receive for his product a price corresponding to that which he pays for the articles he uses.

To a certain extent that was the theory of the McNary-Haugen bill with reference to the domestic consumption of farm products. This theory now is carried further, to provide for an ever-normal granary. That simply means that we shall at all times maintain in granary, in storage, sufficient of the basic commodities so that there will never be a shortage. If there is a surplus, the tariff on those commodities is to be increased 10 percent. If there is a deficit, the tariff is to be lowered 10 percent. That brings in a tariff proposal which is entirely unique in legislation of this kind.

The purpose of the bill to which I refer is to fix the price which the farmer shall receive for his products. I shall not go into a full discussion of that subject, though it is a rather pleasing one to contemplate from the standpoint of the agriculturist. The question which disturbs me at this time is, Why should we continue the present plan for 4 years when we all know that we now have before the committee a plan that will be brought out at this session of Congress, the nature of which I have stated?

Mr. President, the plan to which I refer was sponsored by the three farm organizations headed by the Farm Bureau Federation. These organizations for many years have faithfully and courageously labored in behalf of legislation beneficial to the farmer. They have worked out this proposition, in my judgment, in cooperation with the Department of Agriculture; if not with the cooperation of the Secretary of Agriculture himself, at least with the cooperation of those who are in his organization. The bill also provides for a system of erosion control, precisely as does the measure now called the Erosion Act. It provides for benefit payments. It goes farther than the Erosion Act, however, and provides that the Government shall make contracts with farmers who may receive benefits, a procedure which was held unlawful in the old Agricultural Adjustment Act.

So, Mr. President, in my judgment we shall soon find before the Congress, as we now find before the House committee and the Senate committee, a bill incorporating the main provisions of the Agricultural Adjustment Act and the main provisions of the Soil Erosion Act. That bill has had the approval of the farm organizations. In my judgment it has the approval of the technicians and technologists in the Department of Agriculture.

In view of that situation I appeal to the able chairman of the committee and ask him why we should now be legislating for 4 years along a line which, in my opinion, will be superseded within 4 weeks? If not, there will be a very great effort to bring that bill here; and I shall discuss it quite at length at that time.

I have no particular objection to the extension of the present act for 2 years, because we are in the middle of the stream. I opposed the act originally for reasons which to me were fundamental, both in law and in the philosophy of legislation that affects the farmers of the country. I should not at this time vote against a 2-year proposal, because contracts have been made, though they are not called contracts. They are sympathetic arrangements between the farmer who practices erosion control and the officials of the Department of Agriculture, but nevertheless they are just as effective as contracts. That is how Congress seemingly has avoided the decision of the Supreme Court.

In view of the statement I have made that there is before the committee headed by the able Senator from South Carolina a bill which embodies all the features of the pending bill, plus many of the features of the old Agricultural Adjustment Act, I appeal to him that we should not at this time legislate definitely for a period of 4 years upon a subject matter that is to be treated in its entirety in a separate bill during the present session of Congress.

Mr. SMITH. Mr. President, I do not know, except from what was said before the committee yesterday, just from what source the proposed bill to which the Senator from Oregon refers has come, or just how far it may go. I take it that there will be hearings before our committee on that bill and on other legislation that is proposed. I recognize that the Senator is correct when he says that certain features of that bill will duplicate some features of this bill.

Mr. President, in view of the statement of the ranking member of my committee, I think perhaps I should be willing to accept a 2-year limitation and let the matter go to conference.

Mr. NORRIS. Mr. President, will the Senator from Oregon yield to me for a suggestion?

Mr. McNARY. Certainly.

Mr. NORRIS. I think all Senators are in agreement as to the desirability of accomplishing the object of these measures. I wish to suggest, however, that the bill of which both Senators speak as having been discussed yesterday by the Committee on Agriculture and Forestry has not yet been introduced either in the House or in the Senate. I never heard of it until yesterday, when I was present at the meeting of the committee.

So far as I was able to go into the matter, I was very favorably impressed with the bill; but at this moment, in view of the slight knowledge I have regarding it, I should not be willing even to pledge myself to the support of the bill. I realize that the bill, not yet having been introduced, and being a rather novel way of controlling the surplus farm-product situation, one that is rather new to me, it is deserving of very candid and careful consideration. Both Senators know that there is a long road ahead before the bill can become a law. It may not become law. It may not be passed at the present session.

Would not such a compromise as I am about to suggest be agreeable? Let the provision as to 4 years remain in the bill, with the understanding that if the other bill shall come before us for consideration, and there is found probability of a duplication of authority, an amendment will be adopted which will change the 4-year extension perhaps to 2 years, or 1 year, or 3 years; or we could repeal the provision altogether, if we desired. But at this time we do not know whether the other bill will ever become a law and we are not fully informed, or at least I am not, with respect to it, because I never read the bill until the examination I made of it during the hearing of the witnesses to whom I wanted to listen. I tried to read the bill at the same time so that a very unsatisfactory opinion was formed in my mind about it.

No one wants duplication of authority. I am sure the committee does not want it. I do not know of anyone who wants it. But perhaps the danger of such duplication is overestimated, because the administration of both laws, as I understand, will be under the control of the Secretary of Agriculture.

If it shall be found, upon a closer examination of the other bill, if it shall finally be passed, that it will do the work which is contemplated in the pending bill, we can remedy the situation when we pass the bill, even by repealing this one, if we desire, or modifying it in some way. I am satisfied that there will be no objection to that, because everyone who is interested is anxious, I take it, that something be done, but that there should be no duplication under the two different laws. At the present time we are discussing a measure of which we have no jurisdiction; an interesting proposal, it is true, but we have not had time to study it or to make a full examination of it, or even to read it. It has never been introduced.

Mr. SCHWELLENBACH. Mr. President, I should like to ask the Senator from Nebraska a question. It is my understanding, from a slight acquaintance made with the bill yesterday, that the only reference in it to soil conservation is the elimination of title I, so far as certain basic commodities are concerned. I cannot see any basis for the argument that the introduction of the proposed bill should in any way interfere with the enactment of the pending measure.

Mr. NORRIS. I should not think it would, from what little I know about it. I do not claim to know very much about it, because my opportunity to examine it or hear it discussed has been very limited indeed.

I appeal to the Senator from Oregon and to the Senator from South Carolina, why not let the provision for the 4-year period remain in the bill, with the understanding that if the other bill shall be passed, and if, when we do pass it, we shall find any conflict between the two measures we will remedy the matter then. If we undertake to remedy it now, we will be in an uncertain field, because no one knows whether or not the suggested bill will ever become a law.

Mr. SMITH. If the Senator from Oregon, who has the floor, will allow me, I may state that I have been informed that the proponents of the proposed bill, the one which has not yet been introduced, endorse the pending measure, which is not a component part of the suggested bill, but is very essential in the general farm program.

Mr. McNARY. Mr. President, I have not had any means of ascertaining the facts underlying the proposal that was discussed before the Senate Committee on Agriculture on yesterday. But I am sure from what I read from day to day that these two bills cannot stand together, and it is not the purpose of the proponents of the bill that they should.

The ever-normal granary bill, as I am pleased to term it, is more comprehensive, and is based upon the conception that we can control surpluses and deficits and at the same time maintain an even level of production in order to avoid violent fluctuations in price, to the injury of the producer and to the penalty of the consumer. No such idea is covered in the bill before us. The suggested bill treats of contracts for benefit payments and erosion, exactly as does the pending bill. I shall stand on that declaration now and hereafter.

I think I know what is in the proposed bill. We know that bill is to be brought before the Senate. The press has faithfully disclosed from day to day that the bill will be introduced. If it is not a serious proposal, why is the able chairman of the committee holding hearings on something he does not believe will ever come before the Senate? He is too able and adroit, too good a farmer and statesman, to permit himself to be misled in that fashion.

Mr. SMITH. Mr. President, if there shall be found in the House of Representatives any who will introduce the bill—and I suppose their name is legion—and a similar bill is introduced in the Senate, it will not be a question of discretion on the part of the chairman of the committee; it will be a matter of discretion on the part of the committee. When a matter is of such importance as to engage the time of the able Senator from Oregon, of course we ought to have hearings, develop the facts, and then proceed with the wisdom that characterizes this body.

Mr. McNARY. Mr. President, I think it is the part of good judgment that I offer an amendment to strike out "1942" and insert "1940", and I feel that the able chairman of the committee is half persuaded to accept my suggestion. I hope I will not have to argue the proposal. It would give us 2 years to continue the soil-erosion program, and in the meantime we will add to the program by the introduction and passage of a bill immensely more comprehensive in character and purpose.

I appeal to the good judgment of the able chairman of the committee, and with that I submit the matter for the consideration of the Senate.

The PRESIDENT pro tempore. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 1, line 6, it is proposed to strike out "1942" and to insert "1940", on line 9 to strike out "1941" and insert "1939", and on page 2, line 6, to strike out "1942" and insert "1940."

Mr. TYDINGS. Mr. President, I hope the amendment of the Senator from Oregon will prevail, and I believe it is in the interest of the farmers themselves that it should prevail.

Extensive hearings were held on this bill in both the House and the Senate, and Senators who are interested will find, commencing at page 1206 of the House hearings and continuing through to page 1211 of the agricultural appropriation bill, the purposes for which this money was spent, the units for which it was spent, the amount per unit, and the States in which it was applicable.

Mr. HATCH. Mr. President, have hearings been held on this particular measure?

Mr. TYDINGS. Hearings were held concerning an appropriation to carry out this bill, and, as the Senator from New Mexico knows, to a large extent, the operation of the existing law is carried on by regulations rather than by specific provisions of the law itself. Practically every dollar that is expended of the $500,000,000 is being expended in accordance with the regulations promulgated by the Soil Conservation Service. Therefore, we have appropriated half a billion dollars and turned it over for a general purpose, and in the expenditure of that money the regulations promulgated by the Soil Conservation Service govern.

Let me show briefly, because it has been a hard task, what has happened. I do not want to be unduly critical. It has been difficult to provide a program which will apply to the entire country. But take the question of subsoiling, which is one of the most important soil-conservation activities, involving the attempt to eliminate surplus water from the soil. Water leaches the soil and carries off the fertilizer and carries off much of the topsoil, and so the Soil Conservation Service has properly concerned itself with what might be termed subsoiling, or underground drainage.

In carrying out that activity $2 an acre is allowed the farmer who will subsoil his farm. But only the farmers in Virginia and North Carolina can get the $2. If the work is done in Nebraska or Maryland or California the payment is not made. When interrogated as to why it was confined to the two States, Mr. Tolley said very frankly that in getting up the program they had largely taken the advice of the agricultural authorities in those States, namely, those in charge of the experiment stations, and so on. I asked him if he would not keep a list of the changes in this program to submit next year when he comes before us for another appropriation, because I felt that a field of administration existed there which could carry out the objectives of the act and at the same time be in the interest of wise expenditures.

I am not going to take the time of the Senate to read from the hearings. In one county in each of the two States of Tennessee and Kentucky a farmer is entitled to buy a cow upon certain terms. That privilege, however, is not granted to farmers in any other part of the country. If a farmer in the State of Delaware buys fertilizer he gets 75 cents an acre for putting the fertilizer on his land; but 10 miles west, in Maryland, if a farmer buys fertilizer and puts it on his land, instead of getting 75 cents an acre he gets a dollar an acre.

The Senators will find that there are certain provisions applicable to other States, which on the surface do not seem to have any rhyme or reason, but which could be applicable to the whole country.

I ask unanimous consent that at this point in my remarks there be printed in the RECORD the table commencing on page 1206 and continuing to page 1210, of the House hearings on the agricultural appropriation bill, headed, "Performance for which payment is to be made under the 1937 agricultural conservation program formulated pursuant to the provisions of the Soil Conservation and Domestic Allotment Act." In that table the practice is given, as well as the rate of payment to the area to which it is applicable.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The table is as follows:

Performance for which payment is to be made under the 1937 agricultural conservation program formulated pursuant to the provisions of the Soil Conservation and Domestic Allotment Act (Public, No. 461, 74th Cong.)

II. CLASS II OR SOIL-BUILDING PAYMENTS FOR CARRYING OUT APPROVED SOIL-BUILDING PRACTICES, THE CLASS II PAYMENT FOR ANY FARM IS LIMITED BY THE SOIL-BUILDING ALLOWANCE ESTABLISHED FOR THE FARM

Practice	Rate of payment	Area in which practice is applicable
A. General farm practices:		
(1) Seeding adapted perennial legumes	$1 to $4 per acre [1]	All States except Maine and Vermont.
(2) Seeding adapted biennial legumes	$1 to $3 per acre [2]	All States.
(3) Seeding annual legumes (except soybeans, cowpeas, and other summer legumes).	$1 to $2 per acre	Do.
(4) Seeding perennial grasses and grass and legume mixtures	$1 to $3.50 per acre	All States except Maine, Vermont, New Hampshire, Massachusetts, Rhode Island, Connecticut, and New Jersey.
(5) Planting of sod pieces of perennial grasses	$2.50 to $4 per acre	Western Texas and Oklahoma, Kansas, Colorado, New Mexico, and California.
(6) Green manure and cover crops plowed or disked under or (in some instances) left on the land.	$0.50 to $2.50 per acre [3]	All States in the northeast, east central, and southern regions and limited areas in the western region.
(7) (a) Renovation of perennial legumes	$2 per acre	Arizona and New Mexico.
(b) Disking in of alfalfa on irrigated land	$6 per acre	Oregon.
(8) Planting forest trees	$5 to $10 per acre	All States except Arizona and Rhode Island.
(9) Cultivating, protecting, and maintaining a stand of forest trees planted since Jan. 1, 1934.	$4 per acre	Nebraska and South Dakota; all States in western region except California, Arizona, and New Mexico.
(10) Improving the stand of forest trees by cutting weed trees, and thinning or pruning other trees.	$2.50 to $3 per acre	North central and east central regions, northeast region except Rhode Island, New Jersey, and Pennsylvania.
(11) Fencing livestock out of farm wood lots normally pastured.	10 to 20 cents per rod of fence	Northeast region except Rhode Island.
(12) Excluding livestock from maple-sugar orchards	$1 per acre	Vermont.
(13) Providing windbreaks on muck or sandy soils:		
(a) Shrubs	$1 per acre protected	New York.
(b) Rows of small grain	25 cents per acre protected	Do.
(c) Strips of small grain not less than 4 feet wide	1 cent per linear rod not to exceed 30 cents per acre.	California.
(14) Application of ground limestone or its equivalent to cropland or pasture land.	$1.25 to $5 per ton [4]	All States in the northeast, north central, east central, and southern regions and in Kansas, Oregon, and Washington in the western region.
(15) Application of superphosphate (16 percent) or its equivalent to soil-conserving crops or pasture.	50 cents per hundredweight	Southern region.
	60 cents per hundredweight	East central and north central regions and in Idaho, Kansas, Nevada, Oregon, Utah, and Washington.
	64 cents per hundredweight	Northeast region.
(16) Application of muriate of potash (50 percent) to soil-conserving crops or pasture.	75 cents per hundredweight	Delaware.
	$1 per hundredweight	North central region and Maryland, Virginia, West Virginia, and North Carolina.
	$1.50 per hundredweight	Northeast region.
(17) Application of nitrate of soda (16 percent) or its equivalent to soil-conserving crops or pasture.	64 cents per hundredweight	Maine, New Hampshire, Vermont, Massachusetts, New Jersey, and Pennsylvania.
(18) Application of manganese sulphate to soil-conserving crops or pasture.	$2 per hundredweight	Southern region.
(19) Application of basic slag to soil-conserving crops or pasture.	35 cents per hundredweight	Southern and north central regions.
(20) Application of gypsum to soil-conserving crops or pasture	62½ cents per hundredweight	5 counties in Minnesota.
	$1 per hundredweight	Idaho and Nevada.
(21) Terracing	40 cents per 100 linear feet	All States in southern, north central, east central, and western regions except West Virginia, Idaho, North Dakota, Oregon, Utah, and Washington.
(22) Gully control:		
(a) Constructing and maintaining permanent dams for diversion of flood waters or filling shallow gullies.	15 cents per cubic yard	California and Utah.
(b) Construction of straw checks in gullies	30 cents per 100 feet	Oregon.
(23) Subsoiling	$2 per acre	Virginia and North Carolina.
(24) Diking for floodwater diversion	$1 per acre	Montana.
(25) Approved summer fallowing	50 cents per acre	All States of western region except Arizona and California.
(26) Protected summer fallow, wind and water erosion control, and weed control:		
(a) Not basin listed	$1.50 per acre	Dry-land farms in Nebraska and South Dakota.
(b) Basin listed	$2 per acre	Do.
(27) Strip cropping and fallowing:		
(a) Alternate rows of sorghums or Sudan grass and fallow.	25 cents per acre	Western Texas and Oklahoma.
(b) Alternate strips of sorghums or Sudan grass and fallow.	35 cents per acre	Do.
(c) Alternate strips (equal width) of small grain or stubble and fallow.	50 cents per acre in fallow	Idaho, Oregon, and Washington.
(d) Alternate strips (equal width and on the contour) of small grains or stubble and fallow.	75 cents per acre in fallow	Idaho and Washington.
	$1 for each new acre in fallow	Oregon.
(e) Establishment of strip cropping and fallow	$1 per acre of crops or fallow, whichever is smaller.	Colorado, Kansas, Montana, North Dakota, and Wyoming.
(f) Contour strip cropping and fallow	$1 per acre in strip crops	New Mexico.
(g) Protected strip fallowing, wind and water erosion control, and weed control.	$2 per acre in fallow	Dry-land farms in Nebraska and South Dakota.
(28) Stripcropping	40 cents per acre	Do.
(29) Contour listing and fallow	$1 per acre	Arizona, California, Colorado, Kansas, Montana, New Mexico, and North Dakota.
(30) Contour listing	25 cents per acre	Western Texas and Oklahoma.
(31) Wind-erosion control	$1 per acre	Oregon.
(32) Growing sorghums, Sudan grass or millet as cover crops to control wind erosion.	$1 per acre	Western Texas and Oklahoma.
	$2 per acre	Colorado, Kansas, and New Mexico.
(33) Contour farming	25 cents per acre	Western Texas and Oklahoma.
	50 cents per acre	Kansas.
(34) Contour cultivation and stripcropping	$2 per acre	New York.
	do	Aroostook County, Maine.
(35) Contour listing of cropland in the process of natural reseeding to native pasture.	$1 per acre	Kansas, Colorado.
(36) Restoration of land to native grass by natural reseeding	25 cents per acre	Dryland farms in Nebraska and South Dakota; western Texas and Oklahoma; all of western region except Arizona and New Mexico.
(37) Restoration of noncrop plowable pastures by nongrazing for entire season.	40 cents per acre	North central region.
(38) Reseeding pastures	15 cents per pound	California.
	20 cents per pound	All other States in western region except Arizona and New Mexico.
(39) Contour furrowing pastures:		
(a) With dams at regular intervals in furrows	50 cents per acre	Colorado, Kansas, Wyoming, and dry-land farms in Nebraska and South Dakota.
	5 cents per 100 linear feet not to exceed $2 per acre.	California, Utah.
(b) Without dams in furrows	70 cents per acre occupied by furrows.	Southern region.
(40) Ridging pasture land	10 cents per 100 linear feet	Do.

[Footnotes at end of table]

Performance for which payment is to be made under the 1937 agricultural conservation program formulated pursuant to the provisions of the Soil Conservation and Domestic Allotment Act (Public, No. 461, 74th Cong.)—Continued

II. CLASS II OR SOIL-BUILDING PAYMENTS FOR CARRYING OUT APPROVED SOIL-BUILDING PRACTICES, THE CLASS II PAYMENT FOR ANY FARM IS LIMITED BY THE SOIL-BUILDING ALLOWANCE ESTABLISHED FOR THE FARM—continued

Practice	Rate of payment	Area in which practice is applicable
A. General farm practices—Continued.		
(41) Fall and winter listing	25 cents per acre	Colorado, Kansas, and Wyoming.
(42) Eradication of noxious perennial weeds:		
(a) Chemical treatment	$10 per acre	All of western region except Kansas and New Mexico.
(b) Periodic cultivation	$5 per acre	All of western region except Kansas.
(c) Flooding	do	California.
(43) Sod strips	$2 per acre	New York and Aroostook County, Maine.
(44) Developing farm map and comprehensive farm conservation plan.	$10 plus 5 cents per acre mapped, not to exceed $25.	New Hampshire, Massachusetts, Connecticut, and New Jersey.
(45) Providing garden and milk cow to supply home consumption needs on a farm where the county committee finds that sufficient food has not been produced on farm.	$10	Guilford County, N. C., and White County, Tenn. (experimental program counties).
(46) Border plantings	$1 per acre planted	New Mexico.
B. Special orchard and vineyard practices:		
(1) Application of mulching materials in orchards:		
(a) Nonleguminous straw	50 cents per ton	California.
(b) Leguminous straw	75 cents per ton	Do.
(c) Miscellaneous materials	$1 per ton	North central region; Kansas, Colorado.
	$2 per ton	East central region; northeast region except Pennsylvania, Oregon, Washington.
(2) Plowing or disking in winter cover crops:		
(a) Nonlegume	$1 per acre	North central region; Colorado, New Mexico, Arizona.
(b) Legume	$2 per acre	Colorado.
(3) Seeding winter cover crops	$1 per acre	North central region.
(4) Soybeans, cowpeas, etc., used as green manure or cover crops in orchards.	$2 per acre	North central region; Colorado.
(5) Renovating nonproductive orchard land by removing trees and stumps, leveling and establishing soil-conserving crops.	$5 per acre	California, Idaho, Oregon, and Washington.
	$10 per acre	New York and New Hampshire.
(6) Renovating nonproductive vineyards and establishing soil-conserving crops.	$4 per acre	California.
	$5 per acre	New York.
(7) Planting trees as a windbreak for orchards:		
(a) Single rows	25 cents per rod	California.
(b) Double rows	35 cents per rod	Do.
(8) Perennial legumes plowed under	$1 per acre	Utah and Nevada.
(9) Establishing leguminous cover crops in irrigated or subirrigated orchards.	$2 per acre	Montana.
(10) Applying sand to cranberry bogs:		
½ inch evenly distributed	$7.50 per acre	New Hampshire, Massachusetts, and New Jersey.
¾ inch evenly distributed	$11.25 per acre	Do.
1 inch evenly distributed	$15 per acre	Do.
(11) Applying not less than 200 pounds of nitrate of soda (16 percent) to sod or cover crops interplanted in orchards or vineyards and leaving such sod or cover crops in their entirety on the land.	$1 per acre	New York.
C. Special vegetable land practices:		
(1) Nonleguminous green manure crop on vegetable land	do	North central region; Kansas, Colorado, New Mexico, Arizona.
(2) Leguminous green manure crop on vegetable land	$2 per acre	North central region; Colorado.
(3) Nonleguminous green manure crop replacing soil-depleting crop on vegetable land.	do	North central and east central regions.
(4) Leguminous green manure crop replacing soil-depleting crop on vegetable land.	$4 per acre	Do.
(5) Nonleguminous green manure crop replacing vegetables on vegetable land.	$3 per acre	Northeast region.
(6) Leguminous crop replacing vegetables on vegetable land.	$5 per acre	Do.
D. Special range-land practices:		
(1) Natural reseeding of range land by—		
(a) Deferred grazing from beginning of vegetative growth until seed maturity.	½ of range allowance for ¼ of range land.	Western range area of Texas and Oklahoma.
	35 cents per month per animal unit of grazing capacity of ranch.	Western region except Wyoming.
	30 cents per month	Wyoming.
	60 percent of range allowance for ¼ of range land.	Western range area of Nebraska and South Dakota.
(b) Limited grazing	50 percent of range allowance	Do.
(2) Planting forest trees	$10 per acre	Nebraska and South Dakota.
(3) Cultivating and maintaining stand of forest trees	$4 per acre	Do.
(4) Contour furrowing:		
(a) With dams at regular intervals in furrows	50 cents per acre	Nebraska, South Dakota, and all States in western region except California and Nevada.
(b) Without dams in furrows	70 cents per acre occupied by furrows	Western range area of Texas and Oklahoma.
(5) Construction of reservoirs and dams	15 cents per cubic yard of fill or excavation.	All of western range area in 17 Western States.
(6) Development of springs or seeps	$50 per spring or seep	All States in western region.
(7) Digging wells to promote more even distribution of grazing.	$1 per foot of 4-inch pipe	Do.
	50 cents per foot of 2-inch pipe	North Dakota and Montana.
(8) Water spreading to prevent soil washing	10 cents per 100 linear feet	All States in western region and Texas and Oklahoma.
(9) Constructing fences where needed to carry out a range building practice.	30 cents per rod	All States in western region and western range area of Texas and Oklahoma.
(10) Reseeding range land	15 cents per pound	California.
	20 cents per pound	All States in western region except Oregon.
	$1 per acre	Oregon.
(11) Rodent control:		
(a) Prairie dogs	7½ cents per acre	Texas, Oklahoma, Arizona, Colorado, Kansas, Nevada, Montana, Utah, and Wyoming.
(b) Ground squirrels	6 cents per acre	Arizona, Colorado, Idaho, Nevada, New Mexico, Oregon, Washington, Montana, Utah, and Wyoming.
(c) Pocket gophers	15 cents per acre	Arizona, Colorado, Idaho, Nevada, New Mexico, Oregon, Washington, Utah, and Wyoming.
(d) Kangaroo rats	5 cents per acre	Texas and Oklahoma.
(12) Railing sagebrush	50 cents per acre	Idaho.
(13) Installing remote tanks or troughs to promote more even distribution of grazing.	$25 each	California.
(14) Spreader dams	15 cents per cubic yard	Texas and Oklahoma.
(15) Spreader terraces	40 cents per 100 linear feet	Do.

[Footnotes at end of table]

Performance for which payment is to be made under the 1937 agricultural conservation program formulated pursuant to the provisions of the Soil Conservation and Domestic Allotment Act (Public, No. 461, 74th Cong.)—Continued

II. CLASS II OR SOIL-BUILDING PAYMENTS FOR CARRYING OUT APPROVED SOIL-BUILDING PRACTICES, THE CLASS II PAYMENT FOR ANY FARM IS LIMITED BY THE SOIL-BUILDING ALLOWANCE ESTABLISHED FOR THE FARM—continued

Practice	Rate of payment	Area in which practice is applicable
D. Special range-land practices—Continued.		
(16) Rescuing range land from—		
(a) Prickly pear and cactus:		
Light infestation	50 cents per acre	Western range area of Texas and Oklahoma.
Medium infestation	75 cents per acre	Do.
Heavy infestation	$1 per acre	Do.
(b) Mesquit'e:		
Light infestation	50 cents per acre	Do.
Medium infestation	$1 per acre	Do.
Heavy infestation	$2 per acre	Do.
(c) Cedar:		
Light infestation	75 cents per acre	Do.
Medium infestation	$1 per acre	Do.
Heavy infestation	$1.50 per acre	Do.
(d) Lechuquilla: Heavy infestation	50 cents per acre	Do.

[1] The most common rate is $2.50 per acre, this being the rate for the seeding of alfalfa in all States except in the Northeast region, where the rate is $3. The $1 rate applies only to wild white clover in New York and white clover in the East Central region. The $4 rate applies throughout the Western region if a good stand of a perennial legume is obtained and the nurse crop, if any, is not harvested for grain or hay. This rate also applies under like conditions with respect to alfalfa on dry-land farms in Nebraska and South Dakota.

[2] The most common rates are $1.50 and $2 per acre. The $1 rate applies only to the seeding of sweetclover in the North Central and Western regions. The $3 rate applies only in the Western region and on dry-land farms in Nebraska and South Dakota when a good stand is obtained and the nurse crop, if any, is not harvested for grain or hay.

[3] The most common rate is $1 per acre for nonleguminous green manure and winter cover crops and $2 per acre for summer legumes used as green manure crops. The $0.50 rate applies only for special cover and green manure crops in limited areas of the Western region and the $2.50 rate applies to legumes used as green manure crops in the Northeast region.

[4] The rate varies with the fineness of the limestone used and the average cost of limestone in the area.

Mr. TYDINGS. Mr. President, if we continue this activity for 4 years, in my judgment there will not be as much effort made to spend this money wisely as if we shorten the time and during this formative or experimental period impress upon the Bureau the necessity of making the money go as far as possible and obtain the maximum amount of soil conservation. If Senators had been present in the committee where Mr. Tolley and his associates were present for a number of days, and if they could have heard the testimony, I am satisfied that they would have reached the conclusion I have just expressed.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. NORRIS. I wish to say to the Senator that my interruption is only for the purpose of trying to ascertain the facts. I think I am trying to accomplish the same thing the Senator from Maryland is trying to accomplish. We may disagree as to how it should be accomplished.

However, I should like to call the Senator's attention to one matter. He said, in substance, that if we should shorten the time it would have a tendency to bring about a better expenditure of the money than if the time were extended 4 years. The Senator may be entirely right in his contention; but, as I see the situation, such shorter extension would have the opposite effect. It seems to me it would have the effect of hurrying up the process, because those affected would realize that they could not get anything unless they got it within 2 years; and necessarily, in order to come within the 2-year limit, it would often happen that those in charge could not in any given case give the consideration that the matter deserved.

Mr. TYDINGS. Mr. President, I understand the Senator's point of view, but I do not agree with him. I do not believe the Senator would have reached that point of view had he been present during the hearings before the Appropriations Committee. I think all members of that committee who took part in interrogating the soil-conservation authorities did so with an idea of getting the best possible soil-conservation program.

There was general comment in the committee that there seemed to be a tremendous looseness in the expenditure of money by the soil-conservation authorities. I think that was excusable. It was due, of course, to the fact that they had this whole thing placed in their hands to apply to a country as large as our country, with no program before them, and they had to carry on and do the best they could. But it would be unfair to leave the Senate with the impression that the committee itself was satisfied with the way the money had been expended. It was far from satisfied. There was considerable sentiment in the committee that there should be a more definite program than the haphazard one which applies in many parts of the country.

I wish to deal again for a moment with the question of subsoiling. It is a simple matter. Subsoiling is just as important in Kentucky or Nebraska or Idaho or Maryland as it is in North Carolina or Virginia. Subsoiling may be very desirable in States other than Virginia and North Carolina; but in those States the farmer would not be encouraged to do it. There are no provisions in the regulations to reward the farmer if he does it in Nebraska; but if he does it in North Carolina or in Virginia he receives $2 per acre. Therefore, we cannot escape the conclusion that during the formative stage, when this program is being set up, Congress ought not to give too long a life to this bureau. Rather, we should keep them on their toes and be critical of this program, so that when it is finally adopted as a permanent thing it will be a sound program from beginning to end.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. NORRIS. I realize, as I think every other student must—and the Senator has in effect just now said it—that in putting this program into force in a country so large as ours, we cannot expect perfection. The program was a new one. The method of soil treatment in one locality is not applicable at all in another locality; so we would expect mistakes to be made. We would expect those in charge to make numerous experiments before they reached what they believed to be the right course. It seems to me that better results could be obtained if they had sufficient time ahead of them in which to carry out the program—4 years rather than 2 years.

I should like to call the attention of the Senator from Maryland to another matter. I understand that the proposed bill about which we have been talking and which has not as yet been introduced, applies only to some specific agricultural products.

Mr. SMITH. Mr. President, it applies to five agricultural products.

Mr. NORRIS. Five, I am told. I am a little embarrassed in trying to discuss the matter, because I confess I do not know much about the proposed bill. I have not had opportunity to examine it carefully. I think it is true of all the Senators that they have not had sufficient time to look into it fully.

The bill now before us is general in its terms. It is not confined to a few specific products. As I now remember—and again I desire to be corrected if I am wrong—the bill

which we discussed yesterday in the Committee on Agriculture and Forestry contains a provision which I cannot, of course, describe, but its general tenor is that when it goes into effect the specific agricultural products to which it applies are by its own terms eliminated from the other act. Is that correct?

Mr. SCHWELLENBACH. It applies to title I, which is the diversion portion; not to the other portion.

Mr. NORRIS. So I am not looking for any conflict of authority. I am not satisfied with the work done by the Soil Conservation Service up to date, of course. I do not think anyone is satisfied with it. However, I should hate to stop it. I think the results which have come from the efforts at soil conservation have shown that it is something we ought to continue for the security of American agriculture. I do not see that any possible harm could come from our legislating now without reference to the bill which we are all talking about, which has not as yet been introduced. When it is introduced, and if it shall pass, we shall have time to study all its provisions; and if there are any conflicts between the provisions of that bill and the one now before us, the time to eliminate such conflicts, as I see the matter, is when the other bill is before us for discussion.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. McNARY. Assuming the correctness of the logic of the Senator from Nebraska, that there is no harm in extending the time 4 years, what additional benefit will come from extending it 4 years rather than 2 years?

Mr. NORRIS. There will be 2 years' additional benefit.

Mr. McNARY. Could we not extend it 2 years?

Mr. NORRIS. Certainly we could; but if I were administering the law, and I were told that I had only 2 years for its administration, I should feel entirely differently than if I were told that I had 4 years in which to do it. The course which I should take would be very materially affected by the difference in time in which I had to carry out the provisions of the law.

Mr. TYDINGS. I do not believe the Senator from Nebraska gets the point I am trying to make. If the act is extended 4 years, those who are running the soil-conservation program will be continued in office 4 years, and will spend the money we give them. If the act is extended only for 2 years, they must justify their existence when given 2 more years over the additional year they have already had, and an incentive will be afforded them to provide the wisest and best kind of program they can.

Mr. HATCH. Mr. President, will the Speaker yield?

Mr. TYDINGS. I yield.

Mr. HATCH. At this point I desire to call a matter to the attention of the Senator from Maryland, because he has frequently spoken of extension of the act, referring thereby to an extension of the soil-conservation program, as I understand. This bill has nothing at all to do with the extension of the soil-conservation program. The soil-conservation program is already established as a permanent policy of the Government. The particular measure which we are discussing today relates only to whether it shall be continued under administration from Washington or whether it shall be turned back to the States.

Mr. TYDINGS. That is true.

Mr. HATCH. I am told that several of the States themselves have not as yet complied with the provisions of the act and passed statutes whereby they can go ahead and administer the program. So, in reality, the Soil Conservation Act is going to be continued either from Washington or from the States.

Mr. TYDINGS. Not necessarily so. It is quite likely that Congress may in time, if the States do not want to help out, enact some sort of an allotment bill which will make it necessary for the States to provide a certain amount of money in order to share the Federal benefits. However, the point is that there is no reason why everything that the Senator argues for cannot be accomplished in 2 years under this proposed extension just as well as it could be accomplished in 4 years, and better in 2 years than in 4 years.

Mr. HATCH. Mr. President, will the Senator yield for a moment further?

Mr. TYDINGS. I yield.

Mr. HATCH. If the Senator from Maryland means by that that the States may comply within the 2-year period he may be correct, and his argument on that point may be appropriate.

Mr. TYDINGS. The longer we postpone asking the States to comply the more difficult it is going to be to get the States to comply with the Federal soil conservation program.

Mr. HATCH. But pointing out, if the Senator will pardon one more interruption, the looseness and injustices in the administration of the act really has nothing to do with the bill pending before the Senate.

Mr. TYDINGS. No; the question is just how far are we going to extend the law, whether for 2 years or 4 years.

I am in favor of soil conservation; I should like to support any appropriation or policy which would eliminate "dust bowls" and other harmful and injurious conditions which occur in many parts of the country. I do not want to take much time, but I wish to go on record as supporting any sound program which will conserve the soil of America. However, I cannot help but feel—and I am not going to go into detail—that there has not been that sort of an approach, in the main, to the subject of soil conservation; and, after the extended hearings which have been held, I believe that if we will limit the time to 2 years, that those administering the law are going to put on pressure to develop a better soil conservation program than they will if we give them 4 years of life, because 4 years will extend into another administration, and the desire to make good and have the law again extended will be absent if we give them the 4-year period.

Mr. BORAH. Mr. President——

Mr. TYDINGS. I yield to the Senator from Idaho.

Mr. BORAH. The Senator's contention that the time should be limited to 2 years is really born of a desire to have an accounting upon the part of those who are executing the law at the end of 2 years; is it not?

Mr. TYDINGS. The Senator from Idaho is correct, for our examination disclosed that, in many respects, the program had very little continuity or general purpose to it. That is not said by way of criticism, for it was a new program, and it was too much to expect those administering it to perfect it in 1 year. But we have to keep after them to perfect it just as rapidly as they can, because a very large appropriation is involved, and it will do the very purposes for which the money is provided great disservice unless there can be brought to the support of the program, so far as possible, unanimous public approval.

Mr. CONNALLY. Mr. President, will the Senator yield for a question?

Mr. TYDINGS. I yield.

Mr. CONNALLY. I realize the deep interest of the Senator from Maryland in agriculture, and always listen to him with a great deal of satisfaction. I should like to ask the Senator, since this program is somewhat dependent upon the action of the States, does he not believe that 2 years would be too short a period in which to expect all the States to take appropriate action? It is well known that the legislatures in many of the States meet only once every 2 years, and is it not further almost obvious that, if we are to have a program, 2 years is a very short time? It is necessary to work out such programs by experimentation and study, and it seems to me, if we are going to prosecute such a program, that 4 years is much to be preferred over 2.

Mr. TYDINGS. I cannot agree with the Senator from Texas, because, if 2 years are insufficient the Congress can certainly extend the law 2 more years whenever there is sufficient sentiment behind it, and it is believed that the program is worth while. If we were faced with the proposition that it was necessary to take 2 years or 4 years, and that

would be the end of this program forever, then, I would adopt the philosophy of the Senator from Texas. But what is there to prevent Congress extending the period for 2 more years in 1940? In view of the few illustrations which I have given, which show that the program is not well formulated, and that the money is not being expended to the best advantage, will we not get better administration of this program by having an accounting every 2 years, and then curtailing it or enlarging it as circumstances and experience show to be wise?

Mr. CONNALLY. Will the Senator permit just one other interruption?

Mr. TYDINGS. I yield.

Mr. CONNALLY. The Senator says extend the law for 2 years, and then if we want to extend it we can extend it for 2 years more. That is very true. But what is the situation with regard to the bureau or department until it knows whether or not the law is going to be extended for 2 years? The Senator knows that those administering such laws are always in a state of excitement and uncertainty. Even now they will not talk to one about matters until they know what they are going to get for the fiscal year beginning next July. It seems to me that if we are going to get anything at all by reason of the experiment we have to give the department or the bureau a longer time, because they usually take two or three bites at it, and then back up and revise and modify and amend and then go ahead again. It seems to me that if we are to expect any substantial success from the program, we have got to give them 4 years instead of 2.

Mr. TYDINGS. My recollection is that the cost of administering this program—a sum which does not go to the farmers at all—is about $40,000,000. In other words, about 8 percent of the entire appropriation goes for salaries. That alone, it seems to me, is an expenditure greater than necessary to carry out this program, particularly when in many counties the farm organizations are voluntary and serve without pay. If we appropriate this huge sum of money, in my judgment—I may be wrong about it—and then give them 4 years to perfect this program, we are not going to get as economical administration or as sound administration of soil conservation as we would if those in charge knew they have got to come to Congress 2 years from now and make out a case and sustain the extension of the act.

Mr. POPE. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. POPE. It happened that I was present at the hearings before the Committee on Appropriations and heard the examination conducted by the Senator from Maryland.

Mr. TYDINGS. The Senator only heard a part of it; he was there only during one afternoon.

Mr. POPE. Does not the Senator feel that the kind of examination he conducted at that time and that which was conducted in the House afforded a very good check-up on the activities during the year? When the representatives of the soil-conservation program have to come before the Appropriations Committee in connection with their appropriations for the ensuing year, does not the Senator feel that such an examination as he himself conducted with reference to routine farming and subsoil and other matters is about the most effective check-up?

Mr. TYDINGS. The Senator is proving my case. That is the very reason I want another check up 2 years from now instead of 4. The Senator was at the committee hearing, waiting to be heard as a witness, and he himself knows that as a result of the committee's hearing in this matter many practices were uncovered which would best be eliminated, and that the soil-conservation authorities are going to try to work to those objectives. Now, if we do not have any check up for 4 years, we are going to lose what the Senator has just said was an advantage.

Mr. POPE. The point is that every year before the Appropriations Committee there would be just exactly the same careful check-up on their activities, whether the law is extended 2 years or 4 years. Each year they would give an accounting; there would be a complete check-up of their activities; and they could be called upon to explain their particular actions in connection with any feature of the program concerning which an explanation was desired. Therefore the matter of the extension for 2 years or 4 years, when we have such an annual examination, it seems to me, is not particularly in point or important.

Mr. TYDINGS. The Senator says an annual examination is a good thing but that there should be as few examinations as possible. I say if the annual examination is a good thing, let us have a complete reexamination in 2 years instead of 4 years. I am satisfied, as the Senator seems to be from the hearing which he attended, that from such examinations much good and very little evil comes.

Mr. SCHWELLENBACH. Mr. President, may I ask the Senator a question?

Mr. TYDINGS. I yield.

Mr. SCHWELLENBACH. I should like to have the Senator consider the subject from this point of view: Congress determined upon a policy; it determined, presumably, that the soil-conservation program is a good thing as a policy for the Government.

Mr. TYDINGS. That is correct.

Mr. SCHWELLENBACH. Whether or not it is properly administered, whether or not those administering it are doing the right thing in reference to it, is a question which the Senate and the Congress want to check upon annually. The medium of doing that is through the Appropriations Committee.

Mr. TYDINGS. I disagree with the Senator there. I believe the best medium of doing that is not the Appropriations Committee but is the Committee on Agriculture and Forestry, from which this very bill comes. This bill did not come from the Appropriations Committee. Our job there was to find out how much money was needed and what it was being spent for. The policy-making function should be that of the Committee on Agriculture and Forestry. Therefore, if we have such a check and have a hearing on the policy before that committee 2 years from now, in my judgment, it will serve a good purpose.

Let me say further—and then I will yield the floor—that I have not the slightest desire at this period to criticize the administration of the law up to date, for I know a big problem was presented for solution. Nor am I trying to oppose soil conservation; I want to further it; but I believe that by adopting the 2-year amendment Senators who are greatly interested in agriculture will be furthering the interest of their constituents and the interests of the country at one and the same time.

Mr. SCHWELLENBACH. Mr. President——

Mr. TYDINGS. I yield further to the Senator from Washington.

Mr. SCHWELLENBACH. In response to the argument of the Senator, I should like to submit a further thought. There has been considerable criticism of this administration by those who are opposed to the administration—and I might say that personally I think there is considerable ground for such criticism—to the effect that the administration does not have a policy which it follows through. Congress has enacted during the last 4 years many laws which have been of a temporary nature, and men engaged in business, men engaged in agriculture, and men engaged in other activities in this country, have complained from time to time that they never knew what the administration was going to do from one month to another.

Now we have adopted a soil-conservation program. It may be that the Department of Agriculture is 100-percent wrong in its method of administering that program, but the Congress believes—I think there is no Member of this body who does not believe—that in principle a soil-conservation program is wise. If we do not agree with the methods of its administration, it seems to me to be an absolutely fallacious way of handling the problem merely to say to those administering it, "We are going to have this program only for another 2 years." The best method of getting at defects in administration is the method pursued by the Committee on

Appropriations, of bringing the administrators of the act before the committee once a year and giving them a thorough going over, pointing out to them that if they do not administer the program properly they will not get money for it. But let us not constantly be telling the farmers of the country, "This is only a temporary program. Perhaps we are for soil conservation and perhaps we are not." If the fault lies with the administration, the power lies in this body to cure it by dealing directly with the administration, and, so far as the committees of the Senate are concerned, that power lies with the Appropriations Committee and not with the Committee on Agriculture and Forestry.

Mr. SMITH. Mr. President, I have listened with considerable interest to what the Senator from Maryland [Mr. TYDINGS] has had to say, but it seems to me we would be derelict in our duty if we did not have an accounting annually, no matter what may be the length of the life of the activity which we have authorized.

I am impressed with the fact that this is almost a pioneering project. What might be the proper method of conserving the soil in one section of our country might be absolutely wrong in another section. Subsoiling on tight clay land might cause a capillary attraction in one section of the country and be beneficial. On sandy land the opposite treatment would be required. Those who are charged with carrying out the program have a responsibility which anyone might well feel justified in shirking, for the reason that from the tropics to the arctic we are carrying on our agricultural work, and climate differs, rainfall varies, the humidity differs, and a thousand and one elements of which we are not advised are involved. We must treat each one as it is indicated it should be treated.

In the 2 years during which we gave the Federal Government authority to demonstrate to the States what might be done under the proposed program, we have had responses from 13 or 14 States, which is a marvelous showing. If we can authorize the Government to go ahead for 4 years, keeping strict account of the annual expenditures, in order that those States whose legislatures meet only once every 2 or 4 years may come under the program, we would in that time have so far carried the work forward as to make it national in scope, probably entered into by practically all of the States.

It might appear that we had some doubt as to the effectiveness and importance of the program if we limited it to 2 years. We have had 2 years in which to demonstrate that it is feasible and beneficial. Although mistakes have been made, we ought really to admit that those in charge of the program are doing their duty. Any of us attempting to carry forward a pioneering work are necessarily going to make mistakes. I believe those who have the program in charge, as I have seen it in operation in my State, are doing their very best to find not only the process by which soil conservation can best be carried on but through their experiments they are finding the best vegetation for the various kinds of soil, the best crop to be planted to bind the soil and to prevent erosion, and what is best to build up a depleted soil.

It seems to me, if we are convinced that the program is worth while, we can check up the administrators annually with good results. We ought, however, to give all the States an opportunity to come under the program.

Mr. BORAH. Mr. President——

The PRESIDENT pro tempore. Does the Senator from South Carolina yield to the Senator from Idaho?

Mr. SMITH. Certainly.

Mr. BORAH. I wish to ask the Senator what methods are available for checking up on them annually. I am not particularly concerned about the 2 years or the 4 years, because if the act is extended for 2 years, Congress will undoubtedly renew the extension; but I am interested to know whether or not there is to be any check upon those administering the act.

Mr. SMITH. I think it would be a good idea, either in this bill or in some other, to require all bureaus or agencies which are carrying on work of this nature to render an annual statement of their expenditures in considerable detail.

Mr. BORAH. I certainly think that is a sound suggestion.

Mr. SMITH. I think we ought to provide in the Soil Conservation Act, and in any other act involving the administration and expenditure of the money of the Government, that those administering the act and expending the money should be held to an annual accounting specifically setting forth how much has been spent and for what purposes.

Mr. VANDENBERG. Mr. President, I wish to comment very briefly upon the final exchange between the Senator from Idaho [Mr. BORAH] and the distinguished chairman of the Committee on Agriculture and Forestry, the Senator from South Carolina [Mr. SMITH]. That exchange touches a point which chiefly interests and challenges me in respect to expenditures under the so-called Soil Conservation Act and kindred payments under other blanket farm grants. When the appropriation item for soil conservation was pending a few days ago I took the liberty of presenting four or five very concrete and specific exhibits to the Senate which indicated that, at least in respect to those four or five specific exhibits and all others like them, the Soil Conservation Act may be a high-grade, first-class racket, and that all of us, including the responsible administrations, will wish to clean up any such exploitation as these exhibits seem to imply.

There seemed to be some complaints about my statement in some senatorial quarters. The able Senator from Washington [Mr. SCHWELLENBACH] insisted that I had produced only five witnesses out of several million who had received checks and therefore my case lacked cumulative merit. I think that begs the question. The Senator from Nebraska [Mr. NORRIS] insisted—and he may have been right—I was pursuing the wrong method; that I should quietly go down to the Department of Agriculture and present those exhibits and complaints and have them examined down there, lest in some insinuating way a prejudicial black eye should be given to the whole act because of a few unworthy and bad examples. It was further stated, and I agree, that the launching of this tremendous system suddenly and on a Nation-wide scale involved such ramifying responsibilities that there was bound to be some degree of errors despite all precaution to the contrary. This hazard, I may add, is inherent in all these lump-sum appropriations which ultimately depend upon administrative discretion for their disbursement.

Mr. President, I want to say this by way of supplement. I would not want a good cause—and a scientific attack upon soil erosion is a good cause—to be prejudiced unduly by a comparatively small percentage of bad administration and exploitation. I do not believe that will be the result of what I have done and what I intend to continue to do, because I think the best friend of a permanent soil-conservation program in the United States will be the one who insists that we have a soil-conservation program which clings to its pronounced purpose and is protected against all possible fraud. I think the best friend of a permanent, effective, and successful soil-conservation program will be the one who demands precisely the kind of public accounting, not quietly in the backroom of the Department of Agriculture, but publicly—the kind of accounting about which the Senator from Idaho [Mr. BORAH] and the Senator from South Carolina [Mr. SMITH] have been talking.

There is advantage in publicity. The Senator from Kentucky [Mr. BARKLEY] complained a little about the fact that evidently there was some publicity value being sought in the exhibits I presented the other day. There is very great advantage from publicity respecting any phase or degree of maladministration of public responsibility. Publicity puts all concerned on notice and on warning against a continuation of bad practice. One of the results of the publicity is that I am now beginning to receive more of the exhibits, so that the cumulative effect may even be impressive to my able friend the Senator from Washington [Mr. SCHWELLENBACH] when the roll is finally completed.

I wish to read one letter. That will satisfy me for this afternoon. This letter came to me this morning. I am not clear as to the precise bounty program to which it refers because there is some confusion on the subject. But it generally illuminates the dangers inherent in all of these general farm grants of which the Soil Erosion Act is the latest.

Mr. SCHWELLENBACH. Mr. President, will the Senator yield?

Mr. VANDENBERG. Certainly.

Mr. SCHWELLENBACH. Does the Senator mean to say he is going to read one letter a day from now on?

Mr. VANDENBERG. I cannot promise to confine myself within that limit until I know what the Supreme Court debate program is to be. [Laughter.]

This frank letter is from Sikeston, Mo. It is dated May 16, 1937, and is addressed to me:

DEAR SIR: I noticed in Mr. Frank R. Kent's column that you had information that farmers had received money for reducing their crop after they had harvested it. This is what I did in 1936. This is how I got it:

Some 10 days before election a man came to me on the street of Sikeston, told me he had some Government money for me. This was a great surprise to me, as I was not expecting any money. But he told me if I would go over to his car and sign a paper he would give me $15. So I went. I thought it best to read before I signed. So on reading I found it to be a contract to reduce my 1936 cotton crop. I told him I could use the money, but I did not see how I could reduce my 1936 crop when I already had it gathered and sold, but he assured me it would be all right, for he had $75 to be divided up among five of us on the same terms. So I signed and got the money. I would make this statement under oath if asked to do so.

Very respectfully,

G. W. ANDERSON.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER (Mr. SCHWELLENBACH in the chair). Does the Senator from Michigan yield to the Senator from Idaho?

Mr. VANDENBERG. I do.

Mr. BORAH. If Mr. Anderson is telling the truth, he ought to be brought to Washington and permitted to tell the truth under oath. If that kind of crooked work has been going on in regard to the public money, the G. W. Andersons ought to be here in Washington. This is the reason no progress can be made in reducing Government expenses. This incident discloses a crime and ought to be so treated.

Mr. VANDENBERG. I completely agree with that observation. The trouble is that there is only an occasional G. W. Anderson who will have courage enough and candor enough to step forward and tell what happened. We hear of case after case after case which we become reasonably sure is true, yet upon which we cannot get definite evidence, because these gentlemen frequently dislike to tell the story of this sort of a transaction.

Mr. SMITH. Mr. President——

Mr. VANDENBERG. I yield to the Senator from South Carolina.

Mr. SMITH. That certainly is the most astounding statement in connection with the allotment of benefit payments. I think the Senator ought to insist that not only Mr. Anderson but the officer who perpetrated that crime should be brought here and an example made because that incident certainly is beyond anything I have had brought to my attention.

A good many things have been done that ought not to have been done, but they did have some little semblance of complying with the law. This was an open, outright violation of the principles of the act. This man not only had not reduced his acreage, but he had made his crop and sold it; and then he got $15 because the officer had some money he wanted to give to somebody.

Mr. VANDENBERG. This case is not very much worse than some of those which I presented a few days ago and which did not seem to make very much of an impression on the Senate at that time. Furthermore, I remind the Senate that the able Senator from Maryland [Mr. TYDINGS] specifically stated in the hearings that Members of Congress had been invited to participate in benefits for doing nothing outside of the routine farming which would have been pursued regardless of the law. The Senator from Maryland has also said today that members of the Appropriations Committee have been very much dissatisfied with what he termed the looseness of the administration of some of these funds.

Mr. President, this sort of thing cannot be excused in the high and holy name of soil-erosion control; and I do not believe that the Department of Agriculture itself will have anything but complete reprobation for this sort of thing. I have a very high personal respect for the Secretary of Agriculture, regardless of how much I may disagree with him in respect of some of his political philosophy. I am perfectly sure that he would be outraged by such occurrences, precisely as are those who have discussed them here today.

I have sent to the Secretary of Agriculture several letters that have come to me heretofore, including those which I previously presented to the Senate. I shall also present this letter to the Secretary of Agriculture; and I am very hopeful that under the continuation of the soil-erosion and other kindred programs for the next fiscal year, during which time we almost literally give the Secretary of Agriculture something like $400,000,000 to distribute as he sees fit, some method may be devised to police this distribution and all similar distributions.

I desire to make it perfectly plain that I am not claiming for a moment that this sort of thing is typical of all soil-erosion and other benefit payments. I am perfectly sure it is not typical. I am perfectly sure that a majority of the payments are an honest effort to compensate for legitimate cooperation on the part of the farmer. That, however, is all the more reason why the rackets and the racketeers should be cleaned up.

Mr. BORAH. Mr. President, I do not see how this kind of thing can go on to any degree whatever without there being great looseness upon the part of those responsible for the distribution of the money and the administration of this law.

The man whose letter has been read by the Senator from Michigan [Mr. VANDENBERG] states that the person who approached him had a contract, and offered the contract to the writer of the letter for signature; that the person offering the contract had a certain amount of money to be distributed among other farmers and was willing that the writer of the letter should have his portion of it.

The man who had these contracts evidently was an agent representing the Government, and I assume that at some time or some place or other he was to make an accounting. It would seem to me that there must be a looseness which amounts almost to dereliction upon the part of those who are administering the law when such a man was permitted to travel over the country with contracts in one hand and money in the other for the purpose of buying whomsoever he thought it was possible to buy.

That is a matter which ought to be checked up. I do not agree with the doctrine that all this skullduggery and all this lawlessness and all this crookedness is down at the bottom. It cannot be possible. Somebody is responsible up toward the top. They may not know of the specific acts, but they know of the method by which these things are being carried on, if they have any system whatever.

I think Mr. Anderson ought to be brought here. I think the man who gave him the money ought to be identified. I think the responsibility ought to be fixed; and perhaps in some way or other we can stop some of this constant flowing of the people's money into the hands of those who have no right to have it.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oregon [Mr. MCNARY].

Mr. POPE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Copeland	Lee	Radcliffe
Ashurst	Davis	Lodge	Robinson
Austin	Dieterich	Logan	Russell
Bailey	Donahey	Lonergan	Schwartz
Barkley	Duffy	Lundeen	Schwellenbach
Berry	Ellender	McAdoo	Sheppard
Black	Frazier	McCarran	Smathers
Borah	Gillette	McGill	Smith
Bridges	Green	McKellar	Stelwer
Brown, Mich.	Hale	McNary	Thomas, Okla.
Brown, N. H.	Harrison	Maloney	Thomas, Utah
Bulkley	Hatch	Minton	Townsend
Bulow	Hayden	Moore	Truman
Burke	Herring	Murray	Tydings
Byrd	Hitchcock	Neely	Vandenberg
Byrnes	Holt	Norris	Van Nuys
Capper	Hughes	Nye	Wagner
Caraway	Johnson, Calif.	O'Mahoney	Walsh
Chavez	Johnson, Colo.	Overton	Wheeler
Clark	King	Pittman	White
Connally	La Follette	Pope	

The PRESIDING OFFICER. Eighty-three Senators having answered to their names, a quorum is present.

The question is on agreeing to the amendment offered by the Senator from Oregon [Mr. McNARY].

The amendment was rejected.

Mr. SMITH. Mr. President, I offer an amendment, which I send to the desk.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. It is proposed to add at the proper place the following proviso:

Provided, That an annual accounting shall be made to Congress as to the expenditures of this money and for what specific projects it was thus expended.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

HISTORY OF NAVIGATION ON THE TENNESSEE RIVER SYSTEM

The PRESIDING OFFICER laid before the Senate a message from the President of the United States, which was read, and, with the accompanying paper and report, referred to the Committee on Agriculture and Forestry and ordered to be printed, with the illustrations, as follows:

To the Congress of the United States:

I transmit herewith for the information of the Congress a letter from the Chairman of the Board of Directors of the Tennessee Valley Authority submitting a survey entitled "A History of Navigation on the Tennessee River and Its Tributaries", made pursuant to Executive Order No. 6161 (June 8, 1933), delegating to the Board certain powers granted to me by sections 22 and 23 of the Tennessee Valley Act of 1933.

The attention of the Congress is invited to the suggestion of the Board that the report be printed as a Senate or House document.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *May 19, 1937.*

MISSOURI RIVER BRIDGES

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 2076) to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Arrow Rock, Mo., which were, on page 1, line 7, after "1929", to insert "heretofore extended by acts of Congress approved April 15, 1932, and August 30, 1935", and on the same page, in line 7, after the word "hereby" to insert "further."

Mr. TRUMAN. I move that the Senate agree to the amendments of the House.

The motion was agreed to.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 2077) to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near St. Charles, Mo., which were, on page 1, line 7, after "1929", to insert "heretofore extended by act of Congress approved April 15, 1932, and August 30, 1935", and on the same page, in line 7, after "hereby", to insert "further."

Mr. TRUMAN. I move that the Senate agree to the amendments of the House.

The motion was agreed to.

CIVILIAN CONSERVATION CORPS

Mr. BLACK. I move that the Senate proceed to the consideration of House bill 6551, to establish a Civilian Conservation Corps, and for other purposes.

Mr. McNARY. Mr. President, may I ask the Senator from Alabama whether this bill is on the calendar?

Mr. BLACK. A similar Senate bill is on the calendar. The bill which passed the House has not been placed on the calendar.

Mr. McNARY. The House has passed a bill similar to the one pending in the Senate?

Mr. BLACK. The House has passed a similar bill.

Mr. McNARY. Is it the intention of the Senator to ask that the bill be considered this afternoon?

Mr. BLACK. Yes; that had been my intention. We can take it up, and if there shall be any objection, or if there shall be a desire to prolong the debate, we can let it go over.

Mr. ROBINSON. Mr. President, I should like to have the bill taken up and made the unfinished business. If the Senator from Oregon should desire that the measure be not disposed of this afternoon, let me say that it is my intention to move a session of the Senate tomorrow, when consideration of the bill may be resumed.

Mr. McNARY. If we should dispose of the bill today, would it be the desire of the Senator to have the Senate adjourn until Friday?

Mr. ROBINSON. I had thought that perhaps it would be better to meet tomorrow, and then, unless something unexpected should arise, we would be ready to adjourn for a longer time.

Mr. McNARY. Very well. That is a very generous statement on the part of the Senator. I think we might proceed to the consideration of the bill and then perhaps, if we are to have a session tomorrow, wait and have a final vote on the bill at that time.

Mr. ROBINSON. We will have a session tomorrow anyway.

Mr. McNARY. In the meantime the Senator from Alabama can cover the provisions of the bill in a statement.

Mr. BLACK. Mr. President, I shall have no objection. It is my belief that we could easily proceed to the final consideration of the bill this afternoon. There are very few controversial questions involved in it. I may be mistaken as to that.

Mr. McNARY. Let us proceed, and if there is a desire that consideration be postponed until tomorrow we can take that course.

Mr. BLACK. That is prefectly satisfactory to me.

The PRESIDING OFFICER. The question is on the motion of the Senator from Alabama that the Senate proceed to the consideration of House bill 6551.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 6551) to establish a Civilian Conservation Corps, and for other purposes.

Mr. BLACK. Mr. President, in order that we may proceed in the usual manner, and since there are some differences between the bill which passed the House and the Senate committee bill, and because the Senate Committee on Education and Labor has already reported a Senate bill from that committee, I now move that all after the enacting clause be stricken from the bill as it passed the House and that Senate bill 2102 as reported by the Senate Committee on Education and Labor be substituted.

Mr. FRAZIER. Mr. President, I for one would like to have an explanation as to the differences between the bills before that action is taken.

Mr. BLACK. I shall be very glad to state the differences. I may say to the Senator that after this amendment shall be agreed to, if the Senate shall agree to it, the bill will still be open to amendment. There are certain committee amendments which would have to be considered, and it would still be open to such other amendments as might be suggested.

The PRESIDING OFFICER. The Chair may say to the Senator from Alabama that he has been informed by the parliamentary clerk that if the motion of the Senator from Alabama shall be agreed to the bill will not then be open to further amendment.

Mr. BLACK. I do not wish to have it placed in that situation, because it is my desire to have the bill open for such amendment as the Senate may desire to make.

Mr. McNARY. Is it the desire of the Senator to ask that the House bill be laid before the Senate, and that all after the enacting clause be stricken out and the Senate committee bill substituted?

Mr. BLACK. That is my desire.

Mr. McNARY. If that were done, it would not come within the inhibition.

Mr. ROBINSON. The Senate committee bill would still be open to amendment.

Mr. BLACK. That was the motion I thought I made, and that is my purpose.

Mr. McNARY. I thought the motion was simply to proceed to the consideration of a given order of business on the calendar.

Mr. BLACK. I did make a motion that the Senate proceed to the consideration of House bill 6551, and that motion was agreed to.

I ask unanimous consent that all after the enacting clause of the bill as it passed the House be stricken out and that there be substituted for consideration Senate bill 2102 as reported by the Senate Committee on Education and Labor, with the understanding that the Senate will consider such amendments as have been offered or will be offered by the committee or by any Senator who desires to offer amendments. I am sure that will reach the question which has been raised.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. BLACK. I yield.

Mr. VANDENBERG. There is this difference, is there not, in the situation with which we are now confronted? As I understand, the bill which passed the House limits the extension to 2 years, and the Senate committee bill provides for a permanent status.

Mr. BLACK. That is one of the differences.

Mr. VANDENBERG. I am using that as an illustration.

Mr. BLACK. That is correct.

Mr. VANDENBERG. If we agreed to substitute the Senate committee bill would we not automatically agree in the first instance to the permanent establishment as distinguished from the 2-year extension?

Mr. BLACK. We would not, because I asked in my request, in order that there might be no question whatsoever about it, that the Senate bill as reported by the committee be substituted for the House bill and be considered by the Senate, with the understanding that it would be open both for committee amendment and such other amendments as might be suggested by Senators in the regular process of consideration.

Mr. VANDENBERG. But the 2-year problem will not arise unless a provision covering it shall be offered as an amendment to the Senate committee bill after the substitution.

Mr. BLACK. No, it would not; that is correct.

Mr. ROBINSON. The motion to proceed to the consideration of the House bill having been agreed to, the Senator from Alabama may make a motion to strike out all after the enacting clause and to insert the provisions of the Senate committee bill, in which event both the bill as it passed the House and the Senate committee bill would be subject to perfection by amendment. I make that suggestion to the Senator.

The PRESIDING OFFICER. Let the Chair state the parliamentary situation as the present occupant understands it. The Senator from Alabama moved to substitute the Senate committee bill for the bill which passed the House. Once that motion is adopted, the Senate committee bill will be an amendment to the bill as it passed the House, and that amendment having been adopted by the Senate cannot be perfected after that time. At any time while the Senate is considering the motion of the Senator from Alabama, the amendment which he proposes may be perfected by further amendment.

Mr. BLACK. Mr. President, I withdrew the motion I first made and simply asked unanimous consent, in order that everyone might perfectly understand the situation and in order that there might be no question that we substitute the Senate committee bill for the bill which passed the House, with the understanding that we would consider the Senate committee bill subject to any amendment which might be offered by the committee or by any Senator.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Alabama? The Chair hears none, and it is so ordered.

Mr. BLACK. Mr. President, it is not my intention to speak at any great length on the measure, as it has been reported by the committee or the measure as it was passed by the House. I shall briefly state the differences between the two bills. Then I shall be very happy to answer any questions which may be asked concerning them.

The first difference between the two measures will be found in the language appearing on page 1, in lines 5 and 6 of Senate bill 2102. The House bill provides for the creation of a Civilian Conservation Corps for the purpose of providing employment as well as vocational training. The Senate committee has recommended that the words "as well as vocational training" be stricken from the bill, and that there be substituted the words "and training for citizenship." I may state that, in my judgment, there is very little practical difference between the two proposals. Under either proposal, as I understand, the camps could continue the same vocational training and the same educational work in which they have been engaged in the past.

The first major difference between the two proposals is that under the Senate committee's recommendations the Civilian Conservation Corps is not limited to a 2-year continuance. The House, by vote after the bill was reported by the committee, limited the continuance of the corps to 2 years. So far as I can see, frankly speaking, there is very little difference between the two proposals along that line, for the reason that if we should establish a permanent Civilian Conservation Corps by law, at the end of 2 years both Houses could decline to make appropriations, and it would cease to exist, or at the end of 2 years the law could be repealed.

Certain advantages were thought by some of us to exist in connection with a permanent establishment of the camps. It is undoubtedly true that better plans could be made for purchases of goods, for mapping out a program of work, and for providing for the future activities of the camps, if it should be understood that they were not to be cut off at the expiration of 2 years. On the other hand, the argument was made in the House that it might not be desirable at the expiration of 2 years to continue this C. C. C. activity. So the House bill comes to us with a limitation of 2 years. That is the first major difference.

The second major difference—and perhaps that and the one to which I have just referred are the only real differences between the two proposals—relates to civil service. The House bill contains no provisions for civil-service employment in the corps. The Senate bill contains provisions for civil-service employment. It would authorize the employment of those who are now engaged in activities in connection with the corps upon a noncompetitive civil-service

examination. The House bill provides no civil-service requirements whatever.

Those two differences—first, as to the length of time the corps shall continue to exist; second, as to civil service—constitute the real major differences between the two measures.

Mr. LOGAN. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Kentucky?

Mr. BLACK. I yield.

Mr. LOGAN. I understood the Senator to say that those who are now employed may pass under civil service by taking the noncompetitive examination. What about those to be employed in the future? Must they come under civil service?

Mr. BLACK. They would come under the regular civil-service rule.

Mr. LOGAN. Let me make one other observation. Great troubles are occurring, growing out of the Civilian Conservation Corps, in one respect. Many of the C. C. C. boys are put in charge of trucks. They go rushing over the highways at the rate of 40, 50, or 60 miles an hour, and are injuring many persons. They are running many others off the roads. Would placing the employees upon a civil-service basis enable the Corps in some way to get competent truck drivers, or competent drivers of other vehicles?

Mr. BLACK. It is my judgment that it would.

Mr. LOGAN. I agree with the Senator.

I do know that that is a serious difficulty. Few persons, however, have any idea of the number of cases of damage and death that are caused by the Civilian Conservation Corps truck drivers. Almost every time the Claims Committee meet we have dozens of claims before us growing out of injuries caused by recklessness and carelessness on the part of the Civilian Conservation Corps drivers.

I hope that matter will be taken care of in some way. Of course, I favor the Senate feature with respect to the civil service over the House feature, and also the Senate feature making the corps permanent. I favor both provisions the Senator has mentioned as contained in the Senate bill over the House provisions.

Mr. BLACK. I agree with the Senator in favoring the Senate provisions over the House provisions. I also understand the seriousness of the other question which the Senator has raised, because, as a member of the Committee on Claims, I have not only had occasion to study cases involving injuries resulting from accidents happening in my own State, but cases involving injuries which have been inflicted by trucks in various parts of the country.

Of course, I understand, and so does the Senator from Kentucky, that it would be impossible to operate as many trucks as the corps must necessarily operate without some injuries resulting; but it has occurred to me that that is one of the loose features, if I may so express it, in connection with the operation of the corps, and that perhaps more attention should be given to obtaining competent drivers in order that fewer injuries may occur.

Mr. LOGAN. I fully agree with the Senator from Alabama on that point, and I believe it ought to be dwelt on considerably.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. BLACK. I yield.

Mr. VANDENBERG. I wish to ask the Senator about the changes which will be made in the existing C. C. C. law by this proposed new legislation. Are there not some substantial differences between the existing C. C. C. law and the proposed new legislation?

Mr. BLACK. The Senator will find that the differences are not very substantial, except as to placing the Civilian Conservation Corps on a permanent basis, and with respect to the civil-service feature. There are some other differences which the Senator will find outlined if he will glance at the short report made by the committee on the Senate bill.

Mr. VANDENBERG. I have one matter particularly in mind, and perhaps the Senator from Alabama can enlighten me with respect to it. As I understand, there had to be a basis of need in order to enroll in one of the present camps, and each member of a camp had to send home a certain sum of money.

Mr. BLACK. I was just coming to that particular paragraph.

Mr. VANDENBERG. That is what I wanted to know about.

Mr. BLACK. I shall be glad to explain that.

The Senator first refers to the fact that heretofore those in charge have limited enrollees to those who are on relief. The pending bill provides that the enrollees shall be secured from citizens of the United States who are unemployed and in needy circumstances. Thus, it will be seen that it is not required that they be actually on relief.

I may state to the Senator from Michigan that there was considerable opposition in the committee against thus broadening the scope for obtaining enrollees in the camps. An amendment was offered in the committee upon which the vote was very close. The amendment proposed to strike out the words "unemployed and in needy circumstances." A number of members of the committee felt that while it was most likely that enrollees would come from that group, it was hardly fair to put that requirement in the law.

They took the position that in some way someone might consider it a reflection, express or implied, upon the enrollee simply because he was unemployed and in need. On a vote, however, the committee did not accept that viewpoint.

It may be possible that that particular amendment will be offered again on the floor for a vote in the Senate. I do not know whether it will be offered or not. As the bill is now reported to the Senate, all that is necessary is that the applicant shall be unemployed and in need. It is not necessary that he be taken from the relief roll.

Following that up, if the Senator will look at the respective sections 9 of the two bills he will find another difference related to the subject and in line with his inquiry. The Senate bill in section 9 provides that:

> The compensation of enrollees shall be in accordance with schedules approved by the President, and enrollees shall be permitted, under such regulations as may be prescribed by the director, to make allotments of pay to dependents.

The House bill, on the contrary, provides that:

> And enrollees with dependent member or members of their families shall be required, under such regulations as may be prescribed by the director, to make allotments of pay to such dependents.

The difference is, therefore, that the Senate bill gives to the administrative officers of the corps the right to permit, under rules and regulations to be prescribed by them, such allotments to be made, while the House bill absolutely requires, as a matter of law, that such allotments be made to dependents.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. BLACK. I yield to the Senator from Texas.

Mr. CONNALLY. Most assuredly, if we are going to retain the unemployment and needy clauses, we ought to require the remission of money to dependents. I should like to say to the Senator, however, that I do not favor such a stringent requirement as to need as that provided in order that young men may be eligible to the C. C. C. camps because, if this is a good agency, I do not see why meritorious young men should be denied its advantages simply because they are not in need. I think there ought to be a liberal policy as to eligibility, but if enrollees are in need the inference is that their families are also in need, and they ought to be made to remit certain amounts to their parents.

Mr. BLACK. I may say to the Senator that possibly an amendment will be offered on the floor in line with the amendment that was offered in the committee to strike out the language that enrollees must be unemployed and in

need. Such an amendment was offered in the Senate committee, but was defeated.

Mr. CONNALLY. I would not be sure unless I heard the debate, but my inclination now is to support such an amendment.

Mr. BLACK. The objection to that proposal offered in the committee was that it might make it possible to take in a great number who were confronted by no necessity whatever, while others who really needed employment would be denied the opportunity to enter the camps.

Now, with reference to the difference between required and being permitted, the law with reference to the veterans has not required them to make allotments to their people at home. I assume that that is probably on the basis of the distinction just drawn by the Senator from Texas, that veterans are accepted as veterans and not merely because they are in need. So the law has not required heretofore that allotments be made to dependents back home; but in order to prevent conditions which may easily arise where numbers of men in the camps have at the end of a month or at the beginning of the next month $30 left, while others have allotted all but $5, those in charge of the administration of this agency have provided banking privileges with a department of the Government so that the members of the camps, in reality, obtain most of their pay at the end of the term, and they also obtain a part of their pay each month, as do other enrollees who have allotted a portion of their money to dependents back home. Those in charge of the administration of the camps believe that it is better to have an allotment made, and rules and regulations have been adopted for that purpose, and the allotments have been made. At the same time, they express the belief that circumstances and conditions might arise which would make it inadvisable at a particular time or place, on account of special conditions, to require a uniform allotment on the part of the enrollees. While they have heretofore required an allotment and have indicated that it is their intention to continue to require it, except under special circumstances and conditions, they do not believe, as expressed in their testimony, that it should be written into the law as an ironclad requirement. Frankly, I do not see that it is a matter of any great importance in connection with the entire subject, since they have heretofore required the allotment by regulation. The Senate bill, therefore, simply permits it to be done, while the House bill requires it to be done. That is the difference between the two bills in that regard.

There is one other section that was added in the House that is not in the Senate bill.

The House bill provides as to the pay of the enrollees that it "shall not exceed $30 per month", except as to 10 percent of the members "who may be designated as leaders, and who shall receive not more than $36 a month." It is also—

Provided further, That not to exceed 6 percent shall receive $45 as leaders.

It is my understanding that someone was fearful that unless a limitation was provided, hereafter there might be issued an order which would raise the compensation of the boys in the camps above $30, and therefore this ironclad limitation was placed in the bill. There is no such limitation in the Senate bill, although I know of no purpose at this time—none has been developed—to increase the compensation of the enrollees in the camps.

I may state with reference to the remainder of that limitation that I am informed it would be perfectly possible for the camps to continue their activities along the same lines they heretofore have followed if there should be adopted all this amendment, which provides that not more than 10 percent of the members of the corps may be designated as leaders, and which fixes their compensation and provides that a certain number shall receive not more than $45 a month. Personally, I see no reason to have that limitation in the bill, and it does not appear in the Senate bill.

There is one other very slight difference which occurs at the end of section 16 of the bill. That section provides for the first time for settlements to be made by the corps for injuries up to the amount of $500, which shall be final and conclusive if accepted by the claimants. In order to make it sure that the settlement must be accepted by the claimants, a slight amendment was made to the language of the bill as originally introduced and to the language of the bill as it appears in the House measure.

Those are the substantial differences between the two bills.

Mr. HUGHES. Mr. President, will the Senator yield?

Mr. BLACK. I yield.

Mr. HUGHES. I understood the Senator to say a settlement made by the court. What court?

Mr. BLACK. Not by a court but by the administrative officials of the Civilian Conservation Corps.

Mr. HUGHES. We have before the Committee on Claims many bills arising because of injuries due to Civilian Conservation Corps activities and, in my opinion, it would be an excellent thing if such claims could be passed on by someone familiar with the facts.

Mr. BLACK. I think the Senator is correct. Having passed on a number of such bills, I was anxious to extend that opportunity, but I did not desire that the language be possible of such construction that a claimant would be forced to accept a settlement which was offered to him by this agency of the Government. If the agency of the Government reaches the conclusion that a claimant is entitled to $400 damages by reason of the injury, and the claimant is willing to accept that sum, that will, of course, obviate the necessity of offering a bill in Congress. That is exactly what is provided in this measure.

These are, in reality, the differences between the House bill and the Senate bill. One of the chief differences between the bill as it is now presented and the original legislation is that under the pending Senate bill the Civilian Conservation Corps is to be permanent. There is also the change with reference to taking as enrollees those who are on relief rolls.

It is not my purpose to attempt to tell the Members of the Senate what the C. C. C. camps have done. It is my belief that all Senators are familiar with the C. C. C. program, which, in my judgment, has been one of the greatest achievements during the past 4 years. It has given young men, and will continue to give young men, between the ages of 17 and 23, and certain veterans, opportunity for employment which they would not otherwise have and, at the same time, is adding, in a constructive way, to the wealth of the Nation and to the happiness of its people. I would consider it utterly futile to attempt to argue that question in this body, for I know that the bill will be passed. There may be differences as to the exact language that should be adopted in order to carry out the ideas of the Members of the Senate; there may be, and doubtless will be, differences as to whether we should, in the law, limit the continuance of the camps to 2 years or whether we should provide in the law for a permanent authorization; there may be, and will be, some differences as to the civil-service provisions; there may be other differences with reference to the language, but——

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. BLACK. I yield.

Mr. RUSSELL. I should like to ask the Senator in charge of the bill as to whether or not the committee gave any consideration to the question of establishing a uniform policy with regard to the service of reserve officers with the C. C. C. camps? At the present time I understand that is dependent wholly on the views or the whim or the fancy of the general who is in command of the corps area in which the camps are located. In some of the areas the orders require service to be limited to one term of 6 months, and in other areas the officer is entitled to serve two or three different terms. It seems to me that may cause a great deal of confusion, and I have been wondering whether or not that was brought to the attention of the committee when the bill was under consideration.

Mr. BLACK. Yes; the matter has been brought to the attention of the committee. Numerous communications have come to me from Reserve officers, as I have no doubt they have come to other Senators. I have discussed the matter

with officers of the corps. In addition to that, testimony was taken on the question. I have been informed by the present officials of the Civilian Conservation Corps that they prefer to have the privilege of utilizing the services of the Reserve officers over a longer period than 6 months. I have been informed by them that frequently they have been compelled to change when the change meant an actual injury to the efficiency of the service.

The Senator is absolutely correct in his statement that there have been different rules in different corps areas. However, the officials of this agency would prefer that no ironclad legislation be enacted which would require them to continue these services. They are making an effort at the present time to secure the thorough cooperation of the executive department, the President of the United States, and the officials of the War Department, in order that they may not hereafter suffer from losing the services of valuable men.

Of course, we all understand there are different ideas about where officers should serve. Some of the generals believe this service is so excellent for the Reserve officers that it is proper that it should be distributed over the country, looking to the training of the Reserve officers. Representatives of the Civilian Conservation Corps believe, however, that the chief end and aim is not the training of the officers but their good services in aiding in carrying out the authorized work. They realize, of course, that incidentally the officers themselves are greatly benefited by the training.

If my information is correct, I believe I can assure the Senator from Georgia that it is not necessary to attempt to perform the rather delicate task of providing in the bill a specific term of service for the officers in C. C. C. camps. I say that because I know the officials of the Civilian Conservation Corps have realized the advantages which are derived from continuous service by the Army officers.

Mr. RUSSELL. I am delighted to have that assurance. The services of the Reserve officers with the Civilian Conservation Corps do not constitute a military function. The facilities of the War Department are merely utilized to carry on the very great task of organizing a large number of young men into units where they may do work which will be of permanent value to the country. For my part, I have heartily disapproved the efforts of some corps area commanders to shuffle their officers around more from the standpoint of military training for those officers than having in view the benefits which might accrue to the young men in the camps by virtue of having experienced officers to direct their activities.

Mr. BLACK. I have been informed, from sources which I consider to be thoroughly authentic, that changes have been made in some instances which have greatly increased the expenses of operating the camps. This was true because while the services of an officer who had become familiar with the work were needed to continue the activities in the camp, nevertheless the officer was taken away. On the other hand, we can readily understand that if it were required under the law to keep these officers a certain length of time it would frequently be exceedingly difficult to make a change which might need to be made in the interest of the public service. I can assure the Senator from Georgia and other Members of the Senate that those in charge of this agency thoroughly realize the value of continuous service by officers who are engaged in these activities. It is their desire to obtain more uniform action throughout the Nation along this line and to continue to receive the services of such Reserve officers as perform their duties efficiently and well.

I shall be very glad to answer any questions that any other Senator may wish to ask in connection with the matter.

Mr. CLARK. Mr. President, I desire to ask the Senator a question.

Mr. BLACK. I yield.

Mr. CLARK. I can say to the Senator from Alabama that I am in general greatly in sympathy with the work that has been done the Civilian Conservation Corps, but two or three questions have suggested themselves to my mind. The first one is as to the size of the organization.

I understand that in the body at the other end of the Capitol a great deal of dispute occurred as to whether the organization should be limited to 350,000 or 300,000 or some other figure. I should like to have the Senator from Alabama explain to the Senate what the testimony before his committee showed in that regard, particularly in view of the fact that day before yesterday I received a letter from the head of the Forestry Service connected with the Civilian Conservation Corps in which he said it was necessary to abandon certain camps because applications for enrollment in the Civilian Conservation Corps had fallen some 30,000 below the needs of the C. C. C. In other words, it would appear that there has been a 10 percent falling off in applications for membership in the C. C. C., which it seems to me might have some weight in determining the size of the Civilian Conservation Corps to be authorized in this bill.

Mr. BLACK. The Senator was kind enough to show me the letter, and yesterday afternoon I discussed the situation with Mr. McEntee, who is assistant to Mr. Fechner. Mr. McEntee is here now. I asked him to be here so that if I needed him to answer any questions asked by Senators we could have the advantage of his presence.

I may say to the Senator that Mr. McEntee has informed me that the camps which have been abandoned, such as those about which the Senator received the communication just referred to, would have been abandoned whether or not the enrollment had fallen off.

Mr. CLARK. So far as I am concerned, I have no disposition to quarrel with the authorities as to the location of a camp. In other words, if one camp should be closed and another one opened, I have no disposition to quarrel with the authorities of the Civilian Conservation Corps on that issue. However, if it be true that camps are being closed all over the United States because there is a substantial falling off in the number of applications for enrollment under the allotment, it seems to me that is a matter which should be considered in connection with the limit to be put on the Civilian Conservation Corps.

Mr. BLACK. The reason why I prefaced my remarks as I did was that these camps were not abandoned because of the failure or falling off of enrollment, although they were abandoned at an earlier date than they would have been but for the falling off in enrollment. That is what I had in mind.

So far as I am able to determine, the authorities have no doubt that they will receive enrollments sufficient to reach the number fixed in the bill. However, this is the maximum limitation and not the minimum. The C. C. C. authorities express the belief that there may be times hereafter, and so far as I understand they express the hope that there will be times hereafter, when by reason of general conditions throughout the United States there may not be 300,000 enrolling, but the law does not require that there shall be 300,000 in the camps. It fixes that number as the maximum limitation. There seems to be no doubt on their part that at the present time there will be a need for 300,000 enrollees.

Mr. CONNALLY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Texas?

Mr. BLACK. I yield to the Senator.

Mr. CONNALLY. I desire to ask the Senator whether there is anything in this bill which prohibits giving military training in the C. C. C. camps.

Mr. BLACK. There is nothing in the bill which authorizes giving military training. An amendment was offered in the Senate committee which would have provided for military training.

Mr. CONNALLY. And the Military Affairs Committee turned it down?

Mr. BLACK. The Committee on Education and Labor turned it down. This bill went to the Committee on Education and Labor.

Mr. CONNALLY. It did not go to the Military Affairs Committee?

Mr. BLACK. It did not.

Mr. CONNALLY. It seems to me this bill ought to provide for military training in these camps. We are spending nearly a billion dollars a year to provide an Army and Navy, and yet we are refusing to let the young men in the C. C. C. camps have military training. They have military commanders—a captain or a major, with uniforms and boots on—but they do not train anybody.

I know that the so-called pacifists and others possibly would oppose that idea. There is no Member of this body who is stronger for peace than am I; but it seems to me that if the Government is to establish C. C. C. camps, both for physical reasons and for the future needs of the country and for the welfare of the young men themselves at least some character of military training ought to be given in the camps, because every young man in America, whether he wills it or whether he does not, whether we will it or not, is a potential soldier in some future war; and I would rather that he would face it with some degree of training than to be rushed off and fed to the cannon without any preparation.

Mr. BLACK. Mr. President, I may state to the Senator from Texas that, as I said before, this matter was presented to the committee. It may be again presented on this floor. I do not know. The vote in the committee was overwhelmingly against the proposal. As I recall, it received only one vote in the committee. If that was a cross section of sentiment in general, it would indicate that it was opposed to that idea with reference to these camps.

Mr. BORAH. Mr. President——

Mr. BLACK. I yield to the Senator from Idaho.

Mr. BORAH. If the Senate bill is passed instead of the House bill, the question of the 2-year period will be in conference, will it not?

Mr. BLACK. That is correct.

Mr. BORAH. I desire to say a few words on that question before the debate closes.

Mr. FRAZIER. Mr. President, will the Senator yield?

Mr. BLACK. I yield to the Senator from North Dakota.

Mr. FRAZIER. From glancing over the bill, I take it that there is no change in the control of the camps; that they will continue to be under the military authorities.

Mr. BLACK. The camps are under the control of the Director of the Civilian Conservation Corps.

Mr. FRAZIER. That is the same as the military authorities.

Mr. BLACK. No; Mr. Fechner is the Director of the Civilian Conservation Corps, but the bill continues to give the privilege of utilizing the services of other departments. Heretofore the services of the War Department, the Agricultural Department, the Department of Labor, and the Department of the Interior have been utilized; but if the Senator will read the bill he will note that the rules for the operation of the camps and the control of the camps come under the administration of the Civilian Conservation Corps itself.

In that connection, if I may be permitted to digress for just one moment, and then I will answer any other question that may be asked, there is one other difference between the two bills to which I did not call attention. The House bill provides a salary of $10,000 for the Director. The Senate bill provides a salary of $12,000. Twelve thousand dollars is the salary which has been drawn by the Director since the first day the camps were in existence.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. BLACK. I yield to the Senator from Missouri.

Mr. CLARK. Will the Senator explain to the Senate why Mr. Fechner should get $12,000, and the Director of the Works Progress Administration and the Relief Administration, for instance, should get $10,000? Is there anything about Mr. Fechner or about his activities which particularly entitles him to a greater salary than a Member of the House of Representatives or a Member of the United States Senate, or the heads of most of the bureaus of the Government, or Mr. Hopkins, for example? Just where does Mr. Fechner get his particular qualifications to draw this excess salary?

Mr. BLACK. The Senator has asked a question with reference to comparisons the answer to which, as of course the Senator realizes, would depend upon the person who was asked. For instance, take the difference between the salary of a Senator and that of Mr. Fechner: I have no doubt that we could approach many persons who would tell us that Mr. Fechner draws a better salary because he is entitled to more than a Senator is entitled to. The Senator and I would not agree to that but a great many persons might do so.

Mr. CONNALLY. Mr. President, how much does Mr. Fechner draw?

Mr. BLACK. Twelve thousand dollars. A great many persons would make that reply. If we should compare Mr. Fechner's salary with that of Mr. Hopkins I think we could readily find persons in this body and outside of this body who would disagree as to whether or not Mr. Hopkins ought to draw as much salary as Mr. Fechner. So, when we come down to individuals, the answer would depend largely on the viewpoint of the person inquired of with reference to a particular individual.

Mr. CLARK. If the Senator will yield, I have no desire or disposition to compare the relative ability of Mr. Fechner and of Mr. Hopkins. It would be presumptuous for me to engage in anything of that kind, of course. What I desired to point out, however, was the relative importance of the work they have been doing. It seems to me to be very difficult for anybody to make it appear that the administration of the C. C. C. is more important than handling the vast billions which have been passed out through the relief agencies and through the W. P. A. As a matter of fact, I think it might be a good thing to cut the salaries of both these men for the purpose of keeping them from having so much time to make radio speeches having to do with legislation pending before Congress which is none of their business and has nothing to do with their activities.

Leaving that question aside, however, I cannot see any particular argument for granting Mr. Fechner $2,000 more than Mr. Hopkins, or $2,000 more than members of the Maritime Commission, or $2,000 more per annum than the members of other great commissions and other great governmental agencies whose work, to say nothing of the character of the individuals, is certainly not less important than that of Mr. Fechner.

Mr. BLACK. I may state to the Senator, as to radio speeches, that again there would probably be a disagreement as to viewpoint between those who favored what the radio speaker said and those who were opposed to what the radio speaker said.

Mr. CLARK. I am sure there would be. I have no hesitancy in disclosing my position on that subject.

Mr. BLACK. I may say to the Senator that recently I heard a speech by one of those gentleman which I thought was an excellent speech. I am by no means sure that the Senator agrees with me.

Mr. CLARK. If the Senator will yield, let me say to him that I have no disposition on the face of the earth to interfere with the expression of opinion by any individual in the United States on any important public question, or any public question, whether it is important or not. My objection to the expressions of Mr. Fechner, Mr. Hopkins, and others was that there was no possible reason for their being put on the radio except in an effort to coerce the employees or the recipients of relief into a belief that it is necessary for them to conform to the views of the persons who are passing out public funds in order to retain their positions on the public pay roll.

Mr. CONNALLY. Mr. President, will the Senator yield in order that I may answer the Senator from Missouri?

Mr. BLACK. I myself should like to answer him, because I have an idea that I would disagree with the answer of the Senator from Texas. [Laughter.]

I may say to the Senator that with all due deference to his inferences——

Mr. CONNALLY. Deference or difference?

Mr. ROBINSON. Insinuations.

Mr. BLACK. The word "insinuations" has been suggested. No; they were not insinuations. They were just straight inferences.

Mr. CLARK. "Conclusions", we might say.

Mr. BLACK. In my judgment it is a big jump, and one that a man is not justified in taking, to say that because a man holds a Government job, and happens to be the head of the relief agency, or the head of the C. C. C., and makes a speech on one side of a public question, he is trying to coerce everybody that he or his agencies may assist.

If that were true, I think it would be very improper for a Senator to make a radio speech on one side or the other if he had recommended anybody for a judge, or for a marshal, or for a deputy marshal, or for any other place, because it might be said that the Senator was trying to coerce those men, and I do not believe a Senator would try to do so. I would disagree with that idea.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. BLACK. When I finish.

Mr. CLARK. I did not mean to interrupt the Senator.

Mr. BLACK. I desire to finish my reply to the statement of the Senator, because I may say to the Senator—for whom, as he knows, I have the very highest regard—that it is perfectly in order to make a motion to reduce Mr. Fechner's salary to $10,000, and the Senate can vote on it.

Mr. CLARK. I may say to the Senator that I intend to make such a motion at the proper time.

Mr. BLACK. With reference to that matter, I may say that the question was not raised in the committee. I introduced the bill, and as it was drawn it provided the same salary that Mr. Fechner had been drawing. It is my judgment—and Mr. Fechner is a gentleman with whom I have come in contact very little—that he has done an excellent job in connection with the C. C. C. camps. I have heard very little criticism of it. Naturally, there is some criticism when a man makes a speech on a highly controversial subject. If he had made a speech on the other side, perhaps I might have thought it was a terrible thing for him to be making a speech. I have heard some speeches on the other side which contained some statements that seemed to me to be pretty bad.

Mr. CLARK. From my viewpoint, he would have been equally worthy of blame if he had made a speech on our side.

Mr. BLACK. I doubt if the Senator would have taken occasion at this time to criticize his action. He might not have remembered it.

Mr. CLARK. There are some other instances to which I shall refer when the Senator has finished his speech.

Mr. BLACK. I may state to the Senator that it is my desire at this time to secure action on the C. C. C. bill; and I am not going to engage in any controversy with my colleague from Missouri or anyone else at this time on the Supreme Court or anything connected with it. It may be that later on we shall have some differences of opinion to express on the floor of the Senate.

With reference to the question of salary, I started to tell the Senator that the salary of $12,000 was placed in the bill because that is the salary Mr. Fechner has been drawing. All of us realize the basis and the soundness of the argument made by the Senator with reference to the difference in these salaries. I think some of the differences in governmental salaries are wholly indefensible and inexcusable.

I do not refer merely to the salaries in the higher brackets. It is to me absolutely amazing to note in various governmental activities the differences in salaries paid to men who are doing practically the same things. I have been one of those who, like the Senator, have thought that it was a little out of the ordinary, at least for Congress to create various agencies whose officials draw salaries in excess of those of the Members of the Senate and of the House. Perhaps I am prejudiced in that because I draw a Senate salary. But I know that a great many Senators, and I may say, in my judgment, all of them, because I think it is impossible for them not to do it, devote as much of their time to their official duties as does any other man in the Government service.

When a bill is presented, however, and I find a man has been employed at a salary of $12,000 a year, and has drawn the salary from the first day he has been in the service, and, so far as I know, has rendered excellent service, when I know there is no question as to the type of his service, I would waive the general attitude I have in connection with salaries and vote for a continuance of the salary to him while he continues to serve well. I know that in anything the Senator from Missouri has said he has not intended to reflect upon the nature of the services rendered by Mr. Fechner.

Mr. CLARK. I most certainly have not. Let me say to the Senator from Alabama, however, if he will yield——

Mr. BLACK. I yield.

Mr. CLARK. A few moments ago he drew an analogy between the position of a United States Senator or a Member of the House of Representatives in addressing the country over the radio or in any other manner on public questions pending before Congress and the position of a Government employee—for, after all, whether Mr. Fechner is the head of the activity or anything else, he is still a Government employee and should be the servant of Congress—addressing the people, particularly the members of his own camp, over the radio on subjects which do not concern his activity in any degree whatever but are only for the purpose of trying to influence action of Congress on other matters pending before them. It is an extremely faulty analogy, in my opinion. It seems to me to be entirely proper for a Member of Congress, who will have to vote upon any question which may be presented to Congress, and who at least presumably, under our theory of government, controls his own vote, although that may not always be true, to express himself, either in the Senate or in the House of Representatives, or in any other place, for the purpose of explaining his position and, if possible, making converts to his position. That is an essentially different thing from an employee of the Government——

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. CLARK. The Senator from Alabama has the floor; that is an essentially different thing from an employee of the Government who, by reason of a position given him by Congress, undertakes to coerce Congress.

Mr. CONNALLY. Mr. President, I merely desire to express my utter astonishment at the attitude of the Senator from Missouri at not wanting the opinion of Dr. Fechner on this great constitutional issue. It seems to me we ought to welcome information from whatever source we can get it, and if Dr. Fechner knows more as to how the Supreme Court ought to decide these cases than does the Supreme Court, we ought to have the benefit of the doctor's advice. I do not think he has been working at the Court business a great deal, but he is getting $12,000 a year.

Mr. CLARK. The Senator does not think we ought to pay him $2,000 extra for his services in advising Congress, does he?

Mr. CONNALLY. No; but I think the doctor by his exhibition of himself has shown that he knows more than Senators do. We get only $10,000, and a schoolmaster to the Senate ought to get more money than the students, and if the doctor is going to lecture the Senate on its duty with regard to how the Supreme Court ought to be constituted, and then is going to tell the Court how cases should be decided, instead of cutting his salary we ought to increase it, because the members of the Court get $20,000 and the doctor is getting only $12,000.

Mr. BLACK. Mr. President, may I say with reference to the comparison of the salary of Mr. Fechner—or "doctor", to which degree the Senator from Texas has elevated him—and the salaries of members of the Supreme Court, I am by no means sure that if the Senator should submit that to a vote of the people of the United States there would not be many who would feel that Mr. Fechner was entitled to more salary than are some of the Justices of the Supreme Court. So it depends altogether upon the viewpoint, and who is expressing it.

Mr. CONNALLY. I do not doubt that that is the view of the Senator from Alabama from what he has said heretofore about the Supreme Court. [Laughter.]

Mr. BLACK. I am inclined to think, from some statements I heard made by the Senator from Texas several years ago, with which I heartily agreed, that at that time he, too, might have voted that way.

Mr. CONNALLY. No. The Senator knows I voted against the confirmation of the nomination of Mr. Justice Hughes to be Chief Justice. I voted against that nomination as did a good many other Senators, and the speech I made at the time appears in the RECORD. I acted on my belief at that time that Mr. Justice Hughes after leaving the Supreme Bench some years ago had become so saturated with the corporate viewpoint, having represented great monopolies and trusts, that, however honest he might be, he would carry his predilections into the courtroom with him. Mr. Justice Hughes has since by his conduct on the Court shown that the Senator from Texas was mistaken in that viewpoint.

The Senator from Texas is standing just where he stood before. He was then against putting on the Court one man with his mind already made up to decide cases a certain way, and the Senator from Texas now is against placing on the Court six, or four, for the same purpose.

Mr. BLACK. Mr. President, I really do not know of anything in the pending bill at this time that has any connection with the Supreme Court, and it is my intention now to return to the subject under discussion.

Mr. CLARK. Mr. President, will the Senator yield again?

Mr. BLACK. I yield.

Mr. CLARK. I wish to ask the Senator another question, because he undoubtedly has a good deal more information about the matter than have I. The information I have is in the nature of hearsay.

The only substantial criticism I have heard advanced against the Civilian Conservation Corps—and it has been very widely advanced—is to the effect that Mr. Fechner has established in the C. C. C. camps a substantial censorship through the employment of his so-called educational system, by which the members of the Civilian Conservation Corps are permitted to receive in the vast majority of cases only the type and character of information on public questions that Mr. Fechner, through his educational department, desires to have them receive. Has that matter come before the Senator's committee? I frankly say that I have no first-hand information at all about it, but the charge has been very widely made in the press; and if it be true, it seems to me to be a very serious matter, which ought to be considered at this time. I ask the Senator in all candor as to what, if anything, developed before his committee in that regard.

Mr. BLACK. I may say to the Senator that nothing whatever on that subject was developed, and no suggestion along that line was made. I think I have read practically all the debate in the House; I may have missed one or two of the arguments, but in reading the debate in the House I saw nothing with reference to the subject mentioned by the Senator from Missouri. I am not familiar with the criticism and know practically no more than what the Senator has just stated.

So far as I am concerned, I believe in absolute freedom of speech, not only on the part of Mr. Fechner and Mr. Hopkins, but anyone else who desires to speak on a public subject, and if any evidence were presented which indicated things of the nature the Senator has mentioned, I should be opposed to such action.

Mr. CLARK. I did not mean to say that I had heard any intimation that any attempt had been made in the camps to restrain freedom of speech, or freedom of expression, or freedom of views, but that through the educational department Mr. Fechner did in effect control the literature and did control the viewpoint on a great many questions of public import, in fact, on practically all; and that seems to me to be an extremely important element in the constitution of such a corps as the Civilian Conservation Corps.

Mr. BLACK. The Senator is absolutely correct. If there were any evidence or any indication that something was being done to limit the information received by the men in the camp to any one particular line of thought, it would be reprehensible, in my judgment, and should not be permitted. I assume it is true as to any institution that someone is compelled to determine the particular magazines, if they subscribe to magazines, to which subscriptions shall be made, and to that extent, where funds are limited, it is always necessary to choose between different magazines or different subjects for reading. But it is my belief that no effort has been made to limit unfairly the information which goes to those in the camps to any one line of thought; and if anything like that developed, I should be happy to join the Senator—and I agree with him fully—in voting for such legislation as would be needed to prohibit such action.

I shall be very happy to answer any questions any Senator may wish to ask me about the bill or the camps. Later on, if any Senator wishes to ask me about the Supreme Court, when we come to consider that bill, I shall be very glad to discuss it.

Mr. ROBINSON. Let us not involve the Court issue in this bill.

Mr. BLACK. I really prefer to discuss that question at some other time, because I have been informed, or at least I read somewhere, that some speeches on that subject will require 5 days. I do not feel sufficiently strong physically to talk 5 days continuously now, so I would rather talk on the C. C. C. camps.

If Senators have no further questions to ask me, I shall surrender the floor.

Mr. ROBINSON. Mr. President, I think it is understood that the bill which the Senator from Alabama has in charge will not be disposed of today; so, unless there is some other business to come before the Senate——

Mr. CLARK. Mr. President, will the Senator yield?

Mr. ROBINSON. I yield.

Mr. CLARK. I desire to offer an amendment, in order that it may be pending when the bill shall come up for consideration again. On page 2, line 3, I move to strike out the numerals "12" and insert the numerals "10", so that the sentence will read:

The President, by and with the advice and consent of the Senate, is authorized to appoint a Director at a salary of $10,000 per annum.

EXECUTIVE SESSION

Mr. ROBINSON. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. SMATHERS in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations (and withdrawing a nomination), which were referred to the appropriate committees.

(For nominations this day received and nomination withdrawn, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. TYDINGS, from the Committee on Territories and Insular Affairs, reported favorably the nomination of John W. Troy, of Juneau, Alaska, to be Governor of the Territory of Alaska. (Reappointment.)

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

Mr. PITTMAN, from the Committee on Foreign Relations, reported favorably the nomination of Herbert Claiborne Pell, of Rhode Island, to be Envoy Extraordinary and Minister Plenipotentiary of the United States to Portugal, vice Granville Caldwell.

The PRESIDING OFFICER. The nominations will be placed on the Executive Calendar.

If there be no further reports of committees, the clerk will state in order the nominations on the calendar.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. ROBINSON. I ask that the nominations of postmasters on the calendar be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

IN THE ARMY

The legislative clerk proceeded to read sundry nominations in the Army.

Mr. SHEPPARD. I ask that the nominations in the Army be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

That completes the Executive Calendar.

RECESS

The Senate resumed legislative session.

Mr. ROBINSON. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 2 o'clock and 53 minutes p. m.) the Senate took a recess until tomorrow, Thursday, May 20, 1937, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 19 (legislative day of May 13), 1937

UNDER SECRETARY OF STATE

Sumner Welles, of Maryland, now an Assistant Secretary of State, to be Under Secretary of State.

COUNSELOR OF THE DEPARTMENT OF STATE

R. Walton Moore, of Virginia, now an Assistant Secretary of State, to be Counselor of the Department of State.

DIPLOMATIC AND FOREIGN SERVICE

John Cudahy, of Wisconsin, now Ambassador Extraordinary and Plenipotentiary to Poland, to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to the Irish Free State.

Alvin Mansfield Owsley, of Texas, now Envoy Extraordinary and Minister Plenipotentiary to the Irish Free State, to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Denmark.

Edwin L. Neville, of Ohio, now a Foreign Service officer of class 1 and counselor of Embassy at Tokyo, Japan, to be Envoy Extroardinary and Minister Plenipotentiary of the United States of America to Siam.

MEMBER, UNITED STATES EMPLOYEES' COMPENSATION COMMISSION

John J. Keegan, of Florida, to be a member of the United States Employees' Compensation Commission for the term of 6 years from March 15, 1937, vice Harry Bassett, term expired.

UNITED STATES ATTORNEY

J. Cullen Ganey, of Pennsylvania, to be United States attorney for the eastern district of Pennsylvania, vice Mr. Guy K. Bard, resigned.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 19 (legislative day of May 13), 1937

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY

Maj. Harlan Leslie Mumma to Quartermaster Corps.

Capt. George DeGraaf to Quartermaster Corps.

PROMOTIONS IN THE REGULAR ARMY

Theodore Kendall Spencer to be colonel, Infantry.

Edwin Martin Watson to be colonel, Field Artillery.

Charles Dudley Hartman to be colonel, Quartermaster Corps.

Edgar Simpson Miller to be colonel, Infantry.

Albert Lee Sneed to be colonel, Air Corps (temporary colonel, Air Corps).

Lester David Baker to be colonel, Infantry.

James Asa Marmon to be lieutenant colonel, Finance Department.

Walter Davis Dabney to be lieutenant colonel, Finance Department.

William Alexander MacNicholl to be lieutenant colonel, Finance Department.

Carl Halla to be lieutenant colonel, Finance Department.

William Maynard Dixon to be lieutenant colonel, Finance Department.

Richard LeRoy Cave to be lieutenant colonel, Finance Department.

Riley Edward McGarraugh to be major, Coast Artillery Corps.

Egbert Frank Bullene to be major, Chemical Warfare Service.

Mark Gerald Brislawn to be major, Infantry.

Carleton Burgess to be major, Cavalry.

John Edward Brown to be major, Ordnance Department.

Arthur Eugene Fox to be major, Field Artillery.

Carleton Smith to be major, Infantry.

Paul Conover Gripper to be major, Signal Corps.

LeCount Haynes Slocum to be major, Field Artillery.

Herbert Towle Perrin to be major, Infantry.

Edwin Fry Barry to be major, Ordnance Department.

APPOINTMENTS IN THE NATIONAL GUARD OF THE UNITED STATES

William Shaffer Key to be major general.

Raymond Stallings McLain to be brigadier general.

Raymond Owens Smith to be brigadier general, Adjutant General's Department.

Lewis Manning Means to be brigadier general, Adjutant General's Department.

POSTMASTERS

MICHIGAN

Peter F. Nieuwkoop, Manton.

Everett S. Capron, Oxford.

Benjamin McClure, Sandusky.

WITHDRAWAL

Executive nomination withdrawn from the Senate May 19 (legislative day of May 13), 1937

MEMBER, UNITED STATES EMPLOYEES' COMPENSATION COMMISSION

John J. Keegan to be a member of the United States Employees' Compensation Commission.

HOUSE OF REPRESENTATIVES

WEDNESDAY, MAY 19, 1937

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, our Heavenly Father, when we consider the work of Thy hands, the moon and the stars which Thou hast ordained, we tremble before the revelation of our littleness. Yet more than all Thy works or spheres of light is man, because Thou hast crowned him with glory and honor. We rejoice that we are linked to Thee by bonds stronger than death and greater than the glory of the ultimate skies. We pray that we may be brought nearer to Thee by the abundance of Thy love and by a sense of duty and obedience. Help us to realize life in its fullness—the flow of the emotions, the visions of the intellect, and the raptures of the spirit. We live in our Father's house with its unlocked treasures. Bless those who sacrifice pleasure for the comfort of others and those who labor in the desolate and the wasted places of human life. Do Thou direct and harmonize the counsels of this honorable body. In the name of Jesus. Amen.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Latta,

one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and joint resolutions of the House of the following titles:

On May 6, 1937:

H. R. 417. An act for the relief of Arthur C. Knox;

H. R. 561. An act for the relief of Fay Pledger;

H. R. 986. An act conferring jurisdiction upon the United States Court of Claims to hear the claim of the Canal Dredging Co.;

H. R. 1281. An act for the relief of Harold Wright, a minor;

H. R. 1859. An act for the relief of Etta Natelsky;

H. R. 1978. An act to authorize an appropriation for construction at Fort Niagara, N. Y., to replace loss by fire;

H. R. 2321. An act for the relief of James C. Wilkinson;

H. R. 2494. An act for the relief of J. E. Midgett, Luther E. Bozman, and Gordy Z. Parks;

H. R. 2771. An act for the relief of Harold W. Snell;

H. R. 2909. An act authorizing an appropriation for payment to the Government of Great Britain for the account of N. J. Moosa, a British subject;

H. R. 2910. An act authorizing an appropriation for payment to the Government of the Netherlands for the account of the family of Miguel Paula;

H. R. 2911. An act authorizing an appropriation for payment to the French Government for the account of Henry Borday, a citizen of France;

H. R. 2912. An act authorizing an appropriation for payment to the Government of Great Britain for the account of the Shanghai Electric Construction Co., Ltd.;

H. R. 2913. An act authorizing an appropriation for payment to the Government of Canada for the account of Janet Hardcastle Ross, a citizen of Canada;

H. R. 2914. An act authorizing an appropriation for payment to the Government of Chile for the account of Enriqueta Koch v. de Jeanneret, a citizen of Chile;

H. R. 2915. An act authorizing an appropriation for payment to the Government of China for the account of Li Po-tien;

H. R. 2916. An act authorizing an appropriation for payment to the Government of China for the account of certain Chinese citizens;

H. R. 2917. An act authorizing an appropriation for the payment of the claim of Gen. Higinio Alvarez, a Mexican citizen, with respect to lands on the Farmers Banco in the State of Arizona;

H. R. 2918. An act authorizing an appropriation for payment to the Government of China for the account of certain citizens of China;

H. R. 2919. An act authorizing an appropriation for payment to the Government of China for the account of certain Chinese citizens;

H. R. 2920. An act authorizing an appropriation for payment to the Government of the Dominican Republic for the account of Mercedes Martinez Viuda de Sanchez, a Dominican subject;

H. R. 2921. An act authorizing an appropriation for payment to the Government of China for the account of Ling Mau Mau, a citizen of China;

H. R. 2922. An act authorizing an appropriation for payment to the Government of China for the account of certain Chinese citizens;

H. R. 2923. An act authorizing an appropriation for payment to the Government of Nicaragua for the account of Mercedes V. de Williams and others;

H. R. 2925. An act authorizing an appropriation for payment to the Government of Great Britain for the account of certain British citizens;

H. R. 2978. An act for the relief of Mrs. M. N. Shwamberg and others;

H. R. 2985. An act for the relief of Edmond G. Warren;

H. R. 3190. An act for the relief of Grier-Lowrance Construction Co., Inc.;

H. R. 3636. An act for the relief of Margaret Scott Bayley;

H. R. 4287. An act to authorize the Attorney General to settle outstanding claims against Chapman Field, Fla., and for other purposes;

H. R. 4522. An act for the relief of John J. Warner and W. B. Warner; and

H. R. 5304. An act for the relief of the Polygraphic Co. of America.

On May 14, 1937:

H. J. Res. 185. Joint resolution to authorize Capt. Harry G. Hamlet, Capt. Edward D. Jones, Lt. Comdr. Louis W. Perkins, Lt. Comdr. Frank T. Kenner, Lt. Dwight H. Dexter, and Chief Boatswain Thomas A. Ross, United States Coast Guard, to accept certain foreign decorations and diplomas;

H. J. Res. 331. Joint resolution to provide emergent appropriations for certain Federal activities for the remainder of the fiscal year ending June 30, 1937;

H. R. 26. An act to amend section 23 of the Immigration Act of February 5, 1917 (39 Stat. 874), as amended (U. S. C., title 8, sec. 102);

H. R. 28. An act to authorize the deportation of aliens who secured preference-quota or nonquota visas through fraud by contracting marriage solely to fraudulently expedite admission to the United States, and for other purposes;

H. R. 175. An act declaring Scajaquada Creek, Erie County, N. Y., to be a non-navigable stream;

H. R. 411. An act for the relief of A. Sereiskis (Maxwell A. Rittenberg);

H. R. 1780. An act for the relief of Mary E. Cavey, Joseph C. Kinney, and the estate of J. Edgar Gift, deceased;

H. R. 2305. An act to extend the time for applying for and receiving benefits under the act entitled "An act to provide means by which certain Filipinos can emigrate from the United States", approved July 10, 1935;

H. R. 3306. An act to authorize a preliminary examination and survey of Santa Maria River with a view to the control of its floods;

H. R. 3903. An act to authorize an appropriation for improvement of ammunition storage facilities at Camp Stanley, Tex., and Savanna Ordnance Depot, Savanna, Ill.;

H. R. 4233. An act for the relief of Annie E. Hyland;

H. R. 4451. An act to authorize the cancelation of deportation proceedings in the case of Salvatore Branchicella;

H. R. 4720. An act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1938, and for other purposes; and

H. R. 5332. An act authorizing allotment of pay by civilian personnel stationed abroad.

On May 15, 1937:

H. R. 193. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Rulo, Nebr.;

H. R. 327. An act for the relief of Henry H. Carr; Robert E. Wise, Stanley Wise Ellis, and Peyton L. Ellis; and Hilory Wise and Flora A. Wise;

H. R. 419. An act for the relief of Edward L. Gockeler;

H. R. 705. An act for the relief of William E. Graham;

H. R. 710. An act for the relief of C. A. Jones and Elbert Gentry;

H. R. 844. An act for the relief of John Mack;

H. R. 1315. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claims of W. J. Nolan, L. Jacobson, J. A. Higuera, C. H. Damsted, R. Galleguillo, F. G. Grigsby, K. H. Johnson, R. Dupouy, C. J. Degen, W. L. Nolan, R. C. Jensen, M. J. Roderick, L. K. Moore, C. Lederer, M. Kelley, R. Dinkel, A. J. Mouchou, C. R. Taylor, M. Knull, S. W. Ligon, C. C. Johnson, W. P. Brennan, C. F. Siebert, and J. T. Weeks.

H. R. 2928. An act to amend the law relating to residence requirements of applicants for examinations before the Civil Service Commission;

H. R. 4242. An act for the relief of V. P. Johnson;

H. R. 4681. An act for the relief of Edward C. Paxton;

H. R. 5179. An act granting the consent of Congress to the County Commissioners of Essex County in the State of Massachusetts, to construct, reconstruct, maintain, and operate a free highway bridge across the Merrimack River between the city of Haverhill and the town of Groveland, Mass.; and

H. R. 5554. An act to authorize the Secretary of War to lend War Department equipment for use at the 1937 national encampment of Veterans of Foreign Wars to be held in Buffalo and Niagara Falls, N. Y., from August 29 to September 3, 1937.

On May 18, 1937:

H. R. 2516. An act to provide for the establishment of a Coast Guard station on Lake Pontchartrain, La., and for other purposes;

H. R. 2899. An act to provide for the establishment of a Coast Guard station at or near Pass-a-Grille Beach, Fla.;

H. R. 4591. An act for the relief of Sallie Gillespie;

H. R. 5966. An act making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1938, and for other purposes; and

H. J. Res. 310. Joint resolution providing for the importation of articles free from tariff or customs duty for the purpose of exhibition at the Golden Gate International Exposition to be held at San Francisco, Calif., in 1939, and for other purposes.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

PERMISSION TO ADDRESS THE HOUSE

Mr. WHITTINGTON. Mr. Speaker, I have conferred with the chairman of the Committee on Naval Affairs, and I ask unanimous consent to address the House for 10 minutes at this time.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mr. JOHNSON of Oklahoma. Mr. Speaker, reserving the right to object, and I shall not object, but I give notice now I will object to any additional requests for time to address the House, because if we are to finish the consideration of the Interior Department appropriation bill today we must start just as soon as possible.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. KELLER. Will the gentleman yield for a unanimous consent request?

Mr. WHITTINGTON. I yield to the gentleman from Illinois.

SUBCOMMITTEE OF THE COMMITTEE ON LABOR

Mr. KELLER. Mr. Speaker, I ask unanimous consent that the subcommittee of the Committee on Labor, considering the textile bill, may sit during the session of the House today.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. LUDLOW. Will the gentleman yield?

Mr. WHITTINGTON. I yield to the gentleman from Indiana.

EXTENSION OF REMARKS

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to insert in the RECORD a radio address delivered by my colleague the gentleman from Indiana [Mr. GRISWOLD].

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

(Mr. ECKERT asked and was given permission to extend his own remarks in the RECORD.)

Mr. ALLEN of Louisiana. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein three short tables on the Louisiana schools.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana.

There was no objection.

FLOODS IN THE OHIO RIVER BASIN

Mr. WHITTINGTON. Mr. Speaker, for two generations the citizens of Cincinnati believed that the Ohio River in 1884 had reached its greatest height. In that city there is an old brick building containing a discolored bronze marker with the inscription "The flood of 1884." Grandfathers have repeatedly shown the marker to their grandsons, and, as they pointed to the old marker embedded in the corner of the ancient brick building high over their heads, they said, "There will never again be an 1884 flood."

On January 26, 1937, the crest of the Ohio had risen more than 9 feet above that marker before the yellow waters swept on to engulf cities, towns, and farms in the lower Ohio Basin, and to roar at the walls and levees of Cairo, threatening death and destruction to that important city.

It has been more than 3 months since the greatest flood in history passed down the Ohio River. At Huntington and below, the flood exceeded all previous records. The populations of the Ohio Valley suffered an unparalleled disaster. The public press, with glaring headlines, gripped the attention of the Nation as the story of unprecedented damages and great human sufferings, especially in the larger cities, was told.

It is worthy of note that the loss of lives bears little relation to the size of the disaster. The radio and the telephone are entitled to the credit. In 1889 there was no radio and there was no telephone; some 2,209 lives were lost at Johnstown. In the flood of 1937, throughout the Ohio Valley, the inhabitants received warnings of the impending disaster; the Weather Bureau forecasts were most helpful, wholesale loss of life was prevented, but it was impossible to reduce materially the property losses.

The newspaper was aided by the movies. The public was advised of the losses of life, the staggering havoc wrought, especially in the larger cities of Wheeling, Cincinnati, and Louisville. We recall the vivid stories of swirling waters as they reached into the second stories of homes and stores, as they submerged waterworks, as they crippled light and sanitary systems. We recall the deaths by drowning and the greater number of deaths resulting from exposure and undernourishment. We remember the refugee camps. The relief forces of the Nation were mobilized.

LARGE CITIES

Pittsburgh is the largest city in the Ohio River Basin; it has a population of 700,000. The Golden Triangle, one of the most important and highly developed business and commercial areas in the United States, is located at the confluence of the Allegheny and Monongahela Rivers as they form the Ohio. Allegheny County, in which the city of Pittsburgh is located, has a larger assessed valuation than the great Commonwealth of Tennessee. In the last 84 years 97 floods have occurred. There has been a flood on the average of once every 10 months at Pittsburgh, and 10 of these floods were major floods.

In 1936 Pittsburgh alone suffered damages in excess of $30,000,000. Congress, in the Flood Control Act of June 22, 1936, made provision for the construction of nine reservoirs above Pittsburgh, but there have been no appropriations; moreover, as was pointed out and emphasized by the Chief of Engineers, it is necessary that flood walls be constructed to supplement the reservoirs for the protection of 60,000 people, 15,000 homes, 1,500 stores, 11 schools, 16 churches, and 200 industrial plants. Plans have been prepared. The value of the property that can only be protected by flood walls in the city of Pittsburgh is estimated at some six hundred or eight hundred millions of dollars.

The city of Wheeling, W. Va., is 90 miles below Pittsburg; it has a population of 62,000 and a large metropolitan district. Fifty floods have come down upon Wheeling in the last 55 years; half of them have been major floods. In the great flood of 1936 practically the entire city south of Wheeling Creek was inundated 20 feet and more. In 1937 there was a repetition of the flood of 1936; damages aggregating more than $10,000,000 occurred. At Wheeling the

situation is particularly hazardous to human life. Protection can only be provided by levees and flood walls for which plans are available.

Cincinnati is located largely on high ground, but there is a commercial and industrial area within reach of the floods. Many have their homes in this area. The Army engineers had predicted an 83-foot flood stage for Cincinnati; their warnings had gone unheeded. We recall many Black Fridays, but Black Sunday in the great flood of 1937 will always be remembered in Cincinnati. An important commercial and industrial district of the city was flooded to a depth of 21 feet; business activity was largely suspended; water, electric light, hospital, and communication services were interrupted; gasoline storage tanks were undermined, spreading their contents over the waters. There was a $2,000,000 fire in the midst of the raging flood. The greatest loss was in the highly industrialized Mill Creek section; it resembled an inland lake. There were damages to 1,400 homes, 500 stores, and 200 industrial plants.

Cincinnati should not remain subject to recurring floods. The building of levees and flood walls have been planned; they are to be supplemented by reservoir control on the tributaries of the Ohio. Flood hazards can be eliminated at Cincinnati, with its population of 450,000.

The entire business and industrial districts of Louisville were overflowed; over 50 percent of the city was flooded; the waters were 8 feet deep; many lives were lost; fire and police alarms did not function; there was no drinking water available from local sources; 160,000 of the 308,000 population were made refugees without heating facilities or adequate food supplies. Railway service into the city, except to the outskirts, was suspended for 10 days, and all main highways, with one exception, were under water. Over 30,000 homes, 1,600 stores, 78 schools, 8 hospitals, and over 400 industrial establishments were subjected to overflow. Louisville will benefit from reservoirs along the tributaries of the Ohio, but Louisville needs flood walls and levees, for which plans have been prepared.

DAMAGES

Nobody knows the amount of damages in the Ohio Valley. When the floodwaters receded, Louisville estimated a loss of $71,000,000. At Paducah the estimate was $25,000,000. The losses on thousands of farms and in hundreds of smaller towns and villages will never be estimated. It is believed that the direct damages along the Ohio River amounted to more than $400,000,000. But this is not the whole story. Families were made bankrupt; citizens lost the savings of a lifetime; there was a cessation of business. It is difficult to estimate the loss of life through accident, through disease, and sickness caused by the flood, through undernourishment and lack of clothing and other necessaries of life through the destruction of the means of livelihood. The floods often came at night; they occurred during the winter. By what yardstick can we measure the intangible losses? The discouragement to Americans who lost their all through no fault of their own will drag into the years. Some day we may be able to estimate in dollars and cents the direct losses; but it will be difficult, if not impossible, to measure the intangible and the indirect losses.

SMALLER COMMUNITIES

Little has been said about the smaller communities where people were driven from their homes and from their farms; where many were drowned; where farming and small manufacturing were destroyed; where occupations and means of livelihood stopped for months. There were many smaller communities where churches, schools, stores, water supplies, and food were buried under 15 or 20 feet of mud and water.

We sympathize with the unfortunate; we provide for the unemployed. We have spent billions for relief. I am thinking of American citizens who have pinched and saved and denied through the years, who have earned their bread in the sweat of their brow, and have lost the accumulations of a lifetime. I am thinking of the poor man, not on relief, earning his livelihood, who has been driven from his home, who has been deprived of an opportunity to work, who has been left to rehabilitate his wife and children and to clear his home of mud and slime. I am thinking of the type of citizen who is the backbone of America; apparently they are the forgotten men and women of 1937.

The floods have been occurring in the Ohio Valley for centuries. John James Audubon tells us of seeing a cow swim through the second story of a house 7 feet from the ground and 62 feet above the normal level of the Ohio River in the great flood of 1828.

It is safe to estimate that in the great Ohio flood of 1937 the direct and the indirect losses aggregate the staggering total of $800,000,000.

A great flood can only be compared to the advance of a mighty army. Hundreds of thousands were driven from their homes and their farms by the onward sweep of the yellow waters of 1937. We sent the flower of American manhood across the Atlantic in 1917 to make the world safe for democracy; we expended billions of treasure. What has the United States of America done about making the Ohio Valley safe for American citizens? What will the Congress of the United States do about it? Is the answer, "Nothing"?

The conscience of the Nation has been aroused. The American people who contributed $20,000,000 through the American Red Cross and expended millions and millions of dollars more in rehabilitation know that the flood losses must ultimately be absorbed by the Nation. Will Congress approve a do-nothing policy?

I am thinking of the apparently forgotten citizens of the Ohio Valley. I regret that my time is limited today. Under the leave granted me to extend my remarks in the RECORD, I am giving intimate and detailed information respecting the losses and damages, especially in the smaller towns and cities. The story of devastation should appeal to every American. The mere recital should stir the Congress to action.

DEVASTATION

The Allegheny River rises in Chautauqua and Cattaraugus Counties, N. Y., flows through western Pennsylvania by the towns of Warren, Meadville, Kittanning and New Kensington, Pa. The other tributary of the Ohio, the Monongahela, rises in West Virginia, flows past the cities of Morgantown, Fairmont, Clarksburg, and McKeesport, to join the Allegheny at Pittsburgh. In 1936 the Allegheny and Monongahela Rivers were visited by the most destructive flood in their history. New Kensington suffered a damage of $8,000,000, McKeesport $12,000,000, Pittsburgh $30,000,000, Cambria County, Pa., including Johnstown, $43,000,000, and the entire basin of the Allegheny and Monongahela Rivers, $130,000,000. The need for flood control in these basins has been recognized; some reservoirs have been authorized; the Tygart Reservoir on the Monongahela River is now under construction. This reservoir will reduce flood heights on the Monongahela River and will provide an additional water supply for navigation as well. In 1936 Congress authorized the construction of nine other reservoirs in the Allegheny and Monongahela Basins; plans are ready so that their construction can be undertaken without delay. The act was not signed by the President until June 22, 1936, after Congress had adjourned, but thus far there have been two deficiency appropriation bills and no money for these reservoirs has been appropriated.

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On the right side of the river about 50 miles below Pittsburgh is the town of Wellsville, Ohio. This town has a population of 8,000 and has suffered 70 floods in the past 84 years. In 1936, 50 percent of its area was inundated. Levees have been planned to protect this important railway and industrial town.

H. R. 5179. An act granting the consent of Congress to the County Commissioners of Essex County in the State of Massachusetts, to construct, reconstruct, maintain, and operate a free highway bridge across the Merrimack River between the city of Haverhill and the town of Groveland, Mass.; and

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On the right side of the river about 50 miles below Pittsburgh is the town of Wellsville, Ohio. This town has a population of 8,000 and has suffered 70 floods in the past 84 years. In 1936, 50 percent of its area was inundated. Levees have been planned to protect this important railway and industrial town.

Follansbee, W. Va., is a small manufacturing center, but it has a population of 5,000. During the past 84 years it has had 70 floods. This locality has been flooded on an average of once every 14 months. The great flood of 1936, the maximum of record, drove the entire population from their homes and the water was 11 or more feet deep. Levee and flood-wall protection against frequent flooding is the remedy for the intolerable condition of Follansbee.

One of the most beautiful cities along the Ohio, located at the mouth of the Muskingum River, is the celebrated city of Marietta, Ohio, with a population of 16,000. It is a city of industries and commercial establishments; a famous college is located there. Major floods cover 60 percent of Marietta to a depth of 17 feet, often washing away many homes and places of business. When Marietta is cut off by major flood, its hinterland suffers correspondingly by reason of the isolation of this shipping and trading center.

Along the Muskingum River Basin above Marietta and Zanesville the flood of 1913 caused direct and indirect damages estimated at $20,000,000; 11 lives were lost. The United States is now cooperating with the State of Ohio in the construction of a system of reservoirs which should largely solve the local flood problems of that region.

Parkersburg, W. Va., is located at the mouth of the Little Kanawha River; its population has doubled since 1920 and is now over 35,000. More and more people are being concentrated into flood zones and the floods of the future, unless controlled, will surely cause greater damage and loss of life. This city provides employment for a large area, including Williamstown, Waverly, and West Parkersburg in West Virginia, and Belpre, Ohio, all of which were seriously affected by the 1937 flood. Nineteen times in the past 55 years, Parkersburg has been damaged by floods. Great floods cover one-sixth of the town to a depth of 11 feet. Sixty percent of the business district is flooded, causing the suspension of practically all business activity. There are about a thousand dwellings, 350 stores, 3 churches, 1 hospital, 13 industrial plants, and 3 public buildings, with an estimated value of more than $36,000,000, that are affected by floods. The situation is intensified by the floods of the Little Kanawha River, which may swell the Ohio River floods after traversing the central part of West Virginia, where they cause considerable damage. Reservoirs planned on the Little Kanawha will ameliorate flood conditions at Parkersburg and levees and flood walls will complete its protection.

The Hocking River in the State of Ohio drains one of the smaller tributary basins of the Ohio River. Large floods inundate the Hocking Valley from Lancaster to its mouth. Its greatest flood in modern times caused tremendous property damage and considerable loss of life. Flood damages in Athens County of the Hocking Valley during the past 15 years have been over $2,000,000. A reservoir above Athens will alleviate flood conditions in the Hocking Valley.

Point Pleasant, W. Va., has a population of 3,000 who earn a livelihood from river traffic, local industries, and in local mercantile establishments. Floods occur here every 2 years. The major floods of 1913 and 1937 reached about the same record height. This year's flood buried 85 percent of the town under 12 feet of water; over 400 homes, stores, public buildings, and local industries were severely damaged by the raging waters. Public health conditions were placed in a sad plight through interference with the sewer system; gas and traffic services were discontinued; 2,000 people, of whom 1,500 became refugees, were endangered. This little city can be protected by levees.

The Kanawha River Basin, lying principally in West Virginia, is a region greatly favored by nature. There are abundant coal, natural gas, and mineral resources. As a result there is a high degree of industrial development and the territory is thickly populated. The flood situation is unique. I have but time to sketch it. There are records of great floods in the Kanawha occurring when there was only a small population and limited development in the region. Cities, towns, and industries have now filled the valley.

The floodway of the river has been encroached upon. In the absence of recent disaster the people are lulled into a false sense of security. Great floods will surely visit this populous valley with little warning, find a restricted floodway and will rise to greater heights than ever before. This is especially true with respect to the industrial area centering around Charleston. It has been estimated that a repetition of a record flood would cost the valley more than $25,000,000. Some idea of the possible consequences here are indicated by two minor floods on tributaries of the Kanawha. These occurred in 1916 and in 1932 and caused the loss of 40 and 20 lives, respectively, and over $6,000,000 damages. Under the act of June 22, 1936, Congress authorized three large control reservoirs for the Kanawha Basin, but no funds have been made available for their construction. Other reservoirs in addition to the three authorized have been planned for the protection of the Kanawha Basin.

The plight of the city of Huntington, W. Va., located at the confluence of the Ohio and Guyandot Rivers, was well covered by the public press in the flood of 1937, but I should like to give you a few facts regarding the flood damage there. Huntington is a rapidly growing city; its population has almost doubled in the past 15 years, it has increased from 50,000 in 1920 to over 80,000 at the present time. It is a large shopping center, serving the surrounding territory with 35 industrial plants and numerous wholesale and retail establishments. It is an important center for interstate commerce. During the past 55 years it has been visited with 23 floods. The recent flood inundated one-half of the city to an average depth of 11 feet, was responsible for the loss of five lives and made 25,000 people homeless. In addition to the suspension of practically all business, the domestic water supply was discontinued and for about 2 weeks the population was without fuel gas. Rail traffic was interrupted except for a limited supply service from the east maintained over one railroad. Traffic over all highways into the city was interrupted. There are 40,000 people, 7,000 homes, 1,100 stores, 13 schools, including 1 college, 34 churches, 3 hospitals, 35 industrial plants, and 11 public buildings subject to overflow in this city. Property valued at $123,000,000 would be protected by a flood wall that has been planned for Huntington.

Catlettsburg, Ky., located at the mouth of the Big Sandy River, has a total of 5,000 inhabitants and is a rural-trading center. A large part of its population finds employment in industries located in Huntington and Kenova, W. Va., and at Ashland, Ky. Floods are a constant menace to the community. In the past, the flood stage has been exceeded 23 times in 55 years. The flood of 1937 covered 80 percent of the town to a depth of 17 feet, resulting in loss to hundreds of dwellings and stores. About 4,000 people were driven from their homes and others were forced to move to the second stories of their houses. Serious flood conditions at Ashland, Huntington, and Kenova brought the industries there to a standstill, adversely affecting the population of Catlettsburg. This situation will be reproduced by future floods unless levees as planned are provided to protect this community.

The Big Sandy River with its tributaries, the Tug and Levisa Forks, forms in part the boundary between West Virginia and Kentucky. The main valley of the Big Sandy is subject to floods which cause damages to crops and to farms located along the river.

On the forms a number of mining towns are affected by overflows. Among these are Pikesville and Prestonburg, Ky., and Williamson, W. Va. As is well known, the economic fabric of our mining towns is not of sufficient strength to bear the burden of flood damages, flood refugees, and rehabilitation. Flood-control reservoirs which have been planned for this basin will materially improve flood conditions there and benefit the situation on the Ohio.

Ashland, Ky., has been flooded 25 times during the past 55 years; it has a population of 29,000; it is the home of several nationally known products. In January 1937 a

considerable part of the city was overflowed to a depth of 9 or more feet. Ten thousand persons were driven from their homes and great damage was done to business and residential property, not to mention the losses due to the disruption of normal activities and the failure of all means of communication. The only contact Ashland had with the outer world during the crest of the flood was radio communication maintained by an amateur operator.

Ironton, Ohio, is located across the river from Ashland. There are several large manufacturing industries here, and the population is 17,000. Despite the fact that the inhabitants have been flooded 25 times in the last 55 years, they have provided their city with a network of modern improved streets, an excellent water supply that is filtered and stored in reservoirs, and a complete sanitary sewerage system. This year the depth of the overflow which covered four-fifths of the city averaged 11 feet, and 14,000 people were made refugees. The water supply and sanitary sewerage systems were seriously crippled; traffic on the main-line railroads and important highways that pass through the city was completely stopped. Ashland and Ironton should be protected by the levees and flood walls planned for these communities.

Portsmouth, Ohio, with a population of 42,560, is a manufacturing and shipping center. It is situated at the mouth of the Scioto River. The basin of the Scioto in central Ohio is a thickly settled agricultural region with a considerable industrial development located in its cities and larger towns. Inasmuch as the basin largely escaped the destructive effects of the flood of 1937, the inhabitants are prone to forget the flood hazards that exist. A mere mention of the 1913 flood should recall them to mind. One hundred and forty-five lives were lost in the Scioto Basin in that flood. Columbus, Delaware, and Chillicothe suffered total damages of $18,000,000. The small river villages in Pike, Ross, and Pickaway Counties also suffered considerable loss, while the farm damage was estimated at $2,500,000. The loss to this relatively small basin from the 1913 flood aggregated $26,000,000. In the past 25 years the population has increased and the industrial development has multiplied. A recurrence of a great flood on the Scioto like that of 1913 would cause much greater loss in both life and property. Reservoirs planned on the Scioto will greatly reduce flood hazards.

For many years Portsmouth, Ohio, stood secure behind its flood wall. At the time it was built it was conceded to be inadequate. It has protected against floods for 25 years. With the lakelike Scioto River on the one side and the uncurbed Ohio on the other, the city of Portsmouth soon became a mere harbor of rooftops. The flood wall was overtopped by 10 feet; 5,000 dwellings, 600 stores, 34 schools and churches, 1 hospital, and 67 industrial plants were flooded. Portsmouth can be protected by having its flood walls raised and enlarged.

Manchester, Ohio, with a population of 2,000, has small manufacturing industries. Twenty-five times in the last 55 years this community has been affected by flood waters, and 13 times extensive damage has been done. Ninety percent of the town was inundated to a depth of 16 feet by the 1937 flood. The entire population was made homeless, all activities were stopped, and the surrounding rural territory suffered greatly. Walls and levees could be constructed to protect this town.

The Little Miami, just above the city of Cincinnati, adds its water to the Ohio. This basin is small and largely rural, but in spite of this three serious floods from 1913 to date have caused damages at more than $3,000,000. Several reservoirs would alleviate trouble along the Little Miami.

Newport and Covington in Kentucky, just across the Ohio River from Cincinnati, having a combined population of 95,000, really form a part of the Cincinnati manufacturing center. During the past 80 years 42 floods have affected these two cities. There has been a flood every 2 years. In 1937 the flood inundated a large part of Covington, including the business district, to a depth of 19 feet. Fifty percent of Newport was covered with 17 feet of water. Over 20,000 persons were made refugees; all business was suspended; water, electric, and hospital services were interrupted. Twenty-six hundred homes, 500 stores, 30 schools, 2 hospitals, and 82 industrial plants were overflowed; rail and highway traffic was interrupted. The toll of flood loss falls heavily on an industrial population dependent upon daily employment in the factories when the factories are shut down. Levees and flood walls would save from overflow the homes and personal effects of the poor people in Newport and Covington as well as the factories where they earn a living.

Between the mouth of the Wabash and Cincinnati there are a number of tributaries of the Ohio. Among these are the Green, the Salt, the Kentucky, and the Licking. Floods from these rivers add to the burdens of the swollen Ohio and greatly damage their own valleys.

The Green River, with its tributaries, the Barren and the Rough, drains over 9,000 square miles in west central Kentucky. The basin, while largely agricultural, is noted for its important asphalt deposits. The Green River Valley is subject to destructive floods. The flood of 1913 inundated about 300,000 acres of land, with damage to homes, highways, bridges, and utilities. Overflows during the crop season frequently cause serious damage to agriculture. The flood of 1928 covered some 125,000 acres of lands and caused a crop loss alone which was estimated at $2,000,000.

The Salt River is a smaller stream which lies near the center of the State of Kentucky. Its basin of 3,000 square miles is largely agricultural. The flood of 1913 appears to have been the largest ever experienced on Salt River, but more recently the flood in 1928 destroyed crops on some 75,000 acres and caused damages estimated at $3,600,000. This flood also damaged highways and the towns of Shepardsville and Taylorsville.

The Kentucky River takes its source near the Virginia State line and flows through Frankfort. Its drainage basin of 7,000 square miles includes a large area of the famed Kentucky blue-grass country. Low-lying parts of the cities of Frankfort, Irvine, Ravenna, and Beattyville are subject to flooding from this stream. At Buckhorn, on the middle form of the Kentucky River, Witherspoon College, which is operated by the Presbyterian Church to educate young people from the mountains, is partly subject to overflow.

The Licking River enters the Ohio at Cincinnati and flows from eastern Kentucky through a drainage basin of 3,700 square miles that is largely agricultural. The lowlands along the Licking from Yale to Wyoming, including parts of the towns of Farmers and Salt Lick, are subject to overflow. The town of Sherburne and the surrounding territory are inundated by large floods, and there is a serious flood problem at Salyersville. During the period from 1915 to 1930, inclusive, eight floods have occurred in the Licking Valley and caused an aggregate damage to farm lands and crops of $3,000,000.

In the last 25 years floods from the Green, the Salt, the Kentucky, and the Licking Rivers have caused damages of over $10,000,000. Two reservoirs authorized for the Licking will control its floods. Plans for one more reservoir on the Licking, seven on the Green, one on the Salt, and three on the Kentucky would alleviate flood dangers on these rivers.

Lawrenceburg, Ind., has a population of 4,000 and has been flooded 42 times in the last 80 years. Of these 42 floods, 25 have been of serious proportions, and the most disastrous was that of January 1937, which overflowed 85 percent of the town to an average depth of 26 feet. Three thousand five hundred persons were made refugees. All business activity was suspended; water, electric light, telephone, and hospital services were stopped. Entrance by land to the community during the flood was impracticable except over one secondary road in only fair condition. Of the 1,000 homes flooded, many were completely destroyed and 160 stores, 12 schools and churches, 1 hospital, and 16 industries were completely

overflowed. The modification and enlargement of existing levees which will protect Lawrenceburg is sorely needed.

Cloverport in Breckenridge County, Ky., with a population of 1,300, is a rural trading center that has a tile plant, flour mill, and several smaller enterprises which together furnish a livelihood to the townspeople and a source of income to the adjoining countryside. The flood stage is exceeded here once in every 2 years. Thirty-five percent of the town was flooded this year, including the business and industrial district, to a depth of 10 feet. Three hundred and fifty persons were driven from their homes. Stocks of merchandise were destroyed. Business and industry were stopped. In ordinary high waters dangerous health conditions occur at Cloverport. The remedy is a levee and flood wall.

Evansville, Ind., is an important shipping center, both by rail and water. The flood of 1913 covered an important part of this city, and the flood of this year was the worst it had ever known. It has a population of 108,000, contains a large number of manufacturing plants, and has a wide variety of small industries which afford employment to the population. Forty thousand persons were subjected to flood hazard and 35,000 were evacuated before the rising waters. Seven thousand homes, 400 business establishments, 8 industries, 14 schools, 27 churches, 1 college, and 1 hospital, as well as railroad and public buildings, were overflowed. All business and means of earning a livelihood were brought to a complete standstill for 30 days. Property damage was $7,000,000. A flood but little higher than that of 1937 would greatly increase the area of inundation. Levees and flood walls will protect Evansville.

Uniontown in Union County, Ky., with a population of 1,200 people, is subject to damaging floods with a frequency of once out of every 7 or 8 years. The 1913 flood covered four-fifths of the town to an average depth of 7 feet and the 1937 flood practically annihilated the community, inundating it to an average depth of 15 feet. Every inhabitant of the town was moved, business was paralyzed, all communication was disrupted, and the town was isolated from high ground for more than 2 weeks. Levees will protect Uniontown; they are warranted.

The Wabash River flows along the line between Indiana and Illinois and empties into the Ohio. Its basin includes the greater part of the State of Indiana, and its tributaries, the Vermilion and Embarrass, drain the eastern counties of Illinois. Only the lower part of this rich basin, where it joins the main Ohio Valley, was affected by the great flood of January 1937. While Indianapolis, Terre Haute, Peru, Vincennes, and other cities were spared this year they are subject to possible overflows and damages from floods. In the Wabash Basin alone the flood of 1937 caused damages estimated at $25,000,000, and the relatively minor floods of 1919, 1926, 1927, and 1930 each destroyed property in this area valued at from four to six million dollars.

As night follows the day, the Wabash Basin will some day be visited by destructive floods. A system of reservoirs in the Wabash Basin, together with local protective works already authorized, will go far toward curing the flood problems of this splendid valley.

Shawneetown, Ill., is a county seat, has a population of 1,500, and is an important trading center. The entire town was covered with water to a depth from 14 to 30 feet in 1937. In some blocks buildings were entirely submerged. The destruction of property was great due to the strong current. The entire population was evacuated. The cost of rehabilitation will be a burden to the people for years to come. The prospect for the future is not a bright one unless the existing levees are rebuilt and strengthened by the Government.

Harrisburg, Ill., is located about 25 miles from the Ohio River on the right bank of the Middle Fork of the Saline River, but it is subject to the wrath of the Ohio floods. It has a population of 12,000 people. The backwaters on the average of once every 10 years in the last 60 years have covered one-half of the town from a depth of from 3 to 15 feet. In 1937 the city was entirely cut off from all railroad and highway service during the flood; the waterworks were out of service, the fire protection was seriously impaired, and there was no telephone connection. That part of the residential and commercial districts not flooded was entirely surrounded by water; there were insanitary conditions, extensive damage to property, and intangible loss to the locality constitute a situation deserving of human sympathy. Levees can prevent a recurrence of the destruction.

Golconda, Ill., is the county seat of Pope County and is a rural trading center with small industries; it has experienced a number of damaging floods in the past 64 years, overflowing from one-quarter to three-quarters of the town 5 to 18 feet deep and drowning out the filtration and pumping plant. In 1937 the waterworks were flooded and rescue activities were hindered. The town was placed in complete darkness; typhoid and dysentery threatened the town after the floods had receded. The victims found their homes covered with mud. Levees would probably prevent a future repetition of Golconda's experience.

Paducah, Ky., is a city of about 30,000. Ninety percent of the city was overflowed in 1937. The storekeepers moved their stocks to the second floors and then they saw the waters move upstairs to make their losses complete. Practically every street in the city was a canal bordered by partially submerged houses. Wholesale evacuation took place, but many families insisted on moving to upper stories. Fortunately the Army engineers have a large base at Paducah, and with their supply of steamboats, barges, work boats, and launches, the inhabitants were either evacuated or fed, and the loss of life was cut to a minimum. Paducah was paralyzed by the flood of 1937. It is situated at the mouth of the Tennessee River.

The Cumberland joins the Ohio but a short distance above Paducah. This valley has played an important role in our national development. The city of Nashville has been a great sufferer. Sixteen floods since 1901 have caused losses exceeding $10,000,000 along the Cumberland River. The situation can be remedied by means of reservoirs. Paducah can be protected by levees and river walls.

Cairo, Ill., has a population of 15,000. The city is completely leveed. During the flood there was no egress except by water. In 1937 the water rose within 5 inches of the top of the wall. As fear mounted in the hearts of the people whose homes were lower than the raging waters on the other side of the levees, the town was evacuated. The city was saved by topping the levees and the flood walls with sand bags and by the operation of the New Madrid floodway.

North of Cairo, Mounds and Mounds City, Ill., were overflowed this year from 10 to 15 feet deep. The crests of floodwaters will always be above the street levels of Cairo, Mounds, and Mounds City. The problem for this region can be satisfactorily solved by raising and strengthening the levees around Cairo, and also extending them to high ground along the Ohio and Mississippi Rivers so as to place Cairo on a peninsula instead of an island and thus protect Mounds and Mounds City.

PLANS FOR FLOOD CONTROL

At its crest at Cairo about 1,900,000 cubic feet of water went by each second. During the 50 days that the river was above flood stage there were 80,000,000 acre-feet of water in excess of the below-flood flow of the river. This amount of water staggers the imagination. If poured into an inland depression, with an average depth of 20 feet, it would make a lake two-thirds the area of Lake Erie. The problem, therefore, in the lower Mississippi Valley is to carry two and a quarter million cubic feet per second, representing the combined maximum flows of the Mississippi and the Ohio, and representing more than 20 times all of the water flowing over Niagara Falls, from Cairo to the Gulf of Mexico.

The Flood Control Committee has been requested to delay a flood-control bill until the next session of Congress. Additional authorizations to provide for the stricken areas in the Ohio Basin are necessary. Previous relief bills have

provided that only flood-control works that have been approved by Congress can be constructed out of relief funds. I repeat to emphasize that an authorization to prevent a recurrence of the 1937 flood is necessary before funds can be allocated from relief appropriations or before Congress can appropriate. [Applause.]

[Here the gavel fell.]

Mr. SECREST. Mr. Speaker, this is the most important problem we have in the Ohio Valley. The gentleman from Mississippi is perhaps the outstanding authority in the United States on this subject. I ask unanimous consent that the gentleman may be permitted to proceed for 10 additional minutes.

Mr. RANDOLPH. Mr. Speaker, reserving the right to object—and I shall not object—I may say this means a lot to us in West Virginia, and I echo the request of the gentleman from Ohio.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. JENKINS of Ohio. Mr. Speaker, will the gentleman yield to me for just one question?

Mr. WHITTINGTON. For a question.

Mr. JENKINS of Ohio. I appreciate the fact that the gentleman is not going to be able to exhaust this subject. I also appreciate that he is the outstanding authority on this subject. I should like to know whether in his extension of remarks the gentleman is going to include a statement showing the financial situation, and showing how practical and how entirely possible it is for us to get some relief in the Ohio Valley and still act in consonance with the plan of economy?

Mr. WHITTINGTON. I have already stated, and I emphasize by repeating, that a conservative estimate of the direct damages caused by the flood of 1937 in the Ohio Valley alone is $400,000,000. The report of the Chief of Engineers shows that the cost of complete protection for the entire Ohio Valley would not exceed the losses of the one year of 1937. The expenditures by Congress would be over a period of 10 or 15 years. The annual appropriations would be comparatively small.

Reservoirs are to keep the water away; levees and flood walls are to keep it out. It is manifest that reservoirs alone will not do the job. It will take a combination of both.

Floods are not more frequent than formerly, but because of the improvement of the county and increase in population, the damages are greater.

The records at Pittsburgh on the Ohio and at St. Louis on the Mississippi, while the lands were covered with grass and forests, tell us of floods, the equal of any we have experienced in recent years.

In the early days the damages from floods were not so large as they are now. The ravages of floods have increased because of the development along rivers. These damages during the past 100 years will fade into insignificance with the damages that will occur in the next 100 years to our river valleys with their increased population and industrial development.

There is a reason for settlement along rivers. Throughout the centuries man has dwelt in the valleys and settled along the gulfs and oceans. Proximity to water is essential to the developments that provide for labor and the means of earning a living. The elimination of such settlements will never be humanly practicable.

As a citizen of the lower Mississippi Valley, I know from experience in the greatest of all floods in this or any other land, the damages and destructions from floods. During the past 200 years the people of the lower Mississippi Valley and, in the past 10 years, the Federal Government, have expended large amounts for flood control in the lower Mississippi Valley. The annual expenditures have been relatively small, but the valley has developed from a region of swamps into the most fertile area in the world. Sugar and cotton are produced; it is dotted with thriving towns and successful cities. But for flood protection the lower Mississippi Valley would be largely swamps.

The money spent for protection against the ravages of floods is relatively small. Larger amounts have been spent for highways and railways. None of these expenditures, however, has resulted in as much revenue to the people, to the States, and to the Federal Government as has accrued by reason of flood-control works.

The Ohio Basin, from the earliest days of the Republic, was regarded as a great empire; its forests, its fertile fields, and its unlimited mineral resources afford opportunities for great development. The industries along the Ohio and its tributaries surpass those of any other river in this or any other country. This development must not be destroyed or retarded by floods. Protection should and must be given to the valley.

Congress has not been idle respecting the flood problem. More than 10 years ago plans were made for studies for flood control, navigation, power, and reclamation on more than 200 rivers in the United States. The Ohio and its tributaries, the Mississippi and its tributaries have been studied and investigated. Congress has appropriated, and the Corps of Engineers of the United States, who have had more experience in flood-control works than any other engineers in the world, have expended $12,000,000 in studying and making plans. We have had enough planning; it is time for construction. It is always possible to restudy, but restudy means delay. There has been enough studying, enough examination, and enough planning.

The Chief of Engineers of the United States, in response to the resolution of the Committee on Flood Control, has submitted a plan to prevent a recurrence of the 1937 record flood. The committee has been requested to delay and not to report legislation at this session of the Congress, but delay is dangerous. In some areas there have been three successive floods. We are closer to another flood. The lives of the people are in constant jeopardy. The Government was ordained and established to do what the people and the communities could not do for themselves. Congress has declared a national policy of flood control. That policy should be expanded and enlarged; there should be a liberalization of the Federal contribution to the construction of reservoirs. Floods know no State or county lines.

I know of no more satisfactory way for the expenditure of public funds to relieve unemployment than to provide for protection from flood hazards. In addition to providing for protection against flood hazards, flood-control works, and especially reservoirs, provide for conservation, reclamation, and the development of hydroelectric energy.

It has been said that one-third of the people of the United States are ill-housed, ill-clad, and ill-nourished. It is the poor who suffer most in great floods. The rich are able to move their homes up to the hillsides, but it is the poor who dwell in the valleys and along the rivers and close to the industries where they earn their daily bread in the sweat of their brow who suffer most. If there are to be public expenditures for unemployment, I know of no better way to disburse these funds than in a flood-control program that will provide for the emergency and priority works to prevent a recurrence of the 1937 record floods in the Ohio and Mississippi Valleys.

I have traced the ruin and desolation of the 1937 flood in the Ohio Valley. I have spoken of the farmer who is undertaking to wrest a living from the bottom lands along the river because such a living could not be obtained in the barren hills. I have spoken of the industrial worker who earns his livelihood by working in the factories that must be located on river banks because only near water can these industrial plants survive. As I speak, floods, like the sword of Damocles, hang over thousands upon thousands of men, women, and children who occupy their modest homes in the valleys of the Ohio Basin. Three months have elapsed since these people were driven from their homes by the greatest flood in the history of the Republic. Three months have elapsed since many lost their all; 3 months have elapsed since they were deprived of work to enable them to earn a livelihood. What reason is there for delay? Plans have

been submitted. Why should the execution of these plans be postponed? For my part I believe that the administration will be recreant to its duty if it does not promptly approve and adopt at least priority and emergency works to prevent a recurrence of the 1937 flood. [Applause.]

There were floods along the Ohio River when Columbus discovered America, when Yorktown fell, and there were destructive floods in 1937. Unless the American citizens living along this mighty river are provided with flood protection, thousands upon thousands will be periodically driven from their homes or reduced to starvation because of the devastation of ever-recurring floods.

Mr. SPENCE. Mr. Speaker, will the gentleman yield?

Mr. WHITTINGTON. I am pleased to yield to the gentleman from Kentucky.

Mr. SPENCE. Existing law provides that the lands, easements, and rights-of-way for reservoirs for impounding floodwaters are to be furnished by the local interests.

Mr. WHITTINGTON. I anticipate the gentleman's question. It was not my purpose to discuss the details of legislation in my remarks today, nor do I intend to point out the amendments that, in my judgment, should be made to the Flood Control Acts of 1936. I am convinced that there should be a liberalization of the Federal contribution to reservoirs. Floods know no State lines. Kentucky borders the Ohio River on the south; Illinois, Indiana, and Ohio on the north. The allocation of the costs for reservoir construction is most difficult; it is impracticable; it is my view that the act of 1936 should be amended respecting reservoirs. That act provides that penstocks or similar facilities for the development of electric power shall be installed in all dams that may be adaptable in the future to the development of hydroelectric power. Such provision has been made in the Tygart Reservoir. I favor the Federal Government retaining control of the development of hydroelectric power in every reservoir built by the Federal Government. Where practical, I favor dams for flood control and for the development of hydroelectric power. [Applause.]

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. WHITTINGTON. In just a moment. I repeat that there should be a liberalization of the Federal contribution to reservoirs. I am also of the opinion that Congress should make adequate appropriations, as provided by the two flood-control acts passed in 1936, for the construction of flood-control projects in New England, in southern New York, eastern Pennsylvania, and elsewhere as provided by the omnibus Flood Control Act. The act contemplated an appropriation of $50,000,000 the first year.

I also advocate increasing the appropriation for flood control in the lower Mississippi Valley so that the project may be completed within 6 years as provided by the act. But I must stick to the thought I have in mind; I am emphasizing that no additional flood-control projects can be provided for by the Congress or by the President out of relief funds in the policy that has heretofore obtained unless legislation for such works is passed by Congress. Additional flood-control authorizations are imperative. I am urging that the present session of Congress should provide for at least the priority and emergency projects in the light of the flood of 1937. This will include levees, river walls, and reservoirs along the tributaries.

Mr. RANDOLPH. Mr. Speaker, will the gentleman yield? I am asking that he yield, for I strongly agree with what the distinguished chairman of the Flood Control Committee has just said relative to effective flood-control measures on the tributaries of the Ohio River. I believe the program should include small dams on stream headwaters.

Mr. WHITTINGTON. In just a moment I shall be pleased to yield, if I have the time.

Mr. TREADWAY. Mr. Speaker, will the gentleman yield?

Mr. WHITTINGTON. I will be glad to yield when I have finished my statement. I may say to the gentleman from Massachusetts that Congress has provided for reservoirs in New England, including flood-control projects along the Merrimack and Connecticut Rivers. I favor adequate, immediate appropriations for the prompt construction of these reservoirs. I believe they are priority projects.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. WHITTINGTON. I shall be glad to yield in a moment.

We are citizens of a common country. I like to think of America not so much as a land of banks and factories, not so much as a country of great cities and magnificent highways, but as the home of the greatest and best people in all the world. The first duty of the Government is to protect the lives and property of its citizens.

Public works obtain in all progressive countries. I know of no more beneficial improvements than those for the control of floods. They will provide for unemployment; the funds will not be wasted or dissipated; permanent improvements will result.

I saw in a recent issue of one of the great metropolitan papers a picture of Uncle Sam as he looked at the Ohio and Mississippi Rivers during the great flood of 1937. He was represented as saying to 130,000,000 people, constituting the greatest and wealthiest nation in this or any other age, "Well, what are you going to do about it?" Is the answer, "Nothing"?

Our rivers are among the principal material foundations of our civilization; they are larger and our floods are more destructive than in other countries. The mastery of the flood problem will, therefore, be without precedent in human history. The costs will be great, but the savings will be greater. The losses from destructive floods should be replaced by gains from productive economy.

I conclude as I began: What will the Congress of the United States do to make the Ohio Valley safe from floods? Delay means—nothing. I repeat, is the answer, "Nothing"? For my part I oppose delay. I am ready to go forward. [Applause.]

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. WHITTINGTON. I now yield to the gentleman.

Mr. MAY. I was particularly interested in the gentleman's statement that there would never be any dams built in Kentucky on the branches of the Ohio River, and in his further statement that we were going to have a combination of flood-control dams and hydroelectric dams. For the information of the gentleman I may say that I have been sponsoring the construction of a few of these flood-control dams in my own district and I have discussed the matter thoroughly with the Chief of Engineers of the War Department and he agrees with me.

Mr. WHITTINGTON. I am glad to have the gentleman's views.

Mr. MAY. And he agrees with me in the idea that flood-control dams and hydroelectric dams will not go together. You have got to have an empty dam to catch water, and if you have it full of water you cannot catch more; and if you have a hydroelectric dam you have got to have it full of water.

Mr. RAYBURN. Mr. Speaker, will the gentleman yield?

Mr. WHITTINGTON. I yield.

Mr. RAYBURN. My impression is that the exact opposite of the statement of the gentleman from Kentucky [Mr. MAY] is true. In the first place, a dam to be built at all, if its construction is to be economical, must be of maximum size.

Mr. WHITTINGTON. Yes.

Mr. RAYBURN. And in that case a dam of any proportion which would attempt to generate hydroelectric power would certainly be large enough to always retain enough water in the bottom of the dam where the machinery would be placed to generate hydroelectric energy and yet be large enough to take care of the floods.

Furthermore, let me make this statement while I am on my feet:

It seems to me it would be the sheerest waste and the sheerest nonsense for us to authorize the construction of dams at a cost of millions of dollars, and then lay aside the generation of hydroelectric power, which would amortize the cost of those dams in a period of from 20 to 30 years.

Mr. WHITTINGTON. Mr. Speaker, I am in accord with the gentleman's views. [Applause.]

Under permission granted me to extend further, permit me to say that I favor the utilization of dams that may be constructed for flood control where it is practical also to develop power. The report of the Chief of Engineers, with plans to prevent a recurrence of the 1937 floods, now in the hands of the Committee on Flood Control, recommends that provisions be made for the development of power in all flood-control dams where power may be developed. This is especially true along the tributaries of the Mississippi River, including the White, the Arkansas, and the Red Rivers.

As I have already stated, I have confined myself to floods and their damage in the Ohio Valley. At a future date I shall be glad to discuss the remedies. I will be glad to discuss floods in other valleys. I may state that enthusiastic advocates of power development insist that all dams should provide for the generation of hydroelectric power. There are dams where hydroelectric power can be generated and flood control promoted. This is especially true in the great West, but often flood control and the development of power are incompatible. Arthur E. Morgan, Chairman of the Tennessee Valley Authority and author of the Miami conservancy flood-control project, recently said:

> There is a popular overexpectation as to the possibilities of power development associated with flood control in the eastern United States. Few rivers are so favorable in that respect as the Tennessee, and the possibilities of that river system fall far short of those on the Pacific coast. Moreover, flood control and power in some cases are mutually exclusive.

Again, in the same article in the Engineering News Record of March 18, 1937, Mr. Morgan stated:

> In my opinion, there has recently been exaggeration of the possibilities of flood control by soil management, forestry, and the construction of reservoirs on very small headwater streams.

There is no single remedy for flood control. All possible solutions must be explored. Power, navigation, water storage, and conservation have their places. Soil protection and reforestation must not be ignored. Flood-control works, however, mean river walls, levees, channel rectification, and reservoirs.

The SPEAKER. The time of the gentleman from Mississippi has again expired.

INTERSTATE COMMERCE IN PETROLEUM

Mr. O'CONNOR of New York, from the Committee on Rules, reported the following resolution for printing under the rule, which was referred to the House Calendar and ordered printed:

House Resolution 216

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 5366, a bill to repeal section 13 of the act entitled "An act to regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce of petroleum and its products produced in violation of State law, and for other purposes", approved February 22, 1935. That after general debate, which shall be confined to the bill and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and the amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

CALL OF THE HOUSE

Mr. COLLINS. Mr. Speaker, I suggest the absence of a quorum.

The SPEAKER. The gentleman from Mississippi makes the point of order that there is no quorum present. The Chair will count. [After counting.] One hundred and thirty-seven Members present, not a quorum.

Mr. RAYBURN. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The doors were closed.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 62]

Beam	Ferguson	Kelly, Ill.	Sacks
Belter	Fish	Kelly, N. Y.	Sadowski
Bigelow	Flannagan	Kvale	Scrugham
Buck	Fulmer	Lambertson	Shafer, Mich.
Buckley, N. Y.	Gifford	Lesinski	Sirovich
Byrne	Gilchrist	Lord	Smith, Conn.
Cannon, Wis.	Gildea	McClellan	Smith, Maine
Carter	Goldsborough	McGroarty	Smith W. Va.
Celler	Goodwin	McKeough	Somers, N. Y.
Champion	Greever	Maverick	Taylor, Colo.
Citron	Hart	Murdock, Ariz.	Tobey
Clark, Idaho	Hennings	Norton	Voorhis
Connery	Hildebrandt	O'Connell, R. I.	Walter
Crosser	Hunter	Palmisano	West
Cummings	Jacobsen	Pettengill	White, Idaho
DeRouen	Jenckes, Ind.	Peyser	Withrow
Eicher	Kee	Pierce	Wood
Faddis	Kellar	Rankin	Zimmerman

The SPEAKER. On this call 358 Members have answered to their names; a quorum.

Mr. RAYBURN. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The doors were opened.

NAVIGATION OF TENNESSEE RIVER, ETC.

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Military Affairs and ordered printed:

To the Congress of the United States:

I transmit herewith for the information of the Congress a letter from the Chairman of the Board of Directors of the Tennessee Valley Authority submitting a survey entitled "A History of Navigation on the Tennessee River and Its Tributaries", made pursuant to Executive Order No. 6161 (June 8, 1933), delegating to the Board certain powers granted to me by sections 22 and 23 of the Tennessee Valley Act of 1933.

The attention of the Congress is invited to the suggestion of the Board that the report be printed as a Senate or House document.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *May 19, 1937.*

WORLD'S FAIR, NEW YORK, 1939 (H. DOC. NO. 252)

The SPEAKER laid before the House the following message from the President of the United States, which was read:

To the House of Representatives:

I return herewith, without my approval, House Joint Resolution 304, entitled "Joint resolution authorizing Federal participation in the New York World's Fair 1939."

The disapproval on my part springs from two causes.

The first reason is the amount of the appropriation. I have been fully advised of the importance of the World's Fair and celebration to be held in the city of New York during the year 1939. I have given full support and encouragement to the plans for holding this exposition. Nevertheless, in view of the efforts of the Congress and the administration to bring Federal expenditures within the scope of Federal revenues as rapidly as possible, I am compelled to conclude that the sum of $5,000,000, proposed to be appropriated by the Federal Government, is excessive. Consultation with executive departments leads me to believe that a sum definitely smaller would be sufficient to provide adequate representation of the Federal Government at the World's Fair in New York City in 1939.

The second reason is equally compelling. The joint resolution establishes a commission to be known as the United States New York World's Fair Commission, to be composed of the Secretary of Agriculture, the Secretary of Commerce, the Secretary of Labor, the chairman and the ranking majority and ranking minority member of the Committee on Commerce of the United States Senate, the two United States Senators from the State of New York, and the chairman and the ranking majority and the ranking minority member of the Committee on Foreign Affairs of the House

of Representatives. It is proposed that this commission shall appoint a commissioner general and the latter shall appoint two assistants, with the approval of the commission. The commission shall prescribe the duties of the commissioner general, delegate powers and functions to him, appoint clerks, and so forth, fix their salaries, purchase materials, contract for labor and services, and, in general, conduct, either directly or by delegation, all of the administrative functions of the Government of the United States in the expenditure of the appropriation authorized.

In other words, the commission composed in greater part of Members of the two Houses of Congress is specifically given complete administrative authority for the expenditure of public funds.

I have consulted with the Attorney General of the United States and am advised by him as follows:

In my opinion those provisions of the joint resolution establishing a commission composed largely of Members of the Congress and authorizing them to appoint a United States commissioner general and two assistant commissioners for the New York World's Fair, and also providing for the expenditure of the appropriation made by the resolution, and for the administration of the resolution generally, amount to an unconstitutional invasion of the province of the Executive.

I shall be glad at any time to furnish a copy of the complete opinion of the Attorney General to the Congress.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *May 19, 1937.*

The SPEAKER. The objections of the President will be spread upon the Journal of the House.

Mr. McREYNOLDS. Mr. Speaker, I move that the bill with the message of the President be referred to the Committee on Foreign Affairs and ordered printed. I am thoroughly in accord with the President's intention of economy, and I think this House will have a chance, perhaps, to do something about that when the relief bill comes in here on Thursday. I am glad to say that I believe in cutting down, not only on this, but on other amounts and letting the world know that we are for economy, and that we are not assuming executive power in this House, but are doing what we think is best for the country.

As to the second section, I am going to look into it very carefully and I think possibly they are right about that. That is the way I feel about it. I move the previous question on the motion I have just made.

Mr. O'CONNOR of New York. Mr. Speaker, will the gentleman yield to me before the previous question is ordered?

Mr. McREYNOLDS. I yield, yes, for a question.

Mr. O'CONNOR of New York. Does the gentleman think, in view of the message, that it might be more appropriate than referring it to the legislative branch of the Government, to send it down to the Director of the Budget or somebody in the executive branch?

Mr. McREYNOLDS. I will say to the gentleman that all these bills recently have been cleared through the Budget, and we have tried to follow each proceeding and find out what they have to say about it.

The SPEAKER. The question is on ordering the previous question on the motion to refer the message to the Committee on Foreign Affairs.

The previous question was ordered.

The SPEAKER. The question is on the motion of the gentleman from Tennessee.

The motion was agreed to.

FARMER-LABOR VIEWPOINT ON THE BUDGET

Mr. BERNARD. Mr. Speaker, I ask unanimous consent to address the House.

The SPEAKER. Is there objection?

There was no objection.

Mr. BERNARD. Mr. Speaker, today I want to offer a Farmer-Labor viewpoint on the Budget. I want to state our views on economy, on the social needs of the great majority of our people, and on increasing national income so that expenditures balance our needs. My views are Farmer-Labor views, but I offer them in no narrow partisan spirit. The Farmer-Labor approach to the Budget problem is based not only on the needs of workers and farmers, but gives weight also to the needs of small-business men, home owners, young people, and all others who are threatened by insecurity and the disaster of flood, drought, forest fires, and destruction of national resources. This approach calls for the support of all progressives on either side of the House.

Today one-third of our Nation is ill-clad, ill-housed, and ill-fed, according to the President of the United States. Facts and figures gathered by administration bureau chiefs support the President's statement. Without looking at the figures, you and I know that the President does not exaggerate the misery that exists. Millions of plain men can testify to that misery from everyday observation. Millions more can testify to it from bitter experience.

The President has listened to the voice of the people, speaking at the polls, at mass meetings, in the press, and in hundreds of thousands of messages, directly to Franklin D. Roosevelt himself.

On March 4 of this year, at the Democratic victory dinner, the President told us what the voice of the people is saying. It is saying that the needs of the wage earner, the farmer, the small-business man, the jobless worker, and the youth of our country "will not wait."

On March 4 the President told us he heard the voice of the people saying they would not wait. But lately it seems that he has been listening to other voices.

These are the voices of those who last November supported the campaign of Landon and Knox. Today those voices, speaking through the Liberty League, the self-styled Jeffersonian Democrats, the Old Guard Republicans, are trying to shout down the President's proposal to unpack the Supreme Court. They are calling for an economy drive—a drive to cut Federal expenditures at the expense of the needy, to increase war and navy appropriations, and to keep hands off excess profits piled up by the money lords.

The President repeatedly assured us that he will not listen to these voices. He says we have "only just begun to fight." "We cannot postpone nor run from that fight", he told us, "on advice of defeatist lawyers."

It is clear today that the forces of reaction, defeated at the polls in November, have in truth only just begun to fight. But how vigorously is the present administration returning blow for blow? How much is shadow boxing? We in Congress are asked to pull our punches. On whose advice? On the advice of the President himself and his defeatist Budget makers.

It is the Supreme Court, said the President, which bars the way to any effective program for meeting human need. Progressive people, in Congress and out of it, agreed with him. We Progressives and Farmer-Laborites have fought, and will continue to fight, for the President's plan to unpack the Court.

RED LIGHTS STOP MARCH TO PROGRESS

But that narrow section of the road to progress and prosperity left clear by the Court is not altogether open to us who would travel it. The reactionaries are putting new barriers in our way. This Congress faces a red light at every cross road. If the Court does not flag us to a full stop with its veto, we are halted by the cry of "economy."

WORKERS WANT BUDGET BALANCED

Mr. Speaker, I am wholeheartedly in favor of a balanced Budget. I believe that a balanced Budget should be realistically planned for, and achieved at the earliest possible moment.

As a workingman I know nothing of the wizardry of high finance. I have never spent more than I earned. Living beyond your means is a trick only the rich can master. Workers' families balance their budgets—or else. So when we plain people demand a farmer-labor budget we are not calling for reckless extravagance. The sound, common sense of a balanced National Budget is perfectly clear to every worker, farmer, and hungry man in the United States.

How shall the Federal Budget be balanced? There are only two ways. One is by taxing those who can afford to pay; the other is by junking the high promise of the New Deal and balancing the Budget with the flesh and blood of those who have no money but only life itself to throw into the scales.

SOMETHING ABOUT THE EIGHTH DISTRICT

Mr. Speaker, in my district, the Eighth District of Minnesota, seven-tenths of the people are ill-housed, ill-clad, and ill-nourished.

Let me tell you something about my district. In 1935 the F. E. R. A. made a study of six rural problem areas. All of the five counties in my district are "problem areas." They are in what the F. E. R. A. calls the Lake States cut-over area.

In my district the F. E. R. A. found wide loss of employment in mining and lumbering and bankrupt small farming on marginal lands. They found poor, stony soil, and acres of dead tree stumps, reminders of the days when the entire region was virgin forest.

My neighbors and friends back home did not destroy the virgin forests or ruin the mining industry or willingly bankrupt themselves on dead acres heavily mortgaged.

What made northern Minnesota a "problem area"? The F. E. R. A. answers:

Three waves of economic exploitation which have swept through the area since it was opened to occupancy.

I quote further from the survey:

The first phase occurred with the development of copper mining, and later of iron mining; the second during the mushroom growth and rapid decline of the lumber industry, which left in its wake unused railroads, depleted timber resources, and stranded towns. This decline led to a third, an overemphasis on agriculture brought about by the colonization schemes of States and large landholders, who induced families to settle on unfavorable soils and under poor climatic conditions.

Seven-tenths of the people in my district are in need. Their need was created by no fault or failure of their own, but by the Mining and Steel Trusts, the robber barons who laid waste the forest, and the land speculators.

The economic depression brought the climax of defeated hope and fruitless struggle and forced many of my neighbors to seek relief. From 1920 to 1930, according to the F. E. R. A. study, tax rates increased until some farmers were paying one-third of their net income to the county treasurer. The indebtedness of individual farmers ranged from 85 percent to 150 percent of their total assessed value of all property. In some instances the indebtedness was as high as 600 percent. I shall come back to these appalling figures when I talk about the tax problem and the kind of taxes we need to balance a Farmer-Labor budget.

The people in my district are hard-working and thrifty. But thrift did not save them when the depression came. The F. E. R. A. study already quoted says:

Part-time farmers, lumbermen, and mine workers and the more frugal families who laid aside funds for old age were forced onto the relief rolls by the failure of the banks.

These are my people, the people who sent me to Washington to fight for the things they must have, the people who believed that here was one President who keeps his promises, the people who, in the President's own words "cannot wait." These are the people for whom I speak today. But I do not speak for my district alone; I speak also for the women's brigade, mothers, wives, and daughters of W. P. A. workers, who yesterday came to Washington to make their demands known to Congress. I speak for all those who are ill-clad, ill-housed, ill-nourished, and jobless.

INHUMAN BALANCE

Remember these people, and consider if you want to balance the Budget at their expense. Here is how it can be done, according to the advocates of that inhuman kind of balance.

Those who last November gave us the choice of Roosevelt or ruin, propose now that we take from that one-third of our Nation which is ill-housed any hope of a housing program.

They propose that we take from that one-third of our Nation which is ill-fed and ill-clad any hope of more food or better clothing.

They propose that American farmers continue to climb down the ladder from ownership to tenantry and get along without feed or seed and production loans in the sacred name of economy.

They propose that the Dust Bowl and the floodwaters become conversant with Budget requirements. That floods and drought and dust storms and soil erosion waste our national capital, while we save income for a few privileged citizens.

They propose that we cut relief appropriation to a billion dollars in the coming year, without regard to what this saving in dollars will cost in human suffering.

FARMER-LABOR BALANCE

In contrast, a Farmer-Labor budget calls for appropriations balanced to all the needs of all the people in the United States. We already have introduced in this Congress some bills which meet those needs. Let us look over that list of bills. Let us set up the expense side of our Farmer-Labor budget first, and then see how it can be met out of income.

PUBLIC WORKS AND RELIEF STANDARDS

There is the Public Works and Relief Standards Act (H. R. 5822) introduced by the gentleman from Wisconsin, my friend [Mr. BOILEAU]. This bill appropriates $3,000,000,000 to create 3,000,000 jobs. It provides for the maintenance of proper standards of hours, working conditions and wages on those jobs. It provides $1,000,000,000 for the relief of persons unable to work. It provides for a permanent public-works program of useful projects to be carried out by workers and farmers for the benefit of the country as a whole and their own communities, and to add to our national wealth and the purchasing power of our citizens. I endorse this bill as the cornerstone of sound budget making—the number 1 "must" bill of a Farmer-Labor budget.

There has also been introduced by the gentleman from Washington, my friend Mr. COFFEE of Washington, H. R. 6655, a bill appropriating two and one-half billion dollars for public works. I feel sure my two good friends can work out a compromise agreement on these bills which will come near to meeting the requirements of the people they both seek to serve.

As a matter of fact even administration spokesmen do not pretend that a billion and a half is really adequate. Mr. Hopkins, testifying before the House subcommittee of the Committee on Appropriations, estimated that if this bill is passed it will be necessary to drop over half a million persons from the W. P. A. rolls. Mr. Hopkins and the President have expressed the hope that these people will find jobs in private industry. But they must know that the hope is unfounded. Almost six and one-half million jobless workers are certified and eligible for W. P. A. jobs today. Only a little over 2,000,000 of these are actually at work. What about the other four and a half million?

Hearings held by the subcommittee give the answer.

"You are reducing the number on the relief rolls", said Representative CANNON. "Is that because of the employment of the people in industry or is that an arbitrary curtailment of the rolls?"

"I would say both," replied Mr. Hopkins. In many cities, he said, it meant simply that these people got no help from anywhere.

"What did they do?" asked Representative WOODRUM.

"They were hungry", said Hopkins. "They did not have money to pay their rent and they lived very miserably."

THEY WERE HUNGRY

They were hungry. Studies made by the F. E. R. A. and the W. P. A. show that people dropped from relief or work rolls are always hungry. People dropped from F. E. R. A. or W. P. A. in Georgia, in New Jersey, in the District of Columbia, in South Dakota, in Baltimore, in Arkansas and in eight other areas studied by W. P. A. did not fulfill the hope of officials that they would find jobs in private industry. Cases "closed for administrative reasons," in the polite language of official bulletins, all tell the same story. Months after they were dropped from the rolls these people

were jobless, without money for rent, clothing, medical aid. They were hungry. And now the Budget cutting the appropriation to a billion and a half, adds another half million to the hungry list.

A Budget that dooms 500,000 more American citizens to go hungry is on the way to being a starvation Budget. It does not balance with the needs of the people. And, in the President's own words, those hungry people won't wait. They must be fed now.

Workers are hungry and farmers are hungry. On many farms there is not enough food for folks or beasts. Only in the storage bins of food speculators are the surpluses piled up. Farmers need feed and seed loans, production loans, lower mortgage rates, and above all the assurance that they will be paid for growing food America must have.

Secretary Wallace went down South and found tenant farmers living in conditions more shocking than those endured by the peasantry of Europe. Morris Llewellyn Cooke, former R. E. A. Administrator, and H. H. Bennett, head of the Soil Conservation Service, have grown hoarse warning us that not only farmers but farms are in danger. The very soil itself is going, and when it is gone the people must go. There may be no posterity to worry about balancing the Budget.

In the face of the admitted threat to farmers and to our national survival, what does the Administration propose? It proposes that we put the findings of its expensive studies and surveys on ice. It proposes that farmers "wait." That all but a few continue as landless, miserable peasants. That wind and water erosion, flood and forest destruction also "wait." But wind and water will not stop for budgets. And hunger feeds the impatience of farmers.

FARMERS' SECURITY

H. R. 6836, introduced by the gentleman from Wisconsin [Mr. BOILEAU], is based on the findings of the President's own committee and offers a solution of the tenancy problem. It must be included in our Farmer-Labor budget.

The Jones-Bankhead bill, though falling far below requirements of the situation, would make a start in the right direction. But the administration now threatens to throw this, its own baby, to the wolf of "economy."

No adequate soil-conservation measures have been as yet proposed. H. R. 204 and H. R. 207, introduced by the gentleman from North Dakota, provide for feed and seed loans and crop insurance for farmers. They, too, are essential to our budget.

All these farm measures must be passed and supplementary ones introduced if our budget is to meet the needs of farmers.

There is the workers' unemployment and social insurance bill. This bill was introduced in the last session of Congress and attracted the support of millions of workers and farmers and their organizations throughout the country. This session it has been introduced again by Mr. CELLER and by Mr. MATTHEW DUNN. This bill also belongs in a Farmer-Labor budget.

HOUSING

We have three housing bills before the House—the Scott bill, the Ellenbogen bill, and the Steagall bill. Of these, I prefer H. R. 4292, introduced by Mr. SCOTT. But remembering how the people in my district live, what it is like there to be ill-housed, I will work and vote for any bill for better housing which the majority of the membership will pass.

AMERICAN YOUTH ACT

Five hundred thousand young workers annually swell the labor supply of the country. Five hundred thousand young workers come of age each year in a world which has nothing to offer them, no work for their young energies to turn to. The American Youth Act has the support of young people all over the country. Three Members of this House think so well of it that they have each introduced it this session. I refer to the gentleman from Washington, Mr. COFFEE, the gentleman from California, Mr. VOORHIS, and the gentleman from Texas, Mr. MAVERICK.

THESE WILL NOT WAIT

Farmers will not wait. Workers will not wait. Flood and drought and erosion control will not wait. Housing will not wait. And the youth of our land will not wait.

In the words of the President of the United States:

> If we would keep faith with those who had faith in us, if we would make democracy succeed, I say we must act * * * now.

FARMER-LABOR VIEW OF TAXES

Acting now means planning a Farmer-Labor budget. I have briefly outlined the expense side of that budget. Where shall we get the money to pay for the things our people must have? We shall get it by three main revisions of our present tax system, which I have time now to discuss only briefly.

The President himself has recognized the need for tax revisions. In his message to Congress he said:

> The Treasury will be prepared by November next to present to the appropriate committees of Congress information as to such loopholes as may exist in the present revenue laws, and suggestions for such new or additional taxes as may be necessary to meet deficiencies, if any, in the revenue-producing power of the present levies.

The people will not wait for next November and the Treasury Department, if waiting means that they must make up the deficit.

A Farmer-Labor budget demands tax revisions—now. First, the loopholes in our present laws. It is necessary only to mention a few gentlemen who have driven a coach-and-four through those loopholes. Loopholes let Charles Mitchell rob the Treasury of $700,000, Messrs. Raskob and Du Pont snitch another million eight hundred thousand, and the Van Sweringens escape with still another million seven hundren thousand. The people of the United States have been cheated out of hundreds, if not thousands, of millions of dollars in the last few years by tax dodgers who knew their way among the loopholes. In the good old days, when Andrew Mellon was Secretary of the Treasury, the Treasury itself provided a guide to the loopholes. There need be no mystery about the $60,000,000 disappointment in revenue returns. I firmly believe that most of the disappointment is due to an illegal raid on Treasury funds by big tax dodgers.

Second, our present tax laws must be changed so that they no longer bear heaviest on those least able to pay. I spoke of the heavy taxes borne by poor farmers in my district. What corporation or millionaire industrialist carries a tax load equal to 100 to 600 percent of his total assessed value? But that is the kind of tax burden many farmers carry. It is generally agreed that taxation in this country is regressive—that is, that the poorest section of the country pays heaviest for all Government expenditures, including its own relief.

Third, our tax laws must be revised so that progressive taxation on big incomes and corporate profits will balance the Budget. We have heard a great deal lately about England. England has been held up to us as a fine model of how to hamstring the trade-unions by making them responsible. But those who favor copying the English Tories balk at adopting even Tory forms of progressive taxation. The corporation income tax averages 25 percent in England, and, at most, 15 percent—more probably 11 percent—here. Income, gift, and inheritance taxes in England are far higher than in this country, except for taxes on that small proportion of the population with incomes of over a million dollars a year. We could increase our Federal income to $6,000,000,000 from direct taxation alone by simply raising our tax rates in the higher brackets to the English level.

The question of taxation is too vast and complicated for adequate discussion in the short time allowed me today. I hope soon to have an opportunity to talk at greater length on this important phase of a Farmer-Labor budget and to introduce a Farmer-Labor tax bill.

But the problem of raising enough money to meet necessary expenditures is not an impossible problem for the richest country in the world to solve.

It can be solved by rigid enforcement of existing tax laws and heavy penalties, including, as in England, long prison sentences for lawbreakers. It can be solved by revising present tax laws, lifting the burden of indirect and regressive taxation from workers, farmers, and small-business people, and placing that burden where it belongs—on the big corporations and industrialists who have cornered the national wealth.

WE MUST ACT NOW

Acting now means acting together. Unless we act together the people of our districts will hunger separately. I call upon all progressives in the House for common action—now. I urge you all to speak, to act, to vote for a Farmer-Labor budget, a budget that will meet the needs of the people not only in my district but in every congressional district in the United States. Together we can defeat the starvation budget which has the backing of all those forces of reaction which in the last election strove for the defeat of Franklin D. Roosevelt and for our defeat. In my district those forces were led by the Steel Trust. The people of my district licked the Steel Trust and sent me to Congress. They expect me to carry on the fight here to help defeat the Steel Trust and its counterparts in other sections of the country; to get relief, public works, farm aid, and security for those who must have help—now; to support progressives from other sections and to win their support for my section—now; to balance the Budget—now; and to balance it at the expense of those who can afford to pay—now.

EXTENSION OF REMARKS

Mr. KENNEY. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. MANSFIELD. Mr. Speaker, a few days ago Mr. Newton, of St. Louis, a former Member of the House, delivered before the Committee on Rivers and Harbors a very able and informative address. I ask unanimous consent to extend my own remarks to insert that address in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MANSFIELD. I also desire, Mr. Speaker, to extend my remarks to include a very able and informative address delivered before the same committee by the gentleman from Mississippi [Mr. RANKIN].

The SPEAKER. Without objection, it is so ordered.

There was no objection.

LUVENIA FLOWERS

Mr. GASQUE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 1790) for the relief of Luvenia Flowers, with a Senate amendment, and agree to the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 7, strike out "Georgetown" and insert "Coward."

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

CALENDAR WEDNESDAY

The SPEAKER. This is Calendar Wednesday. The Clerk will call the committees.

The Clerk called the committees.

NAVAL AIR BASE AT TONGUE POINT, OREG.

Mr. VINSON of Georgia (when the Committee on Naval Affairs was called). Mr. Speaker, by direction of the Committee on Naval Affairs, I call up the bill H. R. 198, on the Union Calendar, authorizing an appropriation for the development of a naval air base at Tongue Point, Oreg.

The Clerk read the title of the bill.

The SPEAKER. Under the rules, this bill being on the Union Calendar, the House automatically resolves itself into the Committee of the Whole House on the state of the Union.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 198) authorizing an appropriation for the development of a naval air base at Tongue Point, Oreg., with Mr. BOEHNE in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Without objection the first reading of the bill will be dispensed with.

There was no objection.

Mr. VINSON of Georgia. Mr. Chairman, as I understand, the proponents of the bill will be entitled to 1 hour and those opposed to the bill will be entitled to 1 hour.

The CHAIRMAN. The gentleman is correct.

Mr. UMSTEAD. Mr. Chairman, I rise to request the time in opposition to the bill.

The CHAIRMAN. Is any member of the Committee on Naval Affairs opposed to the bill? [After a pause.] If not, the Chair will recognize the gentleman from North Carolina [Mr. UMSTEAD], for 1 hour.

Mr. VINSON of Georgia. Mr. Chairman, I ask recognition for 15 minutes.

The CHAIRMAN. The gentleman from Georgia is recognized for 15 minutes.

Mr. VINSON of Georgia. Mr. Chairman, this bill does not have the endorsement of the Navy Department. While I entertain the highest regard for the opinion of the naval officers, yet, nevertheless when the facts have been submitted in a case of this kind—that is, to determine whether or not a shore base should be established for patrol seaplanes—I think that the 25 members of the Naval Affairs Committee are just as competent to reach a decision as the naval officials.

At the very outset let me call to your attention that this bill has not received the endorsement of the Budget. For one Member of this House, I do not think it is treason for Congress to pass bills that have not received the approval of the Budget. Have we reached the point in this great body that we will not legislate unless some clerk in the Bureau of the Budget in writing up the report on the bill advises us to do so?

What are we sent here for? Are we sent here only to think as the Budget thinks and to conclude only as the Budget concludes?

The Budget says that this bill authorizing an appropriation of $1,250,000 is not in accord with the financial program. It said that last March, when the Navy Department submitted its adverse report on the bill—and yet within the last 60 days it has given its approval to naval bills which are now pending before the Naval Affairs Committee calling for authorizations amounting to nearly $100,000,000.

Just think of it, with an annual expenditure for this fiscal year of approximately $7,700,000,000 we find that an expenditure of $1,250,000 as called for in this bill will upset the financial program.

If you are interested in economy, I will prove to a mathematical certainty it will be a saving of approximately $11,000,000 by establishing this shore base.

The object and purpose of the bill is to authorize an appropriation of $1,250,000 for the development of a naval air base at Tongue Point, Oreg.

Tongue Point is situated near the mouth of the Columbia River in the vicinity of Astoria, Oreg. The mouth of the Columbia River is 560 miles north of San Francisco and 245 miles by water from Seattle. Tongue Point as a site for naval development was first considered about 37 years ago.

It was in 1900 that this site was considered by a special naval board headed by Admiral Bradford. The report of that board said:

Its position, 560 miles from San Francisco and the only available point between San Francisco and Puget Sound, makes it highly important as a harbor of refuge and repair for naval vessels; more especially as the entrance to the Puget Sound naval station lies between shores, one of which belongs to another nation.

The report further stated:

The only site on the river for a naval station is at Astoria and the Navy needs a base there with the least possible loss of time.

In 1917 the Helm Navy Yard Commission, headed by Admiral Helm, after visiting the Columbia River, recommended the acquisition of the Tongue Point site. That part of the report being as follows:

> It is the final opinion of this Commission that the Tongue Point site, taking all things into consideration, is the most desirable one to be found near the mouth of the Columbia River for submarine and aviation purposes, and it recommends, as noted hereinafter, that this site be acquired and developed for this purpose, at a total cost not to exceed $1,200,000.
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> * * * * * * *
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> For the acquisition of the necessary site and the immediately necessary development of same on the Columbia River, as hereinbefore recommended in this report for a submarine and aviation base, this development to include the necessary wharves, storehouses, shop facilities, electric charging plant, temporary barracks for men, etc., with provision for meeting the necessities of at least 12 submarines at one time, and possibility of expansion to double that number, and for the necessary hangars, launching ways, etc., needed for aviation purposes, there is recommended the sum of $1,200,000.

In 1919 the special board of inspection of naval bases, headed by Admiral Parks, concurred in the recommendations of the Helm Commission with the further recommendation that the base be for submarines, destroyers, and aviation and that—

> An appropriation of a million and a half be obtained from the present Congress, with authorization of a completed project not to exceed five millions, to be completed within 3 years.

As a result of these reports the city of Astoria purchased and donated to the Government 115 acres of hard land and 256 acres of submerged land at Tongue Point to be used as a submarine, destroyer, and aviation base; therefore, in the appropriation bill of 1920 Congress provided:

> Submarine and destroyer base, Columbia River: Toward the development of a submarine and destroyer base, and the Secretary of the Navy is hereby authorized to accept from the city of Astoria, Oreg., free from encumbrances and conditions and without cost to the United States Government, a certain tract of land at Tongue Point, Columbia River, for use as a site for a naval submarine and destroyer base, and containing 115 acres, more or less, of hard land and 256 acres of submerged land, $250,000.

As a result of this appropriation there was built at Tongue Point some wooden buildings, piers, and a limited amount of dredging was done. Since that work there has been no further naval development at this site or in this area. From that time down to today the Navy has completely forgotten the development of this base. It has let its buildings and piers and other development go to wrack and ruin; therefore, the Government loses the entirety of the $250,000 spent there. Yet, nevertheless from a national standpoint Tongue Point is the key to the defense of the Columbia River Valley and the great Pacific Northwest.

I grant you that Tongue Point at the mouth of the Columbia River near the little town of Astoria is not as fashionable a place of abode, nor does it possess the social atmosphere now established at Coronado and Long Beach, where the Navy is so well entrenched, yet it is of the greatest strategic importance in the scheme of national defense for the Northwest.

The purpose and object of this bill is not to make this a submarine or destroyer base, but to utilize this site as a naval air base for patrol or sea planes.

The plan of the Navy Department calls for the establishment on the west coast of three primary naval aviation bases. One base on North Island at San Diego, one at Sand Point, Seattle, Wash., and the third in the San Francisco Bay area at Alameda and Benton Field. The first two, North Island and Sand Point, have been established and in operation a great many years, and recently Congress authorized an appropriation of $15,000,000 for the establishment of a base at Alameda; however, no funds have been made available for this base, as the title to the site has not passed to the United States.

In considering this bill Admiral King, Chief of the Bureau of Aeronautics, testified:

> I think I am ready to say that once the three primary air bases on the west coast are established that the region in the mouth of the Columbia River or covering the mouth of the Columbia River has the next call. But I would like to say that that is my personal, although also my professional, opinion.

The Tongue Point base provided for in this bill is a secondary base. It is proposed to furnish accommodations for only two squadrons of seaplanes.

You will note that in the testimony of Admiral King I have just quoted he stated that the Columbia River area would have the next call after the three primary bases are established. In the judgment of the committee we are of the opinion that the authorization for the establishment of this secondary base at Tongue Point should go hand in hand with the establishment of the last primary air base on the Pacific coast at Alameda. There is a difference of opinion as to when the secondary base should be established.

The officers of the Navy feel that the secondary bases should not be started until the primary bases are completed; however, in our judgment, we feel that we should construct the primary base at Alameda and the secondary base at Tongue Point at the same time, especially in view of the fact that on Monday of this week the House approved a bill (S. 2049) reducing by $1,500,000 the original authorization for Alameda; therefore, from the committee's standpoint we propose to develop the primary base at Alameda and the secondary base at Tongue Point within the amount that was originally authorized for Alameda. The act of June 24, 1936, authorized $15,000,000 for Alameda. The bill passed by the House on Monday reduced the amount of this authorization to $13,500,000. This bill authorizes $1,250,000 for Tongue Point, thus now making a grand total for Alameda and Tongue Point of $14,750,000, or a saving of $250,000 over the original authorization for Alameda. The construction of both will not cost as much as the Department requested and Congress authorized for Alameda.

Patrol or seaplanes must either be based on a tender or on a shore station; it is the contention of the Navy Department that patrol or seaplanes should in this case be based on a tender, while it is the position of the Naval Affairs Committee that two squadrons of patrol or seaplanes should be based on a land base at Tongue Point.

Now, from the economy standpoint, let us see which will be the more preferable as a base for these two seaplane squadrons.

To build a tender of 8,000 tons will require from 2 to 3 years and will cost, fully equipped with machine shops, gasoline and oil storage and other necessary equipment, about $15,000,000. In addition, such a tender will require, exclusive of the flying personnel for the planes, between four and five hundred naval personnel to man her.

To establish a land base for these same planes will require the construction of machine shops, and machine shops on shore are far more efficient and satisfactory than those in cramped space on a tender; barracks, quarters, hangars, ramps, and other accessories to a limited extent, which can be put up for $1,250,000. Another item of considerable moment would be the saving in personnel. To man the base for two seaplane squadrons, exclusive of operating personnel for the planes, would require about 214 men, as against the four or five hundred required for a tender.

In this case is it self-evident that it is economy and common sense to use Government-owned property at Tongue Point with a limited amount of development as a base for the two squadrons.

A fair yardstick to determine whether or not we would be justified in establishing a seaplane base is to compare the maintenance cost between a shore base and a floating base or a tender. Now, let us do so and see how it works out.

At Sand Point we have a seaplane base designed for two squadrons, or 24 seaplanes. The ground force, both enlisted and civilian, consists of 96 men, and the maintenance cost, exclusive of military personnel, is $130,000. Including military personnel, it is approximately $125,000 more, making a total maintenance cost of about $255,000.

The maintenance cost for the last fiscal year of an aircraft tender, the *Wright*, was $717,678. Both furnish accommodations for the same number of seaplanes; that is, two squadrons, or 24 planes. So, therefore, you can readily see it will be a saving in a shore establishment of the size of Sand

Point of the difference between $255,000 and $717,678, or $462,678.

The issue is clear-cut—we must either pass this bill providing for $1,250,000, or else the committee will be obliged to bring in a bill providing for an aircraft tender at an estimated cost of over $12,000,000. The men operating the planes cannot base in the air; they must have a base either on shore or on a tender. So you can readily see we will make a saving of approximately $11,000,000 by authorizing this shore base instead of a floating base. The House is beginning to preach economy. Now, this is an opportunity for them to practice it.

Mr. UMSTEAD. Mr. Chairman, will the gentleman yield?

Mr. VINSON of Georgia. I yield.

Mr. UMSTEAD. Did not the gentleman's committee approve the establishment of the naval air base at San Diego?

Mr. VINSON of Georgia. Oh, yes.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. VINSON of Georgia. I yield.

Mr. COCHRAN. Will the gentleman go on record before the House as chairman of the Committee on Naval Affairs of the House that if this bill becomes a law he will do everything he can to oppose the bill which he says he introduced?

Mr. VINSON of Georgia. I will say to the gentleman that if this committee follows my advice on this bill we will build a land base and will construct one less tender. We will save the difference between $12,000,000 and $1,250,000.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. VINSON of Georgia. I yield.

Mr. COCHRAN. Can the gentleman speak for the entire membership of his committee and say that under no circumstances will they recommend to this House the passage of the bill that the Navy Department wants?

Mr. VINSON of Georgia. I cannot speak for any man at any time except myself, no more than the gentleman from Missouri can.

Mr. UMSTEAD. Will the gentleman yield?

Mr. VINSON of Georgia. I yield to the gentleman from North Carolina.

Mr. UMSTEAD. Did I understand the chairman of the Committee on Naval Affairs to leave the impression upon this Committee that the purpose of the tender to be constructed under the bill introduced by the distinguished chairman is for use at Tongue Point?

Mr. VINSON of Georgia. No; of course not.

Mr. UMSTEAD. Did I understand the gentleman to say that no more tenders will have to be constructed for use of the Navy?

Mr. VINSON of Georgia. No.

Mr. UMSTEAD. Does the gentleman not know, as a matter of fact, that the passage of this bill will not have anything more to do with the building of tenders for the Navy than an owl's hoot?

Mr. VINSON of Georgia. I may say to the gentleman from North Carolina, if this House goes on record and approves the establishment of a land base, as one member of the Naval Affairs Committee I shall vote for one less tender.

Mr. UMSTEAD. How many tenders is the gentleman going to vote for?

Mr. VINSON of Georgia. I am not going to vote for any at this session of Congress if the pending bill is passed. The building program of the Navy calls for the construction of eight tenders, and the House would be justified, if this bill passes, in voting for only seven tenders, thereby saving $11,000,000. [Applause.]

Mr. UMSTEAD. I take it the gentleman is basing his statement on the premise that either this base must be built or a tender must be placed in the Columbia River?

Mr. VINSON of Georgia. No.

Mr. UMSTEAD. Has the gentleman otained an estimate from the Navy Department or from the Bureau of Yards and Docks or from the Bureau of Aeronautics as to what can be done with $1,250,000 at Tongue Point?

Mr. VINSON of Georgia. Yes. I am glad the gentleman mentioned that.

Mr. UMSTEAD. I asked the gentleman if he had obtained an estimate from either of the two Bureaus of the Navy Department.

Mr. VINSON of Georgia. Permit me to answer the question. I want to be fair with the committee. There is one weakness to this proposition. There is located at Seattle, 90 miles away, a seaplane base.

Mr. MAGNUSON. May I correct the gentleman? It is about 200 miles away.

Mr. VINSON of Georgia. It is 200 miles by water and 90 miles by air. Permit me to say also you have to fly over three separate and distinct ranges of mountains in going by air from Seattle to Tongue Point.

Mr. UMSTEAD. Will the gentleman yield?

Mr. VINSON of Georgia. The gentleman has an hour. Will he yield me some of his time?

Mr. UMSTEAD. I will yield for any question I can answer while I am on the floor.

Mr. VINSON of Georgia. I yield to the gentleman from North Carolina.

Mr. UMSTEAD. I am not as familiar as the gentleman with the details of ship construction, as he well knows. Do I understand the gentleman to be leaving the impression with this committee that a $15,000,000 tender is necessary to do what may be done at Tongue Point?

Mr. VINSON of Georgia. I am leaving the impression with the committee that if you build it for $15,000,000 you will be lucky because the cost is going up by leaps and bounds. Admiral Leahy testified before a Senate committee in support of the bill for a tender that it will cost $12,000,000 or more.

Mr. UMSTEAD. The gentleman does not answer the question.

Mr. VINSON of Georgia. I propose to this House that it be built on land and save the difference between $1,250,000 and $12,000,000. If you want economy, here is your opportunity. Let us practice a little economy instead of indulging in this lip-service economy. [Applause.]

Mr. Chairman, I reserve the balance of my time.

Mr. UMSTEAD. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, I am reluctant to come onto this floor and oppose a bill coming out of a great legislative committee of this House.

When I was appointed to a place on the Committee on Appropriations 2 years ago I did not ask to be assigned to the Subcommittee on Appropriations for the Navy Department. If I could have selected the subcommittees to which I was to be assigned, I confess I would not have selected the Subcommittee on Appropriations for the Navy Department. However, I was placed on that subcommittee, and by a series of events over which I have had no control, I have become chairman of the Subcommittee on Appropriations for the Navy Department. This is a very serious responsibility these days, when we are faced, on the one hand, with the necessity of having an adequate national defense and, on the other hand, with an annual appropriation, amounting this year to $526,000,000, for the Navy Department. Therefore, when a bill such as the one before us is reported from the legislative committee, I think the Members of the House have the right to know the facts.

I have no personal feeling about this matter one way or the other. After you have heard the facts it is immaterial to me whether you vote the bill up or down. However, if you vote the bill up, next year when we come in with an appropriation bill carrying funds to do what you will have told us to do, and thereafter we come in with an annually recurring maintenance and operating appropriation for the new station, do not blame the subcommittee of the Committee on Appropriations, but place the blame where the blame belongs, upon the Congress of the United States.

Someone on this floor referred this morning, yea, it was the distinguished chairman of the Committee on Naval Affairs, the gentleman from Georgia [Mr. VINSON], to economy. The President of the United States has just vetoed a bill concerning his own State. Now we are faced with an

authorization for the building of a naval air base at Tongue Point.

I am quite certain the gentleman from Georgia intended to give you all the facts. I know he could not do so in the limited time which he consumed, and the gentleman was most gracious in yielding to me. I repeat now what I stated a moment ago, that I have no such storehouse of information at my disposal about naval vessels as has the gentleman from Georgia, but I think I know enough about the naval appropriation bill and the Naval Establishment in the United States to be able conscientiously to urge upon you that you go slowly about creating any more shore establishments at this time.

Who is charged with the development of a system of defense? The Army and the Navy. I was astounded to hear the statement of the distinguished chairman of the Committee on Naval Affairs, who, since he became the chairman of that great committee, has relied upon the naval authorities to support every bill he has asked this Congress to pass. The gentleman has believed their evidence. The gentleman has told you and has told me that we ought to believe this evidence, that the naval authorities were the ones who knew and who ought to know, and whose duty it is to know, what is necessary to build up a coordinated system of shore defenses in this country. Now, the gentleman comes to you today and states, under the rather strange doctrine of self-assertion, if you please, that in order for Congress to assert itself under his leadership he must vote for something which the Navy has never recommended. No man in this House believes the gentleman from Georgia, with all of his power, wisdom, and experience, would simply pick out a naval officer to trample upon in order to ascend the heights of self-assertion again as a Member of Congress, but this is what he has done. The gentleman has gone further than this. He has intimated to you—in fact, he stated to you—that one of the reasons the Navy Department would not approve a naval establishment at Tongue Point was because it was not a proper social place for the naval officers to spend their hours of leisure.

I am astounded that the chairman of the committee charged with the conduct of the Navy Department, having voted out bill after bill, having called upon Congress time after time to appropriate billions of dollars, should now come in and state the very unit of the Government with which he has been dealing is a social organization and not an arm of defense. If the gentleman means what he said, in fairness to himself and to the House which votes the money for the gentleman's program, the gentleman ought to investigate this charge.

Let us look at this project for a moment. The gentleman from Georgia stated he wished for you to know the facts. The Navy Department has at Seattle a naval air base. The chairman of the legislative committee stated on this floor a moment ago that Seattle is only 90 miles from Tongue Point. Less than 100 miles from this point, at Tacoma, the great Army of the United States has its main northwestern air base, and an appropriation was carried in the recent appropriation bill to extend and enlarge its facilities there. The Army's activities in this area will be presented to you by another distinguished Member of this House.

What is the naval air base situation on the west coast? At San Diego a naval air base, in San Francisco Bay a naval air base, and at Seattle a naval air base. The Navy Department has recommended these three places. Two of them are now in existence. One million dollars was carried in this year's appropriation bill to begin the construction of the naval air base at Alameda, which will be the San Francisco Bay base. The Navy Department has recommended, as you will see from the report, that no secondary stations be built on the Pacific coast until the three primary stations to which I referred have been established and completed. Upon what does the committee rely by way of expert testimony except the chairman of the committee? It relies upon a statement made by Admiral King 2 years ago, when he was acting as Chief of the Bureau of Aeronautics. The statement is set forth in the report, and I beg of you to get a copy of this report and read it before you vote upon this measure. Admiral King is their witness, the one on whom they are relying, and the only one whose testimony they have produced in the report. The report was submitted by the distinguished gentleman from Oregon [Mr. MOTT], in whose district this proposed air base will be located.

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. UMSTEAD. I yield.

Mr. MOTT. It is true that Admiral King——

Mr. UMSTEAD. I will yield for a question, not for a statement; I am sorry.

Mr. MOTT. I just want to correct the gentleman's statement. The gentleman stated we have produced the testimony of no witnesses except Admiral King.

Mr. UMSTEAD. In the report.

Mr. MOTT. I say to the gentleman that in the short report filed that is the only witness quoted, but the hearings are very voluminous and they are on the desk and they are available to the gentleman and to everyone else.

Mr. UMSTEAD. I do not yield further. I made no reference to the hearings. I said, and I repeat, that as I read the report the only witness relied upon is Admiral King, and he states that he would recommend it only after the establishment of the three primary bases at San Diego, Seattle, and San Francisco, and the one at San Francisco has not yet been started. The first appropriation to be used for that purpose is in the appropriation bill for 1938.

Let me now remind you of one thing more. I ask you to read the letter addressed to the chairman of this committee and set forth in the report from the Secretary of the Navy. He not only does not favor the construction of this naval air base, but he states, unequivocally, that the Department is against it, and he states further that H. R. 198, which is the bill under consideration, is not in accord with the program of the President.

The gentleman from Georgia has stated that the air base at Tongue Point would compare with the air base at Seattle. I cannot believe the distinguished chairman of the legislative committee meant to imply that you could take a million and a quarter dollars and do with it what has been done at Seattle.

I undertook this morning to get some information from the Navy Department. I asked the distinguished chairman when he was here in the Well of the House where he received his estimate of $1,250,000 and what he could do with it. He has never answered. I will tell you what the Department told me they could do with it. I do not know myself, but I was informed this morning that with that amount of money the Navy Department probably would be able to maintain the tremendous number of six patrol planes.

Mr. VINSON of Georgia. Mr. Chairman, will the gentleman yield?

Mr. UMSTEAD. I do.

Mr. VINSON of Georgia. The total amount of expenditure——

Mr. UMSTEAD. I yield for a question.

Mr. VINSON of Georgia. I am going to state the facts and then ask the question.

Mr. UMSTEAD. I yield. The gentleman was very nice to me.

Mr. VINSON of Georgia. The total amount that has been spent, outside of dredging, for building, repair shops, and all that sort of thing, at Seattle or at Sand Point, where there are 24 planes, is $755,200.

Mr. UMSTEAD. The gentleman stated that a few moments ago. That is not convincing, because the gentleman took out a lot of exceptions and we do not know what is included in your exceptions, but you know you cannot build at Tongue Point an establishment that will take care of 24 patrol planes with this amount of money.

Mr. VINSON of Georgia. The total amount that has been spent at Seattle or at Sand Point of every character is $2,200,000.

Mr. UMSTEAD. Then why do you say you can do it for $1,250,000?

Mr. VINSON of Georgia. That is the amount that has been expended ever since the station has been established.

Mr. UMSTEAD. Why say you can do it for $1,250,000?

Mr. MAAS. Mr. Chairman, will the gentleman yield?

Mr. UMSTEAD. Not now. I am waiting for an answer to my question.

Mr. VINSON of Georgia. That is all that I think should be spent, and it may not be necessary to have 24 planes. One squadron of 12 planes may be sufficient to meet all the naval needs.

Mr. UMSTEAD. Then the gentleman admits that when he undertook to say to the House that you can build at Tongue Point for $1,250,000 what you have at Seattle, the gentleman was woefully in error?

Mr. VINSON of Georgia. And, further, it would not cost as much to maintain it at Tongue Point as at Seattle.

Mr. UMSTEAD. I am not talking about maintenance, I am talking about the cost of plant.

Mr. VINSON of Georgia. It will not cost as much to build there, because you will not have as large an establishment.

Mr. UMSTEAD. The gentleman knows that never in the history of this Congress, during the last 2 years, has any estimate of the Navy Department turned out to be within 30 percent of enough money, to say nothing of an estimate that has been made up by some people who have not even consulted the Navy Department about what it would cost. The Bureau of Yards and Docks of the Navy Department is the most competent agency to determine the cost of a Naval Establishment in this country. They have not even been asked for an estimate as to the cost of this measure. They have not even been requested to furnish the committee which reported this bill, according to the testimony I received this morning, to submit such an estimate.

[Here the gavel fell.]

Mr. UMSTEAD. Mr. Chairman, I yield myself 5 more minutes.

Mr. VINSON of Georgia. Mr. Chairman, will the gentleman yield?

Mr. UMSTEAD. I yield to the gentleman.

Mr. VINSON of Georgia. Will the gentleman advise this Committee, if the House rejects this land base, whether he will then support the construction of a tender to take the place of it?

Mr. UMSTEAD. I may say in answer to that question, first, that there is no evidence in this world that a tender will be necessary to take the place of this base, if it is not built, and I may say, secondly, when the time comes to vote on the measure providing for a tender, I shall dispose of that matter then, so far as I am concerned, and not until then.

Mr. MAAS. Mr. Chairman, will the gentleman yield?

Mr. UMSTEAD. I yield to the gentleman.

Mr. MAAS. Of course, there is a difference in the cost——

Mr. UMSTEAD. I yield for a question and no more.

Mr. MAAS. I am repeating the gentleman's own testimony.

Mr. UMSTEAD. Well, that is not necessary, if I have made the statement. Just ask me your question.

Mr. MAAS. All right; why do you have to have as much money at Tongue Point as you do at Sand Point?

Mr. UMSTEAD. It is not up to me to answer that question.

Mr. MAAS. You are going to answer it.

Mr. UMSTEAD. I am not going to answer it and I cannot answer it, and no man on the committee can answer it——

Mr. MAAS. I can answer it if the gentleman will yield.

Mr. UMSTEAD. I do not yield, for the reason that no man on this committee has come in here with any figures from any responsible source to justify $1,250,000 or any other amount.

Mr. MAAS. I will tell the gentleman if he will give me a chance.

Mr. UMSTEAD. I do not yield to the gentleman any more, though I shall later if I have the time. No one has shown that any estimate was requested of the Navy Department. I am not expected to know or to have more information than the legislative committee which has reported the bill out. All I know is what I heard this morning from the Navy Department, that this would provide sufficient funds to establish a base which would accommodate six patrol planes.

What are we faced with in this measure? First, we are faced with not the slightest necessity for the establishment of this naval air base. It has not been approved, but on the contrary it has been disapproved by the Navy Department. It has not been approved, but on the contrary it has been disapproved, by the Budget Bureau. It is in the heart of an area within 90 miles of a now existing naval base. It is within 100 miles of the largest Army aviation base in the Northwest. I ask you Members of the House a serious question as to whether or not you are going to vote today to increase an already overheavy naval appropriation bill.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. UMSTEAD. Not now. It was estimated 2 years ago that the Naval Establishment would cost $555,000,000 a year when we completed our building program to treaty strength. Since that it has been admitted by the Navy Department that they made an error of $29,000,000 in the estimate of pay and subsistence costs. Since then this House and this Congress has passed leave and sick laws adding upward of $7,000,000 a year to the cost of the United States Navy.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. UMSTEAD. I yield myself 1 minute more. Since then this Congress has passed authorizing acts and since then the cost of everything the Navy has to buy has gone up, I should say, around 25 percent in this country, so that today it is a conservative statement, in my judgment, that if we go on and complete the Navy to treaty strength, if we maintain the shore stations we now have, by 1942 it will cost a minimum of $625,000,000 per year.

Mr. THOM. Mr. Chairman, will the gentleman yield?

Mr. UMSTEAD. One other question and I am through, and then I shall yield. In every naval air station in the United States today, in every naval training station, at every Government navy yard, the Committee on Appropriations and the Navy Department know that there are improvements which must be made. There are repairs needed now. Let us, if you please, before we build more shore establishments, preserve and let us be sure that we can financially maintain those we now have, the necessity for which, in most instances, has been thoroughly established.

I yield to the gentleman from Ohio.

Mr. THOM. Is it not true that naval bases are also contemplated along the Alaskan shore and that preliminary surveys have been made and that they will require additional expense?

Mr. UMSTEAD. I understand that is correct. I appeal to you Members, not personally. I wish to see this country have a navy adequate to its needs. Every man who is for this bill knows my attitude as to that, but I feel it is my duty to place before you a picture of what the annual cost of the Navy will be under the present plan of construction, and I hope, if you authorize any additional projects, before you increase the shore stations, you will be sure that we have money enough for the maintenance of those which we have as well as to operate our Navy and keep it in a proper state of repair, so as to be ready should emergency demand. [Applause.]

Mr. DINGELL. I want to ask the gentleman whether the Tongue Point naval air base was not actually authorized as far back as 1901.

Mr. UMSTEAD. That was for a submarine base.

Mr. VINSON of Georgia. Mr. Chairman, I yield 10 minutes to the gentleman from Oregon [Mr. MOTT].

Mr. MOTT. Mr. Chairman, in 10 minutes it is, of course, impossible to cover this subject, and I shall try, therefore, to confine my remarks to those things which are of the most importance and which I think the membership of the House ought to know. I also want to reserve some of this brief time, if I can, to answer questions, because I know there are many

questions my colleagues will want to ask, and I would like to answer them.

This is perhaps the most modest authorization bill for the establishment of a naval air base that has ever been presented to the Congress, and yet, in the opinion of the committee, for the small amount here asked to be authorized, a million and a quarter dollars, the largest and one of the most valuable undefended areas in the United States can be adequately protected.

It has been stressed here that the Navy Department has submitted to the Naval Affairs Committee an adverse report, and, of course, that is true. However, notwithstanding that formal report, I am prepared to say to you that the Navy, in my opinion, is not as much opposed to the establishment of this base as the report would indicate. I believe that is the opinion of every member of the Naval Affairs Committee who listened to the testimony of the Navy Department's witnesses at the hearings. And I think I can assure you that, in spite of the adverse departmental report, if this bill becomes law, the Navy Department is not going to shed any tears over it. I am aware, however, that an adverse departmental report on any bill is dynamite and that that is the chief objection we have to overcome in this debate.

But in that very connection, it seems to me, the fact that the Naval Affairs Committee has unanimously reported this bill in the face of an adverse departmental recommendation should be exceptionally strong and convincing proof to you that the bill has exceptional merit. I am informed that this is the only bill in years that the Naval Affairs Committee has reported favorably upon which did not have departmental endorsement. That fact alone is sufficient to entitle this bill to special and very thoughtful consideration by the House.

Let me call your attention to the further fact which I also think is important: That, although there is an adverse departmental report, yet it is a fact, which every member of the Naval Affairs Committee will vouch for, that whenever the Navy Department has sent up a witness before the committee in support of its Department report, that witness has been ultimately obliged to admit that the establishment of this base will be not only necessary but inevitable.

In that respect your attention is called to the testimony of Admiral King, who, when he testified last year, was chief of the Naval Bureau of Aeronautics. Admiral King was detailed by the Navy Department to appear before the committee and to oppose this bill. This he did. And yet in the course of his testimony, in answer to a direct question by Mr. Darrow, a member of the committee, Admiral King declared that it was his personal, as well as his professional, opinion that when the three major air bases on the Pacific coast were established a secondary base should immediately be established at Tongue Point. Two of those major bases have been built and the third has been authorized, and that is one of the reasons why, in spite of the Department's adverse report, the Naval Affairs Committee of the House has twice, in a period of 2 years, reported this bill to the House with a unanimous recommendation that it be enacted, and it is here on that recommendation today.

May I now call your attention just for a moment to the geography of the Pacific coast, which may not be so familiar to some of you from the East as it is to us who live there, and also to the general defense situation on the Pacific coast.

The Pacific coast of the continental United States is approximately 1,200 miles in length, a distance as far as from Portland, Maine, to Savannah, Ga. On that coast, unlike the Atlantic coast, there are but four large harbors. There is a harbor at Lost Angeles, which is not a natural harbor, but which was made by the ingenuity of the Army engineers and the people of California. The engineers did a marvelous job at Los Angeles, and they have a splendid harbor there.

Five hundred miles north of Los Angeles is the fine natural harbor of San Francisco Bay.

Next, and 565 miles north of San Francisco, is the great harbor of the Columbia River; and the fourth, 240 miles further north, up near the Canadian boundary, is Puget Sound.

Provisions have been made for the adequate defense of all those harbors except the Columbia River. The fleet is based near Los Angeles, at San Pedro. In that vicinity also is one of the great primary naval air bases. The naval air base on San Francisco Bay has already been authorized, the authorization carrying about $14,000,000, and the money will probably be appropriated at the next session of the Congress. On Puget Sound there is also another major naval air base establishment.

Between San Francisco and Puget Sound is a distance of 805 miles, almost one-half the length of the Atlantic coast, by comparison. That entire distance of 805 miles is absolutely defenseless. There is no protection of any kind on that coast. It is the only portion of the United States of comparable area that is totally undefended.

Now, between San Francisco Bay and Puget Sound there flows into the Pacific Ocean the great Columbia River, one of the largest streams in the world and the second largest river on the American continent. Up and down the Pacific Coast run two great parallel chains of mountains, the Coast Range Mountains, which rise immediately out of the sea, and about 150 miles to the east, the Cascade Mountains. In California this range is called the Sierras, but they are all the same chain. The Cascades and the Sierras rise to great heights, some of the peaks reaching an altitude of more than 14,000 feet. The Columbia River is the only river which penetrates both of those great parallel chains of mountains. It rises far up in British Columbia on the backbone of the continent, and flows down and across the continent between the States of Oregon and Washington to the sea.

At the mouth of the Columbia River is one of the largest fresh-water harbors in the world. It is the largest in the United States and the only one upon the Pacific coast. The river at Astoria, where Tongue Point is located, is from 6 to 12 miles wide. The channel of the river where it enters the sea between the jetties is 8,000 feet, or a mile and a half wide, with a minimum depth of 40 feet. So tremendous is the volume of water in the Columbia River that even at its very mouth the water is fresh. The Columbia is one of the few rivers in the world where that situation obtains. Inside the harbor there is room for the anchorage of the entire United States fleet. That river is the natural entrance by the sea to the northwest portion of the United States, and, as I have said, it is entirely undefended.

I wish now to call attention briefly to the importance of the Columbia River area, which under this bill it is proposed to defend.

The CHAIRMAN. The time of the gentleman from Oregon [Mr. MOTT] has expired.

Mr. VINSON of Georgia. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. MOTT. The Columbia River Basin drains an area of 250,000 square miles, as against 70,000 square miles tributary to San Francisco Bay and 40,000 square miles tributary to Puget Sound. The area has a population of 2,000,000 people. It contains the largest amount of standing timber in the United States. Upon that river, 100 miles from the ocean, is the city of Portland, with 350,000 inhabitants—Portland, the largest wheat-exporting city in the United States!

It is the largest lumber-exporting port and the second largest wool-exporting port in the United States. On this river is the great Bonneville Dam, 80 miles up the river from Portland, and further still up that river is the Grand Coulee Dam, which, when completed, will be the largest power and irrigation project in the world.

I do not want to be an alarmist, and I try not to be, but every member of the Naval Affairs Committee knows that if war comes, it will come on the Pacific coast. That is why the fleet is there, and that is why it must remain there permanently. If war comes, we also know that the attack will come not at San Diego, not at San Francisco, not in Puget

Sound, which are all defended; it will come by air from the sea at the mouth of the Columbia River.

Mr. UMSTEAD. Mr. Chairman, will the gentleman yield?

Mr. MOTT. I yield to the gentleman from North Carolina.

Mr. UMSTEAD. Does the gentleman think that the Government should build a naval air base or an Army air base every 100 miles on the east and west shore lines of the country?

Mr. MOTT. There has never been any contention of that kind, and no one is making any such contention now. Mr. Chairman, I cannot yield further because I want to follow up my statement in the very brief time remaining.

Mr. KNIFFIN. Mr. Chairman, will the gentleman yield?

Mr. MOTT. I yield to my colleague from Ohio, a member of the committee.

Mr. KNIFFIN. Is it not a fact that there are only 24 naval defense planes on the entire west coast north of San Diego?

Mr. MOTT. I think that figure is about correct. The chairman of the committee can give the gentleman the exact figures, but I may state in that connection that we are now building planes so fast that we do not have the facilities to base them upon the Pacific coast, and it is absolutely necessary that more bases be established.

Now, Mr. Chairman, it is a fact which is admitted by naval and military authorities generally that if an attack by an enemy comes out there it will come from the sea by the air. And another fact is that the only way we can stop an air attack from the sea is by having a superior air force based upon the land at the point of attack.

That is why naval air bases have been established or authorized at San Diego, San Francisco Bay, and Puget Sound—to defend those areas from an air attack from the ocean in the only way they can be effectively defended. If such a defense is proper and necessary for those other areas it is equally proper and necessary for the Columbia River area. The members of our committee, who have spent 2 years studying this question are convinced of that, just as Admiral King was convinced of it when he said that the next point of development must be at the mouth of the Columbia River and the defense of that river must be an air base.

The Army and the Navy every few years hold maneuvers in the Pacific Northwest for the purpose of trying to work out military and naval defense problems for that area. In every one of these war games it has been demonstrated that if an enemy should undertake to capture Puget Sound, he will not strike at Puget Sound directly, but will come by way of the Columbia River. That undefended harbor is the natural and logical point of penetration. In every one of these maneuvers it has been demonstrated that we cannot protect the entrance of the Columbia River or any of the territory behind it merely by defending Puget Sound. Puget Sound, of course, should be defended. It should have its naval air base for its own protection. But the defense of the Columbia is at the mouth of that river itself, and not at Puget Sound or San Francisco or Los Angeles.

Now, Mr. Chairman, I cannot consume any more of the brief time allotted to the supporters of this bill, because there are others who want to talk, but these are a few of the high points I have thought it proper to bring to your attention. Our distinguished chairman, the gentleman from Georgia [Mr. VINSON], has already told you something of the amazing history of this project, how the Tongue Point base was inaugurated not by the people of Oregon, but by the Navy Department itself. He has told you how time after time, from 1900 to 1919 the Department urged upon Congress the establishment of a naval base at the mouth of the Columbia River, how Congress finally made a small appropriation to commence construction of the base after the people of Astoria had purchased the Tongue Point site and had deeded it unconditionally to the Government upon the Navy Department's assurance that it would build a base. The Navy Department did not build the base. It did not keep its word. And although the people at the mouth of the Columbia spent $100,000 to purchase and give to the Navy the naval base site which the Navy said it wanted and needed, the Navy Department has refused consistently, since 1923, to do anything with it. And the Columbia River area is still defenseless and still at the mercy of any foreign enemy which may attack it.

I wish I could go more into detail on this phase of the subject, but I cannot. Let me conclude by saying that in this proposal there is no partisanship and there is no sectionalism. We have never expected to profit financially by the establishment of this base. We are not seeking special advantage for ourselves or our communities. We are asking for only one thing, and that is protection—the same kind of protection that has already been given to the other seacoast areas in the United States. That kind of protection we think in justice and good conscience we are entitled to. It is for that protection we are asking in this bill. [Applause.]

[Here the gavel fell.]

Mr. UMSTEAD. Mr. Chairman, I yield 5 minutes to the gentleman from Missouri [Mr. COCHRAN].

Mr. COCHRAN. Mr. Chairman, I think it is perfectly foolish for us to consider this bill on the assumption that something might happen in the way of an attack on the West coast. Nothing is going to happen. Nations are not foolish. They generally weigh with care the strength of the power they attack. What could this shore base take care of? About a half dozen seaplanes. What would that amount to if there was an attack? The gentleman from Oregon [Mr. MOTT] can be satisfied that if there is ever an attack upon the western coast of this country the Army and Navy, our line of defense, will be there to take care of that attack, and it does not make any difference whether it is on the northern border of the Pacific coast or the southern border. They will take just as good care of the gentleman's section of the country as they will of any other section, and they will know if such an attack is planned and will be prepared to meet it. The Army and Navy has always protected us and will continue to do so. They have never failed us in the past and never will in the future. So do not try and tell us this project means protection for the great Northwest.

Mr. MOTT. Mr. Chairman, will the gentleman yield there for a suggestion?

Mr. COCHRAN. Mr. Chairman, I am sorry, but I cannot yield.

Mr. Chairman, the gentleman from North Carolina [Mr. UMSTEAD] said that when he went on the Appropriations Committee he did not request to be placed upon the subcommittee handling the Navy bill. I think this House should feel honored and that the people of this country should feel very grateful that he did accept that assignment and that he has become the chairman of the Navy subcommittee in such a short time. I have never met a man in this House in my years of service who learned his subject as fast and can so ably express his views as the gentleman from North Carolina [Mr. UMSTEAD]. [Applause.]

Ever since I have been a Member of this House I have followed the gentleman from Georgia [Mr. VINSON] when it came to bills that he brought in increasing our Navy. I followed him before 1930 when he was the ranking minority member on the Naval Affairs Committee. I followed him, why? I followed him because he always brought a favorable report from the Navy Department in support of the legislation that he advocated. In this matter today I am not going to follow him because he does not have the report of the Navy Department. On the contrary, the report shows the Navy Department opposes the bill and so does the Bureau of the Budget. Heretofore he has pleaded with the House to pass the legislation he presented because, using his language, "the Navy says it needs it and we should follow the Navy officers who understand our Navy needs." This is the first time he has ever told this House that we should accept his judgment in lieu of the officers of the Navy. His line of argument has always been the other way. He said he would convince me this bill spells

economy. His argument strengthens my view that the bill should be defeated. The gentleman has had a strong following here and he should not risk the chance of losing that following by advocating such a measure as this.

Mr. VINSON of Georgia. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. I yield to my friend because I have mentioned his name, the man whose opinion, up to this time, I have always respected and who I have followed by supporting his Navy bills in the past.

Mr. VINSON of Georgia. The gentleman is mistaken when he says he is following me. He should state that he is following the naval officers.

Mr. COCHRAN. That is just what I was doing. The gentleman was the spokesman for the naval officers on the floor. They could not come here and express themselves. Why does he not keep up his good record and continue to speak their language. The gentleman was leading the fight on our side for legislation, approved by the naval officers, and he cannot deny it. I repeat that is just why I followed him and would do so today if he had the approval of the Navy and the Bureau of the Budget.

Although I live just as far from the ocean as a man possibly can live in this country—I live in the center of the country—still I have supported every proposition the gentleman has brought in here to provide for adequate national defense by having a strong Navy, and I will continue that policy so long as he comes in here with the approval of the Navy Department and the Bureau of the Budget. But when he wants to compare a land base with a tender I am not going to be so foolish as to listen to him. Why, the gentleman admits we have a base 90 miles by air from this very point. What is 90 miles in a sea plane these days? Just about 30 or 40 minutes. The gentleman talks about the mountains. They have a regular line of planes carrying passengers over those mountains every day in the year. No, my friend is out of line today. I do not think he has ever mislead me, but one thing is certain he is not going to mislead me today on this proposition.

A few days ago I insisted that there be order in this House when a point of order was raised in connection with some public work which it was contended was still in progress. I called the attention of the Members of the House to the fact that the expenditure of millions of dollars were involved and depended upon the result of the ruling. I insisted upon order so that the Chairman of the Committee could hear the arguments and see if evidence was presented to show that the particular project involved was actually in process of construction. The evidence was not presented and the Chairman of the Committee sustained the point of order. The gentleman from Tennessee [Mr. COOPER], Chairman of the Committee at the time, saved the people of this country $80,000,000 by that decision because that would have been the ultimate cost.

The gentleman from Tennessee [Mr. COOPER] based that decision upon the fact that those supporting the amendment failed to produce documentary evidence that the project was in actual progress. What bearing has that ruling on this bill? It is this. If you start this project by authorizing this money, and the job ever gets under way, then an amendment is always in order to appropriate an additional amount. There is no limit. That is exactly what this rule provides. This is just a starter because once the work is in progress and work is going on, no further authorization is necessary under our rules.

That is the same situation today with many P. W. A. and W. P. A. projects that are now in progress. With very few exceptions, those projects were started from relief appropriations, and there was no authorization from Congress. Most of them were started out of the first relief bill of four and one-half billion dollars. Unfortunately there was no provision in that appropriation that required the full amount to be allocated. In the second relief bill and the one now pending, which will be up in a few days, there is such a provision. No project can be started with money from those appropriations unless a sufficient amount is allocated to complete them. Whenever it is possible to show by documentary evidence that public work is in progress, an amendment is in order. Anyone in the House who knows anything about the rules will confirm that statement. Therefore I say this is a starter. Pass this bill, start the job, and then you will find at a later date a larger appropriation to finish it. This bill should be defeated for several reasons. The most important one is that the Navy does not approve the bill; the second one is that the Bureau of the Budget says there is no money available to finance it; and the third one is that if this is ever started, more money will be required than is provided in this bill to finish the job. [Applause.]

[Here the gavel fell.]

Mr. UMSTEAD. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. DITTER].

Mr. DITTER. Mr. Chairman, I join with the distinguished gentleman who is the chairman of the subcommittee on appropriations having to do with the Naval Establishment in bringing a warning to the House today with respect to this authorization measure. I, too, must express my astonishment and surprise at the attitude of the distinguished gentleman who is chairman of the Naval Affairs Committee when he comes before this Committee and makes the declaration that a recommendation of the Naval Establishment is to be ignored and that we should discard completely the recommendations of the Naval Establishment. It is the first time that I know of in my experience in this House that the distinguished gentleman from Georgia has not "wet-nursed" every program that the Naval Establishment has suggested.

He said at the very beginning of his remarks that he was going to prove mathematically that the authorization for this new base would be in the interest of economy. If I caught his remarks correctly, his proof consisted of a comparison between the cost of a tender and the cost of the establishment of this base; but when he was interrogated as to whether or not he would definitely say that in the future we would not have the additional tender, with that adroitness, with that cunning, and with that care that he can so deftly bring to his command, he evaded the issue.

Mr. Chairman, let us not fool ourselves. The establishment of this base is not going to eliminate a tender. It might be eliminated today. It might be eliminated for a few months, but during the regular course of events that tender is going to be asked for, and the distinguished gentleman from Georgia is going to be here making the request. What is the difference whether it is asked for today or whether we put it into an appropriation bill next year? We are going to pay for it in any event.

The gentleman has submitted absolutely no tangible proof and no probative evidence whatsoever that this is an economy measure. On the contrary, he has definitely said that we need this new base and tries to paint a picture showing that we will excuse a tender for the time being if this new base is established. The gentleman from Georgia would never dare suggest to the Members of this House if we put the base here that it could be floated around on the high seas the way a tender floats around. You will remember how beautifully he spread his arms and said that these tenders would take these amphibian planes unto themselves. He stretched out his arms, but he did not tell you that the tenders could be out on the high seas and that these amphibian planes could come in there. If we establish this base it will be tied down to steel, stone, mortar, and concrete, and in due time when we need a floating tender out on the high seas we will be asked to provide the money for it.

Mr. MAAS. Will the gentleman yield?

Mr. DITTER. I must yield to the gentleman from Minnesota.

Mr. MAAS. The tender may be on the high seas or it may be at the bottom of the sea, but this base will always be there.

Mr. DITTER. The base will be there, provided we have some amphibians to come there. Why does not the gentleman suggest that we enlarge the facilities at the strategic points we presently have?

[Here the gavel fell.]

Mr. UMSTEAD. I yield the gentleman 2 additional minutes.

Mr. DITTER. If we have a base at the northern line, if we have a base at San Francisco, and if we have a base at the southern line, why not enlarge the facilities we have instead of inviting the possibility of new maintenance costs year by year and ultimately bringing to this Congress an outcry from the people of the country and a refusal to carry on an expensive, extravagant national-defense program?

In the interest of national defense I ask the Members of the House today to stand by the Navy Department in its recommendation, and in the interest of efficiency and in the interest of fairness and economy let us refuse to vote for this authorization.

Mr. McSWEENEY. Will the gentleman yield?

Mr. DITTER. I yield to the gentleman from Ohio.

Mr. McSWEENEY. Is it not true that the Coast Guard is trying to make their defenses less fixed? That is, they are endeavoring to make them more mobile. Would it not be true of a fixed Navy base that it would be more vulnerable to attack than a movable base?

Mr. DITTER. I think that is true, and I thank the gentleman.

Mr. VINSON of Georgia. Will the gentleman yield?

Mr. DITTER. I yield to the gentleman from Georgia.

Mr. VINSON of Georgia. Did I understand the gentleman to say in his remarks that he is in favor of the tender as set out in the naval program?

Mr. DITTER. I am in favor of that which I find is necessary in order to carry on a national-defense program and avoid wastefulness.

Mr. VINSON of Georgia. The gentleman is as evasive in his answer as he stated I was in mine a moment ago.

[Here the gavel fell.]

Mr. VINSON of Georgia. Mr. Chairman, I yield to the gentlewoman from Oregon [Mrs. HONEYMAN] such time as she desires.

Mrs. HONEYMAN. Mr. Chairman, the statement has been made here that a great deal of money has been spent in past years for naval-defense purposes on the Pacific coast. A small part of that money has been spent in the State of Oregon or on the Columbia River. I believe $250,000 has been spent in Oregon, in contrast to about $50,000,000 for the rest of the Pacific coast.

However, it is not upon this basis that I wish to urge the establishment of a naval air base at Tongue Point. The Columbia River is the second largest river in North America, and at present is a most vulnerable area in the event of war. In fact, it is quite generally acknowledged that in this event this area would be the first point of attack because of its position in a section of several hundred miles of undefended coast line.

Tongue Point is at the mouth of the Columbia River. There are, as my colleague the gentleman from Oregon [Mr. MOTT] has stated, four major harbors and four major centers of population on the Pacific coast—Seattle, Portland, San Francisco, and Los Angeles. All are very well provided or planned for in the matter of defense except the Columbia River area. It is on this basis that I wish to offer this plea, because our program of national defense cannot be completed without the defense of as important and strategic a point as the Columbia River. [Applause.]

Mr. VINSON of Georgia. Mr. Chairman, I yield 5 minutes to the gentleman from Minnesota [Mr. MAAS].

Mr. MAAS. Mr. Chairman, I come from the Middle West and have no local interest in this matter at all, but we in the Middle West are just as much concerned with the defense of this country as are the people on the coast.

I have made a trip out to the Pacific coast to study this question at my own expense and on my own time. I went from the Canadian to the Mexican border. I wish to say to the Members of the House that the Pacific Northwest section of this country is undefended. I do not mean by this there are no defenses out there, but there are not sufficient defenses to protect us against invasion, if it were made today. The most vulnerable spot in our whole American system of defense is the Columbia River. Do you realize there is not one single combat airplane in the triangle from Detroit to San Francisco and all the way through to Alaska? There is not one single combat airplane there, yet this is the most vulnerable part of our whole defense system.

If we are to be invaded, the invasion will come by air and will be up the Columbia River. San Francisco and Los Angeles can be taken without firing a naval shot, if an invasion is effective by passing the Columbia River Valley and following the mountains down to California. That part of the country can be severed from the rest of the United States with the possibility of not even having a chance to fire a gun in its defense. The one key to the whole situation is at the Columbia River.

The mere fact that you have an air base at Sand Point or at Tacoma does not in any way affect the necessity for having an air defense at the mouth of the Columbia River, because fog conditions very frequently will make it impossible to bring planes from Sand Point or the Army planes from Tacoma across the mountains to protect the Columbia River area. However, there is constantly a tunnel up the Columbia River regardless of fog conditions all around it, which makes an invasion by air up the river perfectly possible at any time.

The point of economy has been raised in reference to this measure. Do you not think the prevention of invasion is infinitely cheaper than the cost of driving out invaders or paying tribute as a conquered people? This is a direct economy. The chairman of the committee was perfectly correct when he stated if you do not build this base for $1,250,000, you will pay probably $15,000,000 for a tender. A tender may be sunk at any time, and that base is gone, while this base would still be there.

I call attention to the fact that Admiral King, in testifying before our committee last year, stated the following:

> I think I am ready to say that once the three primary air bases on the west coast are established that the region in the mouth of the Columbia River or covering the mouth of the Columbia River, has the next call. But I would like to say that that is my personal, also my professional opinion.

The three primary bases at Sand Point, San Francisco, and San Diego, must be served by secondary bases. In time of war we do not keep all of our planes at one main base. We must have outlying operating bases. It is absolutely essential that we have such an operating base at the mouth of the Columbia River. When war comes, it is too late to build a base. You may not then even have the chance, for this area may not be American territory after the war starts. The most effective way of defending the Columbia River, and in all probability the Nation, because the Columbia River Valley is going to be the doorway into this country, is to have airplanes stationed there to prevent an enemy force from ever getting beyond the mouth of the Columbia River.

This committee has given very serious consideration to this matter, and it was not passed upon lightly. Is it not significant that this is, probably, one of the first times the committee has unanimously reported a bill despite an adverse recommendation by the Navy Department? The members of the committee must have been impressed to have reported to the House such a bill.

This base will have to be provided some time in some way. A tender will be less satisfactory and cost 10 times that of a permanent land base. If war comes and we are able to build a base at Tongue Point at all; that is, if it is not captured and occupied by an enemy first, the wartime construction cost will be many, many times that of the construction if undertaken now.

So this is economy.

But its military necessities are of vital concern, outside of the economy question. A naval air base at Tongue Point becomes an essential advance operating base from which to send planes to intercept a possible attack by enemy ships. Such an attack would probably be timed to take advantage of such weather conditions as would prevent planes from Sand Point and Tacoma from leaving their bases. Heavy fog might make flight to sea from Sand Point or any inland station impossible.

Planes from Tongue Point could always get out over the ocean.

It is too late anyway to send for planes hundreds of miles away after an enemy airplane attack has already been launched. The damage is done by then. Air raids are sudden, without warning, and terribly devastating. Do not lock the barn after the horse is gone. Prevent these raids rather than try to fight them. The known presence of a squadron at Tongue Point will probably prevent an enemy from attempting such a raid, which will most surely be made if no defense protection is available.

Such a base at Tongue Point also means a powerful arm that can be swung in either direction if needed, to add to the defense of Puget Sound or San Francisco if either is attacked.

Bonneville and Coulee Dams can easily be reached up the Columbia River Valley. Destruction of these dams by aerial bombs would flood out Portland and the whole valley, making its conquest easy.

As to the question of the relative cost of Tongue Point and Sand Point there is a considerable difference in the size, type, and facilities needed so that there is no great discrepancy in this bill and the cost at Sand Point. That is a primary base and naturally requires a much larger expenditure to establish. Tongue Point would be a secondary base and not require nearly such an extensive plant.

The argument of the cost at Sand Point is ridiculous, immaterial, and shows a woeful lack of understanding in connection with the nature and purpose of aeronautical bases.

If all the defense planes for an area as vast as our Pacific Northwest are based in one place, such as Sand Point, and that base with its planes is destroyed by a surprise attack, or sabotage, the whole defense of the area is gone in one fell stroke. If there are secondary bases, there is still the chance to recover from the attack and drive off an invading force. It is a dangerous military policy to put all your eggs in one basket.

The cost of this base is insignificant in comparison to the cost of an air raid, invasion, or actual conquest which such an air base can prevent. The damage in property alone of a successful raid by enemy planes would be hundreds of millions of dollars. We will pay for this base whether we build it or not, only we will pay many times over in lives and property lost in event of a sudden attack if we do not build it.

[Here the gavel fell.]

Mr. UMSTEAD. Mr. Chairman, I yield 10 minutes to the gentleman from Mississippi [Mr. COLLINS].

Mr. COLLINS. Mr. Chairman, we have heard a great deal of talk today about the necessity of additional airports and air bases on the Pacific coast. I sensed the fact this argument would be made, and therefore asked the War Department, the Navy Department, and the Department of Commerce to supply me with a list of air fields and air bases on the Pacific coast.

The Navy Department has three main air bases on the Pacific coast, beginning at San Diego, then, coming up the coast, there is one at San Francisco, and, still farther up the coast, one at Seattle.

Mr. McGRATH. Mr. Chairman, will the gentleman yield?

Mr. COLLINS. I am very sorry, but I cannot yield, Mr. Chairman.

In addition to this, they have an air field at San Clemente, another one at Terminal Island, and then air fields are leased in the vicinity of San Diego. The Navy also has Naval Reserve air bases at Long Beach and Oakland.

The Army has air bases at Hamilton Field, Calif., March Field, Calif., Moffet Field, Calif., a northwestern air base near Tacoma, Wash., and an air depot at Sacramento, Calif.

In addition, the Department of Commerce reports that there is a total of 247 listed air fields in the States of California, Oregon, and Washington, and of these, exactly 20 fields, costing more than $22,750,000, are on the coast lines of California, Oregon, and Washington.

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. COLLINS. I decline to yield, Mr. Chairman.

Mr. MOTT. I want to suggest——

Mr. COLLINS. I decline to yield, Mr. Chairman.

Mr. MOTT. Well, the gentleman made a misstatement and I want to correct him.

Mr. COLLINS. If any misstatement has been made, it has been made by the Navy Department, the War Department, or the Commerce Department, and I submit that these Departments are fully acquainted with the subject.

Mr. MOTT. The gentleman said there is an air field at——

Mr. COLLINS. I decline to yield, Mr. Chairman.

Now, with reference to the base at Tongue Point, the Navy has an air base, according to the hearings on this proposal, 105 miles distant. In addition, the Congress has authorized an Army air base at Tacoma and an appropriation has been made to begin construction, which, according to the map, would look to me like it is from 50 to 100 miles distant by air.

I submit that there is no reason why there should be another air base in this immediate vicinity, unless it is because of the statement that one of the witnesses made that the State of Oregon is the "forgotten" State by the Army and the Navy as to military and naval appropriations.

I went over the hearings to find out who testified for this bill and who against it. Senator McNary testified for it, Congressman Mott testified for it, Governor Martin for it, Congresswoman Honeyman for it, Mr. Hope, the city attorney of Astoria, for it, Senator Steiwer for it, and Mr. James Gordon, the mayor of Portland, testified for it. These are the experts who favored this base according to the hearings, and these are all.

On the other hand, we find the Secretary of the Navy, Mr. Swanson, against it, we find Captain Austin, of the office of Chief of Naval Operations, against it. We find Rear Admiral Cook, Chief of the Bureau of Aeronautics of the Navy, against it. We find Rear Admiral Rowcliff, the Judge Advocate General, against it. In addition, while the Budget Bureau seems to be in bad favor with some, we find the Bureau of the Budget against it.

Now, I submit that from the standpoint of technical experts the weight of authority is against the bill.

Now as to the necessity of this base, let us turn to page 636 of the hearings and see what Rear Admiral Cook, Chief of the Bureau of Aeronautics of the Navy Department, has to say with reference to the necessity for this base:

> The Navy normally accomplishes its defense of our coast through the interception and destruction of enemy forces as far removed from our coast as practicable. These effective defensive forces of the Navy, both surfaces and air, cannot therefore be immobilized by confinement to any particular base or bases on our coast, but must be permitted to base, as the occasion demands, at points best suited for the detection and interception of hostile forces approaching our coast.

And further—mark these words:

> The naval forces which would render the best protection to the Columbia River area would, therefore, be normally operating from bases far removed from this area.

Mr. Chairman, I have given some considerable study to the subject of military questions, and I submit to you that the cost of this base, if established, will not be $1,250,000, as has been intimated here and as the authorization indicates, but it will be very much more than that. For instance, at San Diego the cost of establishing that station to date has been $18,000,000, and I dare say the cost of this one, if established, will ultimately reach the cost of the base at San Diego.

Furthermore, let me say to you that, from the standpoint of military strategy, whenever war comes we are going to do our utmost to save our planes. We are not going to have them located in fixed airports and air bases. We will hide them so that the enemy will not know the direction from which they will take the air, and when war comes I prophesy that every airport and base will be depleted of airplanes and the planes that take off will take off from old fields and roads and isolated tracts of water, so that they will be able to surprise the enemy.

I appeal to the membership of this House once more, as I have done many times in the past, to give both the Army and the Navy up-to-date and effective equipment. Both services need equipment more than anything else; and if you want to do something worth while for either the Army or the Navy, do not increase the numerical size of these establishments, do not give them any more ground, but give both more equipment. This is what the Army and the Navy need most.

The following are the communications referred to by me from the Navy, War, and Commerce Departments, and give the airfields and bases on the Pacific coast and their location and cost:

NAVY DEPARTMENT,
OFFICE OF CHIEF OF NAVAL OPERATIONS,
Washington, May 19, 1937.

Memorandum for Representative COLLINS.

The following data is submitted pursuant to your verbal request. It has to do with the expenditures at naval air stations on the west coast.

1. Naval air stations:
   (a) San Diego, including money expended by the Army prior to its transfer to the Navy ---------- $18,000,000
   (b) Seattle (Sand Point) (no Army funds have been expended here) ---------- 2,200,000
   (c) Alameda (proposed), limitation ---------- 13,500,000
2. Airfields:
   (a) San Clemente ---------- 40,500
   (b) Terminal Island (Los Angeles property) ---------- 496,000
3. Airfields leased in the vicinity of San Diego for operation of San Diego planes:
   (a) Nine pieces of property under lease at total annual rentals of about (no expenditure for improvements) ---------- 11,000
4. Naval Reserve aviation bases:
   (a) Long Beach; (b) Oakland (no expenditure).

W. S. PYE,
Rear Admiral, United States Navy,
Acting Chief of Naval Operations.

WAR DEPARTMENT,
OFFICE OF THE CHIEF OF STAFF,
Washington, D. C., May 19, 1937.

Hon. ROSS A. COLLINS,
House of Representatives, Washington, D. C.

MY DEAR MR. COLLINS: Complying with your telephone request as to the cost of air bases on the west coast, our records show the following:

Hamilton Field, Calif. ----------		$5,083,880
March Field, Calif ----------		3,822,093
Moffett Field, Calif ----------		4,817,609
Northwestern air base, near Tacoma, Wash.:		
Cost of Pierce County airport (to be donated) ----------	$484,023	
Ultimate construction cost of facilities ----------	8,479,000	
		8,963,023
Included in the present Military Appropriation Act, 1938, as passed by the House is $625,000 to commence construction.		
Air depot, Sacramento, Calif ----------		7,000,000
$4,000,000 cash has already been appropriated, and the remaining $3,000,000 is also included in the Military Appropriation Act of 1938 as passed by the House.		

It is desired to call your attention to the fact that Moffett Field, Calif., was transferred to the Army from the Navy by order. The figure $4,817,609 as shown expended on Moffett Field was expended by the Navy prior to its transfer to the Army. The ultimate cost of construction of the northwestern air base near Tacoma included acquisition of the strip of land connecting this air base with Fort Lewis.

All of the figures above include the acquisition of land where purchase was necessary. I hope the above gives you the information you desire.

Sincerely yours,

MALIN CRAIG, *Chief of Staff.*

DEPARTMENT OF COMMERCE,
BUREAU OF AIR COMMERCE,
Washington, May 19, 1937.

Hon. ROSS COLLINS, M. C.,
121 House Office Building, Washington, D. C.

MY DEAR CONGRESSMAN: Enclosed is the information on airports on the Pacific coast, which you requested by telephone this morning.

We are also enclosing herewith a map of these States, showing the location of the large fields listed.

We trust that this information will be of use to you, and if you need any further data, please do not hesitate to call upon us.

Very truly yours,

A. B. MCMULLEN,
Chief, Airport Mapping and Marking Section.

Department of Commerce listed fields, Jan. 1, 1937

	Municipal	Commercial	Intermediate	Auxiliary	Navy	Army	Miscellaneous Government, private, and State	Total	Partially or fully lighted
California	45	44	20	50	4	4	14	181	63
Oregon	15	3	10	11	0	0	2	41	19
Washington	21	7	9	6	1	3	4	25	2
Total	81	54	39	67	5	7	20	247	84

Of the fields listed above, the following are those which either have considerable area already developed, or have area available for development: Oakland, Calif.; San Francisco, Calif.; Merced, Calif.; Bakersfield, Calif.; Stockton, Calif.; Sacramento, Calif.; Fresno, Calif.; Mines Field, Los Angeles; San Diego, Calif.; Long Beach, Calif.; Terminal Island, Los Angeles; Santa Rosa, Calif.; Medford, Oreg.; Klamath Falls, Oreg.; Portland, Oreg.; [1] Spokane, Wash.; Tacoma, Wash.; Seattle, Wash.; [2] Needles, Calif.; Las Vegas, Nev.[1]

[1] New fields now under construction.
[2] Use of this field questionable.

NOTE.—The capital investment represented by the 20 fields listed individually is approximately $22,750,000.

Mr. VINSON of Georgia. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. DELANEY].

Mr. DELANEY. Mr. Chairman, I heartily endorse the sentiment expressed by the chairman of the Naval Affairs Committee, the gentleman from Georgia [Mr. VINSON], when he advocates an authorization of $1,250,000 for this Tongue Point airport. Last year the gentleman from Maine, Governor BREWSTER, and myself, made a trip South and West to visit these different airports, from Coco Solo, Panama City, on up to Alameda, and we found that the Panama Canal was poorly defended, and any attack by a foreign foe at that source would be a great loss to this country. Now when you realize the amount asked for in this bill—$1,250,000—as compared to other amounts we are authorizing for other expenditures, I think it is very modest. If a war should come to us, how long would it take to expend $625,000,000 or $650,000,000? We had experience in the World War. We found out that in a few months' time we spent billions of dollars, and we are still paying interest on the expenditures made at that time.

Mr. UMSTEAD. Mr. Chairman, will the gentleman yield?

Mr. DELANEY. Yes.

Mr. UMSTEAD. Does not the gentleman think that in view of the fact that the station at Alameda has not yet been started and will cost 13½ million dollars at the outset, we should finish that before we start another one in this time of trying in some measure to make our expenditures equal our receipts?

Mr. DELANEY. I realize that that question is a perfectly proper one to ask me, but we have just had a bill in from the other body authorizing $15,000,000 for Alameda, and our committee in the House has reduced that amount by $1,500,000, and that will easily take care of this expenditure at Tongue Point.

Mr. UMSTEAD. The gentleman understands, of course, that thirteen and one-half million dollars or $15,000,000 is not the end of the story, but that whatever amount hereafter may be necessary to construct a well-equipped naval base would have to be provided.

Mr. DELANEY. There is no question about that.

Mr. UMSTEAD. Regardless of what is stated in the bill.

Mr. DELANEY. But the shore situation at the present time is this: We are pretty well taken care of in the lower part of California. We will be pretty well fortified in northern California when the Alameda base is completed. We have nothing at Tongue Point. That place, as the gentleman from Oregon [Mr. MOTT] has stated, is undefended, and anything might happen from an enemy attack at Tongue Point. It is wholly undefended up there. In going over this situation with the gentleman from Maine [Mr. BREWSTER] we found that this situation in the great Northwest needs our attention. It needs a defensive port up there, and as the chairman of the Committee on Naval Affairs has aptly said, it will take the place at the present time of a tender costing between twelve and one-half million dollars and $13,000,000.

Mr. UMSTEAD. Mr. Chairman, will the gentleman yield?

Mr. DELANEY. Yes.

Mr. UMSTEAD. Does the gentleman really believe it will take the place of a tender?

Mr. DELANEY. I do not.

Mr. UMSTEAD. I did not think the gentleman did, and I thought he would answer that question frankly, and that is the first time it has been answered on this floor.

Mr. DELANEY. May I say this to the gentleman, that if the bill comes in tomorrow authorizing the expenditure of money for a tender I shall vote for it, because I believe in a very effective and very well-equipped navy, and I think it is the best insurance that this country can have.

Mr. UMSTEAD. Will the gentleman yield further? The gentleman's frankness is refreshing, and if I understand the gentleman, he is making the point that he will vote for this tender when the bill comes in at some time. He knows that the construction of this naval air base at Tongue Point will in no way affect the number of tenders the Navy Department needs.

Mr. DELANEY. I think the gentleman is correct about that; but at the same time this proposed base at Tongue Point can be developed, and it is a natural base for submarines and large ships, and ideal for an air base, and I do think this matter should be given careful consideration, as we did in the committee, and that it should be passed by the House. [Applause.]

Mr. UMSTEAD. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. HARLAN].

Mr. HARLAN. Mr. Chairman, not posing as a naval expert by any means, I wish to call the attention of the House to the fact that as a matter of common knowledge the very essence of naval defense and air defense is maneuverability. You cannot have maneuverability if you tie your airplanes down to land stations, as was pointed out by the gentleman from Mississippi [Mr. COLLINS]. In all probability under actual hostilities a land station will become more of a liability than an asset. We have two lines of defense in the Pacific, one a line running from Alaska to the Philippine Islands, and a second line of defense running from Alaska to the Hawaiian Islands. As long as we maintain those two posts in Alaska and Hawaii, with another one in the Philippines, probably, we do not need to fear any attack on the Pacific coast, because any force coming across the Pacific to attack our coast with a base at Hawaii and a base at Alaska would know that they would be liable to a flank attack from both sides before they could get back. If we maintain those two places, assisted by six or seven aircraft carriers, we can keep our hostilities thousands of miles away from the Pacific coast and provide a far better defense for the Columbia River and the land surrounding it than would any half-baked airport that we might put in there for a million and a quarter dollars.

I have every confidence in the Navy. When they come here with recommendations, they know what they want. They want equipment. They do not want memorial buildings, and they do not want political airports. They want equipment out in the water where they can use it and move it around where they want it for proper defense. If we keep a proper base in Alaska and if we keep another proper base in Hawaii, and keep our aircraft carriers based on these two points, we can defend the Pacific coast. If any hostile force comes far enough to actually attack our Pacific coast and get away with it, our war is about two-thirds over by that time. We will then have lost either Hawaii or Alaska, or both. When we are compelled to fight at the coast line we had better make peace, because the destruction of life and property will then be unthinkable. The place for us to fight this war is in the middle of the Pacific Ocean.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. HARLAN. I yield.

Mr. MAY. Is the gentleman aware of the fact that the testimony before the Committee on Military Affairs shows that it takes only 5 hours for a fleet to go from an Alaskan port to Hawaii and meet another fleet there?

Mr. HARLAN. I did not have the exact figures, but that has all been worked out.

Every naval power is increasing its aircraft carriers. Why was it that in a recent naval conference one of the Asiatic powers insisted that we limit ourselves so drastically on aircraft carriers? They are the best defense we have. We can move them around.

I feel somewhat surprised when a Member of this House comes here and says that our Navy Department makes a recommendation, because they like the social activities at some place. I have more confidence in the Navy. If I did not have more confidence than that in the Navy, I would not turn over a dime to them to take care of our national defense. They are in it because their own lives are at stake. They are not going to recommend something to this House just because they like the social activities at one of the posts. If my counsel is worth consideration, I say give them the equipment they ask for and forget local interests. This is too serious to play with.

I yield back the balance of my time, Mr. Chairman.

Mr. UMSTEAD. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. BOILEAU].

Mr. BOILEAU. Mr. Chairman, the discussion on this bill has been most enlightening. I have been thinking in the past that the Naval Affairs Committee was willing to give the Navy Department everything they asked for, and because of that fact I have, on several occasions, criticized the Committee on Naval Affairs for their overgenerous attitude. I have felt that the Navy has gone wild on this idea of having a bigger Navy and spending more money year after year for naval operations, but in this case the Committee on Naval Affairs has gotten even wilder than the Navy Department. In this instance they have gone wilder than the Navy Department. I am glad to see at least the chairman of the Subcommittee on Appropriations is exerting his efforts to hold down the authorization within the requests of the Navy Department. I hope this is an indication that next year when the naval appropriation bill is under consideration we may hope for some cooperation on the part of the Subcommittee on Navy Appropriations to cut down the appropriations for battleships, and so forth.

Mr. UMSTEAD. Mr. Chairman, will the gentleman yield?

Mr. BOILEAU. I yield briefly.

Mr. UMSTEAD. I take it that the gentleman is familiar with the fact that weeks before the President's economy message was sent to Congress the Subcommittee on Appropriations for the Navy Department reduced the naval appropriation bill more, both in amount and percentage, than any other regular annual appropriation bill which has passed the House at this session?

Mr. BOILEAU. That is very commendable.

Mr. UMSTEAD. I am sure the gentleman did not mean to leave the impression that the Committee on Appropriations is solely responsible for the appropriations voted by the Congress.

Mr. BOILEAU. No, no; but I want to leave the impression that I think the Subcommittee on Appropriations for the Navy Department is spending more money than they should. I am simply making my observation, that I hope the gentleman's committee will cut down the appropriations next year.

Mr. UMSTEAD. Mr. Chairman, I yield the gentleman 1 additional minute, and I ask him to yield to me.

Mr. BOILEAU. I yield to the gentleman.

Mr. UMSTEAD. Does the gentleman think that the Committee on Appropriations, when the Congress of the United States passes authorizing acts, can thwart the will of the Congress with reference to providing for national defense?

Mr. BOILEAU. In that respect I will say that year after year Members of the House say, when we are asking for an authorization, "This does not mean we are going to appropriate the money." I say to the gentleman, take them at their word next time and use your own judgment and bring down the appropriations for the Navy to where they should be, even though the Congress has made an unreasonable authorization.

Mr. UMSTEAD. On bills of this kind is the place to do that.

Mr. BOILEAU. I agree with the gentleman and I shall cooperate with the gentleman and cast my vote with him. I am glad he is leading this fight. It is gratifying to have gentlemen of such high standing here making this fight.

Mr. MAAS. Mr. Chairman, will the gentleman yield?

Mr. BOILEAU. I have another observation which I want to make, and after that I will be glad to yield.

I want to refer to the statement made a little while ago by the gentleman from North Carolina, in which he commended the reading by the Members of the House of the report of this committee. I suggest to all the Members that, in addition to reading it, they save it, because, to my mind, it proves to be very enlightening. We have heard in recent years a good deal of criticism of the Navy during the World War. I have heard it said without contradiction on the floor of the House that during the World War many of the battleships, when the war was over in the Atlantic, were up the James River, away from where they might be blown up. I want to call the attention of the Members to the statement in the report about the availability of this fine harbor out there in the Columbia River estuary to the effect that it is the only harbor between Puget Sound and San Francisco, a distance of approximately 750 miles, capable of accommodating a large concentration of the vessels of the Navy; that the entire Pacific Fleet could be anchored in this harbor. Why in the name of common sense, or any other consideration, do we want to anchor the entire Navy in a harbor? I thought that the Navy we are building was to be out on the high seas to protect us; but it appears that one of the reasons why we ought to vote for this bill, according to the Committee on Naval Affairs, is that we are protecting a fine harbor capable of housing the entire fleet. During the World War we did not put all of the battleships up in the James River—only part of them—but apparently the Naval Affairs Committee contemplates that in the next war we are going to put all our fleet up there.

I recognize, Mr. Chairman, that the argument I am making now is not going to influence the many Members in voting for or against this bill.

[Here the gavel fell.]

Mr. UMSTEAD. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, at the outset of the debate the gentleman from Georgia said, if I understood him correctly, that unless he could convince the Committee that this was an economical measure, you ought to vote against it. Now, I do not expect him to do that because I do not expect him to admit that he has failed to show you that it is an economy measure, but I wish to call your attention to the answer given by the distinguished gentleman from New York [Mr. DELANEY] to my question. The chairman of the committee presenting this bill, in his economy argument, attempts to create the impression that without this base there would be need to proceed with the construction of a tender. He would not answer my question directly as to whether the base would take the place of a tender, but the distinguished gentleman from New York [Mr. DELANEY], who has served on the Naval Affairs Committee for years and years and years, stated in your presence in answer to my question that it would not take the place of a tender and that, in his opinion, it would not reduce the number of tenders necessary for the Navy Department.

I dislike to call upon you to do it, but I am thoroughly justified in asking you to give just as much credence and belief to the statement of the distinguished gentleman from New York [Mr. DELANEY] as you give to the statement of the gentleman from Georgia. Both gentlemen serve on the same committee, both have heard the same testimony, and examined the same witnesses, and certainly you ought to give to one as much credence and belief as you give to the other. If you do, then if you follow the advice of the proponent of this bill, there would be nothing left for you to do, in good conscience, except to take him at his word and vote against the passage of this measure. Now, if the gentleman from Georgia has any answer to make to the gentleman from New York [Mr. DELANEY], if this be a squabble within a committee, which, we were told, reported out this bill unanimously, then all of the information has not been presented to the House. On the other hand, I dislike to stir up a conflict between my two good friends. I am not suggesting that the gentleman from Georgia get irritated or angry with the gentleman from New York for contradicting his testimony; nevertheless, the contradiction has taken place. If in the remainder of his time, and he has a good deal, he can explain how a member of his committee, with such long service as the gentleman from New York [Mr. DELANEY] has had thereon, can come to an exactly opposite conclusion than he, on the same set of facts, I should like to hear him.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. UMSTEAD. I yield for a brief question.

Mr. MAY. Sometime ago I visited a couple of airplane carriers at Norfolk and was advised that they could release 90 bombing planes in 6 minutes.

Mr. UMSTEAD. Yes; we have six of them.

Mr. MAY. Could we not send one of them around to the mouth of the Columbia River in case of need?

Mr. UMSTEAD. Certainly.

Mr. Chairman, permit me to say to the Members of the Committee that every subcommittee on appropriations, particularly this Subcommittee on Naval Appropriations, has its hands full with the authorizations that you have already given to us. We are doing the best we can with what we have, but do not pile any more on us now when the President of the United States and the Congress are endeavoring to reduce expenditures in this country, when the President has even gone far enough to veto a bill providing funds for a project in his own State, and when the measure before us does not have the approval of any agency of the United States Government.

Mr. Chairman, I reserve the balance of my time.

Mr. VINSON of Georgia. Mr. Chairman, at the outset of my remarks in presenting this bill I measured carefully what I said and meant exactly what I uttered, that if I could not demonstrate to a mathematical certainty that this bill was in the interest of economy, then it should be voted down. I pointed out to this House that you had to have one of two things: That you had either to build a tender costing something over $12,000,000, or you had the alternative of building a land base. This is the issue, clear cut. If the House rejects today the building of a land base, then it is assurance to the committee that it is in favor of a tender to house the fliers, to man and repair the machines.

To build the land base will cost merely $1,250,000. When the Committee on Naval Affairs developed these facts it occurred to me that it certainly was in the interests of economy to try to save this $11,000,000 when the military usefulness of a land base or a floating base is identically the same.

That is the clean-cut issue.

Let us look at the personnel. It will require 500 men to maintain this tender. It will require some 214 men to man the land base. It will cost some $700,000 annually to man the tender and it will cost $250,000 to man the land base.

The military mission and the military performance are absolutely the same.

If this House wants to practice economy instead of merely talking about economy, here is an opportunity to start. I join with the gentleman from North Carolina in holding down the Budget as much as humanly possible so far as these enlarged naval expenditures are concerned and that is the very reason that I have refused to follow the dictates of the Navy Department in this instance. I can see where economy could be brought about by authorizing a land base in lieu of a tender.

Mr. Chairman, I ask that the bill be read.

The Clerk read as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $1,500,000, to be used for the development of a naval air base at Tongue Point, Columbia River, State of Oregon; for constructing hangars, ramps, barracks, shops, storehouses, and any other facilities required for the use and maintenance of naval aviation squadrons and their personnel; for dredging; for maintaining existing piers and shore facilities heretofore constructed; for enlarging existing piers and shore facilities heretofore constructed, if found necessary and desirable by the Secretary of the Navy.

With the following committee amendment:

Page 1, line 5, strike out "$1,500,000" and insert in lieu thereof "$1,250,000."

The committee amendment was agreed to.

Mr. VINSON of Georgia. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill, as amended, do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BOEHNE, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 198) authorizing an appropriation for the development of a naval air station base at Tongue Point, Oreg., had directed him to report the same to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

Mr. VINSON of Georgia. Mr. Speaker, I move the previous question on the bill and amendment to final passage.

The previous question was ordered.

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. MOTT) there were—yeas 68, noes 101.

So the bill was rejected.

AUTHORIZATION OF FUNDS FOR WORK AT GOVERNMENT-OWNED ESTABLISHMENTS

Mr. VINSON of Georgia. Mr. Speaker, by direction of the Committee on Naval Affairs, I call up the bill (H. R. 6866) authorizing the obligation of funds for work at Government-owned establishments.

The Clerk read the title of the bill.

Mr. MAGNUSON. Mr. Speaker, I ask unanimous consent that this bill may be considered in the House as in Committee of the Whole House on the state of the Union.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

The Clerk read the bill as, follows::

Be it enacted, etc., That nothing contained in title VI, part II, of the Legislative Appropriation Act for the fiscal year 1933 (47 Stat. 417), as amended by section 8 of the First Deficiency Appropriation Act, fiscal year 1936 (49 Stat. 1648), shall be construed as modifying or amending the provision in the Naval Appropriation Act for the fiscal year 1923 (42 Stat. 812), which reads as follows: "That all orders or contracts for work or material, under authorization of law heretofore or hereafter placed with Government-owned establishments, shall be considered as obligations in the same manner as provided for similar orders or contracts placed with private contractors, and appropriations for such work or material shall remain available for payment therefor as in the case of orders or contracts placed with private contractors."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. VINSON of Georgia. Mr. Speaker, the Committee on Naval Affairs has no other bills to call up at this time.

DEPARTMENT OF THE INTERIOR APPROPRIATION BILL, 1938

Mr. SCRUGHAM. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 6958) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1938, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 6958, the Department of the Interior appropriation bill, with Mr. COOPER in the chair.

The Clerk read the title of the bill.

The Clerk read as follows:

Blue Ridge and Natchez Trace Parkways: For continuing the construction and maintenance, under the provisions of section 5 of the act of June 16, 1936 (49 Stat., pp. 1519–1522), of the Blue Ridge and Natchez Trace Parkways, to be immediately available and remain available until expended, $3,000,000, of which amount not to exceed $40,000 shall be available for personal services in the District of Columbia: *Provided*, That not exceeding $500,000 of this appropriation shall be available for construction of the Natchez Trace Parkway.

Mr. TABER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TABER: Page 111, beginning in line 9, strike out all of the paragraph ending in line 18.

Mr. TABER. Mr. Chairman, I have offered an amendment to strike $3,000,000 from the bill. The President of the United States has indicated this morning that he believes in economizing. It is up to the House of Representatives now to indicate that it believes in economizing and that it is ready to go ahead and reduce the expenditures of the Government down to where the Budget of this country may be in balance so that we can go back home and look the taxpayers of America in the face.

Unquestionably this highway is a fine thing. All highways which lead through a scenic country are fine things; but we cannot go on adding more and more to the ultimate cost of everything and have a balanced Budget or ever approach a balanced Budget. It is true that these things were authorized by a vote of the House a year ago. It is true also at that time there was not such a spirit of economy abroad in the land as the President has submitted here today.

The appropriation directly out of the Federal Treasury for this highway proposition involves embarking upon a new kind of procedure where the Government pays 100 percent of the cost of construction. We have had Federal-aid highways before where the Federal Government gave a part and the State a part, but this embarks upon a new line and a new program in which the Federal Government pays the whole thing.

I think this Congress ought to take advantage of an opportunity to establish a policy of economy and should refuse to appropriate money to go along with this proposition and build this highway totally at Federal expense.

Mr. WOODRUM. Mr. Chairman, will the gentleman yield?

Mr. TABER. Yes.

Mr. WOODRUM. I should like to know the gentleman's response to this situation: The gentleman knows, of course, that the establishment of the park and the highway on this basis was definitely authorized by an act of Congress, which was fundamental legislation, and upon this basis the States of Virginia and North Carolina have acted in good faith.

They have furnished the right-of-way, and the project has gone ahead. How can the gentleman now state that the Federal Government should repudiate not only a moral obligation but a legal, contractual obligation which it has with these communities and with the citizens who have acted on the theory the Government would live up to its obligations?

Mr. TABER. I do not believe any such moral obligation or contractual obligation exists until the Congress of the United States appropriates money. I do not believe we should establish the principle of going down the line and building a highway totally at Government expense anywhere in this country.

[Here the gavel fell.]

Mr. SCRUGHAM. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this item has been fully considered and is fully authorized. It is a matter of policy which was definitely established under the terms of the act passed last year, which was the so-called Federal Aid Roads Act. As a matter of policy which has been fully endorsed by the Congress, this road should be built. I therefore ask that the amendment be rejected.

Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto end in 25 minutes.

Mr. FORD of Mississippi. Mr. Chairman, reserving the right to object, there are several amendments to this paragraph. I hardly think 25 minutes will give us an opportunity to discuss the amendments. I ask the chairman of the subcommittee if he will not extend this time somewhat.

Mr. SCRUGHAM. Will 30 minutes be sufficient?

Mr. FORD of Mississippi. I think 40 minutes would be better.

Mr. SCRUGHAM. The only reason I am asking to expedite this matter is that we are practically duty bound to complete the bill this afternoon. It is now quite late and we have only a short time, and we have gone through only 111 pages.

Mr. FORD of Mississippi. Will not the gentleman ask to make it 30 minutes?

Mr. SCRUGHAM. Mr. Chairman, I modify my request and ask unanimous consent that all debate on this paragraph and all amendments thereto close in 30 minutes.

Mr. RICH. Mr. Chairman, reserving the right to object, may I ask the Chairman how much time we on this side of the aisle will be able to get out of this 30 minutes?

Mr. SCRUGHAM. How much does the gentleman want? We are perfectly willing to be reasonable.

Mr. WOODRUM. It is up to the Chairman to determine that; it is not for the gentleman to yield time.

Mr. RICH. Mr. Chairman, will we be recognized for at least 15 or 20 minutes out of that time?

The CHAIRMAN. The Chair will endeavor to be as fair as possible in according recognition, which is as much as the Chair can promise.

Mr. RICH. Mr. Chairman, I question if this is time enough.

Mr. SCRUGHAM. How much time does the gentleman want? Our sole object in limiting debate is to complete consideration of the bill today.

Mr. RICH. Forty minutes. I may say to the gentleman there are so many controversial things in this bill that unless the gentleman wants to go on 3 or 4 hours longer, I question whether we will get through this afternoon.

Mr. SCRUGHAM. Will 40 minutes be agreeable?

Mr. RICH. I think so.

Mr. SCRUGHAM. Mr. Chairman, I again modify my request and ask unanimous consent that all debate on this paragraph and all amendments thereto close in 40 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Nevada?

There was no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The question was taken; and on a division (demanded by Mr. TABER) there were—ayes 21, noes 123.

So the amendment was rejected.

Mr. DOUGHTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DOUGHTON: Page 111, line 14, strike out "$3,000,000" and insert in lieu thereof "$5,000,000."

Mr. TABER. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. TABER. This is a perfecting amendment, and the committee having voted on a motion to strike out the paragraph, a perfecting amendment is not in order.

The CHAIRMAN. The Chair invites attention to clause 7 of rule 16, which provides as follows:

A motion to strike out and insert is indivisible, but a motion to strike out being lost shall neither preclude amendment nor motion to strike out and insert.

On the basis of the rule just quoted, the point of order is overruled.

Mr. DOUGHTON. Mr. Chairman, the amendment which I have offered to the pending bill proposed to increase the amount provided in the bill for the Blue Ridge and Natchez Trace Parkways from $3,000,000 to $5,000,000, which was the amount carried in the Budget for the Blue Ridge Parkway. The fact has perhaps been overlooked by many that the present law was amended on June 16, 1936, authorizing the expenditure of $10,000,000 per year for the fiscal years 1938–39 for highways to connect the parks. This amount the Director of the Budget cut in half but specified that $5,000,000 be used for the Blue Ridge Parkway. The committee has again cut this amount in half, leaving only $2,500,000 to carry on the work of the Blue Ridge Parkway for 1938, just one-fourth the amount originally authorized by Congress. Therefore, it is clearly seen that the amount I am asking for in my amendment is not something new but an appropriation already authorized in more than double the amount. If the amendment is adopted, we will then be $500,000 below the Budget estimate.

Moreover, I have discovered by examining the report on the pending bill, which I have before me, that the total cut in the bill from the Budget estimate was $4,741,340, the bill carrying $115,871,264.85. The amount of the cut is $4,741,340, and of this $2,500,000, or more than one-half, comes from the appropriation on the Blue Ridge Parkway project.

I submit, in all fairness, that there can be no defense or justification of this huge cut of 50 percent, and I am sure it was made due to a misunderstanding or misapprehension of all the facts concerning the matter, as much as I have endeavored to get the facts before the committee and Congress, but I do feel that if this House understands the situation that it will gladly and willingly correct what I conceive to be a great injustice.

The Blue Ridge National Parkway was originally conceived by President Roosevelt. It originated as a public-works project under the Emergency Relief Appropriation Act of 1933. To date total allotments of $6,816,000 of Public Works funds have been made under the authorization of the above-mentioned act. All of these funds are obligated at the present time, and no further funds are available under the act, which terminates on June 30, 1937.

At the present time 133 miles are actually under construction. The 1937–38 program, as presented to the Bureau of the Budget, included $1,500,000 for completing sections now under construction as to surfacing, bridges, and roadside improvements.

A total of $3,802,000 was estimated to provide for additional construction, amounting to 86 miles and includes drainage and bridges but does not include surfacing.

The road construction is actually 30 feet, instead of 800 feet as has been stated, and includes 20 feet of pavement with 5-foot shoulders on each edge. The right-of-way is approximately 800 feet wide, which gives the necessary protection from roadside desecration by preventing the construction of hot-dog stands, calico horses, and other disfigurements which spring up along the sides of ordinary

roads. The 800-foot right-of-way is being purchased by the States of Virginia and North Carolina and is being donated to the United States. There will be no expense in maintaining these rights-of-way, because it is the purpose to keep these lands in their natural condition except for the occasional campgrounds where the parkway visitors may camp out to escape the humid heat of the low line of valleys on each side.

The general elevation of the parkway averages about 2,500 feet, rising in some points to over a mile in elevation. The mountains in this section are considered the most beautiful mountain scenery in eastern United States, and the parkway takes full advantage of the scenic areas.

Since 1934 the National Park Service has been constructing roads in the national parks of the West, and Congress has also authorized the construction of park approach roads where they cross Government-owned lands to the extent of 90 percent. While these approach roads have been limited to the extent of 60 miles in length, the aggregate would probably equal the Blue Ridge Parkway.

The States of the West have not contributed to the cost of the acquisition of the necessary rights-of-way.

This parkway, when completed, will connect the Great Smoky Mountains and the Shenandoah National Parks, and in reality the parkway will be a part of the parks and will be the property of the United States.

The States of Virginia and North Carolina have donated to the United States Government the two great parks, and to fail to complete this project now would be a mistake, almost equal to a tragedy. The State of North Carolina has already expended $6,000,000 for the purchase of the rights-of-way and the survey of the road; this not costing the Federal Government one penny, and to fail to complete this parkway would not only be a waste of the money thus far expended but a failure to keep faith with the States of Virginia and North Carolina, which have gone to the enormous expense that I have indicated.

This parkway, when completed, will be one of the most beautiful drives in the world, and is unexcelled in scenic beauty and grandeur; also in its exhilarating climatic advantages it is unequaled. This road also opens up and brings to the underprivileged and long-neglected people of Virginia and North Carolina, who live along this mountain range, opportunities which they have been denied since the country was first settled. It will give relief and employment to people who need it most, and will conform and comport in perfect manner with the relief policy of the President of the United States. It will take and keep thousands off the relief rolls and will be in perfect accord with a sound relief policy. It will also afford to the people residing in the congested cities and centers of population an opportunity for travel and recreation which they have been denied far too long, and will, in reality, be a great national asset.

If this amendment is not adopted, and no more than two and one-half million dollars is made available for the next fiscal year, most of this will be used for bridging and surfacing the sections of the road already graded and little or no construction work can be done.

So come on, friends, and help adopt this amendment. It is only in harmony with every policy and principle of a square deal. When this road is finally constructed, if you will all take a drive over it and by experience realize its real worth and what a great asset it is, not only to the people who live along the parkway but the entire country, I am sure you will appreciate the fact that you had a part in this great enterprise.

Ponce de Leon spent much time in a vain effort to find the Fountain of Youth, of which he had been told, but, of course, he died a disappointed man. If he had, however, been told of the mountain of youth, such as to be found in western North Carolina, and along which this parkway traverses, and had visited that section of our State, he would not have been disappointed and would have doubtless lived to have been a centenarian. So come on and help us, and when the road is completed come down through Dixie over this beautiful mountain drive down through the States of North Carolina and Virginia, where the old grow young and the young grow great—down in Virginia and our old North State. [Applause.]

Mr. RICH. Mr. Chairman, there is no one that I would rather accommodate in this House than my good friend from North Carolina [Mr. DOUGHTON], but I cannot treat my friends to the money they want from the Government. I must be fair to all people. I want all to be my friends, so I have to turn in today and oppose this proposal. When you talk about this highway between the Smoky Mountain Park in North Carolina and the Shenandoah National Park in Virginia, 470 miles long and 800 feet wide as a highway, you all know that it is a parkway.

Mr. DOUGHTON. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield.

Mr. DOUGHTON. It is not that. The right-of-way is 800 feet wide, every bit of which was donated by the State. It did not cost the Government one cent. And it is supposed to be kept by the State. It will not cost the Government one cent by purchase or to maintain. The parkway proper is only 30 feet wide, and out of that there will be the roadway 20 feet wide.

Mr. RICH. Mr. Chairman, I just ask the Members of the House to remember those words, that it will not cost anything to maintain, because I will only have to call your attention within a year to the fact that the Government is maintaining this highway the total length; because, as I understand it, it was intended and it was the purpose of the law when it was passed that this was to be a toll road, but Senator BYRD and Senator GLASS are already trying to get opposition to its being a toll road, and they want it a free highway.

When Congress put this bill through last year, it was on the Calendar for Unanimous Consent and we objected to it, and in the last days under a suspension, in 40 minutes, they came in here and put the bill through, but very few knew what they were doing when they voted for the proposition. It is 800 feet wide, the parkway. We have highways down this valley that now go in between these two parks, and this is establishing a precedent for the National Park Service. Last year you passed the Natchez Trace, and we will not any more than get through with this amendment to increase Government spending until the gentlemen from Mississippi will be here and ready to get up and ask for an additional $5,000,000 for the Natchez Trace, and I am surprised that the gentleman from North Carolina, the chairman of the Ways and Means Committee, who is responsible for telling the people where they are going to get the money, and has been unable to do so, would come in here now with this proposition and ask you to increase this amount to $5,000,000. Here is the Treasury Department report for May 14 showing that we have gone in the red $8,777,000, and that every day we are going in the red, yet we are appropriating money and every day by seven or eight or nine or ten million dollars we are spending more than we are taking in. Members of Congress, remember that within a few minutes after this goes through, the boys from Mississippi are going to ask you for $5,000,000 for the Natchez highway. All we do is spend, spend, spend.

Mr. COLMER. Mr. Chairman, will the gentleman yield?

Mr. RICH. No; unless the gentleman will get me more time.

Mr. COLMER. I should be very glad to give the gentleman more time, but of course the gentleman must understand that I do not promise to get it.

Mr. RICH. I hope the gentleman is going to do that. Anyway, let the gentleman ask his question.

Mr. COLMER. Does not the gentleman consider both projects are on a parity? They are both in the same category.

Mr. RICH. That is just what I told you. They are starting right now. He is going to ask for that money for the

Natchez Trace Highway. The projects are probably in the same category.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. RICH. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. The gentleman from Pennsylvania asks unanimous consent to proceed for 5 additional minutes. Is there objection?

Mr. JOHNSON of Oklahoma. Mr. Chairman, I understand the gentleman has 20 minutes by mutual consent. If he wants to use all of his time, very well.

The CHAIRMAN. The Chair will remind the gentleman from Oklahoma that the gentleman from Pennsylvania is not in control of the time in opposition to the amendment. The Chair will endeavor to be fair and to recognize all those seeking recognition. Is there objection?

There was no objection.

Mr. RICH. I want to call the attention of the House to the fact that the establishment of this parkway between national parks is going to be one of the greatest disappointments which the Congress has enacted into law, because people from all sections of the country will be asking for these 800-foot highways between the various parks over the country. It will cost a fabulous sum of money. We have a highway system under the Department of Agriculture. Now you are asking to establish a highway system from park to park all over this Nation, and it will be under the park system of the country instead of the highway system—duplication of highways and duplication of expense and duplication of departments. If you do not rue that, I will certainly be disappointed, because the amount of money involved will be tremendous. There are Members of Congress just waiting to have passed into law authority to go from one park to another.

Mr. WIGGLESWORTH. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield to the distinguished gentleman from Massachusetts.

Mr. WIGGLESWORTH. It is a fact, is it not, that the total ultimate cost of this proposed highway amounts to something like twenty-seven and one-half million dollars?

Mr. RICH. The gentleman is just speaking of the Doughton highway between these two parks? [Laughter.]

Mr. WIGGLESWORTH. Yes.

Mr. RICH. It ought to be named after Mr. DOUGHTON. [Applause.] You could not do a finer thing. It will require over twenty-seven million to finish just the parkway from Virginia to North Carolina.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield. We are going to name this one from Mississippi the Rankin Highway or the Ford Highway. [Laughter.]

Mr. RANKIN. Does not the gentleman think it would be better for all concerned to spend this money in this way than to spend it through the W. P. A.?

Mr. RICH. I agree with the gentleman; yes; if you have the right project, but the trouble is this is not the right project.

Mr. RANKIN. Now, of course, the gentleman might select a project himself, but I submit this is a useful project for the benefit of all the American people. Would it not be better to spend this money for something useful for the American people than to spend it raking leaves or chasing mosquitoes?

Mr. RICH. I agree with the gentleman, but I can see no use building a highway 800 feet wide when there are two highways down the valleys now, almost paralleling each other.

Mr. RANKIN. Mr. Chairman, will the gentleman yield further?

Mr. RICH. I cannot yield further. You now have highways that are parallel to this. It is not a fact that we need the highway so much as we are trying to establish a system of parkways which will ultimately run into hundreds of millions of dollars. I believe Members of Congress should be very careful in allocating funds now for this particular purpose. Eventually, possibly, these two highways will be built, but why try to spend money so fast on a project that is not necessary?

I submit to you that you ought to vote down the amendment offered by the gentleman from North Carolina [Mr. DOUGHTON], because I do not know and I do not believe the gentleman knows where you are going to get the money. [Applause and laughter.]

Mr. Chairman, I yield back the balance of my time.

Mr. ROBERTSON. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Virginia is recognized for 5 minutes.

Mr. ROBERTSON. I am glad to support the amendment of our friend and distinguished colleague from North Carolina [Mr. DOUGHTON] to increase the item for the Blue Ridge Parkway to $5,000,000, which was the amount recommended in the President's Budget. As a matter of fact, by an overwhelming vote in the House and by a unanimous vote, I believe, in the Senate, authorization was given last year for an appropriation of $10,000,000 per year for 2 years for this important project.

In the general debate on this bill my good friend from Kansas [Mr. LAMBERTSON] discussed this project on the assumption that it involved the construction of free arterial highways for the States of Virginia and North Carolina. Evidently my friend has never driven over the Skyline Drive, of which the Blue Ridge Parkway will be an extension, or over the several highways of the Shenandoah Valley which parallel it. Virginia now has a splendid highway system and does not ask and does not need for the Federal Government to give her any new commercial highways. The Blue Ridge Parkway is 100 percent a scenic highway and will never be used as a commercial highway, or even as an arterial highway for tourists moving north and south between Virginia and North Carolina.

It should be a source of commendable pride to every American citizen that our country was the first country in the world to establish a national park, namely, the Yellowstone National Park, which was established over 50 years ago. Since then, we have established 25 additional national parks, and if our great maple sirup State of Vermont will agree to donate to the Government the 130,000 acres reported by the Park Service to have genuine park value, I will be among the first in this House to support a bill to establish it as a national park. Following the lead of the United States, every major nation of the world has established national parks, and singular to say one of the smallest, Belgium, has established in Africa one of the largest and one of the most interesting of all national parks. When the great Teddy Roosevelt visited Africa he brought to the attention of the world the very real threat of the extermination of big game animals in Africa, and it was largely on account of his representations to the Belgian King that the action was taken in Belgium to establish a perpetual refuge for the protection of many species of the best game animals of Africa.

It should likewise be a source of pride to us that we are the first and only nation in the world to construct along the top of a great mountain range a tourist drive that combines safety with great scenic value. An American engineer laid out for the Philippine government a beautiful mountain highway to Baguio which offers to the tourists some wonderful scenery, but is a relatively short drive which merely goes to the top of the mountain and comes down again. Switzerland has built across the Alps a beautiful scenic drive, but it is very narrow and very crooked, and its primary purpose is to cross the Alps. There are many other scenic highways built primarily for commercial purposes that cross high mountains, but, as I have stated, I know of no highway in the world comparable to what the Skyline Drive and the Blue Ridge Parkway will be when completed. That is confirmed by the statement made last Sunday by the great Japanese photographer,

Natori, editor of one of the largest publications in Japan, and here to make pictures for the new magazine called Life. After traveling from one end of the Skyline Drive to the other, Mr. Natori said that he had traveled all over the world and that the Skyline Drive was the most remarkable mountain drive he had ever seen, far superior, in his opinion, to the road over the Alps, because of its superior engineering qualities. Incidentally, Mr. Natori took over 100 pictures of striking scenes on the Skyline Drive which will eventually find their way into the principal tourist magazines of the world and thus present to many in foreign lands a new picture of our Uncle Sam. Many foreigners think of Uncle Sam as a shrewd Yankee trader interested only in his money bags, but foreigners who have visited the United States know that many factors have contributed to the fact that our peculiar form of government is older, as pointed out 2 years ago by the distinguished gentleman from New York, Mr. WADSWORTH, in an address at the University of Virginia, than any other present government of the world. And one of the fundamental undertakings of our democracy has been the efforts of our Government to make available to the masses of the people beauty spots and outdoor recreational opportunities which are unsurpassed. In addition to our great system of national parks, comprising some 15,000,000 acres, and many national monuments and battlefields, we have set aside for public use a great public domain comprising some 175,000,000 acres and have established as national forests an area almost as large.

Sitting at luncheon several years ago with the English scientist, Julian Huxley, grandson of the more famous scientist of that name, he commented to me upon the remarkable natural resources of the United States and of the opportunities of our people for outdoor recreation, and in that connection mentioned his efforts to secure the passage by the British Parliament of a bill known as The Right of Mountain View. In explanation of that bill Professor Huxley told me that it had been the practice of a hiking club in Manchester to visit a nearby mountain for the purpose of securing an exhilarating view, but was stopped from doing so by British trespass laws. And so a bill was introduced in Parliament to permit a British subject to merely walk to the top of a mountain to get a view, not to camp on it as American citizens can do in our national parks and national forests, not to fish, as they can do in national parks, not to hunt and fish, as they can in national forests, but merely to hike and to look and to get the inspiration referred to by King David when he said, "I will lift up mine eyes unto the hills from whence cometh my strength." An American poet has embodied the same thought in these lines:

> I think God made high hills so burdened men
> Might lift their eyes and find new strength again.
> Hills breathe sweet peace, in winter-whitened dress;
> They sing of faith, in summer's loveliness.
> Brave hills the majesty of God proclaim;
> In autumn glory they can set aflame
> Unkindled dreams; and from their spring-clad sod
> New dreams drift down to lift the heart to God.

In any period and in any land it promotes good citizenship for the rank and file of the people to have opportunities to find peace and contentment. But especially is that true in a period of economic stress and storm and mental unrest. We have felt the strain here in Washington during the past 4 years. Business leaders have felt the strain. In all walks of life nerve tension has been high. This tension is reflected, I find, in the number of mental cases now occupying the hospital beds of the country. The Surgeon General advises me that we have 1,096,721 beds, of which 548,952 are occupied by nervous and mental patients. And I have recently seen the statement that during the past 50 years the percentage of mental disorder cases has increased 10 times as fast as the percentage of increase of the population. There are, therefore, sound biological reasons for the establishment of recreational areas for the people.

And there are also sound economic reasons for such a program. The cherry trees of the Tidal Basin in Washington annually attract at least 100,000 visitors to our Capital, who put in circulation here not less than a half million dollars each year. In 1936, 10,000,000 people visited our national parks, the largest in the history of the Nation. Those visitors, at a conservative estimate, put in circulation at least a hundred million dollars. Fifteen years ago less than a million people visited the national parks of the country. In 1936 approximately 700,000 visited the Shenandoah National Park alone, and it is estimated that more people will visit that park in 1937 than visited all of the parks of the Nation 15 years ago. It is indeed difficult to estimate, since it will be accessible to over 20,000,000 people, how many tourists will annually travel over the Blue Ridge Parkway, putting money into circulation.

We have more currency in circulation now than we had in the boom year of 1929 but the principal reason that we do not now have the prosperity of 1929 is that our money does not now have the velocity of circulation it had then. Of course, it may be difficult to ascertain with precision the number of times a dollar turns over in a given period, but some economists have estimated that the present turnover of dollars is 5 times against 15 times in 1929. Proponents of the Townsend plan claim that the Townsend pension dollar will turn over 34 times. I know of no facts on which to base such a claim but it should be apparent to all that if the present velocity of circulation could be increased 300 percent or up to that of 1929 it would greatly stimulate prosperity, and I know of no better means of stimulating velocity of circulation than through the expenditure of tourists. Roger Babson, after analyzing statistics on the subject of the tourist business of America, reported last fall that it is 11 percent greater than the clothing business, 45 percent greater than the printing and publishing business, 60 percent greater than the lumber industry, 185 percent greater than the baking industry, 222 percent greater than the shoe industry, 418 percent greater than the value of the entire cotton crop of 1933, and equal to the great steel and iron industry of America.

And he would be indeed a short-sighted man who would claim that increased prosperity in a given section of the Nation is confined to that immediate section. Representative ANDERSON of Missouri recently pointed out to the House that on any given W. P. A. project the value of indirect relief labor could be fairly estimated at 20 percent of the cost of the project. On January 22, 1927, Roger Babson stated:

> Over 50 cents from almost every dollar spent in a city is at once sent away to buy new goods, to replace those goods which the dollar has bought. The remaining 50 cents goes to local labor, to the landlord, and to the family of the merchant, all of whom in turn spend it; then 25 cents of this remainder is sent away. This means that 75 cents of every dollar soon leaves the city.
>
> The remaining 25 cents again goes to local labor, landlords, etc., to be respent, thus raising the 75 cents which is sent out of the city to 87½ cents. This process continues until practically the entire dollar is sent away.

I therefore respectfully submit that in the development of a project like the Blue Ridge Parkway we are making a sound financial investment and likewise an investment in better citizenship which justifies the support of the pending amendment by every Member of the House.

[Here the gavel fell.]

Mr. ROBERTSON. Mr. Chairman, I ask unanimous consent to proceed for 1 additional minute.

Mr. RANKIN. Mr. Chairman, the time has been fixed for debate on these two amendments.

The CHAIRMAN. Permit the Chair to state that the debate on this paragraph has been limited to 40 minutes. The Chair understood that equal allowance was to be made for two amendments that were to be offered. Already 25 of the 40 minutes have been used on the pending amendment. If any time is to be devoted to the second amendment, either the time will have to be extended or a vote will now have to be taken on the pending amendment.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I do not want to make any agreement that will preclude me from closing this debate. How much time has been consumed?

The CHAIRMAN. Twenty-five of the 40 minutes have already been consumed.

Mr. WARREN. Mr. Chairman, in view of the fact that 25 of the 40 minutes have been used in discussion of the pending amendment, and in fairness to the gentlemen from Mississippi who are later to offer an amendment, I move that all debate on the pending amendment do now close.

The CHAIRMAN. The question is on the motion of the gentleman from North Carolina.

Mr. JOHNSON of Oklahoma. Mr. Chairman——

The CHAIRMAN. The motion is not debatable.

Mr. JOHNSON of Oklahoma. We had an agreement that I was to close the debate. I hope the gentleman will withdraw his motion. I am handling this bill, and I am entitled to some consideration.

Mr. WARREN. I withdraw the motion, Mr. Chairman.

Mr. FITZPATRICK. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. FITZPATRICK. Could not the time be increased by 10 minutes so that an equal amount of time could be devoted to the second amendment?

The CHAIRMAN. Answering the gentleman's inquiry, the Chair will state that the time certainly can be increased if the committee wants to increase it.

Mr. FITZPATRICK. Mr. Chairman, I ask unanimous consent that time for debate on this paragraph be extended 10 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. JOHNSON of Oklahoma and Mr. WEAVER rose.

The CHAIRMAN. Does the gentleman from Oklahoma now desire recognition?

Mr. JOHNSON of Oklahoma. I yield preference to the gentleman from North Carolina [Mr. WEAVER].

The CHAIRMAN. The gentleman from North Carolina is recognized.

Mr. JENKINS of Ohio. A parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. Does the gentleman from North Carolina yield for a parliamentary inquiry?

Mr. WEAVER. I yield.

Mr. JENKINS of Ohio. How, Mr. Chairman, can the gentleman from Oklahoma yield to the gentleman from North Carolina? If they are going to yield time on that side of the House, certainly we on this side of the House are entitled to yield time in opposition to the amendment or the debate will be out of balance.

The CHAIRMAN. There is no yielding of time. In the division of time the Chair is endeavoring to be as fair as possible.

Mr. JENKINS of Ohio. I understand that the gentleman from Oklahoma has the floor now but has yielded time to the gentleman from North Carolina.

The CHAIRMAN. No; the gentleman from Oklahoma could not yield him time, he simply deferred to the gentleman from North Carolina.

The gentleman from North Carolina is recognized for 5 minutes.

Mr. WEAVER. Mr. Chairman, in view of the situation in regard to time, I shall take only a couple of minutes.

I want to say to my friends that I do feel very deeply that we should be allowed on the Blue Ridge Parkway the amount of money that was set aside by the Budget and which conforms to the President's program of economy. I would be glad today, if I could, to discuss the genesis of these parks with some of my western friends and to show that this roadway and these two great parks are not in any sense local, that these parks are not the ambitious projects of myself and the gentleman from North Carolina [Mr. DOUGHTON], but have been conceived for the American people and are just as much national assets, just as much national parks as are the Grand Canyon of the Colorado, the Yosemite National Park, and two dozen others I could name to my western friends, parks which we have always supported.

This parkway will contribute to the health of the whole of eastern America. It is now a going concern. One hundred and thirty-three miles is under construction. The big shovels are now at work on these great hills of ours, and we ask you men from the West, the North, the East, and the South not to stop this project which will soon be completed. The policy has been established by this Congress and by the President. [Applause.]

The Blue Ridge Parkway is intended to be a great national highway, or parkway, connecting the Shenandoah National Park, in the State of Virginia, with the Great Smoky Mountains National Park, in North Carolina and Tennessee. It is a link in the great system, conceived by President Roosevelt, following from the northern limits of the Appalachian Range to their culmination in Alabama. I believe that I can state with authority that this great parkway has the loyal support of the President.

It is not a local enterprise, nor conceived for local purposes. It is for the use of untold generations of all of the people of America, and will contribute to the health, recreation, and happiness of all of eastern America. Founded upon this idea alone it has presidential support, and I hope will have the support of the membership of this House, without sectional feeling.

The background of this great highway grows out of the following facts. Some years ago a great Secretary of the Interior under Mr. Coolidge approved the idea of creating one or more great National Parks in the eastern Appalachian mountains. The West already had many of these parks, set aside or created from public lands. They have been administered for the wholesome benefit of the whole American people. I will not undertake to enumerate them now, but they include such great parks as the Yellowstone National Park, Glacier National Park, Grand Canyon of the Colorado, and many other outstanding parks of the West. It was the purpose in establishing these parks in the East to preserve for future generations, as far as possible, in their primitive condition, certain areas in the eastern Appalachian Range, to become great laboratories of nature, to afford an opportunity for the people, from the highest to the lowest, to have these areas set aside for their observation, their recreation, and their health.

These two great parks, the Shenandoah National Park and the Great Smoky Mountains National Park, and this proposed connecting link between them, as I have said, are no more local and no more conceived as local enterprises than are the Grand Canyon of the Colorado or the magnificent Yellowstone Park, and other great parks of the West. They are national assets. And, it is with this view that I hope the membership of this House will hear us today in regard to the necessary appropriations for constructing this great connecting link, or parkway, between them.

Both the Shenandoah National Park and the Great Smoky Mountains National Park are donations from the States of Virginia, North Carolina, and Tennessee to the United States Government. The lands necessary to constitute these parks were purchased by these three States and conveyed in fee simple to the United States Government. The State of Virginia contributed the necessary acreage to constitute the Shenandoah National Park. I am more familiar with the actual acquisition of lands constituting the Smoky Mountains National Park, because of its location. The State of North Carolina, and the State of Tennessee, through their legislatures contributed $2,000,000 each for the purchase of these lands.

In addition to this, private citizens subscribed approximately $1,000,000 to the fund necessary for their purchase. To supplement these funds, the Laura Spellman Rockefeller Foundation offered to contribute, and has contributed, $5,000,000 for the purchase of these necessary lands. They include an area of approximately 428,000 acres, lying about one-half in the State of North Carolina and one-half in the State of Tennessee. This area constitutes the roof of

eastern America. It is the last stand of primitive forests in the East. It is a botanist's paradise. Within its boundaries it has been ascertained to have 134 different species of trees, and 176 species of flowering shrubs and plants. In it will be preserved the bird life and the animal life of eastern America. It has more than 600 miles of trout streams. It will be open to every class of American life—not only the rich but to the poorest. It will be available for the health and recreation of them and of their families.

It is to unite these two great parks by a highway leading directly from one to the other that this appropriation is asked.

As I have said, the project was conceived by the President, and we have already had $6,816,000 allocated from E. R. A. funds to begin this work. All of this has been expended, or has been alloted for contracts already let. At the present time, at various places along this route, construction is under way and the Park Service has well-defined plans for carrying this work forward speedily. At the present time 133 miles are actually under construction; and the Park Service presented to the Bureau of the Budget an estimate of $5,000,000 as necessary for continuing this work during the next fiscal year. One million five hundred thousand of this was for surfacing, bridges, and roadside improvement of sections now actually under construction. Three million eight hundred and two thousand dollars was estimated as necessary to provide for additional construction of an additional 86 miles, which will include drainage and bridges. Unless this appropriation is granted, this enterprise, which I wish to impress upon my colleagues as being a national enterprise, will be slowed down and delayed.

The right-of-way for this road will include a width of 800 feet, and I have heard the statement that some of the Members of the House have conceived that this was to be a great boulevard of unprecedented width, when as a matter of fact the paved roadway itself will be but 20 feet, with 5 feet on each side additional as shoulders. The 800 feet is merely an easement, or right-of-way, to protect the roadside from desecration, unsightly signs, and the erection of roadside stands, so as to relieve the road of these unpleasant sights. The 800 feet additional will in most places include the natural forest. No great expenditure is proposed on this right-of-way, outside of the actual roadbed, except to preserve it in its primitive beauty and glory. There will be, of course, at intervals, camps set aside, where people may stop at night and enjoy the grandeur of these great mountains and be relieved of the heat of the lower areas.

But again I wish to call the attention of the House to the fact that all of this right-of-way is furnished free to the United States by the States of Virginia and North Carolina. Under the agreement between the Federal Government and the two States, the right-of-way is being acquired by the States and conveyed in perpetuity to the Federal Government before any road construction is begun. It will be the purpose to keep these lands embraced within the 800-foot easement in their natural condition and for the enjoyment through countless generations of the increasing population of our Nation. The States of North Carolina and Virginia have already invested and set apart large sums of money for this right-of-way.

The Budget provided for $5,000,000 for the next fiscal year for the continuation of this work. And when completed, in my opinion, it will be the greatest scenic highway in the world. It will belong to the American people. It will not belong to any section.

The average elevation of his highway will be approximately 2,500 feet. At certain points it will rise to a mile in height. It will pass through the great Black Mountain Range, and the Grandfather Range, including Mount Mitchell, the highest land east of the Rockies. It will open up an area which has heretofore been isolated. It will afford markets for the mountain farmers who have heretofore had no access to markets. It contributes to the President's great plan for relief. The labor which will be necessary will contribute to the recovery plan, and it will lead directly into the Great Smoky Range, where you will find more than 50 peaks higher than Mount Washington, a land which has heretofore been isolated and where the primitive forests of spruce, hemlock, poplar, beech, and birch, and its innumerable streams of the purest water on earth will be an asset in the generations which will follow.

We are all in favor of economy, and probably it is thought by some that it is economy to cut this program, but it will not be economy in the future.

Mr. McCORMACK. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. McCORMACK. My understanding is there remains 22 minutes on the pending amendment and other amendments which might be offered to the paragraph?

The CHAIRMAN. The gentleman is correct.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, it is not an easy matter for me to rise at this time and oppose some of the dearest friends I have anywhere. The distinguished gentleman from North Carolino [Mr. DOUGHTON] is my personal friend, and I am sure he knows I have a deep and sincere affection for him. He has been very kind to me, and what I say about the distinguished gentleman I can also say of the other gentlemen from North Carolina [Mr. WEAVER and Mr. BULWINKLE] and other gentlemen who are interested in this amendment. But I am sure they understand that I have a responsibility.

May I say that I am not trying to speak for anyone, but I know that the President of the United States expects the House to bring this bill within the Budget estimate. It has been stated that the President is interested in this and would like to see it started, and knowing that the able and distinguished gentleman from North Carolina [Mr. DOUGHTON] has been active, that he has many promises of support, and I assume the die is cast. At the same time, I think the committee ought to get the facts. It is true the Budget did send up an estimate to the committee of $5,000,000 for the Blue Ridge Highway, but a later supplemental estimate came to the committee of $5,000,000 for the Blue Ridge and the Natchez Trace Highways. A representative of the Budget appeared before the committee and explained that they did not specify two and a half million dollars for each highway for the reason the Blue Ridge Highway had been started—I think 100 to 125 miles—and more than $6,000,000 spent or allocated to it, and under the circumstances it was thought best there should be more spent at this time on the Blue Ridge Highway than on Natchez Trace. Therefore, after fully investigating the facts the committee followed the Budget's suggestions.

Mr. BULWINKLE. Will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman from North Carolina.

Mr. BULWINKLE. Was that the Budget estimate of $5,000,000?

Mr. JOHNSON of Oklahoma. That was the Budget estimate of $5,000,000. The committee heard the evidence and made a rather drastic cut, not only in this item but in the Central Valley item and others. The Indian Office took a cut of more than $2,000,000, and all other departments and activities in this bill were cut.

Mr. RANKIN. Where were those Indians?

Mr. JOHNSON of Oklahoma. Some 130,000 of them reside in Oklahoma.

The committee felt in all fairness that inasmuch as not a mile of this road is actually in any national park, and that not all of the funds allocated has actually been spent, that the item should be cut. I simply want you who talk so much economy to understand this. I know your promises have been made and many think this is a road in a national park. It involves the construction of a highway from one park to another but not in either. All of us realize that every excuse and even subterfuge has been used in recent years, in order to get 100 percent Federal support. Frankly I believe both projects should never have been authorized,

but the gentlemen from North Carolina say they have the votes to load $2,000,000 to this one item. When the camel gets its neck under the tent then the gentleman from Mississippi gives notice he is going to ask not for a million dollars but for five additional million dollars. That will mean a $7,000,000 increase. Then when the vocational education item comes up, and they in my judgment have a worthy cause, they will request an increase from $7,000,000 to $11,000,000 or possibly $14,000,000. No doubt other worthy requests will be made, and rightfully so, if we permit this increase at the present time.

May I congratulate the Members on holding this bill down below what the committee brought in. I admire these gentlemen who are so ably representing their districts, and I would like to see them get everything they are asking for in order to assist them personally if I could consistently do so, but we have a responsibility here this afternoon.

Mr. BULWINKLE. Will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman. I know he is tremendously interested and I may say to him if I represented his district I possibly would be fighting for my own district like he is doing. We are all for economy unless it hits our own districts or States, then it seems to be a different story.

Mr. BULWINKLE. Will the gentleman explain to me why half the reduction made in the entire bill came from these two projects, or more than half came from these two projects without a reduction made in anything else?

Mr. JOHNSON of Oklahoma. Well, the gentleman is in error about that. The Budget, as he knows, finally recommended $5,000,000 for both projects, as I tried to explain them awhile ago. The committee cut the estimate to $3,000,000. If this $5,000,000 is allowed, then the Natchez Trace boys will ask for $5,000,000, and they are in the same status, except that work has not actually begun. Many other States have worthy projects and proposals. In my State of Oklahoma we have the Platte National Park. We heard a gentleman from North Carolina talk about the beautiful streams, the flowers, the hills, and beauties of Nature in that section of the country. No one denies that. But we have a beautiful park right in my section and there lies on my desk now a request that I ask for a full 100 percent Federal appropriation to construct a highway from that national park to some of the national monuments in Oklahoma, Texas, and Arkansas. Every State in the Union will have the right to come to Congress and say, "What you can do for North Carolina you can do for us", and Oklahoma and Oregon. They will all be here from Maine to California, demanding the same treatment.

Mr. Chairman, these are the facts—it is your responsibility as well as mine.

[Here the gavel fell.]

Mr. WARREN. Mr. Chairman, I renew my motion that all debate on the pending amendment do now close.

The motion was agreed to.

Mr. WOLCOTT. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Preferential motion offered by Mr. WOLCOTT: Mr. WOLCOTT moves that the Committee do now rise and report the bill back to the House forthwith with the recommendation that the enacting clause be stricken out.

Mr. WOLCOTT. Mr. Chairman, the House will recall that last year we had quite a fight over the attempt of the States of Virginia and North Carolina to get 477 miles of highway constructed without those two States putting up one red cent.

Mr. BULWINKLE. Will the gentleman yield?

Mr. WOLCOTT. I cannot yield. Of course, I have no fault to find with the delightful Members coming from these States who seek to get an appropriation under this bill, but I call the attention of the Members of the House to the fact the legislative bill was defeated first when it came up on the Unanimous Consent Calendar. It was defeated when the bill came up under suspension of the rules. The Rules Committee then brought in a rule and, after bitter debate, the bill was passed by the House by a very few votes.

Mr. FORD of Mississippi. Will the gentleman yield?

Mr. WOLCOTT. I cannot yield.

Mr. FORD of Mississippi. Will the gentleman let me correct him about that matter?

Mr. WOLCOTT. It was called to the attention of the House at that time that the Executive had gone ahead on his own responsibility and allocated about one and one-fourth million dollars to start work which had never been authorized by the Congress of the United States.

Let us not fool ourselves at all that this is a parkway or part of the national-park system. This is an attempt on the part of these States to get 477 miles of highway without having to match one cent of the money.

Mr. BULWINKLE. Mr. Chairman, will the gentleman yield to me right there for a correction?

Mr. WOLCOTT. No; I cannot yield.

Mr. BULWINKLE. Will the gentleman not yield for a correction?

Mr. WOLCOTT. I assume the gentleman, if he has corrections to make, will get time to make them.

Now the States of California, Minnesota, and North and South Dakota, the State of New York, and all of the other States, if they want money from the Federal Government with which to build highways have to put up 100 cents against every dollar the Federal Government gives them.

Tomorrow, when the relief bill is up for consideration, the Committee on Roads will make a recommendation that $150,000,000 of the amount be allocated to the States under the Highway Act. At the present time the States get $125,000,000 a year. The cost of constructing the 477 miles of free highway in these two States will be comparable with the amount this Congress appropriates each year for all of the 48 States in the Union.

A companion piece of legislation is the so-called Natchez Trace Highway, by which it is sought to construct a highway to commemorate the fact that Jackson took his troops down to New Orleans over this ridge. I believe it is to be known as the Jackson Memorial Highway, or, perhaps, the Rankin Memorial Highway.

Mr. RANKIN. It is the Natchez Trace Parkway, I may say to the gentleman from Michigan.

Mr. WOLCOTT. Anyway, the justification for it is that Jackson marched his troops down the road over this ridge to subdue the city of New Orleans.

Mr. RANKIN. We were not fighting New Orleans, we were fighting the British.

Mr. WOLCOTT. This was after the war.

Mr. RANKIN. The gentleman is mistaken in both his history and his geography.

Mr. WOLCOTT. It was not his fault that he fought the Battle of New Orleans after the war was all over. Nevertheless, he did march over this beautiful ridge across the Mississippi. Now we are spending $100,000,000 to memorialize Jackson for this feat. This is no time to be building memorials. The greatest memorial we can build to the people of the United States is to see that they are adequately fed and adequately housed.

[Here the gavel fell.]

Mr. DITTER. Mr. Chairman, I demand recognition in opposition to the motion.

The CHAIRMAN. The gentleman from Pennsylvania is recognized for 5 minutes.

Mr. FORD of Mississippi. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. Does the gentleman from Pennsylvania yield for a parliamentary inquiry?

Mr. DITTER. I yield.

Mr. FORD of Mississippi. How much time do we have remaining under the unanimous-consent agreement?

The CHAIRMAN. Seventeen minutes.

Mr. DITTER. Mr. Chairman, I oppose this preferential motion for the reason that I think every opportunity should be extended to the other side to carry on this "pork barrel" program to its logical conclusion.

I particularly want to call the attention of the distinguished chairman of the Ways and Means Committee to

the rather difficult position in which he may find himself later on. The Committee will recall that this afternoon we had a message from the President. Probably many of you will recall the embarrassment from which some of you on the other side suffered as you heard the admonishment from the White House with respect to an exposition.

Mr. DOUGHTON. Mr. Chairman, will the gentleman yield?

Mr. DITTER. I may say to my distinguished friend the gentleman from North Carolina that I shall yield to him in due course.

I am very fond of the distinguished chairman of the Ways and Means Committee, and I want to save him from possible embarrassment in the future. I can well picture, as can many of you, the embarrassing position in which the gentleman will find himself if, after having sponsored this program of appropriating $5,000,000 instead of the amount recommended by the Committee on Appropriations, he will have visited upon him the odium and the ignominy of the President of the United States saying to him what he said to some of the rest of you today. Let me read from the President's message of today, for the benefit of the distinguished gentleman:

> In view of the efforts of the Congress and the administration to bring Federal expenditures within the scope of Federal revenues as rapidly as possible, I am compelled to conclude that the sum of $5,000,000—

It is rather a coincidence that it is the same sum as the gentleman has suggested—

> proposed to be appropriated by the Federal Government, is excessive.

I want to save the gentleman from future embarrassment. Then, I want to save him this further embarrassment. You will recall he is the chairman of the Committee on Ways and Means, and, of course, as such it falls to his unfortunate lot—and I know at times he has been distressed in the past—to bring in a tax bill which is to raise money for this appropriation that he is presently requesting. I do not want to have the distinguished chairman of the Committee on Ways and Means have visited upon his shoulders any more burden than has already been placed upon them by this wasteful extravagance of the present administration. I am concerned about his welfare. I am concerned about his contentment of mind. I am concerned about his conscience as a public servant. I want to save him from all possible embarrassment.

Therefore, I plead with the gentleman, with the same fervor and sincerity as the gentleman plead with the House a moment ago, to withdraw his amendment, to retrench rather than propose new ways of spending, and to have confidence in the splendid chairman of the Committee on Appropriations who opposes this new assault on the Treasury of the United States. I plead with the gentleman to withdraw his amendment now and save himself from the admonishment and the chastisement of the President of the United States. [Laughter and applause.]

[Here the gavel fell.]

Mr. DOUGHTON. I have also been admonished to beware of the Greeks when bearing gifts.

Mr. DITTER. Mr. Chairman, I ask unanimous consent that I may yield to my distinguished friend, the gentleman from North Carolina [Mr. DOUGHTON].

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. DOUGHTON. The gentleman admonishes me and predicates his admonishment on the position of the President of the United States. No one is authorized to quote the President of the United States, but I say upon my responsibility as a Member of this House that I have it upon the highest possible authority from the President of the United States, within the past 24 hours, that he favors my amendment. [Applause.]

Mr. DITTER. Will the gentleman allow an answer to that? It was not my intention, sir, to admonish the distinguished chairman of the Ways and Means Committee, but advise him. [Laughter and applause.]

The CHAIRMAN. The question is on the motion of the gentleman from Michigan [Mr. WOLCOTT] that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken out.

The motion was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina [Mr. DOUGHTON].

The question was taken and on a division (demanded by Mr. RICH) there were—ayes, 141; noes, 59.

So the amendment was agreed to.

Mr. FORD of Mississippi. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. FORD of Mississippi: Page 111, strike out lines 9 to 18, both inclusive, and in lieu thereof insert the following:
>
> "Blue Ridge Parkway: For continuing the construction and maintenance under the provisions of section 5 of the act of June 16, 1936 (49 Stat. pp. 1519–1522), of the Blue Ridge Parkway be immediately available and remain available until expended, $5,000,000, of which amount not to exceed $40,000 shall be available for personal services in the District of Columbia.
>
> "Natchez Trace Parkway: For continuing the construction and maintenance, under the provisions of section 5 of the act of June 16, 1936 (49 Stat. pp. 1519–1522), of the Natchez Trace Parkway be immediately available and remain available until expended, $5,000,000, of which amount not to exceed $40,000 shall be available for personal services in the District of Columbia."

Mr. TABER. Mr. Chairman, I reserve a point of order on the amendment, as I could not hear the amendment as read, and I want to examine it.

Mr. RANKIN. Mr. Chairman, we demand the regular order. If the gentleman is going to make a point of order, let him make it now.

The CHAIRMAN. The gentleman from New York stated he could not hear the reading of the amendment and wanted to examine it.

Mr. RANKIN. That is all right, but we want the gentleman to debate the point of order before we begin debate on the amendment, if he is going to debate the point at all.

Mr. TABER. Mr. Chairman, I make the point of order that the amount specified in the second paragraph of the amendment is not authorized by law.

Mr. RANKIN. Mr. Chairman, I would like to be heard on the point of order.

Mr. FORD of Mississippi. Mr. Chairman, may I submit the law? I have here the act which authorized both of them.

The CHAIRMAN. Does the gentleman from New York make the point of order?

Mr. TABER. Yes.

The CHAIRMAN. Does the gentleman desire to be heard on the point of order?

Mr. TABER. Yes, Mr. Chairman.

In the language that has already been read, four and a half million dollars has already been appropriated out of the $10,000,000 of authorization in the previous paragraph at the top of page 111. This, together with $10,000,000 carried in this amendment, would make $14,500,000 as against $10,000,000 authorized. Therefore, the amendment is not in order.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. TABER. Yes.

Mr. WHITTINGTON. Is it not true that the act authorized $10,000,000 a year for each of the two fiscal years named in the bill?

Mr. TABER. There is only one fiscal year named in the bill.

Mr. WHITTINGTON. I beg the gentleman's pardon; 2 fiscal years were mentioned.

Mr. TABER. This is for the year 1938, for which we are now appropriating.

Mr. WHITTINGTON. But the authorization act stated $10,000,000 a year for each of 2 years.

Mr. TABER. Yes; but $10,000,000 in the previous paragraph and an additional $10,000,000 would make the amendment now offered unauthorized and therefore not in order.

Mr. FORD of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. TABER. Yes.

Mr. FORD of Mississippi. The amendment strikes out the paragraph as amended.

Mr. TABER. Yes; and provides $5,000,000 for the Skyline Road and $5,000,000 for the Natchez Road.

Mr. FORD of Mississippi. That is only $10,000,000, and would meet the authorization.

Mr. TABER. Yes; but there is $4,500,000 for these park roads appropriated in the previous paragraph, which makes a total of $14,300,000.

The CHAIRMAN. Does the gentleman from Mississippi [Mr. RANKIN] desire to be heard on the point of order?

Mr. RANKIN. Yes, Mr. Chairman.

As was pointed out by the gentleman from Mississippi [Mr. WHITTINGTON], who reported the bill originally, there was authorized $10,000,000 a year. This is clearly within that authorization, because it lacks more than $5,000,000 of absorbing the authorization. In addition to this, Mr. Chairman, this is a project under construction. It has been begun, since the right-of-way has been acquired in part, and therefore is a continuing project, and this amendment would be in order even if the authorization were not provided. So I submit the amendment is clearly in order from both standpoints.

The CHAIRMAN. The Chair is prepared to rule. The gentleman from New York [Mr. TABER] makes the point of order against the amendment offered by the gentleman from Mississippi [Mr. FORD] upon the ground that the appropriation sought to be made in the second paragraph of the amendment is not authorized by existing law. The Chair has examined the Highway Act approved June 16, 1936, and invites attention to section 5 of that act which authorizes an appropriation of $10,000,000 for the fiscal year 1938. The Chair has examined the amendment offered by the gentleman from Mississippi and finds that the appropriation sought to be made comes within the authorization provided in section 5 of the Highway Act to which reference has been made. The Chair calls attention to the fact that this appropriation is for the construction of parkways. The provision of the bill in the preceding paragraph to which the gentleman from New York calls attention is for another purpose. The Chair is of opinion that the amendment is in order and that the appropriation sought to be made is authorized by existing law. The Chair, therefore, overrules the point of order, and the gentleman from Mississippi is recognized for 5 minutes in support of his amendment.

Mr. RICH. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. Does the gentleman from Mississippi yield for that purpose?

Mr. FORD of Mississippi. If it will not take too long, I will yield.

Mr. RICH. The Committee was not in order when the amendment was read and Members did not hear it. I tried my best to hear what the amendment provides, and I could not. In justice to the membership I think we ought to have the amendment rereported.

The CHAIRMAN. Does the gentleman ask unanimous consent that the amendment be again read?

Mr. RICH. Yes.

The CHAIRMAN. Without objection, the Clerk will again report the Ford amendment.

There was no objection, and the Clerk again reported the Ford amendment.

The CHAIRMAN. The gentleman from Mississippi is recognized.

Mr. LUCE. Mr. Chairman, I rise to a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. LUCE. This section reverses the action just taken by the Committee and my point is that that cannot be accomplished except by a motion to reconsider.

Mr. FORD of Mississippi. Mr. Chairman, I make the point of order that the gentleman's point of order comes too late, because I had already taken the floor and had yielded to the gentleman from Pennsylvania for a parliamentary inquiry.

The CHAIRMAN. Does the gentleman from Mississippi desire to be heard further upon the point of order?

Mr. FORD of Mississippi. Yes, Mr. Chairman; briefly. The action which this amendment seeks does not repeal the action taken by the Committee a moment ago. It merely substitutes language which readopts language of the Committee and adds additional language.

The CHAIRMAN. The Chair is prepared to rule. The gentleman from Massachusetts [Mr. LUCE] makes the point of order against the amendment upon the ground stated by him, and the Chair is of opinion that the ground stated by the gentleman from Massachusetts is not applicable to the situation as here presented.

The gentleman from Mississippi [Mr. FORD] has offered an amendment striking out the entire paragraph and inserting new language. The Chair invites the attention of the Committee to two precedents of the House incorporating decisions which in the opinion of the Chair are in point upon the question here raised and invites attention to section 2904 of Cannon's Precedents, volume 8, in which it is stated:

> A substitute offered after the reading of a bill has been concluded is in order regardless of whether it includes language stricken from the bill or inserted in the bill when read for amendment.

On June 28, 1922, a question was raised involving the point here presented in Committee of the Whole House on the state of the Union, and the gentleman from Iowa [Mr. TOWNER] was then the Chairman of the Committee of the Whole. The Chair invites attention to a part of the ruling made by the Chairman of the Committee of the Whole on that occasion:

> There are two methods by which substitutes for the entire bill may be offered. The first is to offer after the first paragraph has been read, a substitute for the entire bill, with the notice that with regard to the succeeding sections of the bill, as they are read, a motion will be made to strike them out. That method has been used in a good many instances. In that case gentlemen will notice that, of course, there is no opportunity for amending any subsequent section of the bill, provided the substitute is agreed to.
>
> The other method is to offer the substitute for the entire bill at the conclusion of the reading of the entire bill, as was done in this instance by the gentleman from Illinois. Of course, in that case all of the amendments that have been adopted by the committee, whatever they may be, are stricken out if the substitute is adopted. If the substitute contains in effect or in actual language some of the amendments that are already agreed to, that does not deprive the mover of the substitute of the consideration of his substitute. That applies practically to the case that we have before us, in the opinion of the Chair. No matter what the effect of this subsitute may be, it is the right of the Committee to vote down or to support the motion of the gentleman from Illinois. The point of order is, therefore, overruled.

Then in section 2905 of the same volume to which the Chair has referred is another decision which the Chair feels is in point on this question provides as follows:

> It is in order to propose as a substitute for a section an amendment inserting the same section with modifications and omitting amendments to the section previously agreed to by the Committee of the Whole.

This decision was rendered by Chairman Tilson, who was Chairman of the Committee of the Whole House on the state of the Union, and was on a point of order made by the gentleman from Mississippi [Mr. RANKIN].

Without taking the time to quote the entire decision, the Chair will state that it is directly in point with the previous decision which the Chair has quoted.

On the basis of the two precedents cited, the Chair overrules the point of order.

The gentleman from Mississippi [Mr. FORD] is recognized for 5 minutes.

Mr. FORD of Mississippi. Mr. Chairman, the amendment which I have offered strikes out the following language:

Blue Ridge and Natchez Trace Parkways: For continuing the construction and maintenance, under the provisions of section 5 of the act of June 16, 1936 (49 Stat., pp. 1519–1522), of the Blue Ridge and Natchez Trace Parkways, to be immediately available and remain available until expended, $5,000,000, of which amount not to exceed $40,000 shall be available for personal services in the District of Columbia: *Provided*, That not exceeding $500,000 of this appropriation shall be available for construction of the Natchez Trace Parkway.

And inserts in lieu thereof the following:

Blue Ridge Parkway: For continuing the construction and maintenance, under the provisions of section 5 of the act of June 16, 1936 (49 Stat., pp. 1519–1522), of the Blue Ridge Parkway, to be immediately available and remain available until expended, $5,000,000, of which amount not to exceed $40,000 shall be available for personal services in the District of Columbia.

Natchez Trace Parkway: For continuing the construction and maintenance, under the provisions of section 5 of the act of June 16, 1936 (49 Stat., pp. 1519–1522), of the Natchez Trace Parkway, to be immediately available and remain available until expended, $5,000,000, of which amount not to exceed $40,000 shall be available for personal services in the District of Columbia.

The effect of this amendment, if adopted, would be to increase the Blue Ridge Parkway appropriation, as amended by the amendment of the gentleman from North Carolina [Mr. DOUGHTON], from $4,500,000 to $5,000,000, and would also increase the appropriation for the Natchez Trace Parkway from $500,000 to $5,000,000.

Mr. Chairman, I tried to get the attention of the gentleman from Michigan [Mr. WOLCOTT] a moment ago when he was telling the House that this authorization barely passed the House. I wanted to call his attention and the attention of the Members of the House to volume 80, part 8, pages 8704 and 8705 of the CONGRESSIONAL RECORD, Seventy-fourth Congress, where they will find that the authorization for the Blue Ridge Parkway and Natchez Trace Parkway passed the House of Representatives by a vote of 238 to 99; yet the gentleman would not yield to me to correct a misstatement of facts which he made to this House.

Now, what are the facts about it? The people in Tennessee, Alabama, and Mississippi, and the people in North Carolina and Virginia were interested in these two parkways when this relief money began to be appropriated. We did not get a very large appropriation for our people down in the South from the Works Progress Administration funds which this Congress appropriated. We do not have people on the relief rolls like some of you do in the industrial sections. We in the South try to work out projects that will give work to our people and at the same time do something worth while for the taxpayers. We appealed to the President of the United States and to the various agencies of this country who have the responsibility of expending relief money for the Natchez Trace in Tennessee, Alabama, and Mississippi, and the project was approved by the President.

The Natchez Trace Parkway was one of the great interests of the late Speaker, Mr. Byrns. It was dearer to his heart and he was more interested in that than any other one project in this country. He worked hard with the Roads Committee and with those of us who were interested in trying to get a work project started there. It has been started; the State of Mississippi has purchased an 800-foot right-of-way across many counties in the State of Mississippi and has executed deeds to the Government. The National Park Service is now ready to advertise for bids for construction work on this project. The Appropriations Committee, after previous authorization by this House, is now unwilling to give us more than the little paltry sum of $500,000. Oh, the gentleman will say "You did not get the Budget to approve it." The truth about it is that the Budget turned it down first because they did not think it was authorized. I took the CONGRESSIONAL RECORDS and other documents down and confronted the Director of the Budget with them, and he admitted it had been authorized by law. He then sent up an estimate to the Committee on Appropriations, and asked that the Natchez Trace Parkway be included in the $5,000,000 estimate of the Budget as the gentleman from Oklahoma [Mr. JOHNSON] told you a moment ago. The Natchez Trace Parkway is on the same footing as the Blue Ridge Parkway and if you give $4,500,000 to the Blue Ridge Parkway you should, in fairness, give the same amount to the Natchez Trace Parkway. The gentleman from Pennsylvania [Mr. RICH] says he wants to be fair with all his friends and enemies in this House. If he wants to be fair to the people who live in the States of Tennessee, Alabama, and Mississippi, he will get up and ask his colleagues to vote for my amendment. It is on the same basis, and seeks an equal appropriation for both Parkways. When the bill came before Congress authorizing the $10,000,000 appropriation for national parks I asked the Acting Director of National Parks to advise me how he proposed to spend the $10,000,000, and to tell me how much would go to the Blue Ridge Parkway and how much to the Natchez Trace Parkway. I now read a letter which he wrote me under date of May 12, 1936.

WASHINGTON, *May 12, 1936.*

Hon. A. L. FORD,
House of Representatives.

MY DEAR MR. FORD: In compliance with your request of May 9, a table was included in the National Park Service testimony before the Senate Post Offices and Post Roads Committee indicating a division of funds between the two national parkway projects now under construction. On the basis of the Senate amendment to the Federal road bill, the division of the $10,000,000 annual authorization contained in section 5 of H. R. 11687 for parkway construction for each of the fiscal years ending June 30, 1938, and June 30, 1939, would be as follows:

Name and location of parkway	Total length (miles)	Estimated cost per mile	Estimated mileage and cost of proposed work			
			1938: $10,000,000 authorization		1939: $10,000,000 authorization	
			Miles	Cost	Miles	Cost
Natchez Trace	460	$50,000				
Mississippi			60.5	$3,026,316	67.4	$3,368,421
Alabama			4.7	236,842	6.3	315,790
Tennessee			20.2	1,048,421	23.2	1,157,895
Total			85.4	4,311,579	96.9	4,842,106
Blue Ridge	490	70,000				
Virginia			32.9	2,305,790	34.6	2,421,052
North Carolina			48.3	3,382,631	39.1	2,736,842
Total			81.2	5,688,421	73.7	5,157,894
Grand total	950		166.6	10,000,000	170.6	10,000,000

Sincerely yours,

A. E. DEMARAY,
Acting Director, National Park Service.

In view of this I appeal to my colleagues to give us an equal appropriation for the Natchez Trace Parkway. It is one of the most important projects in the country; it traverses historic and scenic country. When you ask me to cut down expenditures I will join with you, but do not urge me to cut down on one of the projects that is worth much to the people of my State.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. FORD of Mississippi. I yield.

Mr. RICH. Will the gentleman tell us what he has voted for that has cut expenditures?

Mr. FORD of Mississippi. I have voted almost every time the gentleman from Pennsylvania has to cut expenditures. Let us have one little project down in the States of Mississippi, Alabama, and Tennessee.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. FORD of Mississippi. Mr. Chairman, I ask unanimous consent to revise and extend my remarks and to insert the letter which I read to the Committee.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

The CHAIRMAN. There is 12 minutes remaining on this paragraph.

The gentleman from Oklahoma [Mr. JOHNSON] is recognized.

Mr. JOHNSON of Oklahoma. Mr. Chairman, the thing has happened that I predicted just a moment ago would happen, that these gentlemen from Mississippi are in here asking not for another $500,000, increasing their appropriation 100 percent over what the committee gave them, but asking to increase it, the one-half million allowed, to $5,000,000.

Again I may say, Mr. Chairman, that while I am not trying to quote anyone, that according to information that I have received, if this amendment goes into this bill I have every reason to believe the bill will be vetoed. I at least intimated that a while ago. Now, I think I should say that I have a very definite feeling, based upon what I think is the highest authority, that if this amendment for the full $5,000,000 goes into the bill, added to the $2,000,000 just added, that it will be vetoed.

Mr. FORD of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield.

Mr. FORD of Mississippi. I think the gentleman should have been fair about this matter. Why did he not give us this information a moment ago? Be fair with the Members on this proposition.

Mr. JOHNSON of Oklahoma. I want to be fair. If the gentleman heard my previous statement, he understands that I have reason to believe this bill cannot be loaded down and escape a veto.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield.

Mr. RANKIN. The gentleman says that the President will veto the bill on account of this amendment dealing with a project the construction of which he has approved and would not veto it on the amendment for the Blue Ridge Parkway?

Mr. JOHNSON of Oklahoma. No; I have not quoted anybody, but the gentleman does not mean to tell this House that the President has approved this additional $5,000,000.

Mr. RANKIN. He has approved the authorization of this highway. When this measure was first passed we took the proposition up with the President.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I yielded to the gentleman for a question, not to make a speech.

Mr. RANKIN. I will say to the gentleman that the President is not opposed to this project.

Mr. JOHNSON of Oklahoma. Since the gentleman has made that statement, I may say that I have had two telephone calls from one whom I have every reason to believe speaks with authority to the effect that the President is opposed to increasing this above the Budget estimate. Now, I am going to give my own opinion that a veto message is in the President's mind right now, and he would like to deliver it against this or any bill that is loaded down with money above the Budget estimate.

Mr. RANKIN. The President did not tell the gentleman that he would veto the bill if we put this appropriation in it, did he?

Mr. JOHNSON of Oklahoma. Oh, no; I am not quoting the President on this or any other amendment.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield.

Mr. MICHENER. We cannot hear over here. Did I understand the gentleman to say that the President said——

Mr. JOHNSON of Oklahoma. No; I have not quoted the President at all. I have said that if this item goes in this bill, added to the $2,000,000 just voted, that I have reason to believe it will be vetoed. Of course, I realize if I should quote the highest authority on the face of the earth that it would do no good now. The die is cast. I am ready to vote.

Mr. MICHENER. When the gentleman says "on the highest authority on the face of the earth", does he refer to the President?

Mr. JOHNSON of Oklahoma. Now, Mr. Chairman, I would like to take a little of my own time. I do not yield further.

The CHAIRMAN. The gentleman can control that by declining to yield.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I decline to yield.

Mr. Chairman, a representative of the Bureau of the Budget came before the committee, as I stated awhile ago, and advised the committee that absolutely none of the work had been done on this highway, explained that some of the States—I believe Alabama and Tennessee—had not even been sufficiently interested to pass resolutions in their legislatures proposing to buy the rights-of-way. If the States affected are interested, it is my suggestion they come before the committee with clean hands, buy the rights-of-way for this highway, then go down to the Budget Bureau and secure a definite recommendation. That, in my judgment, is the correct and orderly manner in which it should be done.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield.

Mr. RICH. Was it not reported to the committee that the route selected for this highway through the State of Mississippi was in many places over swampy land and that it would be a very expensive type of road to build?

Mr. JOHNSON of Oklahoma. I do not care to cast any aspersions on the great State of Mississippi, but I do say that this road does not go from one park to another. They call it a parkway. It goes through some historic country and by some interesting monuments. If these gentlemen will get their legislatures to provide the rights-of-way, as the gentleman from North Carolina did, then go to the Budget and secure a definite estimate, I have every reason to believe that the committee will be glad to go along with them in a reasonable appropriation, but to increase this one item $4,500,000 in the face of our talk of economy is to my mind out of the question at this time.

[Here the gavel fell.]

Mr. JENKINS of Ohio and Mr. RANKIN rose.

The CHAIRMAN. The gentleman from Ohio has been seeking recognition for half an hour or more. The Chair feels that in fairness he should be recognized. The gentleman from Ohio is recognized for 5 minutes.

Mr. JENKINS of Ohio. Mr. Chairman, I acknowledge that I have been very assiduous in seeking recognition, but I do not want to take the place of any member of the committee on our side.

Mr. Chairman, we have listened with a great deal of interest to the conflict between the Members on the Democratic side over these amendments. Sometimes some of them show signs of a desire to practice a little economy, but they are afraid to come out in the open for they do not want to get out too far from the money pots. They want to be in position to drag all the political bacon they can back into their districts. They are afraid to follow the President when he talks economy, for they know he does not mean it, and they are afraid to vote against the President's pet extravagances, for they know that it was by virtue of these huge sums that most of them were elected to their present positions. But to be fair, I must say that I think that many of them would be glad to strike down all these extravagances but they fear reprisals against them and their districts.

Why am I against these amendments? I am against them because last year when the bill providing for this great parkway was passed, I stood on the floor and did my utmost to keep it from passing. I gave the parkway the name of "Paradise Parkway." I said at that time and I say now that it was the most gigantic and stupendously extravagant and unreasonable expenditure made by the most extravagantly expensive administration in the history of the world. Think of it—477 miles of parkway 800 feet wide. What is it going to cost to maintain this vast parkway? Millions annually. I said at the time that it would cost $48,000,000 to build it. Today the figures run up to $56,000,000. If they carry this out as they originally contemplated, it will cost more than a hundred million. Where are we going, where will we land at this rate? Why do the great taxpaying States like Ohio, Illinois, Pennsylvania, and New York vote all these millions

to States like these which are to receive these colossal gifts now and forevermore, for it will be necessary to maintain this immense parkway from now on forever, and as long as the Republic stands. I dare say that not a single Congressman from Ohio could look his constituency in the face if he would vote these millions for these southern States when he knows that his State will have a large percentage of it to pay, and when he knows that the President, under the plea of economy, is refusing to do scarcely anything to prevent the disastrous floods that have cost the people of Ohio so many millions.

You are, of course, going to vote this amendment down because your chairman has brought this news to you that the President, or somebody for the President, says that the bill will be vetoed, if it is to carry these additional appropriations of seven millions. I believe the chairman; I believe that it will be vetoed, because in all good conscience it should be vetoed.

What is the use of running the risk of a veto on this bill? Why not vote the amendment down? Then we will have the Doughton amendment to vote down when it comes up for final consideration. We can when the bill is reported to the House for final passage vote out the Doughton amendment. The bill will then carry $3,000,000 which is entirely too much.

This bill never would have passed last year if it had not been for the universal popularity of my good friend the gentleman from North Carolina [Mr. DOUGHTON]. He has been in this House for 30 years and when he stands up here before us we all feel we should do the best we can for him. He is the chairman of the Committee on Ways and Means and I am a member of that committee. I dislike to oppose this proposition but in good conscience I cannot support such unnecessary expenditures when I know of the great necessity for Government assistance for flood control and other necessary projects. Let me call attention to the fact that it is not necessary to appropriate one single dollar for these roads now. They have not spent all the money they got last year. I believe the gentleman from North Carolina [Mr. DOUGHTON] said they had $6,000,000 left. If I am wrong about this I will be glad to be corrected.

Mr. DOUGHTON. Every dollar is obligated.

Mr. JENKINS of Ohio. Yes, but it has not been used. It will be used this summer.

Mr. DOUGHTON. It is all obligated.

Mr. JENKINS of Ohio. I understood the gentleman to say there were millions left.

Mr. DOUGHTON. It has either been expended or is obligated.

Mr. JENKINS of Ohio. The President spent one and one-half million dollars on this project before he had any legislation authorizing it. Who is doing the work? Principally the C. C. C., the W. P. A. and people of that sort, who are paid out of another fund and will be paid out of another fund. The work will proceed if the President wants it to proceed, for in a day or two this Congress will probably vote the President about fifteen hundred million to do with as he pleases.

May I call attention to one fact? This morning the gentleman from Mississippi [Mr. WHITTINGTON] made a very fine speech. He is the chairman of the Committee on Flood Control and is well posted on that subject. He told us that the President had indicated he was going to allow only $30,000,000 to aid the people from the Ohio and Mississippi Valleys who are putting up a great fight to prevent the recurrence of flood conditions in that section. This is not one-fourth enough. This road work does not have to be done, but the flood-relief work is imperative. Under these amendments you raise the amount from three million to ten million.

For whom? Who gets the benefit of all these millions? Not for one single individual that is in distress. No; it will go to provide broad expansive highways for the autoists and tourists of the world. If you used that $7,000,000 on one proposed dam in the Ohio watershed that has already been surveyed, and upon which the President has already spent a million dollars, it would nearly complete that dam. When that one dam is completed it will take 5 feet off the crest of the flood waters in the Ohio River all the way from Gallipolis, Ohio, down to the mouth of the Mississippi River. How much would 5 feet be? It will be enough to save hundreds of millions of dollars in a flood such as we suffered last January. These 5 feet off of the crest of one of our big floods will be the difference between home and no home for millions—I repeat, millions of people. It will be the difference between life and death to many people and much livestock. It will be the difference between possession of household goods and homemaking paraphernalia and total destitution to millions—yes; the fear and anguish it will save so many millions. My friends, I grow sad when I contemplate the loss and discouragement that so many of my people have suffered, but I almost get beyond the power to reason when I contemplate the extravagant waste of money that is carried on in our great country by our Government. I can appreciate the meaning of the Biblical language which refers to the instance where the request for bread was answered with the gift of a hard, tasteless stone.

Mr. RANKIN. Mr. Chairman, I am glad the gentleman from Ohio [Mr. JENKINS] has at last realized that the T. V. A. is saving the people along the Ohio River, although he never took the precaution to vote for any of the appropriations for the T. V. A.

Mr. Chairman, there is talk here about the President vetoing the bill because of this small amount. It is ridiculous when you consider we are going to be asked in a few days to vote a billion and a half dollars for the same kind of work. The people along this highway have given deeds to the property on the faith of this bill being passed by the Congress. To say the President will veto the bill because this small amount is asked for when we will be asked to appropriate a billion and a half dollars to do the same kind of work elsewhere I say is ridiculous.

I submit we are entitled to the same kind of treatment that the people between the Blue Ridge and the Smoky Mountain National Park are receiving and I ask the Members to vote for the amendment offered by the gentleman from Mississippi [Mr. FORD], and give us that treatment. I admit the people along the Ohio River are in need. I will help them, but everyone in this country does not live along a river.

Mr. Chairman, this is a great historic route. It is dedicated to the Chickasaw and Choctaw Indians who saved this Republic when it needed help and friends. They were the ones who made it possible for Jackson to get to New Orleans. This monument will not only be dedicated to them, but it will be a benefit to the American people for all time to come.

I hope the gentleman from Ohio will not only vote for this amendment, but will vote for all T. V. A. appropriations in the future in line with his confession of faith of a few moments ago. [Applause.]

[Here the gavel fell.]

Mr. TARVER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. TARVER. Mr. Chairman, as I understand, the language of the amendment is proposed to be substituted for the language in the bill, including the Doughton amendment? In other words, if this amendment is agreed to the language in the bill as amended by the Doughton amendment goes out?

The CHAIRMAN. The Chair thinks the gentleman states it correctly.

Mr. TARVER. The Doughton amendment provides an appropriation of $4,500,000 for the Blue Ridge Parkway. The pending amendment provides $500,000 for the Natchez Trace, and also provides $5,000,000 for the Blue Ridge Parkway. Therefore, if the pending amendment should be adopted, the effect would be to increase the appropriation for the Blue Ridge Parkway by $500,000 above the Doughton amendment?

The CHAIRMAN. It is not within the province of the Chair to construe the effect of an amendment. The Chair would not undertake to rule on that matter, but merely undertakes to answer the gentleman's parliamentary inquiry.

Mr. TARVER. The Doughton amendment carried, in substance, four and a half million dollars for the Blue Ridge Parkway and the pending amendment carries $500,000 more for that purpose?

Mr. RANKIN. This amendment does not take anything away from the Doughton Parkway. It does not take a dollar away from that proposition.

Mr. McGEHEE. Mr. Chairman, I ask unanimous consent to proceed for 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. McGEHEE. Mr. Chairman, I have listened with interest to the statements of the gentlemen on the other side and the chairman of the subcommittee in reference to this appropriation bill. It seems there is a mistaken idea in the minds of many of the Members relative to the Natchez Trace Parkway.

It was stated a moment ago by the gentleman from the other side that this is an 800-foot highway. As the gentleman from Georgia explained, these parkways are only 30 feet wide, with a 20-foot concrete roadway. The right-of-way is 800 feet, but throughout my district and State they are letting the farmers use it to within 150 feet, or 75 feet on each side, just as they are using it today.

It is said further that we must economize now. May I call the attention of the Members to the fact that in the last Congress you authorized the appropriation and expenditure of this money? The legislature of my State, acting on the authorization of the Congress, has authorized bonds and appropriated money to buy rights-of-way, and we have several units ready for construction. Only last Friday there was sold $100,000 worth of bonds at 1 percent in order to enable us to buy rights-of-way along the different units outlined by the Park Service of the Department of the Interior.

Mr. JOHNSON of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. McGEHEE. Yes.

Mr. JOHNSON of Oklahoma. It is true the State of Mississippi has made some effort to cooperate along that line, but what have the States of Alabama and Tennessee done?

Mr. McGEHEE. I have no information on that.

Today Mississippi is selling bonds and is buying rights-of-way, and it has two units ready. The contracts have been let. They now have a million and a half dollars allocated from the W. P. A. fund with which to let contracts. Our people are continuing this project and are acting on the theory that the authorization you gave to them last year will be carried out.

Mr. FORD of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. McGEHEE. Gladly.

Mr. FORD of Mississippi. Is it not true the National Park Service requested $5,000,000 for this work?

Mr. McGEHEE. It is true. I thank the gentleman.

The Park Service in its report to the committee in connection with the authorization last year outlined in detail the number of miles this $5,000,000 would construct.

May I correct another error in the minds of some of the membership who say this will cost $300,000,000? The Natchez Trace Parkway from Nashville to Natchez, Miss., will only cost something like $16,000,000 to $20,000,000. I do not know the cost of the Blue Ridge Parkway, but I am informed it is a little more than this. The opponents of this project would prejudice your minds by coming before you and talking against it and saying it is going to cost $300,000,000. If we are going to economize, let us begin tomorrow, and not go back on the contractual relationships, you might say, which we have made with these people in five or six States to supply the work, where the taxpayers are already spending their funds in preparation for the construction of these wonderful parkways. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi [Mr. FORD].

The question was taken; and on a division (demanded by Mr. RICH) there were—ayes 69, noes 89.

Mr. FORD of Mississippi. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. FORD of Mississippi and Mr. JOHNSON of Oklahoma.

The Committee again divided; and the tellers reported that there were—ayes 72, noes 101.

So the amendment was rejected.

The Clerk read as follows:

Historic sites and buildings: For carrying out the provisions of the act entitled "An act to provide for the preservation of historic American sites, buildings, objects, and antiquities of national significance, and for other purposes", approved August 21, 1935 (49 Stat., p. 666), $24,000.

Mr. RICH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RICH: On page 111, line 24, strike out "$24,000" and insert "$4,000."

Mr. RICH. Mr. Chairman, I want to call the attention of the House of Representatives to the fact that if the Members will turn to the committee's report at page 40, with respect to the National Park Service, and view the increases in the appropriations for practically every park of the Federal Government and practically every monument, they will be astonished at the increase contained in the report and in this bill.

The situation is that with the enormous amount of money you are spending annually on these parks, you are requested to increase the amount for upkeep annually.

We appropriated last year for the parks $17,961,805, while the total income from all the parks and monuments was $1,131,033.68, or practically 18 times as much was spent as was received as the total revenue.

However, while the situation was bad from that standpoint, yet granting that the parks are a fine thing for the country, do not overlook the fact that the Federal Government spent out of relief money for the Department of the Interior last year over $34,875,000.

Now, what did they do with this money? Let me call the attention of the Members to some of the things that have transpired with respect to the funds that the Federal Government used in this way:

For electrical equipment changes in the Interior Department over $52,000.

For repairing and improving the Interior Building over $788,000.

For repairing the old Post Office Building, which they are going to tear down very shortly, over $85,000.

For furnishing venetian blinds to the offices uptown, over $60,000.

For taking care of the spoiling on the Washington Monument, over $88,000.

For remodeling Potomac Park, over $65,000.

For air conditioning in office buildings uptown, over $1,721,000.

Now, get this—give me your attention—you spent over $8,539,000 for air conditioning your House Office Buildings, your Capitol, and the Senate Office Building. The House Office Building is the finest office building I ever sat in or ever had an office in which I could call my own; and think of that building over there, which is less than 2 years old, having spent on it for your own benefit a great part of $8,539,000 for air conditioning. Why, somebody in the Government force is crazy. Who are they—who voted for this money—show me these foolish men you have around here giving you Members of Congress all these conveniences when the people back home are suffering, when the people back home are hollering for bread; when the people back home are saying, "Give me something to eat", you fit up your own offices like palaces. A brand new building, almost tearing it down to put in it cold air, when we already had electric fans. I tell you, again, somebody on Capitol Hill is foolish. Show me the foolish men who voted this money to

be expended for these needless purposes. I want to tell you it is time we became sensible.

[Here the gavel fell.]

Mr. RICH. Mr. Chairman, I could call the attention of the Members of the Congress to many other items of expense, which I shall do before we get through with this bill.

Mr. JOHNSON of Oklahoma. Mr. Chairman, the gentleman from Pennsylvania has delivered his usual very interesting political address, but he forgot to mention the amendment which he has offered. The fact is the committee cut this item from $50,000, as recommended by the Budget, to $24,000. The committee found there are some surveys in progress at this time, and, as I recall, the gentleman from Pennsylvania did not object to the cut, but in fact the action of the committee was agreeable to him.

While we appreciate the wonderful lecture that we have heard so frequently, yet we are endeavoring to hurry through, and I suggest that we now vote.

Mr. NELSON. Mr. Chairman, I move to strike out the last word. I am especially interested in the paragraph in the bill now under consideration having to do with historic sites and buildings. An act approved August 21, 1935, empowers the Secretary of the Interior, through the National Park Service, to do work, the importance of which will more fully be appreciated in the years to come.

In brief, there is proposed a broad program for the acquisition, development, and marking of historic buildings and sites. At the present time a limited but Nation-wide survey is under way. The object is to determine sites and buildings of greatest historic value and worthy of preservation. The results of the surveys are passed upon by the Advisory Board of the National Parks and Monuments, Historic Sites, and Buildings, named under the legislation referred to.

Deeply interested in this matter, because of a rare historic building in the Missouri district which I have the honor to represent, I have made inquiry as to the advisability of Members introducing special bills to preserve historic sites and buildings. My information is that the introduction of separate bills is not necessary, but that the end desired, insofar as funds permit, can be accomplished under authority of the Historic Sites and Buildings Act.

A firm believer in economy, as my voting record shows, I have no hesitancy in saying that further funds should, as soon as the financial situation permits, and through savings from other sources, be provided to preserve, acquire, and in some cases, restore historic sites and buildings.

Restoration, while it may be most commendable, represents the last resort. It implies a lack of timely action, looking to the saving of something which later may be recognized as of near priceless value. As in the case of Wakefield, birthplace of Washington, the restoration of the building and grounds represents a most commendable project, yet think what it might have been had the original building and grounds been preserved for future generations. Happily, Mount Vernon was saved as a patriotic shrine for the American people. No credit, though, is due the Federal Government. All praise is due that patriotic, far-seeing band of noble American women who, working together, made possible the preservation of what is today the loveliest and most inspiring spot in America.

As a Nation we are new. Certainly so as measured by many overseas governments. As States, except for those making up the Original Colonies, a single century or a little more represents the life of most. So it is not surprising that we have neglected to save historic buildings, the value of which we are only now coming to appreciate.

Digressing somewhat, I might suggest that age, once the "twilight zone" has been passed, may, in material things, mean added value, or at least greater desirability. Old furniture is an example. Think what the contents of ancient attics, of the kind some of us can remember, would represent if saved until now. The greatest value, of course, would come to the family immediately interested in such heirlooms. Somewhat the same standard of value the Advisory Board on National Parks and Sites and Buildings must use in its investigations. The more people interested, or the larger the State or National interest, must receive primary consideration. There comes also, the questions, Are there other structures of similar kind? or Does the building mark a movement of importance in the life of State or Nation?

I have said that, as a nation, we are young. We have gone in for the new and the big. With feverish haste, and often without proper thought or entire justification, immense public buildings, costing many millions of dollars, have been authorized. Work here in Washington is a fair example. During two decades, or since the beginning of the World War, most of the great public buildings on Pennsylvania Avenue and Constitution Avenue have been constructed. So immense and so crowded together are they that there is little room for trees, the beauty of this Capital City.

Better by far would it be to save a million dollars or so on the cost of more monumental public buildings and use a part of the money, to be shared in by many States, for the purchase and preservation of historic buildings and sites. Too long has such action been delayed. Here and there, as is shown by surveys made under the special branch of the National Park Service, are buildings of rare value, but which, in the so-called march of progress, are about to be destroyed. Private ownership no longer feels justified in carrying such buildings, so that they will be lost soon and forever unless other means of preservation are provided.

At this time there is agitation for the erection of a Jefferson memorial in Washington. My feeling is that we would much better use a part of the funds such a monument would cost—and as a start, a fraction would suffice—to save historic structures. This action would be much more in keeping with Jefferson's thoughts and ideas, as expressed in his life and writings, than would a great marble monument here in the National Capital. Furthermore, as to location of such a memorial, I doubt if Washington is the most appropriate place. Jefferson's greatest work was not wrought here. It is not as President that he is primarily remembered. In fact, the inscription which he, himself, desired for his grave marker, the original of which stands on the campus of the University of Missouri, in my home city, makes no reference to the fact that he was President. It reads:

> Here was buried Thomas Jefferson, author of the Declaration of American Independence, of the Statute of Virginia for Religious Freedom, and father of the University of Virginia.

If a new Jefferson memorial is to be authorized, the location well might be somewhere in the Louisiana Purchase, which Jefferson made possible, but even that work can wait.

Now is no time to be dealing out dollars, millions of dollars, for more monumental buildings or memorials in Washington. The disagreeable January weather of the 1937 inauguration day should not be made an excuse for the immediate construction of a great auditorium in the National Capital. Roosevelt "took it." Other Presidents can.

Again referring to Thomas Jefferson, we have Monticello, second only to Mount Vernon as a patriotic shrine, and, like Mount Vernon, saved not through governmental action, but by patriotic individuals. Nor is Monticello all. In the United States there are eight cities, the largest being the State capital of Missouri, named for Jefferson, and in addition, 23 counties and 140 townships are so named. After all, though, no monument, although it may cost millions, which Congress can authorize, will ever mean as much as means Monticello, so rich in history and in associations. Happily, it was saved. So I plead today for the saving of other historic places and buildings.

My personal interest in the item carried in this bill and to which I have referred, centers in the Missouri county in which I was born. In Boonville, Mo., is Thespian Hall, believed to be the oldest surviving theater west of the Alleghenies. Completed in 1857 under direction of the Thespian Society, this building is a notable architectural relic of a unique frontier little theater movement. The story of the society and its impressive theater is a significant chapter in the cultural history of the Middle West.

Boonville's Thespian Society was organized by 60 professional men sometime before 1838. Provincial in no sense of

the word, many of these "gentlemen of wealth" had been attracted to Boonville from Virginia, the Carolinas, Kentucky, and Tennessee by its thriving overland trade, over the Santa Fe Trail, with the West and Southwest. Today another group of patriotic men and women, members of the Thespian Hall Preservation Committee, seeks to save for community, State, and Nation the work of pioneers of a century ago.

The earliest Thespian Hall program notice to appear in the few Boonville newspapers that have survived from the period before 1870 was in the Western Emigrant of August 8, 1839. Numerous traveling companies which visited Boonville before the Civil War found the Thespian Society and its theater friendly hosts.

During the spring of 1846 the Thespian Society was reorganized and a new theater fitted up in an old log building. The continued success of the society is recorded, but in spite of general popular support there were, according to the local press of that period, "still many in the community who entirely disapprove of histrionic representations under all circumstances", and it is added that a lyceum which the Thespians attempted to organize to placate this element met with a cold reception. In 1854 a more formal organization was effected, adopting the name of the Boonville Thespian Association.

The profound interest of the period in cultural and social reform was reflected in the expanding interests of the society. A lyceum, an orchestra, and definite interest in all types of music, a library and reading room for the improvement of the youth of the city, and a planned charitable program were developed. Most important of all, the society was serving as a vigorous civil unifying force. "Independent of their repeated charitable efforts in behalf of the suffering poor", the Observer states in 1856, "the society has done much to eradicate individual prejudice and bickerings."

In March 1855 the Thespian Society was incorporated as the Boonville Library, Reading room, and Thespian Association, a practical organization designed to accommodate the rapidly expanding needs of the society. The building of Thespian Hall was planned by the association immediately following its incorporation. The cornerstone was laid July 25, 1855, and the building was completed in the summer of 1857. On the evening of July 3 it was opened to the public with a grand ball.

The Civil War destroyed the Thespian Society as it destroyed the era that produced it. Throughout the years of the conflict, from the first battle of Boonville on June 17, 1861—the first land battle of the Civil War—to the coming of peace 4 long years later, Boonville's strategic border position made it a pawn for the conflicting forces in Missouri.

Thespian Hall filled many needs during the war. Federal troops were quartered there following the first battle of Boonville. It was used as a hospital for soldiers wounded in the second battle of Boonville.

As large forces of soldiers were stationed in Boonville for considerable periods of time, it is not surprising that "impromptu performances" should have been given in the theater to while away the anxious, idle weeks.

Sometime following the breaking up of the Thespian Society during the Civil War, the ownership of the building passed into other hands; but the social life of the community continued to find the Thespian Hall a congenial host.

The German Turn and Gesang Verein, organized during the fifties, used the theater for many years not only for the presentation of German and English plays, concerts, and for the meetings of gymnastic classes sponsored by the society, but also for the scene of its annual colorful fastnacht masque balls.

Architecturally speaking, the theater at this time appeared much as it did when it was completed in 1857. The interior woodwork was designed in the same stately Greek Revival spirit as was the exterior. From the lobby, with its box office, a sweeping curved stairway led to the second floor and folding doors opened into the theater proper. The beauties of the interior, however, that had charmed Boonville a generation before; its qualities of elegance in decoration and the elaborate stage machinery, had almost completely disappeared toward the close of the century. Col. D. Walker Wear, now boxing commissioner of New York, states that at the time he managed the theater movable hickory chairs were used for seats. Happily, though, the commanding architecture of the building, with its massive columns, remains unchanged.

In 1901 new managers of Thespian Hall announced their intention of modernizing the interior of the theater, but the historic building, proper, was saved from destruction.

Since about 1912 the old theater has been used as a motion-picture house, yet, in external appearance, Thespian Hall has been but little changed during its 80 years. It remains as "a unique relic of a frontier little-theater movement", and the oldest surviving theater, not only in the vast territory known as the Louisiana Purchase, but the oldest building of the kind west of the Allegheny Mountains.

Striking in architecture as Thespian Hall is, rich in history, symbolizing a superior early society, portraying the life of a pioneer people, it is due the present generation and others that are to come that the building be saved. I trust that the Federal Government may speedily take steps to help preserve such highly prized historic buildings. Once destroyed, they can never be replaced, but will be gone forever. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania.

The question was taken and the amendment was rejected.

The Clerk read as follows:

Investigation and purchase of water rights: For the investigation and establishment of water rights, including the purchase thereof or of lands or interests in lands or rights-of-way for use and protection of water rights necessary or beneficial in connection with the administration and public use of the national parks and monuments, and including not to exceed $500 for the maintenance, operation, and repair of one passenger-carrying vehicle, $25,000: *Provided*, That, in lieu of purchase, such lands, interests in lands, and water rights may be acquired under this appropriation by the exchange of service or equipment, including the construction of water lines or other improvements on privately owned lands when considered in the best interests of the Government.

Mr. WIGGLESWORTH. Mr. Chairman, I make the point of order against the paragraph on the ground that the language embodied in the proviso is legislation on an appropriation bill.

The CHAIRMAN. Does the gentleman from Nevada desire to be heard upon the point of order?

Mr. SCRUGHAM. Mr. Chairman, we concede the point of order, and I offer the following amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. SCRUGHAM: Page 112, line 1, insert a new paragraph, as follows:

"Investigation and purchase of water rights: For the investigation and establishment of water rights, including the purchase thereof or of lands or interests in lands or rights-of-way for use and protection of water rights necessary or beneficial in connection with the administration and public use of the national parks and monuments, and including not to exceed $500 for the maintenance, operation, and repair of one passenger-carrying vehicle, $25,000.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Nevada.

The amendment was agreed to.

Mr. THOMASON of Texas. Mr. Chairman, I move to strike out the last word. I have been very much interested in those sections of this bill dealing with our national parks. The officials and employees of the National Park Service have been and are doing a wonderful work. They should receive the praise and gratitude of the membership of this House as well as the people of the country. These great parks have greatly increased our national wealth in dollars and cents, but more than that they have added to the happiness and health of the people of our country in a vast sum that cannot be estimated. My recollection of the facts shown by their last annual report shows that 6,000,000 people visited our 26 national parks last year, which would be an average of nearly 235,000 for each of these parks. All had an attendance of more than 50,000 except far-away Alaska. The great

Carlsbad Caverns National Park in New Mexico, and not far away from my home city of El Paso, attracted 150,000 visitors, coming from every State in the Union, as well as many from foreign countries. These caverns are now conceded to be the greatest in the world, and the exploration work there is not complete, and their size and depth have not yet been determined. I want to invite you and your families and friends to visit Carlsbad Caverns, because it is impossible for me or I think any other person to adequately describe them. When you have finished your visit there you will find a paved highway from there to the beautiful city of El Paso, where it will be my pleasure to extend you a hearty welcome and try to contribute something to your entertainment. I also promise to take you across the Rio Grande into the Republic of Mexico, and I think the day is not far distant when you will also find a paved highway from El Paso and Juarez into the City of Mexico. At a later date I hope to discuss this highway from Juarez to Mexico City with you, because I think our Government can contribute much to the realization as well as the success of that enterprise, and I am quite certain that the project is entitled to your hearty cooperation.

What I rose to say, however, in the very few minutes allotted to me is to tell you that I hope when this Department of the Interior bill comes up again 1 year from now that there will be included another section headed "Big Bend National Park."

On March 4, 1935, in the Seventy-fourth Congress, I introduced H. R. 6373 for the establishment of this great park, and that bill became law on June 20, 1935. It provided, in general terms, that 1,500,000 acres of land in Brewster and Presidio Counties, Tex., known as the Big Bend area, and all within the district which I have the honor to represent, should be established, donated, and set apart for the benefit and enjoyment of the people of the United States. It also provided that the United States should not purchase by the appropriation of public money any of the land mentioned, but all should be secured by public and private donations.

With your permission and in order that you may have a better idea of the possibilities of this area I read you from the report which accompanied the bill that I just mentioned:

The Big Bend region, within which the proposed park is to be located, is the triangular portion of southwest Texas enclosed by the big bend of the Rio Grande on the east, west, and south and roughly by latitude 30 degrees on the north. It comprises approximately 5,500 square miles. In general character it is a semiarid plain, verging on desert, through which a group of mountain ranges, principally the Chisos, have been thrust. These constitute the southernmost spur of the Rocky Mountains. Of these the Chisos Range "Phantom", the highest and most rugged, attaining an altitude of 7,835 feet, is literally a biological island.

The Big Bend area is the last great wilderness area of Texas. No railroad line transgresses its vastness. Its few roads are largely makeshift, leading in from the north, or improved wagon trails serving its few ranches and mining claims. The nearest thing to a town which exists are the two mining camps of Terlingua and Study Butte, some 25 miles west of the Chisos Range.

The reason for the long isolation of this area is its low economic value. Aside from the two quicksilver mines, there has been no need for the arteries of trade, and the semiarid character of the plains surrounding the group of mountain ranges has offered little to agriculture save scattered areas for grazing.

The varied forest cover in the Chisos is still virgin. Large mammals such as deer, bear, panther, and fox still survive. The vegetation of the surrounding semiarid plains is principally a growth of chaparral and cactus. The forest cover in the higher levels of the Chisos, however, is extensively varied, with Douglas spruce, pine, junipers, oaks, and hackberry well represented.

The entire Big Bend region, comprising some three and a half million acres, would probably not be considered in its entirety as a national park area since the northern portion thereof consists principally of dry plains having no superlative features. To the south, however, the landscape is dominated by mountain ranges and is felt to be of high caliber to rank well as a national park. In the Chisos Mountains the visitor is agreeably surprised at the colorful rock expanses, rose-colored and tinged with faint greens and yellows.

One of the dramatic features in this area is the Rio Grande itself, which, in its tortuous course, cuts through three steep-walled canyons, the Santa Helena, the Mariscal, and the Boquillas, and meanders over flat river plains between.

The romance of old frontier Mexico is in the atmosphere of the Big Bend region. In the Chisos Mountains the visitor is continually aware of its presence. The outstanding views in three directions carry the eye over into the mountains of Old Mexico. From the south rim, over 5,000 feet above the eye obtains the most dramatic panorama of the Chisos—a 200-mile sweep of American and Mexican terrain. Below the Rio Grande winds through walled canyons and river flood plains. As a unit of the national park system the region would be unique in this international flavor.

The scenic standard of the Mexican side is apparently similar to that of the American.

This would become one of our greatest national parks if it were well within the interior of the country. Lying as it does, however, along the Mexican border, it will become the great international park of probably the entire world. The Mexican Government is greatly interested in the matter. Secretary Ickes on February 27, 1935, addressed a letter to the President in which he said, in part:

The possibility of an international park in this region meets with my approval, and I recommend that if the legislation is passed by Congress authorizing the establishment of a national park on the United States side of the international boundary line the Mexican Government be invited to cooperate with the United States in the establishment of such an international park.

In addition to providing a great playground for the people of these two great nations, it would do much to promote the very friendly relations now existing between the United States and Mexico. Mexico is now preparing to establish its park, and a great international bridge across the Rio Grande is proposed to connect the two parks and the two nations.

In order that the State of Texas provide this great tract of land free of cost to the United States, there was introduced in the Legislature of Texas, which is now in session, a bill to appropriate $1,400,000 to purchase 648,000 acres not now owned by the State, in order to meet the demands of the Interior Department. The State of Texas already has title to 140,000 acres of this land, and the Federal officials here say the park can be established if they are delivered title and possession to 788,000 acres.

Several days ago the Senate of Texas passed a bill appropriating $750,000 toward the purchase of this land, and I am happy to report that today the House of Representatives appropriated a like sum. I have every reason to believe that the Governor of Texas will approve this bill and that any further necessary money will later be appropriated for the purchase of the entire tract. It seems quite a coincidence that this bill should have passed both houses of the Texas Legislature today, while this bill providing our present national parks is under consideration.

We have the assurance that when title to this land is delivered that the Federal Government will begin its great development there, as well as operate and maintain the parks with the same interest and high standard of efficiency now prevailing at the existing national parks.

I indulge the hope and confidence that when this land is acquired and donated to the Federal Government that you will then show the same interest and liberality in its development and maintenance as characterizes your action today toward our other parks. A little later I will be pleading with you for adequate appropriations to carry out this great undertaking. Many of you will live to see the day when it will rank in importance, interest, and attendance with Yellowstone and Yosemite.

(By unanimous consent, Mr. THOMASON of Texas was granted leave to extend his remarks in the RECORD.)

The Clerk read as follows:

Salaries and general expenses, public buildings and grounds in the District of Columbia: For administration, protection, maintenance, and improvement of public buildings, monuments, memorials, and grounds in the District of Columbia under the jurisdiction of the National Park Service, including The National Archives Building; per-diem employees at rates of pay approved by the Director, not exceeding current rates for similar services in the District of Columbia; rent of buildings; demolition of buildings; expenses incident to moving various executive departments and establishments in connection with the assignment, allocation, transfer, and survey of building space; traveling expenses and carfare; leather and rubber articles and gas masks for the protection of public property and employees; arms and ammunition for the guard force; not exceeding $13,000 for uniforms for employees; and the purchase, maintenance, repair, exchange, storage, and operation of four motor-propelled passenger-carrying vehicles; $7,137,280, of which amount not to exceed $5,036,980 shall be available for

personal services in the District of Columbia and not to exceed $500,000 shall be available for major repairs and improvements to public buildings, monuments, memorials, and grounds in the District of Columbia: *Provided*, That the superintendent of meters of the Department of the Interior shall hereafter take the statement of the meters of the several department buildings in the city of Washington, and render to the General Accounting Office the consumption of gas and electricity each month in said buildings, respectively.

Mr. RICH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RICH: On page 113, line 7, strike out "$7,137,280" and insert in lieu thereof "$6,175,900."

Mr. RICH. Mr. Chairman, I want to call to the attention of the House that reducing this amount by $961,380 is still an increase over the appropriation granted for looking after buildings in the District last year of $200,000. I want to cut it down $961,000, yet it is an increase of $200,000 over what it was a year ago. With the rapid strides that are being made with this Interior Department to increase the number of bureaus and departments it will be a top-heavy and burdensome bureau; one of the most burdensome bureaus in the Federal Government.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield.

Mr. MAY. Does the gentleman mean to say that the sum allowed in the bill is more than $1,000,000 more than it was last year?

Mr. RICH. Yes, sir.

Mr. MAY. For what?

Mr. RICH. Well, I would have to get all the justifications and bring them here and it would take more than my 5 minutes. I do not want to be staggered trying to give you all of these things, but I think it is worth while for the House to know a few of these things.

Many people are becoming discouraged at the lateness of the hour because I am trying to hold this bill down. You do not know what is going on. The gentleman from Kansas [Mr. HOUSTON] can jump all he pleases, but he does not know what is in this bill.

Mr. HOUSTON. Will you tell us what is going on?

Mr. RICH. I am trying to, but there is so much noise I cannot make myself heard. [Applause.]

I want to call attention to how we spend some of this money that was spent through the Interior Department under W. P. A.:

Remodeling Potomac Park last year cost over $65,000; beautifying the Mall, $94,000 for sidewalks.

You spent in the Mall proper, for walks, gutters, and roadways, over $467,000.

You spent in Union Square over $229,000.

You spent for planting holly trees around the Tidal Basin, with the cherry trees, over $8,414, yet you talk about cutting the cherry trees down in order to find space to build the Jefferson Memorial.

You paid for remodeling the old Pierce flour mill in Rock Creek Park over $26,000. Think of it! I could build a whole new flour mill for $26,000.

You paid for new plans in Rock Creek Park over $11,000.

You spent for developing a study of the East Capitol Park Street alone over $9,000.

You spent for a study of Rock Creek pollution over $19,000.

You spent for rehabilitation of the other parks in the District of Columbia over $265,000.

You spent for tree surgery in these parks over $36,000.

Mr. JOHNSON of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. RICH. Yes; I yield to the gentleman, chairman of the subcommittee.

Mr. JOHNSON of Oklahoma. Is the gentleman addressing his remarks to his amendment or is he making a political speech?

Mr. RICH. I am trying to show the Members of Congress what we are spending money for in the District of Columbia, in the public parks; it should interest every Member of Congress. Wait until I go outside of the District and I will show you some items. You will get your eye teeth cut. I know these items will be of vital interest to all taxpayers in the future.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. HOUSTON. Mr. Chairman, I ask unanimous consent that the gentleman's time be extended 1 hour. [Laughter.]

Mr. RICH. Well, I could use it telling of the most ridiculous way you voted to spend Federal funds, and the Members of Congress should know it. You will vote tomorrow to give the President one and one-half billion dollars to do the same thing over again. It should make you stop, look, and listen.

Mr. FITZPATRICK. Mr. Chairman, I rise in opposition to the amendment.

After listening to the beautiful political speech of the gentleman from Pennsylvania, I want to state there have been quite a few new activities added to the department in the District of Columbia. In addition to that, there was $500,000 for repairs. We cut that $500,000 down by $70,000, but there is an additional $135,130 to increase the salary of custodial employees from $1,080 to $1,140 per annum. I am wondering if the gentleman from Pennsylvania [Mr. RICH] would object to increasing the salaries of these employees? I understand some of them have worked for 34 years without an increase. This information was given to me by the president of the United Government Employees, Inc. Over 2,000 of these employees live here in the District and are trying to raise families on a salary of $1,080 a year.

Mr. TABER. Mr. Chairman, will the gentleman yield for a question?

Mr. FITZPATRICK. I yield.

Mr. TABER. If the gentleman would look, he would notice that the gentleman had left the figure of $200,000 in, so that that could be taken care of. He did not cut the whole thing down the way he should have.

Mr. FITZPATRICK. No. It comes out of that total amount. If we cut that part of it out, we will probably prevent these 2,000 employees from receiving an increase in their salaries.

I think they are deserving of this increase. Just think of trying to live in the city of Washington on $1,080 a year. I hope the amendment will be voted down.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment of the gentleman from Pennsylvania.

The amendment was rejected.

Mr. RICH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RICH: Page 113, line 8, strike out "$5,036,980" and insert "$4,536,980."

Mr. RICH. Mr. Chairman, I want to call the attention of the Members of the House to some of the other money that was spent in the parks here in the city of Washington. On Meridian Hill Park, at Sixteenth Street and Florida Avenue, they spent $137,725.09. They spent for plantings for the parks an amount of $10,708.

Here is an item that ought to shock some of you Members: For moving the tennis courts and swimming pool from the Monument Lot to other sections of the city they spent the sum of $204,516.82. How it could have cost so much I cannot conceive.

Mr. FITZPATRICK. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield.

Mr. FITZPATRICK. I understand that Meridian Hill Park, to which the gentleman referred, was turned over to the Government by Mrs. Henderson under a Republican administration, and they accepted her terms on the gift to keep the park up as she requested.

Mr. RICH. I may say to my friend the gentleman from New York that I was up in that park last year and strolled over it time after time to get exercise. I came to the conclusion that it was a very fine park, but I could not see what they could spend $130,000 for to improve the park. It is a beautiful place, I admit. It is much more beautiful

than anything I have in my own home town in the line of a park. It is a park of which any city could be proud. Where they spent the money I cannot imagine.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield.

Mr. MAY. It happens that I have lived at the Roosevelt Hotel ever since I came to Congress, and still live there. I have been up in Meridian Hill Park many times and was up there last year, but other than a few trees and some shrubbery planted there I do not know what they did.

Mr. RICH. Here is the justification given us by the Secretary of the Interior. It says that $130,725.09 was spent on Meridian Hill Park, and the gentleman can look at it for himself. Where does this money go? What do they do with it?

Here is another item covering expenses and salaries of the Washington office for the investigation of roads and trails in the District, $100,591.22. Think of it! One hundred thousand five hundred and ninety-one dollars to look over the roads and trails in the District of Columbia.

Expenditures on the White House for the past year out of this fund were $168,000. Too much money I will admit. Where are you going to get the money?

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Chairman, I rise not in opposition to the amendment but to make a brief statement.

A great many Members have asked me how far we expect to go with the bill this evening. I may state that it has been agreed that the Committee will rise when we reach page 114. We think this will be in a very few minutes.

Mr. HILL of Alabama. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield.

Mr. HILL of Alabama. When does the gentleman expect to complete the bill?

Mr. JOHNSON of Oklahoma. Tomorrow.

Mr. HILL of Alabama. I understand that we meet tomorrow at 11?

Mr. JOHNSON of Oklahoma. Yes; that is correct.

Mr. HILL of Alabama. In other words, as soon as the House meets tomorrow this will be the order of business?

Mr. JOHNSON of Oklahoma. It has been agreed that this will be the order of business when the House meets tomorrow.

The CHAIRMAN. The question is on the amendment of the gentleman from Pennsylvania.

The question was taken; and on a division (demanded by Mr. TABER) there were—ayes 46, noes 63.

So the amendment was rejected.

The Clerk read as follows:

Salaries and expenses, National Capital parks: For administration, protection, maintenance, and improvement of the Mount Vernon Memorial Highway, Arlington Memorial Bridge, George Washington Memorial Parkway, Federal parks in the District of Columbia, and other Federal lands authorized by the act of May 29, 1930 (46 Stat. 482), including the pay and allowances in accordance with the provisions of the act of May 27, 1924, as amended, of the police force for the Mount Vernon Memorial Highway and the George Washington Memorial Parkway, and the purchase of one passenger-carrying automobile and operation, maintenance, repair, exchange, and storage of three automobiles, revolvers, ammunition, uniforms, and equipment, per-diem employees at rates of pay approved by the Director not exceeding current rates for similar services in the District of Columbia, the hire of draft animals with or without drivers at local rates approved by the Director, traveling expenses and carfare, and leather and rubber articles for the protection of public property and employees, $176,000.

Mr. TABER. Mr. Chairman, I make a point of order on the last paragraph. It creates additional duties and imposes discretion in the Director of the Service. This language appears on page 114, line 23. It imposes additional duties on the Director.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I do not care to discuss the point of order at all. I am wondering if the gentleman is serious in making the point of order and really cares to press it?

Mr. TABER. I do not make points of order that are not serious.

Mr. JOHNSON of Oklahoma. The RECORD shows that the gentleman in at least some cases does not know what they are or else he was not serious in presenting them.

Mr. TABER. The RECORD shows most of them have been sustained.

Mr. JOHNSON of Oklahoma. I beg to differ with the gentleman, and suggest he examine the RECORD.

The CHAIRMAN. Does the gentleman from Oklahoma [Mr. JOHNSON] desire to be heard further on the point of order?

Mr. JOHNSON of Oklahoma. I do not.

The CHAIRMAN. The Chair inquires of the gentleman as to whether or not this language is intended to increase or add new duties to the Director?

Mr. JOHNSON of Oklahoma. I would say it does not, and restricts the rates. It states they are not to exceed the current rates.

The CHAIRMAN. Are these draft animals hired now with or without drivers?

Mr. JOHNSON of Oklahoma. I am not sure I can give the Chair that information.

Mr. SCRUGHAM. They are hired with or without.

The CHAIRMAN. The Chair is trying to ascertain whether or not this changes existing law; that is, whether there is a change in the method in which these animals have to be hired.

Mr. JOHNSON of Oklahoma. It is my information at the present time they are hired either way, with or without.

The CHAIRMAN. What is the necessity for this language, then?

Mr. JOHNSON of Oklahoma. I may say to the Chair it has been in the appropriation bill several years and there have been no changes.

The CHAIRMAN. The fact it has been carried in previous bills does not necessarily mean it is in order. Unless the gentleman can cite some provision of law which would control the question, the Chair is of the opinion that the point of order is good.

In the absence of a citation, the Chair sustains the point of order.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Page 114, after line 6, insert a new paragraph, as follows:

"Salaries and expenses, National Capital parks: For administration, protection, maintenance, and improvement of the Mount Vernon Memorial Highway, Arlington Memorial Bridge, George Washington Memorial Parkway, Federal parks in the District of Columbia, and other Federal lands authorized by the act of May 29, 1930 (46 Stat. 482), including the pay and allowances in accordance with the provisions of the act of May 27, 1924, as amended, of the police force for the Mount Vernon Memorial Highway and the George Washington Memorial Parkway, and the purchase of one passenger-carrying automobile and operation, maintenance, repair, exchange, and storage of three automobiles, revolvers, ammunition, uniforms, and equipment, $176,000.

Mr. KENNEY. Mr. Chairman, I rise in opposition to the amendment.

Mr. KENNEY. Mr. Chairman, there is a growing demand from all parts of the United States and its Territories for comprehensive information regarding suitable aviation instruction courses for our public schools. This information should be furnished by the Commissioner of Education in the Department of the Interior. Aviation enters both the educational and vocational fields. However, as it relates to school work it is chiefly educational. The Commissioner should be authorized by Congress to conduct a study and disseminate his findings and recommendations in a manner which will best meet the educational requirements of the public.

In considering educational and vocational training and the appropriations therefor, due weight should be given to the importance of disseminating information having to do with aviation-instruction courses for our schools. This information should have as its objectives (1) the broadening of the reader's horizon with respect to progress made in aviation and its place in our commercial, industrial, and social life; (2) providing outlines for suitable elementary academic background instruction for secondary schools in such subjects as aerodynamics and the theory of flight, the airplane

and its engine, meteorology, and map reading; (3) furnishing information on model airplane building and model airplane clubs in the public schools and other organizations; (4) providing data on occupational opportunities in aviation, including educational and training requirements, where training can be secured, and expense of such training; (5) supplying outlines and recommending programs for training in the various aviation industries, including information regarding Federal aid; (6) mapping outlines for extension courses for those employed in some phase of aviation; (7) suggesting procedure for surveying aviation training needs in a region or locality; (8) indicating procedure for the improvement of aviation personnel by conference methods.

In order to bring about such a program I have introduced a bill, H. R. 69, to which I invite the attention of the Members and for which I ask your support.

The Office of Education recently published a commendable bulletin of 78 pages on the subject "Aviation in the Public Schools." It is the result of a careful study of conditions relating to aviation education in various parts of the country, and from contacts made with individuals well informed on the value of aviation to education and the value of education to aviation. It is evident from this bulletin to those who are acquainted with what is being done in aviation education in European countries that the United States lacks a coordinated program of aviation education, because no central governmental agency has been delegated this responsibility.

The publication was written because of a constant urge for such material from schools either carrying on or contemplating some phase of education in which aviation should figure, and from the aircraft industries finding themselves unable to give satisfactory answers to queries propounded to them through correspondence, and from requests made directly to the office from individuals wishing the type of information contained in the publication.

The preliminary chapter of this bulletin discusses in a brief manner the contrast between aviation during the years of its early development and today. As a mere matter of information, it is pointed out that the youth of today should have available vital information concerning the commercial status of one of its most important methods of transportation. From a mass of unorganized material the author, Mr. Robert W. Hambrook, has selected such information as seemed pertinent for the purpose.

The second chapter of the book points out how a live subject of almost universal interest to young persons may be used as a conveyor for conventional school subjects. It is shown that a boy may easily learn such subjects as algebra, physics, meteorology, mechanics, and materials through his interest in aviation, and that an aviation course may well become a part of a well-rounded high-school course. It does not mean, however, that flight training as yet is recognized as a part of secondary-school programs, although some excellent courses are referred to in the publication where actual flight is being given in connection with high-school programs. No uniformity is shown to exist in the use of aviation in public schools—this perhaps being the result of having no central agency responsible for securing information and making it available to school systems.

Model aircraft is dealt with in a separate section, and is shown to be an excellent source of leisure activity, giving to the individual a vast amount of valuable information and providing him with an interesting recreation. A number of national organizations are, at present, interested in model aircraft programs, even though no central agency is available for assisting such activities.

The fourth chapter discusses occupational opportunities in various phases of aviation. Some research has been done on this subject previous to the work carried on by the Office of Education. However, the necessarily limited discussion of this subject indicates that a great deal more should be done for the purpose of guiding young men and women who wish to be employed in aviation. The study on which this chapter is written was carried on with operators of air lines and aircraft factory personnel.

The last section of the bulletin deals with training for aviation occupations. It is merely a digest of a larger publication, Vocational Training for Aviation Mechanics, prepared by the Federal Board for Vocational Education a number of years ago.

The Office of Education has been able to offer a limited amount of service to aviation programs where Federal aid was provided.

The publication, Aviation in the Public Schools, represents a careful thinking out of the phases of aviation which are of national importance as related to public education. Each phase discussed is one which at small cost could be developed on a much broader basis through a centralized agency. H. R. 69 asks that authority be given the Office of Education for a necessary extension of the type of work represented in Aviation in the Public Schools.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma.

The amendment was agreed to.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 6958) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1938, and for other purposes, had come to no resolution thereon.

EXTENSION OF REMARKS

Mr. BROOKS, Mr. BEITER, and Mr. VINSON of Georgia asked and were given permission to revise and extend their own remarks in the RECORD.

Mr. COLLINS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD in connection with the airport bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

SECOND DEFICIENCY BILL

Mr. WOODRUM. Mr. Speaker, I ask unanimous consent that the conference committee on the second deficiency bill may have until midnight tonight to file its report.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

EXTENSION OF REMARKS

Mr. RUTHERFORD, Mr. OLIVER, and Mr. SNELL asked and were given permission to revise and extend their own remarks in the RECORD.

EXTENSION OF TERMS AND PROVISIONS OF RIO GRANDE COMPACT

Mr. MARTIN of Colorado. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 7091) to give the consent and approval of Congress to the extension of the terms and provisions of the present Rio Grande compact, signed at Santa Fe, N. Mex., on February 12, 1929, and heretofore approved by act of Congress dated June 17, 1930 (Public, No. 370, 71st Cong.).

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the consent and approval of Congress is hereby given to the extension of the terms and provisions of the present Rio Grande River compact, signed at Santa Fe, N. Mex., on February 12, 1929, and approved by act of Congress dated June 17, 1930 (Public, No. 370, 71st Cong.), for the period of 1 year from June 1, 1937, to June 1, 1938: *Provided*, That this act shall be effective only on ratification by the legislatures of the States of Colorado, New Mexico, and Texas pursuant to the provisions of article 14 of said compact.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. MARTIN of Colorado. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. MARTIN of Colorado. Mr. Speaker and Members, Congress in 1930 approved a compact which had been entered into between the States of Colorado, New Mexico, and Texas in 1929, under which these States were to undertake to work out and agree upon an equitable division of the waters of the Rio Grande River. The compact expired on June 1, 1935, but it contained a provision by which it could be extended from time to time by request of the legislatures of the compact States.

The States having failed to arrive at a settlement, the Seventy-fourth Congress passed an act, Public, No. 98, H. R. 7873, extending the life of the compact from June 1, 1935, to June 1, 1937.

At this time the States have again failed to arrive at an agreement and the pending bill, no. 7091, provides for an extension of the life of the compact for 1 year, or until June 1, 1938. I am advised that the legislatures of the three States have passed the necessary legislation specified in the original compact requesting the extension, and the language of this bill, it will be noted, provides that it shall be effective only on ratification by the legislatures of the three States pursuant to the provisions of the compact.

Mr. Speaker, immediate action on this bill was most urgent, due to the brief remaining time, and since the bill was only introduced on Monday, I want to express my appreciation of the action of the chairman of the Committee on Irrigation, Hon. COMPTON I. WHITE, in calling his committee together for consideration of the bill and the prompt action of the committee in reporting the bill favorably this morning. I also desire to thank the minority leader [Mr. SNELL] for his courtesy in permitting the present consideration of the bill at this late hour in the day, and to thank the Speaker [Mr. BANKHEAD], the majority leader [Mr. RAYBURN], and the House membership for permitting this legislation to pass by unanimous consent.

TEACHING OR ADVOCATING OF COMMUNISM IN THE PUBLIC SCHOOLS OF THE DISTRICT OF COLUMBIA

Mr. KENNEDY of Maryland submitted a conference report and statement on the bill (H. R. 148) to repeal a proviso relating to teaching or advocating communism in the public schools of the District of Columbia.

EXTENSION OF REMARKS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to include my own remarks in the RECORD and include therein a committee report and a copy of the opinion of the Supreme Court in the Louisiana chain-store case.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an address delivered by the Secretary of the Interior.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. PLUMLEY, for 10 days, on account of official business.

SENATE BILLS AND JOINT RESOLUTION REFERRED

Bills and a joint resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 29. An act to promote the safety of employees and travelers on railroads by requiring common carriers engaged in interstate commerce to install, inspect, test, repair, and maintain block-signal systems, interlocking, automatic train-stop, train-control, cab-signal devices, and other appliances, methods, and systems intended to promote the safety of railroad operations; to the Committee on Interstate and Foreign Commerce.

S. 39. An act to correct the military records of DeRosey C. Cabell, McFarland Cockrill, James N. Caperton, Junius H. Houghton, Otto F. Lange, Paul B. Parker, James deB. Walbach, and Victor W. B. Wales; to the Committee on Military Affairs.

S. 477. An act to prevent fraud, deception, or other improper practice in connection with business before the United States Patent Office, and for other purposes; to the Committee on Patents.

S. 602. An act for the relief of George A. Woody, Samuel L. Metcalfe, Frank W. Halsey, Myron J. Conway, John A. Otto, and Leon L. Kotzebue; to the Committee on Military Affairs.

S. 707. An act for the relief of Lucille McClure; to the Committee on Claims.

S. 854. An act for the relief of James O. Cook; to the Committee on Claims.

S. 931. An act for the relief of the widow of the late William J. Cocke; to the Committee on Claims.

S. 1046. An act for the relief of Harold Dukelow; to the Committee on Claims.

S. 1048. An act for the relief of Alexander E. Kovner; to the Committee on Claims.

S. 1122. An act to carry out certain treaty obligations of the United States, and for the relief of Chase, Leavitt & Co., and for other purposes; to the Committee on Claims.

S. 1160. An act for the relief of Troup Miller and Harvey D. Higley; to the Committee on Claims.

S. 1300. An act to complete the Point Pleasant Battle Monument, Point Pleasant, W. Va.; to the Committee on Military Affairs.

S. 1326. An act for the relief of John Ellis Oliver; to the Committee on Claims.

S. 1448. An act for the relief of the Northeastern Piping & Construction Corporation, of North Tonawanda, N. Y.; to the Committee on Claims.

S. 1453. An act for the relief of Maude P. Gresham; to the Committee on Claims.

S. 2111. An act to provide for the purchase of outstanding cotton-pool participation trust certificates, and for other purposes; to the Committee on Agriculture.

S. 2163. An act to authorize the deposit and investment of Indian funds; to the Committee on Indian Affairs.

S. 2188. An act to amend section 3 of the act of June 18, 1934 (48 Stat. 984–988), relating to Indian lands in Arizona; to the Committee on Indian Affairs.

S. J. Res. 95. Joint resolution authorizing and directing the Federal Trade Commission to make an investigation with respect to alleged efforts of privately owned public utilities unfairly to control public opinion concerning municipal or public ownership of electrical generating or distributing facilities; to the Committee on Interstate and Foreign Commerce.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills and joint resolutions of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 593. An act for the relief of Albert Wheeler;

H. R. 859. An act for the relief of the Union Shipping & Trading Co., Ltd.;

H. R. 1092. An act for the relief of May Howard Bloedorn;

H. R. 1119. An act for the relief of Dr. E. T. Kirkendall;

H. R. 1254. An act for the relief of William A. McMahan;

H. R. 1346. An act for the relief of James M. Winter;

H. R. 2218. An act for the relief of Helen Marie Lewis;

H. R. 2352. An act for the relief of Donald L. Bookwalter;

H. R. 3135. An act for the exchange of land in Hudson Falls, N. Y., for the purpose of the post-office site;

H. R. 3326. An act for the relief of Printz-Biederman Co.;

H. R. 3573. An act for the relief of D. B. Carter;

H. R. 3773. An act for the relief of B. B. Odom and Lilla Odom;

H. R. 4329. An act for the relief of George T. Heppenstall;

H. R. 4778. An act to confer jurisdiction on the United States District Court for the Southern District of New York to hear, determine, and render judgment on the claim of A. Mateos & Sons, owner of the coal hulk *Callixene*;

H. R. 5142. An act to provide for the issuance of a license to practice the healing art in the District of Columbia to Dr. William Hollister;

H. R. 5171. An act to reimpose a trust on certain lands allotted on the Yakima Indian Reservation;

H. R. 5311. An act for the relief of the estate of Robert Edwin Lee;

H. R. 5416. An act to amend the act entitled "An act to enable the Legislature of the Territory of Hawaii to authorize the issuance of certain bonds, and for other purposes", approved August 3, 1935;

H. R. 6566. An act granting a pension to Helen H. Taft;

H. J. Res. 228. Joint resolution authorizing the payment of salaries of the officers and employees of Congress for December on the 20th day of that month each year;

H. J. Res. 251. Joint resolution to extend the lending authority of the Disaster Loan Corporation to apply to flood disasters in the year 1936;

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 210. An act for the relief of soldiers who were discharged from the Army during the Spanish-American War, the Philippine Insurrection, and the Boxer Uprising because of minority or misrepresentation of age;

S. 1124. An act to authorize the Director of the Census to collect and publish statistics of red-cedar shingles;

S. 1189. An act to provide for the establishment of a Coast Guard station on the coast of Georgia at or near Tybee Island;

S. 1212. An act authorizing the conveyance to the State of Virginia, for highway purposes only, of portions of the Fort Myer Military Reservation, Va., and for other purposes;

S. 1247. An act to amend the act of June 23, 1936, authorizing the Secretary of War to set apart as a national cemetery certain lands of the Fort Snelling Military Reservation, Minn.;

S. 1586. An act to authorize the Secretary of War to sell to the General Motors Corporation a tract of land comprising part of Holabird Quartermaster Depot, Baltimore, Md.;

S. 1724. An act to authorize the transfer to the Attorney General of a portion of the Fort Reno Quartermaster Depot Military Reservation, Okla., as a permanent site of the United States Southwestern Reformatory;

S. 1769. An act for the relief of the State of Maine;

S. 1904. An act declaring Park River, Hartford County, Conn., to be a nonnavigable waterway;

S. 1943. An act to amend an act entitled "An act authorizing the construction of certain public works on rivers and harbors for flood-control, and for other purposes", approved June 22, 1936;

S. 1973. An act to authorize the Secretary of War to transfer to the people of Puerto Rico certain real estate pertaining to the post of San Juan, San Juan, P. R., and for other purposes;

S. 2084. An act to provide that graduates of approved school ships may be rated as able seamen upon graduation, and for other purposes; and

S. 2172. An act to prevent speculation in lands in the Columbia Basin prospectively irrigable by reason of the construction of the Grand Coulee Dam project and to aid actual settlers in securing such lands at the fair appraised value thereof as arid land, and for other purposes.

BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that commiteee did on this day present to the President, for his approval, bills and joint resolutions of the House of the following titles:

H. R. 593. An act for the relief of Albert Wheeler;

H. R. 859. An act for the relief of the Union Shipping & Trading Co., Ltd.;

H. R. 1092. An act for the relief of May Howard Bloedorn;

H. R. 1119. An act for the relief of Dr. E. T. Kirkendall;

H. R. 1254. An act for the relief of William A. McMahan;

H. R. 1346. An act for the relief of James M. Winter;

H. R. 2218. An act for the relief of Helen Marie Lewis;

H. R. 2352. An act for the relief of Donald L. Bookwalter;

H. R. 3135. An act for the exchange of land in Hudson Falls, N. Y., for the purpose of the post-office site;

H. R. 3326. An act for the relief of Printz-Biederman Co.;

H. R. 3573. An act for the relief of D. B. Carter;

H. R. 3773. An act for the relief of B. B. Odom and Lilla Odom;

H. R. 4329. An act for the relief of George T. Heppenstall;

H. R. 4778. An act to confer jurisdiction on the United States District Court for the Southern District of New York to hear, determine, and render judgment on the claim of A. Mateos & Sons, owner of the coal hulk *Callixene*;

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H. J. Res. 228. Joint resolution authorizing the payment of salaries of the officers and employees of Congress for December on the 20th day of that month each year; and

H. J. Res. 251. Joint resolution to extend the lending authority of the Disaster Loan Corporation to apply to flood disasters in the year 1936.

ADJOURNMENT

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 42 minutes p. m.), under its previous order, the House adjourned until tomorrow, Thursday, May 20, 1937, at 11 o'clock a. m.

COMMITTEE HEARINGS

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the Committee on Immigration and Naturalization in room 445, House Office Building, at 10:30 a. m. on Thursday, May 20, 1937, for the public consideration of H. R. 4353, H. R. 4354, H. R. 4355, and H. R. 4356—Starnes bills.

COMMITTEE ON THE LIBRARY

There will be a meeting of the Committee on the Library on Thursday, May 20, 1937, at 10 a. m., at which time testimony on several bills will be accepted.

COMMITTEE ON WAYS AND MEANS

The Committee on Ways and Means will hold continuation of hearings on H. R. 6738, to amend Tariff Act of 1930, at 10 a. m. on Thursday, May 20, 1937.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a. m., Thursday, May 20, 1937, which will be a continuation of hearings on H. R. 6956—railroad retirement bill.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

619. A letter from the Acting Secretary of the Treasury, transmitting the draft of a proposed bill to transfer the jurisdiction over District of Columbia credit unions from

the Commissioners of the District of Columbia and the Comptroller General of the Currency to the Farm Credit Administration; to the Committee on the District of Columbia.

620. A letter from the Acting Secretary of the Treasury, transmitting the draft of a proposed joint resolution authorizing the destruction of Federal Reserve notes of the series of 1928, and their replacement by Federal Reserve notes of the series of 1934, or a later series, at the expense of the United States; to the Committee on Banking and Currency.

621. A letter from the Administrator of Public Works, transmitting the draft of a bill for the relief of R. F. Lassly; to the Committee on Claims.

622. A letter from the Attorney General, transmitting the draft of a bill to amend the White Slave Traffic Act in respect of women and girls under 18 years of age; to the Committee on Interstate and Foreign Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mrs. NORTON: Committee on the District of Columbia. H. R. 5462. A bill to increase the age of consent for marriage in the District of Columbia to 18 years of age in the case of males and 16 years of age in the case of females; with amendment (Rept. No. 827). Referred to the House Calendar.

Mr. O'CONNOR of New York: Committee on Rules. House Resolution 216. Resolution providing for the consideration of H. R. 5366; without amendment (Rept. No. 828). Referred to the House Calendar.

Mr. SHEPPARD: Committee on Irrigation and Reclamation. H. R. 7091. A bill to give the consent and approval of Congress to the extension of the terms and provisions of the present Rio Grande compact signed at Santa Fe, N. Mex., on February 12, 1929, and heretofore approved by act of Congress dated June 17, 1930 (Public, No. 370, 71st Cong.); without amendment (Rept. No. 829). Referred to the House Calendar.

Mr. COLDEN: Committee on the Disposition of Executive Papers in the Board of Governors of the Federal Reserve System; with amendment (Rept. No. 830). Referred to the House Calendar.

Mr. COFFEE of Washington: Committee on Claims. H. R. 3058. A bill for the relief of former employees of the Federal Subsistence Homesteads Corporations; without amendment (Rept. No. 831). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mrs. NORTON: Committee on the District of Columbia. H. R. 5110. A bill to provide for the issuance of a license to practice chiropractic in the District of Columbia to Dr. Russell V. Pemberton; without amendment (Rept. No. 832). Referred to the Committee of the Whole House.

Mr. O'CONNOR of Montana: Committee on the Public Lands. H. R. 7021. A bill validating and confirming certain mineral patents issued for lands situated in township 5 south, range 15 east, Montana principal meridian, in the State of Montana; without amendment (Rept. No. 833). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DISNEY: A bill (H. R. 7127) authorizing the President to invite the States of the Union and foreign countries to participate in the International Petroleum Exposition at Tulsa, Okla., to be held May 14 to May 21, 1938; to the Committee on Foreign Affairs.

By Mr. WHELCHEL: A bill (H. R. 7128) providing that certain county officials be selected by the people of the county in which they are to serve; to the Committee on Expenditures in the Executive Departments.

By Mr. GWYNNE: A bill (H. R. 7129) to authorize a preliminary examination and survey of Cedar River, Iowa, with a view to the control of its floods; to the Committee on Flood Control.

By Mr. THOMAS of Texas: A bill (H. R. 7130) to provide annual compensation for United States commissioners, to provide necessary clerical assistants for such commissioners, allowances for their necessary office expenses, and rental of their offices, and for other purposes; to the Committee on the Judiciary.

By Mr. SCHULTE: A bill (H. R. 7131) to establish an Office of Motion Pictures in the Government Printing Office, and for other purposes; to the Committee on Printing.

By Mr. CURLEY: A bill (H. R. 7132) to provide additional home-mortgage relief by providing for (1) a moratorium on foreclosures permitting appropriate legislation to provide further emergency relief to home-mortgage indebtedness; (2) to further refinance home mortgages; (3) to reduce the rate of interest and extend payment and amortization of mortgages; (4) to eliminate personal and deficiency judgments in foreclosures; and for other purposes; to the Committee on Banking and Currency.

By Mr. MAVERICK: A bill (H. R. 7133) to provide sick-leave and annual-leave benefits for persons receiving compensation out-of-work relief appropriations; to the Committee on the Civil Service.

By Mr. MILLS: A bill (H. R. 7134) to amend provisions of the Social Security Act relating to eligibility for and amounts of old-age assistance payments, to enable the several States to make more adequate provision for disabled persons, and for other purposes; to the Committee on Ways and Means.

By Mrs. HONEYMAN: Joint resolution (H. J. Res. 369) to establish and provide for a national poetry award; to the Committee on the Library.

By Mr. CLARK of Idaho: Joint resolution (H. J. Res. 370) providing for granting of applications for courthouses, schools, and hospitals now on the list of pending non-Federal projects of the Public Works Administration; to the Committee on Ways and Means.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the Territory of Hawaii, memorializing the President and Congress of the United States to consider their Joint Resolution No. 3, with reference to the Federal income taxes; to the Committee on Ways and Means.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States to consider their Joint Resolution No 5, with reference to revenue bonds; to the Committee on the Territories.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. COX: A bill (H. R. 7135) to authorize the payment of adjusted-compensation benefits to the estate of Lula Brimm Horne; to the Committee on Claims.

By Mr. DEMPSEY: A bill (H. R. 7136) for the relief of George Marsh; to the Committee on Claims.

By Mr. ELLENBOGEN: A bill (H. R. 7137) granting an increase of pension to May Pennington; to the Committee on Invalid Pensions.

By Mr. GILDEA: A bill (H. R. 7138) to confer jurisdiction upon the United States District Court for the District of Pennsylvania to determine the claim of Anna Marinari; to the Committee on Claims.

By Mr. JOHNSON of West Virginia: A bill (H. R. 7139) granting a pension to Albert B. McDaniel; to the Committee on Pensions.

By Mr. McMILLAN: A bill (H. R. 7140) to authorize J. Monroe Johnson, Assistant Secretary of Commerce, to accept a decoration and diploma from the Belgian Government; to the Committee on Military Affairs.

By Mr. MAVERICK: A bill (H. R. 7141) for the relief of Beryl Elliott; to the Committee on Claims.

Also, a bill (H. R. 7142) granting a pension to James M. Bush; to the Committee on Invalid Pensions.

By Mr. MEAD: A bill (H. R. 7143) for the relief of the Curtiss Aeroplane & Motor Co., Inc.; to the Committee on Claims.

Also, a bill (H. R. 7144) for the relief of the Curtiss Aeroplane & Motor Co., Inc.; to the Committee on Claims.

By Mr. SHAFER of Michigan: A bill (H. R. 7145) granting a pension to Ida Green; to the Committee on Invalid Pensions.

By Mr. SHANLEY: A bill (H. R. 7146) for the relief of Matilda P. White; to the Committee on Claims.

Also, a bill (H. R. 7147) for the relief of Martin J. Connellan; to the Committee on Naval Affairs.

Also, a bill (H. R. 7148) for the relief of George Anthony Francis Olshefsky; to the Committee on Naval Affairs.

Also, a bill (H. R. 7149) for the relief of Edith M. Fraser; to the Committee on Claims.

Also, a bill (H. R. 7150) for the relief of Peter J. Petersen; to the Committee on Military Affairs.

By Mr. WILLIAMS: A bill (H. R. 7151) granting a pension to Oscar James Callier; to the Committee on Invalid Pensions.

By Mr. ROBERTSON: Joint resolution (H. J. Res. 371) for the relief of R. P. Clarke, trading as R. P. Clarke Co.; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2298. By Mr. BUCK: Petition of the Assembly of the State of California, relative to Assembly Joint Resolution No. 44, memorializing the Postmaster General to use California granite in the erection of the new post office for the city of Los Angeles; to the Committee on the Post Office and Post Roads.

2299. By Mr. COLDEN: Resolution adopted by the Municipal Housing Commission of the City of Los Angeles, Calif., urging favorable action on Senate bill 1685 and House bill 5033, providing for a slum-clearance and low-rent housing program; to the Committee on Banking and Currency.

2300. By Mr. DIXON: Petition of the Ninety-second General Assembly of the Ohio Senate, memorializing Congress to enact House Joint Resolution 204, creating a Superhighways Commission; to the Committee on Roads.

2301. By Mr. JENKINS of Ohio: Petition of 67 citizens of Athens, Ohio, expressing their profound opposition to House bill 1954, the Hill-Sheppard bill, and to vote against its passage; to the Committee on Military Affairs.

2302. By Mr. KEOGH: Petition of the Catholic Lawyers Guild of the Diocese of Brooklyn, N. Y., concerning the Federal judiciary; to the Committee on the Judiciary.

2303. By Mr. KING: Petition of the Board of Supervisors of the County of Maui, Territory of Hawaii, requesting an appropriation for the erection of a Federal building at Lahaina to house the post office department in that district; to the Committee on the Post Office and Post Roads.

2304. Also, petition of the Legislature of the Territory of Hawaii, requesting the Congress of the United States to provide adequate funds in the 1937 Rivers and Harbors bill for a survey as to the feasibility of extending the present Hilo breakwater to the end of the reef, etc.; to the Committee on Rivers and Harbors.

2305. Also, petition of the Legislature of the Territory of Hawaii, requesting the Rivers and Harbors Committee of the United States House of Representatives to recommend that a provision be made in the 1937 Rivers and Harbors bill for a survey as to the feasibility of a series of lava barriers to divert lava flows away from the city of Hilo and Hilo Harbor and to empty them into the sea; to the Committee on Rivers and Harbors.

2306. Also, petition of the Legislature of the Territory of Hawaii, requesting the Congress of the United States to expedite the construction of a new Federal building at Wailuku, Maui, Territory of Hawaii; to the Committee on the Post Office and Post Roads.

2307. By Mr. PFEIFER: Petition of the Catholic Lawyers Guild of the Diocese of Brooklyn, concerning the President's proposed reorganization of the Supreme Court; to the Committee on the Judiciary.

2308. By Mr. SHAFER of Michigan: Petition of M. F. E. Messenger and 69 other citizens of Battle Creek, Mich., protesting against Senate bill 1270 and House bill 3291, to regulate barbers in the District of Columbia; to the Committee on the District of Columbia.

2309. By Mr. TERRY: Petition of Hugh Bernard and others, in the interest of the old-age pension as embodied in House bill 2257, by Mr. ROGERS of Oklahoma; to the Committee on Ways and Means.

SENATE

THURSDAY, MAY 20, 1937

(Legislative day of Thursday, May 13, 1937)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

THE JOURNAL

On request of Mr. ROBINSON, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, May 19, 1937, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States, submitting nominations, were communicated to the Senate by Mr. Latta, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Megill, one of its clerks, announced that the House had agreed to the amendment of the Senate to the bill (H. R. 1790) for the relief of Luvenia Flowers.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 6866. An act authorizing the obligation of funds for work at Government-owned establishments; and

H. R. 7091. An act to give the consent and approval of Congress to the extension of the terms and provisions of the present Rio Grande compact signed at Santa Fe, N. Mex., on February 12, 1929, and heretofore approved by act of Congress dated June 17, 1930 (Public, No. 370, 71st Cong.).

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 210. An act for the relief of soldiers who were discharged from the Army during the Spanish-American War, the Philippine Insurrection, and the Boxer Uprising because of minority or misrepresentation of age;

S. 1124. An act to authorize the Director of the Census to collect and publish statistics of red-cedar shingles;

S. 1189. An act to provide for the establishment of a Coast Guard station on the coast of Georgia at or near Tybee Island;

S. 1212. An act authorizing the conveyance to the State of Virginia, for highway purposes only, of portions of the Fort Myer Military Reservation, Va., and for other purposes;

S. 1247. An act to amend the act of June 23, 1936, authorizing the Secretary of War to set apart as a national cemetery certain lands of the Fort Snelling Military Reservation, Minn.;

S. 1586. An act to authorize the Secretary of War to sell to the General Motors Corporation a tract of land comprising part of Holabird Quartermaster Depot, Baltimore, Md.;

S. 1724. An act to authorize the transfer to the Attorney General of a portion of the Fort Reno Quartermaster Depot Military Reservation, Okla., as a permanent site of the United States Southwestern Reformatory;

S. 1769. An act for the relief of the State of Maine;

S. 1904. An act declaring Park River, Hartford County, Conn., to be a nonnavigable waterway;

S. 1943. An act to amend an act entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved June 22, 1936;

S. 1973. An act to authorize the Secretary of War to transfer to the people of Puerto Rico certain real estate pertaining to the post of San Juan, San Juan, P. R., and for other purposes;

S. 2084. An act to provide that graduates of approved school ships may be rated as able seamen upon graduation, and for other purposes; and

S. 2172. An act to prevent speculation in lands in the Columbia Basin prospectively irrigable by reason of the construction of the Grand Coulee Dam project and to aid actual settlers in securing such lands at the fair appraised value thereof as arid land, and for other purposes.

CALL OF THE ROLL

Mr. ROBINSON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Copeland	La Follette	Pittman
Ashurst	Dieterich	Lee	Pope
Austin	Donahey	Lodge	Robinson
Bailey	Duffy	Logan	Russell
Barkley	Ellender	Lonergan	Schwartz
Berry	Frazier	Lundeen	Schwellenbach
Black	George	McAdoo	Sheppard
Borah	Gerry	McCarran	Smathers
Bridges	Gillette	McGill	Smith
Brown, Mich.	Green	McKellar	Steiwer
Brown, N. H.	Hale	McNary	Thomas, Okla.
Bulkley	Harrison	Maloney	Thomas, Utah
Bulow	Hatch	Minton	Townsend
Burke	Hayden	Moore	Truman
Byrd	Herring	Murray	Vandenberg
Byrnes	Hitchcock	Neely	Van Nuys
Capper	Holt	Norris	Wagner
Caraway	Hughes	Nye	Walsh
Chavez	Johnson, Calif.	O'Mahoney	Wheeler
Clark	Johnson, Colo.	Overton	White
Connally	King	Pepper	

Mr. MINTON. I announce that the Senator from Washington [Mr. BONE] and the Senator from Virginia [Mr. GLASS] are detained from the Senate because of illness in their families.

The Senator from Florida [Mr. ANDREWS], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Illinois [Mr. LEWIS], the Senators from Maryland [Mr. RADCLIFFE and Mr. TYDINGS], and the Senator from North Carolina [Mr. REYNOLDS] are detained on important public business.

The Senator from Mississippi [Mr. BILBO] is necessarily absent.

Mr. AUSTIN. I announce that my colleague the junior Senator from Vermont [Mr. GIBSON] and the Senator from Minnesota [Mr. SHIPSTEAD] are necessarily absent, and that the Senator from Pennsylvania [Mr. DAVIS] is absent on official business.

The VICE PRESIDENT. Eighty-three Senators have answered to their names. A quorum is present.

RELIEF OF FLOOD SUFFERERS BY GOVERNMENTAL AGENCIES—LOANS MADE BY FARM CREDIT ADMINISTRATION, 1937 (S. DOC. NO. 72)

The VICE PRESIDENT laid before the Senate a letter from the Governor of the Farm Credit Administration, reporting, in response to Senate Resolution 119 (agreed to Apr. 22, 1937), with reference to loans made by the Farm Credit Administration for the relief of flood sufferers in the floods of 1937, which, with the accompanying paper, was ordered to lie on the table and to be printed.

TRIBUTE TO THE LATE SENATOR BACHMAN, OF TENNESSEE

Mr. McKELLAR. Mr. President, I ask unanimous consent to insert in the RECORD a resolution adopted by the General Assembly of Tennessee concerning our beloved colleague the late Senator NATHAN L. BACHMAN, of Tennessee, and also the remarks of the Honorable LeRoy B. Bible in offering the resolution. I am sure Members of the Senate will be glad to read this excellent tribute to one of the most lovable, delightful, and popular Senators ever to have a seat in this body.

There being no objection, the remarks and resolution were ordered to lie on the table and to be printed in the RECORD, as follows:

Mr. BIBLE. Mr. Speaker, Lady O'Dell, and gentlemen of the house, the loss of our friend and distinguished Tennesseean, the Honorable NATHAN L. BACHMAN, a United States Senator from Tennessee, has not only lifted from the State of Tennessee but from the Nation, as a whole, one of the most distinguished and respected Members of the United States Senate.

Judge BACHMAN was a man who was loved, admired, and respected by all who knew him. The passing of our deceased friend has taken from the ranks of the Democratic Party one of its favorite sons and a man who was respected by the minority party of this body.

Mr. Speaker, to do honor to this distinguished Tennesseean, I move, you, sir, that the rules be suspended for the immediate consideration of a resolution.

The SPEAKER. The gentleman from Washington (Mr. Bible) asks unanimous consent that the rules be suspended for the immediate consideration of a resolution. There being no objection, it is so ordered.

Mr. BIBLE. Mr. Speaker, I move you, sir, the adoption of the resolution.

The resolution was unanimously agreed to, as follows:

"Whereas the Almighty God in His infinite wisdom has seen fit to take from this mortal life a distinguished son of Tennessee, the Honorable NATHAN L. BACHMAN, a United States Senator from Tennessee; and

"Whereas the Honorable NATHAN L. BACHMAN served the State of Tennessee as city attorney of Chattanooga, as circuit judge, and as associate justice of the Supreme Court of Tennessee, and as a United States Senator, a leader in the Presbyterian Church, highly educated and a progressive citizen and leader in civic affairs, and in his death the State of Tennessee has lost one of its most esteemed citizens: Now, therefore, be it

"*Resolved by the House of Representatives of the Seventieth General Assembly of the State of Tennessee*, That we extend to the bereaved widow and daughter of our distinguished citizen our sympathy and condolence and that this resolution be spread upon the minutes of the journal of this body, and that the chief clerk of the house be instructed to mail a copy of same to Mrs. Nathan L. Bachman, Chattanooga, Tenn., and to Mrs. Thomas A. McCoy, Asheville, N. C."

NATIONAL AVIATION DAY

Mr. ROBINSON. Mr. President, I am informed that there is a joint resolution from the House of Representatives on the Vice President's desk, which I ask be laid down at this time.

The VICE PRESIDENT laid before the Senate the joint resolution (H. J. Res. 348) designating May 28, 1937, as National Aviation Day, which was read the first time by its title and the second time at length, as follows:

Resolved, etc., That the President of the United States is authorized to designate May 28, 1937, as National Aviation Day, and to issue a proclamation calling upon officials of the Government to display the flag of the United States on all Government buildings on that day, and inviting the people of the United States to observe the day with appropriate exercises to further and stimulate interest in aviation in the United States.

Mr. ROBINSON. Mr. President, the joint resolution will not cause any expense to the Government, and inasmuch as the 28th of May is near at hand, I ask, out of order, unanimous consent for the present consideration of the joint resolution.

The VICE PRESIDENT. Is there objection?

There being no objection, the joint resolution was considered, ordered to a third reading, read the third time, and passed.

PETITIONS AND MEMORIALS

Mr. WALSH presented a resolution adopted by Belmont-Waverely Post, No. 165, the American Legion, of Belmont, Mass., favoring the enactment of the bill (S. 25) to prevent profiteering in time of war and to equalize the burdens of war and thus provide for the national defense, and promote peace, which was referred to the Committee on Military Affairs.

Mr. COPELAND presented resolutions adopted by Local No. 66 of the Architectural & Engineering Guild of New York

City and at a meeting of the Niagara Falls Central Labor Union, of Niagara Falls, both in the State of New York, favoring the prompt enactment of the pending low-cost housing bill, which were referred to the Committee on Education and Labor.

He also presented a resolution adopted by the United Association of Railroad Veterans, favoring the enactment of legislation repealing the so-called long-and-short-haul clause of the Interstate Commerce Act, which was referred to the Committee on Interstate Commerce.

He also presented resolutions adopted by the Broadway Association, Inc., and the West Side Association of Commerce, both of New York City, N. Y., protesting against the enactment of the bill (S. 69) to amend an act entitled "An act to regulate commerce", approved February 4, 1887, as amended and supplemented, by limiting freight or other trains to 70 cars, which were referred to the Committee on Interstate Commerce.

CONTINUANCE OF PUBLIC WORKS PROGRAM

Mr. McKELLAR. Mr. President, I present and ask to have printed in the RECORD and have appropriately referred Senate Joint Resolution No. 27, adopted by the General Assembly of Tennessee, relating to and approving the continuance of the Federal Emergency Administration of Public Works. This resolution was introduced by the splendid delegation in the Legislature of Tennessee from Shelby County—my home county. The Public Works Administration has made a success in that county and in our entire State and its work is highly appreciated by our people.

The resolution of the General Assembly of Tennessee, presented by Mr. McKELLAR, was referred to the Committee on Education and Labor, as follows:

Whereas the Federal Emergency Administration of Public Works has carried on an outstanding program of public-work improvements, including schools, public buildings, and other needed improvements in the various counties, municipalities and other political subdivisions of Tennessee; and

Whereas there are still many applications for public improvements pending, awaiting final approval of the Federal Emergency Administration of Public Works which are necessary and important to the welfare of the people; and

Whereas many of the political subdivisions of the State have spent considerable sums of money in preparing to make said improvements: Now, therefore be it

Resolved by the Senate of the State of Tennessee (the house of representatives concurring), That we do hereby endorse and urge the continuance of a public-works program to give employment to needy citizens, and to carry on many worth-while public improvements; and that we do request our Senators and Representatives in the Congress to lend their support to a reasonable public-works program, and to aid in providing adequate funds therefor; be it further

Resolved, That a copy of this resolution be sent to the President, Secretary of the Interior, and the Senators and Representatives representing Tennessee in the Congress.

LOW-COST HOUSING

Mr. WAGNER. Mr. President, I present various resolutions which I should like to have printed in the RECORD and referred to the appropriate committee; and particularly in relation to the pending low-cost housing bill, I should like to read a letter from the very distinguished Governor of the State of New York, and also to have printed in the RECORD a letter to the Governor in relation to the same matter. The Governor's letter to me reads as follows:

STATE OF NEW YORK,
EXECUTIVE CHAMBER,
Albany, May 18, 1937.

Hon. ROBERT F. WAGNER,
United States Senator, Washington, D. C.

MY DEAR SENATOR: I am enclosing a photostatic copy of a letter which I have received from the City Affairs Committee of New York asking me to communicate with you in support of the Wagner-Steagall housing bill.

As you know, I have always strongly supported Federal legislation for low-cost housing and slum clearance. It is my earnest hope that Congress at this session will enact legislation of such nature.

With kind personal regards.

Very sincerely yours,

HERBERT H. LEHMAN.

The VICE PRESIDENT. Without objection, the resolutions presented by the Senator from New York will be received, appropriately referred, and printed in the RECORD; and the letter addressed to the Governor of New York will also be printed in the RECORD.

The letter addressed to the Governor of New York by the City Affairs Committee of New York is as follows:

THE CITY AFFAIRS COMMITTEE OF NEW YORK,
May 11, 1937.

Hon. HERBERT H. LEHMAN,
Governor of the State of New York,
Capitol Building, Albany, N. Y.

DEAR MR. GOVERNOR: We wish to enlist your powerful cooperation in support of the Wagner-Steagall housing bill. The city affairs committee views with grave concern recent developments with respect to this bill now pending in committee in both Houses of Congress. We learned from the public press that the fate of this bill is jeopardized through the obvious and urgent need for national economy. There is no group, we are sure, who appreciates more fully the need for economy in the expenditure of governmental funds than we. We, therefore, at the outset wish to stress that it is our carefully considered judgment that true governmental economy lies in the direction of just such a program for the development of low-cost housing as will be furthered by the passage of the Wagner-Steagall bill. In presenting our views therefore, as we do herewith, we wish to emphasize and reemphasize our firm conviction that better housing for the poorly circumstanced providing adequate, safe, and healthy living quarters with rents within their means will mean substantial savings to the community and to the Nation, vastly in excess of the costs provided for by the aforesaid bill.

The housing emergency, which has been developing during recent years, is Nation-wide and cannot be adequately solved by the local communities. If an adequate solution is to be reached, there must be national legislation to supplement local action. It is such national cooperation that the Wagner-Steagall housing bill represents. Patiently, and perhaps, too, hopefully, we awaited the outcome of congressional deliberations. For we thought that certainly, after the many years of untiring efforts on the part of those interested in better housing, we were on the eve of the most important housing legislation to be passed in this country.

But it appears that we did not fully foresee the determined opposition of the reactionary forces who are falsely stressing economy. Why should the Federal Government bear the cost of housing? they ask. Why not? The cost of housing has been and is still being borne by the millions of the underprivileged, forced to reside in the decaying fire traps euphemistically called homes. The costs are being borne by the babies, bodies rickety from faulty diet and inadequate sunlight; by the adolescents, minds crime-diseased by their filthy environment; by the children and adults, who are easy prey to tuberculosis and social diseases bred by foul living conditions. The costs are being borne by the slum-ridden communities which of necessity are forced to expand social service to combat the evil and chaotic results of the squalor and filth existent in slum areas. The costs are being borne, finally, by society, which pays an exorbitant toll in the form of overcrowded sanitoria and correctional institutions directly traceable, in large measure, to our slum conditions. These costs, not alone in human misery but actually in dollars and cents, are vastly greater than the subsidies provided by the Wagner-Steagall bill.

We are certain it is unnecessary to remind you of the facts in New York City, which are paralleled by the conditions in the other great population centers of the country.

That there are more than 500,000 families, consisting of approximately 1,750,000 persons, now residing in slum areas.

That slum areas provide an infant mortality rate double the city average.

That from 1911 up to December 1936 the total number of deaths resulting from fire in old-law tenements was 1,138, as against 271 deaths from fire in new-law tenements.

That the death rate from all causes was 93 percent higher in old-law tenements than in new-law tenements; the death rate from tuberculosis, 129 percent higher; from diphtheria, 97 percent higher; from typhoid fever, 55 percent higher; and from spinal meningitis, 119 percent higher.

That there has been shown a striking correlation between bad housing and crime.

Need we go on with the precise findings? The facts are known by all. The situation is becoming more acute daily in New York City. A general housing shortage is imminent. The vacancy listing bureau maintained by the New York City Housing Authority has demonstrated the striking sweep of vacancies toward the zero level. A low-rent housing program has become a matter of grave necessity.

A century of supposed housing reform has demonstrated with ever-increasing clarity that regulation as a solution to housing ills has failed miserably. Only a thorough-going Government program of subsidized housing can adequately cut through the maze of conflicting problems.

If housing reform is again prevented by this session of Congress, what social blindness would be shown. This would be economy of the most shortsighted kind. We call upon you as one of our great civic leaders not to permit housing reform to be sacrificed upon the altar of a false economy.

You have shown on many occasions your deep interest in the housing problem. We ask you to renew and redouble your efforts as one of the leaders of the citizens of New York to convince our

congressional Representatives of the dire necessity for housing legislation. We can assure you that the overwhelming majority of the citizens of New York will be behind you in your endeavors.

Faithfully yours,

JOHN HAYNES HOLMES,
Chairman.

JOHN L. ELLIOTT,
FRANCIS J. MCCONNELL,
STEPHEN S. WISE,
Vice Chairmen.

EMILY S. BERNHEIM,
Chairman, Committee on Housing.

———,
Executive Director.

The resolutions relative to the pending low-cost housing bill presented by Mr. WAGNER, were referred to the Committee on Education and Labor, as follows:

Whereas there has been proposed what is known as the Wagner-Steagall low-rent housing bill, designated as Senate bill 1685 and House bill 5033; and

Whereas the purpose of the bill is for a long-time permanent program of Federal aid to State and local governments and other agencies to provide decent housing for families of low incomes and to eliminate the congested housing conditions of cities of larger population; and

Whereas it is believed to be for the best interests of the cities of the United States that such a bill be passed which will bring better living conditions for a great number of our citizens;

Now, therefore, the Common Council of the City of Klamath Falls, Oreg., does at this time go on record as approving the Wagner-Steagall low-rent housing bill, which bill is for the purpose of providing adequate housing for families of low income.

Resolution passed by the Bartow District Conference, Central Florida Conference, A. M. E. Church, on the Wagner-Steagall housing bill, Punta Gorda, Fla.

Whereas it has been proven that bad housing is detrimental to the health of the people in a community and that slums constitute an economic waste; and

Whereas it is an acknowledged fact that good housing for persons of low income cannot be provided through the ordinary channels of private enterprise; and

Whereas city, State, and National Governments have accepted the principles and acknowledged the obligation of governmental responsibility for the housing of persons who cannot be reached through private enterprise; and

Whereas it is necessary for the Government to bear a certain portion of the burden of financing the clearance of slums and the construction of low-rent housing: Therefore be it

Resolved, That the Bartow district conference endorses a bill introduced in the Senate by the Honorable ROBERT F. WAGNER, United States Senator from New York, and in the House of Representatives by the Honorable HENRY B. STEAGALL, Congressman from Alabama, which reads as follows:

"A bill to provide financial assistance to the States and political subdivisions thereof for the elimination of unsafe and insanitary housing conditions, for the provision of decent, safe, and sanitary dwellings for families of low income, and for the reduction of unemployment and the stimulation of business activity, to create a United States Housing Authority, and for other purposes."

Be it further

Resolved, That a copy of this resolution be forwarded to Hons. C. O. ANDREWS and CLAUDE PEPPER, Senators from Florida, and the following Representatives: Hon. J. HARDIN PETERSON, Hon. WILLARD CALDWELL, Hon. MARK WILCOX, Hon. LEX GREEN, and Hon. JOSEPH HENDRICKS, from Florida.

Resolution passed by the Orlando (Fla.) District Conference, A. M. E. Church on the Wagner-Steagall housing bill, Mount Pleasant A. M. E. Church, Lakeland, Fla., 214 Ohio Street

Whereas it has been proven that bad housing is detrimental to the health of the people in a community and that slums constitute an economic waste; and

Whereas it is an acknowledged fact that good housing for persons of low income cannot be provided through the ordinary channels of private enterprise; and

Whereas city, State, and National Governments have accepted the principles and acknowledged the obligation of governmental responsibility for the housing of persons who cannot be reached through private enterprise; and

Whereas it is necessary for the Government to bear a certain portion of the burden of financing the clearance of slums and the construction of low-rent housing: Therefore be it

Resolved, That the Orlando (Fla.) District Conference, A. M. E. Church, endorses a bill introduced in the Senate by the Honorable ROBERT F. WAGNER, United States Senator from New York, and in the House of Representatives by the Honorable HENRY B. STEAGALL, Congressman from Alabama, which reads as follows:

"A bill to provide financial assistance to the States and political subdivisions thereof for the elimination of unsafe and insanitary housing conditions, for the provision of decent, safe, and sanitary dwellings for families of low income, and for the reduction of unemployment and the stimulation of business activity, to create a United States Housing Authority, and for other purposes."

Be it further

Resolved, That a copy of this resolution be forwarded to Hons. C. O. ANDREWS and CLAUDE PEPPER, Senators from Florida, and the following Representatives: Hon. J. HARDIN PETERSON, Hon. WILLARD CALDWELL, Hon. MARK WILCOX, Hon. LEX GREEN, and Hon. JOSEPH HENDRICKS, from Florida.

NIAGARA FALLS CENTRAL LABOR UNION,
AMERICAN FEDERATION OF LABOR,
Niagara Falls, N. Y., May 13, 1937.

Hon. ROBERT F. WAGNER,
United States Senator,
Senate Office Building, Washington, D. C.

MY DEAR SENATOR: We the delegates of the Niagara Falls Central Labor Union, American Federation of Labor, in meeting assembled, went on record and adopted the following resolution:

"Whereas we in Niagara Falls, N. Y., are urgently aware of the bad housing conditions here and elsewhere, of the acute housing shortage now rapidly growing worse, of the inability of private enterprise or local initiative alone to remedy this situation, and of the suffering caused by chronic unemployment in the building trades; and

"Whereas the Wagner-Steagall housing bill, if enacted, would provide the first concrete step toward solving this tremendous national problem: Be it therefore

"*Resolved*, That the Niagara Falls Central Labor Union heartily endorses the Wagner-Steagall bill and urges its immediate adoption by Congress; and be it further

"*Resolved*, That we hereby petition Congress, in view of the alarming need for new low-rent housing, that the financial provisions be doubled, while the administrative set-up remains intact."

Yours very truly,

WALTER A. KOSKE,
Recording Secretary.

LABOR DISPUTES ACT—RESOLUTION OF ALABAMA FEDERATION OF LABOR

Mr. WAGNER also presented a resolution, relative to amending the Labor Disputes Act, which was referred to the Committee on Education and Labor and ordered to be printed in the RECORD, as follows:

On the right of agricultural workers for protection as other labor under the Wagner Labor Disputes Act

Whereas the Wagner Labor Disputes Act, guaranteeing the right of labor to organize and bargain collectively, has been upheld by the United States Supreme Court and has been described by President Green as the "Magna Carta for labor"; and

Whereas agricultural labor is specifically excluded from the provisions of this act; and

Whereas agricultural workers especially need the protection of such a law, inasmuch as their conditions, hours, and wages are worse than those in any other industry; and inasmuch as the right to organize is most bitterly opposed by the employers of farm labor: Therefore be it

Resolved, That the Alabama Federation of Labor goes on record in favor of amending the Wagner Labor Disputes Act to extend its guaranty to organize and bargain collectively to all farm laborers.

REPORTS OF COMMITTEES

Mr. MURRAY, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 727) validating homestead entry Billings 029004, of Lillian J. Glinn, reported it without amendment and submitted a report (No. 567) thereon.

Mr. POPE, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 2439) to extend the time for purchase and distribution of surplus agricultural commodities for relief purposes and to continue the Federal Surplus Commodities Corporation, reported it without amendment and submitted a report (No. 568) thereon.

Mr. ADAMS, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 1791) to provide for the acquisition of certain lands for and the addition thereof to the Yosemite National Park, in the State of California, and for other purposes, reported it with an amendment and submitted a report (No. 569) thereon.

He also, from the same committee, to which was referred the bill (H. R. 4655) to accept the cession by the State of Arkansas of jurisdiction over all lands now or hereafter included within the Hot Springs National Park, Ark., and for other purposes, reported it without amendment and submitted a report (No. 570) thereon.

Mr. SMATHERS, from the Committee on Claims, to which were referred the following bills, reported them each with an amendment and submitted reports thereon:

H. R. 2630. A bill for the relief of R. N. Teague and Minnie Teague (Rept. No. 571); and

H. R. 5456. A bill for the relief of Harold Scott and Ellis Marks (Rept. No. 572).

Mr. SMATHERS also, from the Committee on Claims, to which was referred the bill (H. R. 703) for the relief of Elbert Arnold Jarrell, reported it with amendments and submitted a report (No. 573) thereon.

Mr. BLACK, from the Committee on Claims, to which was referred the bill (H. R. 3268) for the relief of William Randolph Cason, reported it without amendment and submitted a report (No. 574) thereon.

Mr. SCHWARTZ, from the Committee on Claims, to which was referred the bill (H. R. 3354) for the relief of the Great Northern Railway Co., reported it without amendment and submitted a report (No. 575) thereon.

Mr. BROWN of Michigan, from the Committee on Claims, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H. R. 564. A bill for the relief of Lon D. Worsham Co. (Rept. No. 576); and

H. R. 3926. A bill for the relief of Eliza Boykin (Rept. No. 577).

Mr. BROWN of Michigan also, from the Committee on Claims, to which was referred the bill (H. R. 5214) conferring jurisdiction upon the United States District Court for the Eastern District of Arkansas to hear, determine, and render judgment upon the claim of Charles W. Benton, reported it with an amendment and submitted a report (No. 578) thereon.

Mr. ELLENDER, from the Committee on Claims, to which was referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 1280. A bill for the relief of Horace Hutcheson, a minor (Rept. No. 579);

H. R. 2469. A bill for the relief of Hedwig Grassman Stehn (Rept. No. 580); and

H. R. 4870. A bill for the relief of Miles C. Baxter, Anse Cockran, Sam Cornett, Mrs. Louie Hesterly, and Mrs. George Lovell (Rept. No. 581).

Mr. ELLENDER also, from the Committee on Claims, to which was referred the bill (H. R. 2090) for the relief of John Knaack, reported it with an amendment and submitted a report (No. 582) thereon.

Mr. LOGAN, from the Committee on Claims, to which was referred the bill (H. R. 860) for the relief of Marion McGlothlin, the Baylor Hospital, Dr. F. M. Gilbert, and Dr. T. C. Gilbert, reported it without amendment and submitted a report (No. 583) thereon.

Mr. SHEPPARD, from the Committee on Commerce, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 2116. A bill to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Natchez, Miss. (Rept. No. 584);

S. 2205. A bill to extend the times for commencing and completing the construction of a bridge across the Columbia River at Astoria, Clatsop County, Oreg. (Rept. No. 585);

H. R. 4794. A bill to extend the times for commencing and completing the construction of a bridge across the Potomac River at or near Dahlgren, Va. (Rept. No. 589);

H. R. 5468. A bill to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near a point between Morgan and Wash Streets in the city of St. Louis, Mo., and a point opposite thereto in the city of East St. Louis, Ill. (Rept. No. 592);

H. R. 5579. A bill granting the consent of Congress to the State of Mississippi to construct, maintain, and operate a free highway bridge across Pearl River at or near Jackson, in Hinds County, Miss. (Rept. No. 590); and

H. R. 5694. A bill to extend the times for commencing and completing the construction of certain bridges across the Monongahela, Allegheny, and Youghiogheny Rivers, in the county of Allegheny, Pa. (Rept. No. 591).

Mr. PITTMAN, from the Committee on Foreign Relations, to which were referred the following bill and joint resolutions, reported them severally without amendment and submitted reports thereon:

H. R. 3473. An act to authorize the Secretary of State to sell, for a price, transfer, and convey the title, rights, and interest of this Government in a lot situated at Sin Lu T'ou Jetty, Kulangsu, Amoy, China (Rept. No. 586);

S. J. Res. 111. Joint resolution to provide that the United States extend to foreign governments invitations to participate in the International Congress of Architects to be held in the United States during the calendar year 1939, and to authorize an appropriation to assist in meeting the expenses of the session (Rept. No. 587); and

H. J. Res. 193. Joint resolution to authorize an appropriation for the expenses of participation by the United States in the Eleventh International Dairy Congress, Berlin, Germany, in 1937 (Rept. No. 588).

REVISED SUPPLEMENT TO COMPILATION OF TREATIES, CONVENTIONS, ETC.

Mr. PITTMAN, from the Committee on Foreign Relations, to which was referred the resolution (S. Res. 132) for the preparation of a supplement to the compilation of treaties, conventions, international laws, and protocols since March 4, 1923 (submitted by himself on the 17th instant), reported it without amendment.

TRENT TRUST CO., LTD.

Mr. LOGAN, from the Committee on Claims, to which was referred the bill (S. 2155) for the relief of the Trent Trust Co., Ltd., reported a resolution (S. Res. 136), as follows:

Resolved, That the bill (S. 2155) for the relief of the Trent Trust Co., Ltd., now pending in the Senate, together with all the accompanying papers, be, and the same is hereby, referred to the Court of Claims, in pursuance of the provisions of an act entitled "An act to codify, revise, and amend the laws relating to the judiciary", approved March 3, 1911; and the said court shall proceed with the same in accordance with the provisions of such act and report to the Senate in accordance therewith.

TERCENTENARY OF THE BIRTH OF PERE JACQUES MARQUETTE

Mr. BARKLEY. Mr. President, from the Committee on the Library, I report back favorably, without amendment, House Joint Resolution 359, authorizing the President to proclaim the tercentenary of the birth of Pere Jacques Marquette, and I ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. The joint resolution will be read.

The Chief Clerk read the joint resolution, as follows:

Whereas the 1st day of June 1937 marks the three hundredth anniversary of the birth of Pere Jacques Marquette, the first white man to explore the upper Mississippi Valley; and

Whereas it is eminently fitting that the tercentenary of the birth of this zealous missionary and fearless explorer should be commemorated by suitable patriotic, religious, and public exercises during such year: Therefore be it

Resolved, etc., That the President of the United States is authorized and requested to issue a proclamation calling upon all officials of the Government to display the flag of the United States on all Government buildings on June 1, 1937, and inviting all people of the United States to observe the day and the anniversary year in schools, churches, and other suitable places, with appropriate ceremonies commemorating the tercentenary of the birth of Pere Jacques Marquette.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

Mr. McNARY. Mr. President, there is so much confusion in the Chamber that I cannot hear what is going on, and I do not know the nature of the resolution.

Mr. BARKLEY. It is a House joint resolution identical with one which has been introduced in the Senate authorizing the designation of June 1, 1937, as the tercentenary of the birthday of Pere Jacques Marquette. It merely provides for the commemoration of the day in honor of Marquette, who was, as the Senator knows, a great explorer.

The VICE PRESIDENT. Is there objection to the consideration of the joint resolution?

There being no objection, the joint resolution was considered, ordered to a third reading, read the third time, and passed.

The preamble was agreed to.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LEE:

A bill (S. 2456) providing for Federal service medals of honor to Government employees for distinguished service; to the Committee on the Library.

By Mrs. CARAWAY:

A bill (S. 2457) for the relief of Lark Simms, Elliott Burnett, and G. W. Simms; to the Committee on Claims.

By Mr. WHITE:

A bill (S. 2458) to carry out certain treaty obligations of the United States and for the relief of the F. P. Weaver Coal Co., Ltd., and for other purposes; to the Committee on Claims.

By Mr. WALSH:

A bill (S. 2459) for the relief of Frank Keefe; to the Committee on Military Affairs.

By Mr. HAYDEN:

A bill (S. 2460) to authorize transportation of mail by airplane upon star routes over difficult terrain; to the Committee on Post Offices and Post Roads.

By Mr. THOMAS of Oklahoma:

A bill (S. 2461) authorizing the President to invite the States of the Union and foreign countries to participate in the International Petroleum Exposition at Tulsa, Okla., to be held May 14 to May 21, 1938, inclusive; to the Committee on Foreign Relations.

By Mr. COPELAND:

A bill (S. 2462) to authorize the coinage of 50-cent pieces in commemoration of the two hundred and fiftieth anniversary of the settlement of the city of Poughkeepsie, N. Y., and for other purposes; to the Committee on Banking and Currency.

By Mr. SHEPPARD:

A bill (S. 2463) to authorize an additional number of medical and dental officers for the Army; to the Committee on Military Affairs.

By Mr. POPE:

A joint resolution (S. J. Res. 149) authorizing the President of the United States and the Administrator of Public Works to grant certain applications for non-Federal projects; to the Committee on Education and Labor.

HOUSE BILLS REFERRED OR PLACED ON THE CALENDAR

The following bills were each read twice by their titles and referred or ordered to be placed on the calendar, as indicated below:

H. R. 6866. An act authorizing the obligation of funds for work at Government-owned establishments; to the calendar.

H. R. 7091. An act to give the consent and approval of Congress to the extension of the terms and provisions of the present Rio Grande compact signed at Santa Fe, N. Mex., on February 12, 1929, and heretofore approved by act of Congress dated June 17, 1930 (Public, No. 370, 71st Cong.); to the Committee on Irrigation and Reclamation.

CHANGES OF REFERENCE

On motion by Mr. POPE, the Committee on Claims was discharged from the further consideration of the bill (S. 2253) conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and render final judgment on any and all claims of whatsoever nature which the Indians of the Fort Hall Indian Reservation in the State of Idaho, or any tribe, band, or group having members living thereon, may have against the United States, and for other purposes, and it was referred to the Committee on Indian Affairs.

On motion by Mr. GEORGE, the Committee on Finance was discharged from the further consideration of the bill (S. 1552) for the relief of John S. Monahan, and it was referred to the Committee on Pensions.

OPERATIONS OF HOME OWNERS' LOAN CORPORATION IN CALIFORNIA

Mr. McADOO. Mr. President, I submit a brief resolution which I ask unanimous consent to have read, and then I will ask for its consideration.

The VICE PRESIDENT. The resolution will be read.

The Chief Clerk read the resolution (S. Res. 135), as follows:

Resolved, That the Chairman of the Federal Home Loan Bank Board is directed to transmit to the Senate at the earliest practicable date the following information: (1) The total number of home mortgages and other obligations and liens secured by real estate acquired by the Home Owners' Loan Corporation in the State of California during the fiscal years ending 1934, 1935, and 1936; (2) the total value of such mortgages, obligations, and liens; (3) the total number of defaults in such State in each such fiscal year; (4) the total number of foreclosures in such State by such Corporation during each such fiscal year and the amount of money involved; (5) the total number of homes in such State acquired by the Corporation during each such fiscal year, the total amount of the loans made thereon, and the amount paid by the Corporation in acquiring such homes; (6) the total number of such homes resold by the Corporation during each such fiscal year and the amount realized therefor; (7) the number of agencies or offices maintained by the Corporation in such State and their addresses; (8) the name, address, position, and salary of all officers and employees (including permanent and part-time attorneys) employed by the Corporation in such State during each such fiscal year, grouping together all said persons employed in each such agency or office.

Mr. McADOO. I ask unanimous consent for the immediate consideration of the resolution, which merely calls for information.

Mr. McNARY. Mr. President, does the resolution merely call for information from some commission?

The VICE PRESIDENT. It is the understanding of the Chair that the resolution merely calls for information.

Mr. McADOO. It merely calls for information with respect to the operations of the Home Owners' Loan Corporation in the State of California. I have requested the information, but have been unable to obtain it otherwise.

Mr. SCHWELLENBACH. Mr. President, will the Senator yield?

Mr. McADOO. I yield.

Mr. SCHWELLENBACH. I should like to ask the Senator why he limits it to the State of California.

Mr. McADOO. The information called for is limited to the State of California merely because I have had a large number of complaints as to the operations of the Home Owners' Loan Corporation in that State, and I desire the information for the purpose of dealing with such complaints.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

SECOND DEFICIENCY APPROPRIATIONS—CONFERENCE REPORT

Mr. ADAMS submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6730) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1937, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1937, and June 30, 1938, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 40, 45, 51, 53, and 59.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 8, 9, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 31, 32, 33, 36, 38, 39, 41, 42, 43, 44, 47, 48, 49, 52, 54, 55, 56, 57, 58, 60, and 61, and agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$100,000"; and the Senate agree to the same.

Amendment numbered 34: That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$6,000"; and the Senate agree to the same.

Amendment numbered 35: That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$60,000"; and the Senate agree to the same.

Amendment numbered 37: That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: "$750,000, of which not more than $100,000 shall be available for the payment of awards under such act of June 30, 1936"; and the Senate agree to the same.

Amendment numbered 50: That the House recede from its disagreement to the amendment of the Senate numbered 50, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

"FREEDMEN'S HOSPITAL

"For an additional amount for the maintenance and operation of Freedmen's Hospital, including the same objects specified under this head in the Department of the Interior Appropriation Act for the fiscal year 1937, $10,000, of which amount one-half shall be chargeable to the District of Columbia, and paid in like manner as other appropriations of the District of Columbia are paid."

And the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 6, 10, 30, 46, and 62.

ALVA B. ADAMS,
KENNETH MCKELLAR,
CARL HAYDEN,
FREDERICK HALE,
Managers on the part of the Senate.

C. A. WOODRUM,
JOHN J. BOYLAN,
CLARENCE CANNON,
JOHN TABER
(Except as to no. 8),
ROBERT L. BACON
(Except as to no. 8),
Managers on the part of the House.

The report was agreed to.

TEACHING COMMUNISM IN THE DISTRICT PUBLIC SCHOOLS—CONFERENCE REPORT

Mr. BLACK. Mr. President, I submit a conference report on the so-called "red rider" bill, which is signed by all of the conferees except the Senator from Massachusetts [Mr. WALSH], who was absent, but with whom I talked before the agreement was reached. I ask for the immediate consideration of the report. I am sure it will lead to no discussion.

The VICE PRESIDENT. The Senator from Alabama submits a conference report, which the clerk will read.

The Chief Clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 148) to repeal a proviso relating to teaching or advocating communism in the public schools of the District of Columbia, and appearing in the District of Columbia Appropriation Act for the fiscal year ending June 30, 1936, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"That the proviso appearing in the fourteenth paragraph under the subheading 'Miscellaneous' under the heading 'Public Schools' in the District of Columbia Appropriation Act for the fiscal year ending June 30, 1936, approved June 14, 1935 (49 Stat. 356), and reading as follows: '*Provided*, That hereafter no part of any appropriation for the public schools shall be available for the payment of the salary of any person teaching or advocating communism', is hereby repealed: *Provided, however*, That nothing herein shall be construed as permitting the advocating of communism."

And the Senate agree to the same.

HUGO L. BLACK,
ROYAL S. COPELAND,
ROBERT M. LA FOLLETTE, JR.,
WM. E. BORAH,
Managers on the part of the Senate.

MARY T. NORTON,
DEWEY SHORT,
AMBROSE J. KENNEDY,
Managers on the part of the House.

The VICE PRESIDENT. The question is on agreeing to the conference report.

The report was agreed to.

SOIL CONSERVATION—ADDRESS BY SENATOR HERRING

[Mr. SCHWARTZ asked and obtained leave to have printed in the RECORD a radio address delivered by Senator HERRING Tuesday evening, May 18, 1937, on the subject of the soil conservation program; which appears in the Appendix.]

COMMUNISM IN COLLEGES—ARTICLE BY SENATOR BILBO

[Mr. ELLENDER asked and obtained leave to have printed in the RECORD an article entitled "Communism in Our Colleges", written by Senator BILBO and published in the Poplarville (Miss.) Free Press of the issue of May 13, 1937, which appears in the Appendix.]

THE COURT PROPOSAL—ADDRESS BY PROF. R. T. STEFFEN

[Mr. BARKLEY asked and obtained leave to have printed in the RECORD a radio address relative to the President's Court proposal, delivered by Prof. Roscoe T. Steffen, of the Yale Law School, before the dinner of the National Lawyers' Guild in New York City on Friday, Apr. 30, 1937, which appears in the Appendix.]

FEDERAL ADMINISTRATIVE SERVICE—ADDRESS BY O. R. M'GUIRE

[Mr. LOGAN asked and obtained leave to have printed in the RECORD an address on the subject of the improvement of the Federal administrative service, delivered by Col. O. R. McGuire at a luncheon of the Federal Bar Association, Washington, D. C., May 19, 1937, which appears in the Appendix.]

BOMBING OF GUERNICA IN SPAIN

[Mr. NYE asked and obtained leave to have printed in the RECORD an article published in the New York Herald Tribune of Monday, May 10, 1937, entitled "Guernica Raid Denounced by 76 United States Leaders", which appears in the Appendix.]

CIVILIAN CONSERVATION CORPS

The Senate resumed consideration of the bill (H. R. 6551) to establish a Civilian Conservation Corps, and for other purposes.

The VICE PRESIDENT. The pending question is on the amendment offered by the Senator from Missouri [Mr. CLARK], which will be stated.

The CHIEF CLERK. On page 2, line 3, it is proposed to strike out the "$12,000" and insert "$10,000", so as to read:

The President, by and with the advice and consent of the Senate, is authorized to appoint a director at a salary of $10,000 per annum.

Mr. CLARK. Mr. President, the amendment before the Senate provides for a reduction in the salary of the proposed director of the Civilian Conservation Corps from $12,000 per annum to $10,000 per annum. Involved in the amendment is no reflection of any sort upon the ability or efficiency of the present Director of the Civilian Conservation Corps or upon the character of work which he has done. I think the Civilian Conservation Corps has been a very fine activity and during the emergency has done work of a very high character. I can say without hesitation that it is one of the emergency activities which I think should be made permanent.

However, Mr. President, the proposal is now made to select this particular activity, put it on a permanent basis, and pay its director a salary larger than the salary which Congress in its wisdom has fixed as compensation for the services of such distinguished Senators, let us say, as the senior Senator from Idaho [Mr. BORAH], with his long public service, his brilliant ability, his splendid talent, his great contribution to the legislative history of the country; the distinguished senior Senator from California [Mr. JOHNSON], with his magnificent record of public service; the distinguished majority leader, the senior Senator from Arkansas [Mr. ROBINSON], whom we will all be sorry to lose, but who, we hope, will soon be translated to another body.

Mr. President, it is now proposed in the bill reported from the Committee on Education and Labor to give the incumbent of the office of Director of the Civilian Conservation Corps a salary in excess of that paid the Undersecretary of the Treasury, who is charged with the responsibility of the supervision of financing and refinancing the stupendous Government loans now necessary in this country.

It is proposed to pay him a salary in excess of the salaries paid the Under Secretary of State and the Counselor of the State Department, who are charged, under the Secretary of State and almost jointly with the Secretary of State, with responsibility for the supervision of the very delicate and multifarious foreign relations of the United States at this time, as well as supervision over the very delicate and important trade negotiations now going on between this country and other nations.

It is proposed to pay this official a salary in excess of that paid to the distinguished Under Secretary of the Interior

who, in addition to the very efficient and able performance of the ordinary routine duties of the office of Under Secretary of the Interior, is also understood to "double in brass" as the principal administration representative on Capitol Hill. [Laughter.]

It is proposed to pay this official a salary very much in excess of that received by the Chief of Staff of the United States Army, who, after a long career of gallant and meritorious service to his country in the armed forces of the Nation, has at length been put in charge of preparations for national defense. General Craig receives a base salary of only $8,000 a year. Admiral Leahy, Chief of Naval Operations who, in the event of war, would be charged with the conduct of the naval defense of the United States, likewise receives a salary of $8,000 per year, as do also the Chief of Finance of the War Department and the Paymaster General of the Navy, who handle the vast hundreds of millions of dollars which we are now appropriating for armament and in preparation for another war.

The distinguished Solicitor General of the United States, charged with responsibility for defending in the Supreme Court of the United States the various acts passed by the present Congress and preceding Congresses, receives $10,000 a year.

Hon. Jesse Jones, Chairman of the Reconstruction Finance Corporation, who not only loans billions of dollars of public funds, but, unlike most other governmental lending and spending agencies, gets most of it back, receives a salary of $10,000 a year.

The members of the Securities Exchange Commission, one of the most important and beneficial activities of the administration, receive salaries of $10,000 each.

Members of the Federal Trade Commission, including the Chairman, performing some of the most important functions of the Government, and upon whom it is now proposed to impose even more important functions, receive salaries of $10,000 each.

Members of the Federal Power Commission, including the Chairman, with all their multifarious and important duties, receive $10,000 apiece.

The Chairman and members of the Federal Communications Commission receive only $10,000 apiece.

The Chairman and members of the Social Security Board, performing functions involving the welfare of millions upon millions of people and involving the handling of hundreds of millions of dollars, of billions of dollars perspectively in the future, receive $10,000 apiece.

The Administrator of the Rural Electrification Administration, predicted by the senior Senator from Nebraska [Mr. NORRIS] to be one of the most important and far-reaching of our governmental agencies, receives only $10,000 a year.

Mr. President, in view of these few instances, selected from many others which could be exhibited, I submit that when putting the Civilian Conservation Corps upon a permanent basis there is no justification for paying the Director of that activity, excellent and efficient though his services may have been, more than is paid any other Government official in a comparable position.

It was said by the Senator from Alabama [Mr. BLACK] yesterday that the only justification for this salary of $12,000 a year was the fact that Mr. Fechner, the present incumbent, had been receiving that salary under a temporary constitution of his activities. It is now proposed to make this activity permanent, however, and I think it should be made permanent; and when we come to make an activity permanent, the salary paid its director should be brought in line with the salaries paid other Government officials with comparable duties.

As I said in the beginning, my position in this matter has nothing to do with Mr. Fechner's personality. Mr. Fechner might resign, might go into some other business, might unfortunately be incapacitated, and some day, like all other mortals, he will die. I do not believe this establishment should be set up on a permanent basis with reference to any particular feeling for any individual. Therefore, I submit in all good faith, that in order to bring the activities of this bureau—because that is what it is—in line with others, my amendment should prevail, and the salary should be fixed at $10,000 a year rather than $12,000.

Mr. COPELAND. Mr. President, I should not be true to my conscience or my convictions if I did not say something about the bill now pending before the Senate.

I have read in the newspapers that I have not always been very faithful to the projects of the New Deal; but, Mr. President, I desire to say that I take great pride in the fact that when this matter was first presented I had some modest part in the formulation of the original law for the establishment of the Civilian Conservation Corps. To my mind, no single law which has been enacted during recent years has been more far reaching in its beneficial effects than has that law.

We have great problems to face with regard to the youth of the land. I have long contended that the objectives of education should be resurveyed. As I view the public schools it seems to me they are not measuring up to present-day conditions. In my opinion, too much emphasis is placed upon cultural studies and other subjects which, desirable as they are in themselves, do not, after all, fit the graduates of the school for the responsibilities which they must meet when they go into the world.

As I view the matter, the objectives of education should be three in number:

First, to fit the child for parenthood. That means a clean body and a clean mind.

Second, so far as may be possible, to fit him for livelihood.

Third, and more important than the others, to fit him for citizenship.

What I like about this bill—the first thing I shall speak of—is the first amendment reported by the Senate committee. On page 1, line 5, the committee recommends that the language "as well as vocational training" be stricken out, and that there be substituted therefor the words "and training for citizenship."

What can be more important than to have the young men covered by the provisions of this bill, between the ages of 17 and 23 years, taken away from surroundings which in many instances are not conducive to moral development or physical development or development in the line of citizenship?

I have seen these camps in operation. Within a few miles of my home in New York State have been located a number of the camps, and I have had occasion to visit them frequently. About 3,000 young men belonging to the C. C. C. were stationed in Orange County, N. Y., where they performed a splendid service in the control of floods in a valley where live about 10,000 subsistence farmers. In that particular region they did a piece of work of which engineers and skilled men might well be proud.

I have conversed with these men. I have found, from conversation with them, that their attitude toward life has been utterly changed by their experience. As I have met them I have been impressed by the fact that these men, coming sometimes from sections where they might well have fallen under influences which would make them bad citizens, have been gathered in camps where they have had instruction and experience and example which will make them better citizens.

I have been interested in the camps primarily, perhaps, because of the development of health. Young men, many of them coming from the slums of the cities, where they lived under the most insanitary conditions, have been taken into the C. C. C. camps and given instruction in personal hygiene; they have had the benefit of out-of-door living, and have developed a sturdiness of physique which they never otherwise could have had, and, unless one has a healthy body he is almost certain to have an unhealthy mind. Nothing is more important to the development of character, to the development of good morals and decent thoughts, than vigorous physical health. Then added to that of which I have already spoken, is the development of these men in citizenship.

I wanted to say that much because of my great interest in this movement and the full approval which I have in my heart for it.

We now come to the director of this service, Mr. Robert Fechner.

I never knew Mr. Fechner until he entered upon this work, but I have not only developed for him respect and appreciation of his management of the camps, but I have developed for him a real affection because of his fine personal qualities. I think the President might have combed the entire country and all of its citizenship without finding a man better equipped for the office by personal qualities than Mr. Fechner. A man of the highest character, of the most kindly spirit, an organizer of remarkable ability, the choice of the President was well directed.

Regarding the salary question, my friend from Missouri [Mr. CLARK] has spoken about the salaries of various distinguished Members of this body. In my opinion, it is one thing to become a Member of the United States Senate. In spite of all criticism that we hear regarding the Members of the body or the group as a whole, there does attach to the office some degree of honor. There is not any glory to be had by Mr. Fechner. Modest as he is, he works in a corner, seeking no limelight or publicity. He gives his entire thought to one thing. He has no political ambition, so far as I know. He has no outside interests. He clips no coupons. He depends wholly upon this salary. I am glad the committee saw fit to continue the salary fixed by the House, and to carry it over into this bill.

Mr. BLACK. Mr. President, will the Senator yield?

Mr. COPELAND. I yield.

Mr. BLACK. I will say to the Senator that the House cut the salary to $10,000. As I understand, the House committee recommended $12,000, but the House cut the salary to $10,000,

Mr. COPELAND. Mr. President, I am not surprised. I myself have been disappointed when I have made proposals in a committee which perhaps received the unanimous support of the committee, but which, having gone to the House, the eloquent tongue of some Member there has been sufficient to change the attitude of the Senate.

Mr. President, I hope that will not happen in this instance. So far as I am concerned, I want the salary restored to $12,000. I want Mr. Fechner to continue in this office, to go on with the fine work he has been doing, and I hope he will live many years to conduct the affairs of the C. C. C.

Mr. NORRIS. Mr. President, will the Senator from New York yield to me?

Mr. COPELAND. I yield.

Mr. NORRIS. I was very much impressed with the argument of the Senator from Missouri, and I should like to ask the Senator from New York about it. The Senator from Missouri gave a list of officials of many bureaus and other activities of the Government whose salaries were fixed at $10,000 a year. That seems to be the universal salary we have been fixing for the officials of various bureaus and offices. Is there anything about the work of the particular office we are discussing that would warrant the occupant being paid a salary higher than is paid to those at the head of the other bureaus? Should we not try to fix a more or less uniform salary for officials of the Government who do practically the same kind of work?

Mr. BLACK. Mr. President, will the Senator from New York yield to me for a short statement in connection with the remarks of the Senator from Nebraska?

Mr. COPELAND. I yield.

Mr. BLACK. I fully agree with the idea that there should be some uniformity in salaries where the services are similar and are of equal importance. Unfortunately, that is not the case here. I shall read now a list of the salaries of those occupying other positions to show the lack of uniformity. I think it would be a very wise thing to have an effort made to bring about uniformity, but I rather dislike to have the Senate begin the effort by reducing the salary of one individual when that would not bring about uniformity. I now read:

The Chairman and members of the Maritime Commission, $12,000.
The Comptroller of the Currency, $15,000.
Mr. Hopkins, Administrator of W. P. A., $12,000.
Colonel Hackett, Assistant Administrator of P. W. A., $12,000.
General Hines, Veterans' Administrator, $12,000—

I state it as my recollection that that was specifically voted on as a separate item in this body—

Interstate Commerce Commissioners, $12,000.
Tariff Commissioners, $11,000.
General Counsel, R. F. C., $12,500.
Manager, Alaska Railroad, $14,400.

Of course, we all know that Cabinet officers receive $15,000 each.

I also call attention to the fact that I had a very difficult time in obtaining a limitation of $17,500 on the salaries paid to their officials by corporations drawing large subsidies from the Government. On one occasion, I recall, an amendment I had offered was voted down in the Senate overwhelmingly, the amendment being to the Reconstruction Finance Corporation bill, in which I asked for a limitation of $100,000 on salaries of officials of those corporations which found themselves in financial straits and borrowed from the United States Government.

I am calling attention to this to show the lack of uniformity, not only in Government salaries but in connection with the salaries of the officials of agencies which borrow from the Government, or obtain huge subsidies from the Government.

Mr. NORRIS. Mr. President, will the Senator from New York yield to me again?

Mr. COPELAND. I yield.

Mr. NORRIS. I remember the effort the Senator from Alabama made when we were considering the loans to be made by the Reconstruction Finance Corporation. He made several motions. He first provided that there should not be loaned anything to corporations which were paying any of their officials more than $100,000 a year, and then he kept on coming down in the amount as the amendments were defeated. In my weak way I supported the Senator from Alabama in every attempt he made at that time. I myself think the Senate ought to have agreed to the first amendment he offered—that corporations paying salaries of a hundred thousand or a hundred and fifty thousand or two hundred thousand dollars a year to their officials were in no position to come to the Government and ask for loans of money in order to save them from bankruptcy.

I do not think that has anything to do with the salary of Mr. Fechner, however, as I see the situation. The Senator from Alabama mentions Cabinet officials. Of course, we realize such an office is a more responsible one than the one under consideration. The members of the Maritime Commission probably would come nearer to being a fair illustration. I think the Senator is correct in the statement he has made about Mr. Fechner. I agree with him when he tells of the work this man has done. He refers to the fact that he is a poor man, that he is depending on his salary, that he has no political ambition, and that he ought to be given a larger salary for the good work he is doing.

The greatest pay that can ever come to this man, or to anyone else for the kind of work Mr. Fechner is doing, or, so far as I know, for any other kind of work, is the satisfaction he gets in his heart that he is doing a good work. But, as I see the situation, there is nothing about this position which requires effort and strain on a man's mind and on his faculties of all kinds which would justify an increase in his salary, for instance, above the salary of the chairman of the Tennessee Valley Authority, or of any of the members of the board. So it would be with the other salaries the Senator from Missouri has mentioned.

I cannot see any reason why now, when we are planning to save our country and our people from depression, and all the other difficulties that seem to have been heaped upon us, we should start out with a noble work like this, where great good has been done and can continue to be done, and pay the man who is at the head of it a salary that is larger by $2,000 than the salaries of other officials who are doing work which it seems to me requires a greater effort and brings less satisfaction to a man's mind and heart when he accomplishes the work. It seems to me that $10,000 is a large enough salary for Mr. Fechner. I do not minimize in any degree

the character or the quality of the work he is doing. I agree that he is doing a great work.

Mr. BLACK. Mr. President, will the Senator from New York yield again?

Mr. COPELAND. I yield.

Mr. BLACK. There is no question that the salary of $12,000 is larger than the salaries of some of the other officials performing like duties. It is also true that the salary of $10,000 would be smaller than the salaries of some other officials with comparable duties. I have always been one of those who felt that there was little reason for making so many of these salaries above those which are paid to the Members of the House and of the Senate.

Mr. Fechner started in his work at $12,000, and has received $12,000 since the work began. It is a matter for the Senate to determine—and I am not speaking and shall not speak in any way to try to persuade the Senate to take one side or the other; but I think Senators are entitled to the facts, and I have tried to give them to the Senate. An examination shows that in some instances those performing comparable duties receive greater salaries, and in other instances, as stated by the Senator from Missouri, those performing comparable duties receive smaller salaries. So we have both sides.

Mr. Fechner has been receiving $12,000 since he went into the service. I would favor some kind of effort in this body to bring about a fair uniformity of salaries, and I would be in favor of applying it to every individual corporation in this Nation that depends for its money upon the Federal Treasury. I have never been able to understand the sensitiveness which I have sometimes found against paying fair salaries for Government work, while there is a willingness to lend millions of dollars for the payment of large and unfair salaries by subsidized institutions; and with that viewpoint the Senator from Nebraska has uniformly agreed.

I do not intend to occupy the floor longer on this subject. As the committee reported the salary, it is the salary which has been heretofore drawn. It is not out of line with some salaries, while it is out of line with others. I am very frank to say that the salaries which are out of line ought to be adjusted, either by lowering those which are too high or by raising those which are too low. I very much regret to see the Senate begin on one individual who we all think has done a good job.

Mr. NORRIS. Mr. President, will the Senator from New York allow me to reply just one word to the statement of the Senator from Alabama?

Mr. COPELAND. I yield.

Mr. NORRIS. The Senator from Alabama is in agreement that we ought to have uniformity of salaries insofar as we can, depending upon the difficulties of the work and the office to which the salary applies. He is in favor of some move that would bring that about, and I agree fully. But I desire to call to his attention that the very fact that we make the salary $12,000 for this official will be used as an argument for increasing salaries of many officials whose salaries are below $12,000 instead of leading to a reduction in higher salaries.

If we provide for a $12,000 salary we are taking the first step, as I see it, to lay the way open for chiefs of bureaus and other officials who are getting less than $12,000 to come in and ask for $12,000, and we cannot well deny the increase of such salaries from $10,000 to $12,000.

Mr. RUSSELL. Mr. President, will the Senator from New York yield to me in order that I may ask a question of the Senator from Alabama [Mr. BLACK]?

Mr. COPELAND. I yield.

Mr. RUSSELL. I should like to inquire whether the salary of $12,000 per annum for the Director was fixed by the act creating the Civilian Conservation Corps, or whether it was fixed by Executive order. In other words, did Congress in the first instance fix the salary at $12,000 per annum?

Mr. BLACK. I shall have to look into that question, but it is my recollection that the salary was fixed by Executive order. So far as I am concerned, I may say that if I had been fixing the salary, or had been voting to fix the salary originally in this bill, and it had not already been placed at $12,000, I should have been perfectly satisfied with the amount of $10,000. I have no hesitation in saying that.

Mr. CLARK. Mr. President, will the Senator from New York yield?

Mr. COPELAND. I yield.

Mr. CLARK. The Senator is familiar with the fact that the salary of Mr. Hopkins, to which reference was made a moment ago, was also fixed by Executive order, and that his salary when he was Director of Relief was fixed at $10,000 a year by Executive order; and it was only after he was given treble duty, first as Director of the C. W. A. and later of the W. P. A., as well as in addition being a member of the National Emergency Council, that his salary, even by Executive order, was raised to $12,000.

Mr. COPELAND. Mr. President, I feel that these interruptions have been illuminating to the Senate; but I read in a newspaper the other day the statement that my speeches usually consist of colloquies with my colleagues. That is because I have always yielded on appeal. I am glad I did so today, but I simply want to put myself on record that if I live to the beginning of another session, no one then is going to interrupt me. I am going to make my speeches and sit down, and they will be much briefer in consequence. But I now want to refer to the discussion to which we have listened.

Mr. BARKLEY. Mr. President, in view of the Senator's announcement, will he kindly yield to me now? After this session I may not get a chance to interrupt him.

Mr. COPELAND. For what purpose does the Senator ask that I yield?

Mr. BARKLEY. I desire to make an observation with reference to the comparison that is frequently made here between salaries of executive officers and salaries of United States Senators.

Mr. COPELAND. I yield.

Mr. BARKLEY. I realize that that is a legitimate matter of comparison, and I am not going to discuss the question whether congressional salaries are too large or too small. We all have our individual opinions about it. I have always felt that the value of a man's services in some executive department could not necessarily be measured by fixing his salary at the same rate that we draw as Members of the Senate and Members of the House. Certain honors and certain distinctions go along with membership here which are not enjoyed by some man who buries himself in a department at the head of some great agency, with a great responsibility, where the public rarely ever hears of him, and where there is no element of intangible compensation in the way of public notice that may come to him, which I think to some extent differentiates such a position from the positions occupied by Members here. I think membership in this body is almost the greatest honor that can come to an American citizen; and none of us who serves here for $10,000 a year would exchange his or her position on the floor for the position of an executive in some department who may draw $12,000.

I do not know how I shall vote on this particular amendment. I am not concerned, as a matter of principle, whether the salary in question shall be $10,000 or $12,000. I think, however, certain compensations come to Members of the Senate which must be taken into consideration, which are not enjoyed by others who are quietly performing their duties in some department, and which make it a little unfair to undertake to fix a uniform salary for executive officers upon the basis of our compensation as Senators.

I desired to make that observation because I think it is worthy of consideration.

Mr. COPELAND. Mr. President, I am much obliged to the Senator from Kentucky. I had said practically the same thing before he came into the Chamber. I wish to remind him that the position of leadership, as I understand, does not carry any additional salary, but it does bring new responsibilities and more work. That is merely a passing observation.

Mr. President, I shall not yield again because I desire to finish. It is lunch time and Senators who desire to go to lunch are cordially invited to do so.

Reference was made a little while ago to the salary of Jesse Jones. Jesse Jones is a friend of mine. I am very fond of him. Jesse Jones, however, could afford to come and work for the Government if he had to pay something for the opportunity.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. COPELAND. No, Mr. President; I do not yield.

The PRESIDENT pro tempore. The Senator from New York declines to yield.

Mr. CLARK. I can take the floor in my own right when the Senator from New York has concluded.

Mr. COPELAND. Certainly the Senator can.

Mr. President, I must now yield to the Senator because I do not want to be placed in the position of being discourteous.

Mr. CLARK. I merely want to call the Senator's attention to the fact that while Chairman Jones, of the Reconstruction Finance Corporation, has done a magnificent job from every governmental standpoint and deserves great credit for it, there have been other members of the Reconstruction Finance Corporation who also received $10,000 a year and who have also done a superb job and who cooperated with Chairman Jones and deserve credit scarcely less great than that accorded to the Chairman himself.

Mr. COPELAND. Mr. President, I now desire to discuss these salaries briefly.

I used to be dean of a medical school, if I may be permitted a personal reference, and I received a salary certainly as liberal as the one we are discussing; but I also had the privilege of maintaining my private office, which contributed considerably more income. Mr. Fechner has no such opportunity. If he gives himself to this job for years to come as he has during the past years since the inauguration of this work, when he gets through—as he will some day—he will have no bank account or bonds or stock to maintain him in advanced life. He will have the satisfaction of having done a fine job; and I dare say, knowing him as I do, that so far as he personally is concerned, that in itself is a sufficient reward. But that will not maintain Mr. Fechner in the time of his old age and infirmity, if it should come to him. He is entitled to make some contributions to the future.

I noticed what my friend from Nebraska said, and I take second place to no man in this body in the respect and admiration held for him; but he speaks of no greater effort being required of the Director of the Civilian Conservation Corps than of the heads of some other agencies who are receiving the same salary as is suggested, and intimates that no greater effort is required of the Director than other men have to put forth to carry on their work.

In that connection, I desire to call attention to one position on the list which I have received from the Senator from Alabama [Mr. BLACK]; and I feel free to refer to it because I have no idea even what the name of the man is, so if he should read these remarks he will know that what I say is not personal. But how can we compare the managership of the Alaska Railroad at $14,400 with the responsibility which Mr. Fechner has in caring for 300,000 young men coming from every part of our country, many of them, I am sorry to say, coming from associations which have not been good? How can we compare that responsibility with the responsibilities resting upon the management of a railroad in Alaska? How can we compare the responsibilities which I held as the dean of a college of 300 or 400 students with the responsibilities which Mr. Fechner carries as the head of a great group of 300,000 persons?

Mr. BORAH. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New York yield to the Senator from Idaho?

Mr. COPELAND. I yield.

Mr. BORAH. Of course we cannot compare them, but these inconsistencies and contradictions arise from the fact that Congress does not undertake to standardize these salaries at all. The reflection is upon Congress. Perhaps the man who is operating the railroad in Alaska would be very glad if he were out of that job and would be glad to get a job paying a salary of $10,000 a year.

Mr. COPELAND. Mr. President, the man who manages a railroad in Alaska, and does it well, has a chance to go into a railroad presidency somewhere in which he will receive $25,000 or $50,000 or even $75,000 a year. Mr. Fechner will have no such opportunity. Mr. Fechner's return will be the money which he receives from the Government, with no prospect of promotion to another place, or to engage in any other activity where he can earn more money.

When I think about some other men who are mentioned here I have no complaint to offer. I have no complaint to offer about the Commissioners of the Interstate Commerce Commission or the Tariff Commissioners; but it is one thing to sit down with a body of associates and discuss with them the problems of the office and what can be done and quite another thing to be the independent, solitary figure at the head of a great organization such as is the C. C. C.

There he has placed upon him the responsibility, and he carries it all alone. He can only get aid and advice from the Senate and from the House, and he gets plenty of that. But, so far as his official associates are concerned, he has no aid. He is a solitary figure, sitting in an obscure corner of a building in Washington, poorly furnished at that; he has not the luxury of a mahogany desk and a great staff of assistants. He sits there to study the problems connected with the work in which he is engaged, and to receive reports from his agents in the field and determine whether a camp shall be removed from Wallkill in New York and placed somewhere else. He has to determine the fate of various activities engaged in by the men enrolled in the Civilian Conservation Corps.

Let me say here, Mr. President, that the members of the Civilian Conservation Corps have not been engaged in raking leaves and doing unimportant things. They have been engaged in improving the forests, the waste places, and the rivers of our country. They have done a work which will be of lasting benefit for generations. Sitting in charge of them and directing them is a man who has done his job well. I would not want the Congress to take any action which would seem in any sense to be a reflection upon the work he has done. He is entitled to have his hands held up and to be encouraged by us.

So, Mr. President, I hope there will be no serious effort made to reduce Mr. Fechner's salary. If the time comes when the Senate or the other House of Congress desires to consider all the positions embraced in the list prepared by the Senator from Alabama, and to equalize salaries, then at that time, if Mr. Fechner's salary is found to be excessive, let us make the change, but let us not now do a thing which may serve to discourage a man who occupies one of the strategic positions for the development of good citizenship in America.

If I had my way, and the Treasury could afford it, I would not have merely 300,000 young men in this organization; I would have a million there. I wish the same training, the same opportunities for out-of-door life, for the development of health, the development of mind and morals could be given to every boy in America. Of course, we cannot afford to do that; and the committee has determined that 300,000 should be the number. We ought not, however, now to say to Mr. Fechner, who is directing the great work of the Civilian Conservation Corps, "We are going to lower your salary because you are getting more than a Senator receives or more than some other official receives." In a spirit of fairness, in a spirit of justice to Mr. Fechner, I appeal to my brethren, let us not single him out at this time to lower his salary when we have before us a list of salaries far in excess of what he is now being paid.

So my plea is, that the Senate may pass the bill presented by the Senator from Alabama from the Committee on Education and Labor, and that there may be included in it not only provision for the permanency of the Civilian Conservation Corps but also the assurance to the great man who is directing it that we endorse him 100 percent and are proving it by continuing his salary; at the same time warning him, of course, that if the day comes when all salaries are reduced he must meet his fate. I plead with

you, Senators, to stand by this man and to support this movement, because as I have said, in my opinion, it is the greatest monument to the present administration that has been enacted into law and made possible by the Congress of the United States.

Mr. SMITH. Mr. President, I do not want to take up unduly the time of the Senate; I think every Senator has about made up his mind how he is going to vote on this question; but I feel it my duty to pay tribute to and give testimony to what I consider the most marvelous piece of legislation that has been enacted during the present administration or any preceding one.

The C. C. C. camps and the manner in which they are conducted combine opportunities for industrial training, for the development of high moral standards, and for beneficial employment. I have seen boys who were seemingly without any object in life, by being brought in contact with the activities of the C. C. C., under the supervision of the officers having the camps in charge, receive a moral training, an educational training, a real vocational training, all combined, and, at the same time, produce work which of itself is beneficial to the community in which they work. I merely wanted to take occasion to state—not to repeat anything that has been said—my view as to the admirable work performed by the Civilian Conservation Corps.

I have no prejudice, one way or another, as to the salary of the director. I think it would be a mistake, as has been intimated by others, to reduce his salary now, for the reason that such a reduction might be construed in some quarters as an intimation that he had not earned the amount now paid.

I believe that the principle incorporated in the law creating the Civilian Conservation Corps, as made manifest by the C. C. C. camps, ought to be made permanent. I believe that our reformatories will largely be depopulated if the Civilian Conservation Corps is made permanent and extended, as it should be.

I have seen reformatories, and my observation has been that there is hardly ever an inmate who comes out any better than he went in. He is in an atmosphere under like condemnation with that which caused him to be sent there. Making this policy permanent would afford opportunity for employment outdoors, for training in the camps, and for wholesome work, and give young men a chance to stand on their own feet and to be recognized as a part of the economic system of our country. That is in every way desirable. I believe the time will come, if these camps are made permanent and extended, when the reformatories, as I have said, will be a thing of the past, except for those who are congenitally criminal.

It is my desire, Mr. President, to bear this testimony to the splendid work done by the Civilian Conservation Corps and to the character of the men who have it in charge. I pledge my vote to make it a permanent organization and part of the economic and social structure of our Government.

Mr. NORRIS. Mr. President, one might get the idea from listening to the discussion—I do not think the Senator from New York, by any means, intended his remarks to be construed that way, although he almost said so in so many words—that if the salary of the Director of the Civilian Conservation Corps was fixed at $10,000 instead of $12,000, it would be a reflection upon the very able man who fills that office, and who probably, if this bill becomes a law, will be appointed to have permanent charge. Nothing that I have said, nothing that any other Senator has said that I have heard, can be, by any possible construction, considered as a reflection or criticism of the management of this great undertaking. In fact, it is because the management has been good that men who think as I do are in favor of making it permanent.

There is no reflection upon the Director who is in charge of this work, but evidence shows clearly, I think, that with some exceptions, the salary fixed is not in line with the salary usually fixed for similar work. It is said that there is not any honor connected with his office. Are we going to pay a man for lack of honor connected with his office by increasing his salary? I would not mention this if it had not been alluded to, but the salary paid the Director of the C. C. C. has been compared with a Senator's salary—if it is fixed at $10,000, it will be the same—and it is said that a Senator has great opportunity to get honor and renown. That depends, Mr. President. Follow the campaign of any Senator and see how much renown is accorded him by his opponents. Follow the campaign of any Member of the House of Representatives, or the candidate for any office who has to go before the people and fight out an election, and see how renowned he is considered to be. The head of this organization does not have to undertake an election campaign. Thank God, he does not. I do not want him to have to do so. His position, compared to that of a Senator, may lack in honor, and, as the Senator from New York [Mr. COPELAND] has said, the Director of the C. C. C. may have an office in a room that is not very well furnished, and he may be working in silence for the good of humanity, but the Director has a satisfaction in his own heart away beyond what any person can have who has to go through what a Senator has to go through.

The Director can save more money than can a Senator on the same salary. He has no office expenses. My judgment may be entirely wrong, but a man without the expense of making campaigns and contributing to campaigns, who can keep his entire salary of $10,000 because his office is provided him, and he has no expense whatever in connection with it, can live as well as most people ought to want to live. It is an ample salary, it seems to me.

No reflection is intended on the incumbent of the office. Those of us who are in favor of a $10,000 salary, so far as I know, want to make it permanent. At least we do not want to cut it off now. The Congress did not fix the salary at $12,000. The President in fixing the salary was moved undoubtedly somewhat by the fact that it was a temporary appointment and might not last long. When this movement was started no one knew how long it would last. I confess I have been very agreeably surprised at the good work which has been done not only for the country but for the boys themselves. I had some doubt about it when the movement started. The President did not know how long it was going to last. If we were fixing a man's salary for 6 months or a year, we would fix it differently from what we would fix it if he were to have a 10-year service or an unlimited service.

The great cry now everywhere is for economy. It is a time when we ought to practice economy. This is a small item, but a small item multiplied by a million makes a large item. It seems to me here is a good place to begin the practice of the economy which all of us want to bring about, and we can do it here without injury to anyone. If this salary should be fixed at $12,000 it would be an incentive to all governmental officials to demand an increase from $10,000 to $12,000, and they would have ground for the argument. They would have a precedent established by Congress and we could expect to be asked to make the increase. If we do not believe in it, we ought not to fix the salary at $12,000.

Mr. BYRNES. Mr. President, will the Senator yield?

Mr. NORRIS. Certainly.

Mr. BYRNES. A few years ago we enacted general legislation providing that no official in any department should receive a salary in excess of $10,000 except, as I recall, the Director of Veterans' Affairs. All salaries above $10,000 have been fixed in the Emergency bureaus alone because, as stated by the Senator from Nebraska, it was believed they were temporary in their nature. I know of no place, except the Office of Director of Veterans' Affairs, where any official in a permanent department of the Government has a salary in excess of $10,000. If this is to be made a permanent agency of the Government, there is no reason for making an exception in this case.

Mr. NORRIS. I thank the Senator.

Mr. President, let us once and for all relieve the situation of the indirect charge, though not intended to be a charge I admit, that when, in setting up this new office, we are

attempting now to reduce this salary from $12,000 to $10,000 it is a reflection on anyone. It is not a reflection on anyone. No one is complaining, so far as I know, about the work done by this organization. As I believe, $10,000 is an ample salary, and in times of distress like these through which we are now passing we ought to watch the little things which in the aggregate will become big things if we embark on a plan of increasing salaries, because, as I see it, that is what the fixing of this salary at $12,000 will have a tendency to bring about.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Missouri [Mr. CLARK], which will be stated.

The CHIEF CLERK. On page 2, line 3, it is proposed to strike out "$12,000" and insert "$10,000", so as to read:

The President, by and with the advice and consent of the Senate, is authorized to appoint a director at a salary of $10,000 per annum.

Mr. CLARK. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. VANDENBERG (when Mr. MCNARY's name was called). The Senator from Oregon [Mr. MCNARY] was called from the Chamber. If present, he would vote "yea." He is paired with the Senator from Mississippi [Mr. HARRISON]. I am not advised how the Senator from Mississippi would vote.

The roll call was concluded.

Mr. AUSTIN. I have a pair with the Senator from Pennsylvania [Mr. GUFFEY]. If present, he would vote "nay." I transfer my pair to my colleague the junior Senator from Vermont [Mr. GIBSON], who, if present, would vote as I am about to vote. I vote "yea."

I announce the absence of the Senator from Pennsylvania [Mr. DAVIS] on official business, and the necessary absence of my colleague [Mr. GIBSON] and the Senator from Minnesota [Mr. SHIPSTEAD].

I also announce that the Senator from Minnesota [Mr. SHIPSTEAD] has a general pair with the Senator from Virginia [Mr. GLASS].

Mr. MINTON. I announce that the Senator from Washington [Mr. BONE] and the Senator from Virginia [Mr. GLASS] are detained from the Senate because of illness in their families.

The Senator from Florida [Mr. ANDREWS], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Illinois [Mr. LEWIS], the Senators from Maryland [Mr. TYDINGS and Mr. RADCLIFFE], and the Senator from North Carolina [Mr. REYNOLDS] are detained on important public business. I am advised that if present and voting the junior Senator from Maryland [Mr. RADCLIFFE] would vote "nay."

The Senator from Arizona [Mr. ASHURST], the Senator from North Carolina [Mr. BAILEY], the Senator from Ohio [Mr. DONAHEY], the Senator from Mississippi [Mr. HARRISON], the Senator from Iowa [Mr. HERRING], the Senator from Florida [Mr. PEPPER], the Senator from Oklahoma [Mr. THOMAS], and the Senator from Montana [Mr. WHEELER] are detained on departmental business.

The Senator from Mississippi [Mr. BILBO] is necessarily detained from the Senate.

The Senator from Minnesota [Mr. LUNDEEN] is detained on official business. On this question he has a pair with the Senator from Maryland [Mr. TYDINGS]. If present and voting, the Senator from Maryland would vote "yea", and the Senator from Minnesota would vote "nay."

The result was announced—yeas 44, nays 29, as follows:

YEAS—44

Adams	Caraway	Holt	Overton
Austin	Chavez	Johnson, Calif.	Pittman
Borah	Clark	Johnson, Colo.	Pope
Bridges	Connally	King	Russell
Brown, Mich.	Ellender	Lodge	Steiwer
Brown, N. H.	Frazier	Lonergan	Thomas, Utah
Bulow	Gerry	McGill	Townsend
Burke	Gillette	McKellar	Truman
Byrd	Hale	Maloney	Vandenberg
Byrnes	Hatch	Minton	Van Nuys
Capper	Hitchcock	Norris	White

NAYS—29

Barkley	Green	Moore	Sheppard
Berry	Hayden	Murray	Smathers
Black	Hughes	Neely	Smith
Bulkley	La Follette	Nye	Wagner
Copeland	Lee	O'Mahoney	Walsh
Dieterich	Logan	Robinson	
Duffy	McAdoo	Schwartz	
George	McCarran	Schwellenbach	

NOT VOTING—23

Andrews	Davis	Herring	Reynolds
Ashurst	Donahey	Lewis	Shipstead
Bailey	Gibson	Lundeen	Thomas, Okla.
Bankhead	Glass	McNary	Tydings
Bilbo	Guffey	Pepper	Wheeler
Bone	Harrison	Radcliffe	

So Mr. CLARK's amendment was agreed to.

NAVAL AIR STATION ON SAN FRANCISCO BAY, CALIF.

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 2049) to authorize the establishment of a naval air station on San Francisco Bay, Calif., and for other purposes, which were, on page 2, line 18, to strike out "$14,500,000" and insert "$13,500,000", and on the same page, in line 22, after the word "*further*", to insert: "That until such time as the Secretary of the Navy shall receive, on behalf of the United States, title to the tract of land authorized to be acquired by the act of June 24, 1936, free from all encumbrances, no money in excess of the authorized consideration for such tract shall be expended to carry out the purposes of this act on the naval air station authorized to be established by this act, or on any part thereof: *And provided further.*"

Mr. WALSH. I move that the Senate concur in the House amendments.

The motion was agreed to.

CIVILIAN CONSERVATION CORPS

The Senate resumed the consideration of the bill (H. R. 6551) to establish a Civilian Conservation Corps, and for other purposes.

Mr. GEORGE. Mr. President, I understand that when this bill was taken up unanimous consent was given to substitute the Senate bill for the House bill, striking out all after the enacting clause.

The PRESIDENT pro tempore. The Chair understands the parliamentary situation to be that the Senator from Alabama [Mr. BLACK] moved to strike out all after the enacting clause of the House bill, and that amendment is pending.

Mr. GEORGE. And that any part of the Senate bill is subject to amendment?

The PRESIDENT pro tempore. And that the Senate bill, as amended, will then be voted on as a substitute for the House bill. Both bills are open to amendment.

Mr. GEORGE. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. At the proper place in the bill it is proposed to add the following:

Provided further, That in the discretion of the Director, continuous service by the enrollee during his period of enrollment shall not be required in any case where the enrollee attends an educational institution of his choice during his leave of absence.

Mr. GEORGE. Mr. President, I merely wish to explain that the purpose of this amendment is to provide for broken terms of service during enrollment, in the discretion of the Director.

I wish to explain also that under existing regulations, and under the law as it stands, the power conferred upon the Director does not now exist, it is believed. I have had this matter up with Director Fechner, and with others who are responsible for the administration of the C. C. C. camps.

The primary purpose of this amendment is to give to the Director, in his discretion, power to permit the enrollee to serve his enrollment, whether of 6 months or longer, in broken periods, provided that during the enrollee's leave of absence from the camp he is actually in attendance upon some educational institution of his choice.

I may say that in many of the States we have, for instance, 3-month forestry courses in the universities; and the enrollee, with the permission of the Director, or in the Director's discretion, might be permitted to work for 3 months, then attend the forestry course of 3 months, and return to finish his enrollment, say, of 6 months.

Cooperative education is growing in the United States and is a very helpful development in our educational system. For instance, many colleges and universities have worked out a cooperative plan under which the student is permitted to study for 3 months and then to take a job for 3 months, thereby earning a fund sufficient to enable him to return to his college work after his period of actual employment. The men who are now coming out of our colleges and other educational institutions under this cooperative plan of education are coming out with the knowledge and ability and experience to enable them to find their places in life.

This amendment is permissive. The Director, of course, would not be compelled to permit any enrollee to break his term of service; but he would be given power to permit the enrollee to break his term of enrollment by working 3 months, then attending an institution of the student's choice for a period of 3 months, and then returning to the camp to fill out his 6-month enrollment, using the period of 6 months merely for illustration.

Not only that, Mr. President, but under this amendment it would be quite possible for the Director, if he should see fit to do so, in any and every State, to establish one or more camps particularly for boys who have not completed their education, to which enrollees might be assigned who desired to break their term of service for the purpose of completing their education.

Since this amendment is one which merely gives to the Director a discretion which he does not now have, I hope the amendment may be acceptable to those in charge of this measure.

Mr. POPE. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Georgia yield to the Senator from Idaho?

Mr. GEORGE. I do.

Mr. POPE. Could any arrangement be made whereby the enrollee could attend the school without payment of tuition charges to the institution?

Mr. GEORGE. I should hesitate to burden the bill with such a provision. My record here is very well known as one entirely favorable to vocational education and to Government participation in providing vocational training.

Mr. POPE. I understood the Senator to say that some arrangement could be made between the institution and the C. C. C. for the men to take these courses; and I wondered whether that included some arrangement as to charges or fees.

Mr. GEORGE. No; the amendment merely permits the enrollee to break continuous service for the period of his enrollment, in the discretion of the Director, if, during his leave of absence, the enrollee cares to attend and does attend an educational institution.

Mr. BLACK. Mr. President, in my judgment, the amendment is really an addition to the bill, and I certainly have no objection to it.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Georgia [Mr. GEORGE].

The amendment was agreed to.

Mr. BYRNES. Mr. President, I desire to ask the Senator from Alabama if he would mind telling the Senate what his views are with reference to having the bill provide, as does the House bill, the compensation to be received by enrollees.

If this corps is to be extended only for 2 years as a temporary organization, I think we might well continue to permit the compensation to be fixed by the director of the organization. If, however, the theory of the Senate bill shall prevail and the C. C. C. is made a permanent department of the Government, then I should like to know whether the Senator from Alabama, in charge of the bill, would seriously consider having the bill provide the compensation to be received by those in camp.

The House bill sets forth the compensation now received by enrollees and by leaders. I do not know enough about the matter to prepare an amendment which would reach the object, and I do not think it could be done on the floor of the Senate. I think it must be done in conference.

If the House theory should prevail and the corps were to be a temporary organization, we could well leave the discretion with the Director; but if it shall be determined in conference that the Senate idea is to prevail and the corps is to be a permanent establishment of the Government, I think it all important that we should provide the rates of compensation, just as we provide for compensation for the Army, the Navy, the Marine Corps, and all other departments of the Government.

It is all the more important because of the statement made by the chairman of the committee in the House having the bill in charge that in his opinion the President was wrong in fixing the compensation at $30 per month; that he believes and has urged that it be $50 per month for the enrollees. The President did not see fit to agree with the chairman of the House committee and fixed the compensation at $30.

If the opinion of the chairman of the House committee should prevail, and the compensation of each man were increased from $30 to $50, with a corresponding increase in the pay of the leaders, it would almost double the amount for the service, and would result in arousing sentiment against an activity which the Congress favors. I should like to have the Senator from Alabama state his views as to whether Congress should determine the compensation if the corps is to be a permanent establishment of the Government.

Mr. BLACK. I will say to the Senator at the outset that, as he knows, the bill as it passed the House contained the 2-year limitation, and I assume the bill will go to conference on the basis of the House provision, thus creating a difference, unless the Senate should adopt an amendment providing the same limitation.

With reference to the distinction between the permanent authorization and the 2-year authorization, as I stated yesterday, I see no very great difference. Personally, I favor the permanent authorization, for the reason that, in my judgment, it gives more time to plan for expenses in connection with purchases, and also gives more time to plan the work that is to be done.

Whether we provide a 2-year term or a permanent authorization, in my judgment there are few who would be optimistic enough to believe that this country would change in sentiment sufficiently to agree to abolish the Civilian Conservation Corps camps in 2 years. Believing that they are to be permanent, or at least extend over a period of years, it would be my personal preference, in the interest of what I believe would be efficient management in connection with both purchases and services to be performed, that the authorization be of a more permanent nature.

If the authorization is not to be of a permanent nature, but is to be limited to 2 years, the idea that there has been any great change worked in the bill seems to me rather ridiculous. It is not any great change, because if we limited the organization to 2 years the Senate and the House and the President could still continue it 2 years from now. If, on the contrary, it were made a permanent authorization, if the Senate and the House and the President so desired, they could cut off the appropriation 2 years from now.

I do not know which attitude will be adopted. If an amendment shall be offered in the Senate, as I assume it will be by someone in his zeal for economy in connection with cutting off Government agencies, and the Senate should desire to indicate that the organization should continue for 2 years, so far as I am concerned, that would be perfectly satisfactory to me, because as a believer in the C. C. C. camps I am just as sure as that I am standing here that 2 years from now it would be extended again. Perhaps

some of those who wanted to stay on the side of drastic economy would again offer an amendment and provide that the C. C. C. should be limited to 2 years.

I see no practical difference between the two positions. I notice that it has been stated in some of the press that the administration has suffered a great defeat because the House changed its authorization from a permanent authorization to one of 2 years. It may be that someone will want to bring a great defeat on the administration again in the Senate that way; but, so far as I am concerned, I will not construe it as such. It is a matter of very little moment to me, as the chairman of the committee which has had the bill under consideration, although I personally favor the permanent authorization, because I believe that would really be in the interest of efficiency and economy and that other, while superficially and on the surface it looks like economy, would bring about additional expense because the proper plans could not be made for continuing the service.

A few days ago I saw an advertisement of the C. C. C. camps for bids in which it was stated that bids would be accepted, but in consideration of future appropriations made by Congress. That was correct, under the law as it now is. I received a letter from a man who wanted to bid, and I gathered from his letter that on account of that statement the bids would be higher than they would have been if there had been a direct, positive statement that the contractors would get their pay immediately.

So far as the provision under consideration is concerned, I may say to the Senator from South Carolina that I asked the assistant to Mr. Fechner about this particular amendment, Mr. Fechner being out of the city at the time. The assistant to Mr. Fechner told me that they could operate the camps satisfactorily at this time with this limitation. I was particularly interested in the limitation as to the number of leaders and the other attachés. He said that what is suggested is within the limitations they have heretofore had. He did not advocate it, nor did he advocate to me that it should not be in the law, but he did call my attention to the fact that there might be at some places special circumstances and conditions, at some time in the future, under which this amendment might affect them, and probably place a limitation on them which it might be difficult to carry out, but that they intended to carry on exactly as they had been doing whether or not this appeared in the bill.

Whether the organization will be permanent or not I do not know. When an amendment to cut the authorization down to 2 years is offered in the name of economy, which, in my judgment, would mean more expenditures within the next 2 years, if the Senate votes it in the name of economy, the situation will have arisen which the Senator has mentioned.

I know of no move to raise the pay of the enrollees. I am sure it is the intention to carry on the work as it is now going on. The enrollees are getting $30 per month, and the bill before us provides for $30 per month. If the Senate sees fit to limit it to $30 a month, I cannot see that any great change will be made. Frankly, I do not believe it would make the slightest change in the future operation of the corps.

Mr. BYRNES. Mr. President, will the Senator yield?

Mr. BLACK. I yield.

Mr. BYRNES. My thought at first was to offer the amendment. Then I concluded that it would be far better to let the Senator from Alabama, in charge of the measure, handle it without the Senate acting upon it. When the Senate takes no action, the whole amendment is in conference. It is impossible for us to tell whether it is wise to limit to 10 percent the number of men who shall receive $36 and to 6 percent the number who shall receive $45. We have not the information upon which to reach an intelligent conclusion. As a matter of fact, if it is determined that the C. C. C. shall continue for only 2 years, I do not see any reason for placing a limitation. If, however, the Senate shall vote for the bill offered by the Senator from Alabama, and make the corps a permanent organization, and in conference that should be agreed to, then I think that, having the other amendment in conference, the rate of compensation should be provided, because it will then be a permanent agency of the Government, and we would have no excuse for fixing the compensation of the Army, the Navy, the Coast Guard, the Public Health Service, and other services, and not voting some limitation upon this one. The Senator agrees the whole matter of compensation will be in conference.

Mr. BLACK. That is correct, and I state further to the Senator, speaking for myself, that it is my belief that when the Government employs that many men on a permanent basis it is a safer legislative procedure for at least a maximum payment to be fixed by the Congress. I, myself, would not at all object to carrying out the general idea of fixing the wages to be paid. But I would not favor limitations in percentages, which might handicap the proper and efficient operation of the corps.

Mr. BYRNES. Mr. President, I know that no Member of the Senate would seek to do that, and that is why I hope no amendment will be offered and that we will allow the Senator from Alabama to investigate and determine what percentages should be fixed, so that in case the organization should be made permanent we can provide percentages which would not handicap the organization. At the same time, inasmuch as we provide fixed compensation for all of the other services of the Government, if the C. C. C. is to be made permanent, I am glad to know that the Senator agrees with me that we should provide in the law what the compensation should be.

Mr. BLACK. I may say to the Senator that that would be my individual opinion, and as a Senator and as a member of the conference I would still have that opinion. I have no objection to the Senate voting on these different provisions, so that we may know the viewpoint of Senators. No one knows as yet whether the organization will be a 2-year organization or is to be a permanent organization.

Mr. WHITE. Mr. President, I desire to ask the Senator from Alabama [Mr. BLACK] a question about the matter of salaries. Am I to understand that if the Senate provision should stand precisely as it now is, there would be unlimited authority in the conferees to raise or to lower the compensation above or below the $30 rate named in the House bill?

Mr. BLACK. I assume that the parliamentarian perhaps would have the last word on what our authority would be. If the language should be left as it is, however, the question of payments to the enrollees would be a question for consideration in conference.

Mr. WHITE. Yes; and the conferees would have authority to reduce the $30 rate fixed in the House bill, or to raise that rate to whatever figure they saw fit, or to leave it entirely within the discretion of the President to fix the rate as he sees fit? That is the way it would work out; is it not?

Mr. BLACK. It would seem so to me, from the situation that exists.

Mr. WHITE. Mr. President, while I have the floor I wish to say just a word about the situation.

If an amendment is offered to limit the time of operation to 2 years, I think I shall vote for it, although I have no idea that the C. C. C. activities will be terminated within 2 years. My personal belief is that this is an undertaking of the Government which will be permanent in its character, and we may just as well recognize that fact. Having instituted these activities, and having provided for them during the 2 or 3 years they have been going on, I think we have started a governmental institution which will persist; and I am not finding any particular fault with that. However, if we believe that to be the future of these camps, I think it highly important, as apparently does the Senator from South Carolina [Mr. BYRNES], that there should be a statutory designation of salaries or payments to the enrollees; and I very much hope that out of the conference will come a definite statutory provision in this respect.

Mr. THOMAS of Utah. Mr. President, I send to the desk an amendment, which I ask to have stated.

The PRESIDING OFFICER (Mr. RUSSELL in the chair). The amendment will be stated.

The CHIEF CLERK. On page 1, at the end of line 6, it is proposed to strike out the words "and in needy circumstances", and on page 5, line 16, it is proposed to strike out the words "and in needy circumstances."

Mr. THOMAS of Utah. Mr. President, as stated by the chairman of the committee a proposition something like this amendment was discussed in committee, but it included the whole line "who are unemployed and in needy circumstances." The reason for offering that amendment in the first place was that it was deemed that the C. C. C. organization, as has been testified by many Senators, had justified itself, both in the building of men and in developing the Nation, and that probably the restriction as to enrollment should be removed. It was thought by the committee, however, that if this restriction were removed probably the organization would take on aspects of an educational institution, or grow in proportions that we do not wish it to assume so far as various things are concerned.

The amendment offered by the Senator from Georgia [Mr. GEORGE], which has just been agreed to, looks to a splendid cooperation with educational institutions and provides a medium whereby such cooperation can be developed to the advantage of the enrollee as well as to the advantage of an educational institution, and also to the advantage of the entire Nation. We are now advocating making the C. C. C. institution a permanent institution, and it was in relation to that permanency that the amendment of the Senator from Georgia was offered and we accepted.

Mr. KING. Mr. President, will my colleague yield?

Mr. THOMAS of Utah. I yield.

Mr. KING. I hope that my colleague when using the pronoun "we" and when making reference to the acceptance of the amendment offered by the Senator from Georgia, does not comprehend all of us, because I am opposed to making the C. C. C. permanent. I was opposed to the amendment offered by the Senator from Georgia. I do not want my colleague's statement to go unchallenged that we had accepted the view that it should be a permanent institution, because I have not so accepted it, and I shall vote against it being made a permanent institution.

Mr. THOMAS of Utah. Mr. President, the "we" must be confined entirely to the action of the Senate in accepting the amendment of the Senator from Georgia, and in explaining, I hope, what I am trying to put forth here in a minute.

"In needy circumstances" must in the nature of this bill refer not only to the enrollee but to his whole family. The enrollment is open to boys from the age of 17 to the age of 23. If this phrase remains in the bill it means that every boy who goes into a C. C. C. camp is not only stamped by society and by the uniform which he wears as being one in needy circumstances, but it goes even farther than that, because the boys who are 17 years old are minors.

In certain States they are supposed to be unemployed, because the educational requirements are such that they have to be in school until they finish their eighteenth year. Therefore, the words "in needy circumstances" will reflect completely upon their families.

In laying the foundation for a law of this kind it seems to me that we should put nothing in the foundation law which will in any way stamp 300,000 boys every year, and probably 600,000 if they enroll for only a 6 months' period, with having come from that class of the needy. By doing so we first mar the boy himself and then we damage the community. I can see the time coming when, if we make of this a sort of class legislation business, probably C. C. C. would be made to mean "cashless common class." That is exactly what it would mean.

In the history of our country, as far as I know anything about it, I believe we have never before slipped back to what was the worst method of handling charity in the dark ages and the middle ages—that of placing upon the person who is a beneficiary of such charity the necessity of wearing a uniform to mark him at all times as having been poor. It is perfectly honorable to be poor. It is perfectly honorable to be unemployed. Men in public life consider it a great asset to have been born in farmhouses, or in log cabins, or in other circumstances of poverty. But I want to tell Senators that it is a struggle for anyone to live down the fact that his family comes from the ne'er-do-wells. They are marked in society by reason of the fact that the Government has decided to pick them out and give them an opportunity. It means that certain boys coming from families with pride will not enter these camps. It means that the families will not want their boys to enter the camps.

I give an illustration of this type. A family, for example, which ordinarly gets along in pretty decent circumstances, is struck by a depression. The time comes when it has only one breadwinner. Perhaps it is a young girl school teacher. Perhaps it is the wife who has a job. Perhaps it is someone else in the family. That family is experiencing things which may make or may mar each and every member of it. Under such circumstances the boy decides to go to a C. C. C. camp. Immediately he is stamped, so long as these words remain in the bill, as a needy one, and his family immediately takes upon itself the same character.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER (Mr. SCHWELLENBACH in the chair). Does the Senator from Utah yield to the Senator from Idaho?

Mr. THOMAS of Utah. I yield.

Mr. BORAH. Mr. President, the Senator from Utah has given a great deal of thought to this subject and to the entire bill, a fact with which I was struck in the committee when we were considering the bill. I have a very great regard for his views. I wanted to ask the Senator what definition he gives to the word "needy"? What is there in that term that would signify something in the nature of discredit for the boy to be designated as "needy"? I can imagine a person being in needy circumstances, and yet there can be no reflection upon him. But I should be glad if the Senator would give me an idea of what he means by the words "in needy circumstances."

Mr. THOMAS of Utah. The idea I had is the one that I have already expressed, I think, and the common idea, the one the average person would have. Here is a family unemployed and in needy circumstances, a family for whom some charitable act must be performed if it is not to go down.

Mr. BORAH. The word "needy", then, would be largely synonymous with "unemployed", would it not, but it would not be expressed?

Mr. THOMAS of Utah. I think so. I think the word "unemployed" covers the whole idea, and that it refers only to the boy who goes into the camp, whereas the words "in needy circumstances" include his whole family, his whole community, and may be detrimental to all.

Mr. President, when we leave expressions like "in needy circumstances" in a law, no one can foresee their ultimate consequences. Take, for example, our experience with the pauper's oath. I do not think Congress can be held responsible for the use of the pauper's oath in relation to our relief administration. That came as a result of administrative action, and we all are familiar with the consequences. If experiences such as those we have had from the use of the pauper's oath came from interpretation put upon a law, what could not be done by administrative action under a grant as broad as the phrase "in needy circumstances"?

I agree with the Senator from Idaho [Mr. BORAH] that striking it out of this bill will not in any way interfere with what was the fear of the committee, that probably those who are not, in a great national sense, worthy of enrollment would take advantage if we left merely the word "unemployed." Personally, I believe that there is many a millionaire's son who ought to have the C. C. C. camp experiences, but I want him to have the experiences so that he will learn the lessons by actual contact and not in any other way.

I may call attention to the fact that if "in needy circumstances" means what I have suggested it does mean, not

only does the use of the words create a class for us in America but it is exceedingly undemocratic. Even in the work camps in Europe the theory which Mr. Hitler, for example, puts forth is that every German at some time should go to the camps, so that there is no particular stigma, there is no disrespect, there is nothing that can be turned into society's slur upon a neighbor as we have in these words.

I think that the entire Senate sees the point. If enrollment is based upon unemployment and is for the purpose of building citizenship, surely we want the boys to have all the ideals and the attitudes which give them a chance to develop into the finest kind of citizens.

Mr. BORAH. Mr. President, I desire to say a word regarding the pending bill, and it may be as relevant to this particular amendment as at any time during the consideration of the measure.

I am in full accord with the sentiment expressed by many as to the great success of the C. C. C. enterprise. When I voted for the measure, on its original passage through the Senate, I had in mind only the benefit it would afford the boys who might be enrolled in the camps. But the service rendered by the C. C. C. enterprise has gone far beyond that. It has been not only a benefit to the boys who entered the camps but, in my judgment, it has been a benefit to the community and a very great help to the Nation.

So I speak with entire sympathy for the cause which is represented by this bill, and I would not want to say a word or cast a vote which could be construed as expressing dissatisfaction with the work which has been done. However, I voted for the measure in the first instance as an emergency measure, and I have always so regarded it. I could gladly vote for the House bill, which limits the program to 2 years, but I am not prepared to vote to make the institution permanent. We have now reached the point where we are considering the question of making it permanent. I take it that at some time, if not now, it will likely be made permanent. Certainly we will make it permanent if the rather sad—I think erroneous—outlook is confirmed that we are always to have millions of unemployed in the United States. But I am not arguing against making it permanent; I am merely suggesting that, in my opinion, we are not now ready to make it permanent. I do not say I personally will ever be ready to make it permanent. I only know that I am not now ready to do so.

I became convinced from listening to Mr. Fechner and others who know much more about the subject than I could possibly know that it has not been worked out as yet to any definite conclusion as to what should be incorporated in a bill designed to make this institution permanent. We do not know just what we want to incorporate in the bill as to what should be the work of the Government, what the training should be, or how these boys should be employed.

Certainly if we are going to make the corps permanent we cannot arbitrarily say that only 300,000 boys out of a million or more that ought to be in it shall be admitted into the camps. It seems to me that when we come to make it permanent we must take into consideration the establishment of a rule or rules which will admit all who may come under the rule or rules. We cannot arbitrarily say, in justice to the young citizenship of the country, that just so many will get in and no more will be permitted to enter, notwithstanding those on the outside may be just as righteously and justly entitled to enter as those who enter. It is for that reason that it has seemed to me—and I so expressed myself in the committee—that we ought for some 2 or 3 years to postpone the time for making the C. C. C. permanent. Then the administration of the law from this time on would have in view the ascertainment of the things which ought to be incorporated in the law when we make the corps permanent.

It is evident that Mr. Fechner, able as he is, conscientious as he has been, and thorough as he is in regard to this matter, was not himself prepared to say what a permanent law should include. I became satisfied—and I must believe that the committee derived a similar impression—that if a man of his ability and his experience is not prepared to say "this or that shall go in", and to indicate the terms which shall be employed, the conditions which shall be set forth, we are starting to make it permanent at too early a period.

In saying that, I repeat that I contemplate that it will ultimately become permanent; that is, permanent in a limited sense. I hope that the time may come when no such institution will be necessary in this country, but for the outlook now we will call it permanent. This bill, however, is not written for a permanent institution, and, as the able Senator from Utah [Mr. THOMAS] has stated, there are provisions in this bill which we would not want in a bill which was to provide for a permanent institution. There are other things which ought to be in the bill which are not in it if we are going to make it a permanent organization.

I do not see how, under any theory of justice or any theory of democracy, the Government of the United States can set up a great institution for the building of citizenship, for rescuing the young, for giving a boy with no outlook an outlook, and yet say that every boy outside a limited number shall be excluded. There must be some rule, some principle, embedded in the law so that every boy coming within that rule and within that principle will be permitted to enter the camps and receive the benefit of the Government's aid.

I think I would be controlled in my vote on this particular amendment by the feeling as to whether or not this is to be a permanent institution or temporary for the present time. In the committee I expressed my view that it ought to be limited to 2 years.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. BORAH. I yield.

Mr. HAYDEN. The rule under which enrollment has taken place up to the present time is that a young man, in order to be enrolled, must be a member of a family which is on relief.

Mr. BORAH. That is not true under this bill.

Mr. HAYDEN. I am stating the existing rule. And the establishment of the corps was justified by requiring the enrollee to make a return of all but about $5 a month of his pay to his family that was on relief, and thereby the relief roll was reduced in communities where the families resided.

This bill provides for a remission of money to the families of enrollees, but it does not limit enrollment in the corps to young men who belong to families that are on relief.

Limiting it as it has been heretofore to young men coming from families on relief, there could not be found 500,000 men in the United States eligible for the corps. By removing that limitation I fear we will find perhaps a million or two million eligible to the corps. Making eligible young men who are unemployed and who may have a certain amount of need in their families brings about a vastly different situation. If the Senator will lay down a rule that every young man who is unemployed and whose family is in somewhat necessitous circumstances is entitled to go into the corps, then he must evidently be willing to have the corps increased largely above 300,000.

Mr. BORAH. Oh, yes, if we are going to make it permanent. If we are going to make it permanent I do not see how we can arbitrarily say that Richard Roe shall be admitted, but that John Smith and his brother shall not be admitted, although the conditions of all needy be the same. This was an emergency measure, it is still an emergency measure, and the terms of the bill fit an emergency situation. But the bill fixing a permanent institution is unjust, inequitable, if not absurd.

Mr. HAYDEN. I think the answer is a practical one, that the enrollee should be selected by the local authorities. There is still a provision in the law whereby a part of the salary may be allotted to his family. That being the case, the local authorities will select young men who come from families primarily on relief, and they may take in other families where there is real need for the aid afforded by the money which the young man can send back to his family. That is going to be the practical reason for selecting an enrollee.

Mr. BORAH. That may be true. It does not, however, necessarily have to be true under the terms of the bill. The bill provides:

> There is hereby established the Civilian Conservation Corps, hereinafter called the corps, for the purpose of providing employment and training for citizenship for youthful citizens of the United States who are unemployed and in needy circumstances.

And yet the number is arbitrarily fixed at 300,000, although there may be 10,000 more or 100,000 more or 500,000 more who are unemployed and in needy circumstances and who are not going to be trained for citizenship.

Mr. HAYDEN. It would be a most excellent thing not to limit it to 300,000. If we could afford to pay the bill, I should like to see a million young men a year go through the camps.

Mr. BORAH. We can either afford to do justice and equity to these young men or keep out of the business. If the Government is not big enough and able enough to do justice to these young men who are in the same circumstances as those whom we will take care of, then we ought not to undertake the task as a permanent undertaking.

Mr. President, it was a fine and proper thing to care for the unemployed youth, and we must continue to do so. But when we leave the realm of emergency, when we depart from unemployment as a basis for Government action and undertake to set up a vast bureau to educate and train the young of the country, we will face as delicate and profound a problem as a nation can know. For myself I am not willing to enter this stupendous undertaking without much reflection and great study.

Mr. KING. Mr. President, I am not a member of the committee reporting the bill under consideration. I was denied the opportunity of hearing the witnesses appearing before the committee, and I have had no opportunity to learn the nature of the testimony submitted to it. Committee engagements have kept me from the Senate during the day, and I have not had the benefit of the discussion which has ensued concerning the terms of the bill.

Perhaps I may find myself almost alone in opposing some of the provisions of the Senate bill. I voted for the bill which created a Civilian Conservation Corps, believing that the economic conditions justified its enactment into law. I voted for other measures which could only be justified because of the depression in which we found ourselves.

Many laws are enacted to meet serious emergencies which cannot be justified under normal conditions. When war is threatened taxes almost confiscatory are imposed upon the people and the youth of the land are drafted for military service; but emergencies are not persistent and cannot be regarded as the base for permanent legislation.

It was claimed in the early stages of the depression that thousands of young men were out of employment and in needy circumstances. It was also represented that the families of many of these young men were without employment and were in need of food and clothing and, in many instances, habitations. Billions of dollars were expended during the depression to meet the situation and to alleviate the sufferings of the people. I believe that the plan upon which the Civilian Conservation Corps rested possessed some merit and that it would aid not only young boys who were without employment but would enable contributions to be made by them to their families. The cost of this organization has been very great, and I think that it may be assumed that the cost, by reason of changed conditions, will be greatly increased in the immediate future.

I am willing to join with my colleagues in voting to prolong the life of this organization for 2 years after July 1, 1937, as provided in the House bill. Generally speaking, I think the House bill is better than the Senate bill, and I hope that it will be approved by the Senate.

I cannot agree with my friend from Arizona [Mr. HAYDEN], who has just indicated that he would be glad to see a million young men gathered from the ranks of the people and placed in the Civilian Conservation Corps. I hope that he does not approve of the provisions of the Senate bill, which, in effect, seeks to make this organization permanent.

I think it is admitted that the cost of this organization will amount to more than $300,000,000 annually, and I have no doubt that if it is made permanent, efforts will be made along the lines indicated by the Senator from Arizona to increase the number of enrollees so that there will be an army of half a million or more who will constitute the personnel of this organization.

There is no mortality for Federal bureaus and agencies. They demonstrate that immortality exists in bureaucratic agencies, though it may not secure a prolongation of individual life.

As I have indicated, I am opposed to enlarging this organization or of giving it a lease of life beyond the day which I have just mentioned.

The House bill declares that the purpose of the organization is to provide employment and vocational training to the enrollees. It does not contain the objectionable features found in the words "and training for citizenship for youthful citizens of the United States."

There are many implications in the words "and training for citizenship." Of course, we desire not only young citizens but all citizens to be advised as to the nature of our Government and the duties and responsibilities of citizenship; but I cannot believe it wise to commit to the Federal Government, through a semimilitary organization, the task of training young boys for citizenship. First let me say that this organization was not set up for that purpose. As stated, it was created to meet an emergency and to aid boys who were in needy circumstances to supply their physical wants. Of course, incidentally, they would obtain some vocational training and be subjected to reasonable discipline.

Different interpretations will be placed upon the words "training for citizenship." We are informed that in some of the schools and universities training in citizenship implies an exposition of bolshevism and the views of communism, with its deadly opposition to all forms of religious faith. Training in citizenship in some countries involves training in militarism, in communism, and in the methods of propaganda aimed at the overthrow of genuine democracy, and the spiritual and ethical concepts of the Christian faith. Of course, I do not mean to infer that teachings of the character just indicated would be a part of the curriculum to which the enrollees would be subjected when they were being trained for citizenship.

I am still old-fashioned enough to believe that the home, the church, and local communities are the fountains from which flow currents for the enrichment of the minds and the lives of young and old. Patriotism and the duties of citizenship and loyalties of life find their strongest teachers and influences in the homes.

It is not my purpose to institute improper or offensive comparisons between the United States and other countries, but when we are requiring the Federal Government, through semimilitary organizations, to provide for the training of young men for citizenship, I am reminded of the policies of some nations in the training given to immature youths and youthful citizens.

I visited a number of military camps in Russia a few years ago where the young men were "being trained for citizenship" in the Bolshevik Government and likewise for military service. The two were compounded and the young men were indoctrinated into the ideaology of communism and received training concerning their duties as to what citizenship and its duties meant within the philosophy of the governmental authority. They were trained not only to meet the hardships of military service but also in the philosophy of Karl Marx, as it was exemplified in the government of their country and the obligations which they were to assume as citizens of that government.

Senators are familiar with the training of the youth in Germany before the war and the training for citizenship which they are receiving under the Hitler regime. Citizenship there does not bear the connotations of citizenship in the United States. Training for citizenship there means, in part, at least, hatred of a certain race and an effort to secure an unalloyed allegiance to a form of government

which suppresses democracy and requires, if it does not compel, obedience to one man and to policies which he, from time to time, may inaugurate. And beyond the Alps is another country in which training for citizenship compels obedience to a political organization boasting of its power and which glorifies military success.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Idaho?

Mr. KING. Certainly.

Mr. BORAH. I assume that these policies of which the Senator speaks in the respective countries were not based upon unemployment or needy circumstances, but were a part of a scheme of advancing their theory.

Mr. KING. I think the Senator is substantially correct, and yet it was believed that withdrawing large numbers of individuals from the economic and industrial fields would relieve to some extent the economic pressure which produced repercussions in the social, industrial, and political life of communities.

Mr. President, I would look with considerable concern upon a permanent policy that envisages the control by the Federal Government of hundreds of thousands, or millions, of our young men in camps semimilitary in character, where they are to "be trained for citizenship." No one denies the importance of the young men and women of our country learning of our form of government and the duties and responsibilities which will rest upon them as citizens of the Republic. Undoubtedly, there are many young men and women who are not familiar with our form of government and have not been properly trained in the duties of citizenship and the part which they should play in the economic, industrial, and political life of their country. But I have been unwilling to support policies under which the Federal Government would take control over our educational system. Believing, as I do, in the importance of public schools and academic education, I have not favored any policy that looked like a surrender by the States to the National Government of the control of our public schools or of our educational system. One of the important responsibilities of States is to provide educational opportunities for all the children within their borders.

Thomas Jefferson, the great apostle of liberty, it is thought by many, laid the foundation of our public-school system, and he recognized that that system was an inseparable part of local self-government. Speaking generally, I think the American people have been proud of their public schools, and they have gladly submitted to heavy exactions for their maintenance.

Mr. President, I have not lost faith in democracy or in the competency of the people, through their State organizations, to discharge every duty resting upon them to educate the young men and women, and to prepare them for the responsibilities of citizenship. There is a growing fear among many patriotic Americans that home life is being weakened and that family ties are being challenged. They recognize that democratic institutions and a progressive Christian state can only properly function where there are strong home ties, and where family altars bind the members of the family together. There are many, however, who are willing to superimpose upon the States a powerful national organization which will, through numerous bureaus and Federal agencies, control the lives and the thoughts of individuals from the cradle to the grave.

Love of home is one of the strongest passions of the human race. Men will fight for their homes and their families and make every sacrifice for their protection. The Basques in Spain today, we read, cling to the rugged rocks and hills and mountains where they live and where their forefathers for centuries lived, and the wives and children join with fathers and sons in beating back invading forces.

The home is not only a school for the training of boys and girls for citizenship, but it is, or should be, a most powerful and pervasive force for the development of moral and spiritual forces necessary for the building of an enduring civilization. There are many, however, who are drifting away from those influences, moral and spiritual, arising from home and family and church, and are accepting philosophies and confused teachings destructive of the enduring and fundamental things of life. It is the responsibilities of parents to guide the footsteps of the young and impart those teachings which will prepare their children for the duties of citizenship and for the performance of those tasks which will promote the welfare and happiness of communities, states, and nations.

But, I repeat, when I say that there are some who are willing to surrender their rightful authority and shirk their duty with respect to their children and who complacently look upon the invasion by the Federal Government of States, and impingement by Federal bureaucratic organizations, upon the rights of individuals. Bureaucracy is growing; it has assumed a massive form, and its power and influence are extended into almost every home in the land. It is unfortunate that there is a growing disposition to welcome bonuses and gifts and contributions from the Federal Government, and the assumption by it and its more than a million and a half employees of responsibilities with which the Federal Government should have no concern, and which belong exclusively to individuals or to States and their political subdivisions.

There is a growing spirit in favor of standardization, so that there is being developed a cult whose principal purpose is to bring all persons under the flag into one huge group where individuality is sacrificed.

Perhaps nearly 40 bureaucratic agencies have been created during the past few years, but efforts to diminish the number have not been successful. There are many discouragements when efforts are made to eliminate organizations formed for temporary purposes and to consolidate bureaus and agencies in the interest of economy and of efficiency.

Mr. President, I think it would be unwise, with the limited information which we have, to enact a law which makes the Civilian Conservation Corps permanent. We do not know what conditions will exist in our country 2 years from now. Many pages will be written in the meantime. New problems will have arisen, some of which will relate to this organization and to the hundreds of thousands found therein. And we have just been told that the head of the organization lacked adequate information to submit a plan for a permanent organization.

Mr. President, there will be some who believe that more satisfactory results would be obtained if the more than $300,000,000 per year required to meet the expenses of this organization were devoted to sending nearly twice as many young men to college. My understanding is that the annual cost of each enrollee is approximately $1,200. That sum would send two enrollees to college, and there are many vocational schools where those who might seek collegiate training could find employment and receive vocational education. Can it be said that we are ready to permanently adopt the present plan which governs the Civilian Conservation Corps? Why not defer definite action for 2 years? Undoubtedly at the expiration of that time there will be an accumulation of facts of which we now have but limited, if any, knowledge, which will enable Congress and the country to determine the wisest course to pursue.

The capacity for local self-government is weakened and the States are being deprived of their power and authority.

The Senator from Idaho [Mr. BORAH] has indicated the genesis of this organization. It was not for the purpose of training the young for citizenship; it was, as I have stated, to meet an unprecedented depression, which resulted in poverty and reduced millions to want. One of the means suggested by President Roosevelt was the establishment of C. C. C. camps where several hundred thousand young men, who were in needy circumstances, many of whom were without adequate food and shelter, might be provided for. The President acted with courage and ability, and as I have stated, suggested this humanitarian plan for the purpose of dealing with an acute emergency. But those days have passed; new conditions exist and the skies do not obscure the sun. Throughout the land the hum of industry is heard,

millions of people have returned to profitable employment, and everywhere there are manifestations of an industrial renaissance. The people, now filled with hope and courage, are going forward with happy strides to meet the problems of the hour and to lift our country to a high pinnacle of prosperity. In many places there are evidences of a revival of religious faith and a desire upon the part of millions to seek that spiritual guidance which will make for cooperative effort for peace and happiness.

Mr. President, I hope that the House bill will be preferred to the Senate bill. If it shall be, I shall vote for it; but the Senate bill, in its present form, does not meet with my approval.

Mr. BLACK. Mr. President, as I understand the amendment of the Senator from Utah [Mr. THOMAS], proposes to strike from line 7, page 1, the words "and in needy circumstances."

Mr. THOMAS of Utah. And on page 5, line 16, to strike out the same words.

Mr. BLACK. And to strike out the same words on page 5, line 16. So the amendment which is under consideration has no relation to the question whether the Corps shall be permanent or temporary. It is an amendment proposing to strike out the words "and in needy circumstances."

I call the attention of the Senate to the fact that in determining what enrollees shall be accepted, the words "who are unemployed and in needy circumstances" define the type of enrollees who are to be accepted. So it is a question of whether the Senate wishes to define those who are to be enrolled in the camps as "unemployed", or whether the Senate wishes to define those who are to be enrolled in the camps as "unemployed and in needy circumstances." I ask the Senator from Utah if that is the fact.

Mr. THOMAS of Utah. That is correct.

Mr. BLACK. The words of the House bill are "unemployed and in needy circumstances." I myself have not felt that the words "in needy circumstances" constitute any reflection upon the enrollees. The very able and distinguished Senator from Utah—who, I may say, is one of the most useful and conscientious members of the committee which considered and reported the bill—does feel that to use the words "in needy circumstances" may be in some way a reflection upon the young men who enter the camps.

The committee did not vote on this exact amendment. As I recall, the committee did vote upon an amendment which suggested striking out the entire line. The Senator from Utah suggested in the committee an amendment which would have stricken out the words "who are unemployed and in needy circumstances." That amendment was defeated. The Senator from Utah now proposes an amendment which strikes out the words "and in needy circumstances."

Frankly, I do not consider the amendment as of any great importance in connection with the interpretation of the bill, because the possibility is that the word "unemployed" might be construed to include those who are in needy circumstances. I simply wanted the Senate to have directly before it the issue which is involved in the amendment.

I desire to state, in connection with some of the other things which were said, that I can see no difference between a permanent authorization and a 2-year authorization insofar as the number of 300,000 is concerned. If, as suggested, it is wrong to take young men into permanent camps and limit their number to 300,000, it would be just as wrong to limit their number to 300,000 in temporary camps; and I cannot recognize that distinction.

Mr. THOMAS of Utah. Mr. President, I have no more to add than to emphasize the fact that the amendment suggested in committee was an amendment dealing with the theory of justifying the C. C. C. on its merits as an institution; not at all as a relief institution, but because it had actually built men, and it had actually done something toward developing conservation in our country.

Economically, I feel that the C. C. C. has justified itself, and that, so far as the C. C. C. organization is concerned, it may be justified in a number of ways, so that it may properly become part of our national policy.

There are in our country thousands and thousands of young men who, for one reason or another, do not have any socializing influences brought to them as a result of attendance upon high schools and universities, who do not go into the Army or the Navy or the Coast Guard, in fact who have no chance at all to meet with their fellows, and gain that which is so important in building citizenship, an opportunity to exchange ideas and to tussle with those on their own level. Therefore I say the C. C. C. may be justified from almost any standpoint from which we wish to justify it; and it was in an attempt to justify it permanently that I suggested in committee the amendment to which the chairman has called our attention.

We probably hit upon the idea of those in needy circumstances, though we did not argue the matter as I have tried to argue it here today. If we are to adhere to the idea of a classless society and the methods we have grown to respect in regard to taking care of the underprivileged, I think the less we stamp the underprivileged the better for them and the better for our society. I do not think there is any disgrace in being unemployed. I do not think there is any disgrace in being underprivileged. That comes to a man quite by nature, and quite as a result of circumstances with which he has nothing to do. But to be marked as being either does something to that man which probably is not tangible, but which has much to do with making or marring him and his future. For us to permit, for example, an interpretation in a fundamental law under which someone in administrative authority would go so far as to stamp these boys and their families as those in a community who are in needy circumstances would do damage to the boy and the family and the community.

That is my point. There is absolutely no need for these words to be in the bill, and yet with them there we are enacting definite class legislation.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Utah [Mr. THOMAS].

The amendment was agreed to.

Mr. BYRD. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 6, at the end of section 9, it is proposed to add the following:

Provided further, That the pay of enrollees shall not exceed $30 per month, except for not more than 10 percent who may be designated as leaders and who shall receive not more than $36 per month, and not to exceed 6 percent who shall receive $45 per month.

Mr. BYRD. Mr. President, this amendment is similar to an amendment adopted in the House, and limits the compensation of members of the C. C. C. to the salaries which are now being received.

The bill which the Senate is considering authorizes the enrollment of 300,000 men, and there is no limitation as to the amount of their compensation or salary. Under the bill, if it should be passed in its present form, the President and the director of this permanent organization could fix the salaries at $100 per month, $50 per month, or any other sum; and as this is an authorization to enroll a certain number of men, of course, Congress would be compelled to appropriate the money.

I assume that it is not the purpose of the Senator from Alabama to increase the compensation that is now being paid to the enrollees in the C. C. C. camps; and this amendment simply fixes the compensation as it now is.

Mr. BLACK. Mr. President, I hope the amendment will be rejected, for the reasons which were stated in the colloquy between the Senator from South Carolina [Mr. BYRNES] and myself and, in addition, for the reason that I do not think it is wise to legislate in connection with a certain percentage of the enrollees who shall receive a certain amount per month unless we definitely know that under all

circumstances and conditions that amount will be adequate to take care of the situation.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. BLACK. I yield.

Mr. BYRD. The basic salary, as I understand, is $30 per month.

Mr. BLACK. That is correct.

Mr. BYRD. There is no objection to that?

Mr. BLACK. I have no objection if the Senate desires to so vote. As a matter of fact, I would like to have an expression of the Senate on that particular point if the Senate desires to record its wish. But I think it unwise to state the percentage who can get $30 and the percentage who can get $45.

Mr. BYRD. Would the Senator agree that not less than 90 percent should receive $30 per month?

Mr. BLACK. I am very frank to state to the Senator that I am not sufficiently familiar with what may occur hereafter, and with the necessities of some particular camp or some particular condition which might develop—a flood, for instance, or something we might not know about.

I asked Mr. McEntee, and he stated to me that under conditions as they now are the organization could properly work with these limitations. I asked him if he could assure me that it could do so hereafter under all conditions in a satisfactory way, and he said he could not. For that reason I would personally regret to see the Senate attempt to place those limitations in the bill.

Frankly, I believe that if this organization is to be permanent we should fix the salaries by legislative enactment. I do not know at this time whether this will be a permanent or a temporary organization. I do not know how the Senate will vote on such an amendment if it shall be offered. If the Senate should vote that it is to be legislatively permanent, as I believe it will be actually permanent, I would not know then whether or not the House would accept that provision, and I am sure the Senator would not wish to place any amendment in the bill which might affect the proper operation of the camps.

Mr. BYRD. But the Senator's bill makes the organization permanent. Until the Senate changes that we must assume it will be permanent.

Mr. BLACK. The House measure does not make it permanent, and the matter would be left in conference as to the amendment which was inserted on the floor of the House. I may say to the Senator that I think that while it is true, as stated by the Senator, that under the law as it now is and as it has been for the last 4 years, and under the bill as proposed, there is no limitation, there has certainly been a very decided position taken by the administration not to raise the wages above $30 a month.

Mr. BYRD. The Senator agrees to the principle that if the C. C. C. is to be permanent Congress should fix the salaries?

Mr. BLACK. I believe in that principle.

Mr. BYRD. That is being done with respect to all other departments.

Mr. BLACK. I thoroughly believe in that principle where it is possible to carry it out. There might be special circumstances in connection with some department because of which it might sometimes be difficult to adjust the salaries, and there would result the inequities which have been mentioned here today. But I certainly believe that where there are 300,000 enrollees in a permanent institution the basic wage should be fixed by Congress.

Mr. BYRD. Does the Senator agree to fixing the compensation on the basis of $30 a month?

Mr. BLACK. If the Senator wishes to submit an amendment to that effect, I shall certainly be rather glad to have the viewpoint of the Senate, if it wishes to express it, because the matter will come up in conference.

Mr. BYRD. I may say to the Senator that my amendment is more liberal than the agreement the Senator has just mentioned because it provides that not more than 10 percent may receive more than $30.

Mr. BLACK. I should not be willing to vote on an amendment providing that the compensation be limited to $30, but I would agree that that should be the basic salary or wage for those who are not needed to perform special tasks. I do not know—and I do not believe anyone can know at the present time—what percentage will be needed to perform the other tasks. I believe it would be bad legislation to attempt to act upon it. That is the position I take with reference to the other limitation.

Mr. BYRD. The Senator agrees that, so far as this amendment is concerned, it will not interfere with the present operation of the camps.

Mr. BLACK. I thoroughly agree to that and I hope the amendment will be defeated only because of the fact that if the amendment should go into the bill in the form suggested, no one could assure us that conditions would permanently remain as they are now.

Mr. HAYDEN. Mr. President, it seems to me the amendment is subject to division. It contains different substantive proposals. One such proposal is to fix the base rate of pay at $30 a month. The other proposal is a limitation on the percentages of those who may be employed at a higher rate of pay. I should like to vote for the $30 per month provision, but I should be opposed to the percentage provision. May the question be divided?

The PRESIDING OFFICER. The Chair is informed by the parliamentary clerk that it may be divided.

Mr. HAYDEN. Then I should like to have a vote on the $30 per month provision. Let that be stated, and let the Senate vote on it.

Mr. BLACK. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. BLACK. If the question were divided the effect would be that there would be a complete 100-percent limitation to the $30 per month and the Senator agrees with me that we should not say exactly how many can be employed at a higher wage because of particular qualifications to become leaders. That is the difficulty of dividing the amendment. I do not believe it is possible to vote on the $30-per-month provision in its present form, as suggested by the Senator from Virginia himself, unless there are some other stipulation that, for the number necessarily needed to perform other duties, the basic rate of pay of $30 shall not prevail.

Mr. BYRD. I may suggest to the Senator that that difficulty can be overcome by providing that the pay of enrollees shall not exceed $30 per month unless such enrollees are paid as leaders.

Mr. BLACK. As leaders, or in the performance of special duties. That would make the basic rate of pay $30 per month.

Mr. BYRD. That would be satisfactory.

Mr. HAYDEN. May the amendment be perfected?

The PRESIDING OFFICER. Let the Chair ask the Senator from Virginia whether or not he is modifying his amendment or merely making a suggestion?

Mr. BYRD. I will amend it to read as follows:

That the pay of enrollees shall not exceed $30 per month unless such enrollees are used as leaders.

Mr. BLACK. I would suggest the addition of the language "or for special services for which an additional amount of pay is justified." That would leave the basic rate of pay $30, which I understand the Senator is willing to have stand.

The PRESIDING OFFICER. The Senator from Virginia withdraws his previous amendment and submits a new amendment, which will be stated.

The CHIEF CLERK. It is proposed, on page 6, line 10, to strike out the period, insert a colon, and add the following:

Provided further, That the pay of enrollees shall not exceed $30 per month, unless such enrollees are used as leaders or for special services for which an additional amount of pay is justified.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Virginia.

The amendment was agreed to.

GREAT LAKES EXPOSITION—CONFERENCE REPORT ON SECOND DEFICIENCY APPROPRIATION BILL

Mr. BULKLEY. Mr. President, before I came into the Chamber this morning the Senate agreed to a conference report on the second deficiency bill. I ask unanimous consent that the action be now reconsidered.

The PRESIDING OFFICER. Is there objection?

Mr. McKELLAR. Will not the Senator state his reason for making the request?

Mr. BULKLEY. I have in mind a Senate amendment providing an appropriation for the Great Lakes Exposition at Cleveland. The amount of the appropriation thus provided is justified by a joint resolution passed by both Houses of Congress without any objection and signed by the President at the present session. The amendment was adopted in the Senate without any objection, and, frankly, I do not believe there is any substantial objection to the amendment in the House. Of course, I have no means of knowing what occurs within the conference room, but I believe there was a misunderstanding about the reasonableness of the amount of the appropriation.

The Government being already committed to participation in the exposition, it would be exceedingly embarrassing to have the amount of the appropriation cut in two, as provided in the conference report.

Mr. McKELLAR. Mr. President, I was one of the conferees, and I may state what occurred. There was an appropriation for a much larger sum for a similar exposition in New York City, and the President vetoed the measure yesterday, or the day before. The House Members of the conference, I think with entire unanimity, insisted that the provision to which the Senator refers go out of the bill because the other measure had been vetoed. However, the very point the Senator now submits, which is that the Congress has passed an act which authorized the appropriation of $175,000, was raised.

There was also found to be an unexpended balance, and the question arose as to the appropriation, together with the unexpended balance, exceeding $175,000. Our committee sent for the authorization act itself, and we found that it authorized the appropriation of $175,000. But the conferees on the part of the House would not agree to the provision for $175,000, and the very best we could get in conference was the $100,000. The Senate conferees contended strongly for the amendment. I think that, without regard to divisions of party or otherwise, they earnestly sought to have the $175,000 provision kept in the bill. The House, however, would not agree to it; and we finally arranged it by compromising on $100,000, which was the very best we could do.

Mr. BULKLEY. Mr. President, if the House ultimately will not agree to it, of course, that is a very different proposition. The very statement which the Senator from Tennessee makes, however, bears out exactly what I suspected—that the House members were influenced by a veto message which related to an entirely different exposition and which carried an appropriation which was entirely out of proportion to the very modest sum that is required for the Cleveland Exposition. The veto message related to an appropriation for a new commitment which the Government was not already obligated to carry out, whereas what we are talking about is an appropriation to carry out an agreement which the Government in effect has made.

I hope the Senator will not object to taking the bill back to conference and asking for a reconsideration on the part of the House conferees. Of course, I cannot say what they will do; but I believe, and I am fortified in that belief by what the Senator himself has said, that the conferees were disturbed by something that had happened just that day, and which in fact had no proper relation at all to this appropriation.

Mr. McKELLAR. Mr. President, I will say that the House conferees further made the argument that this was the second appropriation for the Cleveland exposition; that the exposition has not used all of the first appropriation; and that under those circumstances they believed the $175,000 appropriated was too large an amount.

I wish to say frankly to the Senator from Ohio that I felt very kindly toward the appropriation when the amendment was agreed to in the Senate. I think it ought to have been agreed to. The question was thoroughly thrashed out on all grounds, however, and I am absolutely confident that there will be no change in the position of the House conferees even if the bill goes back to conference.

Mr. President, if the other $75,000 should be actually needed, it would be better to ask for an additional deficiency appropriation of $75,000. We shall have another deficiency bill before us. I hope the Senator from Ohio will undertake to put that amount on the next deficiency bill rather than to send this bill back to conference. I think the Senator from Arizona [Mr. HAYDEN], who was also one of the conferees, and who took exactly the same position that I did about the matter, will bear me out in my statement as to what occurred before the conference committee.

I am quite sure the Senator from Ohio will get further by seeking to have the item placed in the next deficiency bill. I am frank to say to the Senator that on the facts as they were revealed to me I thought the exposition was entitled to the amount provided by the Senate.

Mr. BLACK. Mr. President, I ask the Senator from Ohio if it would not be possible for him and the Senator from Tennessee [Mr. McKELLAR] to discuss this matter informally and see if an agreement upon it can be reached by them. I think it will take but a few more minutes to pass the Civilian Conservation Corps bill.

Mr. McKELLAR. I hope the Senator from Ohio will agree to that course.

Mr. BULKLEY. I have no objection to that.

CIVILIAN CONSERVATION CORPS

The Senate resumed consideration of the bill (H. R. 6551) to establish a Civilian Conservation Corps, and for other purposes.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. HAYDEN. Mr. President, on the 6th of May I submitted an amendment to this bill which was referred to the Committee on Education and Labor. The amendment contemplated that the Civilian Conservation Corps should consist of 300,000 men in the camps, with a reserve to fill vacancies. The idea I had in mind was that we should try to maintain the Civilian Conservation Corps companies as near as possible at full strength, whatever that number may be.

If anyone visits any of these camps, he will find that the C. C. C. companies are filled up with enrollees every 6 months. Then, by reason of the young men in the camps finding employment at other places, or because of unsatisfactory conduct, or whatever the reason, the personnel in each company begins to dwindle.

Let us say, for instance, that the C. C. C. company is assigned to the Forest Service, which lays out a program of work. The Forest Service supervisory personnel cannot carry out the complete program unless they have the full complement of men. For that reason it is highly desirable to keep the number of enrollees at the full number in the camps. That could be done by having a reserve of men available to be sent to the camps to fill vacancies from time to time.

I ran into a practical objection to such a plan, however, and that is that men are enrolled for service in the Civilian Conservation Corps at no expense to the United States. The work is done entirely by the State and local authorities. I was not aware of that fact when I first made the proposal. I should not want to have the expense of enrollment transferred to the Federal Government. If it were necessary to do that in order to keep the camps up to their full strength, it would fasten a very material expense upon the United States.

For that reason I hesitate to offer the amendment, but I do hope that as a result of these remarks and as a result of the study which I trust the officials of the Corps will undertake, they will find a way to keep the C. C. C companies up to full strength; otherwise they cannot adequately

render the service they are intended to perform for whatever agency of Government the companies are working under. To show that my suggestion has received attention, I ask to have included as a part of my remarks a letter which I received from Mr. W. Frank Persons, Director of the United States Employment Service in the Department of Labor, and also a letter which I receiver from Mr. Robert Fechner, director of emergency conservation work, in which they both discussed the high desirability of keeping the C. C. C. camps at full enrolled strength.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

DEPARTMENT OF LABOR,
OFFICE OF THE SECRETARY,
Washington, May 11, 1937.

Hon. CARL HAYDEN,
United States Senate, Washington, D. C.

MY DEAR SENATOR HAYDEN: I appreciate your thoughtfulness in sending me recently a memorandum on the subject of maintaining Civilian Conservation Corps companies at maximum strength. I read it with much interest.

As you know, the policies of the corps are determined by Mr. Fechner. Members of the advisory council, representing the four cooperating departments, are consulted on matters of major importance. The subject of monthly enrollments has been discussed on a number of occasions in the past by the advisory council.

In order to have the viewpoint of the State relief and welfare agencies which serve the State selecting agencies, I recently asked the opinion of each State director of selection as to the relative advantages of monthly and quarterly enrollments. Only 14 of the 48 States favored the monthly enrollment plan. Prevailing opinion indicated that monthly enrollments would be more costly and time-consuming to the selecting agencies (who are uncompensated from Federal funds for their work) and would withdraw from their normal duties at too frequent intervals the local workers who serve as selecting agents.

As you know, the Department of Labor has not set up a separate field organization for selection purposes, but has enlisted the voluntary services of the State and local welfare people who are acquainted with the needs of the families from which C. C. C. applicants come. We are greatly advantaged by the splendid service which these organizations and individuals have rendered without cost to the C. C. C. program during the past 4 years. Over 1,600,000 young men have been selected and sent forward as a result of this economical plan. You can readily understand, therefore, how embarrassing it might be from a selection standpoint to recommend a system of enrollments which would be burdensome upon these agencies which serve us.

As to the advisability of having "reservoir" camps, as a means of maintaining maximum work camp strength, I do not feel competent to express an opinion since it is a matter so clearly within the province of the War Department under our present plans of C. C. C. operation. During the early days of the corps such camps were temporarily set up until work projects could be approved. The morale of enrollees thus retained for a number of days or weeks without any useful work to do, frequently suffered.

I appreciate the interest which prompts your thoughtful memorandum, and feel sure that Mr. Fechner will give it consideration as permanent plans of operation are discussed. I have merely indicated one or two considerations which undoubtedly enter the problem.

With all good wishes, I am,
Sincerely yours,

W. FRANK PERSONS,
For the Secretary of Labor.

EMERGENCY CONSERVATION WORK,
OFFICE OF THE DIRECTOR,
Washington, D. C., April 21, 1937.

Hon. CARL HAYDEN,
United States Senator, Washington, D. C.

DEAR SENATOR HAYDEN: I have a copy of the memorandum that you addressed on April 20, 1937, to each member of my advisory council and myself, in which you suggested that provisions should be made for filling all vacancies in Civilian Conservation Corps enrollments by a system of continuous monthly selection and enrollment. I want to assure you that I fully appreciate the interest and the careful thought that you have given to this important matter.

You will be interested to know that my advisory council and myself have, on many occasions, seriously discussed and considered the same subject. While it is undoubtedly true that the technical agencies cooperating in Emergency Conservation Work (Civilian Conservation Corps) would like to see each Civilian Conservation Corps camp maintained at full authorized strength, the representatives of these technical agencies on my advisory council have recognized the difficulties inherent in the situation and have not pressed for a change in the quarterly replacement policy that has been in effect since July 1933. We realized that there would be losses through enrollees securing jobs and through desertion and other causes.

When the organization was first set up we provided for this by getting the approval of the President to enroll 10 percent above what was considered to be a standard figure. That is, a camp was expected to have not less than 180 enrollees and therefore the maximum strength for the camp was set at 200. Unfortunately, many project superintendents and others connected with the technical operation of the camp seem to have forgotten this arrangement and they appear to feel that the 200-man maximum was also to be the man-strength of the company. That was not the case. If a plan such as you suggest was put into effect, it would add substantially to the cost of operation.

While it is true that enrollees promoted to the position of assistant leader and leader may be demoted when the enrollee strength of the company drops below certain figures as a matter of practical operation, this has rarely taken place. Assistant leaders and leaders are almost invariably the best men in their company and naturally are the ones who are most likely to be offered jobs in private industry. This in itself creates a constant turn-over in the assistant leader and leader personnel and if it should happen that some assistant leader or leader had to be demoted under the regulation, I am quite confident he would not long remain demoted.

I will be glad to again take this matter up with my advisory council at their next meeting and discuss in detail the proposal contained in your memorandum.

Sincerely yours,

ROBERT FECHNER, *Director.*

The PRESIDING OFFICER. The bill is still before the Senate and open to further amendment.

Mr. BYRD. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. At the bottom of page 1, it is proposed to insert the following:

That the provisions of this act shall continue for the period of 2 years after July 1, 1937, and no longer.

Mr. BYRD. The purpose of that amendment, Mr. President, is very simple. It is to confine the operations of this measure to 2 years from July 1, 1937.

I have observed the work of the C. C. C. camps, and I am heartily in favor of the operation of the camps under the condition that now exists; but I do not believe we should make this a permanent agency of the Government. There are many reasons why it should not be done. The amendment I have offered is to conform to the bill as passed by the House and to limit the operation of the measure to 2 years from the 1st of next July.

Mr. VANDENBERG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Clark	La Follette	Pope
Ashurst	Connally	Lee	Robinson
Austin	Dieterich	Lodge	Schwartz
Bailey	Duffy	Logan	Schwellenbach
Barkley	Ellender	Lonergan	Sheppard
Berry	Frazier	McAdoo	Smathers
Black	George	McCarran	Smith
Borah	Gerry	McGill	Stelwer
Bridges	Gillette	McKellar	Thomas, Okla.
Brown, Mich.	Green	Maloney	Thomas, Utah
Brown, N. H.	Hale	Minton	Townsend
Bulkley	Hatch	Moore	Vandenberg
Burke	Hayden	Murray	Van Nuys
Byrd	Herring	Neely	Walsh
Byrnes	Hitchcock	Norris	Wheeler
Capper	Holt	O'Mahoney	White
Caraway	Hughes	Pepper	
Chavez	King	Pittman	

The PRESIDING OFFICER. Seventy Senators having answered to their names, a quorum is present. The question is on the amendment offered by the Senator from Virginia [Mr. BYRD].

Mr. BLACK. Mr. President, I do not desire to discuss the merits of the amendment at all, but a number of the Senators have come in who perhaps do not understand what the single issue is. The bill which comes from the Senate Committee on Education and Labor provides a permanent authorization for the Civilian Conservation Corps. The amendment offered by the Senator from Virginia [Mr. BYRD] would limit the operation of the corps to 2 years. Frankly, as I see it, the result will be the same either way. Every realist knows that the Civilian Conservation Corps will continue to exist whether we write the words "2 years" in the bill or leave it as it is.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. BLACK. I yield to the Senator from Kentucky.

Mr. BARKLEY. Would there not be this difference, however, that, with a limitation of 2 years, inevitably when the termination of the period approaches there will be a slackening of the activities of the C. C. C. because of the lack of knowledge as to what will be its fate; whereas if it were permanent, while each year it would depend on the appropriation available, those in charge of the organization would be able to make more definite plans from year to year for the activities of the camps than if the organization automatically ended at the expiration of 2 years, requiring a reenactment in order that they might go forward with the administration of the act?

Mr. BLACK. I may say to the Senator what I meant by the statement that there was no difference was that there was no difference as to whether the camps shall continue to function. We all know, every realist here knows, that the C. C. C. camps will continue to exist, and that 95 percent of the people of the United States want them to continue to exist.

Mr. POPE. Mr. President, will the Senator yield?

Mr. BLACK. I wish to make just one statement; then I will yield. There is a great difference, however, in the opinion of those who really believe in economical and efficient operation. It is far more economical for those in charge to be able to make plans and to know that their operations may continue so far as the law is concerned, than it is to split up the operations and be compelled to have the matter taken up every 2 years. Those who actually believe in economy, and are willing to face things realistically, I say, will vote to make the C. C. C. a permanent organization. I now yield to the Senator from Idaho.

Mr. POPE. Mr. President, does the Senator attach any significance to the last three words in the amendment offered by the Senator from Virginia, namely, the words "and no longer"—that the organization shall be extended for a period of 2 years and no longer? Is there any significance to those words?

Mr. BLACK. I do not attach any significance to them, for I think there could be put in all the "no longers" anybody desires, but still the Senate and the other House next year would continue to function. I think, however, there is this significance, that the loss to the taxpayers would be greater by using the words "and no longer", because about 3 or 4 months before the time came when the organization expired the administrators would not know what to do. There would be but a hollow victory won by the exponents of economy. They might say, "Well, we won a great victory; we provided this organization shall last 2 years and no longer." But that is all it would be, because at the end of 2 years, just as stated by the farseeing Senator from Idaho, Congress would meet; it would pass another, and it would strike out the words "no longer." It might say "2 more years and no longer", but the people of this country are overwhelming in favor of the C. C. C. camps. Every Member of this body knows that to be true, and every Member of the other body knows it to be true. Everyone of them will know it 2 years from now; and I venture the assertion that if the roll should be called and the Senator should vote on the question whether or not to continue the C. C. C. camps—I do not mean whether to make their life 2 years or permanent—there would not be five votes on this floor against the camps. I am perfectly willing to try it out, so far as I am concerned.

However, the point I wish to make clear to the Senate is that while the administration did recommend at this time that a law be passed to make the C. C. C. permanent, and the pending bill provides for permanent camps, the pending bill is not perfect; and if we write another law 2 years from now, that will not be perfect. However, the bill is as perfect as we could make it at this time, in view of the situation as we found it.

The amendment proposes to limit the C. C. C. to 2 years. What would be the effect? If I am right in my surmise—and I believe most Senators will agree I am—the C. C. C. will be continued 2 years from now. Then 5 or 6 months before the expiration of the 2 years the administrators will begin to say, "How much can we spend? We have got to limit our purchases, because if we do not limit them we may have too much material left at the end of the 2 years." They get their goods cheaper if they know their authority will last more than 2 years. They may ask, "Can we make a plan or a survey in order to go into this field of activity?" The answer is, "No; we have to be careful about incurring any expenses for that, because the authority ends at the end of 2 years." Someone may say, "But you know Congress will continue it." The administrator replies, "Yes; I know Congress will continue it, but I know also that someone will be attacking me for incurring expenses when the Congress has not already provided for the expenditure."

Mr. BYRD. Mr. President, will the Senator yield?

Mr. BLACK. I yield.

Mr. BYRD. The Senator well knows that the Congress must appropriate the money for this activity?

Mr. BLACK. Certainly.

Mr. BYRD. And that an appropriation is not effective until July 1, and purchases cannot be made until the appropriation is passed each year in January or February or March?

Mr. BLACK. I know also that when there is an authorization for continuing an organization, those who have to make the plans can plan a great deal better than if the organization is temporary.

Mr. BYRD. Does the Senator say that the Department makes purchases and contracts before the appropriations are made by Congress?

Mr. BLACK. I say they will make their plans for a continuing organization when the law provides for a continuing organization. I understand it looks more economical to say, "We are just going to provide an authorization for 2 years", and that would be true if the organization were really going to be cut off in 2 years, but I very seriously doubt if even my good friend from Virginia would be willing to say he is going to vote to cut it off in 2 years.

Mr. KING. Mr. President, will the Senator yield?

Mr. BLACK. I yield.

Mr. KING. May I inquire of the Senator when, under the present law, supposing there is no further legislation, the C. C. C. organization would cease to exist?

Mr. BLACK. Under the present law?

Mr. KING. Yes.

Mr. BLACK. It would cease to exist this year.

Mr. KING. On what date?

Mr. BLACK. On June 30, as I recall.

Mr. KING. May I inquire of the Senator whether, in view of the fact that the law provides that the organization shall die on June 30, there have been any restrictions that have impeded the successful operations of this organization during the last 2 or 3 months?

Mr. BLACK. The Senator was not here when I referred to the fact that I had a letter from a citizen in my State who had been called on to make a bid, and those in charge of the organization had been compelled to put such terms in the proposals and to call attention to the fact that the law might not be continued, that my constituent wrote me to know whether or not he should bid at all. He was fearful of doing so, and I gathered from his letter that those who did submit bids were doing so with fear and trembling.

Mr. PITTMAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Nevada?

Mr. BLACK. I yield.

Mr. PITTMAN. Referring to the question asked by the Senator from Utah, there are a number of these Government C. C. C. camps in Nevada which is entitled to six of them. Some of the camps, on account of the weather, are shifted to the high mountains in the summer and to the valleys in the winter. The camps are not being shifted at present by reason of the very uncertainty as to what action will be taken between now and July the first.

Mr. BLACK. I thank the Senator.

Mr. BARKLEY. Mr. President, will the Senator yield there?

Mr. BLACK. I yield.

Mr. BARKLEY. Many of these camps are soil-conservation camps, and a number of them are drainage camps, cooperating with the Bureau of Agricultural Engineering in the draining of land. Within the last 3 weeks two applications have come to Washington from my State from those interested in a continuation of certain drainage work which has already been undertaken by the C. C. C. camps with the cooperation of Dr. Fechner and the Department of Agriculture. The statement was made to the applicants that until it is known what Congress is going to do with respect to the extension of the C. C. C. those in charge of the organization can do nothing between now and July 1st toward the purchase of any supplies, material, or equipment that will be necessary to continue the work of the various camps along the line referred to. That illustrates that even in May, nearly 2 months before the expiration of the present law, the existing authority for the C. C. C., the director of the organization is unable to determine what his policy shall be for any length of time after July 1.

Mr. BLACK. I thank the Senator. Of course everyone knows the difference between certainty and uncertainty in business plans. A man has a place of business rented, and his lease expires next month, we will say; he finds it impossible to ascertain whether he can rent beyond the next month. Who would claim that his business could function well when he was left in such doubt and uncertainty? I think that is simply a truism.

I may state to the Senator that I shall be very happy, of course, to have the Senate vote upon the pending proposal. I believe its adoption would make a difference in the efficiency in the operation of the camps; but whatever the vote may be on the amendment, I think I am looking at very few Senators who will be here 2 years from now who will not vote then to continue the C. C. C. camps.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Virginia [Mr. BYRD].

Mr. VANDENBERG and Mr. BYRD demanded the yeas and nays, and they were ordered.

The Chief Clerk proceeded to call the roll.

Mr. VANDENBERG (when Mr. MCNARY's name was called). The Senator from Oregon [Mr. MCNARY] is paired with the Senator from Mississippi [Mr. HARRISON]. If the Senator from Mississippi [Mr. HARRISON] were present, he would vote "nay." If the Senator from Oregon [Mr. MCNARY] were present, he would vote "yea."

Mr. VANDENBERG (when his name was called). On this vote I am paired with the senior Senator from New York [Mr. COPELAND]. If he were present, he would vote "nay." If I were permitted to vote, I should vote "yea."

The roll call was concluded.

Mr. AUSTIN. On this vote I am paired with the junior Senator from Pennsylvania [Mr. GUFFEY], and therefore withhold my vote. If present, the Senator from Pennsylvania [Mr. GUFFEY] would vote "nay." If I were permitted to vote, I should vote "yea."

I announce that the junior Senator from Vermont [Mr. GIBSON] is paired with the Senator from Colorado [Mr. JOHNSON]. If the junior Senator from Vermont were present, he would vote "nay." If the Senator from Colorado were present, he would vote "yea."

The Senator from Maryland [Mr. RADCLIFFE] is paired with the Senator from North Dakota [Mr. NYE]. If present, the Senator from Maryland would vote "nay", and the Senator from North Dakota would vote "yea."

Mr. LOGAN. On this vote I have a pair with the senior Senator from Pennsylvania [Mr. DAVIS], who, if present, would vote "yea." I transfer that pair to the junior Senator from Mississippi [Mr. BILBO] and vote "nay."

Mr. MINTON. I announce that the Senator from Washington [Mr. BONE] and the Senator from Virginia [Mr. GLASS] are detained from the Senate because of illness in their families.

The Senator from Florida [Mr. ANDREWS], the senior Senator from New York [Mr. COPELAND], the junior Senator from New York [Mr. WAGNER], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Illinois [Mr. LEWIS], the senior Senator from Maryland [Mr. TYDINGS], the junior Senator from Maryland [Mr. RADCLIFFE], and the Senator from North Carolina [Mr. REYNOLDS] are detained on important public business.

The Senator from South Dakota [Mr. BULOW], the Senator from Ohio [Mr. DONAHEY], the Senator from Mississippi [Mr. HARRISON], the Senator from Colorado [Mr. JOHNSON], the Senator from Louisiana [Mr. OVERTON], the Senator from Georgia [Mr. RUSSELL], and the Senator from Missouri [Mr. TRUMAN] are detained on departmental matters.

The Senator from Mississippi [Mr. BILBO] is necessarily detained.

The Senator from Minnesota [Mr. LUNDEEN] is detained on official business. He has a pair with the senior Senator from Maryland [Mr. TYDINGS]. If present and voting, the Senator from Maryland would vote "yea", and the Senator from Minnesota would vote "nay."

The Senator from Virginia [Mr. GLASS] has a general pair with the Senator from Minnesota [Mr. SHIPSTEAD].

The result was announced—yeas 26, nays 42, as follows:

YEAS—26

Adams	Byrnes	Gillette	Maloney
Bailey	Capper	Hale	Stelwer
Borah	Chavez	Herring	Townsend
Bridges	Clark	Holt	Van Nuys
Brown, N. H.	Frazier	King	White
Burke	George	Lodge	
Byrd	Gerry	Lonergan	

NAYS—42

Ashurst	Green	McKellar	Schwartz
Barkley	Hatch	Minton	Schwellenbach
Berry	Hayden	Moore	Sheppard
Black	Hitchcock	Murray	Smathers
Brown, Mich.	Hughes	Neely	Smith
Bulkley	La Follette	Norris	Thomas, Okla.
Caraway	Lee	O'Mahoney	Thomas, Utah
Connally	Logan	Pepper	Walsh
Dieterich	McAdoo	Pittman	Wheeler
Duffy	McCarran	Pope	
Ellender	McGill	Robinson	

NOT VOTING—28

Andrews	Davis	Johnson, Colo.	Reynolds
Austin	Donahey	Lewis	Russell
Bankhead	Gibson	Lundeen	Shipstead
Bilbo	Glass	McNary	Truman
Bone	Guffey	Nye	Tydings
Bulow	Harrison	Overton	Vandenberg
Copeland	Johnson, Calif.	Radcliffe	Wagner

So Mr. BYRD's amendment was rejected.

Mr. BLACK. Mr. President, I wish to ask for the yeas and nays on the final passage of the bill. I do not make the request in order to prevent the offering of any further amendment or to prevent any Senator from speaking if he may so desire. I merely wish to be sure that the yeas and nays shall be ordered on the final passage of the bill.

The yeas and nays were ordered.

Mr. FRAZIER. Mr. President, I wish to ask the Senator in charge of the bill the meaning of section 6, page 4, wherein it is provided—

> The President may order Reserve officers of the Army and officers of the Naval and Marine Reserves to active duty with the corps under the provisions of section 37a of the National Defense Act and the act of February 28, 1925, respectively.

Mr. BLACK. Mr. President, that simply authorizes the procedure which has heretofore been in effect. It authorizes the calling into active service of Reserve officers and the utilization of their experience in camps. That is the authority which is given in the bill. That is the authority which has heretofore been given and which has been exercised.

Mr. ROBINSON. Mr. President, the services of such officers are merely in aid of maintaining discipline in the camps.

Mr. FRAZIER. Section 12, on page 7, of the bill gives the President authority "to utilize the services and facilities of such departments or agencies of the Government as he may deem necessary for carrying out the purposes of this act." While the pending bill is an improvement over the present

law and while I feel that the Civilian Conservation Corps camps have been of great benefit in general, yet there has been some criticism of the military or semimilitary control of the camps.

The Baltimore Sun of April 8 carried a front-page story under the headline, "Youth Groups Ask C. C. C. Shift From War to Interior Bureau", and there is quite a long article appearing under that headline. I have noticed in the last pages of the hearings before the House committee on the pending bill that considerable correspondence along the same line was inserted in the record.

It seems that a little publication known as Happy Days circulates through the C. C. C. camps. This particular publication purports to be an official organ of the C. C. C. One issue, according to information I have, was headed "Written by C. C. C. for C. C. C." Then under the name "Happy Days" were the words "Authorized weekly newspaper of the Civilian Conservation Corps." I understand, however, that the head of the Civilian Conservation Corps has denied that this newspaper is an official organ of the C. C. C., and repudiates some of the editorials which have appeared in it. At any rate, it has been circulated through the camps as a sort of an official or semiofficial organ, and there has been a good deal of comment on some editorials appearing in that publication and some of the orders by the War Department in regard to censoring other papers and magazines which have gone into the camps, or in regard to keeping them out of the camps.

One order headed "Subversive Activities" was issued by Maj. Gen. Albert J. Bowley, Third Corps Area commander, and in it he referred to what the publication known as Happy Days said about a paper called Champion of Youth, criticizing it, and that paper was barred from the C. C. C. camps. Some six or seven of the youth organizations which signed a petition and wrote a letter to the President, objected to the discrimination against these magazines that have been barred from the C. C. C. camps; and the discrimination seems to me rather unfair.

I am glad, however, that the pending bill removes from the law some of the military features that now exist, and before the corps is made a permanent organization I hope it can be taken out of the control of the War Department and put under some other department altogether.

Mr. KING. Mr. President, I sincerely regret that the Senate expressed opposition to the House bill and indicated its preference for the Senate bill. As stated a few moments ago, I would be willing to vote for the House bill, but I feel constrained to withhold my support of the present bill.

There are a number of provisions in it which I think are unwise and unsound. I am unwilling to vote to fasten this organization upon the Federal Government and make it one of its permanent organizations. I believe it to be unwise—not knowing what the conditions will be 2 years hence; not knowing what economic and political changes may be wrought in the meantime; not knowing the results of the activities and work of this organization in the interim—to fasten this organization on the Government and make it a permanent part of the Federal system of government. We do not know what the developments may be within the next 2 years, nor what forces or influences will dominate this organization, or what policies will be followed which will affect the thoughts and lives and habits of the enrollees.

Moreover, I am not willing at this time to support a plan which looks to the Federal Government permanently engaging in activities such as those comprehended under this bill. If the authority of the Federal Government is expanded and the States and their local subdivisions voluntarily or involuntarily submit to the encroachments of the National Government, then there will be demands not only that this organization be made permanent but that the field of its operations shall be widened until it shall become a factor in many fields of human thought and endeavor. If the Federal Government shall extend its authority as the years go by, and increase the number of fields into which it enters, then, as I have indicated, this organization may expand until it may be a controlling force in many fields in which the youth of the country are called upon to operate.

I regret, as I have stated, that I am denied the opportunity of voting for the House bill. I am, therefore, constrained to vote against the Senate bill.

Mr. HAYDEN. Mr. President, I ask leave to have printed in the CONGRESSIONAL RECORD at this point an extract from the message from the President of the United States, which was transmitted to Congress on March 21, 1933, recommending the establishment of the Civilian Conservation Corps.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

I propose to create a civilian conservation corps to be used in simple work, not interfering with normal employment, and confining itself to forestry, the prevention of soil erosion, flood control, and similar projects. I call your attention to the fact that this type of work is of definite, practical value, not only through the prevention of great present financial loss but also as a means of creating future national wealth. This is brought home by the news we are receiving today of vast damage caused by floods on the Ohio and other rivers.

Control and direction of such work can be carried on by existing machinery of the Departments of Labor, Agriculture, War, and Interior.

I estimate that 250,000 men can be given temporary employment by early summer if you give me authority to proceed within the next 2 weeks.

I ask no new funds at this time. The use of unobligated funds, now appropriated for public works, will be sufficient for several months.

This enterprise is an established part of our national policy. It will conserve our precious natural resources. It will pay dividends to the present and future generations. It will make improvements in National and State domains which have been largely forgotten in the past few years of industrial development.

More important, however, than the material gains will be the moral and spiritual value of such work. The overwhelming majority of unemployed Americans, who are now walking the streets and receiving private or public relief, would infinitely prefer to work. We can take a vast army of these unemployed out into healthful surroundings. We can eliminate to some extent at least the threat that enforced idleness brings to spiritual and moral stability. It is not a panacea for all the unemployment but it is an essential step in this emergency. I ask its adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Alabama [Mr. BLACK], as amended, substituting the Senate bill for the House bill.

The amendment, in the nature of a substitute, as amended, was agreed to.

The PRESIDING OFFICER. The question now is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The PRESIDING OFFICER. The question is, Shall the bill pass? On the final passage of the bill the yeas and nays have been demanded and ordered. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. LOGAN (when his name was called). On this question I have a pair with the senior Senator from Pennsylvania [Mr. DAVIS]; but if he were present, I understand that he would vote as I intend to vote. Therefore I am at liberty to vote, and vote "yea."

Mr. VANDENBERG (when his name was called). On this question I am paired with the senior Senator from New York [Mr. COPELAND]. I understand that if he were present he would vote "yea." Since I intend to vote similarly, I am free to vote. I vote "yea."

The roll call was concluded.

Mr. AUSTIN. I announce the necessary absence of the Senator from North Dakota [Mr. NYE], the Senator from Vermont [Mr. GIBSON], and the Senator from Pennsylvania [Mr. DAVIS], all of whom, I am informed, would vote "yea" if present.

I have heretofore voted in the negative; but I withdraw the vote which I cast under a misapprehension and announce a pair on this question with the Senator from Pennsylvania [Mr. GUFFEY]. If present, the Senator from Pennsylvania

[Mr. GUFFEY] would vote "yea", and if I were at liberty to vote I should vote "nay."

I also desire to announce that the Senator from Oregon [Mr. MCNARY] and the Senator from Mississippi [Mr. HARRISON] have a general pair; but on this question, I am advised, both Senators would vote "yea."

Mr. BYRD. My colleague [Mr. GLASS] is detained because of illness in his family. He has a general pair with the Senator from Minnesota [Mr. SHIPSTEAD].

Mr. SCHWELLENBACH. My colleague [Mr. BONE] is detained because of illness in his family. If present, he would vote "yea."

Mr. MINTON. I announce that the Senator from Florida [Mr. ANDREWS], the Senator from Alabama [Mr. BANKHEAD], the senior Senator from New York [Mr. COPELAND], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Illinois [Mr. LEWIS], the senior Senator from Maryland [Mr. TYDINGS], the junior Senator from Maryland [Mr. RADCLIFFE], the Senator from North Carolina [Mr. REYNOLDS], and the junior Senator from New York [Mr. WAGNER] are detained on important public business.

The Senator from Mississippi [Mr. BILBO] is necessarily detained.

The Senator from South Dakota [Mr. BULOW], the Senator from Ohio [Mr. DONAHEY], the Senator from Mississippi [Mr. HARRISON], the Senator from Colorado [Mr. JOHNSON], the Senator from Louisiana [Mr. OVERTON], and the Senator from Missouri [Mr. TRUMAN] are detained in various Government departments.

The Senator from Minnesota [Mr. LUNDEEN] is detained on official business.

I am advised that all the Senators I have mentioned, if present and voting, would vote "yea."

The result was announced—yeas 67, nays 2, as follows:

YEAS—67

Adams	Connally	Lee	Pope
Ashurst	Dieterich	Lodge	Robinson
Bailey	Duffy	Logan	Russell
Barkley	Ellender	Lonergan	Schwartz
Berry	Frazier	McAdoo	Schwellenbach
Black	George	McCarran	Sheppard
Bridges	Gerry	McGill	Smathers
Brown, Mich.	Gillette	McKellar	Smith
Brown, N. H.	Green	Maloney	Steiwer
Bulkley	Hale	Minton	Thomas, Okla.
Burke	Hatch	Moore	Thomas, Utah
Byrd	Hayden	Murray	Vandenberg
Byrnes	Herring	Neely	Van Nuys
Capper	Hitchcock	Norris	Walsh
Caraway	Holt	O'Mahoney	Wheeler
Chavez	Hughes	Pepper	White
Clark	La Follette	Pittman	

NAYS—2

Borah King

NOT VOTING—27

Andrews	Davis	Johnson, Colo.	Reynolds
Austin	Donahey	Lewis	Shipstead
Bankhead	Gibson	Lundeen	Townsend
Bilbo	Glass	McNary	Truman
Bone	Guffey	Nye	Tydings
Bulow	Harrison	Overton	Wagner
Copeland	Johnson, Calif.	Radcliffe	

So House bill 6551 was passed.

Mr. BLACK subsequently said: Mr. President, I move that the Senate insist upon its amendment, ask for a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. BLACK, Mr. COPELAND, Mr. WALSH, Mr. BORAH, and Mr. LA FOLLETTE conferees on the part of the Senate.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Megill, one of its clerks, announced that the Speaker had affixed his signature to the following bills, and they were signed by the President pro tempore:

S. 1330. An act to authorize the attendance of the Marine Band at the United Confederate Veterans' 1937 Reunion at Jackson, Miss., June 9, 10, 11, and 12, 1937;

S. 2076. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Arrow Rock, Mo.;

S. 2077. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near St. Charles, Mo.;

H. R. 1790. An act for the relief of Luvenia Flowers; and

H. R. 6910. An act to provide for the exchange between the United States and The Union Terminal Co. of certain properties in connection with the parcel post building site at Dallas, Tex.

LANDS FOR SHIVWITZ BAND OF INDIANS

Mr. THOMAS of Oklahoma. Mr. President, on the 17th of this month the Senate passed three bills, and on the same day the House of Representatives passed three identical bills. The bills relate to the addition of small tracts of land to some Indian reservations in Utah.

The first bill is Senate bill 1833, which is identical with House bill 6250. I ask that the House bill be laid before the Senate and acted upon at this time.

The PRESIDING OFFICER laid before the Senate the bill (H. R. 6250) to reserve certain lands in the State of Utah for the Shivwitz Band of Paiute Indians, which was read twice by its title.

Mr. THOMAS of Oklahoma. I ask unanimous consent for the present consideration of the bill.

The PRESIDING OFFICER. Is there objection?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the boundary of the Shivwitz Indian Reservation in Utah is hereby extended to include the south half of section 14, and the south half of section 15, and section 16, township 41 south, range 17 west, Salt Lake meridian: *Provided*, That the Secretary of the Interior shall designate a stock driveway across said reservation, not to exceed 660 feet in width, from a point on the east line of section 23, township 41 south, range 17 west, in a northwesterly direction through Jacob's Twist to an exit through section 16, township 41 south, range 17 west, Salt Lake meridian. The said driveway shall be staked and shall be used in accordance with rules and regulations which may be prescribed by the Secretary of the Interior.

Valid rights in the above lands initiated prior to the approval hereof shall not be affected by this act. Any lands not belonging to the United States within the described area may be exchanged for other lands outside said area under the terms and conditions of the act of May 3, 1902 (32 Stat. L. 188), or the act of June 28, 1934 (48 Stat. L. 1269), as amended, and any lands so acquired by the United States shall become a part of the said reservation.

LANDS FOR KANOSH BAND OF INDIANS

The PRESIDING OFFICER laid before the Senate the bill (H. R. 6249) to reserve certain lands in the State of Utah for the Kanosh Band of Paiute Indians, which was read the first time by its title and the second time at length, as follows:

Be it enacted, etc., That the boundary of the Kanosh Indian Reservation in Utah is hereby extended to include the west half of the northwest quarter of section 1, and the northeast quarter of section 22, township 23 south, range 5 west, Salt Lake meridian: *Provided*, That the Secretary of the Interior shall designate a stock driveway across said reservation not to exceed 660 feet in width. The said driveway shall be staked and shall be used in accordance with rules and regulations which may be prescribed by the Secretary of the Interior. Valid rights in the above lands initiated prior to the approval hereof shall not be affected by this act.

Mr. THOMAS of Oklahoma. On the 17th day of May the Senate passed Senate bill 1876 and the House passed House bill 6249, to reserve certain lands in the State of Utah for the Kanosh Band of Paiute Indians. I ask for the immediate consideration of House bill 6249, just laid before the Senate.

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

LANDS FOR KOOSHAREM BAND OF INDIANS

The PRESIDING OFFICER laid before the Senate the bill (H. R. 6252) to reserve certain lands in the State of Utah for the Koosharem Band of Paiute Indians, which was read the first time by its title and the second time at length, as follows:

Be it enacted, etc., That the boundary of the Koosharem Indian Reservation in Utah is hereby extended to include the east half of section 8, township 27 south, range 1 west, Salt Lake meridian.

Valid rights in the above lands initiated prior to the approval hereof shall not be affected by this act.

Mr. THOMAS of Oklahoma. On the 17th day of May the Senate also passed Senate bill 1877 and the House passed House bill 6252, for the relief of the Koosharem Band of Paiute Indians. I ask unanimous consent for the present consideration of House bill 6252, just laid before the Senate.

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

Mr. THOMAS of Oklahoma. Mr. President, in order that the House of Representatives may have notice of the action of the Senate on these three Indian bills, I ask unanimous consent that a message be sent to the House advising the House that the bills have been passed by the Senate.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

GOLDEN GATE EXPOSITION—PROTECTION OF COPYRIGHTS AND PATENTS

Mr. McADOO. Mr. President, from the Committee on Patents there was reported favorably yesterday House Joint Resolution 292, for the protection of copyrights and patents of foreign exhibitors at the Golden Gate International Exposition to be held in San Francisco in 1939. The joint resolution is in the usual form followed in similar cases, and I ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. Is there objection to the request of the Senator from California?

There being no objection, the Senate proceeded to consider the joint resolution (H. J. Res. 292) to protect the copyrights and patents of foreign exhibitors at the Golden Gate International Exposition to be held at San Francisco, Calif., in 1939, which was ordered to a third reading, read the third time, and passed.

EXECUTIVE SESSION

Mr. ROBINSON. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. SCHWELLENBACH in the chair) laid before the Senate messages from the President of the United States submitting several nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

Mr. WALSH, from the Committee on Naval Affairs, reported favorably the nominations of sundry officers and midshipmen for appointment in the Marine Corps.

He also, from the same committee, reported favorably the nominations of sundry officers and midshipmen for appointment in the Navy.

Mr. PITTMAN, from the Committee on Foreign Relations, to which was referred Executive C (75th Cong., 1st sess.), a treaty of establishment between the United States of America and the Kingdom of Greece, signed at Athens on November 21, 1936, reported it favorably and submitted a report (Ex. Rept. No. 6) thereon.

He also, from the same committee, to which was referred Executive I (75th Cong., 1st sess.), being an amendment to the International Convention for Promoting Safety of Life at Sea, as recommended in a report of the Secretary of State and a memorandum of the British Board of Trade, concerning the unintentional omission from section (2) of regulation XIX of annex 1 of the regulations attached to the Convention for Promoting Safety of Life at Sea, signed at London on May 31, 1929, reported it favorably and submitted a report (Ex. Rept. No. 7) thereon.

He also, from the same committee, reported favorably the following nominations:

John Cudahy, of Wisconsin, now Ambassador Extraordinary and Plenipotentiary to Poland, to be Envoy Extraordinary and Minister Plenipotentiary to the Irish Free State;

Alvin Mansfield Owsley, of Texas, now Envoy Extraordinary and Minister Plenipotentiary to the Irish Free State, to be Envoy Extraordinary and Minister Plenipotentiary to Denmark;

Edwin L. Neville, of Ohio, now a Foreign Service officer of class 1 and counselor of Embassy at Tokyo, Japan, to be Envoy Extraordinary and Minister Plenipotentiary to Siam; and

Homer Brett, of Mississippi, now a Foreign Service officer of class 4 and a counsel, to be a consul general of the United States.

The PRESIDING OFFICER. The reports will be placed on the Executive Calendar.

COUNSELOR, DEPARTMENT OF STATE, R. WALTON MOORE

Mr. PITTMAN. Mr. President, from the Committee on Foreign Relations I report favorably two nominations, and I ask that the first nomination be laid before the Senate at this time.

The PRESIDING OFFICER. The Secretary will read the first of the two nominations reported by the Senator from Nevada.

The legislative clerk read the nomination of R. Walton Moore, of Virginia, to be Counselor of the Department of State.

Mr. PITTMAN. Mr. President, I ask for the present consideration of the nomination, because the Secretary of State finds it necessary to leave Washington on Monday, and the two officers whose nominations I am reporting are essential to the conduct of the Department. I am satisfied that all Senators are well acquainted with the nominees.

Mr. VANDENBERG. Mr. President, may I ask the Senator whether he can tell me who will be Acting Secretary of State when the Secretary leaves Washington?

Mr. PITTMAN. I cannot. I am informed that there are two officers of equal rank.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Nevada for the present consideration of the nomination of R. Walton Moore? The Chair hears none, and the nomination is confirmed.

UNDER SECRETARY OF STATE—SUMNER WELLES

Mr. PITTMAN. I ask that there be laid before the Senate the second nomination which I have just reported.

The PRESIDING OFFICER. The clerk will state the nomination.

The legislative clerk read the nomination of Sumner Welles, of Maryland, to be Under Secretary of State.

Mr. PITTMAN. I ask that the same course be taken with regard to this nomination that was followed in regard to the nomination of Mr. Moore; that the nomination be considered at this time.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the nomination is confirmed.

Mr. PITTMAN. I ask unanimous consent that the President be notified of the confirmation of the two nominations just acted on.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the President will be notified.

If there be no further reports of committees, the clerk will state in order the nominations on the Executive Calendar.

DIPLOMATIC AND FOREIGN SERVICE

The legislative clerk read the nomination of Herbert Clairborne Pell, of Rhode Island, to be Envoy Extraordinary and Minister Plenipotentiary to Portugal.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

GOVERNOR OF ALASKA

The legislative clerk read the nomination of John W. Troy, of Juneau, Alaska, to be Governor of the Territory of Alaska.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask unanimous consent that the nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations of postmasters are confirmed en bloc.

ADJOURNMENT TO MONDAY

Mr. ROBINSON. I move that the Senate stand adjourned until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 3 o'clock and 40 minutes p. m.) the Senate adjourned until Monday, May 24, 1937, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 20 (legislative day of May 13), 1937

DIPLOMATIC AND FOREIGN SERVICE

Warden McK. Wilson, of Indiana, now a Foreign Service officer of class 4 and a secretary in the Diplomatic Service, to be also a consul general of the United States of America.

WORKS PROGRESS ADMINISTRATION

Vincent J. Sullivan, of Connecticut, to be State administrator in the Works Progress Administration for Connecticut, vice Robert A. Hurley, resigned.

Farrell D. Coyle, of Rhode Island, to be State administrator in the Works Progress Administration for Rhode Island.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 20 (legislative day of May 13), 1937

UNDER SECRETARY OF STATE

Sumner Welles to be Under Secretary of State.

COUNSELOR OF THE DEPARTMENT OF STATE

R. Walton Moore to be Counselor of the Department of State.

ENVOY EXTRAORDINARY AND MINISTER PLENIPOTENTIARY

Herbert Claiborne Pell to be Envoy Extraordinary and Minister Plenipotentiary to Portugal.

GOVERNOR OF ALASKA

John W. Troy to be Governor of the Territory of Alaska.

POSTMASTERS

ALABAMA

Albert Morton Shaw, Carbon Hill.
John E. Johnson, Fyffe.
Florrie V. Butts, Louisville.

GEORGIA

Marcus G. Keown, Mount Berry.

IDAHO

Lola Rossi, Idaho City.

OHIO

George H. Smith, Bryan.

OKLAHOMA

Wrenetta M. Carter, Bokoshe.
Louia M. Amick, Jefferson.
Frank R. Cassius, Langston.
Guy M. Coffman, Morrison.

HOUSE OF REPRESENTATIVES

THURSDAY, MAY 20, 1937

The House met at 11 o'clock a. m.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Heavenly Father everlasting, by searching we cannot find Thee out, nor understand the Almighty to perfection. We approach the light, but its source and glory we cannot measure. We pray that our footsteps may not be timid; give us the open way and the clear sky, where there is neither separation nor the night of mystery. Lead us to enter heartily and earnestly into the labors of this day; we trust that our hearts may be fresh and our visions clear; let the hours be consecrated to vigorous efforts and honest aims. With truth, honor, and manhood may we claim our goodly heritage. The Lord help us to live fine lives, to do our work well, and to exemplify the excellence of faith in God our Father. We beseech Thee to go before us in every temptation, in the way of every duty, and in the approach of every human problem. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

SUBCOMMITTEE OF THE COMMITTEE ON LABOR

Mr. KELLER. Mr. Speaker, I ask unanimous consent that the subcommittee of the Committee on Labor may be permitted to continue its investigation of the textile industry during the session of the House today.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

SUBCOMMITTEE OF THE COMMITTEE ON THE DISTRICT OF COLUMBIA

Mrs. NORTON. Mr. Speaker, I ask unanimous consent that a subcommittee of the Committee on the District of Columbia may be permitted to sit today during the session of the House.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

EMERGENCY RELIEF APPROPRIATION BILL

Mr. WOODRUM. Mr. Speaker, I understand it is the wish of the leadership to complete the consideration of the Interior Department appropriation bill, which was not concluded on yesterday. There was a special order granted making the relief bill in order at the beginning of the session today and, probably, that special order would hold good until the consideration of the Interior bill is completed, but in order to obviate any question about it, I ask unanimous consent that that special order continue in force and that the relief bill be in order upon the completion of consideration of the Interior Department bill, and continue as the unfinished order of business until its consideration is completed, and that the House, when it adjourns today, adjourn to meet at 11 o'clock tomorrow.

Mr. BOILEAU. Mr. Speaker, reserving the right to object, I would like to state to the Members of the House that the other day when this matter was made a special order of business, there was some discussion on the floor in which the gentleman from Virginia and the gentleman from New York and myself participated with reference to amendments to be offered to the bill. At that time the bill had not been introduced and at that time I believed I was justified in assuming that the bill carried a provision for $1,500,000,000 as reported by the committee and that the $1,500,000,000 was not in the bill as a committee amendment, but in the bill as reported by the Committee on Appropriations. Formerly when bills have come out of the Committee on Appropriations, particularly as to amounts, it has not been customary, at least, for the amounts to be changed in the form of a committee amendment, and I assumed at that time, not having had an opportunity to examine the bill, that the amount of $1,500,000,000 was in the bill as reported by the committee and not as a committee amendment. At that time the gentleman from Virginia and the gentleman from New York, and I believe, the other Members of the House or at least the members of the committee knew that I was speaking on behalf of an amendment which I proposed to offer to increase the appropriation to $3,000,000,000 and it was understood at that time that full opportunity would be given to the membership of the House to discuss this amendment as well as to give it consideration. Now, the situation is such that if any member of the Committee on Appropriations, who would have priority in seeking recognition, were to secure

recognition before I had an opportunity, and would offer a compromise amendment of one billion and a quarter, that matter would be disposed of before I would be in position to offer an amendment to the amendment because any amendment I might offer at that time would be an amendment in the third degree and therefore would not be in order.

Mr. TABER. Mr. Speaker, will the gentleman yield for a suggestion?

Mr. BOILEAU. Gladly.

Mr. TABER. A substitute amendment would be in order after an amendment to the committee amendment was offered.

Mr. BOILEAU. If an amendment to the amendment naming a compromise amount of one billion and a quarter, for instance, were agreed to, as I understand the rules of the House, a further amendment would not be in order. I may be in error, and it is a matter I want to clarify, and I am sure all the Members are desirous that the situation be made clear, because, as I understand, if the committee should accept an amendment at one billion and a quarter dollars, no further amendments would be in order to change the amount.

Mr. TABER. If the gentleman will permit, as I understand the rule, and I would suggest that the gentleman put his question as a parliamentary inquiry, as the committee amendment is offered, an amendment to the amendment would be in order and also one substitute amendment. In other words, after the amendment to the amendment has been disposed of, another amendment would be in order, as I understand it, and I would suggest that the gentleman submit the question as a parliamentary inquiry rather than have a statement made from the floor.

Mr. BOILEAU. As I understand the rules, and I may be in error because I do not claim to have any profound knowledge of the rule, if the amendment were turned down, then another amendment to the amendment would be in order, but if it were accepted, then a further amendment pertaining to the figures would not be in order.

Mr. CANNON of Missouri. Will the gentleman yield?

Mr. BOILEAU. Gladly, and after the gentleman from Missouri makes a statement I shall be pleased to propound the parliamentary inquiry.

Mr. CANNON of Missouri. The gentleman from Wisconsin, of course, is submitting his inquiry for parliamentary reasons and understands there can be pending simultaneously an amendment to a bill, an amendment to the amendment, a substitute for the amendment and an amendment to the substitute. The four propositions may be pending simultaneously, and as rapidly as the amendment to the amendment or the amendment to the substitute are disposed of further amendments of the same degree are in order until the two are perfected. Then both the amendment and the substitute having been perfected, the House takes its choice of the two. So under the rules of the House the gentleman is assured of ample opportunity of having his proposition considered in the perfecting of one or the other.

Mr. BOILEAU. In view of the fact that the committee amendment pertains only to the figure—that is, the amendment on the last of page 1 and the top of page 2, a committee amendment—could there be only one amendment to that?

Mr. CANNON of Missouri. The gentleman could offer an amendment to the committee amendment or he could offer a substitute for the committee amendment; or, if someone else offered a substitute, he could propose another figure as an amendment to the substitute. The rules provide opportunity for consideration of any figure. It is a right which cannot be denied the gentleman.

Mr. BOILEAU. Could a substitute be offered containing a different figure from that figure, so long as the amendment pertains only to the figure? In other words, can you change the figure and have it reach nothing else by both a substitute amendment and an amendment to the amendment?

Mr. CANNON of Missouri. The question first comes upon the amendment to the amendment. That being disposed of, further amendments are in order until the committee amendment is perfected. The question then recurs on the amendment to the substitute. When the substitute has been perfected, the vote is then taken on the perfected substitute to the perfected committee amendment.

Mr. WOODRUM. And I will say, so far as I am concerned, it will be my purpose to give the gentleman an opportunity to have a vote on his amendment, and to give all Members an opportunity to have a vote and to offer an amendment and to talk on it and continue as long as they reasonably can under the circumstances.

Mr. BOILEAU. I have no doubt of the gentleman's attitude on that. He expressed it the other day, and I am sure he would do all he could to give us that assurance.

Mr. CANNON of Missouri. Under the rules of the House, the gentleman's right to offer his proposition cannot be denied.

Mr. BOILEAU. Mr. Speaker, I desire to propound a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. BOILEAU. The gentleman from Missouri [Mr. CANNON] has stated that a substitute amendment could be offered, and that that could be pending even during the time that an amendment to the amendment is pending. Because of that situation, Mr. Speaker, is it a certainty that Members of the House would have an opportunity, by either offering a substitute amendment cr an amendment to the committee amendment, to be sure that the House would have an opportunity to vote either for or against an increase of the appropriation, as each individual Member may see fit to desire to offer an amendment?

The SPEAKER. The Chair has no doubt that whoever may be the Chairman of the Committee of the Whole would so hold.

Mr. BOILEAU. And that a substitute amendment could be offered after an amendment to the amendment had been agreed to?

The SPEAKER. If the gentleman will allow the Chair to state the parliamentary procedure, this is a committee amendment to the bill. An amendment could be offered to that, and a substitute for the committee amendment could be offered. An amendment to the substitute could be offered, and all could be pending at the same time. Of course, the amendment to the committee amendment would first have to be disposed of, and then the amendment to the substitute would have to be disposed of, and then the question would arise as between the substitute as amended and the original committee amendment as amended, and all could be pending at the same time.

Mr. BOILEAU. Could an amendment to the amendment and a substitute amendment be offered changing the figures in the bill?

The SPEAKER. Undoubtedly.

Mr. BOILEAU. With the assurance of the gentleman from Virginia [Mr. WOODRUM], in which assurance I hope the gentleman from New York [Mr. TABER] will go along, that we will have this opportunity to offer an amendment to increase the appropriation to $3,000,000,000, I shall not object to the gentleman's request.

The SPEAKER. Will the gentleman from Virginia please restate his request? The Chair thinks it proper to make this observation: Before this controversy arose as to whether or not it might be necessary to carry the relief bill over until next week, the Chair had given the gentlewoman from New Jersey [Mrs. NORTON], chairman of the Committee on the District of Columbia, assurance that she should have her call on Monday next. Will the gentleman from Virginia please restate his request?

Mr. SNELL. Mr. Speaker, will the gentleman from Virginia yield?

Mr. WOODRUM. Yes.

Mr. SNELL. Why is it necessary to convene at 11 o'clock tomorrow?

Mr. WOODRUM. Merely for the convenience of Members who do not want to have a session on Saturday. As far as I am concerned, I am going to hope that the House will cooperate to the extent of completing the relief bill on Friday. I do not want the bill to go over until next week, and there is no reason why it should.

Mr. SNELL. I shall not object to the gentleman's request to convene at 11 o'clock if the responsibility of beginning at 11 o'clock will be assumed by the leadership of the House, and no one will be allowed to get in with 20 or 25 minutes in which to make an address. I think that is the responsibility of the gentleman's side of the House.

Mr. RAYBURN. I shall take the responsibility of protecting the committee tomorrow by objecting to any matters not connected with this bill being considered.

Mr. SNELL. I am very glad the gentleman will take that responsibility, because I think it rests upon the gentleman; but if he does not take it, I shall object to meeting at 11 o'clock.

Mr. WOODRUM. And may I ask the gentleman from Texas whether I have his cooperation in completing the bill on Friday?

Mr. RAYBURN. The gentleman certainly has.

Mr. WOODRUM. Mr. Speaker, I ask unanimous consent that the special order for today making the relief bill in order be continued and that the relief bill be in order at the conclusion of the pending bill, the Interior Department appropriation bill, 1938, with the exception of the District of Columbia business on Monday, and that the House, when it adjourns today, adjourn to meet at 11 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Virginia? [After a pause.] The Chair hears none, and it is so ordered.

RELIEF LEGISLATION

Mr. TABER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. TABER. Mr. Speaker, in preparation for the consideration of the relief bill today and tomorrow I have gathered by questionnaire statistics with reference to the population, bonded indebtedness, assessed valuation, and annual taxes raised by States. I desire for the purpose of the record to have this available to the Members when the House meets tomorrow. I ask unanimous consent that as a part of my remarks I may insert in the RECORD at this point a table which I have prepared as a result of that questionnaire.

The SPEAKER. Is there objection?

There was no objection.

The table referred to is as follows:

State	Population, 1930	Bonded debt	Assessed valuation	Annual taxes
Alabama	2,646,248	$71,925,000	[1] $924,802,205	$24,236,067
Arizona	435,753	1,420,275	357,966,807	10,043,955
Arkansas	1,854,482	161,189,909	[2] 306,341,508	24,151,789
California	5,677,251	188,628,500	[1] 6,669,545,483	120,156,742
Colorado	1,035,791	4,385,700	[3] 1,105,517,850	3,316,553
Connecticut	1,606,903		2,944,482,709	21,264,542
Delaware	238,380	3,152,000	297,692,265	4,807,895
Florida	1,468,211		408,573,992	44,755,409
Georgia	2,908,506	4,000,702	1,070,741,050	36,050,000
Idaho	445,032	1,637,500	[2] 262,737,153	8,659,289
Illinois	7,630,654	206,100,505	5,368,264,784	163,624,792
Indiana	3,238,503	3,073,500	3,693,896,218	71,149,887
Iowa	2,470,939	6,660,000	2,432,732,755	54,404,484
Kansas	1,880,999	19,250,000	1,733,018,991	48,261,810
Kentucky	2,614,589	20,213,841		43,421,680
Louisiana	2,101,593	146,138,590		58,040,171
Maine	797,423	30,382,500	755,115,990	26,677,076
Maryland	1,631,526	45,125,000	2,216,642,904	46,396,944
Massachusetts	4,249,614	87,595,746	5,762,288,690	71,388,675
Michigan	4,842,325	75,669,000	4,709,106,223	192,823,044
Minnesota	2,563,953	129,363,894	1,205,877,006	73,680,668
Mississippi	2,009,821	48,390,000	381,161,689	19,118,410
Missouri	3,629,367	116,816,000	2,796,112,219	[4] 80,000,000
Montana	537,606	12,791,804		
Nebraska	1,377,963		[3] 2,060,835,166	12,255,424
Nevada	91,058	887,000	184,531,440	[4] 1,500,000
New Hampshire	465,293	13,747,000	411,842,437	18,061,577
New Jersey	4,041,334	189,776,000	5,879,166,815	60,087,464
New Mexico	423,317	2,215,678		12,520,423
New York	12,588,066	670,467,000	25,667,925,769	320,543,774

[See footnotes at end of table]

State	Population, 1930	Bonded debt	Assessed valuation	Annual taxes
North Carolina	3,170,276	$144,771,751	$2,199,517,988	$70,702,746
North Dakota	680,845	36,507,950		[5] 15,570,395
Ohio	6,646,697	751,665		136,526,449
Oklahoma	2,396,040	17,653,600	1,221,659,918	[4] 40,000,000
Oregon	953,786	47,185,010	892,807,998	15,681,227
Pennsylvania	9,631,350	121,987,328	8,898,099,860	[4] 115,000,000
Rhode Island	687,497	28,876,518	947,701,825	18,720,547
South Carolina	1,738,765	42,369,387	[3] 360,000,000	[4] 10,000,000
South Dakota	692,849	47,269,000	1,034,000,000	[4] 12,500,000
Tennessee	2,616,556	97,400,000	1,193,273,232	51,072,463
Texas	5,824,715	21,877,450	[2] 856,838,697	87,074,766
Utah	507,847	4,158,589	522,830,594	9,202,373
Vermont	359,611	7,843,031	[3] 272,872,962	5,360,719
Virginia	2,421,851	17,672,407	1,141,358,157	58,578,161
Washington	1,563,396	14,588,000	[6] 682,962,643	85,694,000
West Virginia	1,729,205	85,330,880	1,737,625,670	[4] 40,000,000
Wisconsin	2,939,006		4,263,845,401	96,529,837
Wyoming	225,565	3,215,000	308,500,347	[7] 617,000

[1] All.
[2] Real.
[3] Real and personal.
[4] Approximate.
[5] For 6 months' period.
[6] Excluding public utilities.
[7] Property tax.

Mr. BACON. Mr. Speaker, I ask unanimous consent that I may be allowed to extend my remarks in the RECORD and include therein the text of a bill that I have introduced in the nature of a substitute for the relief bill that will be brought up today or tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

LEAVE OF ABSENCE

Mr. DINGELL. Mr. Speaker, I rise at this time to report to the House the unfortunate loss of Mrs. John Lesinski, who died suddenly this morning.

In view of that fact, I would like to have it made of record, and ask that my colleague, Mr. LESINSKI, be excused from further attendance indefinitely.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

DEPARTMENT OF THE INTERIOR APPROPRIATION BILL, 1938

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 6958) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1938, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 6958, the Department of the Interior appropriation bill, with Mr. COOPER in the chair.

The Clerk read the title of the bill.

The Clerk read as follows:

VOCATIONAL EDUCATION

Salaries and expenses: For carrying out the provisions of section 7 of the act entitled "An act to provide for the promotion of vocational education, etc.", approved February 23, 1917, as amended by the act of October 6, 1917 (U. S. C., title 20, sec. 15), and of section 4 of the act entitled "An act to provide for the further development of vocational education in the several States and Territories", approved June 8, 1936 (49 Stat., p. 1488), $348,560.

Mr. DEEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DEEN: On page 117, line 5, strike out "$348,560" and insert in lieu thereof "$350,000."

Mr. DEEN. Mr. Chairman, the amendment which I am offering seeks to restore the full amount of $350,000 authorized in section 4 of the George-Deen Vocational Act enacted last year.

This amendment will not be necessary unless another amendment, which I intend to offer, is adopted. The second amendment, which I intend to offer in just a moment, if I can receive recognition, will seek to appropriate $14,483,000 for vocational education, as authorized in the George-Deen Act. Unless the second amendment is adopted, then

the amendment which is offered now will not be necessary, for the reason that this amendment provides the funds for administration of the new act, and unless the full appropriation is provided for, this administration fund will not be necessary. I therefore hope that the Committee will adopt this amendment and then, in a few minutes, adopt the amendment which I shall offer for the full amount.

Mr. Chairman, last year when the bill for vocational education was reported by the committee it contained an amount of $6,000,000. This House, after lengthy debate in Committee, overrode the bill brought in by the Committee on Education and restored the full amount in H. R. 12120, of which I was one of the authors, together with Senator GEORGE. And the House, by a vote of more than 3 to 1, passed that bill.

To the new Member let me say it is a binding contract. It is not my project. It is not in my district any more than it is in yours. It is impossible to tell you in 5 minutes the many things I would like to tell you about vocational education, but I want to quote two sentences from what I think is one of the greatest speeches I ever heard delivered on the floor of this House. I quote from the RECORD of May 26, 1936, when our distinguished floor leader, at present our beloved Speaker, took the floor of the House in support of H. R. 12120, and said:

Mr. Chairman, I move to strike out the last two words. I imagine some Members may get tired of the reiteration of the statements so often made by me on the floor of the House that in my deliberate judgment, although I may be in error in my conclusions, the very best money spent by the Federal Government is for appropriations for the Public Health Service and those appropriations for vocational education in the various phases. [Applause.]

Another sentence:

I have always felt that it is at least partly the duty of the Federal Government to make reasonably fair appropriations for this purpose. I am not afraid of this $12,000,000 for this purpose, because I believe that as far as the youths of our country are concerned it is the best money that we can spend. [Applause.]

The CHAIRMAN. The time of the gentleman from Georgia [Mr. DEEN] has expired.

Mr. DEEN. Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. JOHNSON of Oklahoma. The suggestion I wanted to make to the gentleman is that perhaps in the interest of time it might be well for him to withhold his amendment at this time to see what action the Committee may take with reference to the amendment which the gentleman says he intends to offer to the next paragraph.

Mr. DEEN. Answering the gentleman from Oklahoma, I have conferred with the Parliamentarian and am advised that since we are reading the bill by paragraphs we would not be allowed to go back except by unanimous consent.

Mr. JOHNSON of Oklahoma. I have no doubt the gentleman should get unanimous consent to do just that. The committee admits that in case the next paragraph should be increased that it would take more funds to administer the act.

Mr. DEEN. Mr. Chairman, I ask unanimous consent that this amendment appropriating the full amount for administrative purposes be withheld until the following amendment appropriating the full amount authorized by the George-Deen Act is disposed of. If the full amount is appropriated, this first amendment will not be necessary.

The CHAIRMAN. The gentleman from Georgia asks unanimous consent that the amendment just offered by him may continue as pending until after the reading of the next paragraph and disposition is made of another amendment which he will seek to offer when the present amendment shall be considered. Is there objection?

Mr. FULLER. Mr. Chairman, reserving the right to object, I presume that the gentleman means after the disposition of the next paragraph and all amendments thereto.

Mr. DEEN. That is correct.

Mr. FULLER. That is what he means, not just his amendment.

Mr. DEEN. No; all amendments.

The CHAIRMAN. The Chair understands that the request means at the conclusion of the consideration of the next paragraph to the bill and all amendments thereto.

Is there objection?

There was no objection.

The Clerk read as follows:

Further development of vocational education: For carrying out the provisions of sections 1, 2, and 3 of the act entitled "An act to provide for the further development of vocational education in the several States and Territories", approved June 8, 1936 (49 Stat., pp. 1488–1490), $7,241,500: *Provided*, That for the fiscal year ending June 30, 1938, the apportionment to the States and Territories shall be computed on the basis of 50 percent of the sum authorized for each of the purposes enumerated in sections 1, 2, and 3: *Provided further*, That notwithstanding the provisions of sections 1, 2, and 3 providing minimum allotments, the allotment of funds to any State or Territory for the fiscal year ending June 30, 1938, shall be not less than 50 percent of the minimum amount specified for each of the purposes enumerated in these sections: *Provided further*, That the apportionment to the States shall be computed on the basis of not to exceed $7,398,750 for the fiscal year 1938.

Mr. DEEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DEEN: On page 117, lines 10 to 20, strike out "$7,241,500" in lines 10 and 11 and the remainder of the paragraph with the period at the end of line 23 and insert in lieu thereof "$14,483,000."

Mr. DEEN. Mr. Chairman, this amendment seeks to insert the amount of $14,483,000 authorized in the George-Deen Vocational Act in lieu of the amount of $7,241,500. The amendment, if adopted, will strike out the language beginning with the word *"Provided"*, in line 11, through the figures "1938", in line 23, because that language will not be necessary if the full amount is inserted, for the reason that the language contained in lines 11 through 23 sets up the distribution of the funds in the event only half of the amount is appropriated.

Mr. Chairman, I shall not trespass on the patience of the House. This is the only time I am going to ask for on this important matter. I cannot, of course, say what I should like to; but let me remind this House of the fact that before this matter is disposed of there will be an appeal made on the basis that we are unbalancing the Budget, that we are putting in this bill $7,000,000 more than was recommended by the committee. We shall be reminded of a veto at the White House. So far as I am concerned—and I want to make this absolutely clear—when I sign a contract to pay, whether it be one dime or one dollar, that contract is binding on me. It is just as binding if I make a bad trade as it is if I make a good one. Assuming that we have made a bad trade in this vocational education matter—and we have not—but assuming that we have, it is a contract, binding between the Members of this Congress and the people of this country; and I, for one, will carry out my contract. If it means my job, any man in my district is welcome to take it if he wants it. In other words, a contract, a covenant, exists between this Congress and the country, irrespective and regardless of whether or not the President may want to approve the bill. If he had not intended to approve the appropriation, he should not have approved the legislative act. I am not criticizing the President. I am for him when I think he is right. I am for his Court bill, not because he is for it but because I think it is right; and I am for this vocational education, irrespective of whether he is in agreement with me.

Mr. DIES. Mr. Chairman, will the gentleman yield?

Mr. DEEN. I yield.

Mr. DIES. I presume this contract the gentleman refers to arises on account of the fact that Congress authorized the expenditure of the money. Is that correct?

Mr. DEEN. The gentleman is correct.

Mr. DIES. If that be true, if authorization sets up a contractual obligation and we should appropriate all of the

money that we have authorized, we would break this Government within 6 months.

Mr. DEEN. That is the gentleman's responsibility along with that of his colleagues. A matter that has been authorized is a contract, I contend.

Mr. DIES. Does the gentleman think we ought to appropriate it?

Mr. DEEN. We ought to appropriate it or not authorize it, and I for one stand ready not to agree to any further authorizations for any purpose unless we are going to carry out our contracts.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. DEEN. I yield.

Mr. MAY. In the first place, as I understand it, the Congress stands for the educational program provided in the George-Deen Act.

Mr. DEEN. That is correct.

Mr. MAY. The Bureau of the Budget has canceled that to the extent that they have refused to appropriate the amount authorized.

Mr. DEEN. That is correct.

Mr. MAY. The question now is whether we shall do what Congress directs us to do or what the Budget directs us to do.

Mr. DEEN. The gentleman is correct. Other gentlemen will discuss with you the vocational programs in the respective States, what the State legislatures have done and what the States are spending. Other speakers will point out to you the value of vocational training. [Applause.]

[Here the gavel fell.]

Mr. O'NEAL of Kentucky. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. O'NEAL of Kentucky. Mr. Chairman, for the purpose of this discussion, let us concede the value of vocational education. There is no contest whatsoever on that point and the committee is in no way in disagreement with the proponents of these amendments as to vocational education. There is no question but what one of the most fundamental things needed in this country is the training of men for skilled labor and for better farming. There are many important matters, Mr. Chairman, before this Congress and in this bill but I dare to add again for your consideration that the greatest issue before the Congress and the American people is that of economy. [Applause.]

The President sent a Budget message to us not long ago and stated in that message that the revenue from income taxes would be $267,000,000 less this year than anticipated and the revenues from other sources would be $337,000,000 less, making a total shortage in anticipated revenues of $604,000,000.

The President also said, and I want you to have this in mind, because when you are considering any matter before the Congress other matters must be taken into consideration in order to draw a complete picture:

> I propose to use every means at my command to eliminate this deficit during the coming fiscal year—

I am reading from the President's message to the Congress—

> I regard it as extremely important that we should achieve a balance of actual income and outgo for the fiscal year 1938, and I appeal to you to join me in a determined effort to bring about that result * * *.
>
> The maintenance of a sound fiscal policy requires the careful planning of authorizations as well as appropriations. It is impossible to maintain the proper balance between revenues and expenditures unless restraint is exercised with respect to authorizations of appropriations. It is a matter of concern to you and to me who are working for a balanced Budget that so many special groups exert the strongest pressure to bring about increases in Government expenditures.

Mr. Chairman, while we are considering amendments, which cause greater expenditures and increase deficits, we should not lose sight of the President's words:

> I propose to use every means at my command to eliminate these deficits during the coming year.

What we do here may help to force the President to resort to pay cuts throughout the various departments, and our generosity to the cause of vocational education and other needs may result in a flattening of the pay envelope of many in the lower brackets who are having a difficult time now to provide a decent living for their families. I do not care to be a party to that. We have just raised the pay of custodial employees and it would be a tragic thing to bring a pay cut upon these people.

As bad as that is, in my opinion, things far worse may result. Unless the imminence of the danger of the road we are traveling sinks into our conscience we may awaken to conditions undreamed of. People have false conceptions as to how collapses come upon us. There seems to be a general feeling that the amount of the public debt will determine the matter, that theoretically the resources of this country can offset a greater and greater debt and the load limit is far in the future, which might mark the end.

Mr. Chairman, collapses do not come that way. It is not the teaching of history nor the record of mob psychology. Collapses come when the public awakens to a fundamental weakness. The recognition spreads like a forest fire, hysteria appears, and crash and change arrive. Have we forgotten how the debacle of 1929 arrived one day, when a secret fear became everywhere evident and uncontrollable?

People now are talking everywhere that this country is continuing to operate in the red and that deficits and debts are mounting daily. If they have no reason to believe that a concrete program of economy is being carried out to balance the Budget, if they continue to feel that Congress cannot or will not meet the issue, if they think that we have not the courage to say no to the importunities of special groups, if they arrive at a conviction that we have not sufficient self-denial and judgment to govern ourselves, then the way is prepared for hysterical fundamental changes in this Government, irrespective of the amount of the public debt. Such thoughts are being expressed all over the country, and the only way to check those thougnts is to mean and to practice economy.

And so for this vocational education item.

If we had granted in this bill only what the Budget allowed for vocational education, the total of the bill would be approximately $9,000,000 under the Budget estimate. But the proponents of these amendments and many of our colleagues appeared before the committee, and the committee added to the Budget allowance for vocational education an additional $4,241,500, making a total under the George-Deen Act in the bill of $7,421,800. This cut the savings in the Interior bill from $9,000,000 to about $4,741,000, and we labored for 8 weeks making this reduction. The amendments on the floor to this bill have reduced the pitiful saving that we made, to the present amount of $3,792,000.

[Here the gavel fell.]

Mr. RICH. Mr. Chairman, I ask unanimous consent that the gentleman's time may be extended 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. O'NEAL of Kentucky. Mr. Chairman, if the amendment is adopted raising the amount to the full authorization in the George-Deen Act of $14,483,000, which is asked for, we will not have a saving of $9,000,000. We will not have even the present $3,792,000. We will exceed the Budget on the entire bill by about $1,200,000, a fine example of economy. If the amendment, which we understand will later come, is adopted, we will be about what the Budget has set for us. But, Mr. Chairman, that is not all and this is one matter which has not been brought out that I think the House should consider very carefully. The proponents of the amendment should remember that when our committee raised the Budget from $3,000,000 for vocational training to $7,241,000, as it is in the bill, it called attention in the report to the Members of the House that in addition to the amount in this bill there is now a permanent

annual appropriation not mentioned in this bill of $7,000,000. This will be available for cooperation with the States for vocational education purposes under the Smith-Hughes Act, and without an amendment, without a dime additional, makes a total of $14,241,500 for the next fiscal year for vocational education.

If the full amount were given as the proponents ask, then the amount would be increased for the next fiscal year to slightly less than $20,000,000.

But that is not all. The President has sent a message to us relative to the finances of our country. This should not fall on deaf ears. It was not just a word of caution, as I read it. I felt an undercurrent of deep seriousness, and a warning too grave to ignore or forget. Therefore, when this matter came to us, our committee presented to the Bureau of the Budget a request to reconsider this item and if possible to send us a revised estimate. The President's Bureau considered it over a period of days, and declined to send a revised estimate increasing the amount over $3,000,000, exclusive of the previous $7,000,000 which I have previously mentioned. The committee voted the increase in the bill without the approval of the President's Bureau of the Budget, and, not satisfied, the proponents seek still more. I do not know the full cause of the Budget's failure to increase the amount, but in the light of the President's ominous economy warning, I cannot help but feel that the financial condition of our country had something to do with it.

I have the impression also, without criticizing anyone, that further study is required to make the vocational program of the George-Deen Act workable and not confused. There are many phases of its objects which need further study and more orderly growth and development than can be attained by a precipitate effort to create a full-grown program. Since the program is not in a condition to be carried out satisfactorily and equitably, since there is a permanent annual appropriation of $7,000,000, since the bill as written adds $7,421,000 to this $7,000,000, and since the President's message is a grave warning, I urge all thinking Members of the House to vote down this amendment and any amendment which will increase the figure above the amount allowed by this bill. Thus we will show that we really mean economy, and set an example for the people of America.

[Here the gavel fell.]

Mr. REED of New York, Mr. DONDERO, Mr. ALLEN of Pennsylvania, Mr. DIES, and Mr. SHORT rose.

The CHAIRMAN. Permit the Chair to make a brief statement. It is the purpose of the Chair to be as fair as possible in according recognition on this matter, in which, of course, a great many Members are very vitally interested. The Chair will try to recognize equally those for and against the pending amendment, as far as possible. Two gentlemen have spoken on the majority side, one for and one against the amendment. The one speaking in opposition consumed three times as much time as the one who spoke for the amendment. The Chair feels it would now be fair to recognize some gentlemen in support of the amendment, especially on the minority side, since the other two speakers have been on the majority side.

Mr. JOHNSON of Oklahoma rose.

The CHAIRMAN. For what purpose does the gentleman from Oklahoma rise?

Mr. JOHNSON of Oklahoma. Mr. Chairman, I rise for the purpose of seeing if there cannot be an agreement reached as to the amount of time to be used on this particular item. I suggest that inasmuch as a number of Members want to speak on this amendment, and since it is not the purpose of the Committee to cut off anyone who wants to speak, that there may be 40 minutes or 50 minutes of further debate on this amendment alone.

Mr. HILL of Alabama. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. Yes.

Mr. HILL of Alabama. In that connection, may I suggest that it might be left within the discretion of the Chair, if necessary, to limit the speakers to even 2 or 3 minutes, in order that all gentlemen who desire to speak may be accommodated?

Mr. DIES. Mr. Chairman, to how many minutes does the gentleman intend to limit debate?

Mr. JOHNSON of Oklahoma. I have suggested 40 or 50 minutes.

Mr. Chairman, I ask unanimous consent that debate on this paragraph and all amendments thereto close in 50 minutes.

Mr. FULLER. Mr. Chairman, I object. The gentleman's request is not fair.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I want to be absolutely fair, but it occurs to me that we must limit debate or we will be here all afternoon on this paragraph.

Mr. FULLER. The friends of this measure are willing to limit debate, but the gentleman knows and every Member on the floor of the House knows there are liable to be two amendments here. If this amendment is adopted, the other amendment will not follow. If this amendment is defeated, another amendment will follow, on which Members ought to have an opportunity to be heard. If the gentleman will arrange to divide the time in some way, it will be perfectly satisfactory.

Mr. RAYBURN. May I suggest it would be better to put all the time in one request?

Mr. FULLER. I cannot very well offer my amendment until action is had on the pending amendment. Why not limit debate on this amendment to 30 minutes, and reserve 20 minutes for other amendments.

The CHAIRMAN. Will the gentleman from Oklahoma permit the Chair to suggest it might be of some advantage to consider the question of limiting debate on the pending amendment and amendments thereto?

Mr. JOHNSON of Oklahoma. Yes, Mr. Chairman.

Mr. DONDERO. Mr. Chairman, I suggest to the chairman of the committee that the request be made for 1 hour of debate.

Mr. JOHNSON of Oklahoma. On this one amendment?

Mr. DONDERO. On this amendment.

Mr. DIES. Mr. Chairman, reserving the right to object——

The CHAIRMAN. There is no unanimous-consent request pending.

Mr. DIES. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman from Texas.

Mr. DIES. Will the gentleman be willing, whatever time is allowed, to suggest that at least half of the time be given to the proponents and half to the opponents, so we will know there is to be some fair disposition of the time?

Mr. RAYBURN. Why not leave that to the Chair?

Mr. JOHNSON of Oklahoma. The Chair, I am sure, will take that into consideration.

Mr. KLEBERG. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield.

Mr. KLEBERG. I wonder if it would not expedite matters to have a raising of hands to find out who wants to talk on this matter, before we limit the time definitely, because in this way we can at least count noses, so to speak.

Mr. JOHNSON of Oklahoma. In that event, every Member who wants to talk on any amendment to the paragraph would raise his hand.

Mr. FULLER. That is not a fair assumption, because we can limit it to this one amendment.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I ask unanimous consent that debate on the pending amendment be limited to 40 minutes.

The CHAIRMAN. The gentleman from Oklahoma asks unanimous consent that debate on the pending amendment close in 40 minutes. Is there objection?

There was no objection.

Mr. REED of New York, Mr. SHORT, and Mr. DIES rose.

Mr. DIES. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from New York [Mr. REED] had sought recognition of the Chair, and the Chair would feel disposed to recognize the gentleman.

Mr. SHORT. Yes, Mr. Chairman; and I defer to the gentleman from New York, but I should like recognition myself later.

The CHAIRMAN. The gentleman from New York is recognized for 5 minutes in support of the pending amendment.

Mr. REED of New York. Mr. Chairman, we have been dealing with parks and roads and various other things that cost money. The amendment now before the Committee deals with the future citizens of the United States of America. [Applause.]

I have been interested in the vocational education movement ever since I entered Congress, practically 20 years ago, and I have never failed to take the floor when matters affecting the boys and girls of this country were involved.

Now, let us see just exactly where we stand in this situation. The public fails sometimes to discriminate between an authorization and an appropriation. On June 8 of last year the Committee on Education brought in the George-Deen bill, carrying an authorization of $6,000,000 for vocational education. This House took that bill and raised the amount to $14,400,000; at least two-thirds of the House voted for it, and the bill went to the White House and the President gave it his hearty approval. Many people in this country assumed that the money was available and it was hailed with great delight and enthusiasm by those interested in vocational education. Governors assumed the Congress meant exactly what it had said and the President meant exactly what his act in signing the measure said; in other words, the Congress and the President said to the country, "We are going to let you have $14,400,000, and you build your program around that amount for the boys and girls in this country." Immediately the States proceeded to lay out their programs and make commitments. I know of one State that erected, at its own expense, 90 buildings to carry on vocational education. The States made commitments for teachers, for equipment, and prepared to go ahead, and the first notice they had to the contrary was when the message came here from the President reducing the amount from $14,400,000 to $3,000,000. Then, of course, there was confusion in all the States. They had made these commitments.

It seems to me that sometime in the history of the country we should keep faith with the American people. I do not go so far as to say this was a contract, but I do go so far as to say that the public had a right to rely upon the action of Congress, which was taken without mental reservation whatsoever, and the public had the right to rely upon the action of the President when he signed the bill on the 8th of June last year.

I have been interested in vocational education. I introduced a companion bill to this in 1929, for the benefit of the boys and girls in the country districts; and as a result of that bill alone each of 8,000 high schools put in a course in vocational education for the farm boys and girls.

[Here the gavel fell.]

Mr. REED of New York. Mr. Chairman, I ask unanimous consent to proceed for 5 more minutes.

Mr. DIES. Mr. Chairman, reserving the right to object, is this time to be taken out of the 40 minutes?

The CHAIRMAN. Yes; it will be.

Mr. DIES. There are other Members who want to be heard, who will not have an opportunity to be heard——

Mr. REED of New York. This is the first time I have spoken on this bill.

Mr. RANKIN. Mr. Chairman, if the gentleman will permit, I hope the gentleman will not object. The gentleman from New York [Mr. REED] has been at work on this measure for years and years, and he is probably better informed on it than any other man, certainly on his side of the House. [Laughter.]

I hope he may have the 5 minutes.

Mr. DIES. Mr. Chairman, under that very illuminating explanation I will withdraw my objection.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. SHORT. Mr. Chairman, I shall not question the statement by my genial friend from Mississippi [Mr. RANKIN], but I do feel that there are many men on both sides of the aisle who are vitally interested in this particular problem. I have sat here all week hoping to get an opportunity to have at least 5 minutes in which to address the Committee in support of this amendment. I don't think it is fair for one or two Members to monopolize all of the time.

The CHAIRMAN. That is in the control of the gentleman from Missouri just as this particular point. Is there objection?

Mr. RANKIN. Mr. Chairman, I reserve the right to object. The gentleman from New York has been working on this proposition for years. I should like for him to have these 5 minutes. I think it will be well worth it.

Mr. SHORT. Some of us have worked on it all of our lives, although we have not lived to be as old as other gentlemen, but I shall not object.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. CARTER. Mr. Chairman, I reserve the right to object for the purpose of making a unanimous consent request. I ask unanimous consent that the gentleman from New York be given 5 additional minutes, not to be taken out of the 40 minutes allotted to this debate.

The CHAIRMAN. The gentleman from California asks unanimous consent that the gentleman from New York be given 5 additional minutes, not to be taken out of the 40 minutes already fixed. Is there objection?

There was no objection.

Mr. REED of New York. Mr. Chairman, I thank the members of the Committee for their indulgence. Let us get right down to the meat in the coconut in this bill and its importance to the country. The Smith-Hughes Act in 1917 came as an absolute necessity to this country. England conducted an exhaustive survey upon the question of vocational training in the early days before the war to find out why it was that Germany was capturing her foreign trade, and after a most thorough investigation—the type that England always conducts, without politics—she found that the reason for it was because of the vocational training that the German people were giving to their children. The result was that England adopted vocational work and other countries have done so. We thought it was necessary to take the same steps, and why? Because prior to the immigration acts we were getting our skilled and unskilled labor from foreign countries, and when these acts were passed restricting immigration we had a shortage of skilled labor in this country. No person will ever know the wealth it has brought to us to have vocational training in this country, but the farm boys and girls were neglected. Finally, when we passed the George-Reed Act, we started them on that program.

This is not a question of just looking at education as a plaything or just a mere toy. It is important to the life of this Nation. It is important as a relief measure at the present time. In our schools today we find literally thousands and thousands of men who are skilled laborers, who are out of a job—out of a job because of some new invention that has come along and taken their jobs and relegated them either to the relief rolls or into the day-laborer class.

Some of the industries of this country are recognizing that fact. When the New York Central electrified its lines leading out of New York City they could have been cold-blooded about it and said to the old engineers, "Go onto the relief rolls." Did they do that? No. They trained these engineers to operate those electric engines, and every old engineer was placed on an electric engine, his self-respect was saved, and he has been permitted to go on through life at his work. When it comes to the farmers of the country, if you will go through the country today, you will find that

those farmers who have not come to the Government for help are the farmers who have been vocationally trained in our schools and colleges. The time has come for us to think in terms of the young men who are to step into industry in the future and who are to develop our farms along proper lines. We appropriate for practically everything. Just stop and think of it. Here is a matter of $14,000,000 for which you are asked to support. You put $30,000,000 into Passamaquoddy. Already you are thinking of $100,000,000 for the ship canal in Florida. You never bat an eyelash when a bill comes in to appropriate $60,000,000 for a battleship. You carry it overwhelmingly; but when it comes to a question of giving the boys on the farm and the girls and the aged who are thrown out of work help in order to reestablish themselves and keep off the relief rolls, then there comes this fight against vocational education. [Applause.]

The CHAIRMAN. The time of the gentleman from New York has again expired.

Several Members rose.

The CHAIRMAN. Does the gentleman from Georgia, a member of the committee, desire recognition?

Mr. TARVER. I desire recognition in opposition to the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Georgia.

Mr. TARVER. Mr. Chairman, I yield to no man or woman in the United States in my devotion to the cause of vocational education. If you will examine the hearings, you will find that I was the first witness who appeared before this subcommittee in behalf of an appropriation for the full amount of the authorization. Many of us appeared before that committee and submitted our case to them in the full confidence that they would be fair. All of us were deeply impressed with the necessity for providing adequate funds to properly carry on this work. Personally I felt that since the Commissioner of Education had indicated in connection with the George-Deen bill last year that we are only reaching 35 percent of the localities in which the work should be carried on with present appropriations, the full authorization of over fourteen millions should be made available.

As far as I know, there is not one single member of that subcommittee who is not as deeply interested in the cause of vocational education as any other Member of this House. They reviewed the evidence. They heard the authorities from the Office of Education. They considered the obligations of the Government not only in this but in other matters and, after having done that, in their wisdom and with a knowledge of the subject matter which we could not hope to have, because of our inability to study the evidence as they have studied it, they gave an increase of more than 125 percent of the amount allowed by the Budget. As far as I am concerned, as a friend of vocational education, I propose to bow to their judgment and to oppose the proposed further increase in this item. I do this the more willingly since I have been advised by a member of the subcommittee that when the Commissioner of Education was before them on one occasion he was asked how much money would be necessary during the next fiscal year to enable every school which had qualified and every school that might possibly qualify to receive the benefits of this act. I am informed that he said, "$6,700,000." This bill carries $700,000 more than that. If that is true, how could we benefit anybody by appropriating twice as much as will be needed? Next year, let us hope, the full authorization can be used; but it clearly appears it cannot be used for the fiscal year for which we are appropriating.

I think in fairness to the President of the United States it ought to have been pointed out that he gave consideration to a veto of the George-Deen Act, but that instead of vetoing it he signed it, and announced concurrently with the affixing of his signature his reason for doing it, which was that he proposed to appoint a commission to investigate this whole subject matter and to determine how much money might in the future be wisely appropriated for these purposes. He appointed that commission and that commission has not yet submitted its report. Yet, in advance of the submission of its report, the House is asked to appropriate a sum which is largely in excess of what even the Office of Education itself says may be wisely and efficiently expended for the purposes specified in the act.

We talk about economy, yet too many of us do not want to economize on things that are of interest to us and our constituents. We oppose delegation to the Executive of the power to cut down appropriations or to spend appropriations made by the Congress, according to his discretion. We insist that those are Congressional prerogatives, and they are; but before we should insist too strongly upon our right to exercise them, we should show that we can exercise them wisely, we should demonstrate ability to handle the financial affairs of the Government in such a way as to bring about, within a reasonable time, a balancing of the Budget.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. TARVER. Yes; I yield to my colleague.

Mr. MAY. I agree thoroughly with the gentleman from Georgia that we ought to economize, but does the gentleman not think that inasmuch as the Budget is to be balanced in all of our appropriations, there are many activities under the relief organizations that something can be taken from and put on here to better advantage?

Mr. TARVER. I have been in favor of reducing the amount of relief appropriations, but I have observed no sentiment in the House which lends basis to the hope that any such reduction will be brought about. Yet the greatest danger our Government faces today is its unbalanced Budget, its failure to bring down expenditures to anywhere in the neighborhood of receipts. I have noticed that it is too frequently the custom of gentlemen to advocate economies in matters which do not directly concern them or their constituents, and to vote for increases in appropriations in items in which they are directly concerned.

Mr. DEEN. Mr. Chairman, will my colleague yield?

Mr. TARVER. Yes; I yield to my colleague from Georgia.

Mr. DEEN. The gentleman does not mean to imply to the House that he is going to predicate his vote on the one and one-half-billion-dollar relief bill on the attitude of the House toward reduction of expenditures?

Mr. TARVER. I do not think I have told the gentleman what my vote on the bill will be and, frankly, I do not understand the purport of his question. But I respectfully insist that if we desire to bring about economies we ought to be willing to economize in things in which our districts and our constituents are interested. This amendment presents a real test of our sincerity. All of us, and most of our constituents, are deeply interested in vocational education. Therefore, it is proposed to ask the Government for more than can be wisely used. That, in my judgment, is indefensible, especially in a time of national financial distress.

The CHAIRMAN. The time of the gentleman from Georgia [Mr. TARVER] has expired.

Mr. SHORT. Mr. Chairman, I rise in favor of the amendment.

Mr. Chairman, no nation possibly can rise above the level of the intelligence and character of its citizens. That statement holds true with the people under any form of government, but it is particularly true with people under a democratic form of government such as ours, where the people themselves are the government.

Several years ago Horace Mann stated:

> In our country, and in our times, no man is worthy the honored name of a statesman who does not include the highest practicable education of the people in all his plans of administration. He may have eloquence, he may have a knowledge of all history, diplomacy, jurisprudence; and by these he might claim, in other countries, that elevated rank of a statesman; but, unless he speaks, plans, labors at all times and in all places for the culture and edification of the whole people, he is not, he cannot be, an American statesman.

I believe that all the Members of this House, regardless of party ties, will agree to the truth of that statement. At least, Mr. Chairman, I still believe in the value of education in spite of, more than because of, the fact that in the early

years of my life I was exposed to it in several institutions of learning in this and in foreign countries. Before coming to Congress I was for a few years a professor in one of our American colleges; therefore I speak from the standpoint of a teacher as well as a student. The safest and best investment that any parent can make is in the education of his children; likewise, the greatest investment a government can make is in the proper education and correct training of its citizens. It is necessary to build dams, to prevent floods, to generate power, erect buildings, train armies, construct airplanes and battleships; but what value are all these activities if we neglect to train the minds and cultivate the hearts of men?

Mr. Chairman, every educator knows that there are many students in our elementary schools who are neither intellectually nor temperamentally fitted for higher education; in fact, there is a surprisingly large number of young people lacking in educational capacity who should never be permitted to enter college, and some, perhaps, should be kept out of high school. While these students may not have the capacity to acquire all the niceties of a classical education and to become experts in the technical, "high-falutin" theories of some social reformers, they nevertheless possess sufficient intelligence and character to become honorable and useful citizens in the community. Vocational education aims directly to assist these poor boys and girls in the rural and urban centers of our population, who otherwise would be denied the opportunity of such education in agriculture, trade, and industry, home economics, and teachers' training; there is also provided in this vocational-education program an opportunity for adults who were denied the opportunities of education in their youth to learn certain distributive occupations. The money thus spent, unlike the dole which destroys the initiative and industry of our people, rather increases their skill, gives them confidence, maintains their self-reliance, and promotes a spirit of initiative, thrift, and independence.

I believe that no dollar of Government money is better invested, is so wisely spent, or yields such great returns as the dollar that is spent upon the education of the youth of our land. In 1934 we spent in this country for education at all levels, that is in public schools, high schools, colleges, universities, and teacher-training institutions, approximately $1,940,000,000. In that same year, Mr. Chairman, we spent in this country $1,344,000,000 for the one item of tobacco alone. In that year we spent in round numbers $1,229,000,000 for soft drinks, ice cream, candy, and chewing gum. We spent $600,000,000 on theaters, movies, and other places of amusements. We spent on toilet preparations and beauty parlor services, $314,000,000. In other words, for every dollar we spent on public education in the United States in 1934 we spent more than twice as much for luxuries and amusements in this country. In the year 1928 for every dollar spent on public education we spent $2.61 for candy, chewing gum, movies, circuses, and other places of amusement.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield.

Mr. COCHRAN. Of course, Congress did not appropriate that money.

Mr. SHORT. I understand that Congress did not appropriate that money, but Congress is concerned, or should be, with the general welfare of our country, and particularly with the education of our citizens. During the World War the amount of illiteracy we found among our soldiers was appalling; and today the enrollees in our C. C. C. camps have revealed too much ignorance, thousands of them being unable to read and write.

Mr. Chairman, in this very bill that we are considering we have appropriated scores of millions of dollars upon development of the soil, and there is allotted only the paltry sum of $14,483,000, even if we increase to the full extent and adopt this amendment for the education of our youth. It would seem that we are more concerned in the United States with soil than we are with souls, and that we are spending more money upon the development of mud than we are upon the development of mind. In several of our States more money is spent each year upon the breeding of good horses and cattle than is spent upon the education of our children.

Mr. DUNN. Mr. Chairman, will the gentleman yield?

Mr. SHORT. My time is so short, Mr. Chairman, I cannot yield. I am for this amendment, first, because it is a meritorious measure, and can stand absolutely upon its own feet. The cry of economy and attempting to make the school teachers and youth of this country foot the bill, of course, is all poppycock and bunk. [Applause.]

When one considers the billions of dollars this administration has squandered in wild and reckless fashion, wasting millions of it upon foolish projects, it is laughable to think that the President would dare veto this amendment, which calls for such a modest appropriation for such a worthy cause. After we pass this appropriation bill this afternoon another emergency relief bill will be brought upon the floor of this House, under the terms of which the President is not only requesting but demanding that this House turn over to him, in the form of a blank check, $1,500,000,000 for him to spend as he sees fit. It is high time that we as Members of the legislative branch of Government and duly elected representatives of our people, began exercising not only our constitutional rights but our duties as well. We have control of the purse strings of this Nation and should never abdicate our powers or cowardly surrender our legislative functions to either of the other branches of our Government.

In the second place, I am wholeheartedly and unreservedly in favor of this amendment because I feel that the Federal Government is morally bound to carry out the provisions of the George-Deen Act, approved on June 8 of last year. That act definitely and specifically authorized an annual appropriation of $14,483,000 for allotment to the States and Territories, beginning July 1 of this year. The act was passed by both Houses of Congress at the last session and was signed by the President. Of course, that was during the campaign and before the election last November, when President Roosevelt wanted the votes of school boards, school teachers, poor parents, and the unfortunate youth of the Nation. New Deal orators gave the people over our Nation to understand that they were sincere friends of vocational education, but Mr. Roosevelt now seems to have forgotten all about that act. He and his Director of the Budget are in favor of appropriating only $3,000,000 for this valuable work during the next fiscal year; be it to the credit of the members of this Subcommittee on Appropriations, they have increased the Budget estimate from $3,000,000 to $7,398,750. This sum, however, is woefully inadequate and only about half the amount which was authorized in the act last year. If there were a law against getting votes under false pretenses, many of these New Deal deceivers would be in the penitentiary now.

Since the authorization last year of $14,483,000 to be annually appropriated and distributed to the various States, many communities in different States have erected buildings, purchased equipment, and hired personnel in anticipation of these Federal appropriations. While in a highly technical and strictly legal sense the Federal Government is perhaps not obligated to provide these funds, there can be no doubt that the Federal Government is bound in a moral sense to keep faith with its own citizens. It is strange and inexplicable to see certain Members on the floor of this House oppose this amendment, which is a paltry and pitiful sum compared to the huge appropriations they have received for projects in their own particular districts. Certainly, the President cannot be justified in opposing this amendment when he asks us today to turn over to him $1,500,000,000 to spend as he pleases. Yet we still have among us certain men who strain at a gnat and swallow a camel.

(Mr. SHORT asked and was given permission to revise and extend his own remarks.)

Mr. FITZPATRICK. Mr. Chairman, I rise to speak to the amendment.

Mr. Chairman, I ask unanimous consent to revise and extend my own remarks and to include therein two telegrams to which I shall refer.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FITZPATRICK. Mr. Chairman, I have supported all appropriations for education and relief work that have been brought into this House. My first interest in vocational education was brought about by the distinguished gentleman from New York [Mr. REED], who advocated vocational training for many years. In his statement he tells you of all the buildings that are being constructed throughout the country for vocational training. If you will read the hearings you will see that less than 17 percent of the children going to the schools now constructed and to be constructed are taking or will take vocational training. I am wondering if the States would construct these buildings for the 83 percent that are taking general education and not vocational training. Let me remind you further that the greater number of these buildings were constructed by Government funds.

I hold in my hand a telegram from the Association of Mayors of the State of New York, in which they ask that this item be increased to $5,500,000. I read it to you:

ALBANY, N. Y., *May 3, 1937.*

Hon. JAMES M. FITZPATRICK,
Education Committee, House of Representatives,
Washington, D. C.:

New York State Conference of Mayors, an association of the cities and first- and second-class villages of New York State, operates in service-training schools for 20 groups of municipal officials. Vitally interested in public-service training provisions of George-Deen Act. Proposed $3,000,000 appropriation would be entirely inadequate to cover all vocational-education purposes embodied in act. Cities and villages of New York State hopeful that at least the $5,500,000 minimum appropriation will be approved. Urge respectfully your support.

WILHAM P. CAPES,
Executive Secretary, New York State Conference of Mayors,
City Hall, Albany, N. Y.

Nevertheless I voted to increase this item four million two hundred and forty-one thousand over the Budget estimate, which brought the total amount up to $7,241,000, and which is $1,741,000 over the recommendation of the Association of Mayors of the State of New York, and a million dollars over what the Department said would be necessary for the fiscal year of 1938.

I want to say to the Members here today, Mr. Chairman, that I doubt if ever such propaganda was carried on in this Congress as has been carried on in relation to this bill. I hold in my hand a copy of a telegram that was supposed to be sent to Dr. Wilson, State department of education, Albany, N. Y. It is signed "L. H. Dennis, Secretary, American Vocational Association, Denrike Building, 1010 Vermont Ave., Washington, D. C." I shall read it to you:

Dr. L. A. WILSON,
State Department of Education, Albany, N. Y.:

Seems quite apparent that House Appropriations Committee may not recommend sufficient amount for George-Deen vocational appropriation. Amendment to report of Appropriations Committee will be submitted on floor of House by Congressman FULLER, Arkansas, to increase amount recommended by committee for vocational education. Very essential that your Congressman contact, cooperate with, and support Congressman FULLER and his amendment. Unless this is done vocational appropriations for next 5 years will be in serious danger. This is most urgent crisis we have faced during last 3 years. We must have flood of telegrams and air-mail letters from influential persons and organizations to all your Congressmen requesting them to cooperate with Congressman FULLER. Chances for satisfactory vocational appropriation depend upon magnitude and thoroughness of this effort. Telegrams and letters must reach Congressmen Tuesday and Wednesday at the latest. Telegrams to Congressman FITZPATRICK should not mention Fuller amendment, but should urge full fourteen million vocational appropriation. A thorough job should be done in his congressional district.

L. H. DENNIS,
Secretary, American Vocational Association,
Denrike Building, 1010 Vermont Avenue, Washington, D. C.

Let me say to the man who sent that telegram that I am not afraid of what they may try to do, because I am for vocational training, and I stand for the amount recommended by the committee for vocational training, and ask the committee to vote down the amendment offered by the gentleman from Georgia. [Applause.]

[Here the gavel fell.]

Mr. COCHRAN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. COCHRAN. Would it be within the discretion of the Chair, in view of the number of Members who would like to speak upon this subject, to limit the speakers in the future to 2 minutes?

The CHAIRMAN. Permit the Chair to state in reply to the gentleman that the Chair was just in the act of making a brief statement. Half of the time has been consumed up to this point. It has been equally divided between those for and those against the amendment. It has also been equally divided between the majority and the minority sides of the House.

It is obvious one of two things will have to be done. If all of those who have been constantly seeking recognition are to be recognized each Member will have to be satisfied with less than the usual 5 minutes, or the time will have to be extended. Is it agreeable to accord recognition for less than 5 minutes to those who have been seeking recognition?

Mr. RANKIN. Mr. Chairman, I ask unanimous consent that the time of each speaker be limited to 2 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

Mr. DONDERO. Mr. Chairman, I object.

Mr. SHORT. Mr. Chairman, I ask unanimous consent that the time be extended 30 minutes, to be equally divided between the proponents and opponents.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

Mr. JOHNSON of Oklahoma. Mr. Chairman, I object.

Mr. SHORT. Mr. Chairman, I move that the time be extended 30 minutes, to be equally divided between the proponents and opponents of this bill.

Mr. TAYLOR of South Carolina. Mr. Chairman, the time having been fixed by unanimous consent, is such a motion in order?

The CHAIRMAN. The motion is not in order.

The Chair recognizes the gentleman from Alabama [Mr. HILL] in support of the amendment.

Mr. HILL of Alabama. Mr. Chairman, I take it there is not a Member of this House who does not favor economy, but in favoring economy surely we must let our judgment and our common sense rule. There are many items that can and should be reduced. On the other hand, there are some items that should not be reduced and one of the items for which an appropriation should be made to carry out the full authorization is this item of vocational education.

As has been stated on the floor, this matter was threshed out before the Committee on Education during the last session of Congress. It was then brought to the floor and after much debate this House passed the bill authorizing an appropriation of $14,000,000 for vocational education. The Senate passed the bill and the President signed it.

Mr. SHORT. Will the gentleman yield?

Mr. HILL of Alabama. I yield to the gentleman from Missouri.

Mr. SHORT. While there might not be a legal obligation on the part of the Government, there can be no doubt as to a moral obligation?

Mr. HILL of Alabama. There can be no doubt that when we passed that bill and said to the States of the Union that we were going to provide $14,000,000 for vocational education we then assumed an obligation to make the full appropriation.

Mr. DIES. Will the gentleman yield?

Mr. HILL of Alabama. I am sorry, but my time is so limited I cannot yield.

Mr. Chairman, we assumed an obligation to make the appropriation of $14,000,000 and, believing, of course, that this Congress would act in good faith and would meet the obligation, the various States of the Union constructed

buildings, bought equipment, and hired teachers to carry out the program. That is the situation today, and if we fail to make this full appropriation we not only go back on that obligation but we completely disrupt and throw out of joint, if not entirely defeat, the whole vocational-education program of the country.

In the authorization bill passed last year we prescribed certain minimum amounts of money that would go to the various fields of vocational education. Unless we appropriate the full $14,000,000, these requirements as to these minimum amounts will work in such a way that some States of the Union will scarcely get any money out of the appropriation. There is nothing more important to the country than vocational education, as has been freely admitted even by the opponents of the appropriation.

Thomas Jefferson well said that "that nation which expects to be ignorant and free in a state of civilization expects that which never was and never will be." The one transcendent question before our country today is not the Court problem, it is not the economy problem, it is whether or not our people have the character, the courage, and the intelligence to carry on democratic self-government. [Applause.] If we are to carry on this Government then, as Thomas Jefferson suggested, "Our people must be trained and educated."

Mr. Chairman, I am in favor of this increased appropriation because I am for economy. As the gentleman from New York suggested, this money goes largely for the youth of the land who are to be the citizens of tomorrow. I am unwilling that these young boys and girls, made in the image of their Creator, and holding that priceless treasure, the future, shall be denied the opportunity to make the most of their lives because they have not the chance to secure the benefits of vocational education. There is no waste comparable to the waste of a human life, and there is no economy to be compared to that which makes possible a life of usefulness and of service. In the name of our children and of our country, I appeal to you to vote for the amendment. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. For what purpose does the gentleman from Oklahoma [Mr. CARTWRIGHT] rise?

Mr. CARTWRIGHT. Mr. Chairman, I yield to better speakers than I am and therefore ask unanimous consent to revise and extend my own remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. CARTWRIGHT. Mr. Chairman, I do not know of a more important expenditure of funds, looking toward the future, than this proposed $14,483,000 amendment to provide a definite guaranty of a means whereby our future citizens may at least learn how to build their homes and obtain jobs from which to earn money to maintain them.

The George-Ellzey Act expires on June 30 of this year. It provides for vocational training in agriculture, home economics, and trade and vocational education, for which the sum of $3,000,000 has been appropriated annually by Congress. The George-Deen Act replaces the George-Ellzey Act on June 30 next, and this act authorizes an appropriation of $14,483,000 for vocational training for the fiscal year 1937, and enlarges the field by adding two vocational subjects, namely, distributive occupation and teacher training. But now, for the fiscal year 1938 the Director of the Budget has recommended an appropriation of only $3,000,000 for the whole five subjects embraced in the George-Deen Act. It is true that the committee has raised the Budget request $4,241,500, for which the committee is to be commended, but that is insufficient to care for the needs.

So we are confronted with this situation, that not only will any expansion be denied in the field of vocational training but existing facilities and existing programs will be curtailed to a large extent. Instead of enlarging the usefulness of vocational training we would have actually cut it down if the Budget should have prevailed on this item.

Congress has expressed itself most emphatically on the question of the value of vocational training. After Congress had spoken last year we do know, as has been stated, that practically every State in the Union, acting upon the expressed will of Congress went ahead with a program of expansion of vocational training. Will we keep the faith with these progressive States and their people or will we disappoint those people and deny training to worthy boys and girls, hundreds of thousands of them throughout the country?

This program is a part of what might be termed the "National Youth Administration." We build up boys imbued with the American spirit in the localities where they live as a result of a constructive work of this character.

I know what it means for a poor country boy to crave an education and obtain it by working his way through school. My heart goes out to that class of people and we can do nothing better for our country and for those who are poor and cannot get an education in any other way.

We are losing our farmers because they get disgusted with conditions. Get the boys interested by teaching them the modern way. It is a great comfort to a man on his farm who has made a pal of his boy to feel that the boy is anchored to the soil and that they are going to live and work the old homestead together; that the boy will be right alongside of him and he will remain there either on the old farm or some other farm in the neighborhood.

I maintain that "utilitarian" education is the most "cultural" kind of education, and it is my desire to give to the farm boys and girls and farmers generally throughout our entire country an opportunity to learn how to be proficient in farming, developing natural resources, and raising the standard of living.

Uncle Joe Cannon was a great believer in practical, common-sense education. He was once asked, "What do you think of a college education?" and Uncle Joe is said to have replied, "Well, I don't think a college education can do much harm to a man of average intelligence."

Of course, the college man has his place in the world, and we must continue to maintain our great academic colleges and universities; but it would be highly ridiculous to expect every boy and girl to get a college degree—and I might say undesirable, because this old world must move along in many different lines, and our youth must be trained in many trades and professions.

May I say in defense of vocational training that I like it, because we get away from needless frills, too often, I regret, found in so much higher education of today. I think that as a rule we direct our attention so much to the technical side of education that we overlook some of the practical things that are being done and some of the benefits that accrue to the average boy and girl from vocational training.

I have seen young men and women come out of vocational-education classes in our schools with an understanding and an appreciation of such important things to our community as the selection, for example, of good seed corn.

Vocational teachers have done a unique and splendid work in my State and throughout the Nation through vocational training in the practical 4–H club work, equipping boys and girls and developing agricultural leadership among young people. In my opinion these results justify any funds which Congress has granted or may later see fit to grant.

I know that hundreds of young men and women are going out of the vocational departments of our schools in Oklahoma, especially the A. and M. College, well equipped for the battle of life in this technical stage of our society. Young men and women are trained as school teachers who have more than bookish learning. They have practical knowledge and skill.

There is no question that hundreds of such young women majoring in domestic science will be better wives and mothers because of the splendid vocational training they have received along with the classical education.

Some seem to think that this vocational program will conflict with the educational program in the C. C. C. camps. One of the outstanding achievements of this administration has been the training given the young men in the C. C. C. camps, and I have nothing but praise for this type of training. I want to say there is no conflict, and I am for both

programs; which reminds me of the story that is told of the rival hatters who presented hats to President Lincoln, each waiting to hear the President's comment. He looked the hats over carefully and remarked, "They mutually excel each other." [Laughter.]

Now, gentlemen, I realize Congress cannot appropriate all the money contained in the requests and demands of various persons, organizations, and so forth. No one realizes more than I do that we are going to have to quit so much spending. An individual cannot continue to spend twice as much as he earns, neither can the Federal Government continue to spend annually twice the amount of its income. But no money, in my opinion, spent by the Federal Government has done more and is doing more to reestablish our people in agricultural work and in industrial work than that which has been done by vocational education.

As I see this matter, we have been making appropriations for all kinds of activities; but of all the activities there is none so important, to my mind, as education. Yet our appropriations for education have been much less than those provided for the great majority of activities.

May I say in conclusion that the delegation in Congress from Oklahoma passed a resolution endorsing the George-Deen Act, and I as chairman was instructed to go before the Appropriations Committee and request that the full amount authorized by Congress last year be appropriated again for vocational education.

Our State has taken a great interest in this entire bill, and what it seems to provide for the system in Oklahoma, and we are alarmed at the present time at the prospect of having to forego the plans already started in anticipation of getting this full appropriation.

Without taking any more of your time, I will insert the resolution from the Oklahoma delegation and close by expressing the hope that the House will see fit to include the amount requested.

The resolution is as follows:

> We, the Members of the House delegation from Oklahoma, respectfully urge the Appropriations Committee to report favorably on the full amount authorized under the George-Deen Act providing for Federal assistance to the States for vocational education.
>
> Wesley E. Disney, Jack Nichols, Wilburn Cartwright, Lyle Boren, R. P. Hill, Jed Johnson, Sam Massingale, Phil Ferguson, Will Rogers.

The CHAIRMAN. May the Chair inquire if it is agreeable that Members be recognized for 2 minutes?

Mr. DONDERO. Mr. Chairman, I object.

Mr. RANKIN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. RANKIN. If a Member takes the floor and speaks for only part of 5 minutes, can he yield back the balance of his time?

The CHAIRMAN. Yes.

Mr. CARTER rose.

The CHAIRMAN. Does the gentleman seek recognition in opposition to the amendment?

Mr. CARTER. No.

Mr. DONDERO rose.

The CHAIRMAN. Does the gentleman from Michigan seek recognition in opposition to the amendment?

Mr. DONDERO. I do.

The CHAIRMAN. The gentleman is recognized for 5 minutes.

Mr. DONDERO. Mr. Chairman, I yield to no Member of the House a greater enthusiasm for vocational education than I possess. If I had it within my power, I would like to deduct $50,000,000 from the Navy bill and $50,000,000 from the Army bill and pass the Harrison-Fletcher bill providing $100,000,000 for public education to the States. [Applause.]

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I cannot yield.

Mr. RANKIN. Would the gentleman be willing, then, to vote for this amendment if we made those reductions?

Mr. DONDERO. No.

Mr. Chairman, I rise in opposition to this amendment in order to state to the Committee some facts surrounding the bill which was presented to the House last year by the Committee on Education. The George bill was passed in the Senate last year, carrying an appropriation of $12,000,000.

At the time the House Committee on Education held its hearings, which were extended hearings, on the bill, it reported to the House the Senate had passed the George bill without any hearings whatever. The committee knew this. After extended hearings and careful consideration, the House Committee on Education, without a dissenting recorded vote, reported a bill carrying an amount of $6,000,000 for vocational education, after it had had before it all the testimony and all the evidence on which to predicate that decision, although there might have been one or two members of the committee who had some mental reservations as to the amount.

When the bill reached the floor of the House, what happened? We knew in advance an effort would be made to substitute the Senate bill, carrying $12,000,000, for the House bill. The House bill carried double the amount of the George-Ellzey Act, which had expired. We felt this amount was ample, based upon the evidence we had, for an expansion of the program.

Something strange happened that afternoon on the floor of the House, as sometimes strange things do happen here. What was it? Why, a whispering campaign was inaugurated to the effect that the President of the United States wanted the George bill passed for $12,000,000 in place of the committee bill, which carried an amount of $6,000,000. I do not know whether that statement was true or not, but I have grave doubts that the President of the United States knew anything about it. However, the whispering campaign swept both sides of the aisle. The result was the Deen bill was passed, carrying $12,000,000, and the bill of the Committee on Education was put on the shelf and disregarded. Now the Committee on Appropriations comes before the House and tells you that after extended hearings it feels $7,000,000 is ample. The committee has put a statement in their report to the effect that any more money appropriated to expand the program would be uneconomical and wasteful. The Appropriations Committee in recommending $7,000,000 approves and confirms the judgment of the Committee on Education of this House.

Mr. DIES and Mr. COX rose.

Mr. DONDERO. I yield to the gentleman from Texas.

Mr. DIES. At the very time the bill was before the House the gentleman from Georgia, the author of the bill, used the following argument in opposition to the other bill, and I quote his language:

> The gentleman knows that this bill is only an authorization, and that they can come back every year and get an appropriation.

In other words, when the bill was pending the point of whether or not we would be bound to appropriate the money was minimized, but now it is said the authorization is a contract which we ought to fulfill.

Mr. DONDERO. The gentleman from Texas is correct.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I yield to the gentleman from Georgia.

Mr. COX. Where is waste to be found in the process of melting down $14,000,000 and fusing it into the mind and character of the youth of the land?

Mr. DONDERO. The gentleman from Georgia and I have no quarrel as to the principle and purpose of the expenditure of this money, but let us keep our feet on the ground, and, at least, sustain the House Committee on Education, which came in here with a bill calling for $6,000,000, and sustain the Committee on Appropriations, which has practically confirmed the amount reported to the House a year ago. It is not economy to be swept off our feet by enthusiasm and to try to expand the program beyond what is reasonable, fair, and just.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I yield to the gentleman from Missouri.

Mr. COCHRAN. Will the gentleman please tell the membership of the House that hidden in the laws of this country is a permanent appropriation for $7,100,000, which the Treasurer of the United States places to the credit of the

vocational education fund on July 1 of each year? This does not appear in an appropriation bill, and if this amendment is adopted, instead of having $14,000,000 you will have over $21,000,000, or twice the amount appropriated for the present fiscal year.

Mr. DONDERO. That is true. What the gentleman has referred to is the Smith-Hughes Act, which is permanent legislation calling for $7,000,000 a year. They will have $14,000,000 under this bill and the Smith-Hughes Act even if you defeat this amendment. I hope the House will vote it down and sustain the Committee on Appropriations in the amount it recommends.

[Here the gavel fell.]

Mr. COCHRAN. Mr. Chairman, I have yet to find a Member of Congress who is not strongly in favor of vocational education. We all realize its value. No one criticizes vocational education, but some of us doubt the wisdom at this time of appropriating twice as much money for vocational education for the next fiscal year as we provided for the present fiscal year. My views are fully expressed in the letter I wrote to the vocational educational association of my State, which appears in the Appendix of the RECORD.

Vocational education means as much to those who represent city districts as to those who live in the rural sections. Our schools share in this appropriation just the same as do the schools in the country districts. Remember we are not taking anything away from this activity if we adopt the amount recommended by the committee, but, on the contrary, we are adding over $4,000,000 to that amount above which it is now receiving. It seems to me, in view of the condition of the Treasury and the President's appeal for economy, that this is more than fair. Not one teacher nor one child will suffer if you adopt the committee amendment. New teachers can be employed and the activities enlarged, because with the permanent appropriation of more than $7,000,000, which of course we do not touch, we are providing over $14,000,000, whereas last year you had a little over $10,000,000.

The President yesterday returned to the House the bill that appropriated $5,000,000 for the Government's participation in the New York World's Fair. He told you in his message he felt that was too much in view of the condition of our Treasury. There is no doubt but that the Government will receive in admission and other taxes over $50,000,000, taking the figures of the Chicago World's Fair as a basis, but still he vetoed the bill because the Treasury does not contain the money.

To listen to the debate you would think that the amount recommended by the committee of $7,241,500 was all we are giving to vocational education. As I pointed out in my letter, and a moment ago called it to the attention of the gentleman from Michigan [Mr. DONDERO], we have a charge against the Treasury in the form of an annual appropriation, a permanent appropriation, that cannot be lowered, of $7,167,000, and this does not include the other permanent appropriation which is to take care of those injured in industry. Adopt the committee figures, and you have over $14,000,000, but if you adopt the Deen amendment, you will have over $21,000,000, which is double the figure of the present fiscal year. Remember also the committee is recommending $4,000,000 more than the Bureau of the Budget approved. Let us be reasonable and, simply because the votes are here, do not further disturb the efforts of the President to balance the normal Budget next year.

The gentleman from Missouri, my colleague, Mr. SHORT, cites as an argument for increasing this appropriation the amount spent for luxuries. He admitted in answer to my question that the Congress does not appropriate the hundreds of millions he refers to. It has no place in this debate.

We are confronted, Mr. Chairman, with a bad situation. Just as soon as this bill is out of the way we will consider and pass the annual relief bill, and it will carry not less than $1,500,000,000. At least 8,000,000 employable people in this country cannot get work. We must take care of them. We cannot let them starve. The President realizes that and he asks us to appropriate the full amount that he recommended and not reduce it, and he further urges that it not be increased. He is the pilot of the ship of state. Why not be good sailors and go along with him. The President, like every one of us, is strong for education, for vocational education, but he tells us the Treasury cannot bear this increase. In our campaigns last year we promised to support him, so why forget that promise now. Nothing will be better medicine for this country than a balanced normal Budget. Do that and the road to a lasting prosperity is ahead.

As a friend of vocational education I plead with you to adopt the very liberal increase recommended by our Committee on Appropriations.

The CHAIRMAN. The Chair regrets to state that only 10 minutes remain of the time fixed. Two members of the committee are seeking recognition, one for and one against. The Chair will have to recognize the two members of the committee.

Mr. DIES. Mr. Chairman, in view of the fact the members of the committee have had ample time to discuss this matter under the general rules of the House, it seems to me that in fairness they should not object to a request that the time be extended 15 minutes. I shall not ask for any time, but there are other Members here who wish to speak and who have not had an opportunity to be heard.

Therefore, Mr. Chairman, I ask unanimous consent that the time heretofore fixed be extended 15 minutes.

Mr. TAYLOR of South Carolina. Mr. Chairman, I object.

Mr. DUNN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DUNN. In what way can I get a chance to speak for at least a minute and a half on this bill?

The CHAIRMAN. The Chair regrets to inform the gentleman that the Chair knows of no way to do so, at this stage.

Mr. DUNN. Mr. Chairman, I ask unanimous consent to address the House for 1 minute, not to be taken out of the time heretofore fixed.

The CHAIRMAN. Is there objection to the request of the gentleman from Pensylvania?

There was no objection.

Mr. DUNN. Mr. Chairman, education is one of the greatest instruments to eradicate ignorance and superstition. If we would spend more money for education and less for battleships and other things with which to destroy human life, we would be making more human progress. Therefore this amendment should be adopted. [Applause.]

Mr. COCHRAN. Mr. Chairman, I ask unanimous consent to extend my own remarks in the RECORD following the speech of the gentleman from Michigan [Mr. DONDERO].

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. RANKIN and Mr. CARTER rose.

Mr. RANKIN. Mr. Chairman, I desire recognition.

The CHAIRMAN. The Chair regrets, as stated before, that inasmuch as two members of the committee are seeking recognition——

Mr. RANKIN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. RANKIN. Is there any provision in the rules for permitting the members of the committee, since they have control of the time in general debate, to monopolize the time under the 5-minute rule? It seems to me that other Members of the House who are not permitted to speak in general debate should also be recognized. One member of the committee has already taken 15 minutes of this time. I do not care whether I am recognized or not. There are plenty of other Members who are not on the committee, who desire recognition; and I notice that the members of a committee get into somewhat of a strait jacket, and, as a rule, all walk in a beaten path, and when amendments are offered, they

are always offered in opposition to what the committee has brought in; and it seems to me that other Members of the House ought to be treated as being on an equal footing with members of the committee when we are proceeding under the 5-minute rule.

The CHAIRMAN. Permit the Chair to state, in reply to the gentleman from Mississippi, it is all within the control of the Committee of the Whole. The time is fixed and limited by the Committee of the Whole. The matter of recognition is fixed by the rules of the House and members of the committee are entitled to priority in recognition.

Mr. RANKIN. Under the 5-minute rule?

The CHAIRMAN. The Chair has to abide by the rules of the House.

The gentleman from California [Mr. CARTER] is recognized for 5 minutes in support of the amendment.

Mr. CARTER. Mr. Chairman, I was formerly a member of the Committee on Education. I was a member of the Committee on Education when the present authorization was brought before this House, and I want to recite briefly a little of the history of this matter.

At the time this authorization was before the committee, an appropriation of $3,000,000 was being made annually. There was a proposal in the committee, in fact, a number of proposals, some to increase this amount to $6,000,000, some to $10,000,000, and some to $12,000,000 or $14,000,000. The committee finally worked out a compromise and brought out a bill increasing it to $6,000,000. As a member of the committee, I did the best I could on the floor of this House to abide by the direction of the committee and hold the amount at $6,000,000 annually. I was overruled by the membership of this House.

Now I think, the House having spoken on this matter, it is up to the membership of the House to follow the voice of the House. The House has said that this sum of $14,000,000 should be appropriated annually. Some reference has been made to the fact here that it was stated in debate that this is only an authorization bill. Here is a statement that actually was made during the debate. The gentleman from Georgia [Mr. DEEN] asked me if I did not know that this was an authorization bill, and here is the reply: "I know that this is an authorization bill limited to 3 years and that the sums authorized under this bill will be appropriated each and every year." This statement took place during the course of the debate.

The school people of this country, hearing of and knowing about this authorization, have prepared to carry on their work using the larger sum. Schoolhouses have been built, and other preparations have been made.

The gentleman from Georgia [Mr. TARVER], for whose judgment I have the highest respect, recited here that the President signed this bill and then appointed a commission to ascertain whether or not he was going to put the bill into effect and, if so, to what extent the appropriations should actually be made. I want to say to you that that is, indeed, a new theory in our form of government—to have a President sign a bill and then determine afterward to what extent it may become effective.

Here is the situation, Mr. Chairman, in reference to this measure. Last June when we voted on this, we were all facing an election. The congressional election and the Presidential election were just in the offing and this House stood up here and told the voters, told the school children, and told the school teachers, "Oh, yes; we are going to give you $14,000,000. Why, certainly we are very much interested in the youth of this country." The President signed the bill, announcing to the people of this country and to the world, "Oh, yes; I am willing for the schools to have $14,000,000." Now we come along and when it comes time to put the money on the table, what does the Bureau of the Budget do? The Bureau of the Budget increases it not one cent. Pays no attention to the last authorization act. It pays absolutely no attention to it, and I wish to say in behalf of the work of this subcommittee that, if it had not been for their work, the schools would not have been in the position of receiving what they are getting at the present time by the amount of about $7,000,000. We appropriate millions for buildings, investigations, roads, harbors, and many other purposes. I do not say that we should cease these expenditures where the money is carefully and prudently spent, but I do say that no money can be spent that will bring to this country the benefits and dividends received from money invested for educational purposes. [Applause.]

[Here the gavel fell.]

Mr. LEAVY. Mr. Chairman, I know that this is a subject that is difficult to discuss without some considerable feeling and emotion, and without probably being placed in a false light. Anyone who opposes this amendment might be placed in a position of being opposed to legislation favorable to education. That is not the fact at all. Let me say to you what I said earlier in the discussion of this bill: This committee gave serious consideration to the evidence that was brought before it. They made mistakes. There is no doubt about that. They endeavored earnestly to remain within the Budget, but they did as every other subcommittee, I am sure, does—attempted to exercise discretion on the evidence that was presented to it. The Department of Education came before the committee and said that for this particular item only $6,700,000, in round numbers, efficiently and expeditiously can be expended this year.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. LEAVY. I have only 5 minutes. If I have time at the conclusion of my remarks I shall be glad to yield. Let me point out this in connection with this appropriation. The committee endeavored to comply with the request of scores of Members who came before it and urged an increase. No one suggested that the Budget be reduced, nor did anyone ever suggest in the time that I have been on either the Agriculture or Interior Subcommittees reducing anything. The committee is placed in the position of listening to a witness who is partisan and biased and will always ask for a little bit more than the committee feels he is entitled to. In this instance we gave more than was asked. We gave 60 percent more. That is not all that goes to vocational education. The bill provides that the States that receive these benefits must likewise give 50 percent of the amount of the appropriation. In other words, there will be over $11,000,000 for vocational education next year where you had $3,000,000 this fiscal year. Then you have your $7,000,000 Smith-Hughes money, which makes $18,000,000 in all. This act provides two new activities for the training of teaching personnel, recognizing the fact that we cannot expand too rapidly. We increased by over $4,000,000 this Budget estimate. We slashed on other items in order to remain within the Budget.

Mr. FULLER. Mr. Chairman, will the gentleman yield for a question?

Mr. LEAVY. I have only 5 minutes. If I finish in time, I shall be glad to yield. We asked particularly the Department of Education whether, if the activities be expanded throughout the United States to take up this large increase in vocational work to absorb in an efficient manner this expenditure of $21,000,000, because that is what a $14,000,000 appropriation means. The States will have to pay 50 cents for every dollar, and at the end of 5 years they will be matching by 60 cents, and then 70 cents, and then 80 and 90 cents, and finally up to a dollar.

The point I desire to make is this: We recognize that here is a new activity and that we should not attempt to expand it beyond its possibilities of expansion merely because if you do not vote for the $14,000,000 someone might say that you are an enemy of education. I was a school teacher myself and I am a friend of education. I would not knowingly do anything to hinder or check education in this country, but our expansion should be orderly and systematic. With the amount allowed by the committee there will be nearly 80 percent more money available for vocational education than

in the past year. Our boys and girls are entitled to the best possible returns on every dollar we spend for public education. I shall always be delighted to work for orderly expansion of this kind of education. [Applause.]

The CHAIRMAN. The time of the gentleman from Washington has expired. All time has expired. The question is on the amendment offered by the gentleman from Georgia.

The question was taken; and on a division (demanded by Mr. O'NEAL of Kentucky) there were—ayes 114, noes 91.

So the amendment was agreed to.

The CHAIRMAN. The question is now on the pending amendment offered by the gentleman from Georgia to the preceding paragraph, which was passed by unanimous consent.

The amendment referred to is as follows:

Page 117, line 5, strike out "248,560" and insert in lieu thereof "350,000."

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

Not to exceed an aggregate of $2,500 of appropriations available to the Office of Education for salaries and expenses for vocational education shall be used for expenses of attendance at meetings of educational associations and other organizations which in the discretion of the Commissioner of Education are necessary for the efficient discharge of its responsibilities.

Mr. TABER. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Motion made by Mr. TABER: Mr. TABER moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken out.

Mr. TABER. Mr. Chairman, the President of the United States on the 20th of April submitted a message to Congress urging the utmost of economy. Having that in mind, and having in mind also the tremendous increase in the cost of government in the last few years, some of us have made as vigorous an attempt as possible to cut down this appropriation bill. I want the House to know what this appropriation bill contains. At the present time, including reappropriations, this bill, without including the annual automatic appropriations, carries $157,829,764.85. There are items above the Budget of $11,000,000 on this vocational education proposition. There is a reappropriation above the Budget of $33,000,000 on reclamation projects, and on top of all that there is another reappropriation that runs into quite a considerable figure on which I do not at present have the details.

In 1928 this bill carried, without the permanent appropriations, $42,000,000. It has shown a steadily mounting tendency. At the present time, including $33,000,000 of reappropriation of funds that would have expired on the 30th day of June next, this bill is approximately $37,000,000 above the Budget. Without including the reappropriations, it is $7,000,000 above the Budget. It is the first of the regular appropriation bills that will have gone out of this House above the Budget estimates. I wonder how many people can justify votes for items that run $39,000,000 above the Budget estimate? Frankly, I cannot do it. I cannot go along with that kind of a program. Including these reappropriations, this is the first of the annual supply bills that has come out of the committee above the Budget estimates.

I hope that when opportunity is given to cut down on some of these things by separate votes upon the amendments and by a motion to recommit and by amendments that will be offered later on this House will begin to show a spirit of economy and begin to cut something down and make some semblance of economy. [Applause.]

I submit a schedule of appropriations and expenditures for the last 10 years for this Department. Where expenditures are shown larger than the appropriations, about $20,000,000 is accounted for by permanent appropriations and the balance by allotments from P. W. A. and other so-called relief activities.

Department of the Interior

Year	Appropriations	Expenditures
1928	$42,368,021.00	$69,126,327.23
1929	41,425,539.00	69,494,618.49
1930	42,423,075.78	69,278,133.17
1931	51,444,023.74	[1] 77,815,500.00
1932	69,342,606.73	92,291,572.12
1933	67,183,684.35	74,579,716.62
1934	50,479,271.67	90,943,306.37
1935	46,864,865.38	132,168,039.16
1936	77,041,593.00	126,051,004.94
1937	121,645,261.46	[1] 189,041,462.00
1938	160,271,264.85	

[1] Estimated.

The CHAIRMAN. The question is on the motion offered by the gentleman from New York [Mr. TABER].

The motion was rejected.

Mr. WHELCHEL. Mr. Chairman, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

The Clerk read as follows:

For the construction, repair, and maintenance of roads, tramways, bridges, trails, and aviation fields, Territory of Alaska, $130,000, to be available until expended: *Provided*, That expenditures hereunder shall not exceed the aggregate receipts covered into the Treasury in accordance with section 4 of the Permanent Appropriation Repeal Act, 1934.

Mr. LEWIS of Colorado. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have no particular objection to the paragraph which has just been read; but, as a very ardent Democrat and as a supporter of the administration, I wish to express a very solemn warning.

Within the last 4 years I personally have voted against billions of dollars of appropriations for worthy purposes, which, however, we could not afford. In addition thereto, I have voted against more billions of dollars of authorizations for appropriations for excellent purposes, which should be deferred. With all the earnestness of my soul, I say we are in a position comparable to that of one drifting in a boat down the river above Niagara Falls. If we value our safety, we had better pull to the shore. Day by day, if we but listen, we can hear more and more clearly the roar of those falls—the falls of national insolvency and then of inflation, with its attendant misery and suffering, which bear hardest upon the poor and those of moderate means. The President has given us warning again and again. He has suggested. He has warned. He has entreated. The leaders of this House have done the same. As you love our country and its people, my colleagues, remember we are not spending our own money. No. We are spending the money of the people of the United States. From every district in this Nation have come protests against extravagance. Repeatedly I have written in answer to earnest and persuasive pleas from special pressure groups for appropriations for excellent but costly schemes, "We cannot do it at this time. We cannot afford it."

I entreat you when we come to vote separately in the House on some of the amendments that have been adopted in Committee of the Whole to be reasonable. Think of the fact that we are not spending our own money. We are spending the people's money.

Please remember another thing. The receipts by the Treasury are hundreds of millions of dollars below the estimates from the revenue act which was passed last year. Furthermore, we have exceeded in this and some other appropriation bills the figures approved by the Budget. The Budget figures were based on estimates of much larger returns from the tax bill passed last year than we now know we can hope to receive. In short, we now know that our income will be less than we had expected and our expenditures are greater than we had planned. And daily we are borrowing more money to run the Government.

I entreat you, as one who has in his own part of the country many worthy projects which I should like to have

the Government undertake if we could afford it, for Heaven's sake be reasonable.

Mr. Chairman, I yield back the balance of my time.

Mr. MURDOCK of Arizona. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. The time of the gentleman from Colorado has expired.

Mr. LUCKEY of Nebraska. Mr. Chairman, I move to strike out the last two words.

The CHAIRMAN. The gentleman from Nebraska is recognized for 5 minutes.

Mr. LUCKEY of Nebraska. Mr. Chairman, it is not often that I take the floor, but some things are transpiring here that make it hard for me to constrain myself any longer Yesterday the gentleman from Pennsylvania [Mr. RICH] called attention to some of the huge expenditures being made under the Department of the Interior, and he brought prolonged laughter in this House when he said, "Why, somebody in this Government must be crazy. Who are they?" How anyone can laugh in the face of the silly and wasteful expenditures that are apparent in many places is beyond my understanding. To my colleagues on the Democratic side of this body, let me say that the calls for decreased spending and governmental economy are not coming from the Republican side of this House. They are coming from a great Democratic President, whom most of you professed to support last fall. If there was ever an occasion upon which he should be supported, it is on the request for decreased Federal expenditures.

Returning once more to the figures inserted in the RECORD by our colleague from Pennsylvania [Mr. RICH], I call your attention to the figures on expenditures in the city of Washington for parks. Take that item for Meridian Hill Park, located at Sixteenth and Florida NW. It was stated that $137,725.09 had been spent for remodeling and replanting. I used to have an apartment in the hotel facing the Meridian Park, and from my windows I could watch the progress of this work week by week. I know something about the costs of grading, building walks, and planting shrubbery and trees, because I have been engaged in such work for a long time. If over a hundred and twenty thousand dollars was spent on that park, then someone must be crazy. The work that has been done there is nothing like the expenditure which has been claimed. I have not time to go into other similar cases, but I have no doubt that they are all too high. We are not getting anything like our money's worth out of these projects.

Just the other day we appropriated money for the Blue Ridge Parkway and Natchez Trace. I dare say that those will be fine improvements and that the people in those areas will be duly appreciative of the hundreds of millions of dollars of other people's money that is being expended there. I opposed the appropriation for the Blue Ridge Parkway when it first came before us, but it was passed, and contractual obligations must be recognized.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. LUCKEY of Nebraska. I refuse to yield because I only have a few moments.

Mr. KNUTSON. I wanted to come to the President's defense.

Mr. LUCKEY of Nebraska. In this Interior Department appropriation bill we have appropriated huge sums of money for reclamation. Those reclamation projects have merit individually and collectively, but to a businessman it is hard to understand that it is good organization and administration for one Department—Agriculture—to be engaged in taking land out of production while another Department—Interior—is reclaiming land so that it can be put into production. Just ordinary horse sense would seem to indicate that reclamation is really a function of the Department of Agriculture and that it should be consolidated under the department which will have to handle it later on. Once that land is put into cultivation it will become a problem for the Department of Agriculture to devise ways and means of bringing that land within the scope of its present land-use program. Consolidations of this kind could and would save hundreds of millions of dollars to the taxpayer.

You may say that there is now at work a committee investigating and studying possible consolidations in governmental agencies. That is correct, but as of today there have been no recommendations from that committee, and meanwhile we are continuing appropriations for these overlapping and conflicting agencies and bureaus. Recently Brigadier General Hines proposed that the Veterans' Administration be abolished and that it be consolidated with the Departments of War and Navy in one regular defense department. The general held that such a consolidation would eliminate millions of dollars of expense incurred in overlapping functions between his own Administration and those of the War and Navy Departments. In addition, many more millions would be saved by the elimination of duplicating boards and bureaus of the two defense departments. But will we get such a reorganization? Not on your life, because the experts that would be called in to testify before such a committee would be the experts of the War and Navy Departments themselves, and they will copper their jobs and hang on to their traditions and perpetuate their wastes until the crack of doom.

Our President has voiced his earnest desires in these matters. He knows, just as every one of you know, that the little fellow, the taxpayer, has a great stake in this matter. Every dollar we spend unnecessarily adds to the burden of taxation that the man who labors must pay. The little fellow is already staggering under the load of city, county, State, and Federal taxes. At the rate of present spending we must either issue more bonds or increase the taxes now being paid. We do not provide the money. We just spend it after the taxpayer does provide it, or we spend it and then tell the taxpayer that he must provide it. Expenditures along lines that will increase the future productivity or wealth of the people can be justified, because they are investments which will in the future pay out in increased national wealth and therefore in increased Federal revenues. The appropriations for esthetic and pleasure purposes may pay out in cultural and esthetic returns, but I have never seen a Treasury statement that showed those values. Let us provide worth-while, permanent improvements, of a kind that will pay their own way when we are faced with shortages of Federal funds, and cut our spending to the bone where we get our full dollar's worth for every dollar we spend. Then in the days when our Budgets are balanced we can improve the scenery to our hearts' content. There are great sections of this country where drought, dust storms, and insect pestilences have retarded the return of recovery. The farmers and laborers in those sections of the country are still far behind their more favored brothers in other sections. We need to help those sections meet the conditions they face day to day, and when they are pulled up to the general recovery level we will all be far better off. Our consuming power will be increased and a definite basis of economic well-being will be established. Useless and wasteful expenditures from the public purse bear just as heavily upon the drought-stricken farmer as they do on the one who lives where drought has not fallen. The only difference is that the drought-stricken farmer has nothing with which to meet his tax bills except by increasing his mortgage.

I am not defending the capitalistic system or the apparent evils of that system when I say that we cannot levy the taxes upon industry to make up for our Federal deficits. Killing the goose that lays the golden eggs is no solution to our problems, because when industry is forced to the wall by excessive burdens of taxation labor goes to the wall far ahead of the capitalist. Shut-down plants do not provide pay rolls for those who labor, nor do they buy bread for the families of those thrown out of work by those closed-down plants. I know what it is to work 16 hours a day, and I also know what it is to meet a pay roll every Saturday night and what it is to meet bills on the first of the month. As business men and women we should put forth our efforts to make Uncle

Sam's business the same kind of a business we ourselves would conduct. Build for the future, spend where we can get a return, and meet our bills when they are due. With reasonable economy this can be done. Increasing Federal revenues will enable us to carry out the needed activities of government, but they never will allow us to carry out foolish and wasteful projects.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. LUCKEY of Nebraska. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

Mr. JOHNSON of Oklahoma. Mr. Chairman, as much as I dislike to do so, I shall be forced to object.

Mr. LUCKEY of Nebraska. Mr. Chairman, I ask unanimous consent to extend my remarks. It is remarkable that when a person is in opposition to this expenditure program he cannot get time to voice his sentiments. The people of this country will voice their sentiments.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska to revise and extend his own remarks?

There was no objection.

Mr. MASSINGALE. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, I do not care to take much time. I merely want to observe that this session of Congress, I believe, is beginning to wind up, because we are just beginning to talk economy. In the other two sessions of Congress which I attended, nothing was said about economy until they began to get down toward the bottom and talk about farm people and farm expenditures. When they got that far along the line somebody began to talk about economy.

Let me tell you my estimate of this bill. I think that this Congress in the passage of this bill to make appropriations for the Interior Department, particularly the item for vocational education, is coming nearer to responding to the demands and the will of the common people of America than they have in all the other things that have been done in this session.

Permit me, Mr. Chairman, to say that the people of my State are deeply indebted to the members of this Subcommittee on Appropriations for what they have done in the matter of vocational education. The chairman of this Subcommittee on Appropriations, my personal friend, Congressman JED JOHNSON, comes from my State, from the adjoining district, and I know about him and his work in behalf of the farm people that he and I represent. Way back in the days when he was a member of the State senate in Oklahoma he led the fight for the adoption of the law in Oklahoma making possible the operation of the Smith-Hughes Act in that State. He has been a consistent advocate of this type of legislation in the interest of the farm boys and girls in Oklahoma and in other rural communities throughout the United States. No greater service can be rendered by any man in Congress than service of this type. I congratulate him as a member of the Oklahoma delegation for that service. His consistent and untiring efforts in his committee for increasing the amount allocated to vocational training is evidence of his esteem for the young manhood and womanhood of the Nation. It has been my pleasure to support this bill to the full extent of my power and I am very happy that its passage with $14,000,000 devoted to vocational agriculture is practically an assured fact.

[Here the gavel fell.]

Mr. RICH. Mr. Chairman, I rise in opposition to the pro-forma amendment.

Mr. JOHNSON of Oklahoma. Mr. Chairman, will the gentleman yield to permit me to submit a unanimous-consent request?

Mr. RICH. I yield.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto do close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. RICH. Mr. Chairman, it does me a great deal of good to see Democratic Members advocating economy, many for the first time. I think that eventually we will get some place if you get new recruits for economy. I am glad that they are now quoting the President of the United States as being for economy, because this is the first indication I have noticed that he is for economy since the first month that he took office in 1933. He has been the greatest spender in the history of this Nation. He now realizes, however, that he has about wrecked this Nation and he is hollering for economy. Oh, how he must regret his past orgy of spending! The Members of Congress begin to realize that there is some sense in that statement, and they now realize it is "spend less, tax more, or bust."

Many Members have criticized this Subcommittee on Appropriations, saying it is not trying to hold expenditures down. Permit me to say, Mr. Chairman, that its members have worked very hard. Some of the best men in the House are members of this subcommittee. Its make-up is just as good personally as that of any Subcommittee on Appropriations of the House of Representatives.

It is my purpose to draw your attention to some of the other appropriations you have made this session of Congress. Independent offices, $1,140,000,000, 11 times the amount carried in the pending bill. The Treasury-Post Office bill carried $1,500,000,000, 15 times, almost, more than the pending bill. Do not use your ax on this bill only, use it on all bills that have already been passed, if you want to economize; and I am for it.

Mr. Chairman, may I say to my colleagues that we are on the threshold of danger not only for this bill but for the bill that is to come up shortly when we finish this bill. We shall be asked to appropriate $1,500,000,000. Yesterday I called your attention to a lot of money that was spent on P. W. A. projects. Members of Congress could hardly realize that public money had been spent so foolishly; some of them did not believe me. I could call attention to many more items of expenditure under W. P. A. that would cause you to think—they will astound you in their relative unimportance to the public benefit.

When you come to discuss the next bill, through which you propose to give to the President of the United States $1,500,000,000, it is your duty as Members of Congress to designate the purpose for which this money is to be used. You are criticizing the administration for this enormous spending. Itemize for what purpose it is to be expended. Before you appropriate this $1,500,000,000, stop, look, and listen! Amendments will be offered to that bill asking that it be cut down to $1,000,000,000. That would be a sensible thing to do. I am in sympathy with people who need relief; but let me tell you an incident that happened this morning. A young man asked me to take him to Union Station. I was going that way, and I did. He asked during the conversation, "Do you know what happened to relief out in Columbus, Ohio, just recently?" He said that they put relief under the control of the local communities. They took everybody off of relief and asked them to make new application if they needed relief. He said that 75 percent of those formerly on relief made application under the new plan. They immediately cut themselves off by 25 percent. You could do this all over the United States. Remember this story when you start to talk about the next bill, and act and vote accordingly.

[Here the gavel fell.]

The Clerk read as follows:

TERRITORY OF HAWAII

Salaries of the Governor and of the secretary, $15,800.

For contingent expenses, to be expended by the Governor for stationery, postage, and incidentals, and for traveling expenses of the Governor while absent from the capital on official business, $2,000; private secretary to the Governor, $3,100; temporary clerk hire, $750; in all, $5,850.

Mr. DIMOND. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, may I call the attention of the House at this time to a matter of grave concern to the people of the Territory of Alaska and of equally grave concern to the people of the United States? It relates to the greatest industry in the Territory of Alaska, that of salmon fishing, and involves also a serious question of international law.

THREAT TO ALASKA FISHERIES

Mr. Chairman, on March 8, 1937, in another body, a speech was delivered that deserves the attention of Congress, the administration, and the country—an address at once scholarly, logical, and powerful, dealing with the threatened, and in part actual, foreign invasion of American fisheries. When that address was delivered it seemed that some action would be promptly taken to allay the danger to American fisheries shown to exist, but although the statement excited wide and favorable comment, so far as I can learn nothing has been done to correct the conditions therein described.

In this discussion I shall treat only of one phase of the subject covered by the address to which I have referred, that part of it which relates to the salmon fisheries, and particularly to the salmon fisheries carried on in the Bristol Bay and Bering Sea region and along the shores of the Alaska Peninsula in the waters adjacent to the Territory of Alaska.

Mr. Chairman, the salmon fisheries of Alaska constitute the greatest industry of that Territory both in number of people employed and in value of the product. More than 20,000 people work each year in the salmon-packing industry in Alaska and the value of the product of that industry amounts yearly to approximately $35,000,000. This industry is of the greater importance because it involves the use of a source of natural wealth which requires only reasonable conservation to make perpetual. No herders and no feeding of special food containing a certain number of calories or a certain vitamin content are necessary in the case of salmon. The salmon herd themselves and obtain their own food without the assistance of man, and the only labor to be performed by man in order to avail himself of this vast store of annually replenished natural wealth is to take the fish from the sea or rivers and enclose them in cans or other containers under proper conditions so that the flesh of the fish will be preserved in a fresh and nutritious state.

While what I have to say today affects potentially the entire salmon-packing industry of Alaska, my remarks will be particularly directed to that part of the industry which is carried on on both sides of the Alaska Peninsula, extending from the northern end of Shuyak Island to the extreme tip of Attu Island, the most westerly of the Aleutians, and thence north to the Diomedes, situated in the very throat of Bering Strait, and following the dividing line between the United States and Soviet Russia. In this region a large part of the most valuable salmon—the red species—is obtained. The principal salmon-fishing region of this area is Bristol Bay, a large bay situated on the west side of the Alaska Peninsula and opening into the Bering Sea. The Alaska Peninsula produces each year on the average at least 3,000,000 cases of salmon, of 48 pounds to the case, most of which is the valuable red salmon. So it is, if anything, an understatement to say that the value of the yearly product of the salmon fishery of this area is approximately $15,000,000.

In thinking of Alaska fisheries most people think of the Bristol Bay area, because it is the best known. But in this connection it is to be considered that many of the salmon taken on the east side of the Alaska Peninsula, particularly in the Shumagin Islands region, spawn in the lakes and rivers which flow into Bristol Bay. For some reason, as yet unknown, a part of the salmon which come into Bristol Bay each year first swim along the easterly side of the Alaska Peninsula as far north as Kodiak Island and then return and pass along the west side of the peninsula into the rivers which flow into Bristol Bay and thence into the lakes at the heads of those rivers. So it is that whatever is done with respect to the salmon which enter Bristol Bay affects not only the fishery at Bristol Bay proper but the entire fishery of the Alaska Peninsula, which is of such outstanding value.

Unlike many other kinds of fish, such as mackerel, herring, and halibut, salmon do not confine themselves to the ocean. They are hatched in the fresh water of lakes and rivers and at the end of their life cycle they die in those waters. The life cycle of the salmon varies from 2 to 8 years, according to the species. Salmon eggs are laid in the gravelly bottoms of lakes and rivers and hatch within the period of from 6 weeks to 6 months after they are deposited. Subsequent to hatching the young salmon remain in the fresh water, again dependent upon species, from a few weeks to 3 years, and then proceed down stream to the ocean and remain in the ocean from 2 to 4 years. At the end of their ocean life the salmon, both male and female, return to the streams or lakes in which they were hatched or released in order to deposit their eggs. They spawn only once, and after spawning, both male and female of the species, die in the same rivers or lakes in which they were hatched. It is estimated that a spawning salmon will deposit approximately 3,000 eggs.

Many natural enemies attack the salmon. The sea gulls eat the spawn and the newly born fish; the trout in the streams where the eggs are deposited do the same thing; at sea the salmon are, of course, subject to the depredations of the larger species of fish. In addition to all of that, when the salmon return to spawn at the end of the period of their life in the open ocean, man takes his toll. Unless care is exercised, the toll of man may be so great as to absolutely destroy the species. This has happened in many rivers, both of the United States and Europe, in which salmon were formerly plentiful. In those rivers the salmon have either entirely disappeared or are now so few in number as to be commercially negligible.

Realizing the economic advisability of maintaining unimpaired such a valuable natural resource, the United States Government has for many years past conserved the salmon by law and by administrative regulations having the force and effect of law. Under the laws and regulations mentioned the taking of salmon has been limited, both as to time and also as to the comparative number that may be taken of the run destined for any particular stream or lake. The Government of the United States in the last 10 years has spent approximately three and one-half millions of dollars in such conservation work, and it is certain that were it not for the conservation laws and regulations of the Government, so made and enforced, there probably at this time would be few salmon remaining in the waters of Alaska.

The foregoing is of importance for the reason that the catch of salmon usually occurs in the waters of the seas and bays near the mouths of the streams in which the salmon spawn. As a consequence all along the coast of Alaska where salmon run, canneries have been erected on the bays and inlets and near the mouths of the principal salmon rivers. Twenty-six salmon canneries are located in Bristol Bay alone and an equal, if not greater, number on the east side of the Alaska Peninsula. The total number of salmon packing plants in Alaska during the year 1936 was 117.

Recently the salmon fisheries of Alaska in the Bristol Bay have been threatened with disaster through the operation of Japanese ships equipped as floating canneries which remain some distance from the shore but nevertheless intercept the salmon on their way to the mouths of the streams to spawn, and thus endanger the permanent supply of salmon. The operations by the Japanese have taken place in Bering Sea and in Bristol Bay which, as I said a moment ago, opens into Bering Sea. Such packing operations carried on at some distance from shore are particularly adaptable to the Bristol Bay and Bering Sea region on account of the slight depth of the water. Bristol Bay and Bering Sea are shallow indeed. An inspection of the chart of that region showing depths of water reveals no place in Bristol Bay having a greater depth than 300 feet. At least one-half of Bering Sea is equally shallow. If a line were drawn from the west end of Unimak Island in the Aleutian chain to Cape Navarin south of the Gulf of Anadir on the coast of Siberia, we would find that all of Bering Sea to the north and east of

that line so drawn to be at no place more than 500 feet deep. So that if the bottom of that portion of Bering Sea were elevated a distance equal to the height of the Washington Monument, it would all be above sea level, and the North American continent would be joined to the continent of Asia by a land bridge at least 600 miles wide. Most of Bering Sea, particularly that part west to a line drawn through the Pribilof Islands and St. Lawrence Island, is less than 250 feet deep, and, as a consequence, it is a simple enough matter for a floating cannery to anchor anywhere in Bristol Bay or in the adjoining portion of Bering Sea and carry on its operations in the waters of that region.

A few years ago the Japanese commenced their operations in Bering Sea by fishing and canning crabs. No protest was made against this, because the Japanese fisheries were carried on some miles from shore and they were utilizing a product which citizens of the United States had not sought to utilize in that region, and, moreover, the product taken had no association with the inner shore waters or the inland waters of Alaska. Within the last 2 years, however, the Japanese operators in Bering Sea have not confined their operations to the packing of crabs, but in their great nets, some of them more than a mile in length and extending from the surface to the bottom of the sea, have taken a heavy tonnage of other kinds of sea life—the groundfish for meal and oil, for freezing and salting, and also the salmon en route from the waters of the deep ocean to Bristol Bay to spawn. In addition to the Japanese floating canneries above mentioned, which have been operated by commercial interests, the Japanese Government each year since 1932 has sent one or two of its public vessels to the waters off the coast of Alaska in the Bristol Bay region for the purpose of studying the fisheries resources of those waters and, in certain cases, to visit St. Paul Island to inspect the American fur seal herd. As a result of all of these operations the Japanese now propose to enter the field in force, claiming that they have a right to do so, and to share in the Alaska salmon fisheries, which have been conserved and preserved as a result of so much care and at such cost by the Government of the United States. This purpose of the Japanese was unmistakably declared at a conference held in Seattle, Wash., February 23, 1937, when Mr. T. Takasaki, managing director of the Toya Seikan Kaisha, Ltd., of Osaka, presented a prepared statement and made informal proposals to a group of American salmon packers and others interested. Mr. Takasaki was accompanied by Mr. M. Tamura, of the same company, which is a leading Japanese can manufacturing concern. At this meeting Mr. Takasaki presented a memorandum which is a remarkable document in that it forecasts what the Japanese desire and intend to accomplish if not prevented. The document begins by saying that in compensation for the scarcity of natural resources in Japan, God has endowed the Japanese with a unique gift of excellent fishing talent to take care of their population; that their destiny is, therefore, to develop that art further and further, and to exploit the fisheries products even from the open sea where, as they claim, the international law gives them absolute freedom and protection for such operation in the use of what are commonly called floating canneries—that is to say, ships which have been built or equipped for the packing of sea-food products on board the same as in an ordinary land cannery; that this is the only way for them to provide the necessary development by means of which they will take care of their excess population.

The memorandum so submitted by Mr. Takasaki further proceeds to assert that due to experience in the operation of floating fisheries since the year 1920 Japan has succeeded in putting crab, fish meal, salmon, and whale floating factories on the basis of a perfectly sound industry; that Japanese floating salmon canneries were licensed and actually operated off both sides of Kamchatka for many years up to a few years ago, but as those floating canneries rapidly developed the Japanese Government felt anxiety as to the possible effect on the shore canneries, so that an order was issued to consolidate them in one concern, and the order was obeyed. In the meantime, as the memorandum proceeds to state, many enterprising fishery operators turned their eyes to the possibility of the Alaska fisheries; that at least 10 applications for operating licenses have been made to the Government of Japan since 1933 by well qualified and well equipped out-of-job Japanese cannery operators, but that the Government has so far refused licenses, and only in 1936, by parliamentary sanction, it was decided to send out an investigating ship.

It may be remarked in passing that the last statement above mentioned taken from the memorandum is probably inaccurate, since we know positively that every year since 1932 ships have operated in Bristol Bay, and we have every reason to believe that they have so operated with Government sanction.

Now, in considering this memorandum, we come to a part that is of startling interest. The Japanese, through Mr. Takasaki, propose to conserve salmon by forbidding any fishing in the rivers of Alaska first, by forbidding any fishing along the coast next, and leave the "open-sea fishery last", which is the fishery the Japanese propose to carry on. This language is so important that I desire to quote it. It is as follows:

> Looking into the problem of conservation, although I am not a student of physiology of salmon, it is my humble opinion we should forbid the river fishery first, the coastal fishery next, and the open-sea fishery last for more efficient conservation of the salmon.

In other words, the Japanese rather cooly propose to us that the types of fishing which we carry on on the coast of Alaska, and particularly in the Bristol Bay region, should be entirely eliminated, for our fisheries take place near the mouths of the rivers and in the adjacent coastal waters of the sea. The conservation which the Japanese propose is as to those fisheries, and they further propose that the fisheries operated by floating canneries some miles from the coast proceed without restriction, unless there is some need for restriction later as a conservation measure. Therefore it is suggested that we should put ourselves out of business in order that the Japanese may enjoy the business. And they suggest this despite the fact that there would be no salmon fishery in Bristol Bay except for the laws of the United States and for the expenditure of money supplied by the taxpayers of the United States to make effective conservation measures enacted by Congress and supplemented by departmental regulations.

However, Mr. Takasaki was generous enough finally in his memorandum to further suggest that the proposed Japanese fisheries in the Bristol Bay region be financed jointly by American and Japanese capital. It is evident from the context that only Japanese are to be employed, since Mr. Takasaki was careful to point out that the labor cost of Japanese floating canneries was much lower than the labor cost in American canneries, indicating an average wage under Japanese operations of about $39 per month, including cost of food and bonus on fish caught, and including also the salaries of the captain, chief engineer, and other officers.

The suggestion of the Japanese to forbid us the continuance of our own carefully supervised and regulated coastal fishery in favor of the Japanese open-sea method of fishery, so proposed by Mr. Takasaki because, as he stated, "it seems to answer best the question of conservation", should be accepted and considered with the proverbial grain of salt in view of the fact that the present urgency of Japan to find employment for her out-of-work fishermen and fishing vessels was brought about through her failure to effectively conserve the fisheries provided for her off the coast of Siberia through treaty with Soviet Russia. If this is the proven result of the "conservation" practiced in Japanese fisheries, and which Japan now offers to thrust upon the United States, what have we to look forward to if we allow such practice in our hitherto carefully preserved fishery, which Japan not only threatens but plans to invade as her right, untouchable by law or treaty?

The Americans who took part in the conference, and particularly the representatives of labor, rejected without qualification or reservation the proposals so made by Mr. Takasaki. In this connection it may be remarked that, although Mr. Takasaki did not suggest that he represented the Government of Japan or any governmental agency of that Empire, knowing as we do the interest of the Japanese Government and Parliament in the entire subject, and knowing as we do the close relation between big business and the Government in Japan, it is only fair to assume that the proposal which he made had the tacit, if not the express, approval of the Japanese Government.

What the Japanese have thus proposed to us, Mr. Chairman, is in effect that we abdicate and turn over to them the Alaska Peninsula fisheries. The draught is sweetened a little by the offer which they make to us of financial participation. They do not tell us how they intend to conserve the fisheries, since they claim to be operating beyond the jurisdiction of not only American laws but of the laws of any other nation save and except as to the operation of Japanese law upon Japanese shipping. So the only rational conclusion to which we may arrive is that no conservation restrictions will be effective and the Japanese in a few years by their operations will exhaust the great fisheries of that part of Alaska just as they have already in part depleted the salmon fisheries of Siberia, and in the meantime they will have acquired for themselves considerable wealth which otherwise would be enjoyed by citizens of the United States.

The whole theory of the Japanese is based upon what I consider an untenable assumption with respect to international law—the assumption that it is beyond the power of the United States to prevent or restrict the taking of salmon by the nationals of any country under any circumstances or conditions more than 3 miles from the shores of Alaska, or of any other part of the United States. The Japanese say in effect that as long as they stay without what is sometimes called the 3-mile limit they may fish to their hearts' content and that no provision of either international law or municipal law can reach them. In fact, they claim that they have the full support of international law. That conclusion I challenge and deny.

In the introduction to his work entitled "Jurisdiction in Marginal Seas", the author, Dr. William E. Masterson, directs attention to the lack of definite law on questions of jurisdiction by any nation over the waters adjoining its coast, and he observes that it has been found necessary for the state to retain a certain measure of jurisdiction over such waters—that is to say, the waters adjoining its coast—for the nation's defense and safety, for the safety of vessels visiting its ports, for the protection of the health of its citizens, for the safeguarding of its revenue against smuggling, and for the protection and preservation of the coast fisheries for its nationals. And in this connection he further remarks with respect to the extent of seaward jurisdiction by any nation, that the only clearly defined principle of international law is that such jurisdiction must be considered as extending to sea a minimum of 3 miles or 1 league.

A survey of the entire field has disclosed, as Dr. Masterson so justly shows, that the laws passed to protect or regulate various interests or claims involve different considerations and they have therefore developed along different lines necessarily presenting distinct questions; and that the attempt on the part of some writers, jurists, and governments to establish a single zone beyond which the application or enforcement of all such laws is forbidden, thus treating them as a single problem has cast "this extremely difficult subject into hopeless confusion, and has littered the juristic literature on the subject with careless assertions", and has "resulted in the belief by some English and American writers that no national interests may be safeguarded or regulated, under international law, beyond a single zone of 3 miles from the shore."

Almost anyone, layman or lawyer, who has made a thorough study of the subject, must become convinced that the so-called 3-mile limit is, as Dr. Masterson has remarked, a statement of the minimum limit seaward to which a nation may exercise jurisdiction in all cases and for all purposes and not the maximum distance to which it may exercise jurisdiction over the adjoining seas for one purpose or another. Many States have refused to be bound by the so-called 3-mile limit even as to the exercise of complete territorial jurisdiction. For example, we find that Norway, Sweden, and Portugal have always refused and now refuse to be bound by any 3-mile limit for the exercise of their general jurisdiction, Sweden claiming to possess full sovereignty for a distance of 4 sea miles from the coast and to have possessed and exercised such sovereignty for more than a century past; Portugal asserting a territorial jurisdiction seaward of more than 3 miles and basing it, in part at least, upon the need for the preservation of her fisheries; and that the Spanish Government has claimed jurisdiction over the adjoining waters to a distance of 6 miles.

Moreover, Norway has claimed exclusive fisheries rights in the Westfjord which lies between the Lofoten Islands and the mainland but no definite limits to the waters thus claimed appear ever to have been specified. The distance from the most southerly of the Lofoten Islands to the mainland is about 50 miles.

A rigid 3-mile limit at the present day is outmoded and essentially absurd. The reason for such a rule has departed years and years ago. The 3-mile-limit rule was based upon the length of a cannon shot at that time. It was supposed that a cannon planted on shore had an efficient range seaward of 3 miles, and thus the 3-mile limit was based upon the ability of a nation to protect its shores by gunfire. At the present time, when cannon shoot over the horizon and when, as in the case of the bombardment of Paris during the World War, cannon shot traversed a distance of more than 70 miles, it is, Mr. Chairman, obviously absurd to insist that the 3-mile limit has any support in reason, and we have already seen that it has not at any time met the acquiescence or consent of a sufficient number of the civilized nations of the world to give it the dignified status of international law.

It is beyond dispute that the one thing settled in what is commonly called international law as to jurisdiction over marginal waters is that there is no precise geographical limit recognized by that law to apply to every nation and for every purpose.

At least one segment of this very important question came under the consideration of this House in 1935 when Congress considered and finally enacted what is commonly known as the Antismuggling Act, approved August 5, 1935 (49 Stat. 517). The bill which resulted in the act was carefully considered by the Ways and Means Committee of the House on March 8 and 13 and May 1 and 2, 1935, on what was then H. R. 5496. The printed hearings on the bill contain a citation of many of the adjudicated cases upon the question then considered by the committee, and that question involved the seaward jurisdiction of the Nation for the purpose of protecting its revenue and against smuggling. May I invite the attention of the Members of the House to the extensive brief on the subject by Dr. Hessel E. Yntema, professor of law, University of Michigan, to be found in the printed hearings. The reading of Dr. Yntema's brief will well repay the time spent thereon.

It is realized, Mr. Chairman, that the question presented in consideration of the bill which led to the passage of the Antismuggling Act are only in part relevant to the question presented by the threat to the Alaska fisheries of which I am speaking. But in part, at least, the issues are identical in principle, for each involves a question as to what may be done in harmony with international law for the protection of either the revenues or the commercial interests or other rights or claims of any nation through exercise of jurisdiction by that nation over the waters of the ocean which adjoin its coast. That principle was laid down more than 100 years ago by one who is commonly regarded as the greatest of American jurists—after saying that it is

scarcely necessary to say further that his name was John Marshall—in a case which came before the Supreme Court in 1804 (*Church* v. *Hubbart*, 6 U. S. (2 Cr.), at p. 187), and which involved the seizure of a vessel of the United States by the Portuguese for illicit trade more than 12 miles from shore, was sustained by the great Chief Justice upon the principle which he has declared in the following language:

That the law of nations prohibits the exercise of any act of authority over a vessel in the situation of the *Aurora*, and that this seizure is, on that account, a mere marine trespass, not within the exception, cannot be admitted. To reason from the extent of protection a nation will afford to foreigners, to the extent of the means it may use for its own security, does not seem to be perfectly correct. It is opposed by principles which are universally acknowledged. The authority of a nation within its own territory is absolute and exclusive. The seizure of a vessel, within the range of its cannon, by a foreign force, is an invasion of that territory, and is a hostile act which it is its duty to repel. But its power to secure itself from injury may certainly be exercised beyond the limits of its territory. Upon this principle, the right of a belligerent to search a neutral vessel on the high seas for contraband of war is universally admitted, because the belligerent has a right to prevent the injury done to himself by the assistance intended for his enemy; so, too, a nation has a right to prohibit any commerce with its colonies. Any attempt to violate the laws made to protect this right is an injury to itself which it may prevent, and it has a right to use the means necessary for its prevention. These means do not appear to be limited within any certain marked boundaries, which remain the same at all times and in all situations. If they are such as unnecessarily to vex and harass foreign lawful commerce, foreign nations will resist their exercise. If they are such as are reasonable and necessary to secure their laws from violation, they will be submitted to.

In different seas and on different coasts a wider or more contracted range in which to exercise the vigilance of the government will be assented to. Thus, in the channel, where a very great part of the commerce to and from all the north of Europe passes through a very narrow sea, the seizure of vessels on suspicion of attempting an illicit trade must necessarily be restricted to very narrow limits; but on the coast of South America, seldom frequented by vessels but for the purpose of illicit trade, the vigilance of the government may be extended somewhat farther; and foreign nations submit to such regulations as are reasonable in themselves and are really necessary to secure the monopoly of colonial commerce, which is claimed by all nations holding distant possessions.

If this right be extended too far, the exercise of it will be resisted. It has occasioned long and frequent contests, which have sometimes ended in open war. The English, it will be well recollected, complained of the right claimed by Spain to search their vessels on the high seas, which was carried so far that the guarda costas of that nation seized vessels not in the neighborhood of their coasts. This practice was the subject of long and fruitless negotiations, and at length, of open war. The right of the Spaniards was supposed to be exercised unreasonably and vexatiously, but it never was contended that it could only be exercised within the range of the cannon from their batteries. Indeed, the right given to our own revenue cutters to visit vessels 4 leagues from our coast is a declaration that, in the opinion of the American Government, no such principle as that contended for has a real existence. Nothing then is to be drawn from the laws or usages of nations, which gives to this part of the contract before the court the very limited construction which the plaintiff insists on, or which proves that the seizure of the *Aurora* by the Portuguese governor was an act of lawless violence.

It is to be noted, Mr. Chairman, that in the opinion of Chief Justice Marshall, jurisdiction over marginal seas may be exercised by any nation without express or rigid limits where necessary to secure itself from injury. In this connection it can scarcely be claimed that the actions proposed by the Japanese with respect to the Alaska fisheries do not constitute a direct injury not only to the interests but to the sovereign rights of the United States for the protection and conservation of one of its natural resources.

The law so laid down by John Marshall has never been successfully challenged or disputed. The Congress of the United States acted upon that principle in passing the Antismuggling Act in 1935 in which we expressly gave the President power to declare customs enforcement areas on the high seas adjacent to but outside customs waters so as to permit the seizure and forfeiture within that area of vessels which were seeking to violate the customs laws of the United States. No geographic limit seaward was placed upon the authority of the President to declare such a customs enforcement area and, so far as the act is concerned, that area might be declared to extend 100 miles from the coast of the United States in any particular region.

The history of the Antismuggling Act is well worth consideration. It was recommended to Congress by the Secretary of the Treasury who showed that even after the repeal of the United States prohibition laws foreign vessels were smuggling into the country vast amounts of illicit liquor, principally alcohol, and that under then-existing law and treaties it was impossible to cope with the smugglers. The Secretary pointed out that since 1890 we have had on the statute books of the United States laws permitting the seizure of vessels for the protection of the revenue up to 12 miles from shore, and in addition we had made treaties with a number of nations during the prohibition era for the search of the vessels of their nationals within 1 hour's sailing distance from shore, but that despite those laws and treaties it had been found impossible to prevent the smuggling in of illicit liquor from boats remaining outside of the 12-mile limit established by law and also beyond 1 hour's sailing distance of the coast. Accordingly, Congress passed the Antismuggling Act and within a few months the smuggling of liquor into the United States had been almost entirely eradicated—not through the making of more treaties but through the exercise of the power and jurisdiction which this Government has always possessed and which it finally determined to use by the enactment of a law of Congress.

If jurisdiction exists over territorial waters to prevent smuggling and to protect the revenue for a distance of 12 miles from shore, as set down in the statute of August 4, 1790, and subsequent statutes, and if it exists to an undetermined distance in any customs enforcement area that may be, upon proper grounds, declared by the President, then I insist that the power also exists to protect ourselves from injury through the protection and conservation of the great salmon fisheries which we have spent so much money to build up and to conserve. And I suggest that there is nothing in international law to forbid or prevent such an exercise, through municipal law, of the power of the Government.

In the preamble to the British Territorial Waters Jurisdiction Act of 1878 (41 and 42 Vic. 73) it was declared by the Parliament of Great Britain that "the rightful jurisdiction of Her Majesty, her heirs and successors exists and has always existed over the open seas adjacent to the coast of the United Kingdom and of all other parts of Her Majesty's dominions to such a distance as is necessary for the defense and security of such dominions." By this and other provisions of the act care was taken to avoid the inference that the adoption of the 3-mile limit for the purpose of criminal jurisdiction involved any recession in the claim of the Crown to exercise jurisdiction "at such limit as was necessary for the defense of the realm."

As perhaps the greatest sea nation of the world in volume of tonnage afloat upon the ocean, the British have done as much as any nation to make that loose body of customs that is referred to as international law. From the early days the British Government has claimed and actually exercised extensive jurisdiction upon the high seas adjacent to its coast to prevent smuggling. While the statute of 1878 just referred to is somewhat narrower in its scope than previous laws of Parliament, jurisdiction is still claimed to an indefinite distance from the coast just as under the Antismuggling Act passed by Congress in 1935.

The various and conflicting claims with respect to jurisdiction over the seas adjoining the coast of Great Britain is worthy of passing notice. Great Britain has alternately claimed almost unlimited jurisdiction even over the high seas, and that no nation could exert for any purpose a jurisdiction more than 3 miles from its coast. And in each case the leaders of the British Empire have solemnly asserted and insisted that the claim made at the moment not only had the support of international law but actually was international law. These assertions were the more serious and indeed could be actually enforced by reason of the overwhelming sea power of Great Britain.

In every age, and indeed in every year, Great Britain seems to have asserted as international law, what at that

time best suited her convenience. It illustrates the hopeless confusion in which the whole subject of international law is involved since it is based upon custom and acquiesence, and since in many cases what is strongly claimed to be international law is merely a rule of action which will best serve the interests of that power which is strongest at sea. Such international law is not founded upon equity or justice and is not law in any real sense of the word, unless we may call law any rule laid down by the most powerful Nation and without regard to the consent of those subject to it, and maintained by force alone. In this connection, without criticizing anyone, it may be well for us to remember that during the World War more than one nation treated with cynical disregard several of the rules of the sea that had before that time been widely understood to be supported by international law.

So, today, when we find that one or more nations are advocating a rigid 3-mile limit for all purposes, and confidently asserting that the rule which they now support is embraced in international law, we may be excused for wondering whether such present policy is founded upon a proposed course of conduct which will aid in maintaining their own prestige and power, and not upon acquiescence therein of the civilized states of the world.

Mr. Chairman, we have here to consider a question which involves what may justly be called our own property. It is true that salmon cannot be classed in precisely the same category as those domestic animals which can be kept herded and confined. The salmon at some time in their lives must go to the open ocean or the high seas and remain there for several years. Perhaps it may be admitted that in the remote seas if our Alaska salmon should be caught by any other national we would have no grounds to protest—one reason being that we would have no means of identifying our property. But enough investigation has been made of the life history and the habits of salmon to know beyond any question of doubt that the salmon heretofore taken by the Japanese in Bristol Bay or the adjoining waters of Bering Sea, and the vastly increased quantities they propose to take in the future, are salmon bound for the rivers which flow into Bristol Bay and the lakes at the heads of those rivers—the rivers and lakes in which they were hatched. These salmon exist only by virtue of our conservation laws. They exist only by reason of the fact that we have spent money to protect and preserve them. They are our property. To permit another national within sight of our coast to take this property which we have labored in preserving is, I submit, a violation of our substantial rights, rights which we may lawfully protect, just as we protect our revenues, by an assertion and exercise of jurisdiction upon the adjoining seas.

This Congress has a right to enact a law similar to the Antismuggling Act giving the administrative arm of the Government power to preserve our supply of salmon through prevention of interference by other nationals with the approach of those salmon to the rivers of Alaska for spawning—rivers from which they came and to which they are returning.

Suppose the case were the other way round. Suppose our commercial fishing interests should send a vessel to Japan to lie outside of the so-called 3-mile limit and intercept fish destined for the inland waters of Japan to the ultimate destruction of the entire industry, having the result of not only destroying the capital invested but in throwing thousands of people out of employment, how long do you suppose it would take the Japanese to exercise their authority and jurisdiction in the protection of their own property? Is it any exaggeration to say that within 24 hours not only would the strongest diplomatic representations be made to the American Government by the Japanese but within 48 hours the offending vessel, if it persisted in its operations, would be sunk or seized for forfeiture? Indeed, we could not justly claim injury by any such action even though somebody sometime has mistakenly said that no nation can exercise jurisdiction seaward more than 3 miles.

The Japanese are a great people and a proud people. They have much in them of the energy, the vitality, and the matchless discipline which made Rome the mistress of the world, and they, I am sure, would not for a moment entertain under the conditions which I have mentioned any proposal on our part that we were within the technical letter of the law in depriving them of what they had a right to consider their own property necessary for the welfare of their people.

After all, John Marshall was careful in the language which he used. A reading of the entire opinion which I have mentioned shows that he considered the subject fully, thoroughly, comprehensively, ecumenically, and it is evident that he purposely used language general in its nature in order to preserve intact what he considered and what we all must consider as of the very spirit of international law since it is a law which must be founded upon justice, and the general language so used is in substance that any nation has a right to exercise jurisdiction a reasonable but unlimited distance seaward from its coast to prevent an injury to itself which is a violation of its own national laws.

The suggestion has been made that we enter into a treaty with the Japanese for the protection of the fisheries of Alaska, but is it conceivable that the Japanese in entering into any such treaty will not demand tribute for its consent not to destroy the Alaska fisheries? All of the actions of the Japanese in this matter up until the present moment indicate that they are determined, if they can, to share in the wealth of the Alaska fisheries regardless of our rights. If we ask them by treaty to give over this ambition, may we not be certain that they are going to demand pay for it? And how much are we going to pay?

Mr. Chairman, is not this an occasion when we should draw council from the history of the Nation? When we should remember and adopt as the foundation of our policy the courageous declaration of principle embodied in the toast which Robert Goodloe Harper, Member of Congress from the State of South Carolina, offered at a dinner given on June 18, 1798, to John Marshall, "Millions for defense, but not one cent for tribute"? Clearly, to my mind, it is not a case for the exercise of the treaty-making power of the United States but it is a case for the exercise of the national power of the United States to be exercised, if necessary, by an act of Congress and by enforcement of such act by the administrative branch of the Government.

Moreover, if the Japanese are correct in their contention, every other nation has the same right to share in the Alaska fisheries by remaining outside of the so-called 3-mile limit and intercepting the Alaska salmon as they go to the spawning grounds. If we treat with the Japanese and thus pay tribute to them not to destroy our fisheries, how long will it be before we are obliged to pay tribute to some other nation which is engaged in fishing in the seas? If we are going to share the Alaska fisheries with the Japanese, will we not eventually have to share them with the British and the French and the Italians and the Norwegians and the Swedes and the Russians? Just to state that question is to answer it. It is impossible to make treaties with the whole world, and if we attempt to share the Alaska fisheries with all of the nations of the earth, then we had better admit at once that we have not the fortitude to protect ourselves and call the whole world in to share in what we have.

In my judgment, Mr. Chairman, the Seattle Central Labor Council reached the correct conclusion in this matter in adopting a resolution opposing any negotiations looking toward any treaty on the subject—the paragraph in the resolution being as follows:

Be it further resolved, That no negotiations looking toward any treaty on this subject should be considered.

The resolution also contained the following statement:

Any treaty on this subject with any foreign nation unless it specifically recognizes an exclusive proprietary of the United States in the salmon native to Alaska could have the effect only of granting to the nationals of such nation privilege of sharing what is naturally and properly an American resource.

An American Legion post in Seattle, upon consideration of the subject, took action opposing the making of any treaty with the Japanese for the protection of the Alaska salmon fisheries.

What I have suggested does not involve the claim that the Bering Sea is a "closed sea", though Nature made it almost that. When one considers that the northern part of the sea at Bering Strait is only 56 miles wide and that the Aleutian Islands, which are part of Alaska, extend almost to the Komandorski Islands which belong to Soviet Russia, it will be seen that the Bering Sea probably should from the earliest days have been considered a "mare clausum" or closed sea. But that claim is not made now. I believe it can be justly claimed that the exercise of the jurisdiction of the United States with respect to the salmon fisheries of Alaska may reasonably be extended to all of the shallow waters of the Bering Sea, to the limit of the continental shelf and that limit, as I have indicated, extends approximately from the western end of Unimak Island to Cape Navarin. This part of Bering Sea is little more than a deep pond, and I think it is beyond question that if the Japanese are permitted to carry on their operations unobstructed they will practically put a fence in the sea across the mouth of Bristol Bay so that no salmon may enter. An exercise of the jurisdiction of the United States over this shallow continental shelf will solve the problem. Indeed, in reason it may be claimed that the continental shelf is only a doorstep to our uplands. Just as the owner of a domicile has the right to eject trespassers from his doorstep, so I suggest in logic and reason a nation may justly exercise jurisdiction over its fisheries up to the edge of the continental shelf.

Mr. Chairman, in my view there are four possible approaches to the subject:

First. The voluntary withdrawal of the Japanese from the Bering Sea fisheries—a withdrawal demanded by fundamental considerations of equity and justice.

Second. The exercise of the right and authority of the United States to prevent fishing by aliens in Bering Sea where such fishing interferes with the entry of Alaska salmon into Alaska rivers; this jurisdiction to be exercised through the passage and enforcement of an act of Congress similar in scope to the Antismuggling Act.

Third. The negotiation of a treaty with the Japanese Government and the payment of what will amount to tribute to that Government not to disturb or invade the Alaska salmon fisheries, at the same time entertaining the hope—which, in my judgment, is bound to be a futile hope—that other nations will not demand similar tribute.

Fourth. To let down the conservation bars and permit the American operators to take all of the salmon of Bering Sea that they can get until the salmon are entirely exhausted. For if the Japanese are permitted to carry out their plans unhampered, with nothing more than a few diplomatic protests—if even that—then there is no salvation for the salmon of the Bering Sea region, and it would be folly, Mr. Chairman, to spend money in the enforcement of the conservation laws in order to give the Japanese nationals a chance to enjoy the fruit of that conservation policy.

Unless we assert the jurisdiction which we have and possess, and protect our own property in what are substantially our own waters, then we had better let American operators and workers get all they can while the salmon last. At the end, of course, the capital invested will be lost, for there will be no other use to which a cannery on the shore of Bering Sea can be put than packing salmon, and some 20,000 people will be denied their only means of making a living.

And that is not all: If the Japanese are permitted to "get away with this" in the Bering Sea, will it be long until we have Japanese floating canneries hovering off the coast of all those parts of Alaska where salmon run and thence southward to the entrance to Puget Sound and the mouth of the Columbia River?

May I suggest that a firm exercise of our authority and power now may do much to preserve peace? For I apprehend that if the Japanese are permitted to carry out their plans there will be such grave public resistance to it, particularly by people who are deprived of their livelihood, as to incur definite risk of those hostile incidents which lead to war. I conceive, Mr. Chairman, that the people in the western part of the United States and Alaska will be gravely incensed at the sight of a string of Japanese cannery vessels stretching along the coast of Alaska and perhaps extending down to the ocean waters immediately outside of Puget Sound and the Columbia River, something like the rum runners of former days.

Of course, we can yield to this threat. We can say to the Japanese, "Please go away; but if you do not go away, you can have the Alaska fisheries. Please do not touch the fisheries of Puget Sound and the Columbia River; but if you must have them, take them, and we will do nothing about it." In short, Mr. Chairman, we can adopt a policy of "cut and scuttle"—we can adopt a policy of submission. But what is the final end of that policy? It is said that "He who fights and runs away will live to fight another day", but experience with life teaches us that "He who fights and runs away will have to fight another day."

Mr. Chairman, I have said that the solution of this problem lies in legislation and in the exercise of the power and authority we now have, not in treaties. The administrative policy of the United States with respect to jurisdiction over marginal seas has already been laid down in the Antismuggling Act. That power ought to be further extended and defined by an act for the further conservation of the fisheries of the United States, giving the administrative arm of the Government the right to protect and conserve Alaska salmon in the waters of the ocean adjoining Alaska when it reasonably appears that those salmon are en route to Alaska waters to spawn. The most experienced draftsman of the Government should be detailed for the drafting of such an act, for the reason that the rights and the power of the Government and the interest over the years of hundreds of thousands, if not millions, of our citizens and potential citizens are involved or will be involved. The question is one of the highest moment, of the greatest importance, and therefore the drafting of the proposed legislation should be undertaken by those who have the most experience and the greatest skill. For that reason I have hesitated to present here a bill of my own. But presently, if no one else attempts it, I shall present a bill for the protection of the fisheries of Alaska along the lines herein indicated and ask for its consideration and passage by Congress. This question does not affect Alaska only—it affects the entire Nation—and it involves not only the immediate welfare of some thousands of our citizens but it involves a vitally important question of national policy.

Mr. HOOK. Mr. Chairman, I rise in opposition to the pro-forma amendment.

Mr. Chairman, it will be noticed this paragraph refers to the Territory of Hawaii. I want to mention at this time that we members of a subcommittee considered legislation having to do with sugar legislation have been working for about 2 months on a sugar bill, and during the consideration of that bill the question came up as to whether or not we were going to recognize the Territory of Hawaii and give it the same standing and the same benefit as a State of the United States. We saw fit to set up in the proposed bill the difference we actually see between the Territory of Hawaii, the offshore areas, and the States of the United States, and I think we were right in doing so. I think there is a difference, and to demonstrate this difference I want to read to the Committee a statement with regard to the Hawaiian sugar workers:

> The National Labor Relations Board is investigating the complaints of the sugar workers of Hawaii, who said that they were there in a state bordering on medieval servitude. The plantation guards intimidated the workers with machine guns.

May I say that in Hawaii they bring their plantation laborers from the Philippine Islands under labor contract.

The fare is paid from the Philippine Islands to Hawaii, and if the workers do not live up to the contract they are not sent back with fare paid.

May I also call attention to an item in Labor Bulletin No. 534, reading as follows:

Americans do not work on plantations in Hawaii. There was only one American adult on the pay rolls of the island of Hawaii in 1929. Eighty-eight percent of all the employees on the sugar plantations are Filipinos and Japanese.

That appears on page 3. On page 11 we find that the average wage is only $10.92 a week.

On page 14 we find this statement:

The source of supply has largely been from the Philippines, from which labor has been imported to work on the Hawaiian plantations under labor contracts. Independent organization is not recognized. The only labor organization recognized is the barber's union.

Mr. Chairman, when the sugar legislation comes to this House for consideration we are going to be asked to place the Territory of Hawaii and the other similar areas on a plane with the States of the United States. The argument will be put forth that they are under the American flag. That may be all well and good, but Hawaii is still a Territory. I plead with you today and will when that bill comes on the floor for consideration, to protect American labor and continental labor as well as our industry on the continent.

Mr. KENNEY. Will the gentleman yield?

Mr. HOOK. I yield to the gentleman from New Jersey.

Mr. KENNEY. Hawaii is producing and refining sugar up to its capacity now, while the sugar factories in this country are idle, and yet Hawaii wants the opportunity and the privilege of refining more sugar.

Mr. HOOK. The gentleman is correct.

Mr. Chairman, we have refined sugar coming into this country from Cuba, which we have cut in order to save industry and labor in the United States. When we started to frame this bill the members of our subcommittee decided that we were going to write our own legislation. Then some little $100 or $125 a month clerks came in and told us we could not write our own bill. But we are going to write it, and we are going to ask you to stand back of us. Let us be legislators and not take all our orders from department clerks or department heads.

Mr. HOFFMAN. Will the gentleman yield?

Mr. HOOK. I yield to the gentleman from Michigan.

Mr. HOFFMAN. When is that bill going to be brought on the floor for consideration?

Mr. HOOK. I would like to know. We are going to fight to bring it out despite opposition of the department clerks and those who would sell our American labor and industry down the line for their own selfish interests and desires.

Mr. HOFFMAN. I will vote with the gentleman on it, but when is he going to bring it out?

[Here the gavel fell.]

Mr. O'NEAL of Kentucky. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto do now close.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Clerk read as follows:

GOVERNMENT OF THE VIRGIN ISLANDS

For salaries of the Governor and employees incident to the execution of the acts of March 3, 1917 (U. S. C., title 48, sec. 1391), and June 22, 1936 (Public, No. 749, 74th Cong.), traveling expenses of officers and employees, necessary janitor service, care of Federal grounds, repair and preservation of Federal buildings and furniture, purchase of equipment, stationery, lights, water, and other necessary miscellaneous expenses, including not to exceed $5,000 for purchase, including exchange, maintenance, repair, and operation of motor-propelled passenger-carrying vehicles, and not to exceed $4,000 for personal services, household equipment, and furnishings, fuel, ice, and electricity necessary in the operation of Government House at St. Thomas and Government House at St. Croix; $116,000.

Mr. DIRKSEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the item for the Virgin Islands contained in the pending bill is only $261,000, which is a mere bagatelle compared with the billions being expended year in and year out, yet it is a rather intriguing item if you examine the purpose for which this money is going to be used.

You may or may not recall that we acquired the Virgin Islands from Denmark in 1917 for $25,000,000. At that time the three islands—St. John, St. Croix, and St. Thomas—had a population of only 25,000 people. So for all practical purposes we paid $1,000 per inhabitant. I do not know why we ever bought them. It was stated they were purchased for national-defense purposes. However, I may cite to this committee that Puerto Rico lies to the west of the Virgin Islands, Great Britain owns five islands along the Windward Passage just to the east, and we have made no particular effort to fortify the islands and bring them within a scheme of national defense. They have given us, on the contrary, no end of trouble.

They have been officially recognized and designated as the "Nation's poorhouse." I might say they ought to be called the Nation's dog house or the Nation's hot-dog house, because they are certainly a fruitful field for experimentation and exploration of fancy on the part of somebody in this administration. We never heard of the Virgin Islands until Mr. Tugwell came on the scene, that estimable gentleman of late and lamented memory, who is now associated with the treacle business in this country. When he came on the job we found that the Virgin Islands were composed of anything but good household economists. So as early as 1933 we had to subsidize the treasury of the islands to the extent of $240,000 so that they could balance the budget. Since we have been spending with a free and lavish hand year in and year out, they are no longer concerned with such nonsense as a balanced budget, because good old Uncle Sam will look after the children down there if they run out of funds and cannot balance the budget from sources of revenue within the islands. There is an item in the pending bill for $110,000 to reimburse the island treasury and help them over the rough places. Last year it was $175,000. In 1935 it was about $190,000 and in 1933 it was about $236,000. For the Virgin Islanders it is like getting candy from home and every day is Christmas.

But that is not all. Let us look at the emergency relief in 1935 and 1936. We have already obligated $1,448,000 for emergency-relief purposes down there for one item and another. It must be apparent that a million and one-half for relief, together with other generous hand-outs by the Federal Government for three islands having a population of 25,000, is what one might call lavish bounty. Especially so since living expenses are probably one-fourth of what they would be in the States.

But that is not all. Our former pal and comrade, Rex Tugwell, came along with the idea that since the bay rum business has been decommissioned by the eighteenth amendment and never revived, some other variety of rum ought to be produced down there; so forthwith P. W. A. sets up a little corporation, and it provides a capital structure of $2,000,000 for the purpose of building a distillery in the Virgin Islands and acquiring 5,000 acres of sugar land whereon they can produce the cane which will be processed in the sugar mills and in this rum distillery.

Mr. KENNEY. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I cannot yield just now.

Fancy a distillery in this country, first of all, receiving $2,000,000 of capital out of the Federal sock. Then, secondly, fancy a distillery in this country getting an outright grant of $170,000 for the purpose of cash on hand and working balances. Then fancy a distillery getting $200,000 for the purpose of employing people to work on the plantations which are to provide the cane to be processed in this distillery and converted into a kind of toothsome and succulent rum. Then fancy a distillery that gets an additional $200,000 for the same purpose. Anytime the company runs out of capital or working balance or working funds, just call up Uncle Sam and he will remedy that little difficulty. There

you have a really sweet industrial picture. It is the kind of which businessmen dream when they have trouble meeting the pay roll or reporting to the stockholders. Good old Uncle Sam is just like a rescuing Santa Claus for this little rum-making corporation.

Mr. Chairman, I ask unanimous consent that I may proceed for an additional 5 minutes.

Mr. MITCHELL of Illinois. I object, Mr. Chairman.

The pro-forma amendment was withdrawn.

Mr. RICH. Mr. Chairman, I move to strike out the last word.

Mr. JOHNSON of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. RICH. Yes.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. RICH. Mr. Chairman, I want to read a letter I have received from the chairman of the board of directors of this rum manufacturing concern, the Virgin Islands Co., which is established in the Virgin Islands. It reads as follows:

APRIL 26, 1937.

Hon. ROBERT F. RICH,
House of Representatives.

MY DEAR MR. RICH: I am sending you herewith a laboratory sample of Government House rum manufactured by the Virgin Islands Co. in St. Croix.

This is the same rum which is about to be marketed through a distributing agency in the United States. It is distilled from pure sugarcane juice under the most modern conditions. The cane was raised by natives of the Virgin Islands in connection with the rehabilitation program, which has been most successful in improving the standard of living on the islands.

Sincerely yours,

HAROLD L. ICKES,
Chairman, Board of Directors.

Mr. KENNEY. Mr. Chairman, will the gentleman yield?

Mr. RICH. I cannot yield now.

The Secretary of the Interior is chairman of the board of this rum manufacturing concern, of which every Member of Congress and every citizen of the United States is a stockholder. It is a Government-owned corporation. I have their bottle of rum, and would have brought it over here to show you, but I knew I would never get it out of here, so I made up my mind I would leave it elsewhere for safekeeping. [Laughter.]

Here is the advertisement which is being run in the newspapers, advertising this Government rum for sale in the District of Columbia.

Mr. KENNEY and Mr. RANDOLPH rose.

Mr. RICH. I cannot yield; my time is too short.

I do not believe the Government should be in the rum business or any other business. I do not believe the Government should be manufacturing rum in competition with the distillers of this country. The people of this country who are in the whisky business, and who are in it because the Government grants them permission, are paying taxes to keep this Government going, and I think the Federal Government ought to stay out of that business in competition with them. I do not care what kind of business it is, the Government has no business to be in competition with its private citizens.

I now yield to the gentleman from New Jersey.

Mr. KENNEY. Is the gentleman telling this Congress that the United States Government is actually in the rum business?

Mr. RICH. You are in the rum business. I say every citizen of the United States is in the rum business by virtue of the Federal Government owning the stock of the Virgin Island Co. and because the Government is operating it.

Mr. RANDOLPH. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield to my colleague, the gentleman from West Virginia.

Mr. RANDOLPH. I am delighted to know the gentleman was selected to receive the bottle, because I understand the gentleman is a teetotaler and I know the seal on the bottle was not broken.

Mr. RICH. The seal is not broken. As I have stated, if I had brought the bottle over here, I know I could not have said that. I have too many friends here that like it too well. Every member of the Subcommittee on Appropriations received a quart.

The Government first gave these people a million dollars to start this business. Last year the Government gave them $1,350,000 more. Then it gave them $170,000. The Government has invested in the rum business in the Virgin Islands $2,520,000. What do these people have on hand? They have 600,000 gallons of rum valued at a dollar a gallon, which would amount to $600,000. They have 3,800 tons of sugar, which, at $70 a ton, would amount to $266,000. Their total assets are $866,000, plus the lands which were bought in the Virgin Islands, these two old, worn-out sugar mills, and the one distilling plant. Our taxpayers in the States will meet the deficits annually is my guess.

Mr. HOUSTON. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield.

Mr. HOUSTON. Did the gentleman say we are all stockholders in this rum plant?

Mr. RICH. Yes. You certainly are if you are a taxpayer, and I know you are.

Mr. HOUSTON. Are we going to get any dividends this year?

Mr. RICH. Never. You will never get a dividend, because the Government never went into any business where it did not keep putting the taxpayers' money into it and never getting anything out. The Government does not know how to run a business. It never did and never will.

Mr. HOUSTON. I agree with that if they sent the gentleman a bottle of rum.

Mr. RICH. All members of the committee received a bottle, and the Government puts into that business a lot of politicians from back home who are worn-out and decrepit office seekers. It brings these men down to Washington, sends them to the Virgin Islands, and they try to run a business in competition with the people back home. Its principle is wrong; the Government should get out of the rum business as well as all other business.

Mr. HOUSTON. Well, how is business? [Laughter.]

[Here the gavel fell.]

The pro-forma amendment was withdrawn.

The Clerk read as follows:

For salaries and expenses of the agricultural experiment station and the vocational school in the Virgin Islands, including technical personnel, clerks, and other persons; scientific investigations of plants and plant industries and diseases of animals; demonstrations in practical farming; official traveling expenses; fixtures, apparatus, and supplies; clearing and fencing of land; and other necessary expenses, including not to exceed $2,000 for purchase, including exchange, maintenance, repair, and operation of motor-propelled passenger-carrying vehicles, $35,000.

Mr. DIRKSEN. Mr. Chairman, I move to strike out the last word.

Mr. JOHNSON of Oklahoma. Mr. Chairman, will the gentleman yield to me to submit a unanimous-consent request?

Mr. DIRKSEN. Yes.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. DIRKSEN. Mr. Chairman, resuming from the point where this statesmanlike effort of mine was so unceremoniously interrupted a few moments ago, here you have a distillery capitalized with $2,000,000 of Government funds, but the rum they produce is not supposed to be Government rum. The working capital came out of the Federal Treasury, but it is not supposed to be Government rum. The

plantation fund and the employee funds on the plantations were got out of the Federal sock, but it is not supposed to be Government rum.

I may say that the distillers of this country certainly would like to have a set-up of that kind, because, despite all the counterfeiting and all the disguising we try to throw about this operation by strange language, nevertheless it means that the Federal Government is today in the business of manufacturing rum and competing with its own distilleries in this country. But this is not all. I was rather amazed at the difficulty they had in finding a suitable name for this rum made with Government funds, made by people who for all practical purposes are on the Federal pay roll, and yet is not Government rum. After all these ingenious minds in one of the departments got together, they decided upon the very felicitous name of "Government House Rum." It burst upon the horizon of the National Capital in all its liquid glory not so long ago through the medium of a newspaper advertisement at $1.89 for a fifth.

It is alleged that this rum is one year and a half old. I will take you to any legitimate liquor store in Washington and get you 3-year-old rum infinitely better which is in the same price bracket or even cheaper. Can there, then, be any justification for projecting the Federal Government into the rum or distilling business on a basis of this kind?

Now, they also propose to rehabilitate the Islands through the sugar industry down there and to bring into tillage another 15,000 acres of land, upon which they expect to produce an average of 1 ton per acre, or 15,000 tons, in addition to the 8,600 tons per year that now constitutes the quota of the Virgin Islands under the last quota act.

How singular, I say to you, when 22 nations are sitting around a table in Europe seeking to fabricate some kind of restriction upon the growing of sugar. How singular when there is a committee of the House of Representatives struggling with a bill that will do justice to the Hawaiian Islands, to Puerto Rico, and to the domestic cane producer, the domestic beet producer, the Virgin Islands, and all the rest because there is too much sugar, How singular that they should be talking down there in this offshore possession about more Federal funds with which to expand the sugar acreage of the Virgin Islands, when it is conceded by every one of the 22 civilized, sugar-growing countries in the world that we have too much sugar and that the problem today is a curtailment of acreage, but the official rehabilitators are down there in that sunny, convivial climate, among the groves on the Virgin Islands, talking about using more Federal funds to expand their sugar production, when a House committee, the various departments of the executive branch of the Government, and a host of sugar experts in many countries are tearing their hair over how to curtail sugar acreage and satisfy all the diverse elements that have an interest in the world's sugar bowl.

I am not insensible to the fact that the people in the islands, who are our people now, have been in dire distress and needed help. But why was it necessary for the Federal Government to project itself and public funds into business in the islands when it could have been done by private capital. Someone said that businessmen made a survey of the islands and decided that they did not care to undertake an enterprise down there. I have some grave doubts on that score, and it would be interesting indeed to know whether private business was not actually discouraged in an attempt to make a set-up in the islands.

The question has also been raised as to the squalid condition among the natives, the low rates of pay, and other distressing conditions that would not be remedied by private capital on the theory that private enterprise would only exploit native labor for its own gain. To those who raise such a question I can only say that all the social legislation, all the ameliorating legislation passed by Congress which is designed to improve working conditions among labor, improve wage standards, and elevate living conditions apply no less to the Virgin Islands than to the States. As an example, just examine the relief bill to be considered later in the day, and on page 1 you will find that it applies to Territories and possessions no less than to the United States.

But let me point out two other matters in connection with this Federal venture into the rum-making business. Only recently complaint has been filed with the Federal Alcohol Administration that the Government-made Government House rum now on the market does not comply with various requirements which the F. A. A. imposes upon private distillers and that the F. A. A. has not undertaken to remedy the situation. Can it be that as time goes on there will be discrimination by an agency of the Federal Government in favor of its own product and against privately made products so that it will become increasingly difficult for private distillers to compete. If this is true, and it appears to be, how can such discrimination be justified. While rum is, of course, a liquor that has but limited appeal and is not so widely used by the consuming public, yet what assurance is there that such Government competition and discrimination will not be projected into other branches of the business as time goes on and increase the difficulties of the distilling industry in this country.

The other matter is the proposal of Governor Cramer, who appeared before the subcommittee, that the Virgin Islands tourists be permitted to bring $100 worth of liquor into the States free of duty. The islands now have a local tariff of 6 percent, which they charge on imported liquors which come in from Great Britain and other countries. The Governor believes that if tourists could be permitted to bring $100 worth of this foreign liquor into the States free of the duty that is now imposed, it would help the tourist business and bring revenues into the island treasury.

After awhile I fancy that the same privileges could be extended to Puerto Rico, Hawaii, the Philippines, and others, and soon there would be enough of these $100 commuters so that the Federal revenues from liquor would be substantially impaired. It is a naive suggestion, but if the Governor insists hard enough for some such provision, he is likely to get it, because the Virgin Islanders have been given most everything else. These Virgin Islands will become a great business in time unless the Treasury runs out of money.

It is not at all strange that the Governor of the Virgin Islands, when he made his report not so long ago, stated that the Virgin Islands are politically and economically moving forward. He might have stricken out the "economically." [Applause.]

[Here the gavel fell.]

Mr. CRAWFORD. Mr. Chairman, it may be quite all right for us to stand here and make facetious remarks and have fun at the expense of Puerto Rico and the Virgin Islands, but the fact remains that when we acquired those islands through purchase or by conquest, our people knew they were sugar plantation areas, and insofar as the Virgin Islands are concerned, what action has this Congress or past Congresses taken to set up a proper form of government down there? Look how the overlapping has come down from the Danish Government, although we purchased these islands way back in 1917, or about 20 years ago. What have we done to fix it so these people can be self-supporting and independent of the public funds of the United States, contributed by the taxpayers of this country?

I hold no brief for the Government going into the rum business and using public funds for that purpose. I hold no brief for the American Molasses Co., which is quite capable of taking care of itself, but at the same time, unless there is work for these people to do on private pay rolls or public pay rolls, with our purchasing their products, it is needless to say that the taxpayers of this country will have to contribute funds to the relief chests and let the funds go down there to feed and clothe and shelter them.

The Virgin Islands are somewhat like an entertainment park that belongs to a street-car company.

You go out and you build your places of amusement in order to get the people to ride your streetcars out to those points. Why do we not make a place of pleasure for our tourists in the Virgin Islands, instead of having them go to

Cuba and Bermuda, where we obtain no revenue from them whatsoever?

Mr. CULKIN. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. Yes.

Mr. CULKIN. The gentleman speaks of the Government being in the rum business, which I rather regret myself, in view of the basic idealism of the American people; but the gentleman does not mention the fact that the Government is running the Blue Beard Inn.

Mr. CRAWFORD. That is true; and through our failure to act here we have fertilized the ground so that the Government authorities can have the excuse to take public funds to the Virgin Islands and invest them there in Government enterprises in competition with private enterprise. You should look into the way the judiciary of the Virgin Islands is operated, if you want something interesting, and just check into that matter along with the rum business. Do not misunderstand me.

I am not in favor of the Government coming into competition with private industry in the Virgin Islands or anywhere else; I am opposed to it, but at the same time there is a human side to the Virgin Islands question, and you cannot acquire these territories and then let absentee ownership make slaves out of the inhabitants without having to pay a price, and this is some of the price that we are paying today. That is worth looking into in connection not only with the Virgin Islands but in connection with Puerto Rico.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. Yes.

Mr. RICH. Mr. Chairman, I would like to say to the gentleman that Mr. Cramer, who has charge of the Virgin Islands company, made the statement that he is after legislation so that he can permit $100 worth of liquor to come into this country free. What he wants to do is to get liquor from foreign countries to go into the Virgin Islands, and then in turn have our people go to the Virgin Islands the same as to Bermuda in order to get that liquor, to come into this country free. Keep your eyes open, because he is going to have that on some bill coming into the House of Representatives before this session of Congress is over.

The CHAIRMAN. The time of the gentleman from Michigan has expired. Without objection, the pro-forma amendment will be withdrawn, and the Clerk will read.

The Clerk read as follows:

For defraying the deficits in the treasuries of the municipal governments because of the excess of current expenses over current revenues for the fiscal year 1938, municipality of St. Thomas and St. John, $60,000, and municipality of St. Croix, $50,000; in all, $110,000, to be paid to the said treasuries in monthly installments.

Mr. SNELL. Mr. Chairman, I reserve the point of order on lines 9 to 14, page 126, to ask some questions of the chairman of the committee. What provision of law is there providing that we should pay the deficits of the municipalities of the Virgin Islands, as carried in lines 9 to 14?

Mr. JOHNSON of Oklahoma. I will say to the gentleman that the authority for the administration of the Virgin Islands is to be found in title 48, section 1391, United States Code. Although there is no specific provision of law providing for the payment of deficits of a municipality, the committee felt that the law is sufficiently broad to grant authority for this purpose.

Mr. SNELL. Does that provide that we should pay all municipal deficits?

Mr. JOHNSON of Oklahoma. No; except the general authority for that I have just referred to which I hold in my hand.

Mr. SNELL. I wish the gentleman would read that law. I would like to know what it is. If we have to do that down there, why can we not pay our local municipal deficits out of the Federal Treasury also?

Mr. JOHNSON of Oklahoma. Mr. Chairman, I read from section 1391:

Under jurisdiction of the Governor; except as provided in this chapter, all military, civil, and judicial powers of the United States to govern the West India Islands acquired from Denmark, shall be vested in the Governor and in such person or persons as the President may appoint, and shall be exercised in such manner as the President shall direct. The Congress shall provide for the government of said islands; provided that the President may assign an officer of the Army or the Navy to serve as such Governor—

And so forth. This is the section that the Budget referred the committee to, and it will be noted that the authority is general but broad in its scope.

Mr. SNELL. I do not see anything in there that says that the Federal Government is responsible for all municipal deficits.

Mr. JOHNSON of Oklahoma. Nor do I see the specific authority, but I will say to the gentleman that this item has been carried in the bill year after year and no one has ever raised the question as to the authority heretofore. Undoubtedly it was the intent of Congress to confer that authority.

Mr. SNELL. It does not confer that meaning to me, and I make the point of order, Mr. Chairman.

Mr. JOHNSON of Oklahoma. I will say to the gentleman that when the Budget cited this section as authority I, as one member of the committee, assumed, without going into the matter very carefully, that the section in question was sufficiently broad to grant ample authority.

Mr. SNELL. That is broad authority to take charge of the governmental affairs, but it does not say a word there to the effect that the Federal Government shall pay deficits of each one of the municipalities in the Virgin Islands.

Mr. JOHNSON of Oklahoma. It does provide for general operation and maintenance, and the committee felt it was broad enough to grant the authority provided in the bill.

Mr. SNELL. There is nothing in what the gentleman read that conveys that opinion to me.

Mr. JOHNSON of Oklahoma. Well, frankly, after reading the section carefully, I am not in a position to insist there is such specific authority granted. I suggest that the Chair rule upon it.

Mr. SNELL. Mr. Chairman, I make the point of order that there is no provision of law that the Federal Government shall pay deficits of each one of the municipalities of the Virgin Islands.

The CHAIRMAN. The Chair is prepared to rule.

The gentleman from New York [Mr. SNELL] makes a point of order against the paragraph appearing in lines 9 to 14, inclusive, on page 126 of the bill on the ground that the appropriation there sought to be made is not authorized by existing law.

The Chair has examined section 1391 of title 48 of the United States Code, to which reference was made by the gentleman from Oklahoma [Mr. JOHNSON]. It appears to the Chair that this provision of law authorizes the establishment of a government for the West Indies Islands, acquired from Denmark, and vests certain discretionary authority in the President until the Congress shall provide for the government of said islands. The Chair is unable to find any definite, specific provision of law included in this section which, in the opinion of the Chair, would authorize the appropriation here sought to be made.

The Chair has likewise examined the act of Congress approved June 22, 1936, to provide a civil government for the Virgin Islands of the United States, and in neither the provision of law cited by the gentleman from Oklahoma nor the act to which the Chair has referred does the Chair find sufficient authority of law to authorize appropriations for municipal deficits in the municipalities set out in this provision of the bill.

The Chair is of the opinion that the appropriation is not authorized by existing law, as it is here sought to be made, and therefore sustains the point of order.

The Clerk read as follows:

FREEDMEN'S HOSPITAL

For officers and employees and compensation for all other professional and other services that may be required and expressly approved by the Secretary of the Interior, $218,100; for subsistence, fuel and light, clothing, to include white duck suits and white canvas shoes for the use of internes, and rubber surgical gloves, bedding, forage, medicine, medical and surgical supplies, surgical

instruments, electric lights, repairs, replacement of X-ray apparatus, furniture, purchase of ambulance at not to exceed $2,500, and maintenance and operation of passenger-carrying vehicles, including not exceeding $300 for the purchase of books, periodicals, and newspapers; and not to exceed $1,500 for the special instruction of pupil nurses, and other absolutely necessary expenses, $111,310; in all, for Freedmen's Hospital, $329,410, including reimbursement to the appropriation for Howard University of actual cost of heat and light furnished, of which amount of $329,410 one-half shall be chargeable to the District of Columbia and paid in like manner as other appropriations of the District of Columbia are paid.

Mr. TABER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TABER: On page 132, line 13, insert a new paragraph, as follows:

"The amounts of all appropriations set forth previously in this bill are hereby reduced 10 percent."

Mr. TABER. Mr. Chairman, this bill as it now stands, including reappropriations, as far as I can figure it, is about $36,000,000 above the Budget estimates of $121,000,000.

We have adopted amendments to the bill which have increased it and the committee itself brought out reappropriations involving $33,000,000. I do not see how we can go back and face our constituents with such a bill, and I have therefore offered this amendment in the hope we may be able to reduce it a reasonable amount. I hope we will be able to cut this down. This motion means a saving of $16,027,126.48—10 percent of the total. We will still be something like eighteen or nineteen million dollars above the Budget. If we go on that way with that sort of thing there will never be anything left.

Mr. LUTHER A. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. LUTHER A. JOHNSON. Is the gentleman's amendment a horizontal 10-percent cut in the bill?

Mr. TABER. Yes.

Mr. LUTHER A. JOHNSON. All items in the bill?

Mr. TABER. Every item in it. They can stand it, because there is hardly an item in the bill that has not been increased over last year's bill at least 10 percent. Once in a while there is one. It is the only appropriation bill where there are so many increases above last year's bill. The bill as it was brought in here, except for the reappropriations, was below the Budget, but when you consider the reappropriations, the bill is $29,000,000 above the Budget.

Mr. LUTHER A. JOHNSON. Mr. Chairman, will the gentleman yield further?

Mr. TABER. I yield.

Mr. LUTHER A. JOHNSON. How much would that 10-percent cut amount to in dollars and cents?

Mr. TABER. Sixteen million twenty-seven thousand one hundred and twenty-six dollars and forty-eight cents. It is not enough, I agree with that, because it does not bring it down to the Budget.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. RICH. The independent offices appropriation bill was increased $61,225,000. The Treasury and Post Office, $263,500,000; Agriculture, $147,500,000.

Mr. TABER. There is a great tendency to increase appropriations both on the floor and off the floor. If we never stop, the Treasury is never going to be right side up.

Mr. LANHAM. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. LANHAM. What effect would this amendment have on salaries, for instance, in the various departments? There are men classified in various work in the different departments. Would it affect the salaries?

Mr. TABER. They would have to get along without putting on additional help, because almost every single one of these appropriations for salaries is increased at least 10 percent. All they would have to do is to get along as they have been going in the past. There is an occasional case where they might have to let one go here and put him on some other place.

Mr. LANHAM. But it would not reduce the salary of any particular man in the service.

Mr. TABER. Oh, no.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. CRAWFORD. With respect to imposing more work on employees, that would not be any different from what industrial workers have to do in a rising tide of industrial prosperity; they would have to do more work themselves.

Mr. TABER. But this would not require them to do more work; it would require them in the Department to get along without embarking on so many new and radical activities.

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Chairman, if the amendment of the distinguished gentleman from New York should be adopted, this would be the first regular appropriation bill, or any kind of appropriation bill, passed during the present session carrying such an amendment. It would be manifestly unfair to apply this 10-percent cut to all the items in this bill. It would be unfair to this Department of the Government and the 20 new governmental activities that have been placed under the Interior Department to apply a 10-percent cut to this Department alone. If such a cut is to be made, it certainly ought to be applied to all the departments. We realize that something along this line is in the making, either a horizontal cut or 10 or 15 percent will be impounded by the President under direction of the Congress, he will be given authority to cut some items more than 10 percent and possibly increase some of the items not only in this but all other appropriation measures.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. In a moment.

Mr. Chairman, I do not hesitate to tell this Committee that I am disappointed that this bill is some $3,000,000 above the Budget estimate. As this bill was brought from our committee it was $4,700,000 below the Budget estimate and more than $5,000,000 below the appropriation for the current year.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. When I finish my statement I shall be glad to do so.

Mr. Chairman, to make a drastic cut on this Department alone, without having it apply to all the departments, as I said, would be manifestly unfair. I think there are some items in this bill that ought to be cut more than 10 percent. I am hopeful that when the bill goes to the other end of the Capitol and is finally worked out it will be below the Budget estimate. Personally, I shall continue to work to that end. The fact is that if this bill remains considerably above the Budget estimate, in my humble judgment it is in serious danger of receiving a veto from the White House. May I remind Members that upon yesterday I took the liberty of pointing out the danger of a veto, and some ridiculed the suggestion as being absurd and ridiculous.

But I would never agree to a 10-percent cut on all of the items. It would be unfair and most unreasonable.

A few days ago, another committee brought in an Army appropriation bill, not $5,000,000 below the appropriations for the current year, as this bill was reported, but over $25,000,000 above the appropriations for the current year; and, as I recall, the gentleman did not offer his 10-percent cut to that bill. A few days before that we passed the Navy appropriation bill, one of the largest in the peacetime history of the Navy, and as I recall, the gentleman did not offer his 10-percent cut to the Navy bill. That bill carried appropriations for two $60,000,000 battleships. It seems to depend altogether on whose ox is being gored as to whether there ought to be a 10-percent cut according to the gentleman from New York. [Applause.]

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield.

Mr. MICHENER. The gentleman states that this bill is now $3,000,000 above the Budget estimate.

Mr. JOHNSON of Oklahoma. Yes; there has been added to this bill more than $8,000,000 above the bill as recommended by the committee.

Mr. MICHENER. Right in the Committee of the Whole.

Mr. JOHNSON of Oklahoma. Yes.

Mr. MICHENER. We are going to have a vote in the House on the Doughton amendment. If the gentleman wants to accomplish his purpose he should assist in removing that $2,000,000 fcr the 800-foot parkway which is not necessary and which was put on in the Committee of the Whole.

Mr. JOHNSON of Oklahoma. I may say to the gentleman from Michigan that I insisted on that yesterday and the Committee showed its attitude. I am perfectly willing to make such a motion if I can receive any reasonable assurance of support from the other side of the aisle.

Mr. MICHENER. The same thing applies to the increase for vocational training.

[Here the gavel fell.]

Mr. RICH. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Pennsylvania is recognized for 5 minutes.

Mr. JOHNSON of Oklahoma. Mr. Chairman, will the gentleman yield to permit me to submit a unanimous consent request?

Mr. RICH. Certainly.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close within 8 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. RICH. Mr. Chairman, I do not believe any Member of the House is more interested in keeping down Government expenses than I, nor do I believe that any Member has supported my colleague, the gentleman from New York, to the extent I have for economy.

Mr. Chairman, I understand that there is a bill before the Congress whereby all these appropriation bills are to be cut 10 percent. I wonder whether the chairman of this subcommittee is willing to support that bill.

Mr. JOHNSON of Oklahoma. Does the gentleman want a reply now?

Mr. RICH. Yes. I would like your views.

Mr. JOHNSON of Oklahoma. Yes; I will support that bill to cut all appropriations 10 percent. I am not, however, trying to pledge the committee.

Mr. RICH. Then I will say to the Members of the House that the part of wisdom is to treat the Interior Department on the same basis as the other departments.

I think we ought to be fair in our discussion. If the gentleman from New York will present a bill to the House of Representatives which provides for a cut in all these appropriation bills I believe he will receive support from most everybody. But I cannot in justice to the Interior Department vote for a general cut on this particular bill at this time. However, I pledge my support to the House of Representatives and will vote for a 10-percent cut in all the expenses of the Government and will do everything I can to that end.

Mr. SNELL. Will the gentleman yield?

Mr. RICH. I yield to the gentleman from New York.

Mr. SNELL. If the gentleman is in favor of a 10-percent cut, why is he not willing to start now?

Mr. RICH. This is the last appropriation bill to come up for consideration.

Mr. SNELL. If we are for it, we are for it now.

Mr. RICH. Can the gentleman get the rest to vote for a 10-percent cut?

Mr. SNELL. Yes; and I am for it now.

Mr. RICH. I am for it now on all appropriation bills.

Mr. SNELL. Then vote for the cut now.

Mr. RICH. I am for it, but I want to treat everybody alike. Every department of government. I do not want to make fish of one and fowl of the other.

Mr. CRAWFORD. Will the gentleman yield?

Mr. RICH. I yield to the gentleman from Michigan.

Mr. CRAWFORD. In connection with this cut of all expenses, would the gentleman include the salaries of Members of the House?

Mr. RICH. I would include everybody. I would not exempt anyone. Right is right and wrong is wrong.

Mr. RANKIN. Now, the gentleman has lost his party.

Mr. RICH. When you are right you lose no one that counts.

Mr. MICHENER. Will the gentleman yield?

Mr. RICH. I yield to the gentleman from Michigan.

Mr. MICHENER. The gentleman has weakened immeasurably in the position he has taken here for economy. He has demonstrated a fact which exists in connection with practically every item in this bill. For instance, the reclamation people are for economy so long as it does not affect reclamation. The vocational-education people are for economy just so long as it does not interfere with them. Our good friend the gentleman from North Carolina [Mr. DOUGHTON], chairman of the Ways and Means Committee, is for economy so long as it does not affect the 800-foot parkway he desires to construct down in his district, at a cost of millions of dollars. So it is with every pressure group and bloc.

Mr. RICH. Mr. Chairman, I do not yield further. I want to be fair. I want to cut everybody.

Mr. MICHENER. But the gentleman is not doing that.

Mr. RICH. Then I do not know right from wrong if you treat everybody alike. The chairman of the subcommittee said he would get up here and ask the Democratic Members of the House to support a 10-percent cut. I believe the Democratic Members of the House should support a 10-percent cut in all of these bills; and if they will, I want to be fair, I will oppose this one; but if they will not do that, I want to start in right now, because I want to see economy in Government brought about.

Mr. MAY. Will the gentleman yield?

Mr. RICH. I yield to the gentleman from Kentucky.

Mr. MAY. Suppose we did cut off 10 percent and impound it, does the gentleman think that money would be spent, nevertheless?

Mr. BURDICK. Mr. Chairman, I make the point of order the gentlemen are not talking on the amendment pending before the House.

The CHAIRMAN. The point of order is overruled.

Mr. RICH. I am talking about the amendment offered by the gentleman from New York. The gentleman from North Dakota [Mr. BURDICK] is one of the best fighters we have in the House, but I do not concur in his statement, because I am addressing myself to this amendment and I want to stay on it. I want to cut down the expenses of Government. I want to cut down on everything, but I do not want to do it on the Interior Department appropriation bill and let the other departments get away without a cut. Believe me, I know what I am doing, and no one in this House has a better record on that score than I have, and the voting record tells the story. Look at my record and then look at your own, and judge for yourself.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I rise in opposition to the pro-forma amendment.

Mr. Chairman, I began offering these amendments to cut the appropriations 10 percent on every single bill just as soon as the President announced a program of economy, and I have gone down the line and offered the amendments on every bill.

It is possible for this House by a special rule to take care of all these appropriation bills afterward. But let us start right now and begin to cut. So far the House has refused to follow a program of cutting down and being square with the program of economy. They have not been willing to cut these appropriation bills. There is not an activity in this whole outfit, in my opinion, that could not stand a 10 percent cut, and we ought to begin to reduce these appropriations now.

The only way to start is to begin now. You cannot dodge the responsibility for failing to economize by refusing to vote for this amendment.

Mr. Chairman, I hope the House will stop pusyfooting and begin doing business.

Mr. RICH. Will the gentleman yield?

Mr. TABER. I yield to the gentleman from Pennsylvania.

Mr. RICH. If the gentleman offers an amendment to reduce all the bills 10 percent, will he exempt this bill from a further 10-percent reduction?

Mr. TABER. Yes.

Mr. RICH. Then I will vote for this 10-percent reduction.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. TABER].

The question was taken; and on a division (demanded by Mr. SNELL) there were—yeas 81, noes 123.

So the amendment was rejected.

The Clerk concluded the reading of the bill.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I move the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 6958) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1938, and for other purposes, had directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move the previous question on the bill and amendments thereto to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment?

Mr. TABER. Mr. Speaker, I demand a separate vote on the O'Connor of Montana amendment for $200,000, on page 39, line 18; a separate vote on the Scrugham amendment, on pages 78 and 79, appropriating $8,250,000; and a separate vote upon the Doughton amendment, on page 111, increasing the appropriation by $2,000,000.

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Chair will put them in gross.

The amendments were agreed to.

The SPEAKER. The Clerk will report the so-called O'Connor of Montana amendment on page 39, line 18.

The Clerk read as follows:

Page 39, line 18, after the word "reimbursable", insert "Crow, $200,000, reimbursable."

The SPEAKER. The question is on the amendment.

The question was taken; and on a division (demanded by Mr. TABER) there were—ayes 58, noes 127.

Mr. O'CONNOR of Montana. Mr. Speaker, I object to the vote upon the ground that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and seventy-three Members are present; a quorum.

Mr. O'CONNOR of Montana. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were refused.

So the amendment was rejected.

The SPEAKER. The Clerk will report the next amendment on which a separate vote has been demanded.

The Clerk read as follows:

Page 78, after line 20, insert a new paragraph, as follows:

"For administrative expenses on account of the above projects, including personal services and other expenses in the District of Columbia and in the field, $750,000, in addition to and for the same objects of expenditure as are hereinbefore enumerated in paragraphs 2 and 3 under the caption 'Bureau of Reclamation'; in all, $8,250,000, to be immediately available: *Provided*, That of this amount not to exceed $75,000 may be expended for personal services in the District of Columbia: *Provided further*, That the unexpended balances of the amounts appropriated from the reclamation fund, special fund, under the caption 'Bureau of Reclamation, Construction', in the Interior Department Appropriation Act, fiscal year 1937, shall remain available for the same purposes for the fiscal year 1938 for projects authorized under the reclamation law."

The SPEAKER. The question is on agreeing to the amendment.

Mr. WHITE of Idaho. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. WHITE of Idaho. This is the item which was carried in the original bill, was stricken out on the point of order that it was legislation on an appropriation bill, and was restored by amendment?

Mr. SNELL. Mr. Speaker, I make the point of order that that is not a parliamentary inquiry.

The SPEAKER. The Chair has no knowledge of what transpired in the Committee of the Whole. The Chair sustains the point of order that the gentleman's question is not a parliamentary inquiry.

Mr. WHITE of Idaho. Mr. Speaker, a further parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. WHITE of Idaho. A vote of "aye" is a vote for the amendment? I think there is some confusion about it.

The SPEAKER. The Chair has not stated the question.

The question was taken; and on a division (demanded by Mr. WHITE of Idaho) there were—ayes 63, noes 110.

Mr. SCRUGHAM. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were refused.

So the amendment was rejected.

The SPEAKER. The Clerk will report the next amendment on which a separate vote has been demanded.

The Clerk read as follows:

Page 111, line 14, strike out "$3,000,000" and insert in lieu thereof "$5,000,000."

The SPEAKER. The question is on agreeing to the amendment.

The question was taken; and on a division (demanded by Mr. DOUGHTON) there were—ayes 108, noes 113.

Mr. DOUGHTON. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 221, nays 160, answered "present" 1, not voting 49, as follows:

[Roll No. 63]

YEAS—221

Allen, Del.	Connery	Fitzpatrick	Hook
Allen, La.	Cooley	Flannagan	Imhoff
Allen, Pa.	Cooper	Fletcher	Jarman
Anderson, Mo.	Cox	Forand	Jenckes, Ind.
Arnold	Cravens	Ford, Calif.	Johnson, Luther A.
Atkinson	Creal	Ford, Miss.	Johnson, Lyndon
Barden	Crosby	Frey, Pa.	Johnson, Minn.
Beam	Crosser	Fries, Ill.	Johnson, W. Va.
Beiter	Cullen	Fuller	Jones
Bell	Cummings	Gambrill	Kee
Bernard	Curley	Garrett	Kelly, Ill.
Bigelow	Deen	Gasque	Kennedy, Md.
Bland	Delaney	Gavagan	Keogh
Bloom	Dempsey	Gildea	Kerr
Boykin	DeRouen	Gingery	Kitchens
Boylan, N. Y.	Dies	Golsborough	Kleberg
Brooks	Dingell	Green	Kocialkowski
Brown	Disney	Greenwood	Kopplemann
Buck	Dorsey	Greever	Kramer
Bulwinkle	Doughton	Gregory	Lambeth
Burch	Doxey	Griffith	Lamneck
Burdick	Drew, Pa.	Haines	Lanham
Byrne	Drewry, Va.	Hamilton	Lanzetta
Cartwright	Driver	Hancock, N. C.	Larrabee
Chandler	Duncan	Havenner	Lemke
Chapman	Dunn	Hendricks	Long
Clark, Idaho	Eckert	Hennings	Luecke, Mich.
Clark, N. C.	Ellenbogen	Higgins	McAndrews
Claypool	Evans	Hildebrandt	McCormack
Coffee, Wash.	Faddis	Hill, Ala.	McGehee
Colden	Farley	Hill, Okla.	McGranery
Cole, Md.	Ferguson	Hill, Wash.	McGrath
Colmer	Fernandez	Honeyman	McGroarty

McKeough	O'Brien, Mich.	Robertson	Thompson, Ill.
McMillan	O'Connell, Mont.	Robinson, Utah	Tolan
McReynolds	O'Connell, R. I.	Rogers, Okla.	Turner
Magnuson	O'Connor, Mont.	Sanders	Umstead
Mahon, S. C.	O'Connor, N. Y.	Scott	Vincent, B. M.
Mahon, Tex.	O'Day	Scrugham	Vinson, Fred M.
Maloney	O'Malley	Secrest	Vinson, Ga.
Mansfield	O'Toole	Shannon	Voorhis
Maverick	Parsons	Sheppard	Wallgren
May	Patman	Smith, Wash.	Warren
Mead	Patrick	Snyder, Pa.	Wearin
Meeks	Patton	Somers, N. Y.	Weaver
Merritt	Pearson	Sparkman	Wene
Mills	Peterson, Fla.	Spence	West
Mitchell, Tenn.	Peterson, Ga.	Starnes	Whelchel
Moser, Pa.	Pfeifer	Steagall	White, Idaho
Mott	Poage	Sullivan	Whittington
Mouton	Ramsay	Sumners, Tex.	Wilcox
Murdock, Ariz.	Ramspeck	Swope	Woodrum
Murdock, Utah	Randolph	Taylor, Tenn.	Zimmerman
Nelson	Rankin	Teigan	
Norton	Reece, Tenn.	Thomas, Tex.	
O'Brien, Ill.	Richards	Thomason, Tex.	

NAYS—160

Aleshire	Douglas	Kniffin	Rogers, Mass.
Allen, Ill.	Dowell	Leavy	Romjue
Amlie	Eaton	Lewis, Colo.	Rutherford
Andresen, Minn.	Eberharter	Lucas	Ryan
Arends	Edmiston	Luce	Sacks
Ashbrook	Eicher	Luckey, Nebr.	Sauthoff
Bacon	Englebright	McFarlane	Schaefer, Ill.
Barry	Fitzgerald	McLaughlin	Schneider, Wis.
Bates	Flannery	McLean	Schulte
Biermann	Fleger	Maas	Seger
Binderup	Gearhart	Martin, Colo.	Shafer, Mich.
Boileau	Gehrmann	Martin, Mass.	Shanley
Boren	Gifford	Mason	Short
Boyer	Gray, Ind.	Massingale	Smith, Conn.
Bradley	Gray, Pa.	Michener	Smith, Maine
Brewster	Griswold	Millard	Snell
Buckler, Minn.	Guyer	Miller	South
Caldwell	Gwynne	Mitchell, Ill.	Stack
Cannon, Mo.	Halleck	Mosier, Ohio	Stefan
Carlson	Hancock, N. Y.	Nichols	Sutphin
Carter	Harlan	O'Leary	Sweeney
Case, S. Dak.	Hart	O'Neal, Ky.	Taber
Church	Harter	O'Neill, N. J.	Tarver
Clason	Hartley	Oliver	Taylor, S. C.
Cluett	Hobbs	Owen	Terry
Cochran	Hoffman	Pace	Thom
Coffee, Nebr.	Holmes	Palmisano	Thomas, N. J.
Cole, N. Y.	Hope	Patterson	Thurston
Costello	Houston	Pettengill	Tinkham
Crawford	Hull	Phillips	Tobey
Crowther	Izac	Polk	Towey
Culkin	Jarrett	Powers	Transue
Daly	Jenkins, Ohio	Rabaut	Treadway
DeMuth	Jenks, N. H.	Reed, Ill.	Wadsworth
Dickstein	Johnson, Okla.	Reed, N. Y.	White, Ohio
Dirksen	Kennedy, N. Y.	Rees, Kans.	Wigglesworth
Ditter	Kenney	Reilly	Williams
Dixon	Kinzer	Rich	Wolcott
Dockweiler	Kirwan	Rigney	Wolverton
Dondero	Kloeb	Robsion, Ky.	Woodruff

ANSWERED "PRESENT"—1

Knutson

NOT VOTING—49

Andrews	Fulmer	Lewis, Md.	Schuetz
Boehne	Gilchrist	Lord	Sirovich
Boland, Pa.	Goodwin	Ludlow	Smith, Va.
Buckley, N. Y.	Harrington	McClellan	Smith, W. Va.
Cannon, Wis.	Healey	McSweeney	Taylor, Colo.
Casey, Mass.	Hunter	Mapes	Walter
Celler	Jacobsen	Peyser	Welch
Champion	Keller	Pierce	Withrow
Citron	Kelly, N. Y.	Plumley	Wolfenden
Collins	Kvale	Quinn	Wood
Crowe	Lambertson	Rayburn	
Engel	Lea	Sabath	
Fish	Lesinski	Sadowski	

So the amendment was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Smith of Virginia (for) with Mr. Mapes (against).
Mr. Keller (for) with Mr. Andrews (against).
Mr. Kelly of New York (for) with Mr. Fish (against).
Mr. Celler (for) with Mr. Engel (against).
Mr. Buckley of New York (for) with Mr. Lord (against).
Mr. Sirovich (for) with Mr. Withrow (against).
Mr. Schuetz (for) with Mr. Plumley (against).

Until further notice:

Mr. Taylor of Colorado with Mr. Wolfenden.
Mr. Collins with Mr. Lambertson.
Mr. Boland of Pennsylvania with Mr. Kvale.
Mr. Rayburn with Mr. Goodwin.
Mr. Boehne with Mr. Welch.
Mr. Sabath with Mr. Gilchrist.
Mr. Casey of Massachusetts with Mr. Pierce.
Mr. Fulmer with Mr. Ludlow.
Mr. Wood with Mr. Quinn.
Mr. Cannon of Wisconsin with Mr. Lesinski.
Mr. Sadowski with Mr. Walter.
Mr. Healey with Mr. Champion.
Mr. McSweeney with Mr. Peyser.
Mr. Citron with Mr. Crowe.
Mr. McClellan with Mr. Smith of West Virginia.
Mr. Harrington with Mr. Lea.
Mr. Lewis of Maryland with Mr. Jacobsen.

The result of the vote was announced as above recorded.

The bill was ordered to be engrossed, read a third time, and was read the third time.

Mr. TABER. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman from New York opposed to the bill?

Mr. TABER. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. TABER moves to recommit the bill to the Committee on Appropriations with instructions to that committee to report the same back forthwith with the following amendment: Reduce all appropriations 10 percent.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion of the gentleman from New York to recommit the bill.

The question was taken; and the Chair announced that the noes seemed to have it.

Mr. TABER. Mr. Speaker, I demand the yeas and nays.

The SPEAKER. The gentleman from New York demands the yeas and nays. As many as are in favor of taking this vote by the yeas and nays will rise and stand until counted. [After counting.] Sixty-eight Members have risen, not a sufficient number.

Mr. TABER. Mr. Speaker, I ask for a division.

The House divided; and there were—ayes 79, noes 209.

So the motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The question was taken, and the bill was passed.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. CREAL asked and was given permission to extend his own remarks in the RECORD.

Mr. DIMOND. Mr. Speaker, I ask unanimous consent to revise and extend the remarks which I made today in Committee of the Whole and to include therein certain excerpts.

The SPEAKER. Is there objection to the request of the Delegate from Alaska?

There was no objection.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I ask unanimous consent that all Members of the House may have 5 legislative days within which to extend their own remarks in the RECORD on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. THOMAS of New Jersey. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein an address I made in New Jersey last evening.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. TABER. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made today in committee and to insert a short table.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. GRIFFITH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the relief bill.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. McGROARTY. Mr. Speaker, I ask unanimous consent that on Monday next I may address the House for 10 minutes after the reading of the Journal and the disposition of business on the Speaker's table and disposition of District of Columbia bills.

Mr. WOODRUM. Mr. Speaker, reserving the right to object, in the event consideration of the relief bill should not be concluded on Friday, it is the understanding that the relief bill is to follow District of Columbia business on Monday. If the gentleman from California would modify his request and ask that his remarks may follow consideration of the relief bill on Monday, if it is not acted upon on Friday, I shall not object.

Mr. McGROARTY. Mr. Speaker, I shall be pleased to withdraw the request and wait until some other occasion.

The SPEAKER. The gentleman from California withdraws his request.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment bills and joint resolutions of the House of the following titles:

H. R. 6249. An act to reserve certain lands in the State of Utah for the Kanosh Band of Paiute Indians;

H. R. 6250. An act to reserve certain lands in the State of Utah for the Shivwitz Band of Paiute Indians;

H. R. 6252. An act to reserve certain lands in the State of Utah for the Koosharem Band of Paiute Indians;

H. R. 6910. An act to provide for the exchange between the United States and The Union Terminal Co. of certain properties in connection with the parcel post building site at Dallas, Tex.;

H. J. Res. 292. Joint resolution to protect the copyrights and patents of foreign exhibitors at the Golden Gate International Exposition, to be held at San Francisco, Calif., in 1939;

H. J. Res. 348. Joint resolution designating May 28, 1937, National Aviation Day; and

H. J. Res. 359. Joint resolution authorizing the President to proclaim the tercentenary of the birth of Pere Jacques Marquette.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 148) entitled "An act to repeal a proviso relating to teaching or advocating communism in the public schools of the District of Columbia, and appearing in the District of Columbia Appropriation Act for the fiscal year ending June 30, 1936."

The message also announced that the Senate had passed, with an amendment, in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 3687. An act to extend the period during which the purposes specified in section 7 (a) of the Soil Conservation and Domestic Allotment Act may be carried out by payments by the Secretary of Agriculture to producers.

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 1330. An act to authorize the attendance of the Marine Band at the United Confederate Veterans' 1937 Reunion at Jackson, Miss., June 9, 10, 11, and 12, 1937;

S. 2049. An act to authorize the establishment of a naval air station on San Francisco Bay, Calif., and for other purposes;

S. 2076. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Arrow Rock, Mo.; and

S. 2077. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near St. Charles, Mo.

EMERGENCY RELIEF APPROPRIATION BILL

Mr. WOODRUM. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the joint resolution (H. J. Res. 361) making appropriations for relief purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the joint resolution (H. J. Res. 361) making appropriations for relief purposes, with Mr. O'CONNOR of New York in the chair.

The Clerk read the title of the joint resolution.

Mr. WOODRUM. Mr. Chairman, I ask unanimous consent that the first reading of the joint resolution be dispensed with.

The CHAIRMAN. Is there objection?

There was no objection.

The CHAIRMAN. The gentleman from Virginia [Mr. WOODRUM] is recognized for 2 hours, and the gentleman from New York [Mr. TABER] for 2 hours.

Mr. WOODRUM. Mr. Chairman, I yield 1 hour of my time to the gentleman from Missouri [Mr. CANNON], to be yielded as he may wish to yield. I yield myself 10 minutes.

The CHAIRMAN. The gentleman from Virginia is recognized for 10 minutes.

Mr. WOODRUM. Mr. Chairman, in 10 minutes I shall try to say just a word or two explanatory of the joint resolution and discuss very briefly the parliamentary situation. The resolution is very largely patterned after existing law. In substance it gives the President a fund, whatever it may be ultimately, with practically unlimited authority. He may use it for work relief, he may use it for relief. On page 2, following after the formal recital in the bill of last year, we designate certain amounts for certain projects. That is not, literally speaking, earmarking those funds, but it designates that not more than a certain amount shall be used for certain purposes. The resolution then in addition to the provisions carried under existing law provides on page 3 that the program shall be so laid out that the funds shall run through the fiscal year, the purpose of that being to prevent requests for deficiencies.

There are a number of other small changes in the procedure and in the language. Two amendments were added in the full committee having to do with the regulation of the handling of the W. P. A. funds. In addition to that I might say that section 14 contains a provision designed to prevent the use of funds for the erection of prisons and the making of goods in prisons which would come into competition with goods manufactured by independent industries.

Of course, in this bill, as we understand, the question that we will be called upon to consider and decide is the question of the amount to be allocated for relief. The resolution as reported by the full committee raises the Budget estimate $223,000,000. I say that deliberately, and I pause when I say it, because I call attention to the message of the President in which he asked for a billion and a half for relief. This resolution as reported by the full committee in their enthusiasm appropriates a billion and a half and reappropriates unexpended balances amounting to $223,000,000. You will find fully set out in the hearings and in the report the manner in which these unexpended balances occur and where they are. During the course of the discussion and the handling of the resolution our distinguished and beloved acting chairman of the full committee, the gentleman from Missouri [Mr. CANNON], will maintain the position of the full committee for a billion and a half. I shall endeavor to demonstrate to the House the fact that a billion dollars will be a liberal allowance for real relief. [Applause.] Not a liberal allowance if you are going to keep hanging on at the public trough all of the relief racketeers, all of the political appointees regardless of their merit; not a liberal allowance if you want to continue as a matter of Federal policy all the idealistic and socialistic experiments [applause]; not a liberal allowance if you want to continue publishing and have laid on your desks books and stacks of books printed by all of these relief agencies; but if you want money to help the destitute and needy American citizens, if it is administered in that way, a billion

dollars is a large amount, and an adequate amount for that purpose. [Applause.]

Gentlemen, permit me to say that there is no question here involved in this matter of loyalty to the administration. I say to my brethren on the Democratic side that I do not think I need tell you how I feel toward the President and the administration. I do not think I need tell you that the President knows where to find me if he wants me. He has never had any trouble in the past locating me. Up to this good hour, in spite of all the publicity, in spite of the fact that propaganda emanating from the Works Progress Administration and the Workers' Alliance says that the heat had been turned on, yet not one word has come to the acting chairman of the subcommittee other than the message of the President of the United States delivered in this House.

I think I might assume, if the President had anything to say about this matter other than what he said in his message, that he would say it to the acting chairman of the subcommittee that is handling the resolution. I think I might be permitted to assume that.

Mr. CANNON of Missouri. The gentleman is aware, I suppose, that the President has expressed his approval to the leader of the House and our distinguished Speaker, the official representatives of the House.

Mr. WOODRUM. No; I am not aware of that.

Mr. CANNON of Missouri. Then the gentleman has not read the newspapers.

Mr. WOODRUM. Oh, I have read the newspapers with great interest. After the conference at the White House the newspaper headlines said that the President would insist on a billion and a half, but not a living word came from our distinguished Speaker or our leader to the press as to what the President had said. Of course, these gentlemen can speak for themselves.

Mr. CANNON of Missouri. I am certain either of them would have been glad to confer with members of the committee at any time. The gentleman knows they were called into conference at the White House and have information on that subject.

Mr. WOODRUM. I do not know it. I know that the President said he wanted a billion and a half, and I am sure he stands on that now.

It has been demonstrated in this House so many times, even this very day, that when Members of this House have a contrary idea as to how much ought to be appropriated, they do not hesitate to express that idea, and express it without a roll call, express it in the face of definite instructions that their action will be vetoed by the President when it comes to him. Gentlemen, do we not have any rights at all in this House? I do not think the President of the United States is going to be mad with me because I undertake to exercise my legislative prerogatives here as to the amount that ought to be appropriated for relief. [Applause.] I do not believe he will. I do not believe anybody will come here and say to me that he will, because I do not believe he would undertake to usurp the prerogatives of this Congress in that manner. The President wants to take care of the needy in this country. That is what this committee wants to do, every member of it. That is what this House wants to do. That is what we will do, but, gentlemen, we have an opportunity now to take racketeering out of relief if we want to do it. We have the opportunity, I say to you Democrats, to fulfill the campaign promise which we gave the people of this country, to try to reduce Government expenditures, and to try to cut down these emergency expenditures as fast as the country recovered. God knows the country is recovering. It is recovering under the splendid leadership of the President. Every business index shows the country is recovering. The time has come when we can show by our action in this House whether or not we mean it when we say we do want to cut down expenditures and reduce the Government Budget in order that funds, when we have funds, may be spent on the splendid public improvements that are needed in this country, rather than to throw them down ratholes on all sorts of wild ideas such as we have had to do in this great emergency. [Applause.]

The CHAIRMAN. The time of the gentleman from Virginia [Mr. WOODRUM] has expired.

Mr. TABER. Mr. Chairman, I yield 10 minutes to the gentleman from Minnesota [Mr. KNUTSON].

Mr. KNUTSON. Mr. Chairman, the resolution under discussion sets forth as its principal consideration the means "to provide relief, and work relief on useful public projects in the United States and its Territories", and it is especially useful public projects I propose to discuss.

The resolution appropriates $1,270,000,000 and such of the unexpended balances of previous appropriations for relief as the President may determine, to be expended under his direction with but minor limitations and restrictions.

A study of the hearings on this joint resolution might profit the Members of this body in determining their vote when that time arrives. Arguments stressing the need for a billion and a half were presented to the committee by the usual staff of department heads and officials.

Secretary Wallace has stated that $75,000,000 would be needed for loan purposes of the Resettlement Administration, and Mr. Baldwin stated that $25,000,000 additional would be needed for administrative expense and for "winding up" work under way with funds provided by previous appropriation acts.

Mr. Chairman, if we could only wipe out and wind up the record of this Resettlement Administration everyone would be happy, but facts always have the unhappy faculty of staring us in the face when we come to a final reckoning.

Let us take a look into the Resettlement Administration. They were the sponsors, as you know, of the Matanuska Valley project in Alaska. You all know what an expensive experiment that has been. The Resettlement also went in for housing projects at Greenbelt, just outside the District; at Greendale, near Milwaukee; and at Greenhills, near Cincinnati, Ohio. These projects with the one abandoned at Greenbrook, N. J., have all demonstrated that we were very green when we appropriated funds for this visionary scheme.

Mr. Chairman, these four projects represent a total investment of $33,724,455, spent in an attempt to house 3,500 families at an average cost of approximately $10,000 per family, which is not quite as bad as the per-capita cost of the Matanuska project in Alaska, where the average cost per family is in excess of $13,000, but I will submit that it is bad enough.

Suburban Resettlement projects

Project	Area	Land cost	Acre cost	Families housed	Total	Average cost per family
Greenbelt, Md.	12,393	$1,170,271	$94	1,000	$9,740,576	$9,740
Greenbrook, N. J.	(1)		220	750	6,750,000	
Greenhills, Ohio	5,926	1,778,621	300	1,000	9,206,273	9,206
Greendale, Wis.	2,511	1,259,019	350	750	8,027,606	9,673
Total					33,724,455	

[1] Abandoned.

This is a summary of what has or will be spent in an attempt to house 3,500 of our families.

The cost per family housed of approximately $10,000 defeats the very purpose of the projects, for it is obvious that families in the low-income class, between $1,200 and $2,000 per annum, can ill afford to occupy the suburban dwellings and pay transportation charges to their places of employment.

Another equally discouraging picture is the relation of resettlement loans to farm population. I find that loans and grants to farmers from July 1, 1935, to April 23, 1937, totaled $169,481,273.02. Of this sum, $127,390,950.51 were approved loans and $42,090,322.51 were disbursed as grants. A breakdown by States on a per-capita farm population basis indicates the benefits have been rather inequitably distributed.

For instance, Kansas, with a farm population of 707,196, according to the late census, received a total of $8,519,694.36 in loans and grants. The loans amounted to $12.04 per capita and the grants to $4.59 per capita.

By contrast, Pennsylvania, scourged by floods and torrential rains, with a farm population of 856,694, received but $842,879 in loans and grants. This averaged 98 cents in loans per capita and 5.17 cents per capita in grants, not enough during the 22 months to buy a loaf of bread.

Shall we infer from the above comparison that the administration was particularly desirous of carrying Kansas in the late election, and that the State of Pennsylvania, notwithstanding a most distressful condition, was considered as being in the bag, hence the small per-capita loans and grants made to the farmers of that State?

According to a table inserted by Mr. Alexander, page 35 of the hearings, the funds received for Resettlement activities so far amount to $436,931,927.34. Of this sum, $318,537,523.73 has been spent and there are net encumbrances of $363,735,866.01, leaving but $73,196,111.33 on hand for pending projects. This, together with the $100,000,000 now requested, makes $173,196,111.33 that the Resettlement Administration will have under their direction for 1938 if the resolution passes without amendments. Administration expenses heretofore have amounted to $50,404,937.80.

Now, I submit to the Members of Congress that too much of this resettlement money is going for administrative expenses. The relative amounts spent for administration are entirely out of line with general practice, either public or private, and are only helping to build up a Federal bureaucracy which we will have a hard time getting off our hands. Like most of the New Deal legislation, this joint resolution has been submitted hurriedly and with but little opportunity for the Members of the House to do anything but vote. One day of consideration is surely too short a time in which all of the inconsistencies in this measure can be dealt with.

Mr. Chairman, during the early days of this session Members received a beautifully printed and bound copy of the first annual report of the Resettlement Administration. This was just before Mr. Tugwell left the Government service to enter private employment. In looking over the tables in this report I find that in region IV, comprising parts of Kentucky, North Carolina, Tennessee, Virginia, and West Virginia, a great number of people were employed in the land-development program even before the Government had acquired title to the lands involved. I find that in the Shelby Forest, Tenn., up to June 30, 1936, $142,878 was paid in salaries and wages, although the Government up to that time had not completed title to a single acre of the 9,688 option, to be purchased, for $141,874.

Mr. Chairman, what necessity can possibly require our Government to continue appropriation for projects where the spending is so haphazard and so careless? I mention this in passing, because at some later date I propose to bring to the attention of the House the enormous sums which have been squandered for attorneys' fees, legal expenses, and other incidentals in the acquiring of lands under the Resettlement Administration and under the Tennessee Valley Authority, expenses which, in some cases, have been greater than the value of the lands so acquired.

The funds requested for public buildings, parks, and other recreational facilities, flood control, and miscellaneous work projects will, when appropriated, total $420,000,000.

Mr. Hopkins and his W. P. A. have been engaged in some exciting and unusual adventures during the last 3 years. These include every type of project known to the human mind to keep a person busy without materially bettering his position in life, either physically or mentally. As an example of these projects, you will recall the boondoggles of the past. These have nothing on the 5,133 hardy souls on relief in New York and the 3,046 in Illinois, who make up a part of the 25,000 men in the mosquito brigade who rendered distinguished service in the month of December fighting mosquitoes in the snow and ice of the frozen North. The records are replete with similar enterprises.

There were actors' projects in New York City, and it was started off by buying enough grease paint to daub up all the actors since the time of Adam. Then, I hear about a golf course and swimming pool being built in the little city of St. Charles, Ill. St. Charles is a city of 5,377 persons, situated on the Fox River, about 35 miles west of Chicago. The swimming pool and golf course being built there with W. P. A. aid is to cost $376,000.

If we were to extend this same proportionate spending to equal segments of our population, we would be committing ourselves to a program of spending for golf courses and swimming pools which, if carried out, may involve expenditures for these recreational facilities as great as $7,000,000,000.

Mr. Chairman, I can see much merit in the proposal to appropriate $276,700,000 for highway construction, but a substantial part of that vast sum should be definitely earmarked for farm-to-market roads as heretofore, while the farmer has been taxed his full share of the cost of road building, he has received in return comparatively little. In the construction of these farm-to-market roads preference should be given to those who owe for seed and feed loans that they may be given an opportunity to pay their obligations.

But for many of these other work projects there is also a halo of mystery around them which leads one to speculate—"What new way have they thought of to waste the taxpayers' money?"

Blind to the need for constructive and productive enterprises, a great portion of our spending for so-called work relief has been directed into channels which, while intended to relieve the sufferings of the people, have only aggravated them by making poverty a permanent feature in our national economy.

Music, art, the theater, and the drama can never be substituted for the production of food, clothing, and shelter.

It has been said that a hungry man will not look too closely for flies in his pudding, but, as this spending goes on, let us ask, Where are we going to get the money to pay for these projects which are of no permanent economic value?

Mr. Hopkins has been subjected to a great deal of unjust criticism for some of the things which have happened in the past, criticism which should have been directed higher up. We all recall how promptly Mr. Hopkins acted to stop the building of those industrial sweatshops, to be known as vocational training schools, in Mississippi. We know how his heart is burdened with the troubles of the poor. And right here I want to absolve Mr. Hopkins from any responsibility for the $6,750,000 allotted to the Jefferson National Expansion Memorial in St. Louis, $6,000,000 of which will go for the relief of real-estate promoters and option holders and only $150,000 will go to employ 300,000 man-hours of common labor at 50 cents an hour. Here is a project being carried forward as a work-relief project. Six million dollars to buy property and $150,000 for labor. Where is there any work relief in that? This money, $6,750,000, together with $2,500,000 of the taxpayers' money of the city of St. Louis, voted at an election in which fraud has been established, is now in the hands of the National Park Service. The project is neither useful nor necessary and will not comply with the objectives of this resolution.

This project should be specifically killed by Congress, for we have never sanctioned it, or any project of its kind.

Mr. Chairman, there is much more that can be said in favor of moderation in our public spending. We are told that the depression is over, and that our duty now is to help balance the Budget. We can never balance the Budget by acceding to each new request of the Executive for more money. If we take a hurried look at the record of our past spending, it will quickly be apparent that there is little of equity in it. Take the record of the now outlawed A. A. A., for instance. I have before me a record of the spending and expense from May 12, 1933, to December 31, 1935. Who can claim there is equality in these benefits to farmers?

TABLE 1.—*Agricultural Adjustment Administration distribution and administrative expenses, per capita, for the 3 years from May 12, 1933, to Dec. 31, 1935, inclusive, not including administrative expenses at Washington, D. C., which were $31,835,368.13 additional*

State	Farm population	Benefit payments	Local expense	Per-capita benefits	Per-capita expense
Kansas	707,196	$86,755,192.42	$767,924.20	$122.67	$1.08
North Dakota	397,294	41,270,711.28	571,342.91	103.87	1.44
Nebraska	585,701	57,634,849.86	934,736.15	98.40	1.59
Iowa	977,906	93,292,030.60	897,760.82	93.40	.92
Montana	204,594	18,733,470.82	569,254.55	91.55	2.80
South Dakota	390,205	31,831,366.56	780,176.73	86.70	2.80
Idaho	188,365	12,138,628.81	265,343.57	64.44	1.41
Illinois	999,249	56,886,049.18	869,600.19	56.93	.87
Texas	2,352,272	132,776,927.75	5,909,932.71	56.44	2.51
Colorado	282,827	15,526,943.68	584,162.16	54.88	2.06
Oklahoma	1,024,090	53,128,471.86	2,535,088.22	51.78	2.48
Washington	304,735	15,587,206.72	394,029.64	51.15	1.29
Indiana	813,007	36,126,463.50	517,981.31	44.45	.64
Wyoming	73,152	$3,249,538.84	308,029.72	44.40	4.21
Minnesota	895,349	32,817,104.00	1,047,111.53	38.90	1.17
Missouri	1,114,484	42,522,601.29	1,481,603.98	38.15	1.33
Louisiana	830,656	29,549,383.54	1,757,582.63	35.57	2.11
Oregon	223,667	7,808,769.08	393,385.32	34.91	1.31
Utah	115,713	4,013,984.44	184,629.32	34.68	1.59
Arkansas	1,119,464	35,313,740.02	2,300,142.38	31.54	2.05
Ohio	1,013,229	27,885,711.07	939,914.54	27.53	.93
Mississippi	1,358,843	34,379,868.30	2,544,632.74	25.37	1.87
South Carolina	916,471	21,823,284.69	1,809,641.98	23.81	1.97
New Mexico	158,631	3,684,740.92	391,702.25	23.22	2.49
Arizona	98,995	2,273,696.31	125,574.95	22.96	1.22
Connecticut	96,770	1,994,539.54	150,206.34	22.49	1.73
Alabama	1,340,277	29,938,661.70	2,756,764.85	22.33	2.05
Georgia	1,418,514	30,947,145.52	2,701,284.96	21.81	1.90
California	620,506	13,104,109.10	1,088,244.55	21.11	1.75
North Carolina	1,599,918	30,731,379.44	2,458,702.52	19.20	1.57
Kentucky	1,176,524	20,631,910.04	783,727.53	17.55	.67
Tennessee	1,215,452	19,263,792.28	1,427,634.87	15.84	1.17
Wisconsin	881,054	12,127,606.29	879,869.05	13.75	.99
Maryland	237,456	2,905,039.76	262,294.53	12.23	1.11
Michigan	782,394	8,880,286.13	457,002.80	11.35	.58
Massachusetts	123,255	1,267,126.21	234,752.40	10.28	1.92
Florida	278,981	2,852,837.16	447,207.43	10.22	1.60
Nevada	16,441	154,735.98	100,351.54	9.35	6.10
Delaware	46,530	364,717.27	47,491.95	7.85	1.02
Virginia	950,757	7,074,492.76	837,456.81	7.44	.90
New Jersey	131,096	520,899.64	199,200.53	3.97	1.52
Pennsylvania	856,694	3,282,107.11	566,469.77	3.83	.67
West Virginia	499,114	793,705.06	263,530.97	1.76	.58
New Hampshire	62,850	63,027.45	51,265.38	1.00	.81
Vermont	112,904	103,851.60	109,847.45	.91	.97
New York	719,929	569,601.44	1,076,818.46	.79	1.49
Rhode Island	16,477	6,319.49	49,326.03	.38	3.00
Maine	170,995	6,065.00	81,593.43	.035	.47

Only a few days ago the Congress was asked to appropriate more than $40,000,000 to carry forward the work of T. V. A. for 1938. This development was embarked on as a measure to aid navigation, flood control, generate power for industrial and agricultural purposes, and for the national defense.

In 1936 the Authority generated 778,378,800 kilowatt-hours of energy. At the end of last year it was serving energy to less than 6,000 farm customers, and only 26,000 retail customers were being served at T. V. A. rates. The average consumption of electrical energy being about 1,000 kilowatt-hours per year, it is readily seen that the greater portion of the energy generated must either go to waste or be dumped at secondary power rates. In brief, here is the picture: The power generated is 778,000,000 kilowatt-hours, the power reaching individual consumers is, roughly, 32,000,000 kilowatt-hours; the surplus is 746,000,000 kilowatt-hours.

Now what is happening to this surplus? From Norris Dam, on Clinch River, the T. V. A. are building a transportation line to the plant of the Aluminum Co. of America at Alcoa, Tenn. The Aluminum Co. has contracted for the secondary power from Norris Dam for a period of from 4 to 6 years at 2.51 mills per kilowatt-hour. That takes care of Norris Dam power.

It is now reported a contract has been made by T. V. A. with a large chemical company to sell the energy generated at Wheeler Dam on a basis approximately the same as that entered into by contract with the Aluminum Co. of America.

The situation regarding T. V. A. is best summed up in the opinion of Gen. Hugh Johnson, who, after a visit to Knoxville, Norris Dam, and the Smoky Mountain region, classed the development as one which will cost all of the people a great sum of money for the special benefit of some of the people.

Funds appropriated by this resolution may, under the guise of flood control, be allocated to T. V. A. for the use and in such manner as the directors see fit.

At this time, Mr. Chairman, I wish to compliment and commend to the House the Member from the Fourth Ohio District [Mr. KLOEB] for his courageous expressions before the committee. Mr. KLOEB brought to light the waste in only one small project in Mercer County, Ohio. But waste in small things brings on waste in larger ones.

The very fact that it cost the W. P. A. $767 for a painting job that private contractors were willing to undertake for $185 is indictment enough for the present system of relief as applied to many of the communities in every State.

In closing may I remind you that the most expensive and costly of New Deal undertakings has been this Resettlement Administration. It has spent much and accomplished very little. The expenditure of more than $50,000,000 for administrative purposes to loan and spend $268,132,586 should be investigated. By comparison, the Works Progress Administration has supervised the spending of more than $2,000,000,000 up to April 8 of this year at an expense of less than 5 percent.

Now, just one word of caution before this resolution comes to vote. If this resolution is passed without striking out the wording included in the parentheses in lines 5, 6, 7, and 8 reading, "(including projects heretofore approved for the Works Progress Administration which projects shall not be subject to the limitations hereinafter specified in this section)", we will in fact be putting the seal of governmental approval on each and every one of the 226,000 different projects on which three and a half billion dollars have already been spent or wasted, and which will require more than two and a half billion dollars for their completion.

Benjamin Franklin once said: "It is hard for an empty sack to stand upright." Although we are $35,000,000,000 in debt, the almost empty sack of governmental credit still stands. A few more raids of the character of this resolution will complete the emptying process. Then what may happen is a matter I will not venture to forecast.

Mr. Chairman, I very definitely feel that the time has come when we should have a census of unemployment made, that we may know somewhat of what we are doing. Estimates of unemployment vary. Some say 3,000,000, others place the figure at 9,000,000. Until we have this information we must continue to act blindly and by guess. Heretofore, the administration has successfully blocked all moves in that direction. Why, we can only surmise. It is incumbent upon us to know in order that we may do full justice to those in need. Also, it is our duty to see that a much greater part of the relief dollar goes to the needy, rather than for cost of administration. We cannot go back home and justify our failure to act in behalf of those in distress. [Applause.]

The CHAIRMAN. The time of the gentleman from Minnesota [Mr. KNUTSON] has expired.

Mr. KNUTSON. Mr. Chairman, I ask unanimous consent to revise and extend my remarks, and to insert two tables.

The CHAIRMAN. Without objection it is so ordered.

There was no objection.

Mr. CANNON of Missouri. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. FITZPATRICK].

Mr. FITZPATRICK. Mr. Chairman, I ask unanimous consent to revise and extend my remarks and to include therein a letter in relation to this bill which I sent last Saturday, in answer to a communication I received.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FITZPATRICK. Mr. Chairman, while I agree generally with the remarks made by our distinguished colleague from Virginia [Mr. WOODRUM] in relation to some of the racketeers that are now taking part in relief, yet in driving out these racketeers we cannot deprive the mothers and children of our country of an opportunity to get something

to eat and to live as American citizens should live. [Applause.] The great trouble with our country today is that we fail to meet the machine age and mass production. Here in this great country of ours, with an abundance of everything, we find some eight or nine million people unemployed and in want for food. Why? Because of the selfishness and greed of certain individuals in our country who think of profits only and who will not meet the machine age and mass production by lessening the working hours each week, which is necessary if we are going to place these eight or nine million people in useful occupations. [Applause.]

In 1918 the United States Government spent $18,000,000,000 over the Budget. We had 2,000,000 boys in Europe and 2,000,000 boys here waiting to go over. The American people were asked to economize and to save, in order to take care of the boys and win the war. What was taking place with this same group that is now advocating economy in this country? I was a member of a subcommittee in the Seventy-second Congress which investigated war surplus supplies. I am sorry to say that I have to admit to the Members of this Committee that it was brought out in the hearings that this Government paid from 400 to 700 percent over the cost of production for supplies purchased by the Government. I will just mention one article, underwear, which the boys wore during the war. This article cost 75 cents to produce. How much do you suppose the Government paid? The Government paid $4 for each suit of underwear. They paid for every article at that time in comparison with the underwear. That is the reason we spent $18,000,000,000 over the Budget. Now, you can figure that at least $12,000,000,000 of that $18,000,000,000 went into the pockets of the same group who would now try to deprive the mothers and children of our country of a living.

Mr. Chairman, if we could spend $18,000,000,000 over the Budget in 1918 to ship boys to a foreign shore, for God's sake, why can we not spend $10,000,000,000 or $15,000,000,000 over a period of 4 years to take care of the unemployed in our country? [Applause.]

They talk about spending money. We have spent about $15,000,000,000 over the Budget in 4 years. About $5,000,000,000 of that $15,000,000,000 was loaned to big business and will be returned to the Government with interest. Less than $11,000,000,000 went to direct relief for the unemployed in our country, and they tell us today that we must curtail expenses. As I stated before, if we could spend $18,000,000,000 during the war why not spend something now to take care of the unemployed of our country who are that way through no fault of their own. Members of the Committee, this will be necessary until our country meets the machine age and mass production.

Mr. Chairman, I appeal to the Members of this Committee to vote for the recommendation of the President—$1,500,000,000 to take care of the unemployed of our country. [Applause.]

Mr. Chairman, the letter to which I referred earlier in my remarks is as follows:

MAY 14, 1937.

Mr. CHARLES M. O'HEARN,
Chrysler Building, New York City, N. Y.

MY DEAR MR. O'HEARN: Your letter of May 12, referring to the expenditures of the Federal Government and the necessity of curtailing same, received.

I want to thank you for the information contained in your letter and assure you that I feel something should be done to remedy some of the expenditures made by the Government if we are to get back to normal conditions. At the same time, I am in a position, probably more so than you, to realize the unfortunate conditions of millions of our citizens who are unable to find employment or care for themselves.

In your letter you refer to returning some of the responsibility to the States. I agree with you on that point, but unfortunately the Governors throughout our country and the mayors of our municipalities claim they are unable to take care of their unemployed and ask for Federal relief. Many of them claim they will not be responsible for what will happen if relief is not given. It seems to me that there is something radically wrong when in a country like ours, where nature has given us almost everything that man needs and where we have the best form of government in the world, that there should be millions of people in want for the necessities of life. The only answer to this can be the selfishness and greed of our people in not enacting proper laws, not to distribute the wealth, but to distribute labor, so that we would be able to meet the machine age and mass production which is causing the millions of unemployed in our country today.

In 4 years this country has spent $15,000,000,000 over the Budget. Five billion of that is loaned money and no doubt will be returned to the Government. That leaves about $10,000,000,000 to actual relief. In the Seventy-second Congress I was chairman of a subcommittee that made an investigation of war-surplus supplies. I was surprised to find that in 1918, we spent $18,000,000,000 over the Budget. We had 2,000,000 boys fighting in France, 2,000,000 more in this country ready to be sent over, and the American people were asked to curtail on the necessities of life so as to help win the war. Now comes the shocking part of this investigation which I am almost ashamed to mention. The very group that is now opposing the Government appropriating money to take care of the starving citizens of our country charged the Government for supplies in 1918 during the war from 400 to 700 percent over the cost of production. You can figure out for yourself what profits they made out of that $18,000,000,000 spent by the Government.

I have received many letters such as yours during this session of Congress, but none of them give any plan as to what to do with the unemployed in this country. I am therefore going to ask you this question, and I would appreciate an answer: The only information Congress has, as stated above, is that the States and municipalities are unable to care for their unemployed. What would you suggest in place of Government relief?

Sincerely yours,

JAMES M. FITZPATRICK.

Mr. TABER. Mr. Chairman, I yield 15 minutes to the gentleman from Wisconsin [Mr. BOILEAU].

Mr. BOILEAU. Mr. Chairman, it has been said that one-third of the people of this country are ill-housed, ill-clothed, and ill-nourished. This statement was made a few months ago by the President of the United States. Certainly nothing has transpired since that time which would at all decrease the number of our people who are presently in this lamentable condition. These people are looking to us for assistance not because they want to look to us for assistance but because of the fact that conditions beyond their control make it impossible for them through the exercise of their own initiative to earn sufficient money with which to provide for their families and themselves. These people who are presently upon direct relief, these people who are presently doing work relief, and these millions of people who are receiving assistance from the Federal and State Governments at the present time are not desirous that their condition remain thus. They want to improve their condition but are unable to find employment in this great country of ours to permit them to buy a sufficient amount of worldly goods to keep body and soul together. I know that individually there is not a Member of this House who would willingly want to see any man or woman suffer from the lack of a sufficient amount of nourishment, proper shelter, or proper clothing; but acting as a group, acting as the House of Representatives, I fear that we are not willing to appropriate a sufficient amount of money to prevent millions of people in this country from actually suffering for the want of the ordinary necessities of life.

I submit, Mr. Chairman, that many of these people today have been suffering for many years. We hear of individuals who find it necessary for a month, 2 months, 3 months, or 6 months to get along on a subsistence diet, a diet just sufficient enough to keep one alive, and we feel sorry for them. We must not forget that many millions of our people who have been unable to get work in private industry have been existing on a subsistence diet, not for 1 month, not for 6 months, not for 1 year, but for 5 years, 6 years, and 7 years. They have been extremely patient and long suffering.

I submit that the welfare of our country demands that we do something now to prevent such a large part of our citizenship from remaining in such an intolerable condition, because we cannot expect people who have been thus suffering to maintain the high ideals of citizenship that you and I want all of our people to maintain in this country. I submit, Mr. Chairman, and give this warning to the House of Representatives for whatever it may be worth, that in my humble judgment the welfare of this country can best be served, not by reducing the amount of this appropriation but by mate-

rially increasing the amount appropriated for relief in this bill. [Applause.]

People living now on a nearly starvation income received from the Government in amounts as low as $19 a month for a whole family do not receive a sufficient income to justify you and me in believing that the standard of living in this country is something of which we should be proud. I submit further that when other hundreds of thousands of families in this country are living today on an income of as low as $21 a month, you and I should be just a little hesitant before we talk too loud about this great American standard of living. When the average for city and country folk alike in the North, in the South, in the East, and in the West, the average for all W. P. A. workers under the present program is only about $52 a month, in my judgment we cannot be too proud of our so-called American standard of living.

Let me remind you, my friends, that since W. P. A. was first inaugurated there has been no increase in the wages paid to these people, although during the same period of time there has been a tremendous increase in the cost of living; so that if we are to continue this program, if we are to force millions of American citizens to accept this type of relief through a W. P. A. program, we should at least give them a sufficient income to maintain a standard of living at least as good as the standard of living we provided for them when we first inaugurated the W. P. A. policy. If we are to do that we must, of necessity, increase the wages paid to W. P. A. workers in an amount at least equal to 20 percent. If we are to increase these wages in order to keep these people at least on a scale equal to that which prevailed when they were first forced on W. P. A., and if we are to give employment to all of those who are in need of employment, who have no other means of support, we must not only increase the amount of the wages for those now on W. P. A., but we must increase the number of people who should be placed on W. P. A. We should not compromise the issue but we should enlarge our program so that we give proper aid to American citizens who, in our complex society and economy, are unable to find employment in private industry. If we are to recognize this responsibility and give a sufficient income to those people who are in need of W. P. A. work to maintain themselves and dependents with the slightest degree of decency we shall require an appropriation of at least $3,000,000,000 rather than $1,000,000,000 or $1,500,000,000.

Some of you may say that $3,000,000,000 is extravagant. I know many of you present today have been caught by this so-called economy craze. Many of you present today are sold on the idea that we must balance the Budget. But I want to appeal to you that the best interests of this country require that we do something else before we balance the Budget. It is more important for you, for me, and for all of the people of this country that we preserve democracy in this country.

Mr. Chairman, my own judgment, from my own understanding of the problem, prompts me to say that if we are to preserve America and American traditions and preserve democracy in this country we must make it possible for the lowliest citizen who is ready, able, and willing to work to eke out an existence. I ask for nothing more for them. I do not ask that they be permitted to live in luxury. I do not ask that they be given something that they are unwilling to work for. But I do say that every man and woman who is in need of employment, who needs a job, and who is ready and willing to work, should be given employment either in private industry or in a public-works program.

Thus far private industry has not assumed that responsibility to those people who have been on relief. Private industry has not given them employment. These men and women go to the factories morning after morning in search of employment, but there are no jobs available for them. Oh, yes; the distinguished gentleman from Virginia said a few moments ago that there has been a great increase in business activity. He indicated that the depression is over.

Although the depression may be over for you and yours, for your friends and many of your acquaintances, the depression today is more acute for those people who are unemployed than it has been at any time since the fall of 1929. [Applause.] To those people who are now required to pay more for the things they buy, whose income is still dependent upon the W. P. A. or private charity, the depression is not over—it is at its height.

There has been an increase in business activity. The Secretary of Labor recently issued a statement in which she said in 1936 there was an increase in business activity over 1935 of 25 percent, but she also said in the same statement that in the year 1936 there was an increase in employment over the previous year of 1935 of only 7.9 percent. Oh, yes; the depression is over so far as business is concerned. Oh, yes; the factories are operating. They are making profits, they are giving employment to more men than they did formerly; but the fact remains that there are somewhere between eight and eleven million of employables in this country who want to work but are unable to find employment. For most of them the depression is not over. Until we make it possible for the lowliest of our citizens to find employment and provide for themselves, you and I have the obligation as Members of Congress, at the seat of Government here—we who represent this organized society that we call the United States Government—of seeing to it that those people have the opportunity to live and live decently. [Applause.]

Some people say of these W. P. A. workers and other people on relief that they are unwilling to work. I grant there are some who are unwilling to work. Every time anyone discovers a person of that kind he immediately advertises the fact, so that everyone hears about it. The trouble is we hear about the same fellow so often we think many more of the people are that way.

Mr. THOM. Will the gentleman yield?

Mr. BOILEAU. I yield briefly to the gentleman from Ohio.

Mr. THOM. May I make this observation: Of the 2,000,000 on W. P. A. work, 600,000 are now over 45 years of age and cannot get employment in the factories of this country.

Mr. BOILEAU. I thank the gentleman for that contribution.

May I say that if we in Congress fail to exercise our responsibility by refusing to cut the hours of labor and give the unemployed a chance to work, we should be the last ones in the world to criticize those poor fellows who are unable to find employment and who are not working. Assuming that out of the eight or eleven million unemployed there are even a million who do not want to work, Mr. Chairman, let us not punish those who are willing to work because of the fault of the few who are lazy and shiftless. Let us not be unfair about this proposition.

Mr. Chairman, on tomorrow I shall offer an amendment to increase this appropriation to $3,000,000,000, and I hope I will have the support of the membership of the House. [Applause.]

[Here the gavel fell.]

Mr. WOODRUM. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. KLOEB].

Mr. KLOEB. Mr. Chairman, it appears to me that much that has been said here today has been said from the standpoint of the city dweller and from the standpoint of the city worker. I represent one of the finest agricultural districts in the entire United States. Sixteen years ago I served as prosecutor of my county, and in that capacity came in contact with many of the township trustees who had charge of relief in those days and who are serving today in the same capacity.

Last fall I heard rumblings of complaint from farmers and other employers concerning the administration of relief and the excessive cost of relief. I set out to investigate the matter. I invited to my office township trustees in whom I had confidence, county commissioners, county relief directors, W. P. A. directors, and the district W. P. A. director. I listened to their story and requested and received from some of them written reports after they had gone back to their homes.

This is the conclusion that I came to, a conclusion that may be put into effect in the rural counties of the State of Ohio, and it is certainly applicable to rural counties throughout the entire United States. The W. P. A. may suspend entirely from May 1 to December 1 in approximately two-thirds of the counties of the United States without injury to anyone. Certainly the W. P. A. workers will not be harmed. The taxpayers will be benefited, as also will be the farmers.

There are 88 counties in the State of Ohio. On April 28—and this is a correct survey furnished by the State director of W. P. A.—3 counties in Ohio had less than 100 clients on the W. P. A., 12 counties had less than 200, 14 counties had less than 300, 12 counties had less than 400.

In the State of Ohio on April 28, in 41 counties, there were less than 400 employees, and in some counties as low as 50 to 75 to a county on the W. P. A. rolls. I venture to say that today, 1 month later, you will find that in at least two-thirds of the counties of Ohio, a great industrial State, the employment on the rolls of the W. P. A. has sunk so low as to make the overhead far overbalance the good that may be accomplished through continuance of the W. P. A. [Applause.] Common sense would require the retirement of W. P. A. from such counties.

Two weeks ago I expressed these views before the subcommittee of the House Appropriations Committee. I then wrote the Honorable Harry Hopkins, Federal Administrator of Relief, as per the following letter. In his reply to me, as disclosed hereinafter, he concedes the advisability of my plan. So also does Carl Watson, Ohio director of W. P. A., whose letter is attached hereto. Dr. Watson is a high-class gentleman, and his judgment is valuable. When he says that he intends to retire W. P. A. from numerous Ohio counties because of the low relief load, we may take it for granted that he will do just that. Farmers, who are begging for help, taxpayers who need relief from heavy burdens, and the relief clients themselves will thereby be benefited. Why delay this procedure? Good administration would require that this policy be adopted immediately. There is no necessity to wait another 2 or 4 weeks. If we were furnished with an estimate of the savings that might be effected by such a course, I am certain that it would be very helpful to us here today.

Here is what I wrote to Mr. Hopkins, his reply to me, and Dr. Watson's reply to me:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., May 10, 1937.

Hon. HARRY L. HOPKINS,
Director, Works Progress Administration,
Washington, D. C.

DEAR MR. HOPKINS: I represent in Congress six counties in northwestern Ohio. They comprise one of the finest agricultural districts in the entire United States. It is a corn, hog, wheat, and tobacco country. Five of these counties are rural counties, and one of them, Allen County, is an industrial center comprising the city of Lima, with a population of approximately 50,000 people. Last November and December I invited to my office certain township trustees who have served for many years. These men know the relief problems of the rural counties. I also invited to my office the county relief director, who operates under the State, the county W. P. A. director and the district W. P. A. director from Lima, and the county reemployment director. I asked some of these gentlemen to set down in writing the substance of their statements to me, and this they did. As a result of these interviews and these reports, I am convinced that W. P. A. can be completely suspended in rural counties until the 1st of December of this year at a great saving to the taxpayers, a distinct advantage to the farmers, and at the cost of no injury whatever to the limited number of people who remain on the W. P. A. rolls from May 1 to December 1. I am convinced that there is no necessity and no excuse for maintaining a W. P. A. organization in a rural county during these months, because the overhead is far out of proportion to the benefits obtained. In many counties the W. P. A. organization consists of numerous generals, without an army. The mere fact that we have maintained organizations in all of the 3,000 counties in the United States in the past is no reason why we should continue to maintain these organizations in the future. In at least two-thirds of these counties a suspension of activities for the 7-month period indicated would be injurious to no one.

In the State of Ohio we have 88 counties. Assuming that a county in which a city of 25,000 or more people is located would be classified as an industrial center, we would have no more than 18 or 20 counties in that State in which W. P. A. would be maintained on a 12-month basis. Assuming that a population of 15,000 is sufficient to class a city as an industrial center, then we would possibly have between 25 or 30 so-called industrial counties in Ohio. I feel that I am therefore conservative when I say that two-thirds of the counties of Ohio may be classed as rural counties.

Prior to the time when the Federal Government took over the relief situation the township trustees in Ohio included in their budget in August of each year a levy for the collection of a poor-relief fund, which was collected by the treasurer in January and July following. Since the Federal Government has assumed the financial burden and the administration of relief the township trustees have ceased to function as a relief authority. Up to the time that the Federal Government assumed command most of the towns and cities had so-called social-service leagues that operated through a community chest fund for the care of the unfortunates of their various communities. In recent years they ceased to function. In other words, local authorities heretofore charged with the care of unfortunates and of unemployed have cast all responsibility from their shoulders.

It is my opinion that only through returning relief problems to local authorities in rural counties can we diminish the problem of the care of the unemployed through the more effective method of local authority and responsibility.

On Thursday of last week, May 6, I presented these views to the subcommittee of the Appropriations Committee that has the proposed relief appropriation bill under consideration. I could not estimate to them what savings could be effected through the suspension of W. P. A. activities in the rural counties for 7 months out of 12 because I had no access to the figures of expenditures in the past. You have access to these figures.

I am therefore writing you for your opinion as to whether or not it is feasible and proper for the plan above outlined to be put into effect. If it is feasible, then why is it not put into effect? If it is put into effect, what savings could be accomplished thereby?

Trusting that I may have an immediate reply, I remain,

Very truly yours.

WORKS PROGRESS ADMINISTRATION,
Washington, D. C., May 12, 1937.

Hon. FRANK L. KLOEB,
House of Representatives, Washington, D. C.

DEAR CONGRESSMAN KLOEB: I appreciate your writing me in such detail regarding the relief situation in the six counties in northwestern Ohio which you represent. I am asking Mr. Howard Hunter, our field representative for the middle western area, to give careful consideration to your recommendations and to get in touch with you regarding them.

In general, it is our intention to adjust quotas for Works Progress Administration employment in the various localities in accordance with changes in private employment. This would naturally involve a reduction in rural areas during the summer months. While it is, of course, impossible for us at this time to make any commitments beyond June 30, it is expected that if this program continues, the same practice will be followed this summer. Mr. Hunter is expected in Washington this week and I will be glad to ask him to discuss the situation in your district with you.

Sincerely yours,

HARRY L. HOPKINS, *Administrator.*

WORKS PROGRESS ADMINISTRATION IN OHIO,
Columbus, Ohio, May 17, 1937.

Hon. FRANK KLOEB,
Washington, D. C.

DEAR CONGRESSMAN: Let me say first that Ohio, I think, is in a peculiar position as compared with the rest of the States because of the fact that the State has not assumed what I consider its normal share of the relief problem.

In Ohio we have built more waterworks, sewer systems, and disposal plants than any State in the Union—also more schoolhouses, either new or remodeled, and more playgrounds and athletic fields, including stadiums and swimming pools, and rank at the top with Tennessee, Illinois, and Indiana in the amount of new roads built. In order to do this we have had to draw heavily upon the resources of the local communities for sponsors' contributions. The State's withdrawal from any contribution will of necessity require the local communities to divert part of their funds to direct relief and make unavailable the former sponsors' contributions. We have generally carried less than our maximum quota so the labor money might be turned into material and equipment to further maintain the integrity of this program.

The number of counties I had in mind that I would like to eliminate from the program are carrying in each case less than 300 employees. The total volume that would be dropped is small compared with our load and will make little difference in the amount of funds required for this coming year. There is an unfairness in withdrawing that might make our position indefensible, because it places a burden upon the counties that are helping to pay the entire bill and gives them no Federal funds in return.

I had the thought that it might be possible to establish an equalizing fund and grant to these counties a definite sum of money each month to reimburse them for the withdrawal of the works program, reducing the monthly allocations by, say, 10 percent each month, so as to be out of the picture at the end of 10 months. While this might apply satisfactorily in Ohio, after discussing this with Mr. Hopkins, it became evident to me that it

could not be carried out because of the position into which he would be placed in a great many States.

Our analysis shows that we will have a static load of approximately 100,000 to be carried over the next several months. This load will be composed of people beyond the age that is now acceptable to industry or those who have become of working age within the past years but have had no opportunity to develop work habit or training and are not being accepted by industry as long as there is a pool of unemployed in families who have not been on relief. It requires about four jobs in industry to take one person from the W. P. A. rolls. Where our working load is below 300 it requires travel of the workers, in many cases long distances, and generally makes for unsatisfactory operation and high overhead cost.

I intend to withdraw from the counties with the smaller loads as projects are completed. We will not reassign or open new projects, thereby completing our withdrawal in a comparatively short time. Just what the reaction is going to be I do not know. I think it is worth while trying to find out.

We must withdraw as rapidly as is consistent with common sense and as quickly as the States and counties can again carry the entire burden. You are aware, of course, that in Ohio the municipalities are limited by legal and constitutional restrictions to the amount of taxes that can be levied and bonds issued. It may be necessary to force some legislation before they are able to assume entire responsibility.

Sincerely yours,

CARL WATSON, *Administrator.*

Mr. CANNON of Missouri. Mr. Chairman, I yield 10 minutes to the gentleman from Indiana [Mr. LUDLOW].

Mr. LUDLOW. Mr. Chairman, in stating my position on the issue presented in this relief bill I wish, first of all, to pay a sincere tribute to a committee comrade, the chairman of the Subcommittee on Deficiencies, the gentleman from Virginia, CLIFTON A. WOODRUM. For a long time I have sat by his side in the hearings conducted on deficiency measures and in the councils of the committee room, and I have been greatly impressed by his capabilities for service and his conscientious and unswerving devotion to duty, as he is given to see his duty. The more I am brought into contact with him the more I admire him for his unusual qualities of mind and heart. He has courage and ability of the highest order. Before I became well acquainted with him I had often heard him referred to as a future United States Senator from Virginia and the better I have come to know him the more I think he would add grace and distinction to the body at the other end of the Capitol. [Applause.]

From the earliest times the commonwealth that was "the mother of presidents" has been represented in the Halls of Congress by an illustrious lineage. In my long career as a newspaper correspondent at this Capitol and as a Member on this floor, it has been my privilege to have known many of these great Virginia legislators, such men as Henry St. George Tucker, Harry Flood, James Hay, Walton Moore, and Governor Montague in this body and in the upper branch eminent Senators with varying characteristics and endowments but outstanding in their sphere; the erudite and dignified Daniel and others of his type exemplifying the highest idealism; the superlatively shrewd Martin and others of his practical school, all of them outstanding and extraordinary men in Congress and in the councils of their party, and I say without flattery that I believe that in the role of Senator, CLIFTON A. WOODRUM would be the peer of any who have gone before. [Applause.] As a representative of a great State that was carved out of the choicest vitals of Virginia, I feel that I may be pardoned if I say that if the fate that shapes our destinies, rough-hew them as we will, sometime transfers Mr. WOODRUM to the Senate, our loss in the House will be great, but the upper branch will gain a Member who in learning, culture, and statesmanship will measure up to the highest and best traditions of the Old Dominion. [Applause.]

The differences between members of the Appropriations Committee on relief are, after all, hardly more than skin deep. As I understand the situation all of us have the same objectives. I think I speak accurately when I say that every member of the Appropriations Committee wants to see the Works Progress Administration terminated and the only difference among us is over the speed with which the activity shall be liquidated.

MY RECORD FOR ECONOMY

I do not think this occasion requires any assurance on my part that I stand for economy. My record speaks for itself. During my 8 years of service in this House I have voted against appropriations totaling $7,000,000,000.

But there is one kind of economy that I am not in favor of and that is economy that is based on human suffering. When I first ran for Congress I made a statement which I have repeated in every biennial campaign since that time and that statement was that while I stand for the strictest economy in governmental expenditures, when it comes to an alternative between dollars on the one hand and the humanities on the other hand my vote and my voice and my limited influence will aways be on the side of the humanities.

Now let us look at the situation that is here presented. At the time of the hearings before our subcommittee a total of 2,255,000 persons were employed on the works program, of whom 2,085,000 were employed by the Works Progress Administration and 170,000 by other Federal agencies on works projects.

On the basis of the recommended appropriation of $1,500,000,000, an average employment would be provided during the coming fiscal year of 1,640,000 on the works program. This would mean a reduction of 615,000 from the number employed, a decrease of 27 percent.

Now on top of this cut of 27 percent in the works program made in the President's estimate it is proposed by some Members of this body to impose a further cut of $500,000,000 which would take 546,000 more persons off of W. P. A. relief rolls, the effect of both cuts being to reduce those rolls by 1,155,000 dismissals. That would be a tremendous reduction and probably would cause many hardships.

I am in favor of closing out W. P. A. entirely as soon as it can be done in a humane way, but I believe this further cut would be gambling with human misery. There are many States like Indiana where the constitutional debt limit has been reached and where the communities are powerless to raise by taxation money to take care of such an enormous relief load as will suddenly be shifted back to them if this drastic cut is made.

TELEGRAM FROM GOVERNOR

It occurred to me, as a Representative of Indiana and its capital district, that before making up my mind definitely how I should vote on this proposition I should consult the officials who are living with the relief problem in Indiana, Governor Townsend and Dr. McCulloch, who has charge of Works Progress relief in Marion County, including the city of Indianapolis. I present their replies for whatever light they may throw on conditions in a typical State. Both officials insist that any cut below the President's estimate of $1,500,000,000 would be inviting misery and distress, hunger and much suffering. Their telegrams are as follows:

INDIANAPOLIS, IND., *May 6, 1937.*

Hon. LOUIS LUDLOW,
House of Representatives,
Washington, D. C.:

Check with John Jennings, W. P. A. head, shows that local communities are unable to absorb present relief cost. If congressional appropriation is cut it will be necessary to drop deserving people off work in every community in Indiana. Citizens in Indiana would suffer for food, clothing, and other necessities if contemplated reduction is made.

(Signed) M. CLIFFORD TOWNSEND,
Governor.

INDIANAPOLIS, IND., *May 6, 1937.*

Hon. LOUIS LUDLOW,
House Office Building,
Washington, D. C.:

Contemplated cut in relief appropriation would effect irreparable hardship to local relief situation. Local relief agencies are already staggering under present load and I do not see how they can take over any more. This means that our citizens would suffer for food, clothing, and necessities.

(Signed) CARLETON B. MCCULLOCH.

THE FORGOTTEN MEN

Now let us take a look at the picture that is before us. We have between 8,000,000 and 10,000,000 employables who

have no present prospects of securing employment in industry, for industry at this time is in too weak a condition to employ them. The honest businessman and the honest manufacturer are the "forgotten men" of recent times. They have been penalized by governmental interference and their surpluses, which ought to be their strength and mainstay in providing employment, have been gutted by ruinous taxation. If we want to make industry strong and self-sufficient to meet its responsibilities, if we want to give it capacity to reabsorb men and women into regular employment and to make unnecessary such relief bills as the one now before us, we should give industry more consideration and we should not pass such tax bills as the tax on surpluses enacted in the last Congress. Now, as I say, we have between 8,000,000 and 10,000,000 unemployed. Industry, weak and discouraged, cannot take back any considerable number of them now and local relief organizations are bogged down with debt, some of which indebtedness should never have been incurred. It was a fatuous proceeding for local communities and political units to plunge themselves up to their eyebrows in debt in order to qualify for P. W. A. allotments, as the future will prove.

But these circumstances exist and we cannot change them. It is a condition and not a theory that now confronts us. What are we going to do about it? The answer is that we are not going to let men, women, and children starve. That is final and positive. Until the conditions spoken of can be corrected those in distress must be taken care of by Federal relief.

I do not know how much money we should appropriate for relief, and I have been studying this problem for months. No one knows. It is a guess, and we all have our ideas.

WHERE OUR DUTY LIES

I believe it is our sacred duty to spend every dollar that is actually needed to relieve hunger and nakedness and dire want until the time comes when local relief agencies can take over the load, but I do not want to spend one dollar more than that, and if in our efforts to be merciful to the poor we appropriate something more than is actually needed I want the administrative officials to cover that balance back into the Treasury.

Relief should be sent back just as soon as it can practicably be done to the States and the local communities and to that end I heartily favor the so-called Bacon amendment which would transfer the expenditure of the funds carried in the pending bill to the State and local authorities and would establish the precedent that will ultimately, and I hope soon, take the Federal Government entirely out of the picture. No one wants the United States Government to get out of the relief business more than I do, but it cannot withdraw at one stroke.

During the transition period while those on W. P. A. rolls are being reabsorbed in industry or transferred to local relief some Federal appropriations are absolutely necessary to prevent intense suffering. We cannot permit hunger and nakedness and dire distress among our citizens. There are many other ways to economize that do not inflict such awful suffering. [Applause.]

Mr. WOODRUM. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. VOORHIS].

Mr. VOORHIS. Mr. Chairman, for 5 years Congresses have been meeting and appropriating money as emergency-relief appropriations. I think it is time we came to the realization that unemployment is not an emergency problem, and that one of two things has to happen: Either we have to get down to business and attack this problem in fundamental ways in order to establish an abundance of production in this Nation, and, as has been suggested, adjust the hours and wages of labor to that, or else we must regard our provisions for unemployment relief as something which should be dealt with scientifically, with a policy established by Congress, instead of just appropriating for an "emergency" every time.

I am in entire accord with those who say they would like to get the political appointees out of local W. P. A. offices. I am in accord with some of the criticisms of it. However, I think it is a very unworthy thing to try to take advantage of certain mistakes which have been made in an administration, essentially noble and absolutely necessary to the country, and use these mistakes as an excuse to attack the standard of living of the poorest people in this Nation.

The President has stated the thing most necessary for continued recovery and betterment is consumer purchasing power. I predict that if this Congress appropriates a billion or a billion and a half dollars, either one, but fails to appropriate a very great deal more than either of these figures, we will be laying the ground work for the next depression. Not a penny less than $2,200,000,000 must be appropriated to keep W. P. A. employment where it is now, and if you want money for P. W. A., the amount ought to be $2,500,000,000. [Applause.] Between 1924 and 1929, when Andrew Mellon was directing our country's policy, profits were increasing in this country 70 percent while wages were increasing 20 percent. The result was the collapse of 1929. In the year 1936 profits went up 50 percent and wages went up 11½ percent. If this keeps on there can be but one result, another 1929.

UNEMPLOYMENT DECLINES 20 PERCENT; W. P. A. ALREADY CUT 33⅓ PERCENT

We cannot just pick figures at random and be either fair or honest. Unemployment and the works program have got to be considered in relation to one another.

All current estimates of unemployment indicate a decrease during the past 2 years of approximately 20 percent.

During the same period the number of cases on direct—State and local—relief and workers from relief rolls on the works program has decreased 27 percent.

W. P. A. employment alone has declined from a peak of about 3,040,000 in February 1936 to 2,059,000 on May 1, 1937, a decline of 33⅓ percent. Already, therefore, we have cut W. P. A. faster than unemployment has decreased.

In addition to the 2,059,000 on W. P. A. on May 1, 178,000 relief workers, now employed on the projects of other agencies, must be provided for next year out of the appropriation of $1,500,000,000; that is, there are now employed a total of 2,237,000, representing the basic group to be provided for. I believe the following short table tells a convincing story.

Trend of unemployment and Works Progress Administration employment

Date	Number unemployed (American Federation of Labor estimate)	Works Progress Administration employment
1936		
February	11,577,000	3,036,000
March	11,199,000	2,872,000
1937		
February	9,722,000	2,140,000
March	9,429,000	2,115,000

In other words, W. P. A. has never employed more than one-fourth of the unemployed. And every person cut off the W. P. A. will go onto charity relief and not onto the pay roll of industry as some suppose.

It is estimated that total expenditures of the W. P. A. from July 1, 1936, to June 30, 1937, will aggregate between $1,850,000,000 and $1,900,000,000. Other agencies operating projects of a similar nature, with funds from the E. R. A. Act of 1936, will spend about $175,000,000 making total W. P. A. expenditures close to $2,075,000,000. The proposed appropriation of $1,500,000,000, therefore, represents a reduction of more than 25 percent from expenditures during this fiscal year, and means, in human terms, that about 600,000 heads of families who want to work will have to take a dole instead.

To cut to $1,000,000,000 means that 1,200,000 heads of families who want to work must take a dole instead.

THERE ARE 350,000 NOW WAITING TO GO TO WORK ON W. P. A.

In my own State of California there are upward of 60,000 people being cared for on direct relief who are certified, examined, and in every way ready to go to work on W. P. A. for whom there are no jobs. In the Nation as a whole there

are 350,000 waiting and hoping to go to work. And yet we are saying we ought to cut W. P. A.

No wonder the United States conference of mayors has said that at least $2,200,000,000 should be appropriated for W. P. A. alone.

AMOUNT OF $2,200,000,000 THE MINIMUM TO KEEP THOSE NOW EMPLOYED AT WORK

We ought to employ more people and employ them at more worth-while work. But we must remember that materials for every project cost more now than they did a year ago. We must remember that $55 a month does not go nearly as far as it did a year ago and that if W. P. A. wages are to even meagerly feed families wages must be increased. For $55 a month is bare subsistence even at the lower price level.

Unless we are to abandon Dust Bowl farmers to their fate we cannot fail to allow something for Resettlement. So I repeat $2,200,000,000 is the least amount that will even keep those employed who are now employed on W. P. A. Obviously, from the figures I have quoted we really ought to increase their number.

W. P. A. OVERHEAD NOT GREAT

The charge is made that W. P. A. overhead costs are too large. I myself wish every vestige of political favoritism could be ended. But it is a matter of record that the average wage of W. P. A. workers is $55 a month throughout the Nation. When we consider that in the first quarter of 1937 an average of 2,133,000 were employed at a total cost of $427,000,000, simple arithmetic shows that 82 percent of the money went to wages. Of the remainder 14.2 percent went for materials and 3.7 percent for overhead.

W. P. A. has preserved the hope and faith of millions of people. Mr. Harry Hopkins gets a lot of abuse. He deserves a lot of praise instead. He deserves constructive direction from Congress. The W. P. A. can be improved upon, of course. But the way to do that is to pass policy-forming legislation covering W. P. A. and Government public work. The way not to do it is to throw several hundred thousand people back on relief rolls.

MONEY MUST AND CAN BE RAISED

It would be irresponsible in any Member of Congress to demand a larger appropriation without knowing where the money was coming from.

I agree the Budget should be balanced.

Probably it is easier politically to balance it at the expense of the unemployed.

I believe it is sounder policy and I know it is more Christian to balance it by revision of our tax laws.

The Philadelphia Record, an eminently reliable paper, stated editorially on April 26 that additional revenues of $700,000,000 could be obtained from revision of the capital gains tax alone. I know that there are loopholes in our inheritance and gift taxes which, if plugged up would add much more revenue also. And I believe we have to tax more heavily the people with incomes between $4,000 and $25,000 as well as keeping our rates in the higher brackets up if the possibility of flood control, soil conservation, rural electrification, slum clearance and work for the unemployed depends upon such action.

We need to do what is right and fair and just. I believe we can and that if we do our Nation will be blessed.

When we propose to cut the ground from under 600,000 families in this country, as we will do if only a billion and a half is appropriated, and when we propose to do the same thing to 1,200,000 families if only a billion is appropriated, we are proposing something which will tend to break down the standard of wages of all the people who work for a living; and I submit this kind of action is not the way to continue the march to better times which the President and his policies have started.

We talk about the unemployed depending upon the Government. What we ought to be doing is making the best use we can of the labor of these unemployed people. We need flood control, and we need it desperately. We need to prevent further droughts taking place. We need rural electrification. We need to conserve our own soil. We need playgrounds in our cities as the best safeguard against crime. We need all kinds of things in our Nation. If we could only get to thinking straight on this problem we would see in the labor of these unemployed people an opportunity to get this kind of work done instead of some strange sort of national liability.

If I had my way about it, I would take the P. W. A., with its emphasis on worth-while, constructive projects, on the one hand, and W. P. A., with its emphasis on the employment of unemployed people—without any stigma of relief to it; just unemployed people—I would take these two principles and combine them into one administration. Then I would appropriate sufficient money this year and next year and every year so that we may maintain an America in which we will be building up and conserving our national welfare, and in which every citizen can hold up his head and say, "My Nation guarantees me the right to support my family in a decent way by my own constructive labor." [Applause.]

[Here the gavel fell.]

Mr. WOODRUM. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. DUNN].

Mr. DUNN. Mr. Chairman, the President of the United States stated in one of his wonderful addresses that approximately 30,000,000 people in our country are in need of the necessities of life. I will take it for granted that what the President stated is absolutely true. I believe every word he has said about 30,000,000 people being in need. One billion and a half, or two billion and a half, or even three billion and a half dollars is insufficient to feed and clothe 30,000,000 people. In my opinion, $5,000,000,000 is not too much money to spend for the necessities of life for 30,000,000 people who are right now very much in need. [Applause.]

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield 10 minutes to the gentleman from Wisconsin [Mr. SAUTHOFF].

Mr. SAUTHOFF. Mr. Chairman, the bill before us appropriates $1,500,000,000 for relief purposes for the next fiscal year. The subcommittee recommended $1,000,000,000, the conference of mayors of the United States recommended $2,200,000,000, and the Workers Alliance $3,000,000,000. These constitute the major proposals for the consideration of ourselves, the administration, and the country at large. Whatever proposal is adopted, the money for that purpose must be raised by taxation. If the Federal Government is liberal, then the municipalities are required to raise less; on the other hand, if the Federal Government is niggardly, then the municipalities must raise more. For to feed the hungry, clothe the naked, and house the unsheltered we must have money. The question is, whose money? Federal money or municipal money? Federal money must be raised by income, inheritance, gift taxes, and so forth, while municipal taxes must be raised by taxes on real estate; that is, on farms and homes.

This latter type of property now bears by far the greatest burden of taxation, and the increase of tenancy both in the country and the city is an irrefutable argument that the burden of taxation on property must not be increased. That leaves but one other source of taxes; incomes, gifts, and inheritances.

Every tax expert will tell you that we have reached the point of diminishing returns on large incomes. Therefore, we shall have to broaden the base and dip into incomes below $50,000 per year. I appreciate that the great mass of our people earn less than $3,000 per year, and a tax placed on incomes of $1,000 per year and up would bring in considerable revenue. But it must be remembered that these people already have been heavily taxed by the increased cost of living which has reduced their slender incomes to the danger point. Sickness or an accident to the breadwinner of low income would be a major tragedy in his little home. I would rather increase the pressure on incomes of $4,000 and up, and spare those in the low-income brackets.

We must face the stern fact that considerable additional money must be raised. Real estate has borne such a heavy burden of taxation that the Government has had to come to the rescue of farm owners and home owners in the city, and even though great sums have been advanced to aid these owners in distress, nevertheless, the number of foreclosures is appalling. The gentleman from Pennsylvania [Mr. ELLENBOGEN] pointed out in his remarks of May 14, that since January 27, 1936, some 90,000 home owners have had their homes foreclosed by the H. O. L. C., and that the H. O. L. C. Board estimates that by the end of the next fiscal year foreclosures will amount to 20 percent of the loans granted, totaling about $600,000,000.

It is very evident from these figures that Congress must find some way of lightening the burden on these homes, or we shall be faced with the inconsistent policy of foreclosing on homes, dispossessing the owners, and then placing them on the relief rolls, and paying rent for them in some other place to live.

Common sense would say that there is an ultimate saving of money to make the interest rate lower on the present mortgage on homes, and to make the monthly payments less so as to preserve as much as we possibly can the ownership of homes and the morale of the families that live in them. Therefore, I repeat that we cannot place the burden of taxation on farms and homes. How, then, shall we raise this money? We must do two things—cut down on other appropriations and raise additional revenue. I appreciate how difficult it is to do either one of these things, yet we must face this problem squarely and solve it to the best of our ability. I am, therefore, offering a few suggestions—first, as to the saving on appropriations; and, second, as to the raising of additional revenue.

SAVING ON APPROPRIATIONS

In a recent issue of the Washington News the well-known economist, John T. Flynn, had an article on the appropriations for the Navy. I quote from that article:

Americans have little conception of the extent of the naval construction that has gone on under President Roosevelt. When the first P. W. A. grant of $3,300,000,000 was adopted in 1933 the very first use the President made of that was to earmark about 10 percent of it for the Navy. Since that time he has not only gotten large appropriations for Navy construction every year, but he has used several hundred millions of relief money for the same purpose.

As a result, on the 1st day of January 1937 the United States had more war vessels under construction than any nation in the world. While our statesmen and press criticized and lectured Europe about her war madness, we led the pack of nations in naval construction. The following table of warships under construction by various nations as of January 1, 1937, will probably surprise Americans:

	Number of ships	Tonnage
United States	87	276,625
Great Britain	54	248,195
Japan	29	87,194
France	30	180,608
Italy	34	109,870
Germany	42	232,866

When you are paying your taxes, remember that a nice chunk of them goes to support the President's pet plaything, the Navy, and that they are used by us to give the rest of the world an example in warlike preparations.

The United States has been spending more and more each year on war preparations. No doubt there are many economies which can be effected in our recovery and relief spending. But a good place to begin real Government economy is in our war and naval expenditures.

I therefore suggest a reduction of $200,000,000 on the appropriations for the Army and Navy, which will constitute a saving to that extent.

FRANKING PRIVILEGE

As is well known, all mail sent by Members of Congress which pertains to the public business is sent free of postage. The same rule applies to all publications and information sent out by departments of the Federal Government. This is called the franking privilege. The postage thus saved amounts to a huge sum of money every year. The amount of paper, ink, printing, and so forth, runs into millions of dollars annually. The gentleman from Michigan [Mr. ENGEL] gave some illuminating remarks on the subject of the franking privilege on March 22. I repeat a few of the items which were contained in his statement. All of these items apply to the year 1937 and are estimated on the basis of 1936 figures.

Franked mail sent by departments, pieces, 669,352,068; lost revenue	$32,236,269
Franked congressional mail, pieces, 29,747,411; lost revenue	751,579
Cost of paper	6,058,150
Cost of printing	18,592,855
Cost of CONGRESSIONAL RECORD	599,664
Annual cost	68,238,517

If we eliminate 50 percent of this printing and franking—and it can easily be done—we can save on this item the sum of $34,000,000 annually. If discussions in the House and the Senate that do not pertain to the bill under consideration were not printed in the CONGRESSIONAL RECORD, that document could be cut in half.

FOREIGN DEBTS

We might also make an effort to collect something on our foreign debts. Mr. KNUTSON, of Minnesota, in a speech on February 25, gave us some very interesting and pertinent facts relative to our foreign debts. I set out below a table of these items owed by the various countries and the interest rates:

Country	Principal and interest	Average interest rate (approximate) over the whole period of payments
		Percent
Great Britain	$11,105,965,000.00	3.3
Finland	21,695,055.00	3.3
Hungary	4,693,240.00	3.3
Poland	435,687,550.00	3.3
Esthonia	33,331,140.00	3.3
Latvia	13,958,635.00	3.3
Lithuania	14,531,940.00	3.3
Czechoslovakia	312,811,433.88	3.3
Rumania	122,506,260.05	3.3
Belgium	727,830,500.00	1.8
France	6,847,674,104.17	1.6
Yugoslavia	95,177,635.00	1.0
Italy	2,407,677,500.00	.4
Total	22,143,539,993.10	

Let us break down the grand total and see what we could do with that huge sum. In the first place, we could pay off all the farm and home mortgages in the United States, and have left over a sum sufficient to build 240,000 miles of hard-surfaced roads at $25,000 per mile, which would be equivalent to 69 hard-surfaced highways clear across the United States.

If the debt owed us by the late Allies were paid and the money put out at 5-percent interest, it would bring in $1,100,000,000 a year, which would be sufficient to give the 1,163,300 now receiving old-age pension an additional $945 per year.

There are thousands of communities in this country that are without hospital facilities. If the Allies were to pay what they owe us, after deducting the $16,000,000,000 for liquidation of farm and home mortgages, we would yet have left over enough money to build 48,000 community hospitals at a cost of $250,000 each. And yet they speak of us as a grasping race of dollar chasers. I make the statement here and now, and without fear of contradiction, that if this Nation ever falls, the historian of the future will date the decline of the Republic from the day that we entered the World War, on April 6, 1917. (Extract from Mr. KNUTSON's speech).

All these foreign countries are anxious to get helium from our Government. I do not favor releasing helium for war purposes, but I do believe that we might release small amounts of helium for medical purposes; and I therefore suggest that we sell to hospitals and to clinics abroad small amounts of helium, providing these countries make some honest effort to begin paying us what they owe. It is a rank injustice to our farmers and our home owners that we should take from them the last dollar in the world, deprive them of their homes, and even pile up against them for future hardship deficiency judgments, when we foreclose on

their last possessions, while at the same time we permit foreigners to owe us over $22,000,000,000 on which they do not even pay the interest; and yet we have bought French paper marks with our gold to help stabilize the currency of France. We have entered into trade agreements, trading off many of our agricultural products for the benefit of these countries, who squander every dollar we give them in preparation for the next war. Time and again we have sacrificed the interests of our own people for the benefit of Europe, and all that we have ever gotten out of it has been criticism, vituperation, and abuse. If we could collect only $100,000,000 a year from these debtor nations, think of the homes we could save; think of the families we could feed; think of the farms we could rescue from the auction block. I respectfully suggest to the State Department that, instead of trading away all our business for the benefit of deadbeat foreigners, that this Department spend some time and energy in evolving a policy for the collection of these debts. In support of my contention that we are building up these debtor nations by our trade policy, I submit the following facts, which are the last ones available:

FARM IMPORTS EXCEED EXPORTS

On May 8 the Agricultural Department said that exports of farm products this season still are lagging behind a year ago, while imports are expanding.

March agricultural exports reached 57 percent of prewar volume, highest for the month in 3 years, the Department reported, but deficits in earlier months of the period since July offset the gains.

Exports for the 9 months ended March 31 were valued at $595,464,000, compared with $637,719,000 in the same period a year earlier. The Department said this was a decline of 7 percent in value and of 11 percent in volume.

Imports for July through March passed the billion-dollar valuation, $1,072,817,000, compared with $839,518,000 for July–March a year earlier. Of imports this season, the Department said $528,480,000 were competitive with farm products in this country.

Gains in major imports with values this season and last included:

	1936	1937
Cattle	$5,374,000	$7,109,000
Meats	9,086,000	15,424,000
Cheese	8,694,000	10,593,000
Corn	12,342,000	25,896,000
Wheat (including flour)	29,863,000	40,828,000

Some of us contended on the floor last session that the State Department's foreign-trade policy was building up Europe at the expense of our own people, especially the farmer. These figures bear out our argument.

RECLAMATION AND IRRIGATION

We are spending annually at least $40,000,000 for reclamation and irrigation projects in far Western States. It seems an inconsistent policy to spend huge sums of money annually to create new acreage on which to produce farm products while at the same time we spend several hundred millions of dollars annually to take 30,000,000 acres out of production, and in addition, we admit from abroad, under advantageous trade agreements, the production of approximately 30,000,000 acres. So we have the inconsistent program of taxing our people heavily to make benefit payments in agriculture, while at the same time we tax them to create new acreage by reclamation and irrigation.

These reclamation and irrigation projects start out innocently enough by making a beginning on a new project with a few thousand dollars. The next thing we know, the project is approved and we begin to appropriate money to carry it out, first, with a few hundred thousand, then with a million, and then with five or ten millions, until a vast project covering large areas has been created; and these in States which are sparsely populated and where such projects could well be delayed until needed, but the old policy of "you scratch my back and I'll scratch yours" prevails, and a State that gets such a project votes for all similar projects in every other State, and the taxpayer pays the bill, and that bill now has reached the point where it becomes enormous.

FLORIDA SHIP CANAL

Some real-estate promoters in Florida conceived the brilliant idea of digging a canal through the northern section of the State and thereby promote real-estate prices which were deflated during the depression. Everyone remembers the days of hysterical real-estate prices in Florida when lots changed hands two and three times a day, with an increase of price at every transfer. Lots were sold in the sand, and the burrs, and the jack pine at several thousands of dollars per lot which were not worth $50 an acre. Of course, investors sustained enormous losses when the depression came. Promotion companies with vast tracts of land had to do something, and the Florida ship canal is one of these high-powered real-estate dreams.

Both the House and the Senate turned down this project last session, but nevertheless President Roosevelt generously donated $5,400,000 from the relief funds for this project. I, for one, am unalterably opposed to spending another dollar on this useless project, and I am satisfied that neither the Senate nor the House will ratify it, in this session, at least. I hope we may be able to save $5,000,000, or more, during the coming year by withholding all further allotments of money for this useless purpose.

TAXATION

Of course, it is an old scheme to try to fool the people by telling them that you are passing a tax bill which increases income taxes only on those in the higher brackets. Do not try to fool our people into thinking that we are "soaking the rich", and that 90 percent of them escape the payment of any of these taxes. Every cent of taxes of any and all kinds is charged back to the consumer, and he pays the bill, 100 cents on the dollar. Note your increased cost of living, your food bills, your clothing bills, your shoe bills, and all the rest of your items of expense. They are all steadily increasing. Yet we must raise additional funds in some way if we are to keep down inflation, pay for relief, and save home owners and farm owners. I have two suggestions to make on this subject of taxation:

First, a tax on power of radio stations; and, second, a surtax on incomes of $4,000 per year and up.

TAX ON RADIO STATIONS

Broadcast stations in this country enjoy the use of a great national resource and the protection of the Government without which they could not exist. Two or three great broadcasting networks now have a practical monopoly of the air. It is my belief that stations of great power should be broken down so that we could have a greater number of smaller units. Stations of 25,000 watts and over blanket out smaller stations, and practically eliminate them from the air. This is to be regretted, and some method of control should be devised to protect the smaller units. I quote from the letter of George Henry Payne, Federal Communications Commissioner, written April 14 to Representative JOHN J. BOYLAN:

> The levy on power in the form of a special tax is simple, calculable at once, and is eminently fair. To give you some idea of the profits, it is a fact that there are not more than $40,000,000 invested in the broadcasting business, and the gross revenue last year exceeded $107,000,000, with the possibility of its reaching $125,000,000 to $130,000,000 in the current year. Not long ago one station, which represented an investment of $177,192.15, was sold for $1,250,000; another, which represented an investment of $146,006.02, was sold for $452,500; and still another, which represented an investment of $90,321.09, was sold for $300,000; and so on.

I believe that a special tax on broadcasting stations should be devised somewhat along this line:

For every station authorized to use not in excess of 1,000 watts, $1 a watt for each watt authorized.

For every station authorized to use in excess of 1,000 watts and not in excess of 5,000 watts, $2 a watt for each watt authorized.

For every station authorized to use in excess of 5,000 watts and not in excess of 15,000 watts, $3 a watt for each watt authorized.

For each station authorized to use in excess of 15,000 watts and not in excess of 25,000 watts, $5 a watt for each watt authorized.

For each station authorized to use in excess of 25,000 watts, $10 per watt for each watt authorized.

Such a tax program would assure us of at least $10,000,000 additional revenue per year.

SURTAXES

I am offering as a suggestion for additional revenue the surtax plan which was offered by Senator LA FOLLETTE on August 15, 1935, and was known at that time as the La Follette plan no. 3:

"Rates of surtax: There shall be levied, collected, and paid for each taxable year upon the surtax net income of every individual a surtax as follows:

"Upon a surtax net income of $4,000 there shall be no surtax; upon surtax net incomes in excess of $4,000 and not in excess of $6,000, 4 percent of each excess.

"$80 upon surtax net incomes of $6,000; and upon surtax net incomes in excess of $6,000 and not in excess of $8,000, 6 percent in addition of such excess.

"$200 upon surtax net incomes of $8,000; and upon surtax net incomes in excess of $8,000 and not in excess of $10,000, 8 percent in addition of such excess.

"$360 upon surtax net incomes of $10,000; and upon surtax net incomes in excess of $10,000 and not in excess of $12,000, 10 percent in addition of such excess.

"$560 upon surtax net incomes of $12,000; and upon surtax net incomes in excess of $12,000 and not in excess of $14,000, 12 percent in addition of such excess.

"$800 upon surtax net incomes of $14,000; and upon surtax net incomes in excess of $14,000 and not in excess of $16,000, 14 percent in addition of such excess.

"$1,080 upon surtax net incomes of $16,000; and upon surtax net incomes in excess of $16,000 and not in excess of $18,000, 16 percent in addition of such excess.

"$1,400 upon surtax net incomes of $18,000; and upon surtax net incomes in excess of $18,000 and not in excess of $20,000, 18 percent in addition of such excess.

"$1,760 upon surtax net incomes of $20,000; and upon surtax net incomes in excess of $20,000 and not in excess of $22,000, 20 percent in addition of such excess.

"$2,160 upon surtax net incomes of $22,000; and upon surtax net incomes in excess of $22,000 and not in excess of $26,000, 22 percent in addition of such excess.

"$3,040 upon surtax net incomes of $26,000; and upon surtax net incomes in excess of $26,000 and not in excess of $32,000, 25 percent in addition of such excess.

"$4,540 upon surtax net incomes of $32,000; and upon surtax net incomes in excess of $32,000 and not in excess of $38,000, 28 percent in addition of such excess.

"$6,220 upon surtax net incomes of $38,000; and upon surtax net incomes in excess of $38,000 and not in excess of $44,000, 31 percent in addition of such excess.

"$8,080 upon surtax net incomes of $44,000; and upon surtax net incomes in excess of $44,000 and not in excess of $50,000, 34 percent in addition of such excess.

"$10,120 upon surtax net incomes of $50,000; and upon surtax net incomes in excess of $50,000 and not in excess of $60,000, 38 percent in addition of such excess.

"$13,920 upon surtax net incomes of $60,000; and upon surtax net incomes in excess of $60,000 and not in excess of $70,000, 42 percent in addition of such excess.

"$18,120 upon surtax net incomes of $70,000; and upon surtax net incomes in excess of $70,000 and not in excess of $80,000, 46 percent in addition of such excess.

"$22,720 upon surtax net incomes of $80,000; and upon surtax net incomes in excess of $80,000 and not in excess of $90,000, 50 percent in addition of such excess.

"$27,720 upon surtax net incomes of $90,000; and upon surtax net incomes in excess of $90,000 and not in excess of $100,000, 54 percent in addition of such excess.

"$33,120 upon surtax net incomes of $100,000; and upon surtax net incomes in excess of $100,000 and not in excess of $150,000, 56 percent in addition of such excess.

"$61,120 upon surtax net incomes of $150,000; and upon surtax net incomes in excess of $150,000 and not in excess of $200,000, 58 percent in addition of such excess.

"$90,120 upon surtax net incomes of $200,000; and upon surtax net incomes in excess of $200,000 and not in excess of $250,000, 60 percent in addition of such excess.

"$120,120 upon surtax net incomes of $250,000; and upon surtax net incomes in excess of $250,000 and not in excess of $300,000, 62 percent in addition of such excess.

"$151,120 upon surtax net incomes of $300,000; and upon surtax net incomes in excess of $300,000 and not in excess of $400,000, 64 percent in addition of such excess.

"$215,120 upon surtax net incomes of $400,000; and upon surtax net incomes in excess of $400,000 and not in excess of $500,000, 66 percent in addition of such excess.

"$281,120 upon surtax net incomes of $500,000; and upon surtax net incomes in excess of $500,000 and not in excess of $750,000, 68 percent in addition of such excess.

"$451,120 upon surtax net incomes of $750,000; and upon surtax net incomes in excess of $750,000 and not in excess of $1,000,000, 70 percent in addition of such excess.

"$626,120 upon surtax net incomes of $1,000,000; and upon surtax net incomes in excess of $1,000,000 and not in excess of $2,000,000, 72 percent in addition of such excess.

"$1,346,120 upon surtax net incomes of $2,000,000; and upon surtax net incomes in excess of $2,000,000 and not in excess of $5,000,000, 74 percent in addition of such excess.

"$3,566,120 upon surtax net incomes of $5,000,000; and upon surtax net incomes in excess of $5,000,000, 75 percent in addition of such excess."

Mr. LA FOLLETTE. Mr. President, my amendment, if adopted, would not establish any new surtax brackets. It accepts the existing law in that regard. It affects only surtaxes and has nothing to do with exemptions or any other feature of the existing law.

This plan of Senator LA FOLLETTE would raise about $100,000,000 additional revenue annually.

I believe that the foregoing program, if adhered to, would produce an increase in revenue of $500,000,000 annually. Such a sum would be ample to meet the requirements we are called upon to face, and I want to urge serious consideration of these suggestions because it is only by free and open discussion, and the suggestions and opinions of the membership of the House and Senate, that we can evolve a plan which will effect the ends we are seeking to accomplish. [Applause.]

Mr. WOODRUM. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. MAVERICK].

Mr. MAVERICK. Mr. Chairman, the gentleman from Virginia [Mr. WOODRUM] said it was not necessary to agree with the President on this appropriation, and I think he is right. But that does not necessitate my agreeing with the gentleman from Virginia either, and I firmly believe that instead of appropriating $1,500,000,000 that the needs of business and labor require much more than that.

There is no need to bring the President in on this, for when we think about what we have done as Congressmen and what we have done about our own legislative duties we need not be very proud. Gentlemen, after 5 years we have not even a committee which considers the question of unemployment.

Do you realize we have a committee on the Navy and all the different activities, but that we have none on the greatest problem we have in the United States of America today, and that is unemployment? There is no policy-making committee and we have no policy. We come into this House every year and a subcommittee of the Committee on Appropriations reports that we ought to have a certain sum of money.

But I maintain that there is not any Member of Congress who is able to say definitely how much money we need for unemployment. I do not know how much money we need for unemployment, and I do not think anyone else does. That is because we have not made a sufficient study of the subject, and no committee or group has the information. We have never had an unemployment census.

Still we can make certain conclusions. One is that if we only appropriate a billion, as suggested by the gentleman from Virginia, we will have to lay off 1,187,000 people. This just cannot be done. We just cannot take that many people off of W. P. A.

Then, if we make the $1,500,000,000 appropriation the committee has recommended, it means we will have to lay off more than 600,000 people. Nearly 400,000 persons at present badly need W. P. A. employment and have applied. So, in round figures, if we only appropriate a billion, a million people, heads of families, are thrown in the soup lines. I do not think we can afford to do this either.

Mr. Chairman, I do not think it is sensible; I do not think it is humane; and I do not think it is good business.

I first said publicly and on this floor that we should appropriate $2,500,000,000. Since then I have tried to arrive at a figure which is absolutely fair, and so I propose that the amount should be in the neighborhood of $2,200,000,000. This is not too much and it will take, at the very least, all of this amount to get by.

Now, why do I say $2,200,000,000? We have eight or nine or ten million unemployed. We need not argue about that; we have enough millions unemployed. There are three things about this $2,200,000,000. First, we can at least keep

going just about as we are now and keep about the same number of people employed. Second, the country can have a little money for resettlement, only $75,000,000. We still have the rural problem with us, and the amount is not anywhere near enough for resettlement. The third thing is that prices are rising all over the United States of America, and, by reason of this fact, more money is necessary than before.

One of the gentlemen mentioned the campaign promise about reducing taxes, and so on. Well, that promise is always made by every party, and I believe our promises should be kept. But, my colleagues, we made a fundamental promise, and that was that we were not going to see anybody in distress or suffer starvation. This pledge the Democratic Party should keep if they want to stay in power; but aside from that it is a duty to the American people. [Applause.]

Mr. TABER. Mr. Chairman, I yield 10 minutes to the gentleman from Massachusetts [Mr. TREADWAY].

Mr. TREADWAY. Mr. Chairman, on April 20 the President sent to Congress a so-called relief message.

If we analyze that message, we find that it consists of two parts: First, a discussion of the Budget situation, in which the President had to confess that he had overestimated receipts by several hundred million dollars; second, a request for a billion-and-a-half-dollar relief appropriation.

The strange thing about the message is that, if the discussion of the Budget situation is eliminated, the so-called relief message consists of only one sentence, as follows:

I recommend that an appropriation of $1,500,000,000 be provided for work relief for the fiscal year 1938, and that it be made available early in June so that its expenditure can be properly planned prior to July 1.

Not one word is said in the President's message in justification of that amount. No mention is made of relief needs, the number of unemployed, the progress toward reemployment, or anything else that might be relevant in a so-called relief message.

I do not wonder that the President wants to avoid any discussion of his relief program and the unemployment situation. When he can find nothing good to say about his record, it is only natural that he keep silent.

His method of relief administration has been universally criticized. A large part of the funds intended for the needy have gone for wasteful overhead. The machinery set up for relief administration reeks with politics, both as regards the personnel and the using of relief money for partisan purposes. The centralized, bureaucratic handling of relief has caused overlapping of effort and a failure to meet the real problem of relief which can only be done satisfactorily by local administration.

I am in favor of appropriating every dollar that is necessary for relief purposes, but I would like to see the person in need get more of the money that is intended for him. Also I would like to see the taxpayer get more for his tax dollar.

This can only be accomplished under the Republican relief plan, which has been put into concrete form by the introduction of the Vandenberg-Bacon bill. This measure is based upon the relief philosophy set forth in the Republican platform, which I shall quote:

The necessities of life must be provided for the needy, and hope must be restored pending recovery. The administration of relief is a major failure of the New Deal. It has been faithless to those who deserve our sympathy. To end confusion, partisanship, waste, and incompetence, we pledge—

1. The return of responsibility for relief administration to nonpolitical local agencies familiar with community problems.

2. Federal grants-in-aid to the States and Territories while the need exists upon compliance with these conditions: (a) A fair proportion of the total relief burden to be provided from the revenues of State and local government; (b) all engaged in relief administration to be selected on the basis of merit and fitness; (c) adequate provision to be made for the encouragement of those persons who are trying to become self-supporting.

3. Undertaking of Federal public works only on their merits and separate from the administration of relief.

4. A prompt determination of the facts concerning relief and unemployment.

In the spirit of the Republican platform the Vandenberg-Bacon bill sets up a bipartisan Federal relief authority for the purpose of making relief allocations to the States, under which the States would provide one-fourth the total amount to be spent. The States would be free to handle the actual administration of relief in their own way.

The only particular in which I would differ with that measure that Mr. BACON introduced is in his stating of the amount. That, of course, is a matter of debate and decision later on in the House, but the principle is, local control over relief is the basic need at this time.

Of course, this plan has no chance of being substituted for the pending bill, because it would take away the political control the New Deal now has over relief administration. Also it has the merit of being efficient and practical, which means that it is discredited in the eyes of New Dealers. They want to continue the exploitation of the needy and the wasteful, bungling methods now in effect. Also they want to continue the concentration of authority in Washington.

At the present time recovery and relief present somewhat of a paradox. We are told on the one hand that recovery is here. But on the other hand, we find that there are still some 10,000,000 unemployed and some 14,000,000 persons receiving relief.

According to the Federal Reserve index, factory employment in March 1937 stood at 100.8 percent of the 1923–25 level. Yet it is found necessary to appropriate a billion and a half for relief. Something is wrong somewhere.

According to the Treasury statement for April 30, some $19,766,000,000 has been appropriated for recovery and relief thus far, not including the present appropriation. Of this stupendous total, $15,493,000,000 has been spent and $4,273,000,000 still remains to be expended.

Yet with all this money that has been passed out on every hand, where do we find ourselves? We still have the unemployment problem; we still have the relief problem; and all we have to show for the billions that have been spent is a national debt of $35,000,000,000.

Relief appropriations, while absolutely necessary as a temporary measure to save our people from starving, are no solution of the unemployment problem. For 4 long years the administration has been temporizing with this serious question. It has made little progress toward getting jobs for the unemployed.

Of course, we all know that the Government itself can never solve the unemployment problem. That will have to be done by private industry. The least that the administration could do, however, is not to stand in the way of reemployment by private business. Yet its policy all along has been to harass, annoy, and hamstring business and industry.

One of the more recent stumbling blocks to reemployment is the undistributed earnings tax which the President insisted upon passing during the last session of Congress. Many business concerns would now be enlarging their plants and employing more men were it not for the fact that current earnings used for this purpose are subject to a prohibitive tax.

It is quite apparent that we are going to have the unemployment problem with us as long as the present administration stays in power. The unemployed will in the meantime have to continue to live on a mere pittance under the dole system. They will only get their jobs back at substantial American wages when a practical-minded administration is put in power.

Doubtless the unemployed would all have been back at their jobs long ago if it had not been for the impediments which the administration has put in the way. I have already mentioned one of these impediments. Another is the uncertainty created by the failure of the administration to reduce expenditures and balance the Budget.

With respect to Budget balancing, the President has been long on promises but short on performance. Every year, while warning of the dangers of an unbalanced Budget, he

has kept putting off the day when expenditures would be made to balance revenues.

While the subcommittee in charge of the pending bill provided a billion dollars—a sum it believed to be ample—the full committee has increased the amount to the original total recommended by the President. Doubtless this change of front was in response to direct pressure from the White House.

If the Republican relief plan were put into effect, the chances are that $1,000,000,000 would provide as much relief to those in need as one and one-half billions under the present method. In the interest of those who are in need, as well as in the interest of the taxpayers, we should return the administration of relief to nonpolitical local agencies familiar with the relief problem.

Mr. WOODRUM. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. BEITER].

Mr. BEITER. Mr. Chairman, there should be no doubt in anyone's mind about the necessity for continuing the P. W. A. for another 2 years. The supplementing of one's own knowledge of the splendid work which has been done, and is being done by P. W. A., with the facts presented on May 3 of this year to the Appropriations Committee by Hon. Harold L. Ickes, leaves no room for doubt. His report shows that after July 1, 1937, there will still remain in the various stages of construction 1,601 different non-Federal projects, having a total cost of $937,000,000, for which grants amounting to approximately $310,800,000 have been made. While he states that the greater number of these will be completed by July 1, 1938, there will still be a considerable portion uncompleted until December 1, 1938, and that three major projects will not be completed until 1940. In addition the P. W. A. holds approximately $142,000,000 in securities representing more than 1,500 different issues. It also has contracted to purchase an additional $196,000,000.

There can be no question about the fact that the orderly liquidation of these loans and the successful completion of the projects now under way depends upon the continuance of the Federal Emergency Administration of Public Works. These facts simply stated are all that is necessary to convince my colleagues of the necessity for the continuance of this work, and the foolhardiness of even suggesting a change of horses in the middle of the stream; especially when the one that we have has so adequately proven his value. The only point that could be even considered as controversial would be the appropriation of funds for additional public works. And this dwindles to naught in view of the splendid accomplishments of P. W. A. and of the need for further continuance of public construction.

There is pending now in the P. W. A. files nearly 3,000 non-Federal applications which have met all of the requirements of the Examining Division. In round figures, these applications request grants on a basis of 45 percent of $398,000,000 and loans of $110,000,000, and represent a total estimated construction cost of $888,000,000. They have been submitted by every State and Territory of the United States and involve the construction of useful and permanent public works—works which would be of lasting benefit to communities in which they are constructed, and works which will uphold the present status of employment, increasing employment through our industries affected.

One of the most important of the diversified character of public works is that of the construction of public schools. The necessity of having adequate and safe schools for our children has only recently been brought to our attention by the terrible catastrophe which occurred at the New London school in Texas. The depression through the crippling of school finances threatened the standards of our American educational institutions and has caused the abandonment of reconstruction on many old structures which have deteriorated for the want of repairs. If it had not been for the Public Works Administration program, several thousands of our schools would have been operating under extremely hazardous conditions, and the New London catastrophe might have been reenacted in other instances.

Measuring P. W. A.'s contribution to education in other ways, one finds that approximately three-quarters of all the schools constructed since 1933 had been financed by it and carried out under its auspices. This construction eliminated hazards to our school children, which elimination could not have been accomplished without the Public Works Administration program. Thirty thousand classrooms have been added and new accommodations for more than 1,000,000 pupils made available. The program provided for the construction of 4,000 additional buildings and for the repair and rehabilitation of 1,000 additional structures. All of this, in addition to the actual construction of these most worthy projects, has furnished employment to thousands upon thousands of men at the site of the work, in the forests, mines, transportation, and industrial enterprises of the country. It stimulated and caused reemployment by private industries.

Right now the Public Works Administration has 1,178 school projects pending. Projects which have been submitted to the Administration by the people of those districts in order to ameliorate or eliminate conditions which are hazardous to the lives of their students. With the exception of Delaware, every State in the Union has school projects pending, varying from 3 to 94 in number.

It is interesting to note that Texas, the scene of our recent catastrophe, has 94 school projects pending; more than any other State in the Union. Take, for example, that State, 36 projects have been submitted to eliminate serious fire hazards; 6 to eliminate schools which have been condemned; 6 to replace schools which are unsound and which might cause death to thousands of pupils in any one of a multitude of ways; 10 to eliminate sanitation hazards; 29 to ameliorate health and panic hazards; 6 to replace schools which have burned down; and 1 for the creation of a new school.

And so it goes, State by State throughout the country. Is there anyone of us who would eliminate this type of work; work designed to protect the children attending our public schools from mutilation and death, even if the question of reemployment was not considered? But past experience does show that this type of construction is well adapted to reemployment and rehabilitation of industry. We know from past results that by eliminating these hazards we will stimulate and make possible the reemployment, directly and indirectly, of thousands of our unemployed.

The summary of the pending school applications is amazing. Few people realized, until this information was compiled, the great hazards under which so many of our students are forced to subject themselves. Pupils attending 501 schools are under a constant fire hazard, others are attending 33 condemned schools, and in 56 schools the structures of which are unsound. As bad as this is, there is more; 73 schools have a health hazard as a result of improper sanitation; 437 are stuffed and overcrowded; 21 districts having no school at all; and 57 projects are pending to replace schools which have been burned down. And so it goes, even on other types of work. Projects are pending for water systems for the protection of health and property; sewerage systems for the elimination of insanitary conditions; conditions which might at any time cause epidemics and great loss of life.

SPONSOR DEBT LIMITATIONS AND GOOD FAITH IN SUBMITTING APPLICATIONS

The applicants of great numbers of these most worthy projects are unable to proceed with the work on their own. The total cost of improvements would cause them to exceed their legally established debt limitation. They have acted in good faith. The Federal Government held out offers to aid them in their financial difficulties in order not only to assist them but to create employment and stimulate industry. Acting upon this, the sponsors held referendums, circulated petitions, employed architects and engineers to prepare the plans, and have the work ready to go. All of this has been done at considerable expense to the sponsor. A lion's share of this money might just as well have been tossed out the window if the program is abruptly terminated.

CONSTRUCTION STATISTICS

A great deal has been said recently about the return of prosperity to the construction and producers' goods industry. This industry has increased from the low of 26 percent to a total of 59 percent, based on the average 4 years of 1925 to 1929, inclusive. However, this 59 percent is still far behind the average for the construction industry prior to the depression. And the recovery of the construction industry is lagging far behind the consumers' goods industry. The following estimate of total construction volume published in the Engineering News Record, February 4, 1937, shows the volume for the years of 1925 to 1936:

Year	Amount in millions of dollars	Percent of 1925–29
1925	$8,178	86
1926	8,878	94
1927	9,595	101
1928	[1] 10,580	[1] 110
1929	10,377	109
1925–29 average	9,521	100
1930	8,058	85
1931	5,930	62
1932	2,839	30
1933	[1] 2,440	[1] 26
1934	3,104	33
1935	3,680	39
1936	[1] 5,590	[1] 59

[1] This tabulation shows the average for years 1925–29 inclusive to be $9,521,000,000. The volume fell from a high of $10,580,000,000 in 1928, which was 110 percent of the average, to a low of $2,440,000,000 in 1933 which was but 26 percent of the average. Recovery began in 1934, the year following the creation of P. W. A. and reached its highest point since 1931 in the year of 1936, which is the year following the peak year of P. W. A. loans and grants. In 1936 the total volume is estimated at $5,590,000,000, but this still was 41 percent short of the 1925–29 average and 47 percent below the 1928 peak.

Estimates from the same source show that private construction volume has recovered from a low in 1934 of 11 percent to but 37 percent in 1936, while public works reached 105 percent. A study of these estimates shows that if public works in 1936 had remained at the 1933 low, then the total construction in 1936 would have reached only 42 percent instead of the 59 percent. This simple statement alone is all that is necessary to show the value of P. W. A. in reviving and reestablishing the construction industry.

NEW APPROPRIATION

If this bill for the continuance of P. W. A. does not include an appropriation of $300,000,000 it will be an injustice to the sponsors of pending projects, to the construction and producer-goods industry, and to the men who are now employed as a result of active public works. Besides, it will do much toward retarding the assimilation of our unemployed by private industry.

APPRENTICESHIPS

In regard to the skilled-labor situation, out of the welter of conflicting rumors as to whether or not there is a shortage of skilled labor, one fact stands above all others. There is a great shortage of young skilled craftsmen. Steps must be taken immediately to insure progress in apprenticeship training. As stated in the Architectural Forum, of March of this year, there were approximately 1,600,000 skilled building mechanics at work in the United States in 1929. To this number there were added a theoretical 11,000 by apprenticeships by 1931, another 6,000 by 1935 and this insignificant total has dwindled further in the past year.

Large numbers of our original skilled workmen have succumbed to the fate of the depression, of old age, of physical incapacity, and death. Thus the body of skilled men which has been and is being considerably decreased must do an increasing amount of work if our unskilled and semiskilled are to become reemployed. This situation must be recognized. The craftsmen must be replaced. Millions of our laborers and semiskilled men are dependent on the labors of skilled men. Without trained mechanics, the untrained men cannot construct useful public or private works, and without the erection of useful works, there is no possibility of any important construction increase. The construction industry is the mainstay of the producer goods industries and if we expect business to deplete the rolls of unemployment we must have work which requires skilled men. What better program could the United States Government enter into to stimulate the reemployment by industry of our unfortunate workmen than that of P. W. A.?

By this agency work is done solely by contract and young men can properly carry out apprenticeships in the respective trades. The splendid accomplishments of P. W. A. in aiding industry to recover from the throes of economic strife have been set forth previously by me and many of my colleagues. They have shown that many thousands upon thousands of unskilled, semiskilled, and skilled men are employed directly and indirectly through P. W. A. construction work. I now mention the training of the younger men into skilled workers as this necessity has been recognized recently by many who are vitally interested in the construction industry. Apprenticeship resulting ultimately in new skilled workers is certain, in time, to reap great benefits to the contractor, the builder, the material manufacturer, and laborer alike.

MAXIMUM AND MINIMUM GRANTS

It has been recently suggested that grants for public works will, in the future, equal the wages paid to workers taken from the relief rolls by the contractor and by the industries affected by his contract plus 15 percent of this amount for materials and other costs. While I stress the importance of the P. W. A. program, I cannot support such an impractical plan as this.

It would be impossible for a sponsor to accept such a proposal. How could the sponsor determine the amount paid, by the industries affected, to people taken off the relief rolls and portion it to a particular contract? The administrative costs of determining the indirect labor costs would be so far out of proportion to the benefits derived that no sponsor of a P. W. A. non-Federal project would be able to consider it as a project cost. What would this mean? I will tell you. It would mean complete abandonment of the public-works program.

General statistics, however, can form a basis for Congress to determine and establish a minimum and maximum grant. The Department of Labor found, after conducting an extensive survey to determine the ratio of direct to indirect labor on all P. W. A. non-Federal projects, that there were 2.6 people employed indirectly for each one employed directly. P. W. A. statistics show that approximately 30 percent of all project costs have been expended for labor directly and that approximately 20 percent of this was taken from the relief rolls. Thus 6 percent of project costs has been expended for direct relief labor. Reimbursement of this amount plus 15 percent would make an average of approximately 7 percent. This would be the average grant for public-works projects not considered indirect relief employment.

Since the Department of Labor has shown that 2.6 are employed indirectly for each one employed directly, and assuming that the ratio of relief labor used in industry is comparable with the ratio of relief labor employed directly, the average for indirect relief employment would be approximately 18 percent. Thus, the total grant would amount to this percentage plus 7, or 25 percent. In order to create a practical way to compute grants earned on Public Works Administration projects, it is necessary to definitely establish a minimum grant.

This should be set at not less than 20 percent, which, as the above analysis indicates, is a conservative value. In addition, in order to encourage sponsors to employ as many relief clients as possible, this minimum grant should be increased by the amount of wages paid directly to relief workers with the maximum established at 45 percent. This will make the average grant equal to 26 percent, which is a great reduction from the average now established at 45 percent. Grants established in this manner can be easily computed and understood by all parties concerned. It is practical and will encourage further public works and at the same time

enter upon a retrenchment program in work-relief policy. [Applause.]

The CHAIRMAN. The time of the gentleman from New York [Mr. BEITER] has expired.

Mr. WOODRUM. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. MCREYNOLDS] having resumed the chair, Mr. O'CONNOR of New York, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration House Joint Resolution 361, had come to no resolution thereon.

EXTENSION OF REMARKS

By unanimous consent, Mr. VOORHIS and Mr. MAVERICK were granted permission to revise and extend their remarks.

Mr. SAUTHOFF. Mr. Speaker, I ask unanimous consent to extend my own remarks and include therein certain tables.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. KLOEB. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to insert therein a letter written to the Honorable Harry Hopkins, Administrator of Relief, his reply to me, and a letter from the State relief director of Ohio to me.

The SPEAKER pro tempore. Is there objection?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. HEALEY, indefinitely, on account of illness in his family.

To Mr. GRIFFITH, for 10 days, on account of important business.

To Mr. KVALE (at the request of Mr. BOILEAU), for the rest of the week, on account of illness.

ENROLLED BILLS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 1790. An act for the relief of Luvenia Flowers; and

H. R. 6910. An act to provide for the exchange between the United States and The Union Terminal Co. of certain properties in connection with the parcel post building site at Dallas, Tex.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 2076. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Arrow Rock, Mo.;

S. 2077. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near St. Charles, Mo.; and

S. 1330. An act to authorize the attendance of the Marine Band at the United Confederate Veterans' 1937 Reunion at Jackson, Miss., June 9, 10, 11, and 12, 1937.

BILLS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 1790. An act for the relief of Luvenia Flowers; and

H. R. 6910. An act to provide for the exchange between the United States and The Union Terminal Co. of certain properties in connection with the parcel post building site at Dallas, Tex.

ADJOURNMENT

Mr. WOODRUM. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 55 minutes p. m.) the House, pursuant to its order heretofore entered, adjourned until tomorrow, Friday, May 21, 1937, at 11 o'clock a. m.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce, Friday morning at 10 a. m., May 21, 1937, which will be a continuation of hearing on H. R. 6956, railroad retirement bill.

COMMITTEE ON WAYS AND MEANS

The Committee on Ways and Means will hold continuation of hearings on H. R. 6738, to amend Tariff Act of 1930, at 10 a. m. on Friday, May 21, 1937.

COMMITTEE ON RIVERS AND HARBORS

The Committee on Rivers and Harbors will meet Friday, May 21, 1937, at 10:30 a. m., to hold hearings on the project for Yaquina Bay and Harbor, Oreg.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

623. A letter from the Chairman, the Textile Foundation, transmitting the annual report of the Textile Foundation for the fiscal year ending December 31, 1936; to the Committee on Interstate and Foreign Commerce.

624. A letter from the Secretary of Commerce, transmitting the draft of a bill to provide for the assignment of officers of the Navy for duty under the Department of Commerce and appointments to positions therein; to the Committee on Naval Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. MILLER: Committee on the Judiciary. H. R. 6295. A bill to dispense with unnecessary renewals of oaths of office by civilian employees of the executive departments and independent establishments; without amendment (Rept. No. 874). Referred to the House Calendar.

Mr. CELLER: Committee on the Judiciary. H. R. 2708. A bill to provide for the appointment of one additional United States district judge for the southern district of Texas; without amendment (Rept. No. 875). Referred to the Committee of the Whole House on the state of the Union.

Mr. CELLER: Committee on the Judiciary. H. R. 4740. A bill limiting the operation of sections 109 and 113 of the Criminal Code and section 190 of the Revised Statutes of the United States with respect to counsel in certain cases; without amendment (Rept. No. 876). Referred to the House Calendar.

Mrs. JENCKES of Indiana: Committee on the District of Columbia. H. R. 6869. A bill to regulate the occupation and practices of cosmetology, to create a District of Columbia Board of Cosmetology for the examination and licensing of persons to carry on or to teach such practices, to insure the better education of such practitioners, to provide rules regulating the proper conduct and sanitation of cosmetological establishments and schools, for the protection of the public health, and to provide penalties for violation thereof; without amendment (Rept. No. 877). Referred to the Committee of the Whole House on the state of the Union.

Mrs. NORTON: Committee on the District of Columbia. H. R. 6563. A bill to define, regulate, and license real-estate brokers and real-estate salesmen; to create a Real Estate Commission in the District of Columbia; to protect the public against fraud in real-estate transactions; and for other purposes; with amendment (Rept. No. 878.) Referred to the Committee of the Whole House on the state of the Union.

Mrs. NORTON: Committee on the District of Columbia. H. R. 6834. A bill to prohibit the use of buildings or prem-

ises in the District of Columbia for the carrying on of certain undesirable industries; without amendment (Rept. No. 879.) Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. COFFEE of Washington: Committee on Claims. H. R. 563. A bill for the relief of E. W. Garrison; with amendment (Rept. No. 836). Referred to the Committee of the Whole House.

Mr. JACOBSEN: Committee on Claims. H. R. 607. A bill for the relief of Dorothy McCourt; with amendment (Rept. No. 837). Referred to the Committee of the Whole House.

Mr. CASE of South Dakota: Committee on Claims. H. R. 1235. A bill authorizing and directing the Secretary of the Treasury to reimburse John Brennan for the losses sustained by him by reason of the negligence of an employee of the United States Forest Service; with amendment (Rept. No. 838). Referred to the Committee of the Whole House.

Mr. EBERHARTER: Committee on Claims. H. R. 1310. A bill for the relief of Clifford R. George and Mabel D. George; with amendment (Rept. No. 839). Referred to the Committee of the Whole House.

Mr. SMITH of Washington: Committee on Claims. H. R. 1406. A bill for the relief of Frank S. Walker; with amendment (Rept. No. 840). Referred to the Committee of the Whole House.

Mr. RYAN: Committee on Claims. H. R. 1761. A bill for the relief of Paul J. Francis; with amendment (Rept. No. 841). Referred to the Committee of the Whole House.

Mr. RAMSPECK: Committee on Claims. H. R. 1861. A bill for the relief of the firm of Schmidt, Garden & Martin, architects, of Chicago, Ill.; with amendment (Rept. No. 842). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 2080. A bill for the relief of Eleanora S. Richardson; with amendment (Rept. No. 843). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 2149. A bill for the relief of Capt. Guy L. Hartman; without amendment (Rept. No. 844). Referred to the Committee of the Whole House.

Mr. DICKSTEIN: Committee on Claims. H. R. 2482. A bill for the relief of Lonnie O. Ledford; with amendment (Rept. No. 845). Referred to the Committee of the Whole House.

Mr. THOMAS of New Jersey: Committee on Claims. H. R. 2562. A bill for the relief of Mr. and Mrs. David Stoppel; with amendment (Rept. No. 846). Referred to the Committee of the Whole House.

Mr. COFFEE of Washington: Committee on Claims. H. R. 2641. A bill for the relief of John Stevens; with amendment (Rept. No. 847). Referred to the Committee of the Whole House.

Mr. JACOBSEN: Committee on Claims. H. R. 3259. A bill for the relief of Laura E. Alexander; with amendment (Rept. No. 848). Referred to the Committee of the Whole House.

Mr. DREW of Pennsylvania: Committee on Claims. H. R. 3262. A bill for the relief of John H. Wykle; with amendment (Rept. No. 849). Referred to the Committee of the Whole House.

Mr. THOMAS of New Jersey: Committee on Claims. H. R. 3339. A bill for the relief of Allie Rankins; with amendment (Rept. No. 850). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 3809. A bill for the relief of H. E. Wingard; with amendment (Rept. No. 851). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 4575. A bill for the relief of A. R. Netterville, Sr.; with amendment (Rept. No. 852). Referred to the Committee of the Whole House.

Mr. BEVERLY M. VINCENT: Committee on Claims. H. R. 4623. A bill for the relief of C. O. Eastman; with amendment (Rept. No. 853). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 4682. A bill for the relief of W. R. Fuchs; without amendment (Rept. No. 854). Referred to the Committee of the Whole House.

Mr. COFFEE of Washington: Committee on Claims. H. R. 4830. A bill for the relief of Mrs. D. O. Benson; with amendment (Rept. No. 855). Referred to the Committee of the Whole House.

Mr. COFFEE of Washington: Committee on Claims. H. R. 4942. A bill for the relief of A. L. Mallery; with amendment (Rept. No. 856). Referred to the Committee of the Whole House.

Mr. RYAN: Committee on Claims. H. R. 5113. A bill for the relief of Charles W. Langridge; with amendment (Rept. No. 857). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 5195. A bill for the relief of G. F. Flanders; with amendment (Rept. No. 858). Referred to the Committee of the Whole House.

Mr. COFFEE of Washington: Committee on Claims. H. R. 5200. A bill for the relief of the Premier Carpet & Linoleum Co., Ltd.; with amendment (Rept. No. 859). Referred to the Committee of the Whole House.

Mr. CASE of South Dakota: Committee on Claims. H. R. 5337. A bill for the relief of Charles B. Murphy; with amendment (Rept. No. 860). Referred to the Committee of the Whole House.

Mr. KEOGH: Committee on Claims. H. R. 5495. A bill for the relief of Anne E. Felix; with amendment (Rept. No. 861). Referred to the Committee of the Whole House.

Mr. RYAN: Committee on Claims. S. 274. An act for the relief of Joseph N. Wenger, lieutenant, United States Navy, and for other purposes; with amendment (Rept. No. 862). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 430. An act conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of Elmer E. Miller; without amendment (Rept. No. 863). Referred to the Committee of the Whole House.

Mr. RYAN: Committee on Claims. S. 451. An act for the relief of Farley J. Holloman; without amendment (Rept. No. 864). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 455. An act for the relief of J. R. Collie and Eleanor Y. Collie; with amendment (Rept. No. 865). Referred to the Committee of the Whole House.

Mr. RYAN: Committee on Claims. S. 470. An act for the relief of Joseph M. Cacace, Charles M. Cacace, and Mary E. Clibourne; with amendment (Rept. No. 866). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 522. An act for the relief of R. R. Purcell; without amendment (Rept. No. 867). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 665. An act to credit the account of Everett P. Sheridan; with amendment (Rept. No. 868). Referred to the Committee of the Whole House.

Mr. DREW of Pennsylvania: Committee on Claims. S. 673. An act for the relief of S. T. Dickinson; with amendment (Rept. No. 869). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 733. An act conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment on the claim of Robert A. Watson; without amendment (Rept. No. 870). Referred to the Committee of the Whole House.

Mr. DREW of Pennsylvania: Committee on Claims. S. 1081. An act for the relief of H. G. Cariere, Charles E.

Livingston, and John Latham; without amendment (Rept. No. 871). Referred to the Committee of the Whole House.

Mr. BEVERLY M. VINCENT: Committee on Claims. S. 1307. An act for the relief of W. F. Lueders; without amendment (Rept. No. 872). Referred to the Committee of the Whole House.

Mr. CARLSON: Committee on Claims. S. 1699. An act granting an annuity to Frank W. Carpenter; with amendment (Rept. No. 873). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Claims was discharged from the consideration of the bill (H. R. 1925) for the relief of Joseph Hovey, and the same was referred to the Committee on War Claims.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CELLER: A bill (H. R. 7152) to amend the Revenue Act of 1936 with respect to the tax on capital gains and losses; to the Committee on Ways and Means.

By Mr. BUCK (by request): A bill (H. R. 7153) to impose an excise tax on certain beef products; to the Committee on Ways and Means.

By Mr. GRAY of Indiana: A bill (H. R. 7154) to provide that the Supreme Court, in the exercise of its appellate jurisdiction, shall not hold any State or Federal law unconstitutional except with the concurrence of seven of the nine members; to the Committee on the Judiciary.

By Mr. MERRITT: A bill (H. R. 7155) to amend section 7, chapter 404, of the act known as the Securities Exchange Act of 1934 (48 Stat. 886); to the Committee on Interstate and Foreign Commerce.

By Mr. GEHRMANN: A bill (H. R. 7156) authorizing the free distribution of Government publications to certain schools and free libraries as a Federal aid to education; to the Committee on Printing.

By Mr. ENGLEBRIGHT: A bill (H. R. 7157) to authorize a preliminary examination and survey of Arroyo Grande Creek and the watersheds thereof in the county of San Luis Obispo, in the State of California, for flood control, for run-off and waterflow retardation, and for soil-erosion prevention; to the Committee on Flood Control.

By Mr. O'LEARY: A bill (H. R. 7158) to except yachts, tugs, towboats, and unrigged vessels from certain provisions of the act of June 25, 1936, as amended; to the Committee on Merchant Marine and Fisheries.

By Mrs. NORTON (by request): A bill (H. R. 7159) to authorize the settlement of certain accounts of the District of Columbia; to the Committee on the District of Columbia.

By Mr. O'TOOLE: A bill (H. R. 7160) to amend the World War Adjusted Compensation Act; to the Committee on Ways and Means.

By Mr. ALLEN of Pennsylvania: A bill (H. R. 7161) to provide for the refund of certain processing taxes; to the Committee on Claims.

By Mr. DIES: House resolution (H. Res. 217) authorizing the appointment of a select committee to investigate the motion-picture industry; to the Committee on Rules.

By Mr. GRAY of Indiana: Joint resolution (H. J. Res. 372) to amend the Constitution to provide that the Supreme Court shall not hold a Federal or State law unconstitutional except with the concurrence of seven of the nine members of the Court; to the Committee on the Judiciary.

Also, joint resolution (H. J. Res. 373) to amend the Constitution to provide that the terms of office of Judges of the Supreme Court shall be 9 years; to the Committee on the Judiciary.

Also, joint resolution (H. J. Res. 374) to amend the Constitution to provide for the regulation and control of agriculture and industry; to the Committee on the Judiciary.

By Mr. DOUGHTON: Joint resolution (H. J. Res. 375) to provide revenue, and for other purposes; to the Committee on Ways and Means.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the Territory of Hawaii, memorializing the President and Congress of the United States to consider their House Concurrent Resolution No. 22, relative to the Hawaiian Home Commission Act; to the Committee on the Territories.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States to consider their House Concurrent Resolution No. 42, concerning the Chinese Exclusion Act; to the Committee on Immigration and Naturalization.

Also, memorial of the Legislature of the Territory of Hawaii, urging the Congress of the United States to appropriate such sums as may be necessary to provide a suitable pay based on the rank of each Reserve officer as may be appropriate for the maintenance, efficiency, and training of the Officers' Reserve Corps; to the Committee on Military Affairs.

Also, memorial of the Legislature of the Territory of Hawaii, urging the Congress of the United States to provide for the construction of an irrigation system on the island of Molokai; to the Committee on Irrigation and Reclamation.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON of Missouri: A bill (H. R. 7162) granting an increase of pension to Annie McCollom; to the Committee on Invalid Pensions.

By Mr. BARRY (by request): A bill (H. R. 7163) for the relief of the estate of Arthur Weltner; to the Committee on Claims.

By Mr. BREWSTER: A bill (H. R. 7164) for the relief of Ida E. Lawrence; to the Committee on Claims.

By Mr. ELLENBOGEN: A bill (H. R. 7165) to extend the benefits under the World War Veterans' Act, 1924, as amended, to Ethel Boyd; to the Committee on Pensions.

By Mr. McMILLAN: A bill (H. R. 7166) for the relief of the estate of Raymond Finklea; to the Committee on Claims.

By Mr. MAVERICK: A bill (H. R. 7167) to provide for the promotion on the retired list of the Navy of Fred G. Leith; to the Committee on Naval Affairs.

By Mr. O'TOOLE: A bill (H. R. 7168) for the relief of Louis Samolski, Rebecca Samolski, and Martin Samolski; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 7169) for the relief of Sanford N. Schwartz; to the Committee on Claims.

By Mr. PATRICK: A bill (H. R. 7170) for the relief of Hyman Ginsberg; to the Committee on Claims.

Also, a bill (H. R. 7171) granting an increase of pension to Allison D. McKinney; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7172) for the relief of Jesse A. LaRue; to the Committee on Claims.

Also, a bill (H. R. 7173) for the relief of James T. Rogers; to the Committee on Claims.

By Mr. PETERSON of Florida: A bill (H. R. 7174) for the relief of Jesse Bell; to the Committee on Claims.

By Mr. ROMJUE: A bill (H. R. 7175) granting an increase of pension to Alice M. Roberts; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7176) granting a pension to Ida B. Wooldridge; to the Committee on Invalid Pensions.

By Mr. SMITH of West Virginia: A bill (H. R. 7177) for the relief of Elizabeth E. Smith; to the Committee on Claims.

By Mr. WHELCHEL: A bill (H. R. 7178) for the relief of W. K. Crow; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2310. By Mr. BREWSTER: Petition of Laura E. Emery and 13 citizens of Bangor and Hermon, Maine, requesting the enactment of the Townsend national recovery plan into law; to the Committee on Ways and Means.

2311. By Mr. COFFEE of Washington: Petition of the Associated Improvement Clubs of the South End of King County, Wash., consisting of 22 organizations, C. R. Cottrell, secretary, box 323, route 1, Kent, Wash., pointing out that flood waters of the White, Green, and Cedar Rivers in King County have destroyed human lives and entailed damages to public and private property totaling millions, and praying Congress to approve sufficient flood-control appropriations as to enable the construction of the White River dam at Mud Mountain and the extension of the Duwamish Waterway up Green River to Renton Junction; to the Committee on Flood Control.

2312. By Mr. CULLEN: Petition of the Better Housing Committee, North Side, eighth assembly district, Brooklyn, N. Y., endorsing the Wagner-Steagall housing bill; to the Committee on Banking and Currency.

2313. By Mr. ENGLEBRIGHT: Assembly Joint Resolution No. 44, relative to memorializing the Postmaster General to use California granite in the erection of the new post office for the city of Los Angeles; to the Committee on the Post Office and Post Roads.

2314. By Mr. GOODWIN: Petition of the Inter-County Farmers' Co-Operative Association, Inc., Mountaindale, N. Y., regarding the embargo on importation of eggs and the protection of our own domestic markets; to the Committee on Interstate and Foreign Commerce.

2315. By Mr. FORD of California: Resolution of the Assembly and Senate of California, memorializing the Postmaster General of the United States to provide for and require the use of California granite in the erection of the new Los Angeles post office; to the Committee on Public Buildings and Grounds.

2316. By Mr. HILDEBRANDT: Petition regarding the Japanese cherry trees and Jefferson memorial site; to the Committee on the Library.

2317. By Mr. KEOGH: Petition of the Associated General Contractors of America, Inc., Washington, D. C., concerning the creation of any additional valley authorities; to the Committee on Military Affairs.

2318. By Mr. KEOGH: Petition of the New York Board of Trade, Inc., New York City, concerning appropriations and reductions in Government expenditures; to the Committee on Appropriations.

2319. By Mr. LORD: Petition of Fred L. Yingling and nine residents of Binghamton, N. Y., protesing against the President's bill, or any substitutes, permitting the executive branch of the Government to control or subordinate the judicial or the legislative powers established under the Constitution; to the Committee on the Judiciary.

2320. By Mr. PETERSON of Georgia: Petition of citizens of Emanuel, Liberty, and Chatham Counties, Ga., concerning the old-age pension bill (H. R. 2257); to the Committee on Ways and Means.

2321. By the SPEAKER: Petition of Mr. Frahm, concerning fertilizer for the farmers; to the Committee on Military Affairs.

2322. Also, petition of St. Lawrence Ministers' Club, Massena, N. Y., with reference to Sheppard-Hill bill; to the Committee on Military Affairs.

HOUSE OF REPRESENTATIVES

FRIDAY, MAY 21, 1937

The House met at 11 o'clock a. m.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Heavenly Father, who art above the cloud and beneath the clod, we rejoice that eternal love remains. Thou wilt show us the path of life. In Thy presence is fullness of joy; at Thy right hand are pleasures forevermore. We thank Thee that Thou hast made the earth so bright; deeper and broader in the heart of all is Thy love. We pray Thee to evoke desires and aspirations in us that shall carry with them the measure of true manhood and the purest happiness of which we could dream. Bless our country with a wise and benevolent patriotism. May it grow in power and shine everywhere with the true light of Christian brotherhood. Heavenly Father, shadows so often darken our brightest hours. A heavy burden has fallen on a tender heart. We beseech Thee to let the loss work out the highest and the holiest good. At last may the years of separation be lost in a better world. Through Christ. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed, with an amendment, in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 6551. An act to establish a Civilian Conservation Corps, and for other purposes.

The message also announced that the Senate insists upon its amendment to the foregoing bill, requests a conference with the House thereon, and appoints Mr. BLACK, Mr. COPELAND, Mr. WALSH, Mr. BORAH, and Mr. LA FOLLETTE to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6730) entitled "An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1937, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1937, and June 30, 1938, and for other purposes."

STATUES OF WILLIAM JENNINGS BRYAN AND J. STERLING MORTON

Mr. LAMBETH. Mr. Speaker, by direction of the Joint Committee on Printing I send to the desk a privileged resolution and ask for its immediate consideration.

The Clerk read as follows:

Senate Concurrent Resolution 14

Resolved by the Senate (the House of Representatives concurring), That there be printed with illustrations and bound 5,000 copies of the proceedings in Congress, together with the proceedings held at the unveiling in Statuary Hall, upon the acceptance of the statues of William Jennings Bryan and J. Sterling Morton, presented by the State of Nebraska, of which 1,000 shall be for the use of the Senate and 2,500 for the use of the House of Representatives, and the remaining 1,500 copies shall be for the use and distribution of the Senators and Representatives in Congress from the State of Nebraska.

The Joint Committee on Printing is hereby authorized to have the copy prepared for the Public Printer and shall procure suitable illustrations to be published with these proceedings.

Mr. SNELL. Mr. Speaker, reserving the right to object, is this the usual resolution in such cases?

Mr. LAMBETH. It is the usual resolution upon the presentation of statues by States.

Mr. SNELL. I did not know that any of these resolutions provided for the publication of pictures.

Mr. LAMBETH. Pictures of the statues, I may say to the gentleman from New York, are included in the volumes.

Mr. SNELL. They are always included?

Mr. LAMBETH. Yes. This is the customary resolution.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The resolution was agreed to, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. IGLESIAS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein two letters from the Secretary of the Interior relative to the extension of titles V and VI of the Social Security Act to Puerto Rico in accordance with a bill I introduced, H. R. 6524.

The SPEAKER. Is there objection to the request of the Resident Commissioner from Puerto Rico?

There was no objection.

Mr. DINGELL. Mr. Speaker, I ask unanimous consent to insert in the Appendix of the RECORD a speech delivered by my colleague the gentleman from Ohio [Mr. SWEENEY] at the unveiling of the monument of Brig. Gen. Count Casimir Pulaski.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

SPEAKER PRO TEMPORE

The SPEAKER. The Chair would like to make a brief statement.

I have accepted an invitation to deliver the commencement address at the University of Alabama, my alma mater, on Monday next. While I am that far away, very candidly, I will state to you gentlemen that I should like the privilege of remaining at my home for just a few days. Under the rules of the House I could appoint a Speaker pro tempore for 3 days, but under the circumstances, by the indulgence of the House, I have requested the gentleman from Texas, the majority leader, to introduce a resolution touching on the question.

Mr. RAYBURN. Mr. Speaker, I send to the Clerk's desk a resolution at the request of the Speaker.

The Clerk read as follows:

House Resolution 218

Resolved, That Hon. LINDSAY C. WARREN, a Representative from the State of North Carolina, be, and he is hereby, elected Speaker pro tempore during the absence of the Speaker.

Resolved, That the President and the Senate be notified by the Clerk of the election of Hon. LINDSAY C. WARREN as Speaker pro tempore during the absence of the Speaker.

The resolution was agreed to, and a motion to reconsider was laid on the table.

Mr. COLLINS. Mr. Speaker, I make the point of order that a quorum is not present.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman withhold his point of order for a moment?

Mr. COLLINS. Mr. Speaker, I withhold the point of order for the moment.

PERMISSION TO ADDRESS THE HOUSE

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent that on Monday next following the other special orders that have been granted for that day, and following consideration of the relief bill, if it should be carried over into Monday, that the Delegate from Hawaii [Mr. KING], may address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

EXTENSION OF REMARKS

Mr. ALLEN of Pennsylvania. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a radio address made by the gentleman from California [Mr. VOORHIS].

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

(Mr. DIRKSEN asked and was given permission to extend his own remarks in the RECORD.)

The SPEAKER. The gentleman from Mississippi [Mr. COLLINS] makes the point of order a quorum is not present. Obviously a quorum is not present.

Mr. RAYBURN. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 64]

Andrews	Greenwood	Meeks	Scrugham
Atkinson	Griffith	Mouton	Shanley
Bernard	Harrington	O'Connell, Mont.	Sirovich
Cannon, Wis.	Johnson, Lyndon	O'Connell, R. I.	Stack
Carter	Kelly, N. Y.	Palmisano	Sumners, Tex.
Chandler	Kvale	Patrick	Taylor, Colo.
Crosby	Lambertson	Peterson, Fla.	Towey
Culkin	Lesinski	Peyser	Wadsworth
Duncan	Long	Pierce	White, Idaho
Fish	Lord	Plumley	Withrow
Fulmer	McClellan	Sabath	Wood
Gilchrist	McCormack	Sacks	
Goodwin	McGranery	Sadowski	

The SPEAKER. Three hundred and eighty-one Members have answered to their names. A quorum is present.

On motion of Mr. RAYBURN, further proceedings under the call were dispensed with.

EMERGENCY RELIEF APPROPRIATION BILL

Mr. WOODRUM. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the joint resolution (H. J. Res. 361) making appropriations for relief purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of House Joint Resolution 361, with Mr. O'CONNOR of New York in the chair.

Mr. CANNON of Missouri. Mr. Chairman, this is an economy bill. It makes a drastic reduction in the amount provided for relief. It is a retrenchment measure, the first tentative step toward complete discontinuance of emergency relief. Also, it is a compromise measure. As reported by the committee it provides for one and one-half billion dollars, an amount half way between $1,000,000,000, on the one hand, and $2,000,000,000, on the other hand. It is the happy mean, the common ground, between the two extremes.

But most important of all, Mr. Chairman, it is in fulfillment of the greatest humanitarian program in the annals of any people or any nation in the history of the world. [Applause.] It is a program which has taken care of the helpless, which has provided markets for the products of labor and industry, which has maintained an American standard of living, and which has brought renewed prosperity to every trade and every community in the Nation.

The House is largely in accord on this bill. The only major item at issue is the amount. Some favor a billion dollars. Some, $2,000,000,000 or more, and the Budget estimate is one and a half billion.

Mr. LUTHER A. JOHNSON. Will the gentleman yield?

Mr. CANNON of Missouri. Presently, if the gentleman will permit.

My good friend the gentleman from Virginia, in charge of the bill, suggests $1,000,000,000, a reduction of half a billion dollars below the amount recommended by the President. Now, what would be the effect of such reduction? I know that statistics are tedious, but I hope you will keep in mind two figures which I am about to give you. We are spending this year in our relief program $2,214,000,000, and we are employing this year, under that program, 2,255,000 workers.

Under present conditions we ought to continue that program. Circumstances justify the expenditure of the same amount we used last year. But the President insists we must balance the Budget; that we must economize; that we must cut appropriations to the bone. So in furtherance of that policy the President of the United States recommends

a cut of one-third in the relief program. He proposes a cut from $2,214,000,000 to one and one-half billion dollars. It follows naturally that if we cut the appropriation one-third, we must cut the number of people employed by one-third. In other words, the 2,255,000 men who are now earning their daily bread under this program must be reduced by 751,667, a reduction in round numbers to 1,500,000 workers.

On the 1st day of July, under this program, we must turn out three-quarters of a million heads of families—families which depend on their daily wage for their daily bread; families which have no reserve; families which must go without food the next week after their dismissal unless other sources are found.

Do you know how many people that will involve? At the rate of the standard average of five persons to a family, it will aggregate approximately three and one-half million people who, under an appropriation of $1,500,000,000, will be turned out to starve, to steal, to find employment in industry, or be taken care of by the local community. In brief, in his message to Congress, the President proposes a retrenchment so drastic that three and a half million people must be thrown out of employment, with nowhere to go, with no food for the morrow.

But that is not sufficiently ruthless to suit some Members of the House. A few on this side of the aisle and everybody on that side of the aisle insist that three and a half million people out of employment is not enough. They say that instead of cutting it one-third, we should cut it more than one-half; that instead of throwing out three and a half million people we throw out five and a half million people to beg or to die; that instead of reducing it to one and a half billion dollars we must reduce it to $1,000,000,000.

Now, if we abandon even three and a half million people, what are you going to do with them, my colleagues? How do you propose to take care of them? We cannot shoot them. And if three and a half million helpless people are a problem, what will you do with five and a half million suffering men, women, and children? How are you going to care for them in your State? How do you propose to care for them in your community? That is the problem you must meet if you reduce this appropriation to a billion dollars.

Mr. Chairman, let us analyze the situation a bit further. The effect upon these unfortunate people themselves is not the only consideration.

Let us look at it from the point of view of the rest of the Nation. For example, let us consider the effect upon labor. We are making every effort to reduce unemployment, to shorten the hours of labor, to increase the wages of labor, to advance labor's standard of living. We are adopting every legislative means and employing every economic resource to render the condition of labor more tolerable. The President is today sending to Congress a message recommending the 40-hour week and a minimum wage. And now it is proposed to throw these millions of destitute people upon the labor market? In every community and in every trade there will be men who, under the imperative stress of circumstances, must, perforce, offer to work any number of hours at any wage to keep soul and body together. They will glut the labor market. They will bid down the wages of labor. They will constitute the greatest menace to the constructive system of collective bargaining so laboriously built up under this administration. A vote to reduce this appropriation below the President's recommendation is a vote against labor and, indirectly, a vote against agriculture, dependent to a large extent on the buying power of labor in the agricultural market. [Applause.]

Let us go a step further. What will be the effect of a reduction from one and one-half billion dollars to $1,000,000,000 in this appropriation and the attendant increase of the number of unemployed and their dependents to five and one-half million people upon crime, insanity, pauperism, and their attendant evils? The day has gone by when men will starve peaceably in the United States. The time is long since past when men will see their families hungry in a land of plenty. [Applause.] If you close down employment and withdraw opportunities for self-support, you may at once prepare to open up the jails, penitentiaries, and asylums, and to call out the G-men and the militia. We had an object lesson in that just two blocks away from where we now sit during the depression, when President Hoover used poison gas to drive out the hunger marchers. It is significant that President Roosevelt has never had to resort to coercive measures. He has adopted the humanitarian method. I ask you, Which has been the most effective? Which is the most typically American? Which do you propose to vote for here today—poison gas or food? You have seen them both in operation. You can take your choice. Until this emergency is past, it is one or the other. And for every dollar you save out of this billion and a half dollars you will eventually spend $2 in penal and eleemosynary institutions and for shock troops on the law-enforcement front in every State in the Union.

Let me now talk to you few friends who still have some regard for the farmers of the country.

The farmer has always received a disproportionate share of relief. The great bulk of it has gone to the cities. Throughout the depression, want has stalked like a grim specter through the neglected farm homes of the countryside and especially in the drought areas.

I saw farms last summer on which there was not one living thing, either vegetable or animal; not a cow or a chicken or a single blade of grass. Farmers worked 14 hours a day, not only the bread winner of the family but the women and children, and at the end of the season had nothing but burned fields and barren acres. What can they do until the next crop? The amount recommended by the President provides barely enough to tide these families through to the next harvest. And if you cut one-third out, what recourse have they? Shall we take the responsibility?

Mr. Chairman, the social-security program, of which this bill is a part, is to modern history what the Renaissance was to medieval Europe. It is a milestone that marks an epoch in human progress. When every European dynasty has crumbled, when every man who holds administrative position in the world today has passed into oblivion, Franklin Roosevelt will be remembered, not because he was the head of the greatest nation of his time but because of his supreme contribution to moral ethics, his preeminent service to mankind; because he has given us a new conception, a new recognition, a new enforcement of the rights of man. [Applause.]

Mr. Chairman, a vote to reduce this amount is not a vote for economy. It is a vote against labor, a vote against agriculture, a vote for starvation. It is a vote to open the floodgates of crime and misery and degradation. It is a vote to turn back the clock of civilization, a vote to sabotage in part the greatest program for human progress since time began. [Applause.]

Mr. Chairman, partisanship has no place in this discussion. You cannot play politics with human misery. But inasmuch as politics has been injected into this debate, let me admonish you not to make any mistake about the attitude of the country toward President Roosevelt. When you go back into your districts you will find they are not merely supporting him, they are not merely back of him and his program, but that they have a deep, personal affection for him. They love and trust him as no American statesman has ever been loved and trusted before. And when you go back home and find five and a half million people thrown out of employment, walking the streets, without adequate habitation and without the necessities of life, they are going to say, "Oh, yes, President Roosevelt wanted me to keep my job, but you voted with the Republicans to take it away from me." [Applause.]

Let me ask you to support your committee, to support an adequate but economical provision for relief, to support the right of every American citizen to earn his daily bread, the right of every American child to have a chance in life and a part in the national heritage. [Applause.]

Mr. Chairman, I reserve the balance of my time.

Mr. WOODRUM. Mr. Chairman, I yield 10 minutes to the gentleman from Tennessee [Mr. McREYNOLDS].

Mr. McREYNOLDS. Mr. Chairman, I yield in my democracy to no man, nor in my loyalty to the President of the United States. There is no man in this House who has the record I have in standing by the President of the United States in this House except probably one man, and that is not the man who just preceded me.

No; we will not go back home and say we voted with the Republicans; we will say that the Republicans voted with us to save the Democratic Party and the taxpayers of this country. [Applause.]

An economy measure! Is this one billion and a half an economy measure? I am glad that the distinguished gentleman made the statement that the President of the United States merely sent this message up here and recommended a billion and a half, but that he has neither done anything nor said anything to indicate whether he wants it taken down or carried up. This is what the gentleman said; and does not that leave us free? Who represents your district; who knows the conditions in your district or the needs of your people? The President did recommend one billion and a half, but where did he get that? From my good friend Harry Hopkins, and the mayors of different cities pouring in on him, who do not want to shoulder this responsibility of caring for relief themselves.

From that he made his figures and presented them to us. I do not criticize Mr. Hopkins. He is my personal friend. He has done a good job, the best way he could, but where does he get his report? He gets it from the men who are working for him, and who were on the pay roll, and you know it. I say we should stand by this subcommittee. No man is better qualified to do the job of investigation, or as a man on this floor to fight the battles of the President of the United States, than the gentleman from Virginia [Mr. WOODRUM], and you know it. [Applause.] What does he do? He brings in Mr. Wallace, he brings in Mr. Alexander, he brings in Mr. Hopkins, he brings in Members of Congress, and he gets all of the proof, and his subcommittee says $1,000,000,000 is enough. You Members must not be deceived by the whole committee voting for a billion and a half. That is a very large committee. That committee has its own subcommittees, and the men on those subcommittees are just as busy as you men are on your own committees. Ordinarily the report of a subcommittee is more or less a formal matter, to be endorsed by the whole committee, and you know that some of the best men in this House are on those subcommittees. What happened in this case? The whole committee did not hear the proof. Your subcommittee heard the proof, and then when the subcommittee reported a billion dollars, somebody got busy, and you know who, to try to get that committee to stand by a billion and a half. What I am trying to drive into you folk is the fact that the subcommittee is the committee that you ought to follow, because they heard the proof and made a study, and the whole committee did not.

Mr. JOHNSON of Oklahoma rose.

Mr. McREYNOLDS. Oh, I ask the gentleman to please sit down. I have not time to yield. I say to you men, and especially those from the South, where I know the conditions, what about the people in your districts, to whom you have to be responsible? Do you not know now that in many of your counties relief is working a hardship on your people? You must know it. In some places it is rumored that it is almost getting to be a racket. Why, the proof is here before the subcommittee of the Appropriations Committee for the District of Columbia, and I ask your attention for 1 minute to the facts, and they have not been denied. I quote the chairman of that subcommittee. The statement was made that there have been more colored people on the relief rolls in the city of Washington than compose the population of the colored people in this District. And did you know that it was shown before that same committee that these colored folk are refusing to take advantage of the old-age pension under the social-security law, because they can receive more money under relief? So, my friends, is it not time to call a halt?

So far as my friend Harry Hopkins is concerned, there was a time when he had to spend his billions, because this country was in a dreadful condition. But he need not spend them now. We speak of billions today, and I know that some of you will remember that play of Brewster's Millions, some 30 years ago where a young man inherited several millions provided he should spend a million in a year. You remember what an awful time he had to do it. If that had been in the days of Harry Hopkins, he could have spent it before breakfast next morning. [Laughter.]

These people are taking advantage of this situation. You people who represent agricultural districts have had letters from your farmers that they cannot get men to work for them. You people right here in Washington and in Baltimore and in other cities, you know that the good housewife cannot get domestic help. Not long since down in my section two old colored ladies went to get relief. They got their baskets filled, and as they walked out one said to the other, "I am so sorry that my husband died last year. Poor old John, it is too bad that he could not be here to help enjoy this relief." [Laughter.]

Mr. Chairman, there are three departments of this Government—the judicial, the executive, and the legislative. We were reminded yesterday by the President that it is not proper for the legislative department to encroach upon the prerogatives of the executive department, to which I agree. Neither do we want the executive department to encroach upon the legislative. [Applause.] It is a matter for you gentlemen to go back to your people and answer to them as to what you are here for, if you cannot express yourselves and vote your convictions. If you are not men of that kind, then you ought to go home and stay there. [Applause.]

My friends, I say this personally to you: It has got to stop. They have organized and they are sending organizations here, and what for? They are sitting in the galleries at this time. You have got to cut them loose, and you will still have plenty to take care of the poor unfortunates, whom I am in favor of taking care of. Do not be deceived, my friends. You Democrats, do not be deceived by the statement that you are voting with the Republicans. I know that you are bigger men than that. Think of the conditions in your own home. Be men. [Applause.]

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. CANNON of Missouri. Mr. Chairman, I yield 5 minutes to the gentleman from Oklahoma [Mr. JOHNSON].

Mr. JOHNSON of Oklahoma. Mr. Chairman, I have listened with much interest to the plea of the distinguished and able gentleman from Tennessee, who joins my good friend from Virginia [Mr. WOODRUM] in demanding that the House turn down the recommendation of the Appropriations Committee and cut another half billion dollars from the relief bill. Let me suggest that before Members make up their minds to make such a dracstic reduction that they be fully advised as to the effect of such action on the part of this Congress. In the first place, let us bear in mind that if the $1,500,000,000 relief bill is passed that it means a cut in funds available for the W. P. A. next year of approximately one-third under that appropriated for the same purpose during the present year. So far as my State is concerned, I know it cannot take such a drastic and unreasonable cut at this time. If the bill is reduced to $1,000,000,000 it will mean a reduction of 55 percent of those now on the W. P. A., which in my judgment is too unreasonable to consider seriously. We are told that in some sections of the country, like the States of Mississippi, Georgia, and a few other States, where crops were bountiful last year, that the W. P. A. quotas can be cut more than 55 percent. No doubt this is true, and I am glad that the President has the authority to cut the quota in such States or sections of the country to the minimum; but a 55-percent, or even a 25-percent cut in the allocation of funds for the W. P. A. in Oklahoma at this time would be hazardous and would cause many thousands of people to go hungry.

The gentleman from Tennessee, as well as several other speakers, have based the burden of their opposition to giving the President the amount he is asking for in this bill on the grounds that they do not like the W. P. A. Administrator, Mr. Harry Hopkins. In fact, it seems to be a popular pastime today to criticize and condemn Mr. Hopkins. He is held up as a spendthrift who has no regard for the taxpayer. I hold no brief for Mr. Hopkins. I have differed with some of his policies in the past and may differ with him in the future, but none of us can deny that Mr. Hopkins undertook a stupendous task at a time when there were more hungry and unemployed people in the United States than ever before in the history of this Republic and that he has played an important part in helping the President bring order out of chaos. [Applause.]

I cannot help but remind our Republican friends on the other side of the aisle who are so loud and vociferous in their opposition to the pending measure of the unemployment situation in this country on the 4th of March 1933. For 3 long years unemployment, hunger, and starvation had run rampant in the land. Some 16,000,000 men were unemployed and begging for an opportunity to earn a livelihood. That meant that from 40,000,000 to 50,000,000 people, including the men, women, and children, were facing hunger and actual starvation. And what did the party then in power do about it? Absolutely nothing except to say that the problem of relief was a local one; that depressions came in cycles; that nothing could be done about the last one; and that prosperity was "Hoovering" around the corner. [Applause.]

The gentleman from Tennessee, who is usually very courteous and for whom I have great respect, said, when I sought to ask him a question, I had been so busy on the Interior Department bill that I did not know what was going on. I am sure the gentleman really intended no disrespect. It is true I have been in charge of the Interior Department appropriation bill, and have been unusually busy for the past 6 weeks with hearings on that measure that was passed by the House yesterday. It is also true that the committee brought in a bill to this House that had the greatest proportionate reduction of any regular appropriation bill during the present session, but the gentleman from Tennessee, who talks so fervently for economy today, joined others in loading down that bill to the tune of some $8,000,000. May I suggest that his votes of yesterday just do not jibe with his present plea for such sudden and drastic economy.

Another statement made by the gentleman from Tennessee, if I understood him correctly, was that Republicans had joined the Democrats in support of the proposed cut in this bill. To prove this contention beyond the peradventure of a doubt, the gentleman told this committee that the Subcommittee on Appropriations that heard the evidence had reported a $1,000,000,000 bill. Now, that sounds convincing; but let us see about it. What are the facts? How many Democrats on that subcommittee which heard the evidence voted to cut the measure one-half billion dollars? Two Democrats on the subcommittee joined all the Republican members. If I am incorrect, I will ask the gentleman from Virginia [Mr. WOODRUM] to correct me now. I repeat, that two Democrats joined the Republican members of that committee, and the Republicans forced that out. Who did the joining?

Mr. WOODRUM. Of course, if the gentleman means to suggest that the bill was reported out by the Republican members, he knows that is ridiculous on the face of it.

Mr. JOHNSON of Oklahoma. I made no such suggestion. I was discussing the subcommittee which heard the evidence. I am simply answering the contention of my good friend from Tennessee that Republicans had joined the Democrats, when in fact it is well known that this is a Republican move that a few misguided Democrats have joined.

But getting back to the discussion of this bill. Another reason why I cannot make up my mind to reduce the amount in this bill a half billion dollars at one stroke is the fact I find earmarked in this bill "not to exceed $75,000,000 for the National Youth Administration." That sum is approximately the same amount allocated to the N. Y. A. during the current year. Let me say in this connection that the National Youth Administration has done an outstanding work in the State of Oklahoma and I think in the entire Nation. If you vote today to cut $500,000,000 from this measure, and that should seriously cripple or practically eliminate the splendid, far-reaching, humanitarian work of the National Youth Administration and throw thousands of splendid young men and women back on the bread lines, what is going to be your answer when you go back to your districts? When you strike down these ambitious boys and girls who feel that they have a right to eat, to work, study, and prepare themselves for the future, I am wondering if the fact that you do not like Harry Hopkins, or some W. P. A. director, will be an answer that will satisfy your conscience or the hundreds of thousands of worthy young people of America who have had the opportunity to have their lives reshaped with and by the help of National Youth Administration. [Applause.]

Oh, yes; in the name of economy you propose to strike down the helpless, unemployed men, women, and children who cannot come here today and speak for themselves. In the name of economy you would turn them back on local communities, where they were when the Roosevelt administration came into power. In the name of economy you would throw thousands of young men, boys, and girls on the highways thumbing their way up and down the roads and riding the boxcars looking for jobs they could not find.

Let me say to you I feel that such a move at this time would be the rankest kind of false economy. [Applause.] For every dollar you might save today this Government—either Federal, State, or local—would spend $2 or more combating crime and in enlarging asylums, orphanages, jails, penitentiaries, and eleemosynary institutions. It is up to you to take your choice, but you should do so with your eyes open and not try to delude yourselves into actually believing that you are effecting any real permanent economy.

I cannot help but be reminded that some of the self-admitted leaders on both sides of this aisle who are pleading so fervently for so-called economy today when human lives are at stake have been reckless spenders in the past. Nor will your people soon forget when you vote for such a drastic reduction, a vote which may mean that babies will go without milk and that women and children will be forced to go hungry, that some of you did not hesitate to increase the appropriations for the standing Army more than $25,000,000 over last year, and were enthusiastic supporters of one of the largest naval appropriation bills in the history of this Republic. It is good business, according to these self-admitted economists, to vote for $60,000,000 battleships that will be out of date and useless within a few years, but those of us who plead today for hungry and helpless men, women, and children must be held up as spendthrifts who want to loot the Treasury and bankrupt the Government.

Mr. MAY. Will the gentleman yield for a question?

Mr. JOHNSON of Oklahoma. I am sorry, but I cannot yield at this time.

The CHAIRMAN. The time of the gentleman from Oklahoma [Mr. JOHNSON] has expired. [Applause.]

Mr. TABER. Mr. Chairman, I yield 10 minutes to the gentleman from Virginia [Mr. ROBERTSON].

Mr. ROBERTSON. Mr. Chairman, I ask unanimous consent to revise and extend my remarks and to include therein excerpts from a speech on public spending by a former Member of the House from Indiana.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. ROBERTSON. Mr. Chairman, before I became a Member of the House I had the good fortune to become acquainted with the distinguished gentleman from Tennessee who has just preceded me [Mr. MCREYNOLDS], and through him his distinguished colleague the beloved Joe Byrns; and thus was formed two of the warmest and sweetest friendships of my life, friendships with Christian gentlemen,

friendships with patriots, friendships with men who had the qualities of statesmenship. About 4 days before his death I had the privilege of taking our late Speaker on a little fishing trip in Virginia, out on a quiet pond surrounded by tall oak trees where there were no telephones, where there were no public problems to oppress him. Coming back that afternoon he told me he had had the happiest day since he had been in Washington that year. He was so happy that he wanted to sing that song that was the favorite of the late Will Rogers, Home on the Range, with its refrain:

"Where seldom is heard a discouraging word
And the skies are not cloudy all day."

For the last 2 years of Joe Byrns' life there were many clouds in the skies for him. That former chairman of our Appropriations Committee discussed with me the fiscal policies of our Nation and expressed his fears of what would ultimately happen unless we found a suitable manner of curtailing public expenditures. That gripping fear that was never absent from his heart helped to carry that statesman to an untimely grave. I am glad to sit here today and hear his colleague and my friend and your friend the gentleman from Tennessee [Mr. McREYNOLDS] give voice to the sentiments that the late Speaker Byrns, I am sure, would have voiced as a man versed in the fiscal affairs of this Nation.

The time has come, and now is here, when we must give serious consideration to the future of our Government with respect to spending and deficit financing.

It is a source of satisfaction to me to note the development in this House of a genuine sentiment for economy. At least, I hope it is genuine; and an opportunity to demonstrate that fact will be given us when we vote on the pending relief resolution. With me an economy program is not a new one. When the $4,800,000,000 relief measure was before the House in 1935, I called attention to the dangers inherent in such a relief program and have lost no opportunity since to advocate the importance and necessity for reducing governmental expenditures. I regret that the full Appropriations Committee has seen fit to override the recommendation of its subcommittee and vote to increase the appropriation carried by the Woodrum resolution by the sum of $500,000,000. I am opposed to that amendment and hope it will be defeated.

In the speech I made on this subject on January 24, 1935—reported in the CONGRESSIONAL RECORD January 24, 1935, pages 925–926—I stated why I would not undertake to speak dogmatically as to "what is safe and what is unsafe" with respect to a national spending program; but after 2 more years of liberal spending, in which the outgo exceeded the income by substantially seven and one-half billion dollars, it seems now to be generally recognized that further deficit financing on such a scale would be both unwise and unsafe.

Last spring the Grim Reaper called to his eternal reward the distinguished chairman of our Appropriations Committee, Mr. Buchanan. I wish he could be here today to remind this House of what he said on February 5, 1934, concerning the first large relief appropriation of $950,000,000. On that occasion Mr. Buchanan said:

> Mr. Speaker, to those who advocate increased appropriations over this $950,000,000, let me say that relief in a nation the size of ours is like a rapacious maw. It would absorb every dollar you appropriated, whether it was one billion or five billion dollars. We must conduct this relief project with a discriminating judgment, so we will have just enough money to relieve the actual necessities and the real suffering of our people.

I wish to emphasize his statement, "We must conduct this relief project with a discriminating judgment."

I am fully convinced that my distinguished colleague from Virginia [Mr. WOODRUM] is as conversant with the operations of the various relief agencies of the Government as any Member of this House, and when he and a majority of his subcommittee reports that $1,000,000,000 is enough money to relieve the actual necessities and the real suffering of our people, we would not be exercising a discriminating judgment to increase his estimate by 50 percent.

Our public debt now stands at approximately $35,000,000,000, a sum as impossible to visualize as the size and distance of the sun. It will help us to visualize the magnitude of that debt if we state it in terms of per-capita debt and indicate the amount of increase. Prior to the World War our national debt was only $13 for each man, woman, and child. War expenses carried that per capita to $240. Then followed 10 very prosperous years during which the per-capita debt was reduced to $130. Then we had a great depression, during which we have increased our national debt until it now amounts to $270 for each man, woman, and child. For the average family of four that amounts to a debt of $1,080 per family, exclusive of the bonded debt of States and political subdivisions.

We Democrats celebrated last November the end of the depression and took credit for that accomplishment. In 1933 we said that 1926 was a normal year and set that as our recovery objective. That objective has been reached. We adopted deficit financing as a depression policy—to prime the recovery pump with borrowed money. If we continue deficit financing beyond the depression, it ceases to be a controlled policy and becomes a drifting with the current, leading ultimately to financial shoals.

Prof. S. H. Slichter recently said:

> Deficit financing assumes that it is politically possible for the Government to take off emergency expenditures as business improves. This presupposes effective administrative and political controls on public spending. The United States is noteworthy, however, for the absence of such controls.

Tom Paine, who was noted for his skepticism, said that credit is suspicion gone to sleep. Our Government enjoys good credit because the people have faith in the soundness of Government obligations. Destroy that faith through loose fiscal policies and arouse suspicion and the Government's credit is gone. Already there are straws to show how the wind blows. Interest rates are beginning to rise. For the past month certain large city banks have been quietly selling Government bonds and taking the present loss on them in preference to what may later be a still larger loss. This trend has alarmed both the Governor of the Federal Reserve Board and the Secretary of the Treasury. For the 1936 Budget the Secretary of the Treasury had to finance a deficit of about four and three-quarters billions. For the current Budget he will have to finance a deficit of about three billions. He appealed to the President for a balanced Budget for the fiscal year commencing next July. The President submitted a Budget of $6,157,999,000 exclusive of relief. At that time prospective receipts were estimated at $7,293,000,000. That estimate was 77.2 percent more than the actual receipts for the fiscal year of 1936. We now know that estimate was too high by six hundred million or more. If we adopt the committee amendment today and the pending nonmilitary War Department bill, our House appropriations for the 1938 Budget will then amount to $7,375,776,000, exceeding the Budget by $1,117,000,000, with more appropriations still to come, including the last deficiency bill. If we keep this relief appropriation to a billion dollars, the Budget will still not be balanced, but the action will be reassuring to the business and financial world as indicating that we have come to grips with our biggest spending problem and have shown a determination to master it and not let it master us. We will still have a fiscal policy in which the country can have faith.

What the country wants to know is not so much whether the 1938 Budget will balance to the penny, but whether or not from now on the Congress is going to spend "with a discriminating judgment." Robert Browning tells of a picture by the master painter Raphael being scrutinized by the perfect technician Andrea del Sarto. Del Sarto said:

> That arm is wrongly put * * * its soul is right; he means right—that, a child may understand.

Do we mean well with respect to a sound fiscal policy, is our heart right with respect to preserving the faith and credit of the Government, or will we continue to appropriate without discrimination, without knowing where the money is coming from, and without being willing to impose the additional taxes necessary to finance such expenditures?

On April 19 last, our distinguished colleague from Ohio [Mr. LAMNECK] fully discussed the inflation dangers incident to a continuation of deficit financing. I invite your attention to what he said on that occasion. I know of no sensible man who intentionally desires to plunge us into inflation. Assuming that to be true we have two alternatives, one to bring expenditures within receipts, or increase receipts by additional taxation. Our choice of those alternatives will be made today, and I for one choose the first alternative, namely, to reduce expenditures.

Let no Member of this House who represents a farming constituency or a laboring constituency that does not file income-tax returns delude himself into thinking that on such account his constituency would not share in the burden of increased taxation. Through the rapidly mounting cost of living, every consumer in the United States is now sharing in our present tax burden. Income taxes for the fiscal year of 1938 to be paid primarily by corporations are estimated at $3,365,300,000. Is anyone so foolish as to assume that these corporations will absorb that tax or absorb additional income taxes if levied upon them next year? We all know that corporations must include taxes as an item of cost of doing business and add that cost to the price of the finished article. Nothing, in my opinion, can more greatly hamper the opportunity of business to enlarge and increase private employment than a crushing tax burden. And we have found no solution of our current economic problems if we assume that the National Government must permanently furnish employment or support for two or three million nongovernmental workers in addition to the more than 800,000 on the regular civil service and non-civil-service rolls.

I wish every Member of this House would reread the message sent to the Congress by President Cleveland during the depression of 1893, in which he described the burden to be placed upon agriculture and labor by an unsound fiscal policy. The country weathered that financial storm because it followed the sound advice of Mr. Cleveland. It would likewise be helpful to us if we could become imbued with the spirit of some of the leaders of this House in the depression period following the War between the States. In particular I have in mind the year 1876, when there was so much unemployment and great hardship and suffering among the people. Here is what a distinguished statesman from Indiana, Hon. William S. Holman, who won the sobriquet of "watchdog of the Treasury", said on February 7, 1876:

> • • • It is impossible at this time to approach any bill appropriating money without considering in some degree at least the present condition of public affairs and the extent to which efforts should be made to reduce the expenditures of the Government. A very great statesman who had spent a long lifetime in the public service, Thomas H. Benton, in speaking near the close of his career of the growth of our Federal expenditures at the time when the expenditures of the Government had reached about $60,000,000, uses the following language, which I quote from the great work of his later years:
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> "At the same time it is the opinion of this writer that a practical man, acquainted with the objects for which the Federal Government was created and familiar with its financial working from the time our fathers put it into operation, could take his pen and cross out nearly the one-half of these sixty-odd millions, and leave the Government in full vigor for all its proper objects, and more pure by reducing the number of those who live upon the substance of the people."
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> Since that was written the ordinary expenditures of this Government have expanded beyond $60,000,000 per annum and reached the present more enormous sum of $179,166,209.90 for the ordinary administration of our public affairs, independent of the public debt.
>
> This Capital, sir, is not the best point perhaps for deliberation upon the subjects that closely concern the industries of our people and the weight that rests upon them. We are here in the midst of a city where vast expenditures of money are made by the Government in countless forms, and the depression and stagnation of business in every field of industry, the want and destitution of multitudes of laboring men unable to keep the wolf from the door because labor cannot find employment, the actual suffering among our people for want of food and raiment are less prominent in this Capital than perhaps anywhere else; and for that reason it is well to consider the expression of opinion which comes up to us daily through the public press as indicating the judgment of the country upon the absolute necessity of severe and positive retrenchment in expenditures of Government. We are assured, sir, that the people are absolutely unable to meet the present burden of taxation. The gentleman from Maine [Mr. Hale], in discussing the Military Academy bill, spoke very well and clearly of the retrenchments which have been made during the last 2 years; and he remarked cautiously—and his experience is such as justifies confidence in his opinion—that still further retrenchment might be made; and yet I think the honorable gentleman was rather too cautious and inclined to place too much stress upon the assumption that further retrenchment would be found more difficult, as the field for retrenchment had been already severely gleaned, for, in fact, no discretion is left us. We must reduce the burdens that rest upon the country. We must reduce the expenditures heavily, and we can without impairing the efficiency of any function of government. I speak in moderation when I say that our form of government is in peril. Without reference to the public debt of those expenditures which inevitably resulted from the war, excepting the pension list, the cost of government is alarming. In the years 1860 and 1861, the first years of Mr. Lincoln's administration, the appropriations reached little beyond $62,000,000. In 1869 and 1870, with the Army and Navy larger than they now are, the expenditures of the Government had been reduced to $164,658,273.84, and in 1871–72 they were reduced to $153,037,346.15; and yet, instead of a continued reduction, as the country justly expected, for the present fiscal year the appropriations reach $179,166,209.90. The highest point reached since 1869 was in 1873–74, when the enormous sum of $194,217,210.27 was expended. I append the table of the expenditures, including 1860–61 and omitting the years of the war and the years immediately succeeding, that the expenditures in times of peace may be compared with those expenditures, including pensions but excluding the public debt.
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> In 1871–72 the expenditures were, as I have said, reduced to $153,037,346.15, but, unhappily, the appropriation for the present fiscal year reached $179,166,209.90, and the estimates for the next year are $180,516,972.76, so that it must be borne in mind that, after the reduction made under the influence of the public vigilance and pressure demanding economy, yet the appropriations for the present fiscal year, made by the last Congress, reached the sum I have named; and yet, Mr. Chairman, no gentleman can assert that the Government was more efficiently administered in 1873–74, with over one hundred and ninety-four millions, than in 1871–72, with little over one hundred and fifty-three millions. Mr. Benton was certainly right in his theory. In the meantime the capacity of the country to bear heavy taxation has been greatly diminished, for year by year oppressive taxation is exhausting the productive energies of the country.
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> Sir, we must resist this tendency to increase expenditures, go back along the track we have traveled. It is not now, as it has been at some periods, a matter which might or might not arrest the attention of Members of the House. It comes in a form that Congress cannot evade. Through the unfortunate example of the General Government throughout the country the local expenditures and indebtedness have reached an alarming magnitude. States, counties, townships, cities, towns, and villages have followed the perilous example until every industry staggers under the load of Federal and local taxation, and it is positively asserted that the aggregate taxation exceeds the products of the industries of the country. No nation can stand that. I do not assert that Congress is responsible for the general tendency to extravagance and profligate expenditure throughout the country in local government, but it must be admitted that the example set by the National Legislature has contributed largely to that unfortunate result, and a great example set by the Federal Government of severe frugality cannot fail to check the present fatal tendency, and it must be checked or universal bankruptcy and dishonor must follow. It was our boast through the first three-quarters of the first century of our Government that a republic was the most frugal, economical, and purest of Governments, simplicity, frugality, and virtue its sure foundations. We are in peril that it shall be charged that a government of the people is liable to be more profligate of expenditure and the people more oppressed by taxation than in governments where the people are not the masters. Will any representative of the people consent that that shall be possible? • • •
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> I trust that such a statement cannot much longer be made with any approach to truth, and I indulge in the hope and belief that both the great political parties of the country, as represented in this House, in considering the appropriation bills which will come up during the present session of Congress, will manifest a determination that these heavy expenditures shall be heavily reduced.

I repeat the hope expressed at that time by the chairman of the Appropriations Committee that "the present session of Congress will manifest a determination that these heavy expenditures shall be heavily reduced." [Applause.]

[Here the gavel fell.]

Mr. WOODRUM. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. LANHAM].

Mr. TABER. Mr. Chairman, I yield the gentleman from Texas [Mr. LANHAM] 5 minutes.

Mr. LANHAM. Mr. Chairman, I think it will be generally conceded that the President has done a most effective work in saving this country in a great crisis. In my judgment it

now behooves us all so to restrict expenditures under emergency measures and so to make those measures temporary in their operation that we may not be plunged into the depths of another depression and have no such sources of emergency aid available to combat it. I have been impressed with the President's very recent admonitions stressing the importance of economy at this session of the Congress. During the last few years the conditions of business in this country have been very greatly improved, and it seems to me imperative now to get the Government back to its normal functioning.

It has been a month since the President sent his letter to the Congress suggesting that a billion and one-half dollars be provided for relief. With the unexpended balances for such purpose still available, there seems no necessity for the present measure to carry that full amount. Provision need only be made for the sum which would bring the funds to be used to the figure the President suggested. Since sending that letter he has impressed upon us further the importance of economy in appropriations and has attested his absolute sincerity in this regard by vetoing an appropriation for his own State which, in comparison with the money here proposed, is relatively inconsequential.

One of the elements which seems to bring about a depression is the lack of confidence which results from serious impairment of the Government's credit. What is the present situation in this regard? We observe in the daily quotations that securities of the Government have fallen materially in their market value in the last few months and some of them are now below par. Surely it is incumbent upon us to stop the impairment of the Nation's credit. If continued, it may prove a step toward another crisis. How can we avoid it? There seems but one way and that is to stop appropriating large sums of money that we do not have and have no reasonable prospect of getting any time soon. [Applause.] We can begin practicing the economy that is preached, we can effect savings and apply them to our indebtedness, and thus decrease our obligations and enhance our credit.

The idea must be dissipated in this country that there is in Washington some mythical Federal grab bag into which we can reach and pull out financial favors to bestow. Except for about $1,000,000,000 that we get through customs duties and miscellaneous receipts, nothing goes into that bag except what the people themselves put in it. And all the people put it there. Oh, we hear a great deal of idle talk to the effect that we should get the money for extravagant expenditure from the millionaires of the country. Any well-informed person knows that if through our revenue laws we should take for the Treasury every cent of the income of every millionaire in our land the receipts would suffice to run the Government but a very short time. The money taken in taxes necessarily comes from men and women of all classes and conditions. Some of their contributions are made without their knowing it. Every time they take a smoke or go to a show or buy gasoline or attend a baseball or football game, and so forth, they are putting some money into the Treasury. We can take out only what all the people put in.

And so, except for the $1,000,000,000 I have mentioned, we necessarily have to get our revenues inside the country. It comes from all the people. The only way to increase those revenues is to stimulate the sources which furnish them. That requires the successful functioning of all kinds of business and agriculture and industry of every character. They must operate successfully if the necessary money is to be available. They are the agencies furnishing employment to every kind of labor. So business and labor are mutually dependent in the prosperity that assures revenue.

A revenue law was enacted in the last Congress with the optimistic prediction that it would greatly increase Federal revenues. As a matter of fact, the receipts this year have been far below such glowing expectations. It is very evident that this law requires some amendment and modification. Especially has it handicapped small business concerns. Business, large and small, cannot grow and expand and afford employment for greater numbers of our people unless it can operate with some feeling of certainty and security. Without such confidence commerce in its various ramifications can hardly be expected to move forward.

There is an enlightening incident recorded in Holy Writ with reference to the prophet Elijah who had foretold a period of famine and drought. By divine command he betook himself to a sheltered place and was fed by the ravens and took his water to drink from the brook Cherith. The Scriptures tell us that it came to pass after a while that the brook dried up. I want to impress it upon your attention that unless agriculture and industry and all other sources of employment can operate with relative certainty and confidence which will enable them to function normally and enjoy a logical growth, the brook which is the source of our Federal revenues may finally dry up. It behooves us to give due heed to this admonition of economy from the President.

Thus far our country has made wonderful strides of recovery under this administration. Assured of such confidence and certainty, the people will press forward in all their labors to even greater heights. The former need for large appropriations for emergency purposes does not exist. And it is very evident that substantial reductions can be made in the administrative expenses of various governmental agencies in this field. They are entirely too great. We have even heard accusations on this floor of absolute racketeering. Surely such evils of this character as may exist can be corrected.

Mr. Chairman, I wish to call attention to two amendments I propose to offer. In my judgment, their adoption will reduce materially the amount necessary to see that proper relief is afforded. The first one is as follows, and the suggestion contained in it was referred to by the distinguished gentleman from Tennessee [Mr. MCREYNOLDS] in his remarks:

On page 3, line 18, after the word "determine", insert the following: "*Provided*, That no agricultural laborer and no unskilled laborer who refuses or has refused an offer of private employment paying as much or more in compensation for such work as such person has received or could receive under the relief herein provided, and who is capable of performing such work, shall be eligible for relief hereunder for the period such private employment or any similar subsequent offer of such employment would be available: *And provided further*, That any person who performs such private employment shall at the expiration thereof be entitled to an immediate resumption of his previously existing employment status on the work relief authorized by this act."

Mr. DINGELL. Will the gentleman yield?

Mr. LANHAM. Not for the present. I wish first to complete some statements I have in mind.

Mr. DINGELL. I would like to ask one question.

Mr. LANHAM. I should like to proceed. If I have time remaining when I have finished my statement I shall be glad to yield to the gentleman.

Mr. Chairman, in many sections of this country it is absolutely impossible when the time comes for the working or harvesting of crops for the farmers to get laborers to go into their fields, because so many who otherwise would be so employed can get practically as much from the Government sitting around and doing nothing on relief. The same applies with reference to employment of domestic servants.

This amendment I shall propose does not apply to skilled labor because, if it did, it might give employers an opportunity to employ skilled laborers at less than the prevailing rates of pay their fellow workers in similar fields were receiving. This proposal refers only to agricultural laborers and unskilled laborers. It provides that when they are offered work which pays as much as or more than they are getting on relief, they must accept it if they are able to perform the work or else be dropped from governmental relief for the time such employment would be available. It provides, further, for the resumption of their relief status when such employment is ended. This is an item of very proper economy that we may wisely accept.

I propose to offer another amendment that will save millions of dollars for the taxpayers. It is as follows: "On page

5, line 4, after the word 'aliens', strike out the following: 'illegally within the limits of the continental United States', and on page 5, line 7, after the word 'that', strike out the word 'such.'"

In other words, this amendment, if adopted, would make none of this relief money available to aliens in this country. [Applause.]

How many aliens are there in this country receiving such bounty? I do not know, and you do not know, and it is difficult to find out from any agency of the Government, but I am advised that about a year ago the statement was made and undisputed that 650,000 aliens were receiving such relief.

Mr. KRAMER. Mr. Chairman, will the gentleman yield?

Mr. LANHAM. Let me proceed, and if I have time I shall be glad to yield. I want to finish this statement.

Maybe some of you can think of reasons why we ought to give money which we take from hard-working American taxpayers to those who are not citizens of this country, but I must confess I cannot. I know the argument that is usually made. It is said, "Well, yes; but some of these people have children who were born in this country. These children are citizens, and we must not discriminate against them." Ah, my friends, any man who has lived in this country long enough to rear a family and who is not sufficiently in sympathy with it and its institutions to become a citizen has no right to expect us to burden further the taxpayers of America to put money in his pocket. [Applause.]

When this amendment is submitted I should like to hear some gentleman who is going to oppose it tell us how many millions of dollars foreign countries are appropriating to take care of needy Americans abroad. Why, there has not even been an offer to reduce by such payments the large debts they owe us.

The rumor has persisted—I cannot vouch for its accuracy, but I think the Committee on Appropriations or some other appropriate committee should investigate it—that even in the Washington offices of some of the relief agencies men have been employed and are now employed in rather responsible and lucrative positions who, were aliens when they were so employed and some of whom are aliens today. I think that in getting out of depression and distress it is high time that we give the available work to our own American citizens.

Mr. LANZETTA. Mr. Chairman, will the gentleman yield?

Mr. LANHAM. For just a brief question.

Mr. LANZETTA. Does not the gentleman know as a matter of fact that most of these aliens are not citizens, not because they do not want to become citizens, but because of the restrictions which our naturalization laws put upon them?

Mr. LANHAM. Oh, I think that is a little farfetched. I do not know of any alien legally in this country who does not have rather abundant opportunity, if he so desires, to become a naturalized citizen. I am sorry I cannot yield further, because I wish to discuss one or two other matters.

Mr. Chairman, the quotation I am about to make was placed in the CONGRESSIONAL RECORD anew 2 or 3 years ago by the gentleman from North Carolina, our good friend, Major BULWINKLE. Except for a little difference in the phraseology of the times, what better description have you heard or read of our recent depression at its lowest ebb than is found in the following words?

> In casting our eyes around us, the most prominent circumstance which fixes our attention and challenges our deepest regret is the general distress which pervades the whole country. It is forced upon us by numerous facts of the most incontestable character. It is indicated by the diminished exports of native produce; by the depressed and reduced state of our foreign navigation; by our diminished commerce; by successive unthreshed crops of grain, perishing in our barns and barnyards for the want of a market; by the alarming diminution of the circulation medium; by the numerous bankruptcies, not limited to the trading classes but extending to all orders of society; by a universal complaint of the want of employment, and a consequent reduction of the wages of labor; by the ravenous pursuit after public situations, not for the sake of their honors and the performance of their public duties, but as a means of private subsistence: by the reluctant resort to the perilous use of paper money; by the intervention of legislation in the delicate relation between debtor and creditor; and, above all, by the low and depressed state of the value of almost every description of the whole mass of the property of the Nation, which has, on an average, sunk not less than about 50 percent within a few years. This distress pervades every part of the Union, every class of society; all feel it, though it may be felt at different places in different degrees.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield 2 additional minutes to the gentleman from Texas [Mr. LANHAM].

Mr. LANHAM. Mr. Chairman, this description, which fits so accurately our recent depression, was uttered in the House of Representatives almost 115 years ago by Henry Clay. We have passed through approximately 150 years of our national existence, and we have had many crises and panics besides the one to which Mr. Clay referred. The significant fact is that we have gone through them all successfully without even resorting to numerous similar measures of emergency. Can we contend that it is now necessary, after 150 years of such history, to carry on indefinitely this matter of handing out the taxpayers' money to aliens from other lands and to many who are averse to work even in the periods of our greatest prosperity? That there is some need of relief cannot be denied, however we may debate the proper source of supply to meet it, but it behooves us to avoid by every possible safeguard any permanent weakening of the stamina and self-reliance of the American people. Let us pause and ask ourselves this question: Is it necessary now, with business rapidly recovering and asking only that certainty and confidence which will assure its continued growth and prosperity, to appropriate for this so-called purpose of relief as much of the money derived from the taxpayers of the Nation as was required to meet the total expenses of our Government a quarter of a century ago? [Applause.]

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. TABER. Mr. Chairman, I yield 8 minutes to the gentleman from New York [Mr. BACON].

Mr. BACON. Mr. Chairman, it is not my purpose to discuss amounts today. I am, rather, going to discuss the question of administration and the method of administering relief.

I have introduced a bill in the nature of a substitute for the resolution you are considering today. You will find it printed in the Appendix of the RECORD, if you care to examine it in detail, or, should you wish to send for a copy of the bill, it is H. R. 7000. It is my purpose to offer this bill under the 5-minute rule, after the reading of the first section. At that time the question of the amount to go in this bill will have been decided by the committee, so my substitute will carry the amount upon which the committee has decided.

The philosophy behind my suggested proposal is the same philosophy we all know and understand so well in regard to Federal aid for roads. The philosophy is that Federal aid should be granted to States, but each State is required to responsibly administer its own job. This is based on the theory that the manner of doing the best job may differ in each State. Behind the bill is also the philosophy that we must eventually begin to get rid of this huge bureaucracy we are building up here in Washington. If we do not start to liquidate Mr. Hopkins and his organization, they will be on our necks forever.

I have no personal disagreement with Mr. Hopkins. Under the conditions he may have done as well as anyone else could have done, but the moment you start building up a huge bureaucracy centered in Washington to administer relief it is going to become very difficult to get rid of it and eventually liquidate it. For example, I believe that money given to the States and administered by the States for relief will go much further than money given to a central bureaucracy here in Washington.

It has been stated in our Committee on Appropriations that the overhead of Mr. Hopkins for bookkeeping alone is over $100,000,000. I believe the overhead Mr. Hopkins is carrying today is well over $250,000,000. My proposal looks to providing a larger percentage of the relief dollar to those who are on relief and not to those who administer relief.

Therefore, I believe that whatever amount is agreed upon today by the House that amount will go further if given to the States. My proposal does not attempt to cut down the amount of relief that this Congress may appropriate, but it does recognize the fact that if the States themselves administer relief, home responsibility will police the relief rolls, and a greater percentage of the relief dollar will reach those in actual want.

My proposal sets up a Federal bipartisan board of three to assist the President in making the allocations to the States along certain well-recognized principles, such as need, size, population, and so forth. The money is then turned over to the States and they are required to set up bipartisan boards in each State to administer these relief funds.

Mr. BEITER. Mr. Chairman, will the gentleman yield?

Mr. BACON. Yes; I yield.

Mr. BEITER. Do the States have to match the funds contributed by the Federal Government under the gentleman's proposal?

Mr. BACON. I am coming to that. My proposal is based upon the fact that each State must put up 25 cents for every 75 cents the Federal Government puts up.

Mr. BEITER. It is my understanding that when this bill reaches the Senate they propose a somewhat similar amendment, but they are going to require the States to put up 50 cents for every 50 cents contributed by the Federal Government.

Mr. BACON. I think, perhaps, eventually the States should put up 50 cents for each 50 cents that the Federal Government puts up, but I have been more liberal in my proposal. My proposal is that the States must put up 25 cents for every 75 cents put up by the Federal Government, and in this way more money will be available for those on relief than under the proposal you have before you today, where no State contribution is required whatever.

Mr. LAMBETH. Mr. Chairman, will the gentleman yield?

Mr. BACON. Yes; I yield.

Mr. LAMBETH. Is there anything in the hearings to show that the present distributions to the States have any relation to their own ability to contribute?

Mr. BACON. Nothing whatsoever.

Mr. LAMBETH. Do not those contributions range from 7 to 28 percent by the different States?

Mr. BACON. There is no question about that.

Mr. LAMBETH. And have no relation to their financial resources or tax load at the present time?

Mr. BACON. That is correct.

Mr. LAMBETH. I find from the hearings that North Carolina is contributing 19 percent against a national average of 13 percent, although we have one of the heaviest bonded debts of any State of the United States and one of the highest rates of per-capita taxation. Such discriminations are indefensible. The time has come for Congress to lay down more definite policies as to allocations among the States and contributions by the sponsors, regardless of the amount of the appropriations.

Mr. BACON. I urge this proposal in the full sincerity of idea and belief that its plan will win the approbation and support of all classes, with one exception—the little and selfish politician, and his crowd, who see in the present system a golden opportunity to build up political power.

While presented as a substitute for the proposal before us, I urge its consideration especially upon those who feel, like I do, that the time has come to liquidate the Federal Government's complete control of the relief system. Shall the present bureaucracy continue until the last man is off relief? Shall all the present duplicated effort, waste, exploitation, and politics in relief carry on until the Federal Government itself winds up the business?

The transition of State control and administration of relief to Federal regulation was gradual and was compelled because of the conditions of the times. Federal control was undertaken in its entirety on the claim that the States were unable to meet the problem; that many of them were practically bankrupt.

But now conditions have changed. If the claim of returned prosperity can be sustained why should there be delay in liquidating Federal control of the entire relief machinery? And why should the States not contribute a definite percentage of the relief expenditures?

When are we going to make the start of turning back relief to where it belongs? I earnestly submit that in all good conscience, now is the time. Surely the several States know their respective relief problems by this time; surely they must have profited by their knowledge of Federal administration, as to both the good it has brought and the harm it has done.

I do not purpose simply throwing back the relief problem to the States and with a shrug of the shoulder to tell them, "Here, take it back; the Federal Government has no further interest in helping you to sustain your responsibility!" Not by any means.

My proposal, please remember, accepts the President's estimate that $1,500,000,000 will be needed for relief during the next year. But to it is coupled the requirement that each State bear 25 percent of the relief cost. So there will be no heartless dumping of the relief problem on the States; instead, the Federal Government will continue to furnish the backlog for relief expenditures through the huge sum of a billion and a half dollars.

I do not know whether the Federal contribution of $1,500,000,000 for relief during the next year is too much, or even too little. And not knowing, I cannot conscientiously criticize the amount. No basis for an intelligent opinion on what is really required has been submitted to us, nor have any facts been presented by the administration as to what resources the various States could be expected to make available in the way of State and local cooperation. None of us know, although we have tried to get the information. We do not know in realistic terms what our unemployment situation is because of the administration's refusal to have an unemployment census conducted. The administration alone claims full knowledge of the problem, and I fail to see how we can do anything other than to go along with the President's guess as to what is necessary. Simply to cut the relief item in a captious or arbitrary way to show a saving would be undertaking a dangerous gamble in the provision of adequate relief that I am unwilling to risk.

The philosophy of this bill, as I have mentioned, is to reinvigorate local consciousness of the local relief problem; to provide local direction through the establishment of safeguards against waste which would naturally be set up through the free flow of neighborhood opinion; and to depend on local policing and local responsibility to do a better job than is being done today.

There is nothing in this proposal that urges direct relief as against work relief; there is nothing in it that would persuade or dictate any preference of administration as to the methods of affording relief. That would be left to the States, and they would set up the precise sort of relief machinery that best met their needs, and they would have ample funds because the backlog of Federal aid would be there in the full measure that the President himself believes is necessary.

Under my proposal politics in relief would be dealt a fatal blow. It is politics that has damned and will continue to damn the present relief administration unless corrective steps are taken. The administration has done nothing to meet the Nation-wide acceptance that politics play a large part in relief administration. It has insisted that it be represented, both here in Washington and in the field, by no one except its own appointees. And in the majority of cases we know that they have been all political appointees, faithful to the natural sense of gratitude.

The Gallup poll, as you know, showed conclusively that the people as a whole believe that politics are tightly linked to the administration of the relief dollar. And if that poll is representative of country-wide opinion it is obvious that public confidence in the relief system is weakened accordingly.

The set-up of the bipartisan Federal board under my proposal, with bipartisan State boards and subordinate boards of like character, could be expected greatly to restore public confidence and reinstill the responsible interest that the people everywhere should feel in the problem. Now they are helpless and are bogged down by a sense of futility that any appeal they might make to effect better conditions can get nowhere; that Washington will do as it pleases, anyway; and that there is no use in their worrying about the problem any longer.

Decentralization of the relief machinery among the various States may not cast out all politics, but the exceptions will become so noticeable as to focus public attention. The provision for political minority representation on every board would meet the custom in the set-up of all manners of other commissions and boards and agencies. There is only one theory for minority representation in the blunt sense, and that is that minority representation on any commission or agency is demanded in the public interest. Why should the relief administration, where the greatest charge of politics lodges, be without the benefit of minority representation and policing?

Under a bipartisan set-up it is obvious that politics could not continue to move as boldly as in the past. Minority representation would have its outlet to the public, and so administration of relief would be brought out into the open.

There is no partisan interest to be served by my plan. None is intended. Republicans cannot profit, for it is obvious that under a Federal board and under the various State boards that would be set up the parties now in power would have majority representation. There would be no gain for any type of partisan; the only gainers would be the people themselves, those on relief and those who are helping to sustain them.

I leave this plea with you, that you consider this proposal on its merits, and that you hold no reservation of any kind that it is prompted by any political or partisan considerations.

Its whole philosophy rests on the idea of so regearing the relief machinery that politics can be effectively removed where its clogs are present; State responsibility for money aid and administration definitely established, looking to the ultimate end of liquidating Federal control of relief—all to the primary objective of making the taxpayers' dollar give the most in real relief, with no pap to any politician or group, no waste suffering any person on relief, and nothing left undone to bring relief administration under the best management possible.

[Here the gavel fell.]

Mr. DIMOND. Mr. Chairman, I ask unanimous consent to extend my own remarks in the RECORD.

The CHAIRMAN. Is there objection to the request of the Delegate from Alaska?

There was no objection.

Mr. CANNON of Missouri. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. RABAUT].

Mr. RABAUT. Mr. Chairman, yesterday in this House in direct contrast to the urge for economy we had a demonstration of loyalty that was the admiration of all those who recognize the true sense of the word, and it was particularly fitting that this loyalty was extended in behalf of none other than the distinguished chairman of the Ways and Means Committee, our beloved friend and patriarch of the House, ROBERT DOUGHTON.

Today as this emergency relief appropriation bill comes before the House I am wondering to just what degree the membership of this body will regard the loyalty that should be theirs to their constituency back home. I am wondering whether the great word "economy" is to find its first fitting place when it operates against the poor of this country. [Applause.] I am wondering if we are taking into consideration the effect our action may have upon the labor market of this Nation. I am wondering just what concern this body has regarding the veteran who is 40 or over and finds himself unemployed. I am wondering just what we think about the wives and children of the most helpless class in this Nation—those on the W. P. A., those whom we would strike today under the waving banner of economy. [Applause.]

I want the membership of this House to remember the days when most of us came here, when these same unfortunates had been driven down into the mire of despair by those who preceded us in the conduct of the Government of this country. Are we to walk out on them now? I leave that question with you. Will you walk out on your leaders today? Will you walk out on the members of the Appropriations Committee, who have considered this matter? The appropriation of $1,500,000,000 recommended by the committee amendment is the sum desired for relief of the most underprivileged, unorganized class in this Nation. Think it over seriously before you vote, and remember that you are accountable to all the people of this Nation, even to "the least of them." [Applause.]

Mr. BACON. Mr. Chairman, I yield 10 minutes to the gentleman from Indiana [Mr. GRISWOLD].

Mr. GRISWOLD. Mr. Chairman, it seems to me that this House is intent on making an appropriation. The only difference is that one group wants $3,000,000,000, another group a billion and a half dollars, another group a billion dollars, and another group $600,000,000. It reminds me of the boy that described his lost dog to the police and told them that he had a black spot on him about as big as a dollar, a dollar and a half, or two dollars.

The April 3 issue of the Saturday Evening Post carried an article that stated:

> Each W. P. A. dollar is divided into 61 cents for the reliefer and 39 cents for overhead.

This may or may not be correct. I am disposed to suspect statements in the Post of being inoculated with a disease that we Democrats have in recent years made very prevalent—political propaganda. But whether the statement be right or wrong, certain it is that the spread between the cost per man to the taxpayer and what the man receives is far too great. The cost to the taxpayer per man per year, according to the testimony of Mr. Hopkins in the hearings, is $804 plus 3.6 percent for overhead, plus $9.30 per man per month for material. Mr. Hopkins considers as overhead only the Washington office in his percentage basis. These items add up a total of $944.40 per man per year, and Mr. Hopkins, in a letter to me dated May 11, says the man actually gets $660 per year. This is a spread of $284.40 between the man on relief and the taxpayer. Leave out the material cost and you still have a spread of $172.80, or 20 percent per man-unit, for dispensing the money. It costs the taxpayer $172.80 to have $660 transferred from the blank check Congress has given Mr. Hopkins to the man on relief.

This bill is not in reality a bill for the benefit of the needy. This is a bill to relieve the taxpayer of his money for the benefit of the people who are not needy—for the benefit of those who receive the $172.80 spread. They are the profiteers of relief. And we do not confine the benefit of either the $660 or of this 20-percent spread to citizens. While tax-paying citizens suffer from either high taxes or the pride that keeps them off relief, we carry on our relief rolls 120,000 aliens. We carry aliens in our most important nonrelief positions under Mr. Hopkins. Mr. Hopkins has employed from this relief money, that we tell the people we are using for the needy and destitute, Gertrude Berta Greig, at a salary of $2,300 per year, as a research assistant in the Works Progress Administration. The name means nothing to you, but the fact that she was a citizen of Britain when employed should mean something. The Works Progress Administration employed her on December 15, 1933, at a salary of $1,800 per year, and on July 16, 1935, raised her pay to $2,300. She never filed her petition for citizenship until May 28, 1936, two years and a half after she had gone on Mr. Hopkins' pay roll as an official of his administration. She was born in England in 1911. Mr. Hopkins could not find a qualified girl in all the 120,000,000 of our citizens of the United States, so was forced to employ this 22-year-old

British subject to do her part in making up the 20-percent spread. Mr. Hopkins has another 28-year-old research assistant employed at a salary of $3,000 per year in January 1935. He was born in Copenhagen, Denmark, and although he entered this country at Detroit in 1925, he never thought enough of it to file his declaration of intention to become a citizen until May 10, 1935, 5 months after he had started drawing his nonrelief salary from the Works Progress Administration. With all of the unemployed graduates, teachers, and accountants who are citizens of the United States, Mr. Hopkins was forced to use this citizen of Denmark, Mr. Karl Edward Jensen, to receive $3,000 per year of the Administration's spread. This is where part of your relief money goes.

And we have Berta Asch, at a salary of $3,200 a year, who was employed on June 6, 1935, as an associate research economist with the Resettlement Administration. She was born in Hamburg, Germany in 1902 and entered the United States at St. Albans, Vt., October 15, 1935. You will note that she was on the pay roll of the Resettlement Administration 4 months and 9 days before she officially entered the United States, and she filed her declaration October 16, 1935, in the Supreme Court of the District of Columbia. She must have come from Vermont to Washington by special airplane to make it here in time to get into the court on the 16th. And that is where some of your relief money goes.

It goes to create a swivel chair job for Berta Asch, a citizen of Hamburg, Germany. There are plenty of other cases. I have several typewritten pages here of the names and histories. If you care to investigate, you can get them all. You have a right to know who gets the money you are giving Mr. Hopkins in this billion and a half blank check.

On May 7 the national debt reached an all-time high. It is so immense that it would require the Bureau of Engraving and Printing to work at top speed for 10½ years to print enough $1 bills to pay it. The national debt today is $271 for every man, woman, and child, and in that count is 10,000,000 unemployed. It is $1,355 for every family of five. On May 7 it was $13,000,000 more than the President estimated at the beginning of this session that it would be on the 30th of June. We are borrowing $50,000,000 a week and will continue to do so to the end of the fiscal year.

This week I had women in my office from the State of New York. They said they were members of the women's brigade of the Workers' Alliance. They wanted more and better relief. They wanted me to vote for $3,000,000,000 for relief. I asked them where we would get the three billion, and they said, "Tax the rich." I wonder just who the rich are. They said, "Those who have money." Everyone who works and earns his money. Therefore, they mean tax everyone except those on relief. Penalize a man for not going on relief. How many will stay off relief under such a system? If we are to be rewarded for going on relief by being tax exempt, who will be left to be taxed? This is the attitude of the women's brigade of the Workers' Alliance. They are on relief. They are on Mr. Hopkins' pay roll, and yet they have sufficient funds to travel from New York to Washington and maintain themselves here while they lobby Congressmen to tax the people who work and obtain from them $3,000,000,000 for the benefit of those whom they would make free from taxes. These ladies threatened to defeat me in the next election. They have told some of you other gentlemen the same thing. Opposition of those who are on the public pay roll is a fearsome thing to face in an election. But it will be more fearsome when you face the ones who work and must be taxed. I wonder if it will not be more terrible when you place on the people a Federal sales tax to make up this money. When you place a tax on fuel oil. When you lower the exemption on Federal income tax and increase the rate on those in the lower brackets. You are not going to do it until next year, so you let next year take care of itself. But next year is coming, and you must face it then. The days when you can delay it grow fewer all the time.

You say recovery is here. If recovery is here, why spend this money for relief? If recovery is here, you do not need this relief money. If recovery is not here, then the $9,000,000,000 you have already spent is money thrown away and wasted, and it is time for us to try another system. The truth is, Mr. Speaker, that insofar as relief is concerned we are in the position of a man who has a vicious dog by the tail—he cannot continue to hold it because his strength is giving out, and he cannot let it loose because it will bite him.

Prior to August 1, 1935, relief was administered for 26 months by local control. The Government granted this money to the States and the States distributed it by and with the advice of local authorities in the communities. Under that system conducted by Mr. Ickes the average cost for the 26 months in my district of seven counties was $57,021.67 per month. Under that system the prevailing rate of wage was paid. In these same seven counties in Indiana under Mr. Hopkins the W. P. A. system is paying only the security wage, and yet there is 20 percent administrative spread, directed by alien economists, and the average cost per month for 9 months was $148,573.76, or almost three times the average monthly cost of the other system, and yet less beneficial results to recovery generally.

I have called the attention of the House on other occasions to the fact that relief should only be a temporary expedient, to aid men to return to work in private employment. It should never be a permanent institution. To give men something makes them slaves to the giver, under obligation to him who is the dispenser of favors. To work for what they receive at a prevailing wage makes a race of strong, noble, and independent men. If our relief system is not providing work in private industry, it is a failure. Relief work at a security wage cannot benefit private industry. It can only tax industry to provide a dole under the name of work relief.

The President on Wednesday sent a message to the House vetoing a bill, and in that message he stated Congress by the bill was guilty of "an unconstitutional invasion of the province of the Executive." I agree with the President in his position on that particular bill. But by virtue of the same Constitution the right, nay more, the duty, of Congress is to fix the amount of money to be appropriated and say how it shall be spent. It is the duty of Congress to earmark every dollar it spends. It is derelict in that duty when it writes a blank check of one and a half billion dollars to Mr. Hopkins, the Chief Executive, or any other person. To write such a blank check on the funds of the Government is "a constitutional invasion of the province" not only of the Congress but of the whole American citizenship.

Under this bill as drawn we do not earmark a single dollar for the benefit of continuing the building of schoolhouses and other permanent municipal improvements. We leave it all to be spent at the whim and caprice of Mr. Hopkins on the advice of his alien economists. At the least possible figure 20 percent of all our money we appropriate under this bill does not go for the benefit of the needy or people on relief. Proper administration would give 20 percent more of this money to take care of needy people. If the intent is to place the needy on relief rolls, then if Congress, under this bill, would fix a method of administration instead of leaving it up to Mr. Hopkins 20 percent more people could be placed on relief than are on it now for the same amount of money. I shall vote for all amendments to earmark these funds.

Mr. GIFFORD. Mr. Chairman, will the gentleman yield?

Mr. GRISWOLD. Yes; I yield.

Mr. GIFFORD. I have stated that before and I want to again state it. I hope the gentleman will incorporate in his remarks that 61 cents of the dollar goes into the reliefer's pocket. He is the one we are trying to look after here today. General Johnson says 60 cents. Mr. Hopkins says 67 cents, but we know how that is figured. However, let us remember, if we can, from 60 to 67 cents only reaches the reliefer's pocket. He is the man we want to look after today.

The CHAIRMAN. The time of the gentleman from Indiana [Mr. GRISWOLD] has expired.

Mr. TABER. Mr. Chairman, I yield 10 minutes to the gentleman from Missouri [Mr. SHORT].

Mr. SHORT. Mr. Chairman, unless this resolution is radically and properly amended, I shall be constrained to vote against it. No American who has magnanimity in his mind, sympathy in his soul, or pity in his heart wants to see his fellow man suffer, let alone starve. I have never thought that any particular individual or any particular political party or any particular group anywhere had a monopoly on all the humanitarianism there is in this world. The longer I live and the more I study men, the more I am convinced that beneath our little differences of opinion we are, after all, very human and very much the same.

Mr. Chairman, I have only the deepest sympathy for the poor unfortunate people who have been honestly forced to go upon the relief rolls in our country; but the sad and the tragic part of the whole messy story of relief is that so little of the money which we have appropriated goes to the people for whom it was intended. I have always believed, Mr. Chairman, and after our experience of the past 4 years I am more convinced than ever before that the careless, indiscriminate giving to people is an ignoble philanthropy that is conducive only to the perpetuation of poverty and indolence. There is a serious question in my mind whether or not this whole business of relief is fundamentally wrong. I have not lived as long as some men in this Chamber, and, consequently, do not know nearly as much; but I have lived long enough and I have fairly generously donated to the causes of charity and helped those who have been nearest and dearest to me to know that oft-times charity is more of a detriment than it is a help; a greater load than it is a lift. I charge, and I charge deliberately, that during the past 4 years we have dangerously near reached the point where we are encouraging and fostering a generation of beggars and mendicants.

Mr. VOORHIS. Mr. Chairman, will the gentleman yield?

Mr. SHORT. No; I refuse to yield. I do not have time.

The saddest experience I have had in the past 3 years I dare say has been the same disappointing, disillusioning experience of every Member of this House. I have known men and women back home who, a few years ago, were independent, prosperous farmers and businessmen, filled with pride, possessing a spirit of self-respect and self-reliance, depending upon no one, but they seem today to be suffering with the "gim-mes.", It is "gim-me this and gim-me that." There is very little difference between Republicans and Democrats when it comes to that sad affliction. Those men and women who once earned their own living, lived their own lives, held their heads high, today before they will paint a barn or build a chicken house, sit down and write me a letter to see if Congress cannot give them a grant.

As a student in Germany and England following the World War I saw the dole system, like a cancer, slowly but surely eat out the heart and soul of those great peoples. We refused to profit from their sad experience. I want to say that the relief business today in our own country has so degenerated until we are fostering that spirit of apathy, indifference, indolence, and irresponsibility until we are threatening to destroy the morale and wipe out the character of a great and free people. [Applause.]

Many amendments should be made to this measure. Certainly it should be reduced from $1,500,000,000 to $1,000,000,000. If I had my way, I would reduce it to a smaller amount. Certainly the amendment of Mr. LANHAM should be adopted, to deny further relief to those aliens in our country who have no right to be here. Certainly the amendment of Mr. BACON should be adopted, which will turn the administration of relief to the local authorities; that will result in great saving in administrative costs and do away with some of the discrimination, favoritism, fraud, and waste that we so sadly have experienced.

Certainly the amendment of the gentleman from Oklahoma [Mr. CARTWRIGHT] should be adopted, which will earmark at least $150,000,000 for the construction of Federal highways and secondary roads [applause], where all the people will enjoy its blessings, without discrimination or favor. Certainly the amendment of the gentleman from New York [Mr. BEITER] should be adopted, in order that this Government may carry on to completion certain projects that are now standing, just started, or half done. [Applause.] Even if all these amendments are adopted, you will have only a fair bill, and I doubt whether I can support it then. Why? Why; because, Mr. Chairman, the only way we ever can stop this inordinate spending is to compel the local communities to match the Federal Government dollar for dollar, and then the people who administer relief in those communities will realize it is their own money. Unfortunately, in this country during the past 4 years there has grown up a feeling that the Government of the United States is here in Washington, D. C., when it is not at all. It is out at Oshkosh, Oscaloosa, Kokomo, and Ossawattamie, and every crossroad and hamlet of the United States. When, oh, when, Members of this House, will we pound into the heads of our people the fact that the Government is not here but out there; that they themselves are it; and that no government ever can give to its citizens anything that it does not take from them?

It is no use to deal in a lot of political demagoguery and sloshy sentimentality in behalf of the poor old man when you saddle another $1,500,000,000 upon the backs of the taxpayers of this Nation, who are now stumbling under an almost unbearable burden. When you do that you are the worst enemy to the poor people of this country. [Applause.]

I come from the Ozarks, in southwest Missouri. I have the honor to represent a good, hardy people who have sprung from a pioneer race that came out of the hills of Kentucky and Tennessee.

We may not know much, but thank God we have got enough common horse sense to know that Santa Clause does not come down the chimney the night before Christmas. [Applause.] And we also know that all the Easter eggs are not laid by bunny rabbits. We also know that those who have been the recipients of this bountiful outpouring of the people's money will in the end be called upon to foot the bill which this benevolent, patronizing paternalism has shouldered upon them in their own ignorance.

In closing, Mr. Chairman, permit me to say that this Congress has no authority or power in my judgment to delegate its legislative functions to the executive branch of the Government. From 1789 to 1933 the American Congress gave to the 30 Presidents during that period only $1,687,112,500 to spend in their discretion.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield 1 additional minute to the gentleman from Missouri.

Mr. SHORT. Just a little over $1,500,000,000 was delegated by the Congress to 30 Presidents in 143 years of our history to spend as they saw fit. And then, only in time of war or dire emergency. But since the 4th of March 1933 Congress has turned over to one man $15,428,498,815 which he in his infinite, infallible, omnipotent, and impeccable wisdom can spend at any time, in any manner, and on any project that he may deem fit. [Applause.] That is more power than any good man should want and certainly is more power than any bad man should possess. Give the President this power and you surrender your liberty.

I certainly hope that the Members of the House will follow the leadership of the splendid and gallant leader, the gentleman from Virginia [Mr. WOODRUM] who is a most loyal and faithful friend of the President, and who is a most eloquent spokesman for his party in this House. [Applause.]

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield 10 minutes to the gentleman from Indiana [Mr. HALLECK.]

Mr. HALLECK. Mr. Chairman, in my work as a Member of this Congress I owe an obligation only to the people of my district, my State, and my Nation, and to my own conscience. I think that is the obligation of every one of us.

This is not a political issue to be debated as a political issue. Rather it is a matter for all of us to determine for ourselves in the light of our own views and on a nonpartisan basis.

It is not a pleasant thing to talk about economy, particularly when the measure at hand has to do with relief. I dare say that it is not popular, and it likely is not politically expedient, but as far as I am concerned, I think that it is high time that we put political expediency into the background and began to try to get to the real foundation of what is going on.

I have no quarrel with the people who have accepted relief. I think they were entitled to it and I think the Government owed them relief. I think when the pages of history are written those people will not be criticized, but rather will it be said of them that they are to be commended for having endured these years so bravely. My greatest regret is that too much money has been wasted; too much has been diverted from the use for which it was intended. But, Mr. Chairman, this country owes the unemployed something more than relief, something more than bare subsistence on the Federal pay roll; it owes them the reestablishment of a system under which they can again have a real job in legitimate industry and legititimate agriculture. Every effort of the Government should be turned in that direction. [Applause.]

It has been suggested that we do not really know what amount is necessary adequately to take care of relief. As far as I am concerned, I am ready and willing to vote for such amount as shall be necessary in that regard, but I am inclined to believe that the chairman of the subcommittee is as well informed and knows as much about that problem as anyone in this whole country. [Applause.]

I suggest the further thought that if $1,500,000,000 was necessary to take care of the relief problem when expended in the manner heretofore followed in this country that we can effect enough economies to make $1,000,000,000 do the same good and get more money to the people who really need it. Overgenerosity in appropriating for relief breeds waste, graft, racketeering, and diversion. An appropriation in a reasonable and sane amount will adequately care for those who need help, and beyond that we should not go.

Further than that, why cannot the States supplement the Federal appropriation if that should be necessary? That would go a long way to eliminate waste and overhead by getting a measure of the responsibility closer to the people. It cannot be said that 48 States are insolvent and that the United States is not. The 48 States are the United States.

Why, just this morning I received a newspaper from my home State of Indiana containing an article referring to a shake-up in the W. P. A. This article stated as follows:

> Dismissal Saturday of a publicity staff of 27 in the State administration will save $40,000 a year, Mr. Jennings said.

Why in Heaven's name did we need $40,000 for 27 publicity experts in the State of Indiana during the past year to carry on the work of W. P. A. in that State? Why was that money diverted from the persons really entitled to it?

Mr. LAMBETH. Will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from North Carolina.

Mr. LAMBETH. May I state what the Resettlement Administration spent for printing? That organization spent $808,991 for printing in the last fiscal year.

Mr. HALLECK. That is a further indication of wastefulness. May I point out another thing. The people on W. P. A. are beginning to get wise to what is going on. I hold in my hand a newspaper copy of a telegram sent to the State administrator in Indiana, reading as follows:

> The organized W. P. A. workers in Indiana demand immediate economizing in the administrative force of the W. P. A. In view of the fact that less money is available for W. P. A. we believe it only fair any slashes in the W. P. A. force should come from the administrative personnel.

In other words, if we get the chiselers, the racketeers, and the unnecessary overheard out of the administration of relief, we will find out, in my opinion, that $1,000,000,000 will do the job. And whence came that figure of one and a half billion dollars? If Mr. Hopkins was as far from a correct figure as he was when he said this country would eternally have an unemployed army of at least 7,000,000, I say we cannot give too much credence to his figures.

Mr. Chairman, a lot has been said here by those who favor increasing the appropriation that we must spend more money on relief because of increasing prices that the people on relief have to pay. That prompts me to make this statement: Taxes are paid by the sweat of every man who labors, because they are a burden on production and can be paid only by production. Why, as a Republican I believe that, and I think that Mr. Roosevelt spoke the truth in that statement made in 1932.

What is happening? The increased expenditures of the Federal Government are reflected in increased taxes. What is the effect of those taxes? The burden of those taxes goes into the price of everything that the poorest person in the country has to buy. It hits the poor man harder than it hits the rich, and that is the reason I am against excessive governmental expenditures. [Applause.]

We talk about taking care of the underprivileged one-third. By this act you directly benefit certain people who must be helped, I recognize that, but at the same time with this expenditure, insofar as it may be excessive, and by any unnecessary expenditures we unnecessarily increase the cost of living of all the others of that lower one-third who can hardly keep body and soul together as it is.

The question may be asked, Why economize? We must economize to the end that we must not in this country segregate over here one group of our workers just as able, just as deserving as any of our workers, keeping them as wards of the Government at subsistence wages, and over here have the great body of American workers earning wages that only private industry, business, and agriculture in this country can pay.

Who was it said, "Excessive governmental spending is a brake on any return to normal business activity"?

What is "normal business activity"? It is the railroads transporting, the farmers producing, and the laboring men working in factories. That is normal business activity and it is the thing we should all subscribe to. Who was it said, "I regard reduction in Federal spending as the greatest contribution that government can make to business"? Mr. Roosevelt made those statements in 1932. They were and are statements of fact and not opinion. Before Mr. Hopkins says the machine age has destroyed the opportunity for employment for millions, why does he not go into some of the poor homes in this land? He will find there a consumer demand crying to be filled that will keep every factory running night and day before that demand can be filled. It is silly and ridiculous to urge and say that the initiative of the American people cannot put our folks to work at machines, producing more and not less, to the end that the standard of living of our people as a whole shall be raised, not lowered. [Applause.]

The only real and permanent cure for unemployment will be found in more jobs, not in more relief. Relief is necessary until jobs are available, but relief should be so administered as to hasten the return of real jobs.

If you believe in spending to promote recovery, if you believe in priming the pump, then you should not vote for one and a half billion dollars, but for four or five billion dollars. On the other hand, if you believe, as was stated in 1932, that the way to put people back to work is to cut out excessive spending, then you ought to vote to keep the figure in this bill and in all other appropriation bills at the lowest possible figure. What for? Why, to the end that the unemployed of this country may not be faced with that status as a permanent status, but, rather, that they may again have jobs and not doles and may be able to take their place in the legitimate business and industry of this country. [Applause.]

[Here the gavel fell.]

Mr. WIGGLESWORTH. Mr. Chairman, I yield 15 minutes to the gentleman from New Jersey [Mr. EATON].

Mr. EATON. Mr. Chairman, I ask unanimous consent to extend my own remarks in the RECORD and include therein a certain brief telegram and a brief resolution.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. EATON. Mr. Chairman, I wish to call your attention to an incident connected with a very small segment of our industrial organization, and yet which casts a searing light upon the great problems involved in this legislation.

A few days ago I received the following telegram from Chester, a village in my district in Morris County, N. J., reading as follows:

DEAR CONGRESSMAN: We are employed at the Bell Fur Co. at Chester, a nonunion organization. Today the union issued notice to discontinue manufacture and disposal of goods on hand by about Wednesday, May 5. We represent 50 individuals, satisfied with our work and with our salary. Can you help us by making it possible for this firm to continue doing business?

Mr. Chairman, now I want to tell the amazing story. A few years ago in the city of New York two Jewish gentlemen, brothers, by the name of Dretel, were engaged in the manufacture of fur garments.

I know one of these brothers. He is the kind of a man who in any community will stand for everything that is constructive and good. As related to me by this gentleman, because of labor trouble in New York, where the garment workers were the most sweated and degraded by their employers of any workers in the land, Mr. Dretel, some 8 years ago, came into New Jersey and started a little fur manufacturing plant, and it prospered. After a time he started another one. Then another small factory was opened by a Mr. Haug. Two years ago Mr. Dretel went to Chester, in Morris County, and took over an old factory which he put into excellent condition, and in which for 2 years he has employed 50 of the boys and girls from the farms and villages in the surrounding district. The boys averaged in wages, so I am told, $25 a week, and the girls, after learning the work, from $18 to $20. It was a happy industrial family. They loved Mr. Dretel and he loved them. They were getting along fine.

On the 30th day of April there appeared three men, alleged to come from the Fur Workers' Union of New York. One of them, Mr. Dretel states, was unable to speak good English. He spoke in Yiddish. They were Russians in origin and represented a group of Russian Communists dominant in the New York union. These men served notice on Mr. Dretel, in my State, that if he did not close his factory within 5 days and throw 50 of my boys and girls into the street where doubtless some of them would be forced to go on relief, disaster would overtake the wife and children of Mr. Dretel's brother in New York City. No suggestion was made that the Chester factory be unionized. The command was that it be closed. This, Mr. Chairman, was in America, the land of the free and the home of the brave, in New Jersey, on the very soil made sacred by the blood of patriots 150 years ago, who wrenched this land from the hand of the tyrant and set up the greatest experiment in free government in the history of the world.

I am for relief wherever relief is necessary. I stand for extending help to any man who needs it. I have given a long and active life to the service of my fellowman. I have kept nothing for myself. I came into the world with nothing and I will probably go out with less, so I need not now explain that I am for helping anybody who needs help.

Mr. RANKIN. Did he close that factory? That is what I am worried about.

Mr. EATON. Has not the gentleman heard what I have said?

Mr. RANKIN. The gentleman said they told him to close it. Finish the story.

Mr. EATON. I will finish my story.

A few days ago I went up to the factory. Mr. Dretel was standing there like the man in the poem, "lonely upon a peak in Darien." The factory was empty, the machinery shipped back to New York. Fifty of my boys and girls were out, through no fault of their own or wish of their employer, looking for a job, and probably some of them will have to go on relief—these fine, self-respecting, self-supporting young Americans.

I say, first of all, in the solving of our problem there are two or three fundamental principles revealed by this case. I do not believe that our primary need is a billion and a half of dollars. What we need is some old-fashioned, self-respecting, common-sense Americanism applied to this problem, if we are to solve it.

In the first place, I want to see American labor and American employers quit the war basis upon which they have been placed in the past 4 years and get together to help solve, by the union of their brains, character, industry, and investment of their lives, labor, and money, the problem of giving employment to these unemployed people throughout the Nation instead of giving them a degrading dole.

In the second place, I rejoice to see an awakening Americanism in the hearts and minds of men and women on both sides of this aisle and through the country. The day is here when we must forget partisanship, forget that we are politicians, forget that we are Democrats or Republicans or New Dealers, or God knows what, and stand up as Americans to save for posterity and for the world God's best gift to man, next to His divine kingdom, our country.

Mr. RANKIN. Is there no way on earth under the laws of New Jersey or New York to punish these criminals, these racketeers, who have perpetrated this crime against your people?

Mr. EATON. I thank my keen lawyer friend for that question. I was coming to it. When the boys came down to see me, five clean-cut, manly young fellows, I sent them to the Wagner Labor Relations Board. The Labor Relations Board sent the boys to Mrs. Herrick, its regional representative in New York, and she told them she had no jurisdiction.

I then went to the authorities of the Department of Labor, who turned the case over to their conciliator, a fine fellow named Moffatt, in New Jersey. In a few days Moffatt threw up his hands and quit.

I then went to the Attorney General's office and they circulated me around like a shuttle until I found a couple of attractive young fellows down in a hole somewhere who told me that under the Interstate Commerce Act or law or something, nothing could be done. So it is evident that this great New Deal administration cannot or will not save boys and girls of American birth in New Jersey from being thrown on the streets by the command of a mess of aliens from New York. It is worse than that, for the three New York Russian dictators closed all four fur-working factories referred to above and threw 100 employees out of a job.

Mr. RANKIN. What is the matter with the State of New Jersey? Why does it not wake up and enforce the law? The State of New Jersey could enforce the law if it wanted to.

Mr. EATON. The gentleman is from the State of Mississippi.

Mr. RANKIN. You are always trying to impose an anti-lynching bill on us. It seems to me you need something in New Jersey.

Mr. CURLEY. Mr. Chairman, will the gentleman yield?

Mr. EATON. I yield.

Mr. CURLEY. Did the gentleman think of presenting this situation, where three or four men came over and closed the factory and the employees were driven out of their means of livelihood, to the Dewey Investigating Committee in New York? For the benefit of the gentleman from Mississippi, this question also is addressed to the gentleman.

Mr. RANKIN. Nothing in New York is going on for my benefit.

Mr. EATON. When I get through, probably, I shall ask the distinguished administration lawyers here, perhaps the gentleman from Virginia [Mr. WOODRUM] to tell me whether New Jersey can settle this or whether it is an interstate national issue. However, this is the situation: The Fur Workers' Union in New York, Mr. Dretel informs me, has come

under the control and influence of a group of Russian Communists. This I suspect is the secret of a large proportion of the labor troubles of this country at the present moment. The time is here when the American workingman has got to rise up and sweep these alien lice out of his hair.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. EATON. Yes.

Mr. KNUTSON. I believe the gentleman voted against the antilynching bill?

Mr. RANKIN. No; he did not. Nobody from New Jersey voted against it.

Mr. KNUTSON. Voted for the antilynching bill, I mean?

Mr. EATON. Just think of that. [Laughter.]

The CHAIRMAN. The time of the gentleman from New Jersey has expired.

Mr. EATON. As a last resort on May 18 I introduced a joint resolution, copy of which I submit herewith, authorizing the Federal Trade Commission to investigate this whole matter and report their findings to this House for appropriate action. I sincerely hope the Interstate and Foreign Commerce Committee will act at an early date so that the Congress may pass the resolution and get action.

Meanwhile I shall seek to enlist the authorities of New York and New Jersey in an effort to right this grievous wrong and demonstrate whether we are living in America or in Russia.

Joint resolution authorizing the Federal Trade Commission to investigate alleged dispossession of the Bell Fur Co., of Chester, N. J., of its plant and equipment

Resolved, etc., That the Federal Trade Commission be, and is hereby, authorized and directed to investigate the alleged dispossession of the Bell Fur Co., operating in and employing approximately 50 men and women in Chester, N. J., from its plant and equipment therein on May 5, 1937, at which time said plant was closed and its machinery and other equipment sold, said dispossession, it is alleged, having been effected under duress and threats of personal injury to the members of said Bell Fur Co. for noncompliance with the demand of certain individuals affiliated with the Furrier Workers' International Union, of New York.

The Federal Trade Commission shall ascertain all of the facts, circumstances, and causes of the alleged dispossession of said property of the said Bell Fur Co., and to reports its conclusions and recommendation, if any, to Congress at the earliest possible moment, and also to report what remedy may be applied, if any, under existing law, if the allegations, according to the evidence and in the opinion of the Commission, are sustained.

SEC. 2. That such sum as may be necessary to enable the Federal Trade Commission to conduct the investigation directed by this joint resolution is hereby authorized to be appropriated.

Mr. TABER. Mr. Chairman, I yield 8 minutes of the time I have remaining to the gentleman from Virginia [Mr. WOODRUM], to be yielded by him as he may see fit, and the balance of my time I yield to the gentleman from Wisconsin [Mr. AMLIE].

Mr. AMLIE. Mr. Chairman, in this minute I just want to repeat a paragraph out of a political platform that figured in the last campaign. This paragraph demands the "withdrawal of Government from competition with private pay rolls."

Since when has the employment of people at $19 a month or $50 a month become unfair competition with private pay rolls? Are the businessmen of America ready to denounce W. P. A. wages as being so high that American business cannot meet them in competition? It seems to me that the inclusion of such a paragraph in a major political party platform is in itself the most terrific indictment of the economic system that could be uttered, and this provision was in the Republican platform. It was not in the Democratic platform upon which you Democratic Members on this side were elected.

When the American people elected you they were of the impression they were voting against the Republican platform, but, apparently, what they did was to elect Democrats who have come here determined to put into effect the provisions that were carried not in the Democratic but in the Republican platform in the last election.

Mr. WOODRUM. Mr. Chairman, I yield 5 minutes to the gentleman from Oklahoma [Mr. FERGUSON].

Mr. FERGUSON. Mr. Chairman, I would like at the outset of my remarks to refer to a statement made by Mr. Bell before the committee, in which he says that $19,768,000,000 has been made available for recovery and relief during the present administration.

I would like to make only one point to this House. I am not one of those who fears to increase the national debt to bring the country out of a depression, as long as we increase the national wealth when we increase the national debt, by building and constructing things that will be on the credit side of the ledger, whereas if we raise the national debt and at the same time have nothing on the credit side of the ledger, we are headed toward a precipice.

Mr. JOHNSON of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. FERGUSON. I am sorry, but I must refuse to yield now.

Mr. Hopkins has had the hardest job ever delegated to any man. In Oklahoma he did a good job. W. P. A. constructed worth-while projects that are on the credit side of the ledger, but as the money was cut off, W. P. A. was forced to adopt a new policy, and this was to decrease the amount the Federal Government was willing to put into materials. Mr. Hopkins instituted a new man-month cost the 1st of January. By this I mean that in the expenditure of $35 for the care of a man in Oklahoma—and this is our top figure—only $5 can be advanced by the W. P. A. for materials. Oklahoma has contributed in 1935 and 1936, 22 percent of the cost of projects. Under the new ruling the local contribution will have to be raised to the point where it is absolutely impossible to build worth-while projects under the ruling.

Under the present regulations limiting the contribution by the W. P. A. the local contribution will be raised to 60 percent or better for any worth-while project. Under these regulations no sponsor will build under W. P. A.; it would be cheaper for the sponsor to pay the whole cost of the project. Everyone knows that the W. P. A. regulations raise the cost of a project 10 to 30 percent. So why build them under the W. P. A.? This one billion and a half we are voting today is nothing but a disguised dole. In other words, if you cut the project down to where the only thing that can qualify is a ditch to put a sewer in or something that requires the proper amount of man-month labor, then, after you have exhausted the few projects that can meet these requirements, you might just as well take these men out and give them exercises and pay them their check for going through calisthenics as to be pretending to be paying them for something that is of no value whatsoever.

If you think I am wrong, I will read you a letter from an engineer in my own W. P. A. district:

In answer to your request for information regarding the cost of earth fills under the W. P. A., I submit the following information:

I have recently been employed by the W. P. A. supervising construction on farm ponds and lakes.

Before the $35 man-month cost went into effect I was moving dirt and placing it in the fills for 18 cents and less per cubic yard. After the $35 man-month went into effect the cost for moving dirt has increased to 80 cents per cubic yard and more.

This was due to the fact that we had to use hand labor for loading dirt into trucks and dumping on the fills.

Now, understand this: Your earmarking of the bill will do no good, because the regulations now in effect under W. P. A. prohibit any of these projects from being built under those regulations. [Applause.]

The W. P. A. has fulfilled its purpose when beneficial projects can no longer be built. What is the answer then? Cut this appropriation to one billion. Then this Congress can bring in a bill for worth-while public works. Irrigation works for the Great Plains. Make it possible for the people to combat the terrible problem of soil blowing that threatens the very existence of this Nation. Build flood-control projects authorized by Congress that will add to the wealth of the Nation—let us not increase the public debt without benefit. Continue the great Public Works Administration program.

Since the W. P. A., after a good past record, has now degenerated into a dole, let this billion dollars wind up the program. Then face the issue squarely and apportion funds

for direct relief among the States according to their needs. I urge you to cut the appropriation to a billion dollars and make it the last. Then let us bring in a public-works program through the regular channels and let Congress have a hand at mapping a worth-while program. The half-billion dollars would cover such a program this year with some money to spare. It is within the power of Congress to cut this appropriation to one billion and then bring in a bill for the other half billion that would be spent for the construction of projects that would add to the public wealth and well being.

I, for one, had rather have no relief program at all than to have the proposed bill executed under present regulations that forestalls any construction works. If the House votes this full billion and one-half dollars and fails to earmark funds in a manner it can really be used for constructive works, my convictions will force me to vote against the measure. [Applause.]

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I yield 4 minutes to the gentleman from Ohio [Mr. THOM].

Mr. THOM. Mr. Chairman, ever since I have come to this House I have voted consistently for economy. I have voted against financial measures of colleagues who are my friends without blinking an eye, but today I am not going to vote for a billion dollars for work relief in the name of economy and slam the door of opportunity in the face of many of the 2,000,000 unemployed men and women in this country.

I appeal to my friends from the agricultural districts who seem to think the unemployment problem is no longer with us. I am glad to say that I have never failed once on this floor to vote for the measures that I think are essential both for the country and the city. I voted for $500,000,000 to conserve the soil of this country and to pay this money to farmers who cooperated in our soil programs. You gentlemen from the rural districts who voted for soil benefits with me want to cut down to $1,000,000,000 the appropriation for the care and maintenance of 2,000,000 men and women in this country. This raises a question of the conservation of human resources. The mere contemplation of those figures shows that the billion-dollar figure is unsound and unjust.

Let us analyze these 2,000,000 people. There are 600,000 W. P. A. workers over 45 years of age who, by reason of the rules and regulations of the factories of this country, are no longer able to secure employment. They are the victims of the machine age. There are 350,000 women workers on W. P. A. who are breadwinners. That accounts for 1,000,000. If you reduce this appropriation to a billion dollars, you can care only for that 1,000,000 people. The other 1,000,000 will be turned off employment and it is not reasonable that this number can be absorbed into private employment overnight.

This matter of unemployment is no longer a vital matter to the agricultural districts so far as their own people are concerned. However, it is a matter that is vital to the 9 or 10 large industrial States of the country. In nine States—Illinois, Indiana, Massachusetts, New Jersey, Michigan, New York, Ohio, Pennsylvania, and California—there are 1,000,000 on the W. P. A. rolls, exactly one-half of the entire total of W. P. A. workers. I remind you, ladies and gentlemen, some of whom seem to think that these States come here as beggars, that those nine States in the fiscal year of 1936 contributed in internal-revenue collections $2,222,943,209.68, which was about two-thirds of the total amount collected in this country. [Applause.] Those taxes were collected to help their people in these days of emergency, and now some of you from the sparsely settled districts want to beat down this appropriation and throw back these men and women on the dole system. If there is no further need for W. P. A. in the agricultural districts, let it be dismantled in those particular sections.

The individual tax contributions to the Federal Government from the nine States named above where the great reservoirs of unemployment exist, as reported by the Bureau of Internal Revenue for the fiscal year ending June 30, 1936, exclusive of agricultural-adjustment taxes, were: Illinois, $274,385,733.01; Indiana, $70,480,405.89; Massachusetts, $110,022,188.16; New Jersey, $146,857,866.61; Michigan, $181,568,727.74; New York, $768,440,615.02; Ohio, $187,932,703.11; Pennsylvania, $297,120,877.60; California, $186,134,092.54; total, $2,222,943,209.68.

The total income tax and miscellaneous internal revenue collections for the same fiscal year in the whole country were $3,448,571,174.39.

I shall set out here the number of persons on W. P. A. rolls in the same States: Illinois, 152,800; Indiana, 67,300; Massachusetts, 94,500; New Jersey, 80,000; Michigan, 63,100; New York, 268,400; Ohio, 125,500; Pennsylvania, 214,600; California, 115,800; total, 1,182,000.

I challenge the statement that this is a dole or a charity system. It is not. It is offering to the idle men and women an opportunity to work. Let us not in this House discriminate against those industrial sections where men have been supplanted by improved machinery and new methods and by this utterly unfair rule against the age of workers. What we want to do is to move toward hour reduction in employment and also give the unemployed educational opportunities in industrial technique.

We should not forget, too, what a drastic reduction of a million in the work-relief program would mean to the purchasing power of the country. Taking wages away from a million men and women would hit the storekeeper, the wholesaler, and every other businessman in the industrial communities. Finally, it would strike the farmers through decreased demand for their products and consequent decrease in their crop prices.

Much has been said about unworthy persons on W. P. A. projects. Let us eliminate them as quick as we discover them. Let us keep overhead at a minimum. But let us not abruptly turn off the thousands of workers who are idle by no reason of their own conduct and who have not yet received a call from private industry. [Applause.]

The CHAIRMAN. The time of the gentleman from Ohio [Mr. THOM] has expired.

Mr. CANNON of Missouri. Mr. Chairman, I yield the balance of my time to the gentleman from Washington [Mr. LEAVY].

Mr. LEAVY. Mr. Chairman, the President has asked for one and a half billion dollars for relief. My own view is that this sum, in fact, will be insufficient to meet national requirements and insure the millions of unfortunate American citizens who are out of work the opportunity to merely live through another year.

I am at a loss to understand either the reasoning or the philosophy of any member of the Democratic Party who was elected last November on the pledge that he would support the President who now takes the position that this item should be reduced.

I, too, believe in a balanced Budget, but a balanced Budget must be secondary when it is established beyond any doubt that to attempt it under existing tax schedules would result in unbalancing the lives of millions of our citizens and would even tend to create a threat to our form of government.

PAY FOR RELIEF BY TAXING PROFITS OF MONOPOLISTIC CORPORATIONS

The Federal expenditures in the past have been extensive and varied, and touched the lives of tens of millions of our people. They have not resulted in bringing to those unfortunate people the American standard of living, but they have kept them from actually starving and freezing and going without clothing.

It is stated that prosperity has returned. This statement is not more than 10 percent a fact, because prosperity exists for about only 10 percent of our people. Fifty percent of them are perhaps living in fairly comfortable circumstances, but such living is largely from day to day. If they lost their jobs tomorrow, in a short time they would be forced to go on relief unless they were fortunate enough to secure a new job. The remaining 40 percent are in a large measure denied the right of a decent living. The President has evidenced a determination that this condition shall not continue. If we want to balance the Budget, we can make the little handful

of monopolistic corporations contribute in the form of taxes out of their enormous profits now being realized a sum sufficient to bring about that balance, and then we can greatly minimize our unemployment by having this same group shorten hours and increase pay envelopes. They will do neither of these of their own volition.

The powerful agency of government has that responsibility and we as Congressmen should not shirk from it.

WHY THIS ATTEMPT TO SHIFT RELIEF BURDEN BACK TO LOCAL UNITS OF GOVERNMENT?

Every dollar that we cut off this appropriation bill, will in the end, mean dollars added to city, county, and State taxes in every congressional district in the United States. It will, in the end, mean that we will relieve the greedy, unconscionable profit takers of this so-called prosperity from making a contribution to relieve human suffering in this country, and we will transfer that obligation to the backs of every home owner and farmer in America. I say this because the Federal Government taxes are raised almost exclusively from incomes, personal and corporate; from excise and import taxes, and not a cent can be taken by a direct levy upon either real or personal property. The cities, counties, and States raise nearly every dollar of their tax money by direct levy, on the farms, the homes, and personal possessions of the people.

SHARP RISE IN LOCAL RELIEF APPROPRIATION DESPITE FEDERAL AID

In my own State, as proof of the fact that the unemployment-relief burden is not a diminishing one, I want to give you a brief statement showing what has actually occurred. These figures are independent of any old-age pension relief granted by the State and they do not include contributions made by sponsors in work-relief projects.

The expenditures by the State of Washington for unemployment relief are practically double now what they were when the depression began. Since 1933 the legislature, through the sale of bonds and by direct appropriation, has raised $20,000,000, the major part of which will ultimately have to be collected by levies upon property, real and personal. The figures in reference to the eight counties that comprise my congressional district are more startling. They disclose an increase running as high as 200 percent in excess of what they were in 1930. They are as follows:

Counties	1930	1933	1936
Lincoln	$10,410.00	$20,705.00	$31,320.30
Spokane	298,024.00	220,293.00	422,156.00
Pend Oreille	14,436.00	15,660.00	20,790.00
Ferry	7,155.00	7,152.00	6,380.00
Stevens	33,334.81	26,732.45	34,372.23
Chelan	71,265.00	108,407.00	91,736.00
Okanogan	131,978.00	118,351.26	97,850.00
Douglas	21,413.95	14,888.22	21,058.00
Grand total	587,116.76	532,188.93	725,662.53

It will be noted that right now our direct local tax burden for relief is far greater than it was when the depression began, and this is in spite of the liberal assistance rendered by the Federal Government. Every dollar of this relief must be raised by a direct tax levied upon property within the various counties. If these dollars came in part through the Federal Government, they would ultimately be collected out of excessive profits in a large measure.

The question for us to answer here is, Do we want to add to our already overburdened taxpayers in order to permit the handful of rich and powerful corporations to escape the tax that they otherwise would have to pay? I am sure that if this issue were left to a vote of the American people, the answer would be overwhelmingly against adding new burdens to the individual property owner in the various congressional districts of this Nation in order to permit a few hundred powerful corporations to continue to increase their already unreasonably high profits. It is our duty to vote for that which clearly appears to be to the best interests of our constituents. I am supporting the President in his request for a billion and a half dollars, and I am bitterly opposed to reduction of that amount. I am even willing to support an increased amount.

ALLOCATE SUFFICIENT AMOUNT TO COMPLETE APPROVED CONSTRUCTION PROJECTS

There is one other feature that must not be overlooked. By all means, there should be a sufficient sum appropriated and earmarked out of this appropriation to take care of every approved non-Federal project. To fail to do this is to break faith with the thousands of communities and the various States that have assumed financial obligations, and in many instances already undertaken badly needed public-improvement projects. In a majority of the cases these projects have to do with the construction of school buildings, and this deals so vitally with the welfare of the children of this country. In some instances the municipalities have actually voted, issued, and sold their bonds and are paying interest on them. We would break faith with these people if we denied them the right to carry out these needful and useful public improvements.

THE REAL REMEDY

Perhaps, as has been said, this is not a partisan political issue. It is, however, undeniably an issue between those who believe in the philosophy of the New Deal doctrine, as promulgated and advocated by Franklin D. Roosevelt, and the philosophy of those who oppose the New Deal doctrine. The roll calls taken in the consideration of this measure will indicate with almost unerring certainty in the congressional elections of 1938 where you will find the Members of this House. These roll calls will clearly indicate the line of demarcation between the true progressive and the genuine conservative. It may be that even here you will be able to read the beginnings of a new political alinement in this country. As a real reform program I would go much further than merely appropriating large sums of money. I would favor a national old-age pension program entirely displacing the State pensions and contributions by the States, and giving it as a matter of right to every American citizen who has reached a certain age, who either cannot find employment or who is willing to step out of the employment field, a sufficient pension to permit this group to live out the remainder of their lives in ease and comfort and in keeping with the existing American standard of living. What is most fundamental of all is that this Government should assume the responsibility that the framers of the Constitution imposed upon it when they said:

> Congress shall have the power to coin money and regulate the value thereof.

Give us national control of money and credit and in a short time it will be unnecessary to vote huge sums for emergency relief because we will cease to have emergencies.

Mr. Chairman, I urge my colleagues to free themselves from this economy hysteria and view the situation as it actually exists. I hope that they will vote to support our great leader in this fight he is making for the millions of our helpless and unfortunate fellow citizens. [Applause.]

[Here the gavel fell.]

Mr. WOODRUM. Mr. Chairman, I yield one-half minute to the gentleman from Pennsylvania [Mr. DITTER].

Mr. DITTER. Mr. Chairman, we are engaged today in a serious undertaking. Much will depend upon the conclusions which we reach. Human distress has a universal appeal, and its relief is an ambition of all men. No individual nor political party can claim an exclusive right of ministry and none would dare refuse to support meritorious endeavors for the relief of the distressed. The question therefore arises, What merit is to be found in the present proposal which will justify a continuity of the same methods heretofore carried on by the present administration in its relief program? Opposition to the pending measure cannot be construed as a disregard of distress but support thereof can be construed as an endorsement of the policies heretofore pursued by Federal relief agencies.

The duty rests upon the present administration to present a justification for the appropriation which it now requests, and of necessity this justification requires an accounting of

its stewardship of the trusts heretofore committed to it by the Congress for relief purposes. This accounting must include a recital of past performances, an examination of statements made by those in authority, and a review of general governmental policies. Let us therefore look at the record as the administration attempts its justification.

There is little need to spend much time on the sums that already have been placed at the disposal of the Federal relief agencies. Billions upon billions of dollars have been added to the public debt to provide funds for these colossal spending agencies in their futile efforts to solve this problem. Even the imagination of the American people has been taxed as it attempts to reach the dizzy heights of this mounting indebtedness. Suffice it to say that the administration can surely not excuse its failures on a lack of available funds. What it demanded has been provided. A lavish hand has dipped into the Public Treasury and taken unsparingly for its more abundant life. However, had the results justified the means, had the problem been solved, had there been evidences of success, few would complain of the enormous expenditures. Unfortunately, the administration is compelled to acknowledge its failure.

The record, however, consists of more than a résumé of financial transactions. I know that I voice the sentiments of many of you when I say that we wish that there might be obliterated from the record the disgraceful picture of the depths to which political seducers can stoop. Smeared upon page after page are the ugly smudges of the prostitution of the distressed and the needy for political purposes. Page after page reveals the revolting record of lust for political power, greed for political gain; and many of these pages reek with corruption and disgrace. Small wonder that you honorable men hang your heads in shame as you read the record of the vultures of your party, in their wild orgy of political dissipation, preying upon the poor and the unfortunate victims of the depression. All of this record is, and should be, vividly before you, but lest the convenience of a faulty memory mislead you, I recall an episode or two to help you in reaching a conscientious conclusion.

Do you recall that bold entrepreneur, whose loyalty to the New Deal, and whose anxiety for its financial well-being prompted him to demand of an emergency relief worker her contribution to a political war chest? A part of it might well be quoted here for our guidance:

I am very much surprised that you have not responded to our previous letter requesting your contribution in the amount of $27 to Indiana County Democratic campaign committee, as I was sure that you appreciated your position to such an extent that you would make this contribution willingly and promptly. I must, however, now advise you that unless your contribution in the above amount is received promptly, it will be necessary to place your name on the list of those who will not be given consideration for any other appointment after the termination of the emergency relief work, which as you know, will terminate in the near future.

Do you recall the assiduous attention of supervisors and foremen on road building projects to increase the circulation of political tabloids and rotogravures by compelling the lowest paid unskilled laborers to become subscription agents for well-entrenched political publishers, and threatening these relief workers with dismissal if they failed to accept their allotted quota?

Do you recall the brazen and brutal frankness of administrators who boasted that admissibility to relief rolls depended upon the political registration of the applicant, the approval of the political boss of the district, and the refusal to enroll those in distress who might refuse to accede to political commands?

Do you recall the insistence with which one administrator required loyalty to party from those on relief and couched his dire threat of reprisal in no uncertain terms?

I'll tell you right now that any W. P. A. worker who is not in sympathy with the W. P. A. program and the Roosevelt administration will be eliminated from the W. P. A. rolls in this district as quickly as I can act.

But need we go further? No good purpose will be served by the presentation of further evidence that under the guise of relief for the needy gigantic sums have been spent for the purpose of building and operating well-fed political machines which provide jobs for political parasites who live at the expense of industrious workingmen. Certainly there can be no excuse for a program which is based on an exchange of bread for ballots, which encourages political manipulation for political aggrandizement, which suggests improvising and improving the technique of chiseling and which depends upon an indoctrination and infusion of a philosophy of political barter as the basis for receiving needed relief.

Gentlemen, you can wrap up a skunk in a perfumed robe and it will still be a skunk, and you can wrap up a political relief racket in a robe of demagogic humanitarianism and it will still be a political relief racket.

As we consider the relief program, we cannot fail to take note of an attitude which has manifested itself in many sections of the country. I refer to the refusal of relief workers to accept employment in private industries. It has been suggested that this is due to some degree to the desire of political bosses to keep their armies intact, but whatever the cause, it has had a demoralizing effect upon the morale of our people and retards to a great extent the resumption of normal industrial relations. Surely we cannot approve a policy which advocates the advisability of retaining the security of a relief status rather than encouraging the adventure of individual achievement. We are reminded of the words of Southey when he warned:

Charity is bad which takes from independence its proper pride and from mendicity its proper shame.

Unfortunately the conduct of many of the relief projects tended to an encouragement of this attitude. All of us are familiar with the approval which has been given to shovel-leaning, also flag-waving activities. It is but natural that there would be a reluctance to surrender such sinecures. These are the natural attendant conditions to the operation of a system administered as the relief program has been administered. Probably very few men would work if they were not compelled to, but I believe it is our duty to help people generally learn that they have to work. There has been entirely too much of a de-luxe form of work relief, and a persistent temptation held out of the possibility of lucrative loafing jobs to induce others to hang on to political berths. This is the tragedy of this whole business. The cost of the relief program has been not the billions demanded by the President. The real cost is the sweat and labor of industrious, self-respecting American workmen who are required to pay in taxes the wages of those who shirk responsibilities and prefer idleness to honest work. We should also recognize that an attendant cost of this relief administration has been the sapping of the energy and thrift of the American workmen. It has tended to destroy morale and break down the fiber of American manhood.

The country is eager to know when we can discontinue the present relief program. Unemployment and relief are definitely related. That which effects the one bears upon the other. All of us were encouraged by the assurance of the President in 1934, when he said:

I stand or fall by my refusal to accept as a necessary condition of our future a permanent army of the unemployed.

This courageous declaration inspired the country with a new hope for the future. Again in 1935 further encouragement was given when the President emphatically declared "The Federal Government must and shall quit this business of relief." With these assurances, we were hopeful that a change of policy might be introduced and that the gigantic Federal relief agency might be superseded by a program which would enable a maximum of benefit to go to those in need rather than a continuing policy which allows approximately 61 percent of the funds to go for other purposes than wages for persons on relief. We hoped that there would be a cessation of the expensive flood of printed propaganda, the picture parades, radio advertising, and the other attendant costs of trying to sell the more abundant life of relief to the American people. We are still hopeful, but disturbed, as we read in

the press the statement made by Harry L. Hopkins, Works Progress Administrator, when he said:

You've got to give people unemployment relief, because you can't eliminate unemployment under our system.

Which of these statements are we to accept? Has the President's avowed purpose to "quit this business of relief" been so completely set aside that an official spokesman like Mr. Hopkins can now insist upon a continuing relief program for the unemployed? Are we to accept the indictment which the Works Progress Administrator makes against "our system"? Are we to infer that he has a system which he is eager to substitute for "our system"? I submit that the duty rests upon the administration before it presents this relief measure to inform us whether we are to depend upon the courageous assurance of the President or the pessimistic outlook of the Administrator, Harry Hopkins. Is this money to be used as a maintenance fund for those who have been unable to secure employment because of the administration's general policies, but who honestly want work, or is this appropriation to be used for those contemplated by Mr. Hopkins as the permanent army of the unemployed? We owe a duty to those who honestly want work and who are willing to do a day's work for wages earned; but I recognize no duty to those who are willing to live on the benefactions of others, especially if those benefactions to any extent whatever are provided by the toil and labor of industrious working men and women.

Why, I ask, should a man or woman who works day in and day out be forced to contribute from their earnings for the support, under a pretense of work, of those who are too lazy to work themselves? Every dollar should be appropriated which is necessary to aid the unfortunate, but not one dollar of public funds should be provided to encourage and maintain the indolent and the political parasites.

As we endeavor to reach a conclusion on this issue, we are forced to express our disappointment at the failure of the Works Progress Administration to give to the country a statement showing the administrative costs of this relief work, including the names and the salaries of administrative officers in each district, as well as other pertinent information with respect to the entire program of operation. If the country at large is not to be trusted with this information, should not the Congress at least be taken into its confidence when it is called upon to appropriate more money? In fairness to those who are entitled to relief, I submit, we should have the facts. Is it not reasonable to assume that a fairer wage could be paid to deserving wage earners if excessive administrative costs could be reduced, and why, I submit, does the Administration refuse to let the searching light of noonday fall upon the record if it is not for the purpose of concealing excessive and unwarranted administrative costs? We request today what has already been requested, a complete statement of the facts and figures?

The relief problem, as has been said, and the unemployment problem are related. That which affects the one bears upon the other. It can, therefore, be said that the general governmental policies affecting the acceleration of business activity definitely affects our relief problem. The more men employed by industry should mean a diminution in the relief load.

How many men have been reemployed as a result of the reciprocal-trade agreements as they have been negotiated by the present administration? How many men have been reemployed as a result of the flood of importations of manufactured goods and food products from abroad? How many men have been reemployed as a result of the failure of the immigration authorities to carry out justifiable deportations? How many men have been reemployed as a result of the continuing threat of exorbitant and confiscatory taxation? How many men have been reemployed as a result of the punitive measures directed against honest enterprise and industrious initiative? How many men have been reemployed as a result of threatened destruction of private business by the enactment of death sentences? How many men, I ask, have been reemployed by the uncertain, inconsistent, and vacillating policies of the administration affecting the business activities of the country? Were a definite, clear-cut, positive attitude taken upon which employer and employee could depend, I submit, recovery, that is, real and substantial recovery, would result, and the unemployment problem would be solved to a very large degree and the relief load materially and almost completely lifted.

I believe the relief administration should be returned to the States. I believe the Federal Government should contribute a part of the fund and the several States contribute a part. I believe a fair share under present conditions for the Federal Government to contribute for relief purposes would be 60 percent and the balance provided by the States. I believe local communities as a direct agency and the State government as a supervisory agency could administer the relief fund more efficiently, more honestly, and more frugally. I believe much of the waste, extravagance, and profligacy could thus be eliminated. I believe the relief rolls would be purged of the chiselers, the vultures, and the parasites. I believe we would have relief funds for relief purposes and millions of dollars saved for the American taxpayer.

Mr. WOODRUM. Mr. Chairman, I yield myself the remainder of the time.

Mr. Chairman, I should like, if I may, in this 10 minutes to clear out a few of the cobwebs and a little of the underbrush.

Let me say there are no personal differences between my distinguished and beloved friend from Missouri [Mr. CANNON], acting chairman of this committee, and myself. I hold for him not only a professional and political esteem but a personal affection. I know him to be one of the finest, most patriotic, and most loyal Members we have in this body.

There is here an honest difference of opinion among some of the Democrats not as to any fundamental matter of policy but as to the simple question of the amount that should be appropriated. Now, where did this suggestion of cutting relief down to a billion dollars come from? My good and beloved friend undertakes to whip up a little enthusiasm over here for a billion and a half by stressing that perhaps to vote to cut this appropriation would be Democrats collaborating with a Republican proposition.

The President sent to this body on April 20 a message on economy and expenditures. I hold that message in my hand. It contains four or five pages. It says:

In view of the reduction in revenue it became apparent that every effort possible should be made to offset this loss, as far as possible, by a reduction in expenditures.

He says again:

I propose to use every means at my command to eliminate this deficit during the coming fiscal year.

He says again:

I regard it as extremely important that we should achieve a balance of actual income and outgo during the fiscal year 1938, and I appeal to you to join with me in a determined effort to bring about that result.

He says further:

I recognize many opportunities to improve social and economic conditions through Federal action. I am convinced that the success of our whole program and the permanent security of our people demand that we shall adjust all expenditures within the limit of my Budget estimate.

Now, Mr. Chairman, where do we stand on that? After that message of four or five pages imploring Congress to reduce expenditures and balance the Budget, in four little lines at the end he says:

I recommend $1,500,000,000 be appropriated.

Listen to this:

I recommend $1,500,000,000 be provided for work relief for the fiscal year 1938.

This bill as it stands, with the committee amendment, provides $1,723,000,000, because we reappropriate $223,000,000.

Mr. CANNON of Missouri. Will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. CANNON of Missouri. Did not Mr. Bell, the Director of the Budget, testify that out of that $223,000,000, $100,000,000 was always kept over at the end of the year for working capital and that the remainder was already allotted? So that, as a matter of fact, we are here appropriating only $1,500,000,000. I refer the gentleman to page 80 of the hearings.

Mr. WOODRUM. Yes; I remember that quite well.

Mr. CANNON of Missouri. So the pending bill provides for an appropriation of $1,500,000,000, and not $223,000,000, as the gentleman has indicated.

Mr. WOODRUM. We are appropriating $1,500,000,000, and in addition to that there is available for expenditure in 1938 $223,000,000.

Mr. CANNON of Missouri. But the gentleman cannot ignore the plain testimony adduced in the hearings. Mr. Bell, the Budget Director, testified unequivocally, as the gentleman will find by turning to page 80, that by the 1st day of July all of the $223,000,000 would have been committed except the $100,000,000 which it is necessary to keep for working capital. This working capital is kept by W. P. A. from year to year, and at the end of the fiscal year for which this appropriation is made will have to be kept for the following year, so beyond question the total amount actually provided by this bill is $1,500,000,000. I again refer the gentleman to Director Bell's testimony at page 80 of the hearings.

Mr. WOODRUM. W. P. A. has $100,000,000 which is unobligated and unexpended.

Now, Mr. Chairman, coming out of that conference at the White House immediately following the delivery of that message to this body, the President's most intimate friend and his spokesman on matters of appropriation in the other body of this Capitol, the distinguished Senator from South Carolina, said:

> It is my purpose not only to see that work-relief appropriations be limited to $1,000,000,000, but that the law require large contributions from sponsors of projects.

That is where the first suggestion came from. I have no pride of authorship in it, nor does the subcommittee.

What else happened? There spoke up, again in the United States Senate, in the other body of this Congress, the distinguished majority leader, who many of us hope will grace a higher position before very long. [Applause.] He said:

> In my opinion, $1,000,000,000 is the ultimate amount that should be appropriated.

[Applause.]

Now, then, Mr. Chairman, it does not fall with very good grace from our friends to come here now and say that this is a Republican effort to reduce costs and expenditures. These gentlemen in the other end of the Capitol today tell you that $1,000,000,000 is the limit to which that body is going.

Mr. RAYBURN. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM. Very briefly. I have only a few minutes.

Mr. RAYBURN. Then when the gentleman concludes I will get time under the 5-minute rule.

Mr. WOODRUM. I shall be pleased to yield to the gentleman.

Mr. RAYBURN. I just wanted to ask the gentleman if any of these Senators who attended that conference—and I happened to be present at it—said anything that would indicate that the President has endorsed that or that he stood for anything less than $1,500,000,000?

Mr. WOODRUM. Of course not; of course not. The President did not stand for paying the bonus, either. Do you remember that? [Laughter.] The President did not stand for it; not only did not stand for it, but would not sign the bill; and when the bill came back to this body—well, I will not embarrass my good friends here today who are talking about standing by the President on matters by calling the roll again of the distinguished Members of this body who exercised their legislative prerogative [applause] and—I glory in your courage to do it—honestly differed with the President on a matter of that kind. I do not criticize you for it, although I stood with him then. I do not criticize you for differing with him on voting to override his veto; but it does not fall with very good grace to come here now and try to talk about standing by him.

Mr. Chairman, the greatest thing this body can do today for Franklin D. Roosevelt is to take some of these funds so that they will not be there to be dissipated in this relief bill. [Applause.]

Now, let me say this to you: Mr. Hopkins, in answer to a direct question—

> Do you think the Federal Government must remain forever in the relief business?

said:

> Yes, sir.
>
> Mr. BACON. That is directed through an organized bureau here in Washington?
>
> Mr. HOPKINS. In one way or another; yes, sir; just as we have it today in old-age pensions. I think this is a permanent function of the Government.

Now, Mr. Chairman, there is the milk in the coconut. I do not agree with that. I have voted for every one of these expenditures, every one of these appropriations, and to give the President wide authority in the emergency; but I did it as you did, my Democratic friends, and I justified it to my constituents as you did, because it was a great emergency and somebody had to spend the money. I promised them, and you promised them, and he promised them that just as soon as there was recovery in this country the Federal Government would get out of the business of relief as fast as it could get out of it. The argument that is used here today that somebody is going to suffer will be used every year and every day from now to the crack of doom; but listen to me, my good friends, it does not follow at all that if you cut this appropriation anybody need suffer. Our friends in the metropolitan centers—New York, Chicago, Philadelphia—have a real problem, and perhaps must have Federal help, but there are many areas in this country, many rural sections, many smaller cities, and I have no doubt there are some States in this Nation that do not have to have one copper of Federal assistance. One billion dollars put into the hands of the President as we are putting it here with wide discretionary power will give him ample funds to relieve the needy and the distressed if the money goes for that purpose.

Mr. FITZPATRICK. Mr. Chairman, will the gentleman yield for a question?

Mr. WOODRUM. I am sorry, I have not time. Listen, my friends, here is what this bill will do if you cut it down to $1,000,000,000; it will require local communities and States and the Federal Government to use more discriminating judgment in the way the $1,000,000,000 goes. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. All time has expired. The Clerk will read the bill for amendment.

The Clerk read as follows:

Resolved, etc., That in order to continue to provide relief, and work relief on useful public projects, in the United States and its Territories and possessions (including projects heretofore approved for the Works Progress Administration which projects shall not be subject to the limitations hereinafter specified in this section), there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, to remain available until June 30, 1938, and to be used in the discretion and under the direction of the President, $1,000,000,000, together with such unexpended balances as the President may determine, of appropriations made by (a) the second paragraph of the Emergency Relief Appropriation Act of 1936, as supplemented by the First Deficiency Appropriation Act, fiscal year 1937, and (b) section 1 of the Emergency Relief Appropriation Act of 1935, including the unexpended balances of appropriations referred to therein: *Provided*, That this appropriation shall be available for the following classes of public projects, Federal and non-Federal, and the amounts to be used for each class shall not, except as hereinafter provided, exceed the respective amounts stated, namely: (a) Highways, roads, and streets, $276,700,000; (b) public buildings, parks and other recreational facilities, including buildings therein, public utilities, including sewer systems, water supply and purification, airports and other transportation facilities, flood control and other conservation, and miscellaneous work projects, $420,000,000; (c) assistance for educational, professional, and clerical persons and women's projects,

$253,300,000; and (d) National Youth Administration, $50,000,000: *Provided further*, That the amount specified for any of the foregoing classes may be increased proportionately in accordance with the amount of such unexpended balances as the President transfers for the purposes of this section from the appropriations made by (a) the Emergency Relief Appropriation Act of 1935 and (b) the Emergency Relief Appropriation Act of 1936, as supplemented: *Provided further*, That the amount specified for any of the foregoing classes may be increased by not to exceed 15 percent thereof by transfer of an amount or amounts from any other class or classes in order to effectuate the purposes of the foregoing appropriation: *Provided*, That no Federal construction project shall be undertaken or prosecuted under this appropriation unless and until there shall have been allocated and irrevocably set aside Federal funds sufficient for its completion; and no non-Federal project shall be undertaken or prosecuted under this appropriation unless and until adequate provision has been made or is assured for financing such part of the entire cost thereof as is not to be supplied from Federal funds. This appropriation shall be available also for such loans, relief, and rural rehabilitation for needy persons as the President may determine.

With the following committee amendment:

Page 1, line 11, strike out "$1,000,000,000" and insert in lieu thereof "$1,500,000,000."

The CHAIRMAN. The first amendment may be the important issue in this bill. In order to expedite consideration of this matter, the Chair would suggest that amendments to this amount be offered now and that any substitute or amendment to any substitute be offered at this time, so that all amendments to the total amount of, say, one billion or one and one-half billion dollars or any other amount may be before the Committee, whereupon the debate on the various amounts will then proceed.

Mr. BOILEAU. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. BOILEAU to the committee amendment: Strike out "$1,500,000,000" and insert in lieu thereof "$3,000,000,000."

Mr. VOORHIS. Mr. Chairman, I offer a substitute to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. VOORHIS as a substitute to the committee amendment: Page 2, line 1, strike out "$1,500,000,000" and insert in lieu thereof "$2,200,000,000."

Mr. McREYNOLDS. Mr. Chairman, I offer an amendment to the substitute offered by Mr. VOORHIS.

The Clerk read as follows:

Amendment offered by Mr. McREYNOLDS as an amendment to the substitute offered by Mr. VOORHIS: Strike out "$2,200,000,000" and insert in lieu thereof "$1,200,000,000."

Mr. BOILEAU. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BOILEAU. May I ask the Chair to qualify the issue at this time and state for information of Members of the House whether or not the perfecting amendment to the committee amendment will be voted upon first or whether we will first vote on the substitute and the amendment to the substitute?

The CHAIRMAN. The first vote will be on the gentleman's proposal to amend by inserting the sum of $3,000,000,000. The next vote will come on the amendment to the substitute offered by the gentleman from Tennessee to fix the amount at $1,200,000,000. The next vote will come on the substitute offered by the gentleman from California to fix the amount at $2,200,000,000. The last vote will come on the committee amendment involving $1,500,000,000.

Mr. RANKIN. Mr. Chairman, I ask unanimous consent that all debate on this amendment be limited to 1 hour.

Mr. HOOK. Mr. Chairman, I object.

Mr. RANKIN. Mr. Chairman, I withdraw the request.

Mr. WOODRUM. Mr. Chairman, may I see if we cannot get some understanding as to time? There have been 4 hours' general debate on the resolution, and certainly there is no purpose to prevent the gentlemen from having reasonable opportunity to express themselves. There are other amendments that will come after those now pending. Bearing in mind the time of day and the necessity of finishing today, and all other facts, I wonder if an hour and a half would be sufficient.

Mr. Chairman, I ask unanimous consent that all debate on these amendments be limited to 1½ hours.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

Mr. O'MALLEY. Mr. Chairman, reserving the right to object, may I inquire from the gentleman whether or not there will be any disposition to limit debate under the 5-minute rule after we dispose of this part of the bill?

Mr. WOODRUM. I have no disposition to limit anything except in the interest of expedition of business. I think we have demonstrated already we want gentlemen to express themselves.

Mr. DIES. Mr. Chairman, reserving the right to object. Yesterday we limited debate to 40 minutes, but members of the committee consumed the greater part of that time. Is it going to be the disposition of the committee today to do the same thing?

Mr. WOODRUM. All I want is 5 minutes. The time is within control of the Chair under the 5-minute rule.

Mr. BOILEAU. Mr. Chairman, reserving the right to object, there are many Members on the floor who are supporting the appropriation of $3,000,000,000. They have not had an opportunity to speak in general debate. The time consumed in general debate was largely among those who favored the $1,000,000,000 or the one and a half billion dollars. It was understood the other day there would be liberal debate and opportunity given all Members to express themselves. I sincerely hope the gentleman will modify his request and make it 2 hours on this particular amendment, with the understanding that the time may be equally divided on all sides so that Members may have the opportunity to speak.

Mr. WOODRUM. Mr. Chairman, I will split the difference and modify my request and make it an hour and forty-five minutes.

Mr. SABATH. Mr. Chairman, reserving the right to object, do I understand the gentleman's request is for an hour and a half or an hour and forty-five minutes on all of these amendments?

Mr. WOODRUM. On the several amendments relative to amount.

Mr. SABATH. Does not the gentleman think it would be better to divide that up and allow say 30 or 40 minutes on each of the amendments?

Mr. WOODRUM. That is within the discretion of the Chair.

The CHAIRMAN. The gentleman from Virginia asks unanimous consent that all debate on this amendment and all amendments thereto, all substitutes, and all amendments to the substitutes close in 1 hour and 45 minutes. Is there objection?

Mr. ROBSION of Kentucky. Mr. Chairman, reserving the right to object, not being a member of the committee and not having been able to get time in general debate, I should like to have 5 minutes to discuss this matter. I want to know whether such time will be allowed me in the hour and forty-five minutes?

Mr. WOODRUM. Of course, recognition is in control of the Chair.

Mr. O'CONNOR of Montana. Mr. Chairman, I am in the same situation as the distinguished gentleman from Kentucky. We have been trying to get time to speak on what is perhaps one of the most important bills ever presented to this House, but we have been unable to do so. There is no reason why this measure should be rushed through the House today. I think it is a matter which should be thoroughly discussed by every Member on the floor of the House who wishes to speak. I think an hour and forty-five minutes is outrageously too short a time, and I will object to any limitation of time under 3 hours, which is necessary for the full discussion of the amendments which are now before the House.

Mr. WOODRUM. Mr. Chairman, I do not desire to make any further requests at the present time and withdraw my unanimous-consent request.

Mr. LUCAS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. LUCAS. Do I understand correctly that the McReynolds amendment will be considered before the Voorhis amendment?

The CHAIRMAN. The McReynolds amendment is an amendment to the Voorhis substitute amendment and will be voted on before the Voorhis amendment.

Mr. SPENCE. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. SPENCE. Mr. Chairman, I intend to offer an amendment to the effect that the unexpended balances mentioned in the bill shall be allocated to the Public Works Administration. Is it in order to introduce the amendment now?

The CHAIRMAN. No, not now. The amendment may be considered later.

Mr. MAGNUSON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MAGNUSON. Will the Chairman state for the benefit of the membership of the House what is the amount we are voting on or discussing now?

The CHAIRMAN. The first vote will come on the $3,000,000,000 proposal, although all the proposals will be discussed together in the debate.

Mr. MAGNUSON. I thank the Chair.

Mr. DUNN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DUNN. Mr. Chairman, I desire to offer an amendment to increase the amount from $1,500,000,000 to $4,000,000,000, which is needed. Will I have an opportunity to offer such an amendment and speak on it?

The CHAIRMAN. The gentleman cannot offer it, because all the amendments permissible under the rule have already been offered.

Mr. CURLEY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CURLEY. Mr. Chairman, I should like to know whether or not the time is going to be limited in the debate on all the proposed amendments. Inasmuch as I am not a member of the committee and have endeavored to get some time to discuss this very important measure, I do not want to be shut off.

The CHAIRMAN. There has been no limitation yet placed on debate except the limitation under the rule, which provides 5 minutes in support of an amendment and 5 minutes in opposition. This would limit the debate to 40 minutes.

Mr. O'MALLEY. Mr. Chairman, I am not familiar with the rule which would make it impossible for the gentleman from Pennsylvania [Mr. DUNN] to offer another amendment to this paragraph, and I should appreciate it if the chairman would advise me whether these are the only amendments which can be offered to this paragraph and whether, once they are disposed, no other amendments may be offered.

The CHAIRMAN. At this time there are pending all amendments which may be offered, because any further amendment at this time would be an amendment in the third degree. After these amendments are disposed of further amendments may be offered. However, the Chair, in order to expedite the proceeding, suggests that all amendments regarding the amount be offered at one time.

Mr. DUNN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DUNN. Will I have an opportunity to present my amendment?

The CHAIRMAN. After the pending amendments are disposed of.

Mr. DUNN. I thank the chairman.

Mr. BRADLEY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BRADLEY. Did I correctly understand the Chair to state that debate would be limited to 40 minutes on each amendment, and, there being three amendments, there would be 2 hours of debate?

The CHAIRMAN. In the present situation there are four amendments pending. Under the rules 5 minutes in support of each amendment and 5 minutes in opposition thereto are allowed, making a total of 40 minutes, which the Chair may suggest is less than the suggestion of the gentleman from Virginia [Mr. WOODRUM].

The Chair recognizes the gentleman from Wisconsin [Mr. BOILEAU] for 5 minutes.

Mr. BOILEAU. Mr. Chairman, I believe we are now about to discharge one of the most serious responsibilities any of us has been called upon to discharge since we have been Members of the House. We are called upon here to decide how much money should be appropriated for relief for the next fiscal year. I do not know how many million people are unemployed in this country. I do know everyone seems to agree there are somewhere between 8,000,000 and 11,000,000 people without jobs, somewhere between 8,000,000 and 11,000,000 people who are capable of working but are unable to find employment. I submit that if you will study the conditions in your own particular locality, you must agree with me that out of these unemployed people, certainly, there are more than half who are willing to work, who want to work, who have families to support, but who have no other opportunity of earning a livelihood than on a W. P. A. program. You know these people in your community. You know a large percentage of the unemployed have no means of support except what they receive in the form of wages from W. P. A.

These people have just as much right to live as have you and I. There is no one of us here who is made of a different kind of clay than they. Perhaps some of us have had more advantages. Perhaps some of us may have a little better equipment to fit into this complex system of ours. Perhaps some of us may have a little bit more ability, if you want to put it upon that basis, or a keener intellect. However, no one of us has a greater right to live or a greater right to have an opportunity to earn a living than any other citizen of this great Republic. [Applause.] There is no one of us, nor any group of us, who has been destined by divine Providence to have the exclusive opportunity to make a living. We must not cast our vote in such a way that will deprive any other fellow citizen of the same right to work and live.

I do not say the Government of the United States owes our people a living. I do say organized society, the Government of the United States of America, has the responsibility of making it possible for every man and woman ready and willing to work and in need of employment to find an opportunity to earn a living for his family and himself. [Applause.] No one will deny there are at least 3,000,000 people in this country who are entitled to an opportunity to work and who need jobs. If there is graft in W. P. A., wipe it out. I appeal to you today to appropriate a sufficient amount of money to provide jobs for at least 3,000,000 people, because there is an even greater number of deserving people who need such employment. To do this job and do it right, we must appropriate at least $3,000,000,000 in this bill.

I want to appeal to you to support the amendment I have offered appropriating $3,000,000,000 rather than $1,000,000,000 or $1,500,000,000, in order to provide jobs for 3,000,000 of our citizens who, without this appropriation, must suffer; who, without this opportunity to work, must be placed in a position where they will be unable to provide for their little children; who, without this opportunity afforded them by the Federal Government to work for a living, must go upon direct relief.

The manner in which direct relief has been administered in this country, whereby entire families are required to live on direct relief at an average throughout the United States of about $17 a month, including shelter and all the other necessary things, is inhuman, and I appeal to you to support the amendment providing for $3,000,000,000. [Applause.]

Mr. TARVER. Mr. Chairman, I ask recognition in opposition to the amendment of the gentleman from Wisconsin.

Mr. Chairman, I know what it is to be hungry and not be able to obtain sufficient food. I know what it is to be cold and not be able to obtain sufficient clothing. I do not know whether many Members of this House have had these experiences or not. I hope you may have not. If you have, you will agree with me that no man who has gone through these experiences can entertain any other view than that there ought not to be a single dollar in the treasury of any municipality, in the treasury of any county, of any State, or of the National Government, or in the pocket of any private citizen which should be restricted from use if its use becomes necessary in order to alleviate human suffering. [Applause.]

There can be no difference between civilized people as to the justice of a proposition of this character. Our differences arise upon the question of how we ought to approach the solution of this problem. At the present time the question presented to us is whether or not by the continuance of these inordinately large appropriations for W. P. A. purposes we intend to fasten permanently upon the structure of this Government the W. P. A. organization, as a sort of octopus upon the body politic, or whether the problem can best be solved in other ways.

Whatever you or I may think about Mr. Hopkins—and I shall not express concerning him my personal opinion, because it is foreign to the merits of this discussion—we must agree with him when he says that it will be necessary unless we change our existing policy to make the W. P. A. organization a permanent part of our Government. Why? Because we have always had, and we always will have, in all probability, many millions of our citizens who are unemployed. If it is the Federal Government's job to take care of them with Federal funds alone, the W. P. A. must be made permanent; and if this is our duty, $1,500,000,000, or $3,000,000,000 for that matter, is not enough. I have never thought that it was a safe or wise policy to undertake to furnish all classes of people who are unemployed with jobs at the expense of the Federal Government. I have thought that the solution of the problem lay through another avenue and that a proper measure of responsibility should be placed upon States and counties and municipalities and people who live where human suffering exists. In the first place, the Federal Government cannot do it. It requires no Solomon to know that we cannot long continue to spend two or three billions annually above receipts.

In the next place, it is not the Federal Government's responsibility to do more than assist where local means are insufficient. The gentleman from Ohio [Mr. THOM] mentioned nine of our wealthiest States which, he says, cannot carry their relief burdens. If the wealthiest States cannot do it, why should they seek to place part of their responsibilities on States that have less resources than they?

Mr. DUNN. Mr. Chairman, will the gentleman yield?

Mr. TARVER. I cannot yield at this time, as I have only 5 minutes.

Now, in order to cover another part of the issue, because I cannot discuss these matters to the extent I would desire to do, I want to make some brief reference to the position of my distinguished chairman, the gentleman from Missouri [Mr. CANNON]. Mr. CANNON's position is not indicated alone by the amendment which he has offered in committee and will urge here to increase the amount from one billion to a billion and a half dollars. His position is indicated by that amendment, together with the resolution he has offered in the House to authorize the President to impound 15 percent of all the appropriations which may be made by the Congress and to restore these impoundments in whole or in part at his discretion. In other words, the position of the gentleman from Missouri [Mr. CANNON], as illustrated by his amendment and by his resolution, is that, instead of reducing this billion and a half by 15 percent, as an exercise of the prerogative of Congress and in the discharge of the constitutional responsibilities of Members of the Congress, we shall appropriate the full one and a half billion dollars and then shall pass another resolution cutting off 15 percent of that, or $225,000,000, and authorizing its restoration in the discretion of the President. That is a mere shirking of responsibility. That is merely passing the buck to the President. That is only a confession that we cannot perform the duties we were sent here to perform, and must therefore delegate to the President the duty of performing them. I am in favor of Congress performing its own duties. I believe that, in view of restored prosperity—restored at least to an average of the past 75 years—we should either balance the Budget or confess that we cannot do it. Continuing to spend money we have not got and adding billions annually to the national debt fools nobody, not even ourselves. Unless we do our duty and place the Government on a sound financial basis, we may rest assured that the American people will send somebody here who will do it.

Mr. McREYNOLDS and Mr. O'CONNOR of Montana rose.

The CHAIRMAN. The Chair recognizes the gentleman from Tennessee [Mr. McREYNOLDS].

Mr. WOODRUM. Mr. Chairman, will the gentleman from Tennessee yield to me to submit a unanimous-consent request?

Mr. McREYNOLDS. Yes.

Mr. WOODRUM. Mr. Chairman, under the rules of the House there can only be 30 minutes of additional debate on all of these amendments. I should like to see gentlemen have a reasonable opportunity to express themselves, and I renew my request at this time, after we have had 10 minutes of debate, that debate on the pending amendment be limited to 1 hour and 30 minutes.

The CHAIRMAN. The gentleman, I am sure, intends to include the committee amendment and all amendments thereto, or any amendment going to the amount?

Mr. WOODRUM. To the amount; yes. This would give more than double the time for debate that would be allowed under the rules, and I hope the Committee will permit this to be done.

The CHAIRMAN. The gentleman from Virginia asks unanimous consent that all debate on the committee amendment and all amendments thereto and on any substitute for the committee amendment and all amendments to the substitute close in 1 hour and 30 minutes.

Mr. TABER. Mr. Chairman, reserving the right to object——

Mr. GRAY of Pennsylvania. I object, Mr. Chairman.

Mr. WOODRUM. Mr. Chairman, I move that all debate on the pending amendments close in 1 hour and 30 minutes.

Mr. BOILEAU. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BOILEAU. The gentleman from Virginia [Mr. WOODRUM] a moment ago stated that all debate on this amendment and all amendments thereto would necessarily be limited to 30 minutes under the rules of the House. I ask the Chair this question: In the event that some of these amendments, the amendment to the amendment or the amendment to the substitute should be voted down, would it not then be in order to offer an amendment to the amendment and another amendment to the substitute, and thereby extend the time, and in that event the time would run on indefinitely, unless by a motion or by unanimous consent, would it not?

The CHAIRMAN. The gentleman is correct, insofar as there would be only 10 minutes' debate on any additional amendment.

Mr. BOILEAU. But any number of amendments could be offered so that the debate would not be closed.

The CHAIRMAN. Unless the Committee thought the action dilatory.

The question is on the motion of the gentleman from Virginia.

Mr. CANNON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM. Yes.

Mr. CANNON of Missouri. Mr. Chairman, under the rules of Committee we are not allowed to fix the control of time in the Committee, but in order that we may proceed in an orderly way, because without it we will have great confusion, I ask the gentleman from Virginia if he does not

think it would be advisable for him to have a tacit understanding that this hour and 30 minutes shall be controlled by certain gentlemen he may designate to represent the various interests?

Mr. WOODRUM. Mr. Chairman, I should be willing to do that, except that the Chairman of the Committee of the Whole knows so well the position of the different Members that I am quite sure that he will be fair in dividing the time. I believe that would be very much better than the suggestion of the gentleman from Missouri.

Mr. CANNON of Missouri. That is entirely satisfactory to me, Mr. Chairman.

The CHAIRMAN. The question is on the motion of the gentleman from Virginia.

Mr. HOOK. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HOOK. What is the position now with respect to any pro-forma amendment that may be offered?

The CHAIRMAN. Pro-forma amendments are not in order at this time. They would be amendments in the third degree. The question is on the motion of the gentleman from Virginia.

The motion was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Tennessee [Mr. McREYNOLDS].

Mr. McREYNOLDS. Mr. Chairman, I do not intend to say more than a few words. I have given you in brief this morning my reasons for favoring an appropriation of a billion dollars. I have offered this amendment as a compromise, $1,200,000,000, with the $223,000,000 carried as a reappropriation in the bill, which will make $1,423,000,000, if the amendment should prevail.

Mr. CANNON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. McREYNOLDS. I have not the time.

Mr. CANNON of Missouri. The gentleman ought to yield on that point, because that is very important. The gentleman is entirely misinformed.

Mr. McREYNOLDS. Mr. Chairman, I speak from the information that the chairman of the subcommittee gave me a moment ago and what he told me previously. I believe that $1,000,000,000 is enough, but I think that a billion dollars and $200,000,000, with this reappropriation of $223,000,000, certainly cannot be too little. I ask the Members of this House to vote for that amendment.

Let me tell the Members something. If we keep voting money out of the Treasury, the question will soon be, What are you going to use for money? Two billions and a half deficit this year. We have to call a halt, and the President is asking us to do so, and we can do it right here. You people have to report to your own people. You have had letters; I have had letters. Your own people are asking you to cut down the expenses of this Government, and it is up to us as Members of this House to do so. I hope that when this amendment comes up for a vote it will be adopted. It is certainly liberal, and I am sure there can be no question about getting by with that amount. That is all I desire to say.

The CHAIRMAN. The Chair will recognize now somebody in opposition to the amendment of the gentleman from Tennessee [Mr. McREYNOLDS] for $1,200,000,000, preferably a member of the committee; if not, then a member of the minority; and if not, then a member of the majority.

Mr. SACKS rose.

The CHAIRMAN. Is the gentleman from Pennsylvania opposed to the McReynolds amendment?

Mr. SACKS. I am.

The CHAIRMAN. The gentleman is recognized for 5 minutes.

Mr. SACKS. Mr. Chairman, we have before us what I consider one of the most important pieces of legislation that has come before us this session. We have to consider the rights of a large group of individuals in this country who are unable, because of economic conditions, to find employment to take care of themselves, and who are unable at this time to properly keep themselves and their families from starvation. In this country we are faced with a large unemployment situation. There are millions of people on relief and in W. P. A., and they deserve our consideration as well as the economic royalists and bankers and the large industries, and we, as representatives of all the people, must give them the same opportunity that we give to others. What do we find? We find that the W. P. A. officials themselves tell us that if we vote $1,500,000,000, 1 out of every 3 persons must be laid off, and thus go back to their States or to their local communities for help.

Can we do that reasonably at this time? I feel it is the duty of this Congress at this time to vote sufficient money to keep these people on W. P. A., to help the local communities, which are already overburdened. Their real-estate tax is now too high. How can we put these people back on the States and local communities? Furthermore, we cannot put them back on private industry, because private industry has also told us they cannot pay the present taxes. They cannot and will not give private employment. How can they help take care of these people? It is the duty of the Government at this time to give them sufficient funds. I say that at least $2,200,000,000 ought to be given to those on W. P. A.

[Here the gavel fell.]

Mr. PACE. Mr. Chairman, the time has come to balance the Budget.

In his message to Congress on April 20 the President stated that the receipts from taxes would be $600,000,000 less than he had estimated in January, and that it appeared the deficit for the present fiscal year ending June 30 would be $2,557,000,000. This deficit is 50 percent of total receipts.

This same message by the President contained the following statement:

> I regard it as extremely important that we should achieve a balance of actual income and outgo for the fiscal year 1938, and I appeal to you to join me in a determined effort to bring about that result. I am convinced that the success of our whole program and the permanent security of our people demand that we adjust all expenditures within the limits of our Budget estimate. It is a matter of concern to you and to me that so many special groups exert the strongest pressure to bring about increases in Government expenditures. If we are to avoid a continuation of the deficits we must resist these importunities.

After this warning and this appeal the President then recommends an appropriation of $1,500,000,000 for relief for the fiscal year 1938, and indicates that this will cause a deficit of $418,000,000, and that the deficit will be more than that figure unless Congress extends all existing taxes which expire this year, including 3-cent postage. He then adds that—

> The Treasury will be prepared by November to present suggestions for such new or additional taxes as may be necessary to meet deficiencies.

It therefore appears that the President makes two recommendations: First, that the Budget should be balanced in order to insure the success of our whole program and the permanent security of our people; and, secondly, that the Budget should be unbalanced by a present estimate of $400,000,000, and he puts the Treasury to work on new tax proposals to take care of the deficiency.

To one devoted to the principle of efficiency and economy in government, and at the same time to one who admires and accepts the leadership of our President, this message necessarily causes a conflict of emotions. But I know that the President has been subjected to the very thing which he cautioned against—that is, the "strongest pressure by special groups" from the mayors of a few of our largest cities. They want the Federal Government to continue to carry their local burdens; they are now conducting a campaign of propaganda in support of an enormous relief appropriation.

For this reason I believe that the real desire of the President is to balance the Budget and to keep it balanced, and to avoid the dangers of inflation, so as to insure success for his great program of economic recovery and social progress and guard the permanent security of our people. While the President has yielded to the pressure of these special

groups, it is only because he has not been fully and correctly informed of conditions in other parts of the country.

Therefore, I do not feel that I desert his leadership when I accept his first appeal or recommendation to "achieve a balance of actual income and outgo" and urge the Congress to make a substantial reduction in the relief appropriation. I make this appeal for the following reasons:

I believe it is of vital importance that Government expenditures should be kept within Government income. This is imperative for the future safety of this Nation and the security of the people. Conditions existing 4 years ago justified public expenditure regardless of the condition of the Treasury, but the emergency is over and the quickest way to put the idle to work is to stop supporting them with public funds. It is time to put our house in order, to cut expenses, to abolish unnecessary agencies and bureaus, and to set up plans for the orderly retirement of the public debt, which is now in excess of $35,000,000,000. It requires nearly $1,000,000,000 a year to pay the interest alone.

The tax burden is heavy enough at present. I want it reduced rather than increased; and if we can avoid deficiencies, it will not be necessary for us to have further suggestions for taxation from the Treasury Department.

If relief is reduced to the real cases of need, only for those in actual distress and who find it impossible to provide for themselves and their families after making an honest effort to secure employment, a large appropriation will not be required.

The report of the W. P. A. Administrator shows that he now has on relief rolls thousands and thousands of aliens. I for one will never agree that there is any duty on this Government or that we have the right to tax loyal American citizens to support and maintain these people who have come here from foreign lands and do not think enough of our Government to respect its laws and swear allegiance to its flag. If we strike the names of these aliens from the relief rolls, we can reduce the appropriation by the amount heretofore paid them, and if we reduce the present bill by that amount, it will serve as notice to Mr. Hopkins that he should not continue to carry them on relief. Let them return to their homelands. We have all we can do to look after our own people. Their governments give no help to our people who are in distress over there.

It is also well known by every Member of this House that there has been and continues to be an enormous amount of waste in the administration of relief. It has been said here today that the overhead is between 35 and 40 percent and that the people in distress are actually receiving only about 60 percent of the amount appropriated. While I would not accept those figures as correct, I do know there has been some waste in the expenditure of the $7,000,000,000 which you have heretofore appropriated for relief, and that this money has been given to some people who were not entitled to it. One way to correct this evil is to provide less funds and thereby make it necessary to give closer attention and use better judgment in extending relief.

During the last few days I have received from 10 to 50 reports from every county in my district, nearly 500 letters in all, and, with only three exceptions, every single person has advised that there is a serious shortage of labor, that relief has served its purpose and should be either entirely dispensed with or substantially reduced. From these reports the following conditions appear to exist:

Farmers, sawmills, and industrial plants are unable to secure necessary labor. Domestic servants cannot be secured at many places.

Some of those on relief will not accept private employment when it is offered to them.

Many in private employment have quit their jobs in order to get on relief, because the pay is as good or better and the work much easier.

When those on relief are discharged to supply the needs of private employment, they refuse such employment and move to some other place, usually the larger cities, where they can get back on relief. The reason there is so much unemployment in the larger cities today is because thousands have gone there in order to secure relief, while the communities they left have a shortage of labor; only when relief is denied them will they return to their old homes and go to work.

On the one hand, the Government is spending millions—yes; billions—to put the unemployed on the farms and at the same time is offering billions in relief to invite them to the big cities. It is a vicious circle that can be broken only by using the square rule of common sense and sound business principles.

The National Youth Administration is doing great work for our young people and should be continued. A reasonable amount should be provided for the Resettlement Administration, as it has in many cases provided substantial relief for our farmers in the South. I think the completion of the pending approved P. W. A. and W. P. A. projects should be authorized, as the communities have already obligated themselves heavily for that purpose. There are a few other worthy undertakings which may be justified. And those in actual need, who are unable to secure private employment, after showing that they have made an honest and exhaustive effort to work, should be given assistance by employment on such undertakings. But that should be the end, that is where Federal appropriations should stop. Unemployment is no longer a national problem; many sections have no need for relief and others have a serious labor shortage; these big cities should handle and provide for their own local troubles and we should no longer carry their burden. We should bring this relief business to a close at the very earliest possible moment. Under no circumstances can we continue to spend more than our income. The President has appealed to us, only a few days ago, to "achieve a balance of actual income and outgo", and I welcome this opportunity to join him in a determined effort to accomplish that end.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. VOORHIS] in support of his amendment for $2,200,000,000.

Mr. VOORHIS. Mr. Chairman, my own deepest conviction is that it would be possible for this Congress to make available for a works program which would be efficient, which would be limited to constructive, necessary projects, $2,500,000,000, if we would revise taxes to that end and cut on expenditures which are far less necessary than this one. I have introduced a constructive piece of legislation in order that Congress itself might determine the policy of the works program, insist upon efficiency and worthwhile projects, and give the Nation dollar for dollar of value for each dollar spent. But that is not the amendment I am offering now. I am offering an amendment right now to give the Members of this House a chance to vote not to force any more persons off of his work job on to the relief and charity rolls. I am giving you a chance to keep things where they are now, to keep W. P. A. employment up to its level of this past year.

To you people from the farming States, I am offering an amendment which will make available enough for the Resettlement Administration to enable the farmers in the Dust Bowl to be given a little help after October 1, if such help is still required. Many families have been living on $18 a month of Resettlement funds in that section. All of that help will end even if we appropriate $1,500,000,000 on October 1, aside from the rehabilitation loans to somewhat more prosperous farm families.

The Philadelphia Record of April 26 of this year published an editorial in which the following passage is to be noted:

> During the last 5 years there has ben a rise of $56,000,000,000 in the value of listed stocks and bonds and about $40,000,000,000 more in unlisted stocks and bonds. The 5-year incubation period is now ended. Liquidation has begun as the lucky owners turn their gains into cash on which they enjoy a 60-percent income-tax exemption. If that exemption were wiped out on estimated profits of $30,000,000,000 of securities held over 5 years, Uncle Sam would have at least $700,000,000 more revenue, the difference between the proposed billion and one-half W. P. A. program and $2,200,000,000, which would stimulate all business.

It was contended by the gentleman from New York [Mr. BEITER] yesterday that for every man employed on a P. W. A. job three and two-tenths other persons would be employed indirectly. Even an humble W. P. A. worker who gets $55 a month, if he is employed, indirectly causes employment of other people. He spends every dime he gets, you may be sure. Likewise, if you disemploy him, he causes disemployment of other people. There has been a certain amount of merriment in the House today, to our shame, but in 600,000 homes scattered throughout the country there is consternation. In those homes people are wondering whether or not this Congress is going to compel the breadwinner of that family to step off a job doing constructive work for America and accept relief that he does not want. I have literally hundreds of letters from the good folk of my district begging me to help get them off the relief rolls and onto the W. P. A., where they can work.

People have said that we have to cut down relief; that this is a relief appropriation. It is not a relief appropriation. It is an appropriation for work to preserve the morale and spirit of the people. If this job of running this works program is not done right, it is the fault of Congress for not having legislated properly to make it right.

The American Federation of Labor estimated February 1, 1936, there were 11,577,000 unemployed. W. P. A. employment on that same day was 3,036,000. One out of four of the unemployed was employed on W. P. A.

This March 1937 the American Federation of Labor estimated unemployment at 9,429,000, and the W. P. A. has 2,115,000 employed. In other words, we have cut W. P. A. employment 33⅓ percent while unemployment was declining only 20 percent. Can anyone doubt the fate of people who will be cast off W. P. A. if we do not appropriate at least $2,200,000,000? One and one-half billion means 700,000 workers must lose their jobs in the next 2 or 3 months. One billion means 1,200,000 workers must lose theirs. Congress ought not to do this thing.

I am for improving on public-works program not ending it. It ought to be expanded, not cut down. And so I am against cutting a single person off the W. P. A. for these reasons:

First. Such action does not accord with the facts regarding present need for employment of the American people.

Second. It will strike at our recovery at its very weakest and most vulnerable point—consumer buying power. It will hurt every class of society.

Third. It is unnecessary, even for purposes of balancing the Budget, if we would revise taxes. Additional revenue can be raised without hurting a soul.

Fourth. Not one nation in the world has been able to run away from its unemployment problem, as we are trying to do now.

Fifth. We stand in desperate need of certain public works, which the unemployed can unquestionably carry through if given the chance. Examples: Flood control, soil conservation, drought prevention, low-cost housing, recreation centers in big cities, slum clearance.

Sixth. To cut off the unemployed means to threaten every wage earner in America with a cut in pay from added competition for his job.

Seventh. Such action is a direct repudiation of Democratic campaign promises of work for the unemployed.

Eighth. It is inhuman, unjust, un-American, and un-Christian.

We ought to take the good features of P. W. A. and the necessary features of W. P. A. and combine them together in one department doing necessary and essential public works and employing unemployed people without any reference to relief at all.

If there is not enough skilled labor, it can be trained.

Mr. McMILLAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, we only have a few minutes to discuss this very important problem. As a member of the subcommittee who heard the testimony and reported this bill, I have asked for a few moments to briefly express my views regarding the matter.

We must look at this question solely from the amount of money here involved. It is not a partisan question. The question, in my judgment, is what about this emergency? This appropriation, if granted, is made on the theory that there still exists in America an emergency. That is the history of this legislation through the past several years and the cause which has heretofore prompted these relief appropriations by Congress.

Now, a word with regard to the emergency. When I heard my delightful and distinguished friend from Missouri this morning get up here and talk about conditions existing today in America and shed crocodile tears, as he did, I began to think that the last vestige of prosperity that we had heard so much about for the past year or so had passed and gone.

Mr. LUCAS. Mr. Chairman, will the gentleman yield?

Mr. McMILLAN. No; I have not time; I am sorry.

Mr. Chairman, either we have a return of prosperity or we have not. That is just the situation. We see in the daily press that conditions are improving. If they are improving, is there still an emergency in America? My belief is that conditions have improved. This being true, as I think everyone will admit, it is up to us, as Members of Congress, to stand here and vote without fear or favor for the best interest of America. [Applause.] We should vote our convictions. If, as was charged by the gentleman from Missouri during his speech, that the gentleman from Virginia [Mr. WOODRUM] and myself, members of the subcommittee, have joined with our Republican colleagues on that committee in voting out a billion-dollar bill, I am guilty, but I appeal to you to review conditions in America. This alone is what prompted my action. They have improved. Down in my country, in South Carolina, and in other Southern States, appeals are being made by farmers and agricultural interests for help, yet there are many men and women on the relief rolls who, except for relief, would be available. Because of relief they cannot get them. This situation exists in many sections of the country. My friend the gentleman from Tennessee [Mr. MCREYNOLDS] brought out another fact that is equally forceful—that in many homes of America domestic servants cannot be found, for a majority of them prefer to be on the relief rolls rather than go out and do an honest day's work. This is the situation, and I cannot consistently vote to continue such a program.

Mr. Chairman, it is not pleasant to have to oppose the amount of funds requested. I know there are a lot of worthy people who are unfortunate and who need work, and want to work, and need to be helped by this program. I am willing to help and to aid this class of our citizens, but we must face this issue frankly and fearlessly.

A word, Mr. Chairman, about the Budget question We hear cries on every side and from every part of the country to balance the Budget. Here is a chance to help balance the Budget. We are spending hundreds of millions of dollars for one thing and another, and quite often for projects which are unnecessary. I know that a careful examination and survey of unemployment conditions in America would reveal the fact that many thousands of these people could be taken off the relief rolls to work in private industry and agriculture. [Applause.] Why not, therefore, now that you have a chance, vote to save a substantial sum of money? Help balance the Budget and without seriously affecting the relief program.

Mr. O'MALLEY. Mr. Chairman——

The CHAIRMAN. For what purpose does the gentleman from Wisconsin rise?

Mr. O'MALLEY. I rise in support of the Boileau amendment.

The CHAIRMAN. All time has been exhausted on the Boileau amendment. Ten minutes remain on the committee amendment.

Mr. BRADLEY. Mr. Chairman, a few weeks ago there were quite a number of Members who were prepared to vote for an amount which was in excess of $1,500,000,000.

The strategy of those who are unwilling to provide an adequate amount, however, has been so successful that today a great many of us think if we get $1,500,000,000 that we have won a victory. The psychology of their strategy has been very successful, but do not deceive yourselves; $1,500,000,000 is not a victory for those who wish to take care of the people in this country who are deprived of the opportunity of earning a living in industry, because it is not sufficient.

I have heard a great many Members today speak on economy and advocate a reduction in this amount. I am somewhat amazed when I consider that these same individuals yesterday and the day before stood on the floor of this House and voted to increase expenditures in appropriation bills for their own districts. They are economists today but were spendthrifts yesterday.

Mr. Hopkins yesterday admitted to a delegation, of which I was one, who called upon him that if only $1,500,000,000 were allotted to relief for the coming year he would be compelled to take 525,000 people off the W. P. A. rolls immediately.

Mr. Chairman, they tell you that the President favors this. I submit, and I take the word of the gentleman from Missouri [Mr. CANNON] for it, that the President, in agreeing to this figure, made a concession to those whom he felt would not go along with his better ideas with respect to what was necessary. If you vote for an amount which will increase the total carried by the bill, you will come nearer to carrying out the wishes of the President than those who attempt to decrease the amount.

I appeal to you not to disregard the wishes of those people who have the right to expect that the Democratic Party meant what it said in the campaign last November when it received the mandate of the people of this country. I am not surprised that Republicans in this House should get up and speak callously of the poor and the people who are suffering misery throughout the Nation, but when men of my own party speak of them as racketeers I think it is time for some of us Democrats to think of our obligations to the unemployed and to cast our votes in accordance with the dictates of our consciences. For myself, and perhaps there are some who will think I am presumptuous, I am a new Member of this House and I have been quite willing to follow in a passive manner the leadership of my own party, but when certain older members of my party indicate, to my mind, a desire to become reactionary I would no sooner follow them than I would the Republicans on the other side of the aisle. [Applause.]

Mr. Chairman, I appeal to the Members who received the mandate of the people to vote not only for $1,500,000,000 but to increase this amount. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. Let the Chair state that at this time 5 minutes remain in support of the committee amendment.

Mr. KENNEY. Mr. Chairman, I rise in support of the committee amendment.

Mr. Chairman, the House should vote at least one and one-half billion dollars for the purposes of this relief bill. After the W. P. A. program went into effect, 93,000 people were put to work in New Jersey. There was a peak in February 1936 of 98,000. The number has now been reduced to 75,000 people in the State engaged on the W. P. A. program. Taking an average of 3 to a family, 225,000 persons are dependent upon works-progress projects there. In the summer of 1935 there were 145,000 cases on relief. The number was reduced in December 1935 to 111,000. At the present time there are about 65,000 cases on relief.

If we pass this bill for one and a half billion dollars, we are not going to take care of the present W. P. A. workers who need work in the State of New Jersey; 3,400 projects have been completed there. There are 1,800 now active. The President has recommended, in all, 8,800 projects. Under the Works Progress Administration about $128,000,000 has been expended in New Jersey. All of the money was not spent for projects, a part being used for work by the Navy. During the fiscal year of 1936, W. P. A. used the relatively low sum of $46,000,000, owing to delay in starting projects. For the fiscal year 1937 approximately $75,000,000 will have been expended. The spending of this money helped our unemployed and gave them renewed courage and hope. It moreover helped our business and the small business man, and we have small businesses in New Jersey. We have, besides, many small municipalities which benefited, for the work involved in this program has been and is needed. The work performed by W. P. A. workers saves the local taxpayers money. We are building municipal buildings, we are improving our roads, painting and repairing our schools, and doing other necessary things that would cost the taxpayers of the community plenty of money, and indirectly they are being benefited by works progress. One billion five hundred million dollars is not enough to keep the people now employed, and even with that appropriation 25 percent will have to be let out of work.

It we should vote $2,200,000,000, it would just about keep the present number now engaged on W. P. A. projects in New Jersey. Out of that amount New Jersey would have $70,000,000, which is needed to keep the present number of employees. Out of $1,500,000,000, New Jersey will get only $54,000,000, which will not keep up the present program, but will require a reduction in personnel of about 25 percent. I am hopeful that private industry will absorb the reduction, and thousands of W. P. A. workers have in the past given up their jobs to enter private employment.

In New Jersey the number of W. P. A. workers has been reduced from the peak of 98,000 to 75,000, showing that there is a recovery which is responsible for the reduction. There is ground for believing that those who will be dispensed with will find private employment and that during the coming year there will be a further tapering off so as to lessen the need for W. P. A. work.

The appropriation should not be cut down to a billion dollars, because if it is you will throw 35,000 to 40,000 people out of work in New Jersey alone, which will mean 100,000 to 120,000 more destitute people, and in many sections our people up there will be in the same position they were back in the old days when this was first started and the same situation will exist all over the country. That was deplorable.

Before the advent of the Works Progress Administration people came to me every day and every night pleading for help and for work. They pleaded to all of you in your districts. The whole country appealed to the President. That is why we have W. P. A. It has been a great thing for New Jersey. It has been a great thing for all the North. It has helped those down South and out West. It primed the financial pump of the country. There is still need for it, and if it is to continue to fulfill its need $1,500,000,000 must be raised.

Mr. Chairman, I ask the Members to vote for an appropriation of $1,500,000,000.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment to the amendment offered by the gentleman from Wisconsin [Mr. BOILEAU] to increase the amount to $3,000,000,000.

The question was taken; and on a division (demanded by Mr. BOILEAU) there were—ayes 46, noes 180.

Mr. BOILEAU. Mr. Chairman, I demand tellers.

Mr. VOORHIS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BOILEAU. Mr. Chairman, a point of order. Will that interfere with the demand for tellers?

The CHAIRMAN. It will not.

Mr. VOORHIS. Do I understand correctly the next vote will come on the McReynolds amendment to the substitute amendment offered by myself?

The CHAIRMAN. Unless some other amendment shall be offered in case the Boileau amendment is defeated.

Mr. VOORHIS. In case the McReynolds amendment to the substitute is agreed to, would there be a vote on the substitute itself offered by myself?

The CHAIRMAN. Yes; as amended.

Mr. VOORHIS. As amended by the McReynolds amendment. I want to offer an amendment to the committee amendment after the teller vote in order to protect my amendment.

The CHAIRMAN. The gentleman has an amendment pending at this time.

Mr. O'MALLEY. Mr. Chairman, I have an amendment to the committee amendment. Will that amendment come up before these other amendments and substitutes are disposed of?

The CHAIRMAN. It may.

Mr. BOILEAU. Mr. Chairman, I renew my demand for tellers.

Tellers were ordered, and the Chair appointed Mr. WOODRUM and Mr. BOILEAU to act as tellers.

The Committee again divided; and the tellers reported there were ayes 51, noes 196.

So the amendment to the amendment was rejected.

The CHAIRMAN. The Clerk will report the first amendment on the Clerk's desk.

Mr. HOOK. Mr. Chairman, I offer a motion to strike out the enacting clause.

The Clerk read as follows:

Mr. HOOK moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken out.

The CHAIRMAN. Is the gentleman from Michigan [Mr. HOOK] opposed to the bill?

Mr. HOOK. Yes.

The CHAIRMAN. Does the gentleman intend to vote against the bill?

Mr. HOOK. It all depends on what condition the bill is in.

The CHAIRMAN. The gentleman does not qualify.

Mr. HOOK. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HOOK. Will the Chair inform this House as to how in the world under any parliamentary rule I can get a chance to talk on this bill?

The CHAIRMAN. The offering of amendments is in order at this time. The Clerk will report the first amendment.

The Clerk read as follows:

Amendment offered by Mr. JOHNSON of Minnesota: Strike out "$1,500,000,000" from the committee amendment and insert "$2,000,000,000."

Mr. JOHNSON of Minnesota. Mr. Chairman, today by clever maneuvering those who desire relief are forced to fight for the committee amendment of $1,500,000,000. This is the result of a drive by the United States Chamber of Commerce, the American Manufacturers' Association, the American Liberty League, and the National Economy League. The offices of Members have been flooded in the last 2 weeks by documentary evidence that the Budget is running away with the welfare of the country. However, I would like to point out in these few short minutes that the same gentlemen who today are espousing an appropriation of $1,200,000,000 or $1,000,000,000 for relief are the same gentlemen who were in favor of cutting the veterans' appropriations 4 years ago, and they are the same gentlemen who put the President on such a hot spot that 41 times in 40 days he had to change the tenets of that bill in order to save the Democratic Party from destruction in the next congressional election.

These are matters of history. They do not have to be reiterated and proven at each time of discussion. However, the Republican Party today, who are really sponsoring this program—and I speak now about the gentleman from New York [Mr. TABER], who has a new C. C. C. program of "cut, chisel, and chop" everything that comes into this House—are forcing the Democrats to follow them blindly and supinely. After all, you are not chargeable to anybody else than the people in your districts. Nevertheless, the people in your districts voted for the candidate of the Democratic Party in preference to that of the Republican Party last year, because they found this program of the United States Chamber of Commerce and this program of the American Manufacturers' Association had been given a test by Hoover from 1929 to 1933, and it was practically a mad dance of death for this country. You gave the country an intelligent spending program, and Roosevelt is going down in history, perhaps, as the American Hercules of the depression. The country is not yet ready for another economy program. They had enough of economy under Coolidge and Hoover. The country wants intelligent spending. I hope you will carry out the original purposes of the Democratic Party.

My amendment calls for $2,900,000,000. I do not expect that you will pass it today. However, this amendment will put 2,800,000 men to work on the W. P. A., will keep the deal between the Federal Government and the States, and will prevent State and municipal bankruptcy.

Mr. HOFFMAN. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. HOFFMAN moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken out.

The CHAIRMAN. Is the gentleman opposed to the bill?

Mr. HOFFMAN. I am.

The CHAIRMAN. Does the gentleman intend to vote against the bill?

Mr. HOFFMAN. I sure do.

The CHAIRMAN. The gentleman qualifies and is recognized for 5 minutes.

Mr. HOFFMAN. Three will be enough.

These liberal spenders, including the gentleman from Minnesota [Mr. JOHNSON], who want to put men back to work, have considerable to say about the chamber of commerce and the Manufacturers' Association. There is this at least to be said about the chamber of commerce and the Manufacturers' Association, and the economic royalists to whom he referred: Regardless of what their intentions may be, regardless of the profits which they may have taken from the laboring men, they at least have given the laboring man work; they have actually provided jobs. How many jobs have you gentlemen ever given them?

Mr. KELLER. Plenty.

Mr. HOFFMAN. Plenty? Yes, plenty. With whose money?

Mr. KELLER. Mine and yours.

Mr. HOFFMAN. Yes; you put a tax on the surplus of the men who are giving jobs, of the men who are operating the factories, who are in industry, and who need that surplus to insure employment in times of depression; you attempt to take that surplus from them.

Mr. KELLER. Sure.

Mr. HOFFMAN. Sure; so they cannot give any more jobs.

Mr. KELLER. So they can give more.

Mr. HOFFMAN. Yes. You tax their surplus so they can give more work?

Mr. KELLER. Certainly.

Mr. HOFFMAN. That is logical?

Mr. KELLER. Certainly.

Mr. HOFFMAN. That is in accord with all your arguments—no more logical.

Mr. KELLER. Why not?

Mr. HOFFMAN. Why not? Yes. [Laughter.] How old is Ann? When you get through with taxing their surplus, if there is anything else that you can think of to stop the wheels of industry——

Mr. KELLER. We can.

Mr. HOFFMAN. I do not doubt it. You are the sweetest bunch of wreckers it has ever been my pleasure to meet or read about. [Laughter.]

Mr. KELLER. I thank the gentleman.

Mr. HOFFMAN. I recall reading as a child in a book, entitled "Around and About Old England", of those fellows who used to put lights out on the rockbound coasts, who used to build bonfires on the cliffs of old England, to lure in ships under the mistaken belief that harbors were at hand, so that those ships might be wrecked and later the wreckage might be gathered up. Those gentlemen were amateurs.

Mr. KELLER. They were?

Mr. HOFFMAN. They were. The gentleman is right again. [Laughter.] Next week you will come along with a bill fixing minimum wages.

Mr. KELLER. Higher.

Mr. HOFFMAN. And maximum hours.

Mr. KELLER. Higher wages.

Mr. HOFFMAN. Higher wages, sure. [Laughter and applause.] The wages higher and the hours shorter.

Mr. KELLER. Sure.

Mr. HOFFMAN. And again you are going to make something out of nothing.

Mr. KELLER. Something out of everything.

Mr. HOFFMAN. Yes? Something out of nothing.

Mr. McLEAN. Mr. Chairman, I ask that the rules of the House be enforced and that the gentleman from Michigan be allowed to proceed under the rules of the House in an orderly manner.

Mr. HOFFMAN. Well, I do not care. It is just an illustration. The gentlemen are like a bunch of schoolboys playing around with some toy. They have the United States Treasury now, and they want to see how long they can make the thing spin with nothing in it. You are the same group that lent support to the movement that closed down the factories up in Michigan which were giving employment.

Mr. KELLER. And opened them up again at higher wages.

Mr. HOFFMAN. Higher wages? Go up and ask the men who worked in them. It will take them 15 years to get back what they lost in your C. I. O. strikes.

Now, why not use a little common sense for a while and do a little something for those who are actually providing the jobs which are giving men work by ceasing to hamper and to hinder them by calling strikes which get the worker nothing, which close the factories, which stop production, which take away jobs.

Here we are debating the question of whether we shall give $1,000,000,000 or $3,000,000,000 to provide work for men who are out of work. Yet this administration, by taxing the surplus which those who give employment wish to set aside so that the business may continue to operate through times of depression as well as through periods of prosperity, destroys the power to give continuous employment. It prevents expansion of business. It prevents an increase in the number of jobs. You cannot destroy industry without destroying the freedom of labor.

This administration has given and now is giving tacit encouragement and active aid to that small group which has closed many a factory, deprived hundreds of thousands of workers of employment, cost this country millions upon millions of dollars, and by intimidation is forcing workers to join the C. I. O., pay an initiation fee of $2, monthly dues of $1 or more, and forcing the employer to deduct from the worker's pay envelope these monthly dues.

The oft-repeated argument here on the floor is that these appropriations are necessary to provide jobs. At the same time the administration is apparently doing everything within its power to destroy those who, in private industry, would give and are giving the employment which is necessary if men are to be taken off relief.

For what purpose and to what end is this course followed? The purpose may be concealed. The end, if the course be persisted in and if it be successful, will be the destruction of private industry, and when the burden of caring for those so forced out of employment becomes too great, the Government here, as in Italy, will take over the operation of private business.

If that be the desire of those who pose as friends of labor, the present administration should have their loyal support.

Mr. FRED M. VINSON. Mr. Chairman, the fate of this bill hangs upon the defeat of this amendment to strike out the enacting clause. It must be defeated. The speech of the gentleman offering it, to which we have just listened, is typical of the opposition that comes from the Republican side of the aisle. [Applause.] It makes no difference to the gentleman from Michigan [Mr. HOFFMAN] and to his friends on that side of the aisle whether the amount appropriated is one billion, a billion and a quarter, a billion and a half, or two billions; they are against this relief bill. To make the motion the gentleman from Michigan stated he was against the bill. They are against this relief bill; they are against the Democratic administration and the President's program. Today they are attempting sabotage.

I grant you there are other gentlemen in this House who oppose the $1,500,000,000 to carry out the administration relief program for different reasons, but I want the friends of the administration to let the witnesses, who have testified and who will testify, pass in review, and in weighing their statements, find out how many of them have voted against all the relief bills that have been presented.

I have a very fond affection for the gentleman from Virginia [Mr. WOODRUM]. We came here in the same Congress. He has 2 years' longer service because my folks left me at home during the Smith landslide, and you see what happened to the country. [Laughter.] I have attempted to analyze his position, and I sympathize with him because I know he is an ardent friend of the administration; but he is just out on a limb. When the economy wave came, you know, my good friend from Virginia went with the economy wave, and he went just a little further than probably he would like to be.

I recall one time on another economy wave he was a valiant soldier, a valiant friend of the administration. On March 10, 1933, he held his banner high, and with his pleasing personality, his eloquence that is unsurpassed in this body, men listened to him, and today many of them are at home. I had to hold tight that day in order to withstand the power of persuasion of my friend from Virginia. The thing that made me come through and vote against that so-called economy bill on March 10, 1933, was the knowledge that I had repeatedly pledged myself to my people to be against that sort of legislation. Today I am pledged to my people to support the administration's program for relief. I am pledged on 100 platforms to support the humanitarian leader we have in relief measures. [Applause.]

I would like to see the amount appropriated the irreducible minimum. I know very little about just how many dollars it takes to do the job. I dare say there is not a man in this House who can say how many dollars it will take during the next 12 months to do this job. The President of the United States is in better position to know than any Member of this Congress. The opponents of this measure have made no effort "to specify wherein" the cuts would be made. Without details or knowledge relative thereto I cannot vote blindly for a 33⅓-percent cut.

I ask you to defeat this amendment to strike out the enacting clause and to support the President in his request to secure $1,500,000,000 for his relief program for 1938. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The question now recurs on the motion to strike out the enacting clause.

The motion to strike out the enacting clause was rejected.

The CHAIRMAN. The question now recurs on the amendment offered by the gentleman from Minnesota to amend the amount to $2,000,000,000.

Mr. BOILEAU. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. BOILEAU. Mr. Chairman, the gentleman from Minnesota [Mr. JOHNSON], the author of the amendment, stated in his speech that his amount was $2,900,000,000. The Clerk and the Chairman stated $2,000,000,000. I hope that will be clarified.

The CHAIRMAN. The amount in the amendment is $2,900,000,000.

The amendment was rejected.

The CHAIRMAN. The Clerk will report the next amendment on the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. O'MALLEY to the committee amendment: Strike out "$1,500,000,000" and insert in lieu thereof "$1,750,000,000."

Mr. O'MALLEY. Mr. Chairman, about the only way I could get any time on this measure was to offer an amendment.

I do not expect it to get enough votes in view of the present temper of the House, but I do want to reiterate today my own personal stand upon this relief question. History repeats itself. Four years ago the same gentlemen who are passing out this economy talk came to the floor of this House and persuaded this House that they ought to balance the Budget because there was a depression, and to balance the Budget the House should practice economy on the men who had served their country and the underpaid workers in established Government departments. Now these same economy flag wavers come here today and want us to balance the Budget because of their claim of prosperity. Who do they want to practice economy on now? Of course, on the unemployed and the underprivileged people of this country, members of the same group of people against whom the economy knife was sharpened in '33.

Every complaint about relief that I have heard in the last 2 days has been a complaint about the administration of such relief. This Congress can correct its administration if it is bad. This Congress can amend this bill to prevent aliens being placed upon the W. P. A. pay roll. This Congress can drive out of the W. P. A. those selfish and politically minded executives who only within the last month raised the salaries of clerks in the administrative force, while thousands on actual projects are getting less than $50 a month. This Congress can correct all these things by amending this bill and restricting or earmarking every dollar in it, and this is our duty. But it is not our duty to pare relief appropriations to satisfy the demands of those who think more of their income-tax figure than of the hungry children of their less fortunate fellow Americans.

In some places and particulars W. P. A. administration stinks so bad it would make a self-respecting skunk hide its head in shame. But no reasonable man burns down the barn to get rid of the rodents. We should eliminate the evils without starving the needy in order to get at those evils. As long as there are million-dollar incomes in this country, as long as thousands of families in my city are trying to get by on less than $500 a year to live on, I do not propose to cast my vote on the side of a few squawking millionaires who are worried about their taxes. I intend to vote as I did in 1933, upon the side of the underprivileged, on the side of Americans who want work and have not been able to get it even in this boasted prosperity that requires us to penalize the poor to balance a Budget. Industry has still the duty to reemploy our people. Either business gives them work or Government must, and adequate relief appropriations will get my vote as long as a single American willing and able to work is denied work by our economic system.

Mr. HUNTER. Mr. Chairman, we are met on one hand with the evident necessity of reducing Federal expenditures and on the other by the demand that Congress appropriate new money for the extension of W. P. A. projects.

The Department is requesting a billion and a half. There is pressure from many quarters to enact a $3,000,000,000 appropriation. Perhaps the Department might be satisfied with a mere billion.

We are informed on one side that we must balance the Budget. Equally insistent is the cry that we must take care of the needy. If we fail to balance the Budget, we are informed that the country will find itself in a period of wild inflation.

If we balance the Budget without levying new Federal taxes, we must cast out thousands of deserving people whose sole livelihood is now obtained for all employables.

The question is fairly put before Congress and the 48 States, What are we going to do about W. P. A.?

As a Representative from Ohio, I am concerned primarily with Ohio's problem.

Ohio in the fiscal year of 1936 paid into the Federal Treasury $189,524,560.24. It received in grants $146,912,450.36. At the same time it became a responsible party with 47 other States, to a deficit of over four and one-half billion dollars, and Ohio's proportionate share of the 1936 deficit will be approximately $200,000,000.

If the United States Government had been operating on a "cash and carry" basis, as is the government of the State of Ohio, it would have meant paying into the National Treasury, not $189,000,000, but $389,000,000 in return for our $146,000,000 relief grant; and, instead of receiving 80 cents in relief for each dollar we paid in, we are actually receiving 37 cents in relief for each dollar that we pay, or assume to pay.

The question for the States to decide and the paramount issue of Ohio citizens is, How much longer do we care to use the Federal Government as our banker, knowing that we will receive approximately 37 cents in relief funds back from each dollar we place on deposit, and knowing that 63 cents of each dollar is our contribution for the maintenance of our Federal Government and the many bureaus that have grown up within it.

Ohio rightly must contribute its share to the upkeep of the Federal Government, but $243,000,000 in 1 year is far too much.

If we hope to balance our Federal Budget, there is no chance at the present time to reduce any Federal taxes. If we carry W. P. A. as a Federal agency, we must enact new Federal taxes.

The Federal deficit, which increased four and one-half billion dollars in 1936, cannot be greatly increased in 1937 and 1938 without total ruin.

I object to new Federal taxes on the citizens of Ohio to carry on a Federal relief program which the State of Ohio itself can handle at half the cost.

The taxpayers of Ohio would have been better off in 1936 if there had been direct State grants and no Federal W. P. A. They could have taken care of their needy just as well and saved millions of dollars.

They will be better off through 1937 and 1938 if Congress disbands the entire W. P. A. administration and turns the direction of work projects back to the State, where it belongs.

In Washington alone is a W. P. A. administrative office with 1,803 people on the pay roll, forming a vast bureaucratic organization which dictates to Ohio how Ohio shall spend the portion it gets back from the dollar it pays in.

There has been built up in Washington and in Columbus, Ohio, our State capital, and all the other principal cities organizations that are dangerous politically, that have been used and abused on many occasions.

A director in Toledo, responsible to a State director in Columbus, who is in turn responsible to the Administrator in Washington, none of whom are responsible or answerable to Ohio people, tells Toledo who shall and who shall not work; who is deserving and who is not deserving; what projects are best for Toledo and what are not. Deputy administrators in Washington pass on the advisability and necessity of projects in my district when they have never set foot in the district or in the State.

Such a condition would be unsatisfactory if we were able to assume that all down the line from Washington are men of integrity and ability—men who are not influenced by politics.

Toledo has had many fine improvements as part of its share of W. P. A. spending. We have also seen some very ridiculous examples of W. P. A. spending. We have seen hundreds of men throwing shovels full of dirt out of the channel of a stream in a fanciful effort to beautify and cleanse that stream, when any engineer could have told the W. P. A. director that the first spring freshet would entirely wash out all evidence of their work. Examples of this are too numerous to mention.

We have lived for years in a dream in which we imagined that the money poured out by the Federal Government somehow never would have to be replaced. We have regarded Federal grants like gifts from a benign Santa Claus and have shut our eyes to the fact that we have had to feed and clothe and buy reindeer for this Santa Claus, as well as support his numerous official family.

It is time we wake up, disband this overgrown and entirely unnecessary organization in Washington, and as States begin to do our own shopping with our own money, thereby buying the things we most need.

By doing so our Ohio taxpayers' dollar will again buy a dollar's worth of value. By doing so we in Ohio will be able to control the operation of our own public works.

We will be able to have men whose direct responsibility to the people of Ohio assures us that they are thinking about the interests solely of Ohio. We will be assured that useful public works will be found and that there will be fewer repetitions of our leaf-raking projects.

So far I have spoken only for Ohio. There are States, I know, that have drawn from the Federal Treasury two and three times the amount they have placed in it. Arizona paid in less than $2,000,000 and drew out more than twelve and one-half millions. Arkansas paid a little more than eight and one-half million for almost twenty-four million.

In one or two of these States where there has been some great public need it is probable that it will continue to be necessary for the Federal Government to lend assistance over and beyond proportionate share. But the direction of work projects within a State should be a function of that State and its municipal, township, and county officials.

These men, close to the people they represent, are in a better position to know where help is really needed. They are in a better position to know how much assistance the individuals for whom they are responsible need. They should be better able to eliminate chiselers from their lists. They can adjust and correct payments to conform to local conditions. I believe they could correct a condition which now exists in which we find certain individuals on the W. P. A. pay roll who will not accept employment in private industry. And I believe they will be able to give a fairer deal to the great number of honest, hard-working people who, through no fault of their own, are dependent upon public works for a livelihood.

The Washington director of the W. P. A. himself has told me that there are unnecessary offices and unnecessary administrative personnel throughout the W. P. A. and that they should be eliminated. He has admitted to me that there is politics in the organization which he is powerless to eliminate.

Ohio cannot afford the W. P. A. under its present set-up, and few, if any, of the other States can. I ask that this Congress, by turning W. P. A. control over to the States, institute the principle of good business management into our relief-work programs.

As far as it is possible without the levying of new Federal taxes, I favor direct grants by the Federal Government to the States to aid in carrying on their work-relief projects. These projects should be controlled and directed by the individual States as the most efficient and economical method.

And, further, I want every dollar of money raised for relief by new taxes in Ohio to be spent on relief in Ohio. I do not want Ohio to be forced to raise one dollar in new taxes for every 37 cents it gets to spend on relief.

Mr. TABER. Mr. Chairman, I have not so far spoken on this bill, because I have felt that the membership of the House should have just as much opportunity to speak as possible. It seems to me it is time that we met this relief problem face to face, and not as a matter of passion or prejudice. From my own standpoint, I do not believe that the Treasury of the United States can stand it to provide for relief upon the basis that is set up here in the bill. I believe that the money should be used for relief where it will go further. I believe that the administration of it should be turned back to the localities where the best people can be made to look after it, and will look after it; and if they need Federal help, that we should give them some.

Mr. TRANSUE. Mr. Chairman, will the gentleman yield?

Mr. TABER. I do not yield. If we had half a billion dollars distributed in that way, it would take care of more than a billion dollars will, distributed in the way suggested in the bill. I hold in my hand a letter from the president of the Mayors' Club of Massachusetts, representing 39 cities, expressing just that thought. Why can we not approach this problem from the standpoint of solving it and letting our people go back to work, instead of trying to continue this sort of employment and preventing those who are on unemployment relief from working in private employment? There are in every one of our districts situations where farmers cannot get help, where people who want to paint houses and have carpenter work done upon them cannot get the help because of the situation that is created.

Mr. LANZETTA. Mr. Chairman, will the gentleman yield?

Mr. TABER. Yes.

Mr. LANZETTA. Has the gentleman ever inquired as to the wages that these people are willing to pay for work?

Mr. TABER. They will be employed at reasonable wages. There are many in my own district of my own knowledge who will pay fair wages. Fakers come out and try to intimate that those who seek people to work for them will pay only 20 cents an hour, but I know that there are hundreds and hundreds of people who are ready to employ people at decent wages if they have a chance, fair wages, the going wages in their communities.

Mr. LANZETTA. Mr. Chairman, will the gentleman yield further?

Mr. TABER. I cannot yield further. I believe that the very most that we should grant in this bill in the interest of the continuance of the stability of our Government is the amount named in the bill to start with. I believe any amendment that increases it is going to be of damage to the workingmen, of damage to the men on relief. If we go on with it a little further and the structure breaks, we are going to leave them a lot worse off than we will if we approach this problem from an honest standpoint and cease to temporize with it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. O'MALLEY] to fix the amount at $1,750,000,000.

The question was taken, and the amendment was rejected.

The CHAIRMAN. The Clerk will report the next amendment at the desk.

The Clerk read as follows:

Amendment offered by Mr. BURDICK to the committee amendment: Page 2, line 1, strike out "$1,500,000,000" and insert in lieu thereof "$4,000,000,000."

Mr. BURDICK. Mr. Chairman, I first want to say that I am thankful to Almighty Providence that I did not have to ask any political organization for a chance to speak on this occasion. Whenever a measure of great importance comes before the people of this Congress those who wish to represent the people do not have a chance to speak at all unless they sneak in under the ropes and get that chance. [Applause.] I live among the poor people at home and I live among the poor people down here, and I know there are more out of employment today than there were 3 years ago. You have not settled this question at all. We are not asking for relief, we are asking for a chance to let our people work. At this moment there are 11,000,000 people out of jobs. The Government agencies say there are 7,000,000. Mr. Hopkins says 7,000,000, and they will always be out of a job. Now, let us be fair. He is telling the truth. We have an unemployment problem on our hands. There will be more out of jobs next year than there are this year unless we change our monetary system. It is the duty of this Government to give them work.

I had to offer some amendment in order to speak at all. Fortunately I happened to strike upon the right figure. If there are 7,000,000 permanently out of work, $666 per person would require $4,650,000,000 which should be appropriated. Did any of you ever try to eat and live on a budget? When you are hungry did you ever try a budget? When you went to sleep did you ever try to sleep on a budget? When you wanted clothing did you ever try to cover yourself with a budget? [Laughter.] We do not care about budgets now. We are more concerned with giving 7,000,000 people a chance to eat and a chance to live in houses and be properly clothed.

I know I am not going to get any support for this amendment. I knew it before I started; but I am going to leave something with you this afternoon that you will remember. Within the next 6 months you will find millions of people in this country looking for something to eat. The great West is drying up again. You are foreclosing on them out there. You are driving 10,000 people into unemployment in my State alone. You should get ready to furnish them work. We do not ask you for any relief. We want a chance to work in this country. If during the 150 years of this Government a system grew up which leaves 7,000,000 out of a job, it is up to you to change the system. [Applause.]

I do not expect any votes, but I am glad to have an opportunity to tell you what I think and what the people think with whom I live in North Dakota and in Maryland. Right now, in the spring of the year, they are feeding them. They are feeding them here and in North Dakota; but you do not know it. I know it. I help to do it. Will you stand here today and refuse to appropriate the money to give people a chance to work? Go ahead and do it, and then assume the consequences that must inevitably follow. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Chair might state there are at least seven amendments pending, and they will not all be reached within the time allotted unless there is some suggestion that debate be reduced to about 2 minutes.

Mr. CURLEY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CURLEY. All day yesterday and all day today I have endeavored to be recognized by the Committee and by the Chair to speak on this proposition, and I have failed to be considered at all.

The CHAIRMAN. The Chair is doing the best he can. There are about 40 requests. The gentleman could have offered an amendment.

Mr. CURLEY. I did not want to go against a man who is offering an amendment for $4,000,000,000, because I am not against that. [Laughter.]

Mr. DUNN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DUNN. I sent an amendment to the desk for $4,000,000,000, and I have been informed that it is not at the desk.

The CHAIRMAN. The Clerk cannot find it.

Mr. DUNN. I had the gentleman from Indiana [Mr. LUDLOW] write it out for me.

Mr. O'CONNOR of Montana rose.

The CHAIRMAN. For what purpose does the gentleman from Montana rise?

Mr. O'CONNOR of Montana. Mr. Chairman, I have an amendment that I would like to be heard upon. I have an amendment asking for $2,100,000,000, and I would like to be heard upon that.

The CHAIRMAN. The amendment will be debated if there is sufficient time. In any event, the amendment will be voted upon.

Mr. O'CONNOR of Montana. I ask unanimous consent that all amendments be heard under the 5-minute rule.

The CHAIRMAN. The time has already been fixed. The gentleman from Kentucky [Mr. CREAL] is recognized.

Mr. CURLEY. Mr. Chairman, I make the point of order that there is not a quorum present.

The CHAIRMAN. The Chair will count. [After counting.] Three hundred and twenty-seven Members are present; a quorum. [Laughter and applause.]

The gentleman from Kentucky [Mr. CREAL] is recognized.

Mr. CREAL. Mr. Chairman, we have heard much during the last few hours about the unterrified Democrats. I pride myself as being one of those unterrified Democrats. I am not terrified by Republican solidarity nor the sporadic dissension from the administration that is administering the affairs of this country. Neither one terrifies me. I am a regular Democrat. [Applause.] Being a regular Democrat, as I understand it, the majority of the Democrats on the subcommittee, if I am correct, were with the main committee. The majority of the Democrats on the main committee are for the President's program of $1,500,000,000. You have had read to you a message from His Excellency asking for economy. They forgot to tell you that along with that comes a slash from $4,000,000,000 down to $1,500,000,000. That is pretty sharp economy. Why do they not give him credit for that?

Much has been said here about the cost of administration. You have one item in there that does not apply to overhead. You forget that the overseers and the timekeepers in most places over the country are people that have to work and are practically upon the same equality as those doing the work, but you want to charge all of that to overhead. That does not apply there. The head of one of these women's projects may be some widow with children. You want to charge that item to overhead. It should not be; it should be the same as the employee. That is some more of the money that reaches direct into the pockets of the relief people.

I have heard a great deal here about Executive usurpation of and encroachment upon legislative authority and the prerogatives of the Congress, but do you know that the country is asking of these older Members who have been here 15, 20, and 30 years: "What became of your prerogatives under Harding, Coolidge, and Hoover when this debacle came upon the country?" [Applause.] Do you know that they are asking in the barber shop and the hotel lobbies, "What is your program?" And you are not naming any here in this Congress except some modification of the program.

Yes; you propose to slash this committee amendment one-third. Is this not a pretty sharp dig from $1,500,000,000 to $1,000,000,000? You have not heard any proposition on any of the appropriation bills to cut them by one-third of the total amount.

I am unterrified about my prerogatives being taken away from me.

[Here the gavel fell.]

Mr. McCORMACK. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. McCORMACK. Will the Chair advise the Committee as to the time remaining?

The CHAIRMAN. Twenty-five minutes remain.

Mr. McCORMACK. A further parliamentary inquiry, as to the number of amendments that are pending?

The CHAIRMAN. Six amendments are at the Clerk's desk.

Mr. McCORMACK. Mr. Chairman, in order to try to give those who have offered amendments an opportunity to speak in behalf of their amendments, I ask unanimous consent that all speakers be limited to 2 minutes within the time agreed upon.

The CHAIRMAN. Let the Chair state that it already has been tentatively agreed that the Chair would recognize in the 5 minutes next to the last the gentleman from Texas [Mr. RAYBURN], and for the last 5 minutes the gentleman from Virginia [Mr. WOODRUM]. If all speakers are limited to 2 minutes, they, too, would be limited.

Mr. McCORMACK. Having in mind what the Chair has stated about the recognition of the gentleman from Virginia [Mr. WOODRUM] and the distinguished floor leader for 5 minutes each, and the fact that there are six amendments pending, I ask unanimous consent that each Member offering an amendment be permitted 2 minutes to speak in support of his amendment, and that thereafter an additional 10 minutes be granted, half of which is to be allotted to the gentleman from Virginia [Mr. WOODRUM] and half to the gentleman from Texas [Mr. RAYBURN].

The CHAIRMAN. Does the gentleman suggest that there be only 2 minutes in support of an amendment without any time in opposition?

Mr. McCORMACK. And I might say 2 minutes in opposition to each amendment.

The CHAIRMAN. That, of course, would carry it way over the allotted time. The Chair may state that many of the amendments are pro-forma amendments.

Mr. McCORMACK. Mr. Chairman, I ask unanimous consent that outside of the gentleman from Virginia [Mr. WOODRUM] and the gentleman from Texas [Mr. RAYBURN] that all other Members recognized by the Chair be limited to 2 minutes.

Mr. LAMNECK. Mr. Chairman, I object.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Dakota [Mr. BURDICK], fixing the amount at $4,000,000,000.

The amendment was rejected.

The CHAIRMAN. The Clerk will report the next amendment.

The Clerk read as follows:

Amendment offered by Mr. MARTIN of Colorado to the committee amendment: Page 2, line 1, strike out "$1,500,000,000" and insert in lieu thereof "$1,800,000,000."

Mr. MARTIN of Colorado. Mr. Chairman, my young friend the gentleman from Wisconsin [Mr. O'MALLEY] offered an amendment for $1,750,000,000 in order to get the floor. I want to be perfectly frank—I raised his ante $50,000,000 for the same purpose.

Mr. Chairman, I am not deeply concerned about the fight to reduce this bill $500,000,000. Ever since the inception of this proposition, to my mind it has had the earmarks of a sham battle for the purpose of backfiring an effort to increase the amount above $1,500,000,000. Gentlemen have vociferated on the floor today that the President has kept his hands strictly off of this controversy and that he has not made any suggestion or attempted to influence any Members, any leader, or any committee chairman as to the amount carried in this bill; but I want to hazard the guess that if it becomes necessary the President will show his hand, and he will show it in favor of maintaining the $1,500,000,000 in the bill. So that is why I say I am not in the slightest concerned about the effort to make a reduction under $1,500,000,000. What I am concerned with about the bill is what $1,500,000,000 will accomplish.

I have stated on numerous occasions on this floor in the past 4 years that the return of prosperity in this country would not solve unemployment; that the people of this country eventually would have to face the fact that large-scale, permanent unemployment in industry is a fixed condition in this country. Conditions existing in employment in this country today, notwithstanding the great recovery which has been made by industry and business generally, only serves to confirm me in that opinion. The income of the people last year in this country was more than $60,000,000,000, an increase of more than $22,000,000,000 over the figures in 1932. Industry, stocks, bonds, profits have all gone up to normal, and even above normal, yet we still have 8,000,000 or 9,000,000 unemployed. We are asked, "Where are you going to get the money to finance $1,500,000,000 or $2,000,000,000?" I want to say to my friends that one-half of the increase in the national income in 1936 over that of 1932 would refinance every dollar for relief that has been expended by the Roosevelt administration in the last 4 years.

Mr. Chairman, the Congress passed an economy act in 1933 at the expense of the veterans and the Government employees of this country. Now it proposes to pass another economy act at the expense of the jobless workers and cropless farmers of the country. The situation presents some interesting problems in political mathematics which I submit to the mathematicians of the House.

Problem no. 1: A Member of Congress votes for a bill to cut work relief 25 percent and throw more than a half million needy workers out of a job, but does not vote for any cut in his own salary.

I do not want anyone to rely on my word as to the extent of the cut. At the peak of the works-relief program, about the close of 1935, work-relief projects carried a load slightly in excess of 3,000,000 workers. Now we are not cutting 25 percent off that load. It has already been reduced to 2,255,000, a reduction of one-third, and the proposal now is to cut 25 percent from this figure.

In the hearings before the subcommittee, at page 215, Administrator Hopkins testified as follows:

But 2,255,000 persons are being employed, and that is the figure that we must consider when we talk about the number of relief people now employed by the Government. An appropriation of $1,500,000,000, assuming that $1,387,000,000 were made available for a works program, would provide employment for a year for 1,730,000 persons, or an average cut of the present situation of over 500,000 persons.

Again—

Mr. HOPKINS. The W. P. A. will spend $1,850,000 this year. Other Federal agencies on projects similar to ours—I refer now to the War Department, the Navy, and other departments that have projects just like ours, with 90 to 95 percent relief labor—will spend $175,000,000. That is $2,025,000 that will be used for the work relief program this year (ending June 30, 1937). And that is the figure you must bear in mind in comparison with $1,500,000,000.

Neither figure includes rural rehabilitation. In other words, the $1,500,000,000 is a reduction of more than 25 percent for the next fiscal year from our expenditures of this fiscal year.

So these are the figures in men and money to show a reduction of 25 percent in both for the year beginning July 1, 1937.

Problem no. 2: A Member of Congress votes to cut 400,000 destitute farm families 100 percent after October 1 next, but does not vote for any cut in his own salary.

Now let us see what is the authority for this cut. I find on page 36 of the hearings the testimony of W. W. Alexander, Resettlement Administrator, who has jurisdiction of relief for needy farmers:

Mr. ALEXANDER. During the fiscal year 1936 the President allocated to the Resettlement Administration the sum of $253,100,000 for carrying on the rehabilitation program, for the completion of subsistence homesteads and Federal Emergency Relief Administration communities, and for additional farmstead projects, and for the submarginal land-retirement program.

During the fiscal year 1937 (ending June 30, 1937) a total of $171,900,000 has been made available for these same purposes.

From the bill now under consideration it has been suggested that the sum of $75,000,000 be allocated for the Rural Rehabilitation program, and in addition to this amount whatever funds the President may determine shall be necessary to administer the program of the Resettlement Administration.

It is felt that $75,000,000 can be so administered as to give supplementary aid to the farmers who have already received loans under this program, and to provide grants for those farmers who are now receiving this form of relief until their crops mature this fall. This sum, however, will not be sufficient to care for any grant needs after October 1, 1937. If there is a need for grants after that time, his additional allocation will be necessary.

I note specially the language in this last paragraph that there will be funds "to provide grants for those farmers who are now receiving this form of relief until their crops mature this fall."

And the further language, "this sum, however, will not be sufficient to care for any grant needs after October 1, 1937."

Now, let us turn to the picture in the Great Plains drought area at this time, where the greater part of this relief is required. A chart in the office of the Secretary of Agriculture, which I have had the opportunity to examine personally, show that drought conditions in the Great Plains drought area are worse at this time than they were in the major drought years of 1934 and 1936. This means that there are no crop prospects for this fall and that the need for subsistence grants then will be as great as now, maybe greater.

Another paragraph from the Administrator's testimony is even less reassuring to the 400,000 farm families now on subsistence grants. The Administrator states:

The grant program is now costing approximately $5,000,000 per month. It is anticipated that gradual reduction can be made in the number of grant cases between now and harvest time in the fall, and if this anticipated reduction can be effected, it should be possible for the Resettlement Administration to meet the grant needs until that time.

That is, until October 1.

As I construe it, this means the reduction program will have to begin with the first of the new fiscal year—that is, July 1—and be completed by October 1. How can it be done? Nature has already canceled the probabilities under which a reduction can be made. If $5,000,000 a month is needed

now for subsistence grants, it will be needed every month for the next fiscal year. There are 2,500 of these farm families in my district and the average grant per family is only $19 per month. This is all that stands between them and starvation.

I recognize that there should be an advance toward decreasing Government expenditures for relief, and there are considerations which, standing alone, would incline my judgment toward the figure named in the bill. These are, first, that if the appropriation proves insufficient, Congress reconvenes in January and can deal with the situation then presented; secondly, there is, of course, a great pick-up in industry, and there should be much seasonal employment during the greater part of the period between now and the reconvening of Congress. These are sound and persuasive considerations.

But "when sorrows come, they come not single spies, but in battalions." The Public Works Administration has nearly 1,200 approved school projects on its docket, in nearly 700 of which the sponsors have completely complied with P. W. A. requirements, to get the 45-55 grant and loan, and are now paying interest on the bonds they have voted and there is no money for the grants. There are many municipal projects on the P. W. A. docket in the same category. They are in my district and probably every other district in the country. I appeared before the Subcommittee on Appropriations on this matter and have spoken on it on the floor and will not go into it further here, except to say that I appear to be confronted with a choice of voting to earmark a part of this appropriation for public works or of throwing all these projects out the window. We are flooded with demands to have the Government go through with these projects.

There is also a flood-control program of projects scattered all over the country, authorized by the National Flood Control Act of 1936, and one such major project is in my district, for which the Budget has recommended an appropriation of only $30,000,000 on the entire program. This as I view it, is at least a temporary abandonment of the national flood-control program, with authorized projects in 39 States of the Union. This situation directly affects my district as well as the P. W. A. situation. Now I must vote for or against earmarking $25,000,000 for flood control. Scores of other Members are between the devil and the deep blue sea. And all for a few hundred million dollars, not to exceed $300,000,000 more than this bill carries. It appears that the richer we get the poorer we feel, which is not uncommon, and the saving is to be effected at the expense of those who have nothing. They are not in the lower income brackets; they are in the no-income bracket.

In my experience in Congress I do not recall a situation in which it has been more difficult for a Member of Congress to be consistent. I know that fifteen hundred million dollars will not be sufficient for work relief for the next fiscal year. I know also that unless provision is made in this bill for keeping faith with municipalities and school districts on their pending projects and for flood control and for the construction of ponds and small dams in the drought area, all of which will employ labor, these things must go into the discard. Three hundred million dollars more properly allotted would cover the whole situation. I had this in mind in offering an amendment to increase the amount in the bill from fifteen hundred million to eighteen hundred million.

Mr. Chairman, I saw immediately after the last election that a crusade for economy would confront this Congress. I named its objective, that of forestalling any increase of Federal taxes on wealth and of bringing about a reduction of such taxes.

Coupled with this was the claim that unemployment had been reduced to a minimum and was vanishing. I named the objective of this widely heralded claim, that of forestalling legislation of the character mentioned by the President in his great message of May 24 regarding hours, wages, and fair labor standards. I think I have not been mistaken.

And here is the paradox presented, that with national income increased more than 50 percent, it is claimed to be necessary to make a 50-percent reduction in the amount expended to afford the most meager livelihood for 2,000,000 workers who still cannot find private employment.

Without going into the question whether we must have a permanent work-relief program, it seems beyond dispute that we still need it. When two such diverse organizations as the National Association of Manufacturers and the American Federation of Labor agree that there are still eight or nine million workers unemployed by private industry, it should not require a census to determine whether we need a work-relief program. It is a significant fact that the need is greatest where the wealth of the country is greatest, that the great cities of the Nation have the greatest armies of unemployed. It is an indictment of our economic system. The relief burden in the city of New York is said to be about equal to that of 13 Southern States. It is admitted by persons in authority that if all the relief going into these States were transferred to the rest of the country it would be an inappreciable contribution to what they are now getting. This throws a side light on the action of the agricultural States in Congress in voting to cut relief to a billion dollars.

And perhaps it is only fair to state that this opposition from the agricultural sections has another basis than the small portion of relief which they require. Those of us who have been battling for more relief during these years find ourselves working against growing handicaps. It is claimed that farm labor cannot be gotten, that relief workers refuse farm employment and other forms of private employment, that domestic help cannot be gotten, that many workers no longer want private employment, that the overhead of work relief is excessive, that many get relief who do not need it, and many other things. True or false, the magnitude and force of these complaints grow and finally break forth on the floor of Congress, with Members who must go back and face their constituents demanding that it be greatly reduced now and ended as soon as possible. No Member could help noting these past few weeks that the man who got the applause on the floor preached economy. It is not fair to those of us who have borne the burden of this fight that it should not be known what we are up against. I saw this thing coming before it ever broke and now it is here and it is speaking with the voice of a majority. The Members who offered amendments for substantial increases or any increase were booed and shouted down.

I have never looked on work relief as a permanent remedy, but only as a palliative of the condition of the victims of our economic system. For years I have said that we must spread the load of society out over the machine or the whole thing would break down. I have repeated time and again that we must face the facts of large-scale, permanent unemployment in industry and of overproduction in agriculture. I feel as firmly fixed in this view today when we are being assured from high sources that unemployment is rapidly disappearing and that industry if given the free opportunity will soon absorb the unemployed, as I did in the darkest days of the depression.

My attention has just been called to statements made by the head of Brookings Institute, the well-known statistical agency, located in Washington. He is opposed to the President's proposed workweek limitations. He says the work requirements to restore living standards to the 1929 level are more than sufficient to absorb the present volume of unemployment. The economist stated that his computations were based on an assumed average 43-hour workweek.

Well, that is fine as far as it goes. The trouble with the formula as I see it is that it does not make clear where this 43 hours per week for all workers is coming from, but knowing something of the sources from which this propaganda comes, I assume this happy 1929 condition is to be attained by Government leaving industry alone. Let industry fix the hours, and all will be well. I wish it might be.

The trouble as I see it is that the more industry produces the less labor is required in proportion to the production and this process will continue. The machine will throw men out of jobs faster than jobs can be created for them. I remember when I was a young fellow reading speculation about

the time to come when machinery would do all the work. Viewed from that far back, it looked like a happy ending. Every day would be Sunday by and by. There was one thing we did not foresee and that was that when everything was done by machinery what the workers would do. We are beginning to face that problem and eventually we will be seeing it so close up that it will shut out everything else. Then maybe we will get down to a solution of the greatest problem that must be solved by our civilization if it is to endure. New York City, the greatest city on the globe, the city into which drains the wealth of the world's richest nation, the city of the world's greatest fortunes, with more paupers than 13 Southern States.

I can remember when a soup line in New York City was national news. People talked about it, a soup line in New York City, a straggly line of down-and-outers waiting their turn at a soup kitchen. Out through the country we read of this phenomenon as we would read about a flood in China or a plague in India. Now we have worse than soup kitchens. In every city and town in the country, every village, out on the farms, relief of destitution has become the major activity of government, National, State, and local. It exceeds the sum of all other problems of government. And yet stocks and bonds and dividends go back to normal and above normal. As a distinguished Member of the other body said recently, "We have 36,000 families at the top of the economic ladder drawing income equal to that of 11,500,000 families at the foot of the ladder." And below that we have millions of families with no income.

And, with this situation facing us, we fuss over a matter of $500,000,000 more or less for relief.

Mr. DALY. Mr. Chairman, it seems that no matter what we do or how clean we try to be, cobwebs will gather and they gather even in the brilliant and astute mind of the distinguished gentleman from Virginia who yesterday afternoon, after a wearisome day and a tiresome week, said that he had no knowledge of the fact that the President of the United States wanted $1,500,000,000 for relief in accordance with the committee amendment set forth in this bill. He evidently had a good night's sleep and the cobwebs cleared from his brain, because this morning he found the message of the President, dated April 20, which he read upon this floor a few minutes ago, and in which the President stated he wanted $1,500,000,000. The gentleman said it appeared in four small lines at the end of the message. I think all portions of the message were in bold type and of importance.

The gentleman spoke of his fidelity and loyalty and the way he had upheld the President of the United States. The distinguished gentleman from Tennessee this morning protested loudly that he had also followed the President in everything he did. But both gentlemen thought the President was wrong when he asked for $1,500,000,000.

I can picture next fall and winter, when the cold wintry winds blow, Mr. WOODRUM standing in Roanoke, Va., and Mr. MCREYNOLDS in Chattanooga, Tenn., when the breadline forms and they will fill the empty baskets and the empty pails with the concrete, sand, and cement that will be poured into this $5,000,000 road that they voted for yesterday. They voted $5,000,000 for a road, but they desire to economize. They want to cut the President's recommendation as to what we shall do to feed the people of the country.

The gentleman from Texas [Mr. MAVERICK] stated yesterday on the floor that no man in this body knew how many were unemployed. The gentleman from Kentucky [Mr. VINSON] said upon the floor today that no man in this body knew how much money was necessary. I agree with both of those statements. But, there is a man who does know, a man who has studied it, the one man who has pledged himself to it and the one upon whose platform both Mr. WOODRUM and Mr. MCREYNOLDS ran last fall, which platform provided for taking care of the undernourished, the ill-fed, and the poor of this country. I refer to the President of the United States. The President says, "$1,500,000,000."

I ask the Members of this House, if they do not know—and some of them have put themselves on record as not knowing—to follow the judgment of the man who does know, who has led the country this far toward prosperity and better things, and let us stop quibbling over this amount, that amount, or the other amount that we all admit we know nothing about and follow what the man who does know recommends.

Mr. Chairman, for the reasons indicated, I oppose this amendment and any other amendment except the committee amendment providing for $1,500,000,000.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Colorado [Mr. MARTIN] in the amount of $1,800,000,000.

The amendment was rejected.

The CHAIRMAN. The Clerk will report the next amendment.

The Clerk read as follows:

Amendment offered by Mr. HOOK: Page 2, line 1, strike out the figures from the committee amendment "$1,500,000,000" and insert in lieu thereof "$2,629,000,000."

Mr. HOOK. Mr. Chairman, the things that have happened on the floor of this House today put me in mind of the wild scramble I witnessed in the stock exchange in New York when I visited there a short time ago. When a Member of this House of Representatives has to use every bit of knowledge of parliamentary procedure and the rules of the House to try to chisel a few minutes to speak in behalf of the unemployed and those in distress in this Nation, and still those who favor mere pittance to those poor unfortunates who are crying for help monopolize all the time, I must say that this is crazy procedure.

It seems that certain Members talk one way and vote another way. Why not be sincere in their actions, why not be consistent, why talk economy in one breath and vote and authorize an ogre of spending in another?

I have heard this word economy and economize so much of late, although not sincerely by some, that I dream of it at night. The night winds roar about it, and the storm on the floor of the House rumbles and roars economy, but by whom may I ask? Is it those who are really in favor of economy that do the most talking, or is the most talking done by those who practice it the least? Just what is economy in government? Webster says it is the management of the affairs of government or community with reference to its source of income, its expenditures, and the development of its natural resources to the satisfaction of man's needs. Certainly the development of children, the youth of this Nation, and the caring of unemployed fathers and mothers is real economy. Webster further says, it also means household management. Economize means to expend prudently.

I have heard Members speak on the floor of this House day after day and urge economy but when it comes to vote for anything which pertains to their State or district they would vote the Treasury away. Then after the authorization and appropriation is made, make sure that they spend it whether it is needed or not. Is that true economy?

I know why some of you Members here want to appropriate little or nothing for relief. It is because if adequate provision is made for the unemployed at fair and honest wages and not the starvation $44-per-month rate that is paid in my district, that you would not be able to keep people in a state bordering on medieval servitude.

Let us economize, but please, kind sirs, do not do it at the expense of those who labor for a living and earn their daily bread by the sweat of their brow, that their little ones may not have to starve. Let us economize in the interest of mankind and in the interest of America by breaking down the monopolistic price-fixing, wage-fixing corporations of this Nation and forcing them to pay a living wage to their employees. Let us economize by bringing about better living conditions for the great mass of people and thereby save for this and future generations, our democratic form of government.

Do not, under the cry of economy, endanger the very foundation of our democracy. You who oppose adequate appropriations for the unemployed cry "racketeering and ex-

travagance", and with the argument of false economy warn us that because, in your opinion, all the money here appropriated will not go to the needy unemployed but to political racketeers. I do not believe in dishonesty or racketeering in any form and so stated and made it clear in a speech that I made on the floor of this House on March 30, 1936. It is my claim that we should rid the W. P. A. and the relief program of any such racketeers and any such dishonesty as I mentioned in that speech but please do not burn the barn to get rid of a few of the rats. We have some very fine men in the Works Progress Administration, capable, able, and honest humanitarians who I know will clean up this dishonesty and racketeering if we only give them encouragement and help.

If you want real economy in this Government why not be honest and sincere and practice economy as it should be practiced. Let us look into some of the appropriations for some of these expositions and centennials where millions have been squandered for selfish purposes, not only by this but by past administrations. I just heard a fine gentleman from Texas, and I like the gentleman, so anything I say here is not personal, burst forth with a flow of oratory that would bring tears from a stone, very impressive, very persuasive, but in my opinion not as sincere as it may seem. Let me say to him that he should examine some of the things that happened in connection with his own State and find out why economy as well as charity should not begin at home. Texas is a great State, we all respect Texas and at the time they were preparing to celebrate a centennial we were requested by the gentleman and by others from Texas to appropriate $3,000,000 of Federal funds for such purpose. Feeling as I did as to the greatness of that State and the fineness of the genial gentlemen who represent it, and believing them when they said they actually needed that amount, I voted to authorize such sum to be appropriated for this centennial. May I now say that we should never have authorized over one-half of that amount, because only $1,500,000 was spent on the centennial, the other $1,500,000 was spent, not for what Congress intended, not for what Congress appropriated the money for, but for commemorating historic sites in Texas along the highways and in other places in Texas. Is that economy? Those words "racketeering and extravagance or what not" seem to take a different meaning at times. Why did not the gentleman from Texas, who is now preaching economy with regard to this relief and unemployment appropriation, see that the money not needed in the centennial in their State was returned to the United States Treasury where it belonged. Some of us might be impressed with your pleas if you began earnestly and honestly the program of economy. I could name you hundreds of other such instances. Oh, yes; "millions for pet projects but starvation for the unfortunate unemployed." Is that your slogan? It may be now, but it was not when you ran for office last fall. Your slogan then was, "Support President Roosevelt and his program."

One of the gentlemen who preceded me would ignore the human side of this program and sacrifice starving families on the altar of economy said, "Let us not be politicians, let us be men." May I say to him and others, "Let us not be demagogues, either." Why do some of you insist on refusing the laborer's family a right to their daily bread and without a blink of an eye appropriate millions—yes, billions—to be paid to the munition workers and dealers in death?

I have heard gentlemen speak here this afternoon who must have been schooled by the Liberty League, the international bankers, and John Hamilton, because I have heard the same weird cries come out of the wilderness before, and I became alarmed and checked into the statements that the projects built by the Works Progress Administration were not useful projects but were extravagant and useless. I found in each instance these charges to be "pure bunk." The Works Progress Administration has built useful projects in my district, and I do not want them handicapped by small, inadequate appropriation. I believe in a real works program wherein we will be able to pay men and women a fair wage for their work, so that they may be self-respecting citizens of this great democracy. The prevailing wage should be paid, but the prevailing wage should be determined in a fair and just manner and not be determined by the agency that is to spend this money. I believe in taking care of needy family men first, and then there should be a program set up where the needy unemployed of all classes should be taken into consideration. In my State, industry has refused to care for those men and women who are over 45 years of age, and according to the State director of the Works Progress Administration in Michigan, it is idle to say that there are work opportunities for all of the unemployed people in Michigan, for such is not the case, and until such time as work opportunities can be found they must remain a public responsibility.

At the peak of the W. P. A., in January and February of 1936, the W. P. A. quota for Michigan was 101,000. This has dropped since that time 44 percent, due to the tremendous industrial pick-up in the automotive industry of Michigan. Those persons now on the W. P. A. rolls in Michigan are largely comprised in industrial areas of persons over 45 years of age, which industry apparently does not want, and in the cut-over region of the Lower Peninsula and the entire Upper Peninsula they represent largely stranded population for which there is no local gainful occupation.

I trust you will realize when you cast your vote for the amount to be appropriated in this bill that the Democratic Party is the party that protects the common man and is striving with all its might and main to keep democratic principles alive, and that you will remember the slogan of last fall that no person will starve in this land of plenty. Your vote and your support for adequate relief and unemployment appropriation will be appreciated by President Roosevelt and the real American people who make up the bulwark of this democracy.

Mr. RAYBURN. Mr. Chairman, we are near a momentous vote in this House. I am for the $1,500,000,000 because it is the minimum amount that the President says should be appropriated for carrying on this great program of recovery. [Applause.]

We have voted money without stint, I know; we have been liberal, I know; we have brought this country from its darkest hour since Valley Forge to complete recovery in many instances, in many sections, and among many classes. [Applause.] We will not do our duty by the American people at this time, nor to the generation that immediately succeeds the present generation, unless we carry on this program of recovery until it reaches every section of the country and every class of American citizens. [Applause.]

In all probability you will find on the vote that is coming in a moment that each and every one of the gentlemen who are saying that $1,000,000,000 is enough will rise in support of the amendment offered by the gentleman from Tennessee providing for $1,200,000,000.

I think I know. I trust I know, that the head of the Nation at this time, the leader of the responsible party in power, feels as deeply upon this measure upon which you are going to vote this afternoon as he does about any measure which has been presented to this Congress or that will be presented to this Congress. We must trust somebody. I do not know. I do not have the avenues of information which come to Mr. Hopkins, the Administrator of the Works Progress Administration. I do not have avenues of information possessed by all the people with whom the President talks and with whom he is in contact. I do not have the information upon this subject that the President possesses. I cannot know as much as they do about the situation in this country. I do know this: I stand by them and sustain them today in their estimate, and give them what they ask. If suffering comes in America during this year or in the winter months of this year or next year, the fault will not be upon my head or the blood upon my hands. [Applause.] Let me repeat that I think we can afford to trust the man who has brought this country from the lowest point of despair it has ever

known in its history to recovery almost complete. Let us trust him and give him the amount he asks in order that this recovery may come to every class and every section of America. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from Michigan [Mr. HOOK] in the sum of $2,629,000,000.

The amendment was rejected.

Mr. WOODRUM. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the debate today has demonstrated what I told you in opening the debate on yesterday. The great President of the United States—whom I love and whom I have supported, and whom I shall continue to support—has submitted his estimate to the Congress and has left it here for you to exercise your free and untrammeled independent legislative judgment upon it. Nobody has said anything to you about it from that day to this. I know the President well enough, and you know him well enough, to know that if this fight were going on here and this matter were close to his heart—well, you know what would happen, and I know what would happen.

Are you going to give Mr. Hopkins what he wants from now on? Are you going to do that? I am not willing to do that. Oh, I trust the President. Mr. Hopkins states this must be a permanent policy of the Federal Government. I talk to you here because this is your problem. You are committed to the American people on the promise that this matter of relief by the Federal Government would be a temporary emergency proposition and the Federal Government would withdraw from it as fast as it could without causing suffering. [Applause.] I charge you today to keep this promise that you and I made to the people of America. There need be no suffering if this $1,000,000,000 is given for relief and not given to expensive, elaborate overhead—printing, boondoggling, and other things which take up the money we expect to go for relief. Many States are contributing nothing for relief. Cut this amount down today.

I may say this about the parliamentary situation. Those of us who would like to see some curtailment should, of course, under the parliamentary situation, vote for the amendment of the gentleman from Tennessee [Mr. MCREYNOLDS], which is the nearest you can get to the $1,000,000,000 under the parliamentary situation. Then the vote comes finally in the Committee on the McReynolds amendment.

There will be direct votes as between the $1,200,000,000 and the $1,500,000,000 in the Committee. If the Committee then should act, as I hope it will, and adopt the amendment carrying $1,200,000,000, when this amount comes before the House, the direct vote would come in the House as between $1,200,000,000 and $1,000,000,000. This would, of course, mean that the bill would leave this body with a direct appropriation of $1,200,000,000, and, with $223,000,000 of reappropriated money, the total would be less than $100,000,000 under what the President himself has stated is necessary to carry on the program.

What would we be doing? We would be setting our economic house in order. We would have a little money in the Treasury for river and harbor projects, for public buildings, for great splendid public improvements, which would put people to work and would be lasting monuments to our program, and this would help the country in a solid, substantial, sensible, and logical manner.

There is no partisanship in this. You do not think JIMMY BYRNES, Senator ROBINSON, and other gentlemen in the Senate, and gentlemen you have heard here today are any less anxious to carry on and uphold the program than are these other gentlemen. Of course, we all want to do this. There is an honest difference of opinion as to the amount required. You know perfectly well that if there should not be enough appropriated here today these gentlemen know the way back to Capitol hill. They have beaten a path up here every year. Last year we gave them $1,425,000,000, and they came back for another $790,000,000.

If you comply with what my good friend the gentleman from Texas has just stated, give everything Mr. Hopkins wants, and do not put on the brakes, then God help the Treasury of the United States. Somebody has to put the brakes on. We do it in a small way, but actually we will be almost liberal in the amount we appropriate. If you make this cut of $300,000,000, you will still be appropriating actually what the President himself said he would like to have available for relief in 1938.

The CHAIRMAN. The time of the gentleman has expired. Under the agreement all time has expired.

Mr. DUNN. Mr. Chairman, I ask unanimous consent to address the House for 3 minutes. I have been waiting for the last 2 hours to get an opportunity to speak.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. DUNN. Mr. Chairman, I am going to call a spade a spade. I am used to doing that, because I play poker once in a while.

Mr. Chairman, there have been many amendments offered this afternoon to increase the appropriation from one billion and a half dollars to $4,000,000,000. I offered one to increase it to $4,100,000,000.

I am going to ask any Republican, Democrat, or any person representing the various parties in this House to answer this question, "How in the world can we provide the necessities of life for 30,000,000 people—who, according to the President of the United States are ill-clad and ill-fed—on $1,500,000,000?" I would like to have that question answered by some Congressman.

Men who have tried to increase this appropriation have been unjustly criticized. It has been stated that they are trying to deplete the United States Treasury. When 30,000,000 people are in need of food, shelter, and clothing and you refuse to vote for an appropriation which will provide those essentials, you are not doing your duty toward your fellow men. Last fall when the campaign was on no candidate, whether Republican or Democrat, said to the people, "If I am elected to Congress, I shall vote for a measure which will reduce the appropriations and deprive you of work." Oh, no, every one of us did our derndest to impress upon the minds of our constituents that if they would send us to Congress we would provide adequate pensions for the aged and jobs for the jobless. Are we living up to the promises we made?

Mr. Chairman, if a majority of us were actuated by humanitarian motives instead of selfish ones we would not hesitate to appropriate sufficient funds to take care of every person in the country who is in need. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. Let the Chair state the parliamentary situation.

The gentleman from Montana [Mr. O'CONNOR] has an amendment at the desk. Does the gentleman desire that the amendment be voted upon?

Mr. O'CONNOR of Montana. Mr. Chairman, I ask unanimous consent that I may be heard on the amendment for 4 minutes.

Mr. WOODRUM. Mr. Chairman, may I inquire how many amendments there are at the desk?

The CHAIRMAN. There are two amendments.

Mr. WOODRUM. Mr. Chairman, I ask unanimous consent that the proponents of each amendment may have 2 minutes within which to present his views to the Committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The CHAIRMAN. The Clerk will report the amendment of the gentleman from Montana.

The Clerk read as follows:

Amendment offered by Mr. O'CONNOR of Montana to the committee amendment: Strike out "$1,500,000,000" and insert "$2,200,000,000."

Mr. O'CONNOR of Montana. Mr. Chairman, being a lawyer, of course, everybody knows I cannot say anything in

2 minutes. However, I want to say this to you in the short time I have: By the use of gasoline and machinery we have driven out of the fields and off the ranges practically all of our horses. Later they were abandoned, permitted to run loose upon the highways, byways, and in the fields. They were taken up here and there, shipped to meat canneries and ground into meat, and in some instances sold as beef in this and foreign countries.

Machinery has done the same thing to the workingman. It has taken his employment. It has sent him home and from there upon the streets and the highways looking for work, and unable to find it regardless of how badly he wishes it. We cannot do with him as we did with the horse. He cannot be killed or otherwise disposed of. He and his family must be fed. They must be clothed. They must be given employment, and it is up to us, the only tribunal that can speak and act for them. We are called upon this afternoon to meet that human obligation. Are we going to fail humanity? We must appropriate sufficient money to meet our needs. There is a lot of talk about balancing the Budget. The farmer's budget and the workingman's budget has not been balanced within my memory. I do not get excited about this condition.

I also wish to call your attention to the fact that every unemployed man in this country can be put to work at useful employment if we will only use our heads. They do not need to be upon relief. They can be given work at useful, permanent, and productive employment. You can ask your distinguished Representative here from the State of Iowa, Mr. WEARIN, about the ravages of the Missouri River between the States of Iowa and Nebraska. You can go further and ask your distinguished Representative from the State of Nebraska, Mr. MCLAUGHLIN, to confirm what I have said. [Applause.]

The Missouri River alone has eaten the intestines out of the finest lands in eastern Nebraska and western Iowa, through which this river flows. We may employ thousands of men for the next 10 years in riprapping, building dikes and dams along this river to prevent its ravaging of our greatest resource, namely, our finest land. This is only one river. Our country is beribboned with them from the Atlantic coast to the Pacific coast, doing irreparable damage by cutting away good lands, flooding and submerging others, and sweeping good topsoil into the final waters to which they flow. This line of work of itself would employ hundreds of thousands of men for years at living wages. Do not ask them to go on relief in order to secure a job. No man wants to be a public charge. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Montana.

The amendment was rejected.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Minnesota [Mr. BERNARD].

The Clerk read as follows:

Amendment offered by Mr. BERNARD to the committee amendment: Strike out "$1,500,000,000" and insert in lieu thereof "$3,200,000,000."

Mr. BERNARD. Mr. Chairman, I have heard much today about recovery, and I must frankly admit there has been recovery, but for whom? For the leaders of industry. They have made fabulous profits, but for those who were and are today down in the mud and the mire of hunger and misery there has been no recovery. I know that in my own district many people are hungry; and if we do not do something to alleviate these conditions, the responsibility of the dire consequences will fall squarely on our shoulders.

I do not believe there is a single individual in this House who can conscientiously say that in his district there are not men, women, and children who lack the bare sustenance to keep body and soul together. The president of the American Medical Association recently made the statement that today in our country we have millions of young boys and girls who are in the formative stage of their lives, and because our dastardly economic system fails to provide them with adequate nourishment when they become adults they will lead lives of misery because their bodies will not have the necessary strength to resist the germs of disease.

You may vote against this amendment, but those from whose hungry mouths you have taken bread will remember it when they choose their "servants of the people" at the next election.

Mr. Chairman, yesterday the gentleman from Virginia [Mr. WOODRUM] spoke happily of recovery. He said:

God knows the country is recovering. * * * Every business index shows the country is recovering.

On the basis of recovery the gentleman recommends a cut in relief appropriations.

But whose recovery are we celebrating? Every business index gives the answer. It is the recovery of the big monopolies and the big investors. It is the recovery of the rich at the expense of the poor.

"Recovery" implies a return to the good health of 1929. We still have the bad habit of regarding 1929 as the golden age of plenty. But even in 1929 not everyone's finances were healthy.

In 1929, according to a report of the Brookings Institution, nearly 6,000,000 families, more than 21 percent of the total, had incomes of less than $1,000.

More than eleven and a half million families at the bottom of the income scale had an aggregate income of $10,000,000,000.

Only 36,000 families at the top of the income scale had the same aggregate income—$10,000,000,000.

One-tenth of 1 percent of the families at the top got as much as was received by 42 percent of the families at the bottom of the income scale.

That was in 1929. Today "recovery" has brought even greater concentration of wealth to even fewer families at the top. And it has brought more bitter poverty to an ever-increasing number of families at the bottom of the income scale.

Now, we want the families at the bottom to "balance the Budget."

It is recovery—but 10,000,000 are out of work.

It is recovery—but one-third of the Nation is ill-housed.

It is recovery—but not for those dropped from the relief rolls if we pass this hunger bill.

We cannot reread too often the brief conversation between Mr. Hopkins and the gentleman from Missouri which took place during the hearings on this bill:

Mr. CANNON. You are reducing the number on the rolls. Is that because of the employment of people in industry, or is that through an arbitrary curtailment of the rolls?

Mr. HOPKINS. I would say both. We have arbitrarily curtailed the rolls by stopping intake during some months this winter. * * * In cities like Washington and other cities which provide no help for any employable persons, it simply meant that those people were not helped.

Mr. WOODRUM. What did they do?

Mr. HOPKINS. They were hungry, they did not have money to pay their rent, and they lived very miserably.

It is recovery—but people are hungry.

You can call it recovery if you want. To me it looks like a chronic illness, for which continued treatment over many years to come offers the only hope of a cure.

The Boileau bill, $3,000,000,000 for 3,000,000 jobs, is the kind of treatment it takes.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota.

The amendment was rejected.

The CHAIRMAN. The question is now upon the amendment to the substitute offered by the gentleman from Tennessee [Mr. MCREYNOLDS] in the amount of $1,200,000,000.

The question was taken; and on a division (demanded by Mr. MCMILLAN) there were—ayes 145, noes 175.

Mr. WOODRUM. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed Mr. MCREYNOLDS and Mr. VOORHIS to act as tellers.

The Committee again divided; and the tellers reported—yeas 150, noes 181.

So the amendment was rejected.

The CHAIRMAN. The question now recurs upon the substitute offered by the gentleman from California [Mr. VOORHIS] in the amount of $2,200,000,000.

The question was taken; and on a division (demanded by Mr. VOORHIS) there were—ayes 44, noes 184.

So the substitute was rejected.

The CHAIRMAN. The question now comes upon the committee amendment in the sum of $1,500,000,000.

The question was taken; and the Chair announced himself in doubt.

Mr. WOODRUM. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed the gentleman from Missouri [Mr. CANNON] and the gentleman from Virginia [Mr. WOODRUM] to act as tellers.

The Committee again divided; and the tellers reported—ayes 210, noes 128.

So the committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 2, line 13, strike out "$276,700,000" and insert in lieu thereof "$415,000,000."

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 2, line 18, strike out "$420,000,000" and insert in lieu thereof "$630,000,000."

The CHAIRMAN. The question is on the committee amendment.

Mr. WOODRUM. Mr. Chairman, I ask unanimous consent that those committee amendments which change the amounts, which are based on the amount of $1,500,000,000, be considered as agreed to.

The CHAIRMAN. The gentleman from Virginia asks unanimous consent to consider all of the amendments in this section on page 2, pertaining to the amounts, en bloc. Is there objection?

Mr. BEITER. Mr. Chairman, I object. I have an amendment that comes in there prior to these.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 2, line 18, strike out "$420,000,000" and insert "$630,000,000."

Mr. PARSONS. Mr. Chairman, I ask unanimous consent that the committee amendments be agreed to, with the understanding that the point of order may not be made against subsequent amendments to be offered to change the amount of the allocation, and then we can consider them en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The CHAIRMAN. The Clerk will report the remaining committee amendments.

The Clerk read as follows:

Page 2, line 20, strike out "$253,300,000" and insert "$380,000,000"; page 2, line 21, strike out "$50,000,000" and insert in lieu thereof "$75,000,000."

The CHAIRMAN. The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 3, after line 18, insert the following: "The funds allocated hereunder to the Works Progress Administration shall be so apportioned and distributed over the 12 months of the fiscal year ending June 30, 1938, and shall be so administered during such fiscal year as to constitute the total amount that will be furnished during such fiscal year through such agency for relief purposes."

Mr. SCOTT. Mr. Chairman, I rise in opposition to the committee amendment.

The CHAIRMAN. The Chair recognizes the gentleman from California.

Mr. PARSONS. Mr. Chairman, I make the point of order against the amendment.

The CHAIRMAN. The Chair will hear the gentleman.

Mr. PARSONS. I make the point of order that the amendment is not in order because it is legislation on an appropriation bill.

The CHAIRMAN. The Chair is ready to rule. The bill in question is not a general appropriation bill, and therefore clause 2 of rule XXI does not apply. The Chair overrules the point of order.

The gentleman from California is recognized in opposition to the committee amendment.

Mr. SCOTT. Mr. Chairman, I rise in opposition to the committee amendment.

Mr. Chairman, the amendment offered by the committee is for the obvious reason of making the appropriation of $1,500,000,000 last the entire year. I am not entirely sure what the legislative procedure would be in case something happened to make it evident that a deficiency appropriation would be necessary before the end of the fiscal year. Several Members speaking on the floor this afternoon admitted that they did not know exactly how much money would be needed through the entire year. Obviously some of those who spoke at first for the $1,000,000,000 appropriation by their votes later changed and said it should be $1,250,000,000. If the original statement that $1,000,000,000 was ample and perhaps all that would be needed was correct, and then later there was a change of mind with the vote in favor of $1,250,000,000, even those who voted on the proposition do not know whether $1,000,000,000 or $1,250,000,000 is necessary. It may not be enough before the year is over, and if this amendment would preclude a deficiency appropriation later in the year, and something happens between now and the end of the fiscal year making it necessary to use more money than they now contemplate using each month, we would be in a bad fix. For example, if relief for flood or drought sufferers becomes necessary, it might be impossible for us to come here and get a deficiency appropriation later.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. SCOTT. I yield.

Mr. COCHRAN. There is nothing to prevent Congress in the next session passing a bill for $2,000,000,000 more, if it desired. We can always repeal an act of Congress.

Mr. SCOTT. May I ask the chairman of the subcommittee, in case this amendment is adopted, can a deficiency appropriation for the Works Progress Administration be passed in this or the next session of Congress?

Mr. WOODRUM. I will say that this is not a deficiency appropriation, to begin with. This is an original legislative enactment. It comes from the Committee on Appropriations, but this committee amendment is a declaration by the Congress that it expects the Administration to spread this fund out and use it during the year and not spend it all in the first 6 months. There is nothing to prevent Congress at any time from undoing tomorrow what it has done today, if it wishes to do so.

Mr. SCOTT. But in order to appropriate further money for the W. P. A. it would be necessary first to repeal this section, would it not?

Mr. WOODRUM. It would be necessary to do what it is doing now; just come in and pass a bill.

Mr. SCOTT. Just pass a bill for an appropriation, without paying any attention to the amendment that is now offered?

Mr. WOODRUM. Yes.

Mr. SCOTT. This is merely a declaration of policy, and that is the only reason for it being put into this bill?

Mr. WOODRUM. The reason for it, as far as I am concerned, and I offered it, is that the fund of $1,500,000,000, or whatever is appropriated by the Congress now is to do what Mr. Hopkins and the President said it would do—furnish relief for the fiscal year 1938.

Mr. SCOTT. It would cause the Works Progress Administration to go on a budget of monthly expenditures and not spend more than one-twelfth of this sum each month?

Mr. WOODRUM. No; it does not do that. It would cause it to go on a yearly budget.

Mr. SCOTT. But in order to carry it to the end of the fiscal year they would have to divide it into 12 parts. If this is not true, why was the amendment put in here?

Mr. Chairman, I am of the opinion that this committee amendment will make it impossible for the W. P. A. to even approach their problem. If an emergency occurs, they can do nothing whatever to help. It is my intention to ask for a separate vote on this amendment, and I hope the House will vote it down.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. BOILEAU. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. BOILEAU to the committee amendment: Page 3, line 21, strike out of the committee amendment the word "twelve" and insert in lieu thereof the following: "first seven"; page 3, line 22, strike out the words "during such fiscal year" and insert in lieu thereof the word "period"; page 2, line 24, strike out the words "fiscal year" and insert the word "period."

Mr. BOILEAU. Mr. Chairman, this amendment carries out the philosophy of the Committee on Appropriations about spreading this money over, but, instead of requiring that it be spread over 12 months during the next fiscal year, it requires that this amount of money be spent over a period of 7 months; in other words, until February 1, 1938, so that $1,500,000,000 will be available in the event it is needed to take care of human suffering during the time that Congress will not be in session. So that beginning July 1, 1937, this money will be spread over a 7-month period, and the administration will not be permitted to spend it earlier than in 7 months, but in the event conditions become such or remain such that it is advisable to spend that money in 7 months instead of 12 months, the opportunity will be there, and the administration will have money with which to relieve human suffering.

Then when Congress comes back here next year, as many of you were told when you talked about this appropriation—you were told the Congress could appropriate this money next year when it comes back; so if there is need for additional money when Congress does come back here next January we will have practically a full month in which to appropriate an additional amount of money to carry over the administration of relief if it needs it for the 5-month period, but it will give the administration a chance to relieve human suffering properly during the 7-month period.

Mr. RAMSPECK. Mr. Chairman, will the gentleman yield?

Mr. BOILEAU. I yield.

Mr. RAMSPECK. Would not the effect of the gentleman's amendment be to require the expenditure of all the money in the 7-month period?

Mr. BOILEAU. It does not require the expenditure of all the money within 7 months. Certainly there is nothing in the law that requires that departments or agencies of the Government spend all the money we give them. It does say that the funds allocated hereunder shall be so apportioned and distributed over the first 7 months of the fiscal year ending June 30, 1938, and shall be so administered as to constitute the total amount that will be furnished during such period through such agency for relief purposes. I assume that a large part of this money would be spent, but certainly unless you were to take the position that the department would be required to spend every cent that is appropriated, I submit, that they would not be obliged to spend it all.

Mr. DUNN. Mr. Chairman, will the gentleman yield?

Mr. BOILEAU. I yield.

Mr. DUNN. Even if they did spend $1,500,000,000 in the first 7 months for the relief of human suffering, that would not be one cent too much.

Mr. BOILEAU. That would be on the basis of something like $2,500,000,000 for the period of the year; but bear in mind that they are not obliged and required to spend the money because it is appropriated. I do not think that the language is such as to require them to spend it. It just means that they will be able to spend it provided the emergency is there and provided there is need for spending the money. I do not think anybody would want to hold them to the point where they could not spend enough money to relieve human suffering if it were necessary to spend more money.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. BOILEAU. Yes; briefly.

Mr. MAY. Suppose they did spend it all in the first 7 months; what would they do the other 5 months?

Mr. BOILEAU. I am assuming that your present administration will not waste one cent that is not required. I am submitting that they will not spend one dime more than is necessary for the relief of human suffering. If you have not enough confidence in your own administration, you Democrats, some of us on this side of the aisle do have confidence in the administration, and we are willing to lead the way. [Applause.]

[Here the gavel fell.]

Mr. WOODRUM. Mr. Chairman, I ask unanimous consent that all debate on the committee amendment and all amendments thereto close in 5 minutes.

Mr. MAVERICK. I shall object to that request.

Mr. WOODRUM. Mr. Chairman, I modify my request, and ask unanimous consent that all debate on this amendment and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. McCORMACK. Mr. Chairman, I offer an amendment to the amendment.

The CHAIRMAN. Permit the Chair to state that there is an amendment pending offered by the gentleman from Wisconsin to the committee amendment.

The question is on the amendment of the gentleman from Wisconsin.

The question was taken; and on a division (demanded by Mr. BOILEAU) there were—ayes 46, noes 178.

So the amendment was rejected.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Massachusetts.

The Clerk read as follows:

Amendment offered by Mr. McCORMACK: Page 3, line 24, after the word "purposes", strike out the period, insert a colon, and add the following: "*Provided*, That in the event of any drought, flood, or other disaster occurring that such sums necessary to meet such emergency may be allocated and obligated and shall not be subject to the provisions of this paragraph."

The CHAIRMAN. The gentleman from Massachusetts is recognized for 5 minutes.

Mr. McCORMACK. Mr. Chairman, the purpose of this amendment is very, very simple, and it seems to me that it is a necessary amendment. Under the pending committee amendment, the $1,500,000,000 will have to be apportioned throughout the 12 months of the next fiscal year. Suppose some section of the country should be visited with a drought; suppose some section of the country should be visited with another flood; suppose some great catastrophe occurs in some section of the country which requires that that particular section of the country receive immediate and extra aid, and thousands of persons to be immediately put to work.

Thousands of persons are immediately put to work because of the intense suffering superimposed upon their present unemployment. This amendment will permit the authority to exist for the Work Progress Administrator or the President to allocate, in addition to the monthly allocation, five, ten, fifteen, twenty, or twenty-five million dollars necessary to meet the act of God which unfortunately might, during the next fiscal year, visit a particular section of our country.

Mr. MAY. Will the gentlemtn yield?

Mr. McCORMACK. I yield to the gentleman from Kentucky.

Mr. MAY. Will that be in addition to the appropriation of $1,500,000,000?

Mr. McCORMACK. No. It is within the $1,500,000,000.

Mr. TABER. Will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from New York.

Mr. TABER. The President can do everything that the gentleman has suggested by his amendment, in my opinion, without the language of his amendment.

Mr. McCORMACK. Not so far as I understand it as the Works Progress Administration is concerned. If what my friend says is correct, I am glad, because failure to make such an allocation would result in great harm.

Mr. TABER. Yes; he can.

Mr. McCORMACK. Mr. Chairman, this is not an amendment hostile to the committee amendment. It is a perfecting amendment, and no matter how Members may feel toward the $1,500,000,000 or the $1,000,000,000—and I favor the $1,500,000,000 appropriation—it seems to me if we pass this bill in any form, this amendment should be agreed to.

Mr. JOHNSON of Oklahoma. Will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Oklahoma.

Mr. JOHNSON of Oklahoma. Many of us were unable to hear the amendment. Would the gentleman object to having it read again?

Mr. McCORMACK. No. That is a very good idea. The amendment, not being in any way hostile to the committee amendment, is one which might come in handy during the next fiscal year if a disaster visits any section of the country.

[Here the gavel fell.]

Mr. McFARLANE. Mr. Chairman, I ask unanimous consent that the McCormack amendment be again read.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the McCormack amendment.

Mr. MAVERICK. Mr. Chairman, I call attention to the language of the committee amendment, which, in effect, says that this money has to be spent on a basis of 12 months. It seems to me, if we are going to appropriate money for the W. P. A. to be spent at the discretion of the President, that we should trust his discretion. We ought not to put unnecessary restrictions in the bill; and the reason is not only because of the contingencies mentioned by the gentleman from Massachusetts but on account of the fact there might be, wholly aside from some "disaster" or "act of God", an unexpected increase in unemployment.

CONGRESS SHOULD NOT HAMSTRING THE PRESIDENT AND ADMINISTRATION OF W. P. A.

If we are Democrats; and if we trust to the President of the United States, we ought to go ahead and strike out the committee amendment. We should not hamstring the administration of the W. P. A. and of the Executive.

We ought to at least adopt the amendment offered by the gentleman from Massachusetts so that the President will have the right to use the proper amount of money in case of unusual circumstances and grave situations. The use of the words "disaster, flood, and drought" are not sufficient, because there might be an industrial break-down or other situation that might make it necessary to increase the W. P. A. We have appropriated $1,500,000,000. Now, let us trust the President.

Mr. SCOTT. Will the gentleman yield?

Mr. MAVERICK. I yield to the gentleman from California.

Mr. SCOTT. In the gentleman's opinion this is more than a declaration of policy. It is a distinct limitation on the Works Progress Administration?

Mr. MAVERICK. In my opinion, it would probably be considered mandatory on the 12 months' basis.

Mr. SCOTT. And so much spent each month.

Mr. MAVERICK. Probably so; in any event, it is a hampering restriction. I think that if we are going to appropriate $1,500,000,000 to the W. P. A. without details as in other bills, we must depend on their spending it wisely. We have to trust the President and the W. P. A. in that regard.

Mr. CONNERY. Will the gentleman yield?

Mr. MAVERICK. I yield to the gentleman from Massachusetts.

Mr. CONNERY. Not only that, but we did not annex such a clause to any other appropriation, and we are taking it out of the hides of those who need it the most.

Mr. MAVERICK. This kind of qualification is not being put on any other kind of appropriation bill, so far as I know. This is the first time it has ever been done.

Mr. KELLER. Will the gentleman yield?

Mr. MAVERICK. I yield to the gentleman from Illinois.

Mr. KELLER. The gentleman's contention is quite right. It is a limitation, and may be so accepted by the administration if left in the bill.

Mr. McFARLANE. Will the gentleman yield?

Mr. MAVERICK. I yield to the gentleman from Texas.

Mr. McFARLANE. That was the purpose of offering the amendment by the gentleman from Virginia [Mr. WOODRUM] and making it a part of the bill, and the committee amendment was adopted by a majority of only one or two votes.

Mr. MAVERICK. Mr. Chairman, this is a limitation, and the committee amendment should be defeated.

[Here the gavel fell.]

Mr. WOODRUM. Mr. Chairman, I hope there will be no misunderstanding about the effect of this amendment offered by the gentleman from Massachusetts. The effect of the amendment which the gentleman has offered, though it may not be the effect which he intended it to have, would be to absolutely destroy the committee amendment. The President, under this bill as it stands with the committee amendment, has absolute authority to allocate any amount of this money for any purpose for which he may wish to allocate it at any time he wants to use it. If there should be a national disaster tomorrow or the day after the bill is signed, and the President wants to use a billion dollars, he may use that amount. If we adopt this amendment, in which it is stated he can use those funds but without allocation, and not subject to this paragraph, then we take down the limitation, and it has the effect of making an additional authorization which absolutely nullifies the effect of the committee amendment.

We have passed several times on the question of how much this committee wishes to recommend for the fiscal year 1938 for relief. This is a protective amendment. It protects the Congress and protects the President in the allocation of these funds and indicates that the Congress wishes this money spread over the fiscal year 1938 under such circumstances and in such amounts as the President in his discretion may wish.

Mr. Chairman, I ask that the amendment to the committee amendment be defeated.

The CHAIRMAN. The question is on the amendment to the committee amendment offered by the gentleman from Massachusetts.

The question was taken; and there were on a division (demanded by Mr. McCORMACK)—ayes 65, noes 164.

So the amendment to the committee amendment was rejected.

The CHAIRMAN. The question is on the committee amendment.

Mr. FITZPATRICK. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. FITZPATRICK. May we have the committee amendment read again?

The CHAIRMAN. The question is on the committee amendment which appears at the bottom of page 3.

The question was taken; and there were on a division (demanded by Mr. SCOTT)—ayes 189, noes 51.

Mr. CONNERY. Mr. Chairman, I demand tellers.

Mr. BRADLEY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BRADLEY. If this amendment is adopted, does it not have the effect——

Mr. WOODRUM. Mr. Chairman, that is not a parliamentary inquiry.

The CHAIRMAN. The gentleman is not stating a parliamentary inquiry.

Tellers were ordered, and the Chair appointed as tellers Mr. WOODRUM and Mr. CONNERY.

The Committee again divided; and there were—ayes 174, noes 48.

So the committee amendment was agreed to.

Mr. WOODRUM. Mr. Chairman, I move the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. O'CONNOR of New York, the Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the joint resolution (H. J. Res. 361) making appropriations for relief purposes, had come to no resolution thereon.

EXTENSION OF REMARKS

Mr. BEITER. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and include therein two amendments which I propose to offer on Monday to the resolution (H. J. Res. 361), and to include therein also a letter received today from the American Federation of Labor citing the number of skilled laborers who are unemployed throughout the country. This is a short table.

Mr. RICH. Mr. Speaker, reserving the right to object, if the Democratic Party wants to continue to fill up the RECORD, let it go in. I have no objection.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

CIVILIAN CONSERVATION CORPS

Mr. CONNERY. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 6551) to establish a Civilian Conservation Corps, and for other purposes, with Senate amendments, disagree to the Senate amendments, and agree to a conference.

Mr. SNELL. Mr. Speaker, reserving the right to object, the important matter in this conference is the question of the continuation of the C. C. C. camps. I think the gentleman from Massachusetts should give the House to understand that he will bring this matter back to the House on the question of any permanent extension of the Civilian Conservation Corps.

Mr. CONNERY. I think the gentleman from New York knows perfectly well that the conference committee on the part of the House will go into the conference and fight for everything the House has passed and not do anything without the House having an opportunity to pass on its action.

Mr. SNELL. The gentleman's statement means, then, that the conference committee will not agree to a permanent extension without coming back and being instructed by the House?

Mr. CONNERY. I may say that we will not agree to anything upon which the House has passed by a vote until we ask for a further vote in the House.

Mr. SNELL. That is satisfactory.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts? [After a pause.] The Chair hears none, and appoints the following conferees: Mr. CONNERY, Mrs. NORTON, Mr. RAMSPECK, Mr. WELCH, and Mr. HARTLEY.

COL. CHARLES A. LINDBERGH

Mr. COCHRAN. Mr. Speaker, over 20 years ago a bright little boy with a very kind disposition was romping around the fifth floor of the House Office Building. He was very active, rather shy, but extremely polite. Of course, I never dreamed then, when I was working as a secretary to a Representative in Congress, that some day that lad would become a world-wide hero by being the first man to fly an airplane across the Atlantic Ocean. Strange things happen in this world and it is now recorded in history that that very boy, Charles A. Lindbergh, accomplished what was considered by all at that time the impossible, for within 34 hours, to be exact, 33 hours and 30 minutes, he landed his single-motored monoplane, which he had christened the *Spirit of St. Louis*, on Le Bourget Field, in the suburbs of Paris, France. That was 10 years ago today.

Col. Charles A. Lindbergh was the son of a Representative in Congress who served with distinction in this body for 10 years. In thought he was in advance of his time. If you will go back now and read his utterances as well as his writings, you will agree with this statement. Whenever one advanced some idea to help the masses of the people at the expense of those who have accumulated vast health he was classed as a radical. In the day of Lindbergh senior the use of the word "Communist" was not in vogue, but if it had been, he would have been called a Communist, but not so now. Congressman Lindbergh favored back in his day a more equitable distribution of the profits of industry among those who by the sweat of their brow were responsible for those profits. I say he was ahead of his time, because until the appearance of Franklin D. Roosevelt in the White House, no man espoused that idea with any success. The father of Colonel Lindbergh, like the son, was of a retiring disposition. He did not seek self-aggrandizement. Look at his biography in the Congressional Directory. Unlike most of us he did not record a history of his private and public life, but was satisfied with the simple notation following his congressional district, Charles A. Lindbergh. Is it any wonder that his famous son has done everything within his power to evade throngs and publicity? Today we find him in exile in a foreign country, hiding out, so to speak, in order that he and his wife and child might have some peace from enthusiastic admirers, and likewise trying to forget a tragedy the frightfulness of which will be in their minds to the date of their departure to the Great Beyond.

Colonel Lindbergh, an obscure air-mail pilot, known to few people outside of a small circle in St. Louis and Chicago, between which cities he was carrying the mail, conceived the idea himself of flying across the Atlantic. He saved his money, sleeping in a shack, and day after day was satisfied with a dinner consisting of two pieces of bread and a hot dog. He piled up his dollars until he had over $2,000, and then he made known his desire to a few prominent St. Louisans. When he told them his savings would go into the fund necessary to finance the trip they became interested and preparations were on. The beginning of the end was May 20, 1927, at 7:52 eastern standard time, when he took off for France. The climax was his landing at his point of destination the next day, 33½ hours having elapsed. I venture the assertion that since that time his name has appeared in print as many times as any individual who ever lived.

Few paid any attention to the youth until he was actually over the ocean winging his way across, but millions all over the world were awaiting the news of his arrival, and when it did come there was rejoicing not only in the United States but throughout the civilized world.

But the best part was yet to come. He kept his head and never to this day has any act of his ever indicated but that he would have been just as happy if left to himself. He set an example to the youth of the world that fully justifies the many times repeated statement he is the ideal American youth.

At the time of his successful flight Congress was not in session. Prominent men in public life expressed their views on his achievement. Dozens of Members of Congress said he was entitled to and they would see that he received the Congressional Medal of Honor. When Congress met in December they seemed to have forgotten the flight of the "Lone Eagle" across the Atlantic, but I did not. On the opening day of Congress I introduced a bill authorizing the President to present to him the Congressional Medal of Honor. He was a resident of my city. I secured an early report from the Committee on Military Affairs. Shortly thereafter he visited Washington and he was invited by the then Speaker, Mr. Longworth, to visit the House of Representatives. On his arrival the House recessed while the Speaker introduced him to the Members, many of whom had served with his father,

and others who then recalled the boy who played at times in the corridor of the House Office Building. During the recess I conferred with the gentleman from New York [Mr. SNELL], then chairman of the Rules Committee, who canvassed his committee and reported to the Speaker. The Members desired the bill I had introduced called up immediately. The Speaker recognized Mr. SNELL, who in a sentence said the House was ready to confer the highest honor it could bestow on Colonel Lindbergh. The bill passed, promptly was agreed to by the Senate, signed by the President, and I had the honor of being present when President Coolidge carried out the mandate of the Congress and presented him with the medal. He was the least concerned of those present. I do not mean to say he was not appreciative, but he had a way of concealing it.

I am not going to speak of his contributions to aviation since that date nor the many good examples he has set for the youths of this country to follow. Space would not permit. It is my intention to refer to one unpublished incident that I think will be of interest. In my congressional district a lady had a small photograph gallery. She knew most of the boys who flew the mails and had taken their pictures. She had invited some of them to her home for dinner, and on one occasion "Lindy" was present. He was known to his associates as "Slim." On this occasion she told me Colonel Lindbergh had hardly spoken a word all evening.

Shortly thereafter he returned in his National Guard uniform. He wanted his picture taken. He finally selected one of the proofs, and when the pictures were turned over to him he remarked:

> Some day that picture is liable to be of value. You had better save the plate.

At the moment she paid no attention to his remark, but later she wondered why this modest young man should have said that to her. Finally, she decided to have it copyrighted, and she did. When Colonel Lindbergh made his successful flight naturally pictures of him would bring any price. Just as fast as she could print them she sold them to a department store for resale. A few days after the flight there came to her notice a postal card with this picture reproduced, but the copyright insignia cut off. She called on me one afternoon at my office and complained bitterly, because it was a responsible printing house that had used the picture. She said she wanted to employ me as her lawyer, but I told her she needed no lawyer. I gave her a copy of the law, underscored that part that would have enabled her to send those responsible to the penitentiary if she so desired, and told her to act as her own lawyer. I advised her to call on the president of the firm and place a claim for damages with him, at the same time to let him read the law. She told the amount she felt she was entitled to, but I advised her to ask for a much larger sum, telling her she could always compromise if necessary. Two days after she returned. She followed my advice and had a check for the greater part of $5,000 that I insisted she should ask for. She wanted to pay me, but when I said "no", she gave me one of the pictures, which I have to this day.

Colonel Lindbergh turned over to the Missouri Historical Society the trophies he received from the four corners of the globe. They are housed in the Jefferson Memorial Building in Forest Park, in St. Louis, on exhibition free to the public. His plane he presented to the Smithsonian Institution and is seen by thousands every day as they enter the old National Museum.

While millions throughout the world recalled and celebrated his flight of 10 years ago, we read the following dispatch, by David P. Sentner, in the Washington Times:

> SEVEN OAKS, KENT, ENGLAND, May 20.—For a little family in a secluded, rose-covered cottage today was—well, just Thursday.
>
> For others, celebrating in New York and Paris and throughout a world which remembers the feat, it was the tenth anniversary of the trans-Atlantic flight of Charles A. Lindbergh.
>
> But Colonel Lindbergh, Mrs. Anne Lindbergh, and their son Jon gave not the slightest heed to the day.
>
> In bright sunshine Colonel Lindbergh romped on the lawn with Jon.
>
> Then, without any guests to mark the day, the family lunched informally. They planned their usual automobile drive about the lanes of the county this evening.
>
> He declined to talk by radio to a gathering of old friends and backers at the Waldorf-Astoria Hotel in New York, and declined also to participate in festivities at Le Bourget Field, his Paris landing place.
>
> The Lindberghs, since they came to England in the winter of 1935, have been living an almost monastic life. They seldom go to London, although it is only half an hour off by train.

Colonel Lindbergh became famous overnight, but we all know the price he had to pay. Some day soon we hope he will return to his native land.

NATIONAL PRESS CLUB CRUISE

Mr. McMILLAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute for the purpose of making an announcement.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina.

There was no objection.

Mr. McMILLAN. Mr. Speaker, I have the very happy privilege of announcing on behalf of the members of the National Press Club that an invitation is extended to every Member of Congress to participate tomorrow in the expedition to Quantico by boat. The boat leaves the Seventh Street wharves at 1 o'clock. Among other things, the congressional baseball club will, of course, challenge the press boys in their annual ball game at Quantico. I may say, incidentally, that, together with the rest of our team, I shall naturally expect the full support, expressed with a great deal of effort and enthusiasm, of every Member of Congress to cheer us on tomorrow. I anticipate, Mr. Speaker, a most pleasant trip, and I am sure the members of the press gallery will greatly appreciate your attendance. [Applause.]

EXTENSION OF REMARKS

Mr. THOM, Mr. SHANLEY, Mr. DUNN, Mr. DALY, Mr. NELSON, and Mr. DIMOND asked and were given permission to revise and extend their remarks.

Mr. WHITE of Idaho. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include therein some telegrams from civic bodies in my State in regard to the pending bill.

The SPEAKER. Is there objection to the request of the gentleman from Idaho?

There was no objection.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. MANSFIELD], who had to leave the Chamber, may be permitted to extend his remarks in the RECORD and insert a statement made by Mr. Ickes, Secretary of the Interior, before the Committee on Rivers and Harbors.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. McFARLANE. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and insert certain excerpts which I have, concerning the relief bill which has been under consideration today.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. COFFEE of Washington. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include a brief article from the Nation, a weekly magazine, written by the gentleman from California [Mr. VOORHIS] and the gentleman from Texas [Mr. MAVERICK].

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. TEIGAN. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks to include therein a statement signed by a group of Members of the House in support of an appropriation of $3,000,000,000 for W. P. A.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

(Mr. SHAFER of Michigan and Mr. HOFFMAN asked and were given permission to revise and extend their own remarks in the RECORD.)

Mr. DITTER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein certain short quotations.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RAYBURN. Mr. Speaker, in order to save a lot of time and a number of requests, I ask unanimous consent that all Members of the House who may desire to do so may have 5 legislative days after the passage of this bill within which to extend their own remarks on the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. WOODRUM. Mr. Speaker, will the gentleman include in his request that all gentlemen who spoke today may have the right to revise and extend their own remarks?

The SPEAKER. The Chair is inclined to think that the Members who spoke today would have that right without any further request.

RELIEF OF UNEMPLOYMENT

Mr. WOODRUFF. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. WOODRUFF. Mr. Speaker, when Mr. Roosevelt first took office we had one relief problem. That was the unemployment relief problem. Now we have four relief problems confronting this Congress and this country.

They are:

First. The problem of relief for the unemployed and the needy.

Second. The problem of relief for the taxpayers.

Third. The problem of relief for the Government's credit.

Fourth. The problem of relief from a growing army of the New Deal "faithful" on the Federal pay rolls.

A very great number of these "faithful" on the Federal pay rolls are simply on high-salaried, luxurious relief.

In the midst of the multifarious agencies and activities now dispensing relief there has been established by Mr. Roosevelt a relief agency which is the most expensive, the most uneconomical, the least efficient of any of the various forms of relief—and the one agency most difficult for Congress to reduce. This is the President's rapidly expanding bureaucratic agency for luxury relief for the "faithful."

It constitutes a most vital part of the spoils system so effectively injected into our governmental set-up under the exigencies of the emergency by Postmaster General Jim Farley, National Democratic Committee chairman.

Since Mr. Roosevelt's advent a new army of New Deal civil employees on the Federal pay rolls has been created, numbering 265,713 persons.

The number of civil Federal employees on the pay rolls as of February 28, 1933, according to the records of the United States Civil Service Commission, was 563,480. The total of civil Federal employees as of March 31, 1937, according to the same authority, was 829,193.

It is fortunate for the country that Mr. Roosevelt did not promise in his first campaign to cut the Government expenses by 50 percent instead of the 25 percent he did promise, because, working in the reverse as have this and so many other of his promises, in such case it is hard to tell how big this army of the "faithful" on the Federal pay rolls would have been by now.

Mr. Speaker, the general impression is being created throughout the country by the President that herculean efforts are being made by him and his New Deal advisers to achieve economies, to avoid an increase in taxes, to balance the Budget, and to get back on a normal permanent basis as rapidly as possible, if only he can get Congress to go along with him.

At the same time, while this Congress is struggling valiantly, if blindly, to achieve some relief for the taxpayers and for the Federal credit without impairing necessary relief for the worthy needy, Mr. Roosevelt is trying to freeze into permanency this other superexpensive, uneconomical New Deal luxury relief for the New Deal "faithful"—and all the departments and agencies making up this luxury relief class are helping him to do so.

We have heard much about the savings that were going to be made by the President's economy program concerning the executive departments. We have been hearing this same story at different times for a long period of time. The Washington Herald yesterday morning stated that Acting Budget Director Bell disclosed the day before that the maximum reduction in Government spending resulting from Mr. Roosevelt's April request to departmental heads to curtail unnecessary expenditures would, if carried out, be about $295,000,000. This, as we all realize, is merely a drop in the bucket so far as actual economy is concerned.

If Mr. Bell is correct in his estimate, and I assume he is, and if savings in the amount he suggests can be brought about through a Presidential request, why is it, if the President is really interested in bringing about economy, that he has not long ago submitted such a request to the executive departments? If those departments have been unnecessarily spending three hundred millions a year, why has not Mr. Roosevelt registered his disapproval of it long ago? There has never been in the history of this country, during any previous administration, a period when economy in government was as vitally necessary to the perpetuity of this constitutional democracy and the welfare of our people as it has been throughout the 4 years of the administration of Franklin Delano Roosevelt.

Genuine economy can be accomplished only through the elimination of unnecessary expenditures. In all our history there has been no such exhibition of waste and extravagance as has been indulged in during the past 4 years.

Economies in the executive departments will be of little relief to the taxpayers of this country unless one of two methods are resorted to. Either there must be a radical reduction in the number of the "faithful" on the pay roll or salaries must be radically reduced. In view of the rapidly increasing cost of living, brought about in large part by the policies of Mr. Roosevelt, the latter would seem to be most inadvisable.

Congress has been struggling, and is now struggling, in a blind effort to achieve some economies despite the fact that President Roosevelt has steadfastly refused to institute any survey which would give the Congress accurate figures on relief expenditures, the number on the relief rolls, the number receiving relief who are not entitled to it—and there are many—the number not receiving relief who are entitled to it, and more important, the probable extent and duration of relief necessities in the future.

There has been a general impression created by Mr. Roosevelt's statements, together with propaganda that has gone forth, that he is having to urge Congress—almost having to compel Congress—to try to achieve economies. Every Member of this House knows, and most of the country knows, that Congress is more eager than the President to achieve real economies, if real economies can be made without visiting suffering and hardship and starvation upon the unfortunate of our citizens who are really entitled to relief.

What happens, Mr. Speaker, when Congress tries to achieve economy? The President asks for one billion five hundred million for relief. This is by no means the whole of governmental expenditures for relief. The moment the Congress moves to pare down appropriations it is met by the protests made to the Appropriations Committees by the departments that their particular appropriations cannot be reduced. Despite this fact these appropriating committees and the House and Senate have reduced the appropriations below the amounts asked for by the President through the Bureau of the Budget in every appropriation bill sent to the President during this session of the Congress.

The greatest governmental machine in the history of this country was set up by Mr. Roosevelt under the promise that it was a purely emergency set-up and would be dispensed with as rapidly as possible. Now the President is seeking to make permanent this vast and expensive bureaucracy and to fasten upon the backs of the taxpayers this staggering added load of unnecessary governmental costs. The N. R. A., for instance, was wiped out by the Supreme Court of the United States on May 27, 1935, which is within a few days of being 2 years ago. I am informed that the last employees of the N. R. A. went off the pay rolls just a few weeks ago.

How many of the former employees of this agency are still living in Washington drawing governmental salaries because of the political necessity of keeping the "faithful" forever on the pay roll? The answer is very illuminating.

The N. R. A. was abolished by the Supreme Court on May 27, 1935. At that time the number of Federal civil employees was 659,086. Shortly after the N. R. A. was abolished, the A. A. A. was also abolished as unconstitutional by the Supreme Court. These two agencies had thousands and thousands of employees who should have been rapidly separated from the pay rolls. But what happened? Six months later, on November 30, 1935, we find that the total number of civil Federal employees on the rolls was 794,467. The number had not decreased, but had increased by 135,381. From November 30, 1935, to March 31, 1937, we find that the number of employees again had increased by 34,726, to make a total as of that date of 829,193. The total number of Federal civil employees from May 27, 1935, when the N. R. A. and the A. A. A. were abolished, to the present time, has increased by 170,107. That is how Mr. Roosevelt and his boondogglers have by their herculean efforts achieved "economies" in administration while Congress has been vainly struggling to get real relief for the taxpayers, for the Federal credit, and for the unemployed.

Is there any Member of this Congress who does not well know that the governmental bureaus and departments have always resisted by every means any attempts by the Congress to reduce or abolish them? Is there any Member of this Congress who does not well know that every attempt is being made by all emergency organizations now to resist any reductions or eliminations of their personnel or their expenditures?

Mr. Roosevelt made a great gesture toward economy by vetoing a $5,000,000 appropriation to the New York World's Fair suggesting the amount was too large. It may be that as a result of his action a million, or possibly $2,000,000, may be taken off in the next bill that will be presented. One cannot fail to notice, however, that this saving, whatever it may prove to be, is one in which a reduction of the number of the "faithful" on the pay roll is not involved.

Mr. Speaker, the question of relief, economy, and the balancing of the Budget constitute a problem so utterly grave and vital to the welfare of this Nation and its people that it transcends any partisan dispute or controversy, and the time has come when we must approach the solution of this problem in the attitude of citizens and lawmakers who are determined to save their country from ruin without allowing any thought of partisan advantage or political increment to hamper and to befog our efforts. We are face to face with the grave necessity of meeting this problem on that broad and nonpartisan basis if this country is to be saved.

It is my sincere and deep conviction that the only possible way we can achieve the economies necessary to enable us to even begin an attempt to balance the Budget is by turning relief over to the administration of the States and the local communities, and disbanding this gigantic bureaucracy which has been built up under the guise of "emergency."

A provision that the States provide a proportion of the relief funds will operate, as we well know, to safeguard the taxpayers of the country against unnecessary expenditures for relief or for employment of those whose only recommendation for the job in hand is their ability to deliver the "political goods."

If then the President would consent to permit Congress to have the information, which could easily be procured for it, as to the probable extent and duration of necessary relief for the next 2 or 3 years, this Congress could make some intelligent attempt to balance the Budget, to avoid an increase in taxes, to begin eventually a decrease in taxes, and to get this Nation back onto something like a sound basis. Until that is done, we will continue to drift as we have been drifting, toward national disaster. And this catastrophe cannot be avoided unless there has first been a separation from the pay rolls of a very large proportion of the 265,713 emergency employees who were placed upon the pay rolls by this administration.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. CARTWRIGHT. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks and to include an amendment which I propose to offer to the pending bill, and also to include a short table of figures.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. PATRICK, for 2 weeks, on account of important official business.

To Mr. DUNCAN, for 10 days, on account of important business.

To Mr. PIERCE, indefinitely, on account of illness.

To Mr. WALTER, indefinitely, on account of illness in family.

To Mr. SIROVICH, for today, on account of illness.

To Mr. FERNANDEZ, for 12 days, on account of official Government business.

To Mr. RUTHERFORD, for 1 week, on account of important business.

ADJOURNMENT OVER

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

ORDER OF BUSINESS

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent to proceed for one-half minute.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. RAYBURN. Mr. Speaker, Monday is District of Columbia day, and in all probability the conference report on the so-called "red rider" bill will come up and perhaps a matter about the prevention of an abbatoir being built in the District of Columbia. The bill which has been under consideration today will be taken up immediately after those matters are disposed of.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills and joint resolutions of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 6249. An act to reserve certain lands in the State of Utah for the Kanosh Band of Paiute Indians;

H. R. 6250. An act to reserve certain lands in the State of Utah for the Shivwitz Band of Paiute Indians;

H. R. 6252. An act to reserve certain lands in the State of Utah for the Koosharem Band of Paiute Indians;

H. J. Res. 292. Joint resolution to protect the copyrights and patents of foreign exhibitors at the Golden Gate International Exposition to be held at San Francisco, Calif., in 1939;

H. J. Res. 348. Joint resolution designating May 28, 1937, National Aviation Day; and

H. J. Res. 359. Joint resolution authorizing the President to proclaim the tercentenary of the birth of Pere Jacques Marquette.

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 2049. An act to authorize the establishment of a naval air station on San Francisco Bay, Calif., and for other purposes.

ADJOURNMENT

Mr. RAYBURN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 38 minutes p. m.) the House, in accordance with its previous order, adjourned until Monday, May 24, 1937, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

625. Under clause 2 of rule XXIV a letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated May 14, 1937, submitting a report, together with accompanying papers and illustrations, on studies and investigations of beach erosion at Hollywood Beach, Fla., made by the Beach Erosion Board, in cooperation with the State of Florida, acting through the engineering experiment station, University of Florida, and the city of Hollywood Beach, Fla., as authorized by the River and Harbor Act approved July 3, 1930, and the act of Congress approved June 26, 1936 (H. Doc. No. 253), was taken from the Speaker's table, referred to the Committee on Rivers and Harbors, and ordered to be printed, with illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. ROBINSON of Utah: Committee on the Public Lands. H. R. 71. A bill to provide for the establishment of a national monument on the site of Camp Merritt, N. J.; without amendment (Rept. No. 881). Referred to the Committee of the Whole House on the state of the Union.

Mrs. NORTON: Committee on the District of Columbia. H. R. 6242. A bill to protect the buyers of potatoes in the District of Columbia; without amendment (Rept. No. 882). Referred to the Committee of the Whole House on the state of the Union.

Mr. KELLER: Committee on the Library. Senate Concurrent Resolution 12. Concurrent resolution accepting the statues of William Jennings Bryan and J. Sterling Morton, presented by the State of Nebraska and placed in the Capitol of the United States; without amendment (Rept. No. 883). Referred to the Committee of the Whole House on the state of the Union.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 6531) for the relief of Bertha Hymes Sternfeld; Committee on World War Veterans' Legislation discharged, and referred to the Committee on Claims.

A bill (H. R. 5339) granting a pension to Evangeline R. Butler; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 5802) granting a pension to Maude Holmes; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 5604) for the relief of William Kelley; Committee on Pensions discharged, and referred to the Committee on Military Affairs.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DINGELL: A bill (H. R. 7179) to amend the Tariff Act of 1930 to permit motor vehicles moving between foreign points to pass through the United States under bond without payment of duty; to the Committee on Ways and Means.

By Mr. HARTLEY: A bill (H. R. 7180) to provide for the licensing of persons engaged in interstate and foreign commerce and for the regulation and protection of such commerce, and for other purposes; to the Committee on the Judiciary.

By Mr. SHEPPARD: A bill (H. R. 7181) providing for the suspension of annual assessment work on mining claims held by location in the United States; to the Committee on Mines and Mining.

By Mr. CULKIN: A bill (H. R. 7182) to permit member banks of the Federal Reserve System to deposit up to 75 percent of the required Federal Reserve deposit, bearer obligations of the United States Government; to the Committee on Banking and Currency.

By Mr. FLANNERY: A bill (H. R. 7183) to amend Public Act No. 111, Sixty-sixth Congress, entitled "An act for the retirement of public-school teachers in the District of Columbia"; to the Committee on the District of Columbia.

By Mr. JOHNSON of Minnesota: A bill (H. R. 7184) to eliminate grade crossings; to the Committee on Roads.

By Mr. FERNANDEZ: A bill (H. R. 7185) declaring Bayou Savage, also styled Bayou Chantilly, in the city of New Orleans, La., a nonnavigable stream; to the Committee on Interstate and Foreign Commerce.

By Mr. STEAGALL: A bill (H. R. 7186) to amend section 19 of the Federal Reserve Act, as amended, with respect to the payment of interest on demand deposits of certain public funds; to the Committee on Banking and Currency.

Also, a bill (H. R. 7187) to amend section 12B of the Federal Reserve Act, as amended; to the Committee on Banking and Currency.

By Mr. GOLDSBOROUGH: A bill (H. R. 7188) to provide a national monetary policy which will have a definite relationship to the requirements of domestic industry and trade under the conditions imposed by our power economy; which will increase production and consumption to the limit of the country's power to produce; and for other purposes; to the Committee on Banking and Currency.

By Mr. McGRATH: Resolution (H. Res. 219) authorizing a special committee to investigate any available sites for a naval supply depot or base on San Francisco Bay, Calif.; to the Committee on Rules.

By Mr. OLIVER: Resolution (H. Res. 220) for the relief of the estate of Reuel Small; to the Committee on Accounts.

By Mr. SCHNEIDER of Wisconsin: Joint resolution (H. J. Res. 376) to authorize and direct the Secretary of Labor to make an investigation of basic wages, annual incomes, machine displacements, irregularity of employment and employment conditions affecting unskilled and semiskilled workers in public and private employment; to the Committee on Labor.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ATKINSON: A bill (H. R. 7189) for the relief of the Nashville Bridge Co.; to the Committee on Claims.

By Mr. FITZPATRICK: A bill (H. R. 7190) for the relief of Paul D. Webster; to the Committee on Naval Affairs.

By Mr. GREEN: A bill (H. R. 7191) granting a pension to Frank T. Douglas, alias Lewis Calhoun; to the Committee on Pensions.

By Mr. HOPE: A bill (H. R. 7192) granting a pension to Maximilla Cowan; to the Committee on Invalid Pensions.

By Mr. JOHNSON of West Virginia: A bill (H. R. 7193) granting an increase of pension to Hannah Gibbs; to the Committee on Invalid Pensions.

By Mr. JOHNSON of Minnesota: A bill (H. R. 7194) for the relief of Chester H. Nordeen; to the Committee on Claims.

Also, a bill (H. R. 7195) for the relief of Joseph Lane; to the Committee on Claims.

By Mr. KELLY of New York: A bill (H. R. 7196) to authorize the cancelation of deportation proceedings in the case of Carmela D'Angelo; to the Committee on Immigration and Naturalization.

By Mrs. ROGERS of Massachusetts: A bill (H. R. 7197) for the relief of James C. McCormick; to the Committee on Claims.

By Mr. TERRY: A bill (H. R. 7198) for the relief of Fred Johnson; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2323. By Mr. BREWSTER: Petition of 365 citizens, relative to the enactment of a law requiring all illegal residents to return to the land of their nativity and forbidding the giving of employment, loans, or governmental relief to any foreigners who remain in the country illegally; to the Committee on Immigration and Naturalization.

2324. By Mr. CONNERY: Petition of the Boston (Mass.) Branch, Railway Mail Association, opposing any reduction in the Post Office appropriation; to the Committee on Appropriations.

2325. Also, petition of Union No. 33 of United Slate, Tile, and Composition Roofers, Damp and Waterproof Workers' Association, of Boston, Mass., urging the enactment of the Wagner-Steagall housing bill; to the Committee on Appropriations.

2326. By Mr. CULKIN: Petition of Bert B. Aldrich and others, of Hannibal, N. Y., protesting against the passage of Senate bill 1270 or House bill 3291; to the Committee on the District of Columbia.

2327. By Mr. KEOGH: Petition of the United Shipyards, Inc., New York City, concerning Senate bill 69, train-length bill; to the Committee on Interstate and Foreign Commerce.

2328. By Mr. HULL: Petition of 215 dairymen of Clark County, Wis., opposing House bill 3905, by Hon. RICHARD M. KLEBERG; to the Committee on Agriculture.

2329. Also, petition of 113 qualified voters of St. Croix County, Wis., urging the enactment of House bill 4009, by Hon. WORTH D. CLARK, providing for an appropriation of $50,000,000 to establish a Nation-wide weed-control program; to the Committee on Agriculture.

2330. Also, petition of eighth-grade public-school students of Alma, Wis., relating to the proposed site for the construction of the Jefferson Memorial; to the Committee on the Library.

2331. By Mr. KEOGH: Petition of Virginia State Federation of Post Office Clerks, Richmond, Va., concerning the proposed 10-percent cut in all appropriations; to the Committee on Appropriations.

2332. Also, petition of the New York Board of Trade, New York City, concerning a census of the unemployed; to the Committee on the Census.

2333. By Mr. KRAMER: Resolution of the Assembly and Senate of the State of California, relative to memorializing the Postmaster General to use California granite in the erection of the new post office for the city of Los Angeles; to the Committee on Public Buildings and Grounds.

2334. By Mr. LAMNECK: Resolution of Helen T. Howard, city clerk, city of Columbus, Ohio, requesting the Federal Communications Commission to allocate certain wave lengths to amateur broadcasters for use during emergency periods and for other times in order to permit the proper functioning of such amateur broadcasting stations during times of emergency; to the Committee on Interstate and Foreign Commerce.

2335. Also, resolution adopted by the Council of the City of Columbus, Ohio, memorializing the Congress of the United States to enact the United States Housing Act of 1937 (S. 1685 and H. R. 5033); to the Committee on Banking and Currency.

2336. By Mr. LORD: Memorial of the Legislature of the State of New York, memorializing Congress of the United States to consider Senate bill 2226, a bill to regulate interstate transportation of products of child labor in certain cases; to the Committee on Interstate and Foreign Commerce.

2337. By Mr. PFEIFER: Petition of the United Shipyards, Inc., New York City, concerning the train-length bill (S. 69); to the Committee on Interstate and Foreign Commerce.

2338. By Mr. SUTPHIN: Petition of the Ocean County Democratic Club, Toms River, N. J., supporting House bill 4411, proposing that the importation of eggs and egg products into the United States be prohibited; to the Committee on Ways and Means.

2339. By Mr. THOMASON of Texas: Petition of G. E. Sligh and 296 other citizens of El Paso, Tex., requesting that House bill 4199 (General Welfare Act), known as Crosby bill, be brought out of Ways and Means Committee and admitted on floor of House for discussion; to the Committee on Ways and Means.

2340. Also, petition of W. R. Hindman and 29 other citizens of El Paso, Tex., requesting that House bill 4199 (General Welfare Act), known as Crosby bill, be brought out of Ways and Means Committee and admitted on floor of House for open discussion; to the Committee on Ways and Means.

2341. Also, petition of R. E. Davis and 194 other citizens of El Paso, Tex., requesting that House bill 4199 (General Welfare Act), known as Crosby bill, be brought out of Ways and Means Committee and admitted on floor of House for open discussion; to the Committee on Ways and Means.

2342. By the SPEAKER: Petition of the Ocean County Democratic Club, Toms River, N. J., concerning House bill 4411, with reference to importation of egg products; to the Committee on Ways and Means.

2343. Also, petition of the city of Niagara Falls, N. Y., concerning the United States Housing Act of 1937; to the Committee on Banking and Currency.

2344. Also, petition of Pagkakaisa NG Bayan, Manila, concerning the Philippine independence; to the Committee on Insular Affairs.

2345. Also, petition of the city of Cambridge, Mass., concerning the United States Housing Act of 1937; to the Committee on Banking and Currency.

SENATE

MONDAY, MAY 24, 1937

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

O Holy and blessed Spirit of God, whose indwelling brings the gift of joy into our lives: Fill us all with the gladness of God that, rejoicing in His works, we may find pleasure in His ways. Remove from our burdened memories the weight of past years, and set us free both from the glamour of complacency and the fretfulness of remorse.

Increase our faith, mellow our judgment, deepen our devotion to God, our country, and our fellow man, and, as our lives enforce what is uttered by our lips, may each one of us reveal the truth that happiness outside of holiness is vanity and to sanctify one's heart is to give it peace. We ask it through Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. BYRNES, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, May 20, 1937, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Megill, one of its clerks, informed the Senate that Hon. LINDSAY C. WARREN, a Representative from the State of North Carolina, had been elected Speaker pro tempore during the absence of the Speaker.

The message also announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 6551) to establish a Civilian Conservation Corps, and for other purposes, agreed to the conference asked by the Sen-

ate on the disagreeing votes of the two Houses thereon, and that Mr. CONNERY, Mrs. NORTON, Mr. RAMSPECK, Mr. WELCH, and Mr. HARTLEY were appointed managers on the part of the House at the conference.

The message further announced that the House had passed a bill (H. R. 6958) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1938, and for other purposes, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the concurrent resolution (S. Con. Res. 14), as follows:

Resolved by the Senate (the House of Representatives concurring), That there be printed with illustrations and bound 5,000 copies of the proceedings in Congress, together with the proceedings held at the unveiling in Statuary Hall, upon the acceptance of the statues of William Jennings Bryan and J. Sterling Morton, presented by the State of Nebraska, of which 1,000 shall be for the use of the Senate and 2,500 for the use of the House of Representatives, and the remaining 1,500 copies shall be for the use and distribution of the Senators and Representatives in Congress from the State of Nebraska.

The Joint Committee on Printing is hereby authorized to have the copy prepared for the Public Printer and shall procure suitable illustrations to be published with these proceedings.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolutions, and they were signed by the President pro tempore:

S. 2049. An act to authorize the establishment of a naval air station on San Francisco Bay, Calif., and for other purposes;

H. R. 6249. An act to reserve certain lands in the State of Utah for the Kanosh Band of Paiute Indians;

H. R. 6250. An act to reserve certain lands in the State of Utah for the Shivwitz Band of Paiute Indians;

H. R. 6252. An act to reserve certain lands in the State of Utah for the Koosharem Band of Paiute Indians;

H. J. Res. 292. Joint resolution to protect the copyrights and patents of foreign exhibitors at the Golden Gate International Exposition to be held at San Francisco, Calif., in 1939;

H. J. Res. 348. Joint resolution designating May 28, 1937, National Aviation Day; and

H. J. Res. 359. Joint resolution authorizing the President to proclaim the tercentenary of the birth of Pere Jacques Marquette.

CALL OF THE ROLL

Mr. LEWIS. In order that we may be assured of the presence of a quorum, I ask for a roll call.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Donahey	Lodge	Reynolds
Ashurst	Duffy	Logan	Russell
Austin	Ellender	Lonergan	Schwartz
Bailey	Frazier	Lundeen	Schwellenbach
Berry	George	McAdoo	Sheppard
Bilbo	Gerry	McCarran	Smathers
Black	Gillette	McGill	Smith
Borah	Green	McKellar	Steiwer
Bridges	Guffey	McNary	Thomas, Utah
Brown, Mich.	Hale	Maloney	Thomas, Okla.
Brown, N. H.	Harrison	Minton	Townsend
Bulkley	Hatch	Moore	Truman
Bulow	Hayden	Murray	Tydings
Burke	Herring	Neely	Vandenberg
Byrd	Hitchcock	Norris	Van Nuys
Byrnes	Holt	Nye	Wagner
Capper	Hughes	O'Mahoney	Walsh
Caraway	Johnson, Calif.	Overton	Wheeler
Clark	Johnson, Colo.	Pepper	White
Connally	King	Pittman	
Copeland	La Follette	Pope	
Dieterich	Lewis	Radcliffe	

Mr. LEWIS. I announce that the Senator from Virginia [Mr. GLASS] and the Senator from Washington [Mr. BONE] are detained from the Senate because of illness in their families.

The Senator from Florida [Mr. ANDREWS], the Senator from Kentucky [Mr. BARKLEY], the Senator from New Mexico [Mr. CHAVEZ], and the Senator from Oklahoma [Mr. LEE] are absent on important public business.

Mr. AUSTIN. I announce that my colleague the junior Senator from Vermont [Mr. GIBSON], the Senator from Minnesota [Mr. SHIPSTEAD], and the Senator from Pennsylvania [Mr. DAVIS] are necessarily absent from the Senate.

The VICE PRESIDENT. Eighty-five Senators have answered to their names. A quorum is present.

ORDER FOR CONSIDERATION OF UNOBJECTED BILLS ON CALENDAR

Mr. BYRNES. Mr. President, the Senator from Arkansas [Mr. ROBINSON] is unavoidably detained. He asked me to request unanimous consent that at the conclusion of the morning business the calendar be called for the consideration of unobjected bills.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

TRIBUTE TO THE LATE SENATOR TRAMMELL, OF FLORIDA

Mr. RUSSELL. Mr. President, I ask unanimous consent that an address memorializing the life and services of the late Senator Park Trammell, of Florida, delivered by the senior Senator from Florida [Mr. ANDREWS] before a joint session of the Florida Legislature on the occasion of memorial services for the late United States Senators, Park Trammell and Duncan U. Fletcher, on May 18, 1937, be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Although Park Trammell was born in Macon County, Ala., on April 9, 1876, the son of John W. and Ida Park Trammell, we have always considered him a native of Florida, as his father and mother moved to Polk County when young Park was just an infant.

His early boyhood days were spent on a farm near Lakeland in Polk County and, while still a boy, he worked on an orange grove and on the farm, and to earn a little extra money chopped wood, packed oranges, and did any other odd jobs that he might find. His early school advantages were only such as were afforded by the short-term schools of the pioneer days in south Florida, but even in spite of the various odd jobs he undertook in an effort to make his own expenses, he always found time to keep up with his studies. All through his life Park Trammell never considered himself too good to do any kind of work, no matter how difficult.

At the early age of 16 he left Lakeland and took a position in a general store in Tampa. Along about this time the great freeze of the late nineties devastated his father's grove and garden properties so Park voluntarily shouldered a share of the financial responsibilities of the family.

By careful budgeting he was able to take out of his small earnings enough each month to apply on the family expenses and still set something aside to help pay his way through law school. He studied first at Vanderbilt University in Nashville, and was graduated from Cumberland University in Lebanon, Tenn., in 1899, being admitted to the Florida bar in the same year.

On returning to Lakeland to open his law office his savings were exhausted and his office was necessarily a humble one. It is said that with his own hands he fashioned his first office table out of ordinary pine planks that he found somewhere in the neighborhood. That table, along with 2 or 3 cheap chairs, and possibly 15 or 20 law books, constituted the furnishings of his first office.

We can well imagine how difficult it was to get a foothold under such circumstances in those trying days when there was very little law practice in Lakeland, so, in order to pay expenses while getting a start, he worked at night keeping books and also traveled as a salesman a part of each week in order to meet his expenses.

Shortly after opening his law office in Lakeland his father passed away, and thereupon, assisted by a younger brother, he assumed the care of four younger sisters, and it is to his everlasting credit that he did even more than a devoted brother would be expected to do under such circumstances, and it was largely due to his efforts that these fine girls grew to splendid womanhood, commanding the respect and admiration of all who know them.

As we look back tonight we can well imagine the dark days he had encountered in the late nineties, but, nothwithstanding these unusual difficulties he was compelled to face, he demonstrated that he was possessed of excellent ability and determination. So it was that the people of Lakeland and surrounding communities commended him highly for the sacrifice and devotion to duty that he maintained in behalf of his younger brothers and sisters. I imagine it must have been apparent, even then, that this young man, with all of his burdens, was full of energy, ambition, and determination and that there stretched before him a promising future. We find that gradually, year by year, step by step, he went upward toward the top of the ladder of success. The first step in this climb was when he was elected mayor of his home city of Lakeland and served during the years 1899 to 1903.

As proof of the success of his administration as mayor of Lakeland we find that his neighbors in Polk County rewarded him by electing him to the Florida House of Representatives, as the second

step in his upward climb, where he served his first session in 1903.

In 1904 another advance was made when he was elected to the Senate of the State of Florida, and although one of the youngest members of that esteemed body he reached the fourth rung of his ladder when he was honored by being chosen its president in 1905. It has been said many times by friends who knew him and those who served with him that when Park Trammell turned over the gavel of his office to his successor he had been absolutely impartial in all of his rulings while he presided as president of that august body.

That feeling must have been evident, because a little later, in 1908, Park Trammell stepped up to the fifth rung of his ladder of fame and success upon being elected to the high office of attorney general of the State of Florida.

His 4-year term of service as attorney general of Florida was sufficient to show the people that in him was a dependable public servant worthy of their trust, and though still handicapped by financial obligations he reached the sixth rung on his ladder upon being elected Governor, the highest office in the gift of the people of Florida.

When I think of those momentous days here in Tallahassee when Park Trammell was Governor of our State, I recall most pleasantly that most estimable lady who honored and graced the executive mansion with him. I believe that no true account of his career would be complete without reference to one of the most respected and beloved helpmates that any man in public life ever had. I speak now with pride of Mrs. Park Trammell, the former Viriginia Darby, of Lakeland, whom he married while a struggling lawyer on November 21, 1900. She became his companion and helpmate in his early boyhood, and at every turn of the road, and in his climb up every rung of the ladder of fame, which I have referred to, Virginia Darby Trammell was there by his side, always ready, able, and willing to encourage and advise in a manner which never failed. She was his blessing, and from my association with him for 8 years I know that he looked upon her almost with reverence, and he never failed with her at his side. Mrs. Trammell died on March 14, 1922, and it so happened that I was delegated, along with five other friends of the family, to perform the sad rite of bearing her to her last resting place. She should, in my opinion (which I know is shared by thousands of others) take her place among Florida's most beloved women as one of whom we shall always be proud. So it is that I now wish to place this little bouquet on memory's pathway.

I never had the pleasure of knowing the present Mrs. Park Trammell, who so faithfully administered to him when the evening sunset cast its last shadows across his pathway.

When we think of Park Trammell's early life in the little log house there in Polk County, his few advantages, and faced with the necessity of working his own destiny and fighting his own battles; when we recall the unusual obligations he willingly assumed while still a young man, and the extraordinary difficulties he had to encounter, it is but fitting that this legislature designate this hour to his memory and that of his most beloved colleague, Duncan U. Fletcher, who rose to such heights as a leader and statesman that our whole Nation claimed him as their own. Step by step—mayor of Lakeland, state representative of Polk County, state senator, president of the senate, attorney general, and Governor of Florida. Park Trammell did not stop climbing even when he reached the United States Senate in 1916, which marked the seventh step up the ladder of service for his State.

I think you will agree with me that only a man with courage, determination, and honesty, coupled with the conscientious desire to do his duty, along with a sincere devotion to the public interest, could have progressed so methodically and securely. He kept faith with himself, his friends and family, and with the people of Florida and America. Park Trammell died a poor man because of his willing sacrifice for others in their hour of need.

Those were momentous days that faced our Nation back in 1917, when on March 4 Park Trammell took the oath of office as United States Senator. Half the world was at war—desperate and troublesome years followed—years in which the pendulum of prosperity of this country swung upward and then sharply down through the late depression. It was his privilege to be a member of some of the most powerful committees of the United States Senate, among them being the Naval Affairs Committee, of which he became chairman, and later was ranking Democrat on five other major committees.

It is possible to touch but a very few of the highlights of his career in Washington, but I think all who knew him best realize that he had the welfare of this State always uppermost in his heart and mind. We all know of the hopelessness that confronted many families when nearly 100 banks in south Florida failed following the advent of the Mediterranean fruitfly and the eradication campaign which followed. All of which caused the depression to strike even with more severity upon the people of Florida. Realizing the situation, Park Trammell was able to persuade the Federal Government and the Congress to approve a law which would allow many thousands of home owners to borrow amounts sufficient to save their homes and groves and farms from forced sale under the auctioneer's hammer during that terrible 3-year period following 1929.

It was largely through his efforts, with the ever-constant cooperation of Senator Fletcher, that a measure was passed to try to alleviate the suffering from the campaign to eradicate the fruitfly. This same bill passed the Senate three times, but, unfortunately, opposition lines were so strongly drawn in the House of Representatives that it never received the approval of that body.

It is recognized in Washington that Park Trammell fostered and fathered the legislation, back in 1922, making it possible for the Government to make loans at extremely low interest to home owners to pay off mortgages and other incumbrances, out of which has eventually grown the present-day Home Owners' Loan Corporation. Further than that, he joined with Senator Fletcher many times in working out legislation which created one of the most successful of all the present-day agencies—the Federal Housing Administration, which, though it lends no Government money, has, through an amicable arrangement with private lending institutions, made it possible for hundreds of thousands of responsible home owners to borrow money to repair their homes or borrow money to build new ones.

There are many who feel that his likeness should be indelibly engraved upon a million humble homes in our country.

Whenever legislation was introduced which would bring even the minutest benefit to Florida, you would always find Park Trammell there working in its behalf. Through his many long years of service in the Senate his record shows that legislation providing for improvement of rivers and harbors, highways, hospitals, schools, national parks, naval air stations, and legislation designed to make easier the road along which veterans of the World War must travel, always had his vigorous and earnest support.

His activity in behalf of schools and general relief, bank-deposit guaranties created by the setting up of the Federal Deposit Insurance Corporation, which were of inestimable benefit to all, is written forever on the pages of history.

To me, Park Trammell lived a life of courage, patriotism, and particularly a life of service, and his name has been assigned and dedicated to an honored place in the hearts of all true Floridians.

He left as our heritage a fine record of service, and in passing to his reward and the peaceful fortitude which characterized his last hours, we are reminded of that most fitting and beautiful verse written by William Cullen Bryant in his Thanatopsis:

"So live, that when thy summons comes to join
The innumerable caravan, which moves
To that mysterious realm, where each shall take
His chamber in the silent halls of death,
Thou go not, like the quarry-slave at night,
Scourged to his dungeon, but, sustained and soothed
By an unfaltering trust, approach thy grave,
Like one who wraps the drapery of his couch
About him, and lies down to pleasant dreams."

REPORT OF ARCHITECT OF THE CAPITOL

The VICE PRESIDENT laid before the Senate a letter from the Architect of the Capitol, transmitting, pursuant to law, the annual report of the Office of the Architect of the Capitol for the fiscal year ended June 30, 1936, which, which the accompanying report, was referred to the Committee on Public Buildings and Grounds and ordered to be printed.

ASSIGNMENT OF NAVAL OFFICERS TO DEPARTMENT OF COMMERCE

The VICE PRESIDENT laid before the Senate a letter from the Secretary of Commerce, transmitting a draft of proposed legislation to provide for the assignment of officers of the Navy for duty under the Department of Commerce and appointment to positions therein, which, with the accompanying paper, was referred to the Committee on Naval Affairs.

APPLICATION OF MACKAY RADIO & TELEGRAPH CO., INC., TO ADD OSLO, NORWAY, AS A COMMUNICATION POINT

The VICE PRESIDENT laid before the Senate a letter from the Acting Chairman of the Federal Communications Commission, transmitting, pursuant to Senate Resolution 133 (submitted by Mr. BORAH and agreed to on the 17th instant), copies of documents concerning the application of the Mackay Radio & Telegraph Co., Inc., to add Oslo, Norway, as a point of communication, which, with the accompanying papers, was ordered to lie on the table.

HAWAII HOUSING AUTHORITY

The VICE PRESIDENT laid before the Senate a letter from the Governor of Hawaii, transmitting a certified copy of an act of the Territory of Hawaii (Act No. 179) to amend Act No. 199 (Series D–168) of the Session Laws of Hawaii 1935, as amended by Act 3 of the Session Laws of Hawaii 1937, relating to the creation of the Hawaii Housing Authority and providing for its powers and duties, by amending sections 11 and 13 thereof and by adding thereto three new sections to be numbered sections 24, 25, and 26, relating to

the form, sale, and security of bonds of the Hawaii Housing Authority, limitations on the renting of dwelling accommodations to persons of low income, and certain additional powers and duties of the Hawaii Housing Authority, which, with the accompanying paper, was referred to the Committee on Territories and Insular Affairs.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following joint resolution of the Legislature of the State of Wisconsin, which was referred to the Committee on Banking and Currency:

Joint resolution relating to memorializing the Congress of the United States to investigate the Federal farm credit agencies in the seventh Federal land-bank district and their activities and policies concerning loans

Whereas in enacting the Emergency Farm Mortgage Act of 1933 the Congress of the United States provided the Farm Credit Administration with sufficient power and funds to act as a liberal institution where distressed farmers could readily obtain farm production and cooperative organization loans or refinance farm mortgages; and

Whereas the policy of the Federal Land Bank of St. Paul in particular in rejecting applications for farm loans and extensions and refinancing of farm mortgages has of late been such as to defeat the letter and spirit of said act; and

Whereas examples of the application of that policy toward persons applying for benefits under the act include appraising farm lands for loan purposes far below their actual market value, refusing loans on the basis of such appraisals, permitting loans inadequate to cover the honest debts of the applicant, notwithstanding the appraised value of the farm land offered as security would warrant a larger loan, denying eligible applicants extension or refinancing; and

Whereas in the guise of a governmental agency, ostensibly investigating applications for loans in the benign endeavor to furnish financial succor to the deserving farmer; the Federal land bank has disregarded the intent of Congress as expressed in the Emergency Farm Mortgage Act of 1933 and has become merely a pretense of such agency, making investigations of applications only for effect and with little intention of giving applicants for benefits under the act more consideration in obtaining loans or refinancing or extending mortgages than would be accorded them at a private banking corporation; and

Whereas it is apparent that these farm credit agencies expend an unproportionately large amount for so-called educational purposes, and are advocating and formulating policies in direct opposition to the intent and purpose of Congress, particularly with regard to farm mortgage loans and loans to cooperative organizations; and

Whereas in the case of loans to cooperatives their policies tend to retard and nullify efforts to federate and unite cooperative marketing organizations; and

Whereas the farm-mortgage foreclosure situation and the ownership of farms by the Federal land banks in the seventh Federal Reserve district particularly present a problem of such serious proportion as to merit the specific attention of Congress: Now, therefore, be it

Resolved by the senate (the assembly concurring), That the Legislature of the State of Wisconsin respectfully memorializes the Congress of the United States to investigate the activities, policies, and financial condition of the Federal Farm Credit Administration agencies in the seventh Federal land-bank district and more specifically the activities and policies of the Federal land bank and the Bank for Cooperatives of St. Paul, as well as the activities and policies of the regional offices of the Resettlement and Rehabilitation Administration in this district; and

Resolved further, That duly attested copies of this resolution be transmitted to both Houses of the Congress of the United States and to each Wisconsin Member thereof; and

Resolved further, That copies of this resolution be sent to the Legislatures of North Dakota, Minnesota, and Michigan.

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the House of Representatives of the State of Michigan, which was referred to the Committee on Commerce:

Resolution protesting the use of Government hopper dredges for the maintenance of the Cuyahoga River at Cleveland, Ohio

Whereas the members of the house understand that authority is being sought or has been granted for the Corps of Engineers, United States Army, to use their hopper dredges during the winter season to dredge the Cuyahoga River at Cleveland, Ohio, dumping this material in the outer harbor, with their intention of redredging it in spring or summer, also with their hopper dredges, and disposing of this material on the regularly established dump grounds; and

Whereas the dredging industry, which employs many men, maintains plants in the various ports of the Great Lakes and the Atlantic coast for the purpose of maintaining the rivers and harbors, and the aforesaid action will result in many men being kept idle, in direct opposition to the theory of American rights to work; and

Whereas the use of Government machinery and men can be justified for the maintenance of rivers and harbors only in the case of emergencies, thus allowing private industry and its workers to safeguard their investments and the workers to maintain their families; and

Whereas the dredging industry employs all union men, and there is harmony in the industry and desire on the part of the employees to work and support their families: Now, therefore, be it

Resolved by the house of representatives, That the house protests the use of Government hopper dredges for the maintenance of the Cuyahoga River at Cleveland, Ohio, except in such cases of emergencies which cannot be handled by the dredging industry; and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States and Michigan Members of the House and Senate of Congress.

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of the State of Michigan, which was referred to the Committee on Finance:

Concurrent resolution memorializing the Congress of the United States to extend the excise tax on copper

Whereas the Congress of the United States placed in the revenue bill of 1932 an excise tax of 4 cents per pound on foreign-produced copper; and

Whereas this act would have expired in June 1934 if it had not been extended for 1 year by Presidential proclamation; and

Whereas the same tax was included in the revenue bill of 1935, which expires in June 1937; and

Whereas the conditions prompting the enactment of the excise tax on copper in 1932 still exist today and will continue to exist, and the problem cannot be handled under the present policy of reciprocal tariffs; and

Whereas the copper industry is of great importance to the people of the Upper Peninsula, and of the people of the entire State of Michigan, in order to permit mines to maintain wage scales and standards of living necessary for our families; and

Whereas 5 years of operation of the excise tax on copper has proved the benefits of the measure: Now, therefore, be it

Resolved by the house of representatives (the senate concurring), That the Michigan Legislature respectfully urges the Congress of the United States to include an excise tax of 4 cents per pound on foreign-produced copper in the revenue bill now under consideration; and be it further

Resolved, That suitable copies of this resolution be transmitted to the Honorable Franklin D. Roosevelt, President of the United States; to the President of the Senate and Speaker of the House of Representatives of Congress; and to the Michigan Members in the Senate and House of Congress.

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of the Territory of Hawaii, which was referred to the Committee on Immigration:

Whereas, before the Hawaiian Islands became a Territory of the United States, a large number of Chinese were imported to work in the sugar industry; and

Whereas, because of their adaptability and industrious nature, the sugar and kindred industries have prospered and expanded to a large degree; and

Whereas these Chinese have proven to be honest and law-abiding citizens and have contributed to the progress of Hawaii and many have since returned to their native land, and being aliens, are not permitted to return to Hawaii after 1 year's absence from this Territory, as provided by the Chinese Exclusion Act of the United States of America; and

Whereas many of them have brought up families with children who are citizens of the United States by virtue of their birth as provided by the Constitution of the United States and the organic act of Hawaii; and

Whereas such children have been educated and are making their homes in the Territory of Hawaii and that they have and are carrying out their full responsibility as citizens and are economically able to care for their parents; and

Whereas, because of the provisions of the exclusion act, these Chinese who are separated from their families and in many instances are never to be seen again by their children and grandchildren; and

Whereas it is desirable that the large number of citizens of Chinese ancestry in Hawaii may have their parents at their firesides and to integrate the most valuable institution, the home; and

Whereas these said Chinese who have done so much for Hawaii and because of advanced years are no longer able to compete with American labor: Now, therefore, be it

Resolved by the House of Representatives of the Territory of Hawaii of the Nineteenth Legislature of the Territory of Hawaii (the senate concurring), That the Congress of the United States of America is hereby requested to amend the Chinese Exclusion Act to permit the reentry into the Territory of Chinese who were former residents of the Territory of Hawaii, whether males or females, who have sons and daughters who are citizens of the Territory and of the United States and who are capable of supporting such parents; and be it further

Resolved, That copies of this resolution be sent to the President of the Senate and the Speaker of the Congress of the United States, the Secretary of Interior, the Secretary of Labor, and the Delegate to Congress from Hawaii.

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of the Territory of Hawaii, which was referred to the Committee on Irrigation and Reclamation:

Whereas an investigation has been made at the instance of the Bureau of Reclamation of the Interior Department regarding the water resources of the island of Molokai and the possibilities of obtaining water for irrigation purposes; and

Whereas a preliminary report has been submitted, and it is practicable and economically desirable to construct an irrigation system for the purpose of collecting water in wet areas on said island of Molokai and transporting same for use in dry areas where there are located lands suitable for farming purposes; and

Whereas there is being conducted on said island of Molokai a Hawaiian homes project established and carried on for the purpose of rehabilitating the Hawaiian race and in particular for the purpose of enabling the Hawaiian race to have farms upon which to engage in agricultural pursuits; and

Whereas the construction of such an irrigation project would make available for use on lands of the Hawaiian homes project irrigation water to be used in raising agricultural products; and

Whereas it is highly desirable from many viewpoints to make the islands of the Hawaiian group self-sustaining in regard to vegetables and other agricultural products consumed by both the civilian and military population of Hawaii; and

Whereas there is available on said island more than anywhere else land that can be used for agricultural purposes if water is made available: Now, therefore, be it

Resolved by the House of Representatives of the Legislature of the Territory of Hawaii (the senate concurring), That the Government of the United States be urgently requested to provide for the construction of an irrigation system on said island of Molokai for the purpose of making available for use on the lands of the Hawaiian Homes Commission forming a part of the Hawaiian homes project and for use on other lands on said island of Molokai available for truck farming, water for irrigation purposes; and be it further

Resolved, That a certified copy of this resolution be forwarded to the Secretary of the Interior of the United States, to the President of the Senate of the Congress of the United States, to the Speaker of the House of Representatives of the Congress of the United States, and to the Delegate to Congress from the Territory of Hawaii.

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of the Territory of Hawaii, which was referred to the Committee on Military Affairs:

Whereas, due to the isolation of Hawaii as the western outpost of our Nation, the necessity for a well-trained and instantly available force of Reserve officers to augment the Regular Army and the National Guard in any emergency is vitally necessary for the defense of Hawaii; and

Whereas there are now about 650 active Army Reserve officers residing in the Territory of Hawaii; and

Whereas the effectiveness of the national defense structure is based upon the Army, the National Guard, and Organized Reserves; and

Whereas the Organized Reserves is held in a high degree of reliance by the Government of the United States; and

Whereas the officers of the Officers' Reserve Corps attain the highest degree of military fitness through individual training, inactive duty training, and partially through active duty; and

Whereas the expense involved in maintaining a Reserve commission actually exceeds the total amount received from the Government in the form of pay and allowances for active duty; and

Whereas each Reserve officer represents a Government investment of more than $1,000, which should be conserved and promoted; and

Whereas a form of inactive-duty pay would provide an incentive for the personnel of the Officers' Reserve Corps to pursue various forms of inactive duty and study to keep at a high standard the esprit, morale, efficiency, and dependability; and

Whereas there is now legislation pending in the Congress of the United States in conformity with the substance of this memorial: Now, therefore, be it

Resolved by the House of Representatives of the Nineteenth Legislature of the Territory of Hawaii (the senate concurring), That the Congress of the United States of America is respectfully petitioned and memorialized that immediate action be taken to appropriate such sums as may be necessary to provide a suitable pay based on the rank of each Reserve officer as may be appropriate for the maintenance, efficiency, and training of the Officers' Reserve Corps and to promote enactment into law such proposed legislation; and be it further

Resolved, That copies of this concurrent resolution be forwarded to the President of the Senate of the Congress, the Speaker of the House of Representatives of the Congress, the Secretary of the Interior of the United States, and the Delegate to Congress from Hawaii.

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the Territory of Hawaii, which was referred to the Committee on Territories and Insular Affairs:

Joint resolution requesting the Congress of the United States to enact legislation to authorize the Legislature of the Territory of Hawaii to create a public corporate authority authorized to engage in slum clearance and housing undertakings and authorized to issue bonds of the said authority, and to authorize the said legislature to provide for financial assistance to said authority by the Territory and its political subdivisions and to authorize the said legislature to enact other legislation incidental to or in connection with the aforesaid legislation

Be it enacted by the Legislature of the Territory of Hawaii:

SECTION 1. The Congress of the United States is hereby respectfully requested to authorize the Legislature of the Territory of Hawaii to create a public corporate authority authorized to engage in slum clearance and housing undertakings and authorized to issue bonds of the said authority, and to authorize the legislature of the Territory to provide for financial assistance to said authority by the Territory and its political subdivisions, and for the general purposes set forth in the proposed form of the bill hereinafter set out, and, to that end, the Congress is respectfully requested to enact a bill in substantially the following words and figures, to wit:

"A bill to authorize the Legislature of the Territory of Hawaii to create a public corporate authority authorized to engage in slum clearance and housing undertakings and to issue bonds of the authority, to authorize said legislature to provide for financial assistance to said authority by the Territory and its political subdivisions, and for other purposes.

"Be it enacted by the Senate and House of Representatives of the United States of America in Cogress assembled:

"SECTION 1. The Legislature of the Territory of Hawaii may create a public corporate authority to engage in slum clearance or housing undertakings, or both, within such Territory. The legislature of said Territory may provide for the appointment and terms of the members of such authority and for the powers of such authority, except that such authority shall be given no power of taxation. The legislature may authorize the Territory or any political or municipal corporation or subdivision thereof to make loans, donations, and conveyances, and make available their facilities and services to such authority, and to take other action in aid of slum clearance or housing undertakings, and may, without regard to any Federal acts restricting the disposition of public lands of the Territory, authorize the commissioner of public lands, the Hawaiian Homes Commissioners, and any other officers of the Territory having power to manage and dispose of its public lands, to grant, convey, or lease to such authority parts of the public domain, and may provide that any of the public domain or other property acquired by such authority may be mortgaged by it as security for its bonds. The legislature of said Territory may authorize such authority to issue bonds or other obligations of such character and maturity and in such manner as the legislature may provide. Such bonds shall not be a debt of the Territory or any political or municipal corporation or subdivision thereof, shall not constitute public indebtedness within the meaning of section 55 of the act approved April 30, 1900, entitled 'An act to provide a government for the Territory of Hawaii', as amended, and shall not constitute bonds of the Territory of Hawaii within the meaning of the act approved August 3, 1935, entitled 'An act to enable the Legislature of the Territory of Hawaii to authorize the issuance of certain bonds, and for other purposes.' All legislation heretofore enacted by the Legislature of the Territory of Hawaii dealing with the subject matter of this act and not inconsistent herewith is hereby ratified and confirmed.

"SEC. 2. This act shall take effect immediately."

SEC. 2. That certified copies of this joint resolution, upon its approval, be forwarded to the Secretary of the Interior, the Delegate to Congress from Hawaii, and to both Houses of the Congress of the United States of America.

SEC. 3. This joint resolution shall take effect upon its approval.

The VICE PRESIDENT also laid before the Senate the following concurrent resolutions of the Legislature of the Territory of Hawaii, which were referred to the Committee on Territories and Insular Affairs:

Concurrent resolution memorializing the Congress of the United States of America to enact legislation to authorize the Legislature of the Territory of Hawaii to provide for the issuance of sewer bonds by the city and county of Honolulu, a municipal corporation of the Territory of Hawaii

Whereas with the rapid growth of the city and county of Honolulu the need of further improvements and extension of the sewer system has become acute; and

Whereas the Legislature of the Territory of Hawaii is without authority to authorize the city and county of Honolulu to issue bonds in view of the provisions of section 55 of the Hawaiian Organic Act: Now, therefore, be it

Resolved by the Senate of the Territory of Hawaii (the House of Representatives of said Territory concurring)—

1. That the Congress of the United States of America be, and it is hereby, respectfully requested to authorize the issuance of sewer bonds in the amount, of the character, and for the purposes prescribed in the proposed form of the bill hereinafter set forth, and to that end, the Congress is respectfully requested to enact a bill in substantially the following words and figures, to wit:

"A bill to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue sewer bonds

"Be it enacted, etc.—

"SECTION 1. The Legislature of the Territory of Hawaii, any provision of the Hawaiian Organic Act, or of any act of this Congress to the contrary notwithstanding, may authorize the city and county of Honolulu, a municipal corporation of the Territory of Hawaii, to issue general obligation bonds in the sum of $1,750,000 for the purpose of enabling it to construct main interceptors and trunk lines and to meet its share of expenses for the construction and extension of laterals under improvement district assessments for a sanitary sewer system in the city and county of Honolulu.

"SEC. 2. The bonds issued under authority of this act may be either term or serial bonds, maturing, in the case of term bonds, not later than 30 years from the date of issue thereof, and, in the case of serial bonds, payable in substantially equal annual installments, the first installment to mature not later than 5 years, and the last installment to mature not later than 30 years, from the date of such issue. Such bonds may be issued without the approval of the President of the United States.

"SEC. 3. Any legislation enacted by the Legislature of the Territory of Hawaii in its 1937 session pertaining to the issuance of sewer bonds, as authorized by this act, is hereby ratified and confirmed subject to the provisions of this act: *Provided, however,* That nothing herein contained shall be deemed to prohibit the amendment of such territorial legislation by the Legislature of the Territory of Hawaii from time to time to provide for changes in the improvements authorized by such legislation and for the disposition of unexpended moneys realized from the sale of said bonds.

"SEC. 4. This act shall take effect immediately."

2. That certified copies of this concurrent resolution be forwarded by the secretary of the Territory of Hawaii to the Secretary of the Interior, the Delegate to Congress from Hawaii, and to both Houses of the Congress of the United States of America.

Concurrent resolution requesting Congress to amend sections 203 (1), 203 (4), 204 (2), 207 (1), 208, 208 (1), 208 (5), 208 (6), 208 (7), 209 (1), 209 (2), 209 (3), 209 (4), 215 (1), 215 (2), 215 (3), 216, and 220 of the Hawaiian Homes Commission Act

Whereas the joint holdover committee of the legislature to study the Hawaiian homes project has requested that an area of 27.9 acres of unused Federal land and 4.6 acres of unused territorial land in Kewalo, Oahu, in the Papakolea area, be added to the available Hawaiian home lands in order to simplify a proposed subdivision into residence lots, lessen the costs of development, and enlarge the scope of the project generally; and

Whereas the Hawaiian Homes Commission has recommended that, in order to clarify the description of that parcel of Kalawahine, Oahu, land, now under its control and now described by "parcel" description, should be described by "metes and bounds"; and

Whereas the joint holdover committee has further recommended that an area of 16.46 acres of beach front at Keaukaha, Hawaii, mainly a park that was formerly a part of the Hawaiian homes lands and serving as an essential fishing base for the homesteaders, be transferred to the control of the Hawaiian Homes Commission; and

Whereas the joint holdover committee has recommended that the present withdrawal period of 5 years after notification by the commission of leases of available lands by the commissioner of public lands be modified in future leases so as to permit leases to be drawn with a withdrawal clause in terms to be fixed by the commission at the time the lease is drawn; and

Whereas the joint holdover committee has recommended that the homes commission should have greater latitude than the present act provides in planning agricultural and residence lots; and

Whereas in accordance with an opinion from the territorial attorney general the Hawaiian Homes Commission is now authorized to issue only short-term revocable licenses covering the construction, operation, and maintenance of needed public utilities within commission lands, and it has been recommended that the commission be authorized to grant licenses for terms of not more than 21 years to public utility companies as easements for railroads, telephone lines, electric power and light lines, gas mains, and the like; and

Whereas the Hawaiian Homes Commission has, at the request of the joint holdover committee, formulated a clear-cut policy regarding succession of the interests of a deceased homesteader in his leasehold, and has recommended to the legislature amendments to the Hawaiian Homes Act, which will allow such policy to be followed; and

Whereas by reason of the fact that the income of the homesteaders from their pineapple crop comes in too late each year to meet the taxes for that year and there is no purpose served by requiring payments to become delinquent with the resultant penalties before the Commission can act on behalf of the homesteaders to pay the tax, thereupon acquiring a lien therefor upon homesteaders' property; and

Whereas the joint holdover committee has recommended that the Hawaiian Homes Act be changed by permitting the Commission to pay the homesteaders' taxes and acquire a lien without waiting for delinquency; and

Whereas the joint holdover committee has recommended that the Commission be authorized to undertake and carry on activities having to do with the economic and social welfare of the homesteaders in addition to those now authorized; and

Whereas the joint holdover committee has recommended that the rate of interest on homesteaders' loans under the provisions of section 215 (2) of the Hawaiian Homes Act be reduced from 5 percent to 3 percent: Now, therefore, be it

Resolved by the House of Representatives of the Nineteenth Legislature of the Territory of Hawaii (the senate concurring), That the Congress of the United States is hereby requested to amend sections 203 (1), 203 (4), 204 (2), 207 (1), 208, 208 (1), 208 (5), 208 (6), 208 (7), 209 (1), 209 (2), 209 (3), 209 (4), 215 (1), 215 (2), 215 (3), 216, and 220 of the Hawaiian Homes Commission Act, so that they will read as follows:

"SEC. 203 (1) On the island of Hawaii: Kamaoa-Puueo (11,000 acres, more or less), in the District of Kau; Puukapu (12,000 acres, more or less), Kawaihae 1 (10,000 acres, more or less), and Puuahi Kohala; Kamoku-Kaupalena (5,000 acres, more or less), Waimanu (200 acres, more or less), and Nienie (7,350 acres, more or less), in the District of Hamakua; 53,000 acres to be selected by the Commission from the lands of Humuula Mauka, in the District of North Hilo; Panaewa, Waiakea (2,000 acres, more or less), Waiakea-kai, or Keaukaha (2,000 acres, more or less), and 2,000 acres of agricultural lands to be selected by the Commission from the lands of Piihonua, in the District of South Hilo; and 2,000 acres to be selected by the Commission from the lands of Kaohe-Makuu, in the District of Puna; land at Keaukaha, Hawaii, more particularly described as follows:

"PARCEL I

"Now set aside as Keaukaha Beach Park by Executive Order No. 421, and being a portion of the Government land of Waiakea, South Hilo, Hawaii.

"Beginning at the southeast corner of this parcel of land, on the north side of Kalanianaole Road, the coordinates of said point of beginning referred to Government survey triangulation station 'Halai' being 5,681.12 feet north and 17,933.15 feet east, as shown on Government survey registered map 2704, and running by true azimuths: 1. 61°58′ 1,351.73 feet along the north side of Kalanianaole Road (50 feet wide); 2. 151°58′ 840 feet along United States military reservation for river and harbor improvements (Executive Order 176); thence along the seashore at high-water mark, the direct azimuth and distances between points at seashore being: 3. 282°00′ 468.50 feet; 4. 313°20′ 441 feet; 5. 260°20′ 140 feet; 6. 242°20′ 250 feet; 7. 188°40′ 60 feet; 8. 272°20′ 170 feet; 9. 205°00′ 60 feet; 10. 110°20′ 220 feet; 11. 90°50′ 80 feet; 12. 162°00′ 170 feet; 13. 250°30′ 430 feet; 14. 331°58′ 380 feet along parcel II of Government land to the point of beginning, and containing an area of 11.20 acres, more or less.

"PARCEL II

"Being a portion of the Government land of Waiakea, South Hilo, Hawaii, and located on the north side of Kalanianaole Road and adjoining parcel I, hereinbefore described.

"Beginning at the south corner of this parcel of land, on the north side of Kalanianaole Road, the coordinates of said point of beginning referred to Government survey triangulation station 'Halai' being 5,681.12 feet north and 17,933.15 feet east, and running by true azimuths: 1. 151°56′ 380 feet along the east boundary of parcel I; 2. 229°45′30″ 191.01 feet; 3. 198°00′ 230 feet to a 1½-inch pipe set in concrete; 4. 307°38′ 562.21 feet to a 1½-inch pipe set in concrete; 5. 28°00′ 121.37 feet to the north side of Kalanianaole Road; 6. 61°58′ 483.22 feet along the north side of Kalanianaole Road to the point of beginning, and containing an area of 5.26 acres, more or less.

"SEC. 203 (4). On the island of Oahu: Nanakuli (3,000 acres, more or less), and Lualualei (2,000 acres, more or less), in the district of Waianae; and Waimanalo (4,000 acres, more or less), in the district of Koolaupoko, excepting therefrom the military reservation and the beach lands; and those certain portions of the lands of Auwaiolimu, Kewalo, and Kalawahine described by metes and bounds as follows, to wit:

"(I) Portion of the Government land at Auwaiolimu, Punchbowl Hill, Honolulu, Oahu, described as follows:

"Beginning at a pipe at the southeast corner of this tract of land, on the boundary between the lands of Kewalo and Auwaiolimu, the coordinates of said point of beginning referred to Government survey triangulation station 'Punchbowl' being 1,135.9 feet north and 2,557.8 feet east, as shown on Government survey registered map 2692, and running by true azimuths: 1. 163°31′ 238.8 feet along the east side of Punchbowl-Makiki Road; 2. 94°08′ 124.9 feet across Tantalus Drive and along the east side of Puuowaina Drive; 3. 131°13′ 232.5 feet along a 25-foot roadway; 4. 139°55′ 20.5 feet along same; 5. 168°17′ 257.8 feet along Government land (old quarry lot); 6. 156°30′ 333 feet along same to a pipe; 7. Thence following the old Auwaiolimu stone wall along L. C. Award 3145 to Laenui, Grant 5147 (lot 8 to C. W. Booth), L. C. Award 1375 to Kapule, and L. C. Award 1355 to Kekuanoni, the direct azimuth and distance being: 249°41′ 1,303.5 feet; 8. 321°12′ 693 feet along the remainder of the land of Auwaiolimu; 9. 51°12′ 1,400 feet along the land of Kewalo to the point of beginning; containing an area of 27 acres; excepting and reserving therefrom Tantalus Drive and Auwaiolimu Street crossing this land.

"(II) Portion of the land of Kewalo, Punchbowl Hill, Honolulu, Oahu, being part of the lands set aside for the use of the Hawaii Experiment Station of the United States Department of Agriculture by proclamation of the Acting Governor of Hawaii, dated June 10, 1901, and described as follows:

"Beginning at the northeast corner of this lot at a place called 'Puu Ea' on the boundary between the lands of Kewalo and

Auwaiolimu, the coordinates of said point of beginning referred to Government survey triangulation station 'Punchbowl', being 3,255.6 feet north and 5,244.7 feet east, as shown on Government survey registered map 2692 of the Territory of Hawaii, and running by true azimuths: 1. 354°30' 930 feet along the remainder of the land of Kewalo, to the middle of the stream which divides the lands of Kewalo and Kalawahine; 2. Thence down the middle of said stream along the land of Kalawahine, the direct azimuth and distance being: 49°16' 1,512.5 feet; 3. 141°12' 860 feet along the remainder of the land of Kewalo; 4. 231°12' 552.6 feet along the land of Auwaiolimu to 'Puu Iole'; 5. Thence still along the said land of Auwaiolimu following the top of the ridge to the point of beginning, the direct azimuth and distance being: 232°26' 1,470 feet, and containing an area of 30 acres; excepting and reserving therefrom Tantalus Drive crossing this land.

"(III) Portion of the land of Kalawahine situate mauka or northeast of Roosevelt High School, Honolulu, Oahu.

"Being portion of L. C. Award 11215 Apana 2 to Keliiahonui conveyed by W. M. Giffard to the Territory of Hawaii by deed dated February 1, 1907, and recorded in Liber 291, page 1.

"(Being portion of the lands set aside for the Hawaiian Homes Commission by the Seventy-third Congress by Act No. 227, approved May 16, 1934.)

"Beginning at the south corner of this parcel of land and near the east corner of Roosevelt High School lot, the coordinates of said point of beginning referred to Government survey triangulation station 'Punchbowl', being 25.02 feet south and 1,117.39 feet east as shown on Government survey registered map 2985 and running by azimuths measured clockwise from true south: (1) 128°54', 706.13 feet along Roosevelt High school lot, and passing over a pipe at 684.13 feet; (2) thence up along the middle of stream in all its turns and windings along the land of Kewalo-uka to the south corner of Hawaiian home land (Presidential Executive Order 5561), the direct azimuth and distance being 213°48'40", 1,112.2 feet; (3) thence continuing up along the middle of stream in all its turns and windings along the land of Kewalo-uka (Presidential Executive Order 5561), to the south side of Tantalus Drive realinement, the direct azimuth and distance being 228°29'10", 1,391 feet; (4) thence on a curve to the right with a radius of 120.78 feet along the southerly side of Tantalus Drive realinement (60 feet wide), the direct azimuth and distance being 358°21', 193.8 feet; (5) 51°42', 193.35 feet along the southerly side of Tantalus Drive realinement; (6) thence on a curve to the left with a radius of 330 feet, along same, the direct azimuth and distance being 25°23'10", 292.58 feet; (7) 22°53', 291.93 feet along the southerly side of Tantalus Drive realinement and along the west side of the Kalawahine Slope lots; (8) thence on a curve to the left with a radius of 305.60 feet along the west side of the Kalawahine Slope lots, the direct azimuth and distance being 6°21'30", 173.85 feet; (9) 349°50', 47 feet along the west side of the Kalawahine Slope lots; (10) thence on a curve to the right with a radius of 520 feet along same and along Territorial land, the direct azimuth and distance being 17°31', 483.18 feet; (11) 315°12', 75 feet along Territorial land; (12) 45°12', 611.02 feet along the northwest side of a 20-foot road reserve; (13) 34°04'30", 336.96 feet along same to the point of beginning and containing an area of 31.60 acres.

"(IV) Portion of the Hawaii Experiment Station under the control of the United States Department of Agriculture, situate on the northeast side of Auwaiolimu Street.

"KEWALO-UKA, HONOLULU, OAHU

"Being a portion of the land of Kewalo-uka conveyed by the Territory of Hawaii to the United States of America by proclamations of the Acting Governor of Hawaii, Henry E. Cooper, dated June 10, 1901, and August 16, 1901, and a portion of the United States Navy Hospital Reservation described in Presidential Executive Order 1181, dated March 25, 1910.

"Beginning at the west corner of this parcel of land, on the Auwaiolimu-Kewalo-uka boundary and on the northeast side of Auwaiolimu Street, the coordinates of said point of beginning referred to Government survey triangulation station 'Punchbowl' being 1,230.58 feet north and 2,675.06 feet east as shown on Government survey registered map 2985, and running by azimuths measured clockwise from true south: 1. 231°12', 1,248.26 feet along the land of Auwaiolimu; 2. 321°12', 860 feet along Hawaiian home land as described in Presidential Executive Order 5,561; 3. thence down along the middle of stream in all of its turns and windings along the land of Kalawahine to the north corner of Roosevelt High School lot, the direct azimuth and distance being 33°48'40", 1,112.2 feet; thence still down along the middle of stream for the next seven courses along the Roosevelt High School premises, the direct azimuths and distances between points in middle of said stream being: 4. 23°40', 28.9 feet; 5. 8°, 115 feet; 6. 337°50', 48 feet; 7. 2°30', 60 feet; 8. 49°40', 52 feet; 9. 46°06', 90.7 feet; 10. 92°43', 95.6 feet; thence 11. 83°38', 71.63 feet along Territorial land to the northeast side of Auwaiolimu Street; 12. thence on a curve to the left with a radius of 1,176.28 feet along the northeast side of Auwaiolimu Street along land described in Presidential Executive Order 1181, dated March 25, 1910, the direct azimuth and distance being 172°29'35", 164.39 feet; 13. thence continuing on a curve to the left with a radius of 1,176.28 feet along the northeast side of Auwaiolimu Street, the direct azimuth and distance being 160°50'48", 312.75 feet; 14. 224°53', 670.65 feet along the Quarry Reservation (Territory of Hawaii, owner); 15. 110°06', 239.2 feet along same; 16. 92°05', 202.2 feet along same; 17. 53°20', 340.34 feet along same; 18. 142°30', 424.68 feet along the northeast side of Auwaiolimu Street to the point of beginning and containing an area of 27.9 acres.

"Excepting and reserving therefrom that certain area included in Tantalus Drive, crossing this land.

"(V) Portion of Kewalo-uka Quarry Reservation. Situate on the northeast side of Auwaiolimu Street.

"KEWALO-UKA, HONOLULU, OAHU

"Being land reserved by the Territory of Hawaii within the Hawaii Experiment Station, under the control of the United States Department of Agriculture, as described in proclamations of the Acting Governor of Hawaii, Henry E. Cooper, dated June 10, 1901.

"Beginning at the northwest corner of this parcel of land and on the northeast side of Auwaiolimu Street, the coordinates of said point of beginning referred to Government survey triangulation station 'Punchbowl' being 893.66 feet north and 2,933.59 feet east as shown on Government survey registered map 2985 and running by azimuths measured clockwise from true south: 1. 233°20', 340.34 feet along the Hawaii Experiment Station under the control of the United States Department of Agriculture; 2. 272°05', 202.2 feet along same; 3. 290°06', 239.2 feet along same; 4. 44°53', 670.65 feet along same to the northeast side of Auwaiolimu Street; 5. thence on a curve to the left with a radius of 1,176.28 feet along the northeast side of Auwaiolimu Street, the direct azimuth and distance being 147°51'13", 219.5 feet; 6. 142°30', 134.55 feet along the northeast side of Auwaiolimu Street; 7. 232°30', 20 feet along same; 8. 142°30', 71.57 feet along same to the point of beginning and containing an area of 4.646 acres.

"SEC. 204 (2). Any available land, including land selected by the Commission out of a larger area, as provided by this act, as may not be immediately needed for the purposes of this act, may be returned to the commissioner of public lands and may be leased by him as provided in subdivision (d) of section 73 of the organic act; any lease of Hawaiian home lands hereafter entered into shall contain a withdrawal clause, and the lands so leased shall be withdrawn by the commissioner of public lands, for the purposes of this act, upon the Commission giving at its option not less than 5 years' notice of such withdrawal: *Provided*, That the minimum withdrawal notice period shall be specifically stated in such lease.

"SEC. 207 (1). (a) The Commission is authorized to lease to native Hawaiians the right to the use and occupancy of a tract of Hawaiian home lands within the following acreage limits per each lessee: (1) Not less than 1 nor more than 40 acres of agricultural lands; or (2) not less than 100 nor more than 500 acres of first-class pastoral lands; or (3) not less than 250 nor more than 1,000 acres of second-class pastoral lands: *Provided, however*, That lots of not more than 1 acre of any class of land may be leased as residence lots. The Commission is also authorized to grant licenses for terms of not to exceed 21 years in each case to public-utility companies or corporations as easements for railroads, telephone lines, electric power and light lines, gas mains, and the like.

"SEC. 208 (1). The original lessee shall be a native Hawaiian, not less than 21 years of age. In case two lessees either original or in succession marry, they shall choose the lease to be retained and the remaining lease shall be transferred or canceled in accordance with the provisions of succeeding sections.

"SEC. 208 (5). The lessee shall not in any manner transfer to, or mortgage, pledge, or otherwise hold for the benefit of, any other person or group of persons or organizations of any kind, except a native Hawaiian or Hawaiians, and then only upon the approval of the Commission, or agree so to transfer, mortgage, pledge, or otherwise hold, his interest in the tract. Such interest shall not, except in pursuance of such a transfer, mortgage, or pledge to or holding for or agreement with a native Hawaiian or Hawaiians approved of by the Commission, or for any indebtedness due the Commission or for taxes, or for any other indebtedness the payment of which has been assured by the Commission, be subject to attachment, levy, or sale upon court process. The lessee shall not sublet his interest in the tract or improvements thereon.

"SEC. 208 (6). The lessee shall pay all taxes assessed upon the tract and improvements thereon. The Commission may in its discretion pay such taxes and have a lien therefor as provided by section 216 of this act.

"SEC. 208 (7). The lessee shall perform such other conditions, not in conflict with any provision of this title, as the Commission may stipulate in the lease: *Provided, however*, That an original lessee shall be exempt from all taxes for the first 5 years from date of lease.

"SEC. 209 (1). Upon the death of the lessee his interest in the tract and the improvements thereon including growing crops, either on the tract or in any collective contract or program, shall vest and be determined in the following manner. A lessee shall furnish the Commission, in writing, the name or names of such person or persons being a qualified native Hawaiian or Hawaiians, within the limits prescribed in the following sequence of succession, to whom he wishes his interest in the lease to be transferred after his death; this designation to be subject to the approval of the Commission:

"1. In the widow or widower;

"2. If there is no widow or widower, then in the children;

"3. If there are no children, then in the widows or widowers of the children;

"4. If there are no such widows or widowers, then in the grandchildren;

"5. If there are no grandchildren, then in the brothers and sisters;

"6. If there are no brothers or sisters, then in the widows or widowers of the brothers and sisters;

"7. If there are no such widows or widowers of the brothers or sisters, then in the nephews and nieces.

"In the absence of such designation the Commission shall choose a qualified native Hawaiian or Hawaiians in accordance with the foregoing sequence, either individually or collectively, except that such successor or successors need not be 21 years of age.

"Upon the death of a lessee, or the cancelation of a lease by the Commission, or the surrender of a lease by the lessee, the Commission shall appraise the value of all such improvements and said growing crops and shall pay to the legal representative of the deceased lessee, or to the previous lessee, as the case may be, the value thereof, less any indebtedness due the Commission, or for taxes, or for any other indebtedness the payment of which has been assured by the Commission, from the previous lessee. Such appraisal shall be made by three appraisers, one of which shall be named by the Commission, one by the previous lessee or the legal representative of his estate, and the third shall be selected by the two appraisers hereinbefore mentioned.

"SEC. 209 (2). After the cancelation of a lease by the Commission in accordance with the provisions of sections 210 and 216 of this title, or the surrender of a lease by a lessee, the Commission is authorized to transfer the lease or to issue a new lease to any qualified Hawaiian regardless of whether or not he is related in any way by blood or marriage to the previous lessee.

"SEC. 209 (3). After the death of a lessee, a successor or successors as defined in section 208 of this title, shall not during a period of not less than 6 months nor more than 2 years, the exact length of such period to be fixed by the Commission, be deemed to have violated any of the conditions enumerated in section 208 of this title, even though he is not a native Hawaiian and does not during this period, on his own behalf, occupy or use or cultivate the tract as a home or farm in accordance with the provisions of this title and the stipulations and provisions contained in the lease.

"SEC. 209 (4). Should any successor or successors to a tract be a minor or minors, the Commission may appoint a guardian therefor, subject to the approval of the court of proper jurisdiction. Such guardian shall be authorized to represent the successor or successors in all matters pertaining to the leasehold: *Provided*, That said guardian shall, in so representing such successor or successors, comply with the provisions of this title and the stipulations and provisions contained in the lease.

"SEC. 215 (1). Each contract of loan with the lessee or any successor or successors to his interest in the tract, shall be held subject to the following conditions, whether or not stipulated in the contract of loan: The amount of loans at any one time to any lessee of a tract of agricultural or pastoral land shall not exceed $3,000, and to any lessee of a residence lot, shall not exceed $1,000: *Provided*, That whereupon the death of a lessee or the cancelation of a lease by the Commission or the surrender of a lease by the lessee, the Commission shall make the appraisal and payment provided by section 209 (1), the amount of such payment shall be considered as part or all, as the case may be, of any such loan without limitation as to the maximum amounts herein specified in this section.

"SEC. 215 (2). The loans shall be repaid upon an amortization plan by means of a fixed number of annual installments sufficient to cover (a) interest on the unpaid principal at the rate of 3 percent per annum, and (b) such amount of the principal as will extinguish the debt within an agreed period not exceeding 30 years. The moneys received by the Commission from any installment paid upon such loan shall be covered into the fund. The payment of any installment due shall, with the concurrence therein of at least three of the five members of the Commission, be postponed in whole or in part by the Commission for such reasons as it deems good and sufficient and until such later date as it deems advisable. Such postponed payments shall continue to bear interest at the rate of 3 percent per annum on the unpaid principal and interest.

"SEC. 215 (3). In case of the borrower's death, the Commission shall permit the successor or successors to the tract to assume the contract of loan subject to the provisions of paragraph (1) of this section. In case of the cancelation of a lease by the Commission or the surrender of a lease by a lessee, the Commission may, at its option, declare all annual installments upon the loan immediately due and payable or permit the successor or successors to the tract to assume the contract of loan subject to the provisions of paragraph (1) of this section.

"SEC. 216. The Commission may require the borrower to insure, in each amount as the Commission may by regulation prescribe, all livestock and dwellings and other permanent improvements upon his tract, purchased or constructed out of any moneys loaned from the fund; or in lieu thereof the Commission may directly take out such insurance and add the cost thereof to the amount of annual installments payable under the amortization plan. Whenever the Commission has reason to believe that the borrower has violated any condition enumerated in paragraphs (2), (4), (5), or (6) of section 215 of this title, the Commission shall give due notice and afford opportunity for a hearing to the borrower or the successor or successors to his interest in the tract, as the case demands. If, upon such hearing, the Commission finds that the borrower has violated the condition, the Commission may declare all annual installments immediately due and payable, notwithstanding any provision in the contract of loan to the contrary. The Commission shall have a first lien upon the borrower's or lessee's interest in his tract, growing crops, either on the tract or in any collective contract or program, dwellings, or other permanent improvements thereon, and his livestock, to the amount of all annual installments due and unpaid and of all taxes upon such tract and improvements paid by the Commission, and of all indebtedness of the lessee, the payment of which has been assured by the Commission. Such lien shall have priority over any other obligation for which the tract, said growing crops, dwellings, other improvements, or livestock may be security.

"The Commission may at such times at it deems advisable enforce any such lien by declaring the borrower's interest in his tract, or his successor's interest therein, as the case may be, together with the said growing crops, dwellings, and other permanent improvements thereon, and the livestock, to be forfeited, the lease in respect to such tract canceled, and shall thereupon order the tract to be vacated and the livestock surrendered within a reasonable time. The right to the use and occupancy of the Hawaiian home lands contained in such tract shall thereupon revest in the Commission, and the Commission may take possession of the tract and the improvements and growing crops thereon: *Provided*, That the Commission shall pay to the borrower any difference which may be due him after the appraisal provided for in paragraph (1) of section 209 of this title has been made.

"SEC. 220. The Commission is hereby authorized directly to undertake and carry on general water and other development projects in respect to Hawaiian home lands, and to undertake other activities having to do with the economic and social welfare of the homesteaders. The legislature of the Territory is authorized to appropriate out of the treasury of the Territory such sums as it deems necessary to provide the Commission with funds sufficient to execute such projects, to carry on its administration and maintenance activities, and to accumulate a revolving loan fund of $1,000,000. The legislature is further authorized to issue bonds to the extent required to yield the amount of any sum so appropriated."

Be it further resolved, That copies of this concurrent resolution be forwarded to the President of the Senate of the Congress, the Speaker of the House of Representatives of the Congress, the Secretary of the Interior of the United States, and the Delegate to Congress from Hawaii.

The VICE PRESIDENT also laid before the Senate a resolution adopted by the Clare County Farmers Educational and Cooperative Union of America, Farwell, Mich., favoring the enactment of the so-called Massingale cost of production bill, and the so-called Frazier-Lemke home owners' refinancing, farm refinancing, and home owners' moratorium bills, which was referred to the Committee on Agriculture and Forestry.

He also laid before the Senate resolutions adopted by the city councils of the cities of Niagara Falls, N. Y., and Cambridge, Mass., favoring the enactment of the pending low-cost housing bill, which were referred to the Committee on Education and Labor.

He also laid before the Senate a resolution adopted by the Ocean County (N. J.) Democratic Club, Toms River, N. J., favoring the enactment of the bill (H. R. 4111) to amend section 601 of the Revenue Act of 1932, as amended, to prohibit the importation of egg products into the United States, which was referred to the Committee on Finance.

He also laid before the Senate resolutions adopted by the College of Bishops and the general connectional boards of the Colored Methodist Episcopal Church, Chicago, Ill., favoring the prompt enactment of the so-called Gavagan Federal antilynching bill, which were referred to the Committee on the Judiciary.

He also laid before the Senate a resolution unanimously adopted by the one hundred and third convention of the New York City (N. Y.) Federation of Women's Clubs, favoring the erection of the proposed Thomas Jefferson Memorial on a prominent hill on the Virginia side of the Potomac River, clearly visible from the Capital City, and in a style favored by Jefferson as expressed in his writings and architectural designs, rather than the erection of such memorial in the vicinity of the Tidal Basin in the District of Columbia, which was referred to the Committee on the Library.

He also laid before the Senate a resolution adopted by the convention of the Illinois Federation of Business and Professional Women's Clubs, at Chicago, Ill., protesting against the enactment of legislation to enlarge the membership of the Supreme Court of the United States, which was ordered to lie on the table.

Mr. MALONEY presented a resolution adopted by the Common Council of New Britain, Conn., favoring amendment of the Social Security Act so as to include city officials

and employees under the provisions of that act, which was referred to the Committee on Finance.

Mr. WALSH presented a resolution adopted by the Acushnet Republican Town Committee, in the State of Massachusetts, favoring the enactment of House bill 5761, to restrict the importation of cotton, wool, and rayon manufactures from Japan for a period of 3 years, etc., which was referred to the Committee on Finance.

Mr. LODGE presented a memorial, numerously signed, of sundry citizens of the State of Massachusetts, remonstrating against the enactment of the bill (S. 1270) to regulate barbers in the District of Columbia, and for other purposes, which was referred to the Committee on the District of Columbia.

Mr. TYDINGS presented petitions, numerously signed, of sundry citizens of the State of Maryland, favoring continuance of the work-relief program and the appropriation of $1,500,000,000 therefor for the ensuing fiscal year, which were referred to the Committee on Appropriations.

He also presented a petition of several citizens of Prince Georges County, Md., praying for the enactment of the so-called abattoir bill, providing for the operation of a meat-packing plant at Benning, D. C., which was referred to the Committee on the District of Columbia.

He also presented Joint Resolution No. 3 of the Session Laws of Hawaii, 1937, memorializing the Congress to amend the income-tax laws so as to exempt from Federal income taxes salaries and compensation paid to public officers and employees in the Territory of Hawaii, which was referred to the Committee on Territories and Insular Affairs.

(See joint resolution printed in full when laid before the Senate by the Vice President on the 19th instant, p. 4748, CONGRESSIONAL RECORD.)

Mr. TYDINGS also presented Joint Resolution No. 5 of the Session Laws of Hawaii, 1937, requesting the Congress to ratify and confirm Act 23 of the Session Laws of Hawaii, 1937, amending Act 174 of the Session Laws of Hawaii, 1935, by extending the time within which revenue bonds may be issued and delivered, which was referred to the Committee on Territories and Insular Affairs.

(See joint resolution printed in full when laid before the Senate by the Vice President on the 19th instant, p. 4748, CONGRESSIONAL RECORD.)

AID FOR SCHOOLS IN HAZARDOUS CONDITION

Mr. SCHWELLENBACH. Mr. President, I present for appropriate disposition, and ask unanimous consent to have printed in the RECORD at this point, a letter from the National Congress of Parents and Teachers with reference to Senate Concurrent Resolution 11.

There being no objection, the letter was ordered to lie on the table and to be printed in the RECORD, as follows:

NATIONAL CONGRESS OF PARENTS AND TEACHERS,
Washington, D. C., May 21, 1937.

Hon. LEWIS B. SCHWELLENBACH,
United States Senate, Washington, D. C.

MY DEAR SENATOR SCHWELLENBACH: At its annual convention held early this month in Richmond, Va., the board of managers of the National Congress of Parents and Teachers endorsed the Schwellenbach Senate Concurrent Resolution 11, the same being a request that the President and the Administrator of Public Works approve the use of an ample sum from the revolving funds of the Public Works Administration to make the loans and grants essential for the construction or repair of school buildings for which applications have been made owing to conditions hazardous to the lives of children.

We know from the reports of our members in various sections of the country that there are many school buildings long ago condemned and involving hazards to life, which are still in daily use.

We earnestly request the adoption by the United States Senate of the Schwellenbach concurrent resolution at the earliest possible date.

Very truly yours,

MRS. MARY T. BANNERMAN,
National Chairman, Committee on Legislation.

PROPOSED ENLARGEMENT OF THE SUPREME COURT

Mr. McNARY presented a statement by Fred W. Mears, of Salem, Oreg., relative to the proposed enlargement of the membership of the Supreme Court of the United States, which was ordered to lie on the table and to be printed in the RECORD, as follows:

THE SUPREME COURT

The greatest issue before the American people since the days of Abraham Lincoln is the integrity and independence of the Supreme Court of the United States.

If our country is to continue to be free and independent, we must refuse to permit the President of the United States to become the absolute dictator of this land of the free and the home of the brave. To prevent this calamity of an absolute dictatorship arising in our country, we must refuse to permit President Roosevelt to appoint six new and additional judges to the Supreme Court. We should fight to the death the appointment by President Roosevelt of even one new and additional judge to the Supreme Court.

The term of a Justice of the Supreme Court is for life. Only by death, voluntary resignation, or by impeachment will his term be shortened. If President Roosevelt is permitted to place six new and additional judges on the Supreme Bench, no future Congress will have the power or be able in any way to remove a single one of the Supreme Court judges from the Supreme Bench.

By appointing six new and additional Supreme Court judges, President Roosevelt would control and dictate the actions and decisions of the Supreme Court for many years to come. If the appointment of six new and additional Supreme Court judges did not prove sufficient to control the future actions and decisions of the Supreme Court, then President Roosevelt would demand of the United States Senate the right to appoint another bunch of six new and additional judges.

The majority of the American people are opposed absolutely to the desire of President Roosevelt to control and dictate the future actions and decisions of the Supreme Court of the United States. The American people are absolutely opposed to President Roosevelt or any future President becoming the dictator of the United States of America.

God rules in the affairs of men and the American Republic still lives. Right will triumph at Washington.

FRED W. MEARS.

SALEM, OREG., *May 6, 1937.*

REPORTS OF COMMITTEES

Mr. SHEPPARD, from the Committee on Commerce, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 3874. A bill to extend the times for commencing and completing the construction of a bridge and causeway across the water between the mainland, at or near Cedar Point, and Dauphin Island, Ala. (Rept. No. 593);

H. R. 4706. A bill authorizing the State Roads Commission of the State of Maryland and the State Highway Department of the State of Virginia to construct, maintain, and operate a free highway bridge across the Potomac River at or near a point in the vicinity of Point of Rocks in Frederick County and a point near the south end of Loudoun County to take the place of a bridge destroyed by flood in 1936 (Rept. No. 594);

H. R. 4801. A bill authorizing the county of Wahkiakum, a legal political subdivision of the State of Washington, to construct, maintain, and operate a free highway bridge across the Columbia River between Puget Island and the Mainland, Cathlamet, State of Washington (Rept. No. 595); and

H. R. 5467. A bill to extend the times for commencing and completing the construction of a bridge across the Mississippi River between St. Louis, Mo., and Stites, Ill. (Rept. No. 596).

Mr. SHEPPARD also, from the Committee on Military Affairs, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 1279. A bill to authorize the sale, under the provisions of the act of March 12, 1926 (44 Stat. 203), of surplus War Department real property (Rept. No. 597);

S. 2400. A bill to simplify accounting, and for other purposes (Rept. No. 598);

S. 2463. A bill to authorize an additional number of medical and dental officers for the Army (Rept. No. 599); and

H. R. 4809. A bill to authorize the Works Progress Administration to lend or give World War relics and other property at Fort Eustis, Va., to the American Legion Museum at Newport News, Va. (Rept. No. 600).

Mr. LUNDEEN, from the Committee on Military Affairs, to which was referred the bill (H. R. 5136) to authorize the acquisition of land for cemeterial purposes in the vicinity of San Francisco, Calif., reported it without amendment and submitted a report (No. 601) thereon.

Mr. NYE, from the Committee on Military Affairs, to which was referred the bill (S. 1850) to provide for the appointment of James W. Grose as a sergeant, first class (master sergeant), United States Army, reported it with an amendment and submitted a report (No. 602) thereon.

Mr. MURRAY, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 190) to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Waterton Oil, Land & Power Co., of Butte, Mont., against the United States, reported it without amendment and submitted a report (No. 603) thereon.

Mr. McADOO, from the Committee on Patents, to which was referred the joint resolution (H. J. Res. 334) to protect the copyrights and patents of foreign exhibitors at the New York World's Fair, to be held at New York City, N. Y., in 1939, reported it without amendment and submitted a report (No. 604) thereon.

Mr. REYNOLDS, from the Committee on Military Affairs, to which was referred the bill (S. 2295) to amend the act approved June 7, 1935 (Public, No. 116, 74th Cong.; 49 Stat. 332), to provide for an additional number of cadets at the United States Military Academy, and for other purposes, reported it without amendment and submitted a report (No. 606) thereon.

Mr. ELLENDER, from the Committee on Claims, to which was referred the bill (H. R. 1304) for the relief of John E. Sandage, reported it without amendment and submitted a report (No. 607) thereon.

He also, from the same committee, to which was referred the bill (S. 2154) for the relief of Hattie Tolbert, reported it with an amendment and submitted a report (No. 608) thereon.

Mr. BROWN of Michigan, from the Committee on Claims, to which was referred the bill (S. 1401) for the relief of Willard Collins, reported it with amendments and submitted a report (No. 609) thereon.

Mr. BAILEY, from the Committee on Claims, to which was referred the bill (S. 523) for the relief of Mrs. Guy A. McConoha, reported it without amendment and submitted a report (No. 610) thereon.

Mr. HUGHES, from the Committee on Claims, to which was referred the bill (H. R. 730) for the relief of Joseph M. Clagett, Jr., reported it with amendments and submitted a report (No. 611) thereon.

Mr. LOGAN, from the Committee on Claims, to which was referred the bill (S. 546) for the relief of Annie Mary Wilmuth, reported it without amendment and submitted a report (No. 612) thereon.

ENROLLED BILLS AND JOINT RESOLUTION PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that that committee presented to the President of the United States the following enrolled bills and joint resolution:

On May 17, 1937:

S. 1607. An act authorizing an appropriation for payment to the Government of Japan for proposed deportation of enemy aliens from China during the World War;

S. 2160. An act to create the office of Counselor of the Department of State;

S. 2225. An act limiting the operation of sections 109 and 113 of the Criminal Code with respect to the agent appointed to represent the United States of America in the arbitration proceedings between the United States of America and the Dominion of Canada for the final settlement of difficulties arising through complaints of damage done in the State of Washington by fumes discharged from the smelter of the Consolidated Mining & Smelting Co., Trail, British Columbia; and

S. J. Res. 133. Joint resolution to authorize an appropriation for the expenses of participation by the United States in the Tenth Pan American Sanitary Conference.

On May 20, 1937:

S. 210. An act for the relief of soldiers who were discharged from the Army during the Spanish-American War, the Philippine Insurrection, and the Boxer Uprising because of minority or misrepresentation of age;

S. 1124. An act to authorize the Director of the Census to collect and publish statistics of red-cedar shingles;

S. 1189. An act to provide for the establishment of a Coast Guard station on the coast of Georgia at or near Tybee Island;

S. 1212. An act authorizing the conveyance to the State of Virginia, for highway purposes only, of portions of the Fort Myer Military Reservation, Va., and for other purposes;

S. 1247. An act to amend the act of June 23, 1936, authorizing the Secretary of War to set apart as a national cemetery certain lands of the Fort Snelling Military Reservation, Minn.;

S. 1330. An act to authorize the attendance of the Marine Band at the United Confederate Veterans' 1937 Reunion at Jackson, Miss., June 9, 10, 11, and 12, 1937;

S. 1586. An act to authorize the Secretary of War to sell to the General Motors Corporation a tract of land comprising part of Holabird Quartermaster Depot, Baltimore, Md.;

S. 1724. An act to authorize the transfer to the Attorney General of a portion of the Fort Reno Quartermaster Depot Military Reservation, Okla., as a permanent site of the United States Southwestern Reformatory;

S. 1769. An act for the relief of the State of Maine;

S. 1904. An act declaring Park River, Hartford County, Conn., to be a nonnavigable waterway;

S. 1943. An act to amend an act entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved June 22, 1936;

S. 1973. An act to authorize the Secretary of War to transfer to the people of Puerto Rico certain real estate pertaining to the post of San Juan, San Juan, P. R., and for other purposes;

S. 2076. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Arrow Rock, Mo.;

S. 2077. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near St. Charles, Mo.;

S. 2084. An act to provide that graduates of approved school ships may be rated as able seamen upon graduation, and for other purposes; and

S. 2172. An act to prevent speculation in lands in the Columbia Basin prospectively irrigable by reason of the construction of the Grand Coulee Dam project and to aid actual settlers in securing such lands at the fair appraised value thereof as arid land, and for other purposes.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. McNARY:

A bill (S. 2464) granting an increase of pension to Eliza Wray (with accompanying papers); to the Committee on Pensions.

A bill (S. 2465) to provide for the improvement of the lighting system at Oregon Caves National Monument; to the Committee on Public Lands and Surveys.

By Mr. JOHNSON of California:

A bill (S. 2466) to authorize appropriation for construction at the Presidio, San Francisco, Calif., and for other purposes; to the Committee on Military Affairs.

By Mr. McADOO:

A bill (S. 2467) extending the time for filing a claim for reimbursement for the funeral expenses of Maurice S. Hill; to the Committee on Claims.

A bill (S. 2468) to authorize the construction by the Secretary of the Treasury of Federal buildings for use as armories for the Naval Reserve; to the Committee on Public Buildings and Grounds.

By Mr. MALONEY:

A bill (S. 2469) for the relief of George Anthony Francis Olshefsky; to the Committee on Naval Affairs.

By Mr. HATCH and Mr. CHAVEZ:

A bill (S. 2470) for the relief of José A. Ribera; to the Committee on Claims.

By Mr. NEELY:

A bill (S. 2471) for the relief of John H. Gatts; to the Committee on Claims.

A bill (S. 2472) granting a pension to Mary Chapman; to the Committee on Pensions.

By Mr. WALSH:

A bill (S. 2473) to provide that individual income-tax returns may be made without the formality of an oath, and for other purposes; to the Committee on Finance.

A bill (S. 2474) to provide a uniform method for examinations for promotion of warrant officers; to the Committee on Naval Affairs.

(Mr. BLACK introduced Senate bill 2475, which was referred to the Committee on Education and Labor and appears under a separate heading.)

By Mr. BAILEY:

A bill (S. 2476) for the relief of R. F. Lassly; to the Committee on Claims.

By Mr. REYNOLDS:

A bill (S. 2477) to provide for the transfer of Scotland County to the middle judicial district of North Carolina; to the Committee on the Judiciary.

By Mr. COPELAND:

A bill (S 2478) to amend an act entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved June 22, 1936; to the Committee on Commerce.

A joint resolution (S. J. Res. 150) to provide for the appointment of a delegate to the Fifth World Congress of the Deaf; to the Committee on Foreign Relations.

HOUSE BILL REFERRED

The bill (H. R. 6958) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1938, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

CHANGE OF REFERENCE

Mr. BULKLEY. Mr. President, I ask unanimous consent that the Committee on the Judiciary may be discharged from the further consideration of the bill (S. 2431) to amend the Securities Act of 1933, as amended, for the purpose of providing protection for investors in foreign securities, and that the bill be referred to the Committee on Banking and Currency. I have consulted the chairman of the Committee on the Judiciary, who has no objection to the change of reference.

The VICE PRESIDENT. Without objection, the change of reference will be made.

INSPECTION OF UNSAFE VEHICLES IN THE DISTRICT—AMENDMENT

Mr. LONERGAN submitted an amendment in the nature of a substitute intended to be proposed by him to the bill (S. 2296) to promote safety in the District of Columbia by eliminating unsafe vehicles through periodic inspection, which was referred to the Committee on the District of Columbia and ordered to be printed.

AMENDMENT TO INTERIOR DEPARTMENT APPROPRIATION BILL

Mr. McNARY submitted an amendment intended to be proposed by him to the bill (H. R. 6958) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1938, and for other purposes, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

At the proper place in the bill, under the caption "National Park Service", to insert the following:

"Oregon Caves National Monument, Oreg.: For the improvement of the lighting system, including the purchase and installation of equipment and supplies, at Oregon Caves National Monument, Oreg., $20,000.

ACTIVITIES OF AMERICAN COTTON COOPERATIVE ASSOCIATION

Mr. SMITH submitted the following resolution (S. Res. 137), which was referred to the Committee on Agriculture and Forestry:

Resolved, That the Committee on Agriculture and Forestry, or any duly authorized subcommittee thereof, is authorized and directed to make a full and complete investigation of (1) the activities of the American Cotton Cooperative Association in connection with the grading, stapling, reconcentration, and marketing of cotton financed by the Federal Government by means of loans and advances made by the Commodity Credit Corporation and the Cotton Producers Pool, and (2) the profits derived by such association and other persons and the losses incurred by farmers as a result of such activities. The committee shall report to the Senate, at the earliest practicable date, the result of its investigations, together with the recommendations.

For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions and recesses of the Senate in the Seventy-fifth Congress, to employ such clerical and other assistants; to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents of persons, firms, and corporations who have dealt in any of such cotton; to administer such oaths; to take such testimony; and to make such expenditures as it deems advisable. The cost of stenographic services to report hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed $10,000, shall be paid from the contingent fund of the Senate, upon vouchers approved by the chairman.

EFFECT OF LEGISLATION CORRECTING DISHONORABLE DISCHARGE RECORDS

Mr. WALSH. Mr. President, in every session of the Congress a large number of so-called private relief bills are introduced by Members of the House and Senate to correct dishonorable discharge records of persons who have served in the Army or Navy. With a few exceptions, practically all of these measures are to enable dishonorably discharged persons who served in the Army or Navy during peace or wartime periods, to receive certain rights and benefits that by law have been granted only to honorably discharged service men.

In order that when favorable action by Congress is taken on such relief measures the rights and benefits restored to those dishonorably discharged may be fully realized, I requested the Judge Advocate General of the Navy to compile the data showing the legal rights and benefits which are restored when a private bill is passed for the relief of one discharged under other than honorable conditions.

I request that the reply of the Judge Advocate General be printed in the CONGRESSIONAL RECORD for the information of the Members of the Congress.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE NAVY,
OFFICE OF THE JUDGE ADVOCATE GENERAL,
Washington, D. C., May 14, 1937.

MY DEAR SENATOR WALSH: Further reference is made to your letter of April 13, 1937, in which you request to be informed as to what rights, privileges, and benefits granted to honorably discharged men of the naval service who served in the Spanish-American War, the World War, and during peacetime are denied enlisted men discharged with dishonorable or other types of undesirable discharges. You also request information as to the effect of the usual acts of Congress for the relief of men who have been separated from the service with such discharges.

The various classes of discharges in the Navy are honorable, ordinary, special order, underage, inaptitude, dishonorable, bad conduct, and undesirable. Ordinary, special order, underage, and inaptitude discharges are given under honorable conditions, and certain undesirable discharges may also be considered as being given under honorable conditions. Dishonorable and bad conduct discharges are given under dishonorable conditions in pursuance of sentences of courts martial.

The following shows the benefits that are extended by various acts of Congress and executive orders to persons who have been discharged from the naval service under honorable conditions, and the effect of a dishonorable or other discharge of a dishonorable character.

Pension: Persons who served 90 days or more in military or naval service during the War with Spain, the Philippine Insurrection, or the China Relief Expedition (April 21, 1898, to July 4, 1902), and who were honorably discharged, are entitled to pensions regardless of proof of physical disability if over 62 years of age and if under that age are entitled to pensions if suffering from physical or mental disability which so incapacitates them for performance of manual labor as to render them unable to earn a support (U. S. Code, title 38, sec. 365).

Persons who served 70 days or more during the above-mentioned periods and who have been honorably discharged and who are physically incapacitated, without regard to line of duty, to such an extent as to be unable to earn a support are entitled to pensions at rates different from those provided for 90-day men (U. S. Code, title 38, sec. 365b).

Widows and surviving children of persons who served 90 days or more during the above-mentioned periods and who were honorably discharged are entitled to pensions (U. S. C., title 38, sec. 364a).

A dishonorable or bad-conduct discharge from the naval service precludes the allowance of the benefits provided in the above laws.

Honorably discharged veterans of the World War who are suffering with disabilities incurred or aggravated in line of duty, and such veterans who have been in the service for more than 90 days and are suffering with permanent total disabilities regardless of service connection, are entitled to pensions. Also the widows, surviving children, or dependent fathers or mothers of such veterans who die as a result of disease or injury incurred or aggravated in line of duty are entitled to pensions (Veterans' Regulation 1a). A dishonorable or bad-conduct discharge precludes the granting of the benefits provided for persons of this class.

Honorably discharged personnel of the naval service in times of peace are entitled to pensions on account of disabilities resulting from injury or disease incurred or contracted in line of duty. Also the widows and children or dependent fathers or mothers of such persons are entitled to pensions. A dishonorable or bad-conduct discharge precludes the granting of the benefits provided for persons of this class.

Hospitalization: Veterans of the Spanish-American War or the World War are entitled to domiciliary or hospital care, including medical treatment, who—

(1) Were honorably discharged and are suffering from disabilities incurred or aggravated in line of duty.

(2) Were honorably discharged and served for a period of 90 days or more, or who served for less than 90 days and were discharged for disabilities incurred in line of duty who are incapacitated from earning a living and have no adequate means of support and who are suffering with permanent disabilities or tuberculosis or neuropsychiatric ailments or other conditions requiring emergency or extensive hospital treatment.

Former members of the naval service in peacetimes are entitled to domiciliary or hospital care, including medical treatment, who—

(1) Were honorably discharged for disabilities incurred in line of duty who are suffering with injuries or diseases incurred or aggravated in line of duty when in need of hospital treatment for such injuries or diseases.

(2) Were honorably discharged from their last period of active service for disabilities incurred in line of duty who are incapacitated from earning a living and have no adequate means of support and who are suffering with permanent disabilities or tuberculosis or neuropsychiatric ailments or other conditions requiring emergency or extensive hospital treatment which incapacitate them from earning a living.

Hospitalization is denied to all persons who were separated from the service under dishonorable conditions (Veterans' Regulation 6 (c)).

Adjusted compensation: The World War Veterans' Adjusted Compensation Act authorizes payment of adjusted compensation only to persons discharged from the service under honorable conditions (U. S. C., title 38, sec. 592). Persons discharged from the naval service with dishonorable or bad-conduct discharges are precluded from receiving adjusted compensation.

Burial in national cemeteries: Only honorably discharged persons or persons who die while in active service are entitled to burial in national cemeteries. The character of the last discharge from the service governs. Dishonorable or bad-conduct discharges from the naval service preclude such rights (U. S. C., title 24, sec. 281).

Civil-service benefits: Honorably discharged soldiers, sailors, and marines or their widows are entitled to preference in appointments in the Government service (U. S. C., title 5, sec. 35). By Executive order honorably discharged soldiers, sailors, and marines shall have five points added to their earned ratings in examinations for entrance to the classified service. Applicants for civil-service examination who are honorably discharged and who establish the present existence of a service-connected disability, or their wives if they are over 55 years and are disabled, are entitled to have 10 points added to their earned ratings.

These benefits are denied men discharged with dishonorable or bad-conduct discharges.

Naval Home, Philadelphia (U. S. Code, title 24, sec. 17): The privilege of admission to the Naval Home is extended by regulation to discharged enlisted men of the Navy or Marine Corps who have served in the Mexican War, the Civil War, the War with Spain, the Philippine Insurrection, the World War, or any other service where the armed forces of the United States have been employed, and their lives hazarded in military operations, and who are, by reason of wounds, sickness, old age, or other disability, unable to support themselves by manual labor; also to discharged enlisted men of the Navy and Marine Corps regardless of war service who have become disqualified for further service by wounds or injuries received, or disease contracted in the service in the line of duty and who are unable to support themselves by manual labor.

The law or regulations governing admission to the Naval Home do not prohibit the admission of men discharged with dishonorable or bad-conduct discharges. However, as a matter of practice such persons have not been admitted. In this connection the regulations provide that where there is not sufficient room to accommodate all applicants preference shall be given to honorable service. Since there is always a large waiting list for admission to the home, this regulation would bar men discharged other than honorably.

National Home for Disabled Volunteer Soldiers: Admission restricted to honorably discharged officers, soldiers, sailors, and marines and Army and Navy nurses who are disabled. (U. S. Code, title 24, sec. 131.) A dishonorable or bad-conduct discharge from the naval service precludes admission.

Soldiers' Home, Washington: Admission restricted to Army personnel.

The usual legislation for the relief of persons discharged from the service under other than honorable conditions provide:

"That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged sailors (the person named) shall be held and considered to have been honorably discharged from the United States Navy on (date of actual discharge): *Provided*, That no compensation, retirement pay, back pay, pension, or other benefits shall be held to have accrued prior to the passage of this act."

The effect of such legislation is to authorize future pension, hospitalization and medical treatment, burial in national cemeteries, civil-service preference, and eligibility for admission to the National Home for Disabled Volunteer Soldiers provided the person concerned is otherwise eligible. Such an act does not authorize payment of adjusted compensation for the reason that the man had actually been discharged under other than honorable conditions and is not, therefore, a veteran within the meaning of the World War Adjusted Compensation Act. Also, special acts of the character above stated restrict their application to future benefits whereas adjusted compensation is a benefit vesting prior to the enactment of such legislation. Such legislation also would not have the effect of changing preference for admission to the Naval Home since the regulations require that preference shall be given to honorable service and such legislation does not change the fact of the character of service rendered.

Since August 22, 1912, citizenship is only lost by persons in the naval service upon conviction of desertion in time of war. Prior to that date loss of citizenship resulted from desertion whether in wartime or peacetime. (U. S. Code, title 34, sec. 1200, art. 18.) A relief act such as stated above does not have the effect in any case of restoring citizenship for the reason that it pertains only to the character of discharge and does not affect the conviction by court martial. However, a Presidential pardon does have the effect of restoring citizenship or any other civil rights lost by reason of conviction of desertion. Such pardons are granted as matters of course in most cases when application is made. By proclamation issued March 5, 1924 (43 Stat. 1940–41), the President granted amnesty and pardon to all persons convicted of desertion during the World War on or after November 11, 1918.

Sincerely yours,

G. J. ROWCLIFF,
Judge Advocate General of the Navy.

Hon. DAVID L. WALSH,
United States Senate,
Washington, D. C.

CROP INSURANCE FOR FRUITS AND VEGETABLES

The VICE PRESIDENT. The Chair lays before the Senate a resolution coming over from a previous day, which will be read.

The legislative clerk read the resolution (S. Res. 108), submitted by Mr. PEPPER March 21, 1937, as follows:

Resolved, That the Secretary of Agriculture is requested to transmit to the Senate, at the earliest practicable date, a plan and recommendations for the establishment of a system of crop insurance for fruits and vegetables, and to make such studies as may be necessary in connection therewith.

Mr. PEPPER. I ask that the resolution go over.

The VICE PRESIDENT. The resolution will go over.

CIVILIAN CONSERVATION CORPS—ADDRESS BY SENATOR SCHWELLENBACH

[Mr. POPE asked and obtained leave to have printed in the RECORD a radio address on the Civilian Conservation Corps, delivered by Senator SCHWELLENBACH at Washington, D. C., May 22, 1937, which appears in the Appendix.]

MECKLENBURG DECLARATION OF INDEPENDENCE—ADDRESS BY SENATOR REYNOLDS

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD an address delivered by him at Charlotte, N. C., May 20, 1937, on the occasion of the dedication of the municipal stadium and the one hundred and sixty-second anniversary of the Mecklenburg Declaration of Independence, which appears in the Appendix.]

REORGANIZATION OF FEDERAL JUDICIARY—ADDRESS BY FORMER SENATOR PILES

[Mr. SCHWELLENBACH asked and obtained leave to have printed in the RECORD an address on the subject of the reorganization of the Federal judiciary, delivered by former

Senator Samuel H. Piles, of Washington, before the Los Angeles Young Democratic Club, which appears in the Appendix.]

POLITICS AND COURTS IN 1869—ARTICLE BY F. L. BURDETTE

[Mr. HOLT asked and obtained leave to have printed in the RECORD an article entitled "Politics and Courts in 1869", written by Franklin L. Burdette, of the faculty of Princeton University, and published in the National Republic of the issue of April 1937, which appears in the Appendix.]

THIRTEENTH ANNIVERSARY OF FOUNDING OF ALEPH ZADIK ALEPH

[Mr. BURKE asked and obtained leave to have printed in the RECORD an address delivered by Mr. Sam Beber, of Omaha, Nebr., on the occasion of the celebration of the thirteenth anniversary of the founding of Aleph Zadik Aleph, the Junior Order of B'nai B'rith, which appears in the Appendix.]

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS AND JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries, who also announced that the President had approved and signed the following acts and joint resolution:

On May 18, 1937:

S. 2160. An act to create the office of Counselor of the Department of State.

On May 19, 1937:

S. 150. An act amending section 2 of Public Law No. 716 of the Seventy-fourth Congress, being an act entitled "An act to relieve restricted Indians whose lands have been taxed or have been lost by failure to pay taxes, and for other purposes; and

S. 1590. An act for the relief of Warren J. Fox.

On May 20, 1937:

S. 595. An act to amend the Communications Act of 1934, approved June 19, 1934, for the purpose of promoting safety of life and property at sea through the use of wire and radio communications, to make more effective the International Convention for the Safety of Life at Sea, 1929, and for other purposes;

S. 2225. An act limiting the operation of sections 109 and 113 of the Criminal Code with respect to the agent appointed to represent the United States of America in the arbitration proceedings between the United States of America and the Dominion of Canada for the final settlement of difficulties arising through complaints of damage done in the State of Washington by fumes discharged from the smelter of the Consolidated Mining and Smelting Co., Trail, British Columbia; and

S. J. Res. 133. Joint resolution to authorize an appropriation for the expenses of participation by the United States in the Tenth Pan American Sanitary Conference.

On May 21, 1937:

S. 1607. An act authorizing an appropriation for payment to the Government of Japan for proposed deportation of enemy aliens from China during the World War.

On May 22, 1937:

S. 2084. An act to provide that graduates of approved school ships may be rated as able seamen upon graduation, and for other purposes.

CONSIDERATION OF UNOBJECTED BILLS ON CALENDAR

The VICE PRESIDENT. Under the unanimous-consent agreement entered into earlier today, the Senate will now proceed to the consideration of bills unobjected to on the calendar. The clerk will state the first business in order.

RESOLUTION AND BILLS PASSED OVER

The resolution (S. Res. 8) limiting debate on general appropriation bills was announced as first in order.

Mr. McNARY. Over.

The VICE PRESIDENT. The resolution will be passed over.

The bill (S. 1435) to create a board of shorthand reporting, and for other purposes, was announced as next in order.

Mr. BLACK. Over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 1436) providing for the employment of skilled shorthand reporting in the executive branch of the Government was announced as next in order.

Mr. BLACK. Over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 419) to promote the general welfare through the appropriation of funds to assist the States and Territories in providing more effective programs of public education was announced as next in order.

Mr. BYRNES. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 532) to promote the safety of employees and travelers on railroads by providing for the inspection and investigation of conditions prevailing in train-dispatching offices and train-dispatching service and for the promulgation of necessary rules and regulations governing the working conditions of train dispatchers was announced as next in order.

Mr. McKELLAR. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 847) to prevent the use of Federal official patronage in elections and to prohibit Federal officeholders from misuse of positions of public trust for private and partisan ends was announced as next in order.

Mr. McKELLAR. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 100) to amend the act entitled "An act to protect trade and commerce against unlawful restraints and monopolies" approved July 2, 1890, was announced as next in order.

Mr. VANDENBERG. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 47) to authorize an appropriation for the construction of small reservoirs under the Federal reclamation laws, was announced as next in order.

Mr. McKELLAR. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1261) to amend the Interstate Commerce Act as amended, and for other purposes, was announced as next in order.

Mr. POPE. Over.

The PRESIDENT pro tempore. The bill will be passed over.

RETIREMENT ANNUITIES FOR FORMER EMPLOYEES ON ISTHMUS OF PANAMA

The Senate proceeded to consider the bill (S. 81) to provide retirement annuities for certain former employees of the Panama Canal and the Panama Railroad Co. on the Isthmus of Panama, which had been reported from the Committee on Civil Service with amendments.

Mr. McKELLAR. Mr. President, let us have an explanation of the bill.

Mr. WHITE. Mr. President, this bill proposes to grant annuity rights or retirement rights to 15 or 16 men who were formerly employed in the Canal Zone. In 1920 or 1921—I have forgotten the exact date—legislation was enacted giving retirement benefits to all those who had a civil service status at that time. Subsequently, in 1926, further legislation was enacted, but the legislation of 1926 was not made retroactive. As a result all but about 15 or 16 persons who were employed in the Canal Zone have been accorded retirement privileges. These men all served more than 15 years of time and it seems to me every equitable consideration dictates that they should be accorded the rights and benefits which other employees have received.

Mr. McKELLAR. May I ask the Senator from Maine how many of these employees there are?

Mr. WHITE. There are 15 or possibly 16.

Mr. McKELLAR. What is the estimated cost of the bill?

Mr. WHITE. I have no exact figures as to the cost, but the amount would be small, because the men, in order to obtain the benefits, must make the same contributions that all other employees have made to the retirement fund.

Mr. McKELLAR. Very well.

The PRESIDENT pro tempore. The amendments of the committee will be stated.

The amendments of the Committee on Civil Service were, on page 1, line 6, after the word "any", to strike out "person" and insert "citizen of the United States"; and on page 2, line 2, after the word "article", to insert "and who meets the requirements as to age and service set forth in subsection 103 of title 2 of the Canal Zone Code, approved June 19, 1934", so as to make the bill read:

Be it enacted, etc., That section 103 of title 2 of the Canal Zone Code, approved June 19, 1934, is amended by adding at the end thereof the following paragraph:

"Any citizen of the United States separated from the service of either the Panama Canal or the Panama Railroad Co., on the Isthmus of Panama subsequent to August 1, 1920, and before July 1, 1926, not by removal for cause on charges of misconduct or delinquency, upon making the necessary contributions to the retirement and disability funds as provided in this article and who meets the requirements as to age and service set forth in said section 103 of title 2 of the Canal Zone Code, approved June 19, 1934, shall be entitled to an annuity computed in accordance with the provisions of this article, notwithstanding the fact that his separation from the service occurred prior to the existence of any retirement act applicable to employees of the Panama Canal or the Panama Railroad on the Isthmus of Panama: *Provided*, That such annuity shall be payable only from the date of enactment of this act."

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 69) to amend an act entitled "An act to regulate commerce", approved February 4, 1887, as amended and supplemented, by limiting freight or other trains to 70 cars was announced as next in order.

Mr. McKELLAR. Over.

The PRESIDENT pro tempore. The bill will be passed over.

APPEALS FROM DECISIONS OF COMMISSIONER OF PATENTS IN TRADE-MARK CASES

The bill (S. 1883) to amend section 9 of the Trade Mark Act of February 20, 1905, as amended (U. S. C., title 15, sec. 89), was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 9 of the Trade Mark Act of February 20, 1905, as amended (U. S. C., title 15, sec. 89), be amended to read as follows:

"SEC. 9. That if an applicant for registration of a trade mark, or a party to an interference as to a trade mark, or a party who has filed opposition to the registration of a trade mark, or a party to an application for the cancelation of the registration of a trade mark, is dissatisfied with the decision of the Commissioner of Patents, he may appeal to the United States Court of Customs and Patent Appeals, on complying with the conditions required in case of an appeal from the decision of the Commissioner by an applicant for patent, or a party to an interference as to an invention, and the same rules of practice and procedure shall govern in every stage of such proceedings, as far as the same may be applicable: *Provided*, That the provisions of section 4915, Revised Statutes (U. S. C., title 35, sec. 63), shall not apply to trade-mark cases."

SEC. 2. That this act shall take effect 30 days from its passage.

SEC. 3. That this act shall not affect pending suits; and shall not apply to cases in which the time for bringing a suit under the provisions of section 4915, Revised Statutes (U. S. C., title 35, sec. 63), had not expired when this act takes effect.

SALLIE S. TWILLEY

The Senate proceeded to consider the bill (S. 1585) for the relief of Sallie S. Twilley, which had been reported from the Committee on Claims, with an amendment to add a proviso at the end of the bill, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $5,000 to Sallie S. Twilley, in full settlement of all claims against the Government on account of the death of her husband, Samuel J. Twilley, a former rural carrier at the Cambridge, Md., post office, due to injuries received while in the performance of his duties: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 410) for the relief of the legal guardian of Roy D. Cook, a minor, was announced as next in order.

Mr. HALE. Over.

The PRESIDENT pro tempore. The bill will be passed over.

RETIREMENT OF EMPLOYEES IN LEGISLATIVE BRANCH

The bill (H. R. 2901) to amend the act of May 29, 1930 (46 Stat. 349), for the retirement of employees in the classified civil service and in certain positions in the legislative branch of the Government to include all other employees in the legislative branch was announced as next in order.

Mr. COPELAND. Mr. President, I should like to make a brief statement about the bill and then to offer some amendments.

The bill was considered last year in the Committee on Rules and there was much discussion about it there and on the floor. It has been deemed desirable by those who favor the bill that it should be limited to those who have had 15 years' service; that is to say, no employee shall be eligible until he has been 15 years in the Government service.

Mr. McKELLAR. Is there a report accompanying the bill?

Mr. COPELAND. There is a report on the bill, but not on the amendments which I am about to offer.

Mr. McKELLAR. I do not find a copy of the report in my file.

Mr. COPELAND. The Senator is unlucky that it was not bound in his volume of bills. Let me explain the measure to him.

As the bill was originally written, every clerk of every Senator would be eligible for this privilege. It has been found necessary, however, to have the bill formulated in accordance with the general civil-service procedure of the Government; that is to say, that everybody who is to get the benefits of the bill must contribute the amount which it would have been his duty to pay had he started in the beginning to make the payments.

Mr. Pace, the very efficient financial officer of the Senate, felt that if the bill were to cover all employees from the beginning of their service it would place a very unnecessary burden upon his office, because in the nature of things the turnover in the positions in question is very great. In order that we may take care of those who have been a long time in the service, 15 years at least, I am about to offer certain amendments. In order to have the benefits given to any employee, he must pay back into the Treasury the amount which he would have been assessed from year to year during the 15 years, in order that the legislative employees shall have no privilege which is not accorded the employees of other divisions of the Government.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. COPELAND. I yield to the Senator from Michigan.

Mr. VANDENBERG. Then does the Senator say that, as amended, the legislative employee will simply be given by the bill the same retirement privileges that exist in other departments, and nothing else?

Mr. COPELAND. The same privileges and the same obligations, and nothing else. So, Mr. President, I offer these amendments.

Mr. BYRNES. Mr. President, as I understand, the Senator proposes now to offer amendments which he says will take care of a group of employees who would not have been cared for under the language of the bill as reported.

Mr. COPELAND. The Senator is correct.

Mr. BYRNES. I should like to have an opportunity to read the amendments to see exactly their effect, inasmuch as they

were drafted after the report of the committee was filed. The subject is a very complicated one. The text of the bill so indicates. I should like to know something more about how the amendments will affect the group of employees who were to be benefited by the bill as reported by the committee.

Mr. COPELAND. Would the Senator prefer that the amendments be offered and the bill reprinted with the amendments?

Mr. BYRNES. I certainly should like to have the Senator offer his amendments and have them printed, so that we may see exactly what they propose and what effect they will have upon the other employees.

Mr. COPELAND. Very well, Mr. President. Then I offer the amendments, together with amendments covering the employees of the courts who will come under the same conditions, and ask unanimous consent that the bill be reprinted with the inclusion of the amendments, so that Senators may have the benefit of studying the matter before the next session.

The PRESIDENT pro tempore. Without objection, it is so ordered; and the bill will be passed over temporarily.

RETIREMENT OF EMERGENCY OFFICERS

The bill (S. 423) providing for continuing retirement pay, under certain conditions, of officers and former officers of the Army, Navy, and Marine Corps of the United States, other than officers of the Regular Army, Navy, or Marine Corps, who incurred physical disability while in the service of the United States during the World War was announced as next in order.

Mr. BYRNES. Let the bill go over.

Mr. GEORGE. Mr. President, if the bill is to be objected to, I will wait until the conclusion of the calendar, and then move to have it considered.

Mr. BYRNES. No, Mr. President; I may not object to its consideration. I did not know that the Senator from Georgia was at his desk. I should like to have the Senator explain exactly what the bill would accomplish.

Mr. GEORGE. Mr. President, this bill proposes to restore to the rolls under certain conditions emergency officers who were taken off the retired list by the Economy Act of March 1933. It undertakes to restore to the rolls those officers who cannot meet the rigid requirements of the causative-factor rule as adopted and as applied by the Veterans' Administration. It does not admit to the rolls any except those emergency officers who were stricken from the rolls as a result of the act of 1933, except a small group of emergency officers who received their commission after November 7, 1918, but before the actual termination of the World War. This group is very small, less than 100 in number.

Mr. McKELLAR. How much would it cost?

Mr. GEORGE. The Veterans' Administration says the passage of the bill may restore to the rolls about 3,000 officers. More than 6,000 officers were on the rolls under the emergency retirement act. As a result of the Economy Act, some 4,700 were removed and some 1,400 were left on the list.

Mr. McKELLAR. Does the Senator say that about 6,000 were on the rolls?

Mr. GEORGE. About 6,300, in round numbers, were on the rolls at the date of the passage of the Economy Act.

Mr. McKELLAR. Does the Department recommend the bill?

Mr. GEORGE. The Department does not recommend it.

Mr. McKELLAR. It has recommended against it, I believe.

Mr. GEORGE. The recommendation of the Department may be construed as against it. The view the committee takes of the bill is that it merely corrects an interpretation of the law that should have been corrected by the Veterans' Administration itself.

If the Senate will permit me to do so, I will explain the bill.

After the passage of the Emergency Officers' Retirement Act, it was submitted to the Department of Justice for construction; and two Attorneys General—Attorney General Sargent and Attorney General Mitchell—held, respectively, that emergency officers were entitled to the presumptive benefits given to the veterans of the World War in establishing compensation claims.

These presumptions related both to soundness at the time of enlistment and also to the cause of the injury or disability, if the disability arose within a certain period of time.

It is the opinion of the representatives of all the veterans' organizations, and it is the opinion of members of the Finance Committee who have given some study to the matter, that under the bill possibly 1,100 officers may be restored to the rolls. The Veterans' Administration is of the opinion that some 3,000 officers may be restored to the rolls; but it is certain that none can be restored who were not on the rolls at the time of the passage of the Economy Act, especially after the promulgation of rule V, which contains the so-called causative-factor rule, under which all the officers suffering disability as a result of disease incurred in service were almost necessarily stricken from the rolls.

Mr. McKELLAR. If the estimate of the Veterans' Administration is correct, that 6,300 would apply, the bill would cost about $20,000,000 a year, would it not?

Mr. GEORGE. No; the estimate of the Veterans' Administration is that it would cost, for the first year, approximately $6,000,000—that is, when all the officers were restored to the rolls. Thereafter, of course, the amount would decrease.

I may say to the Senate that between the passage of the Economy Act and this date approximately 500 of the disabled emergency officers have died. Ninety-seven were on the rolls receiving retirement pay. The remainder were stricken from the rolls and had their appeals pending, or their appeals had been denied.

Mr. VANDENBERG. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Georgia yield to the Senator from Michigan?

Mr. GEORGE. I yield to the Senator from Michigan.

Mr. VANDENBERG. At the time the original emergency act was in force there was something of a scandal as the result of cumulative salaries which produced a final earning for some retirement officers which was out of all reason. I suggest that it is very definitely important for the record that the Senator should explain that the proposed legislation prohibits a repetition of that sort of a situation through the $3,000 limitation.

Mr. GEORGE. The proposed legislation prohibits any retroactive retirement pay, except that in a negligible number of cases of officers whose appeals are still pending, if the appeals should be decided in favor of the officers they would go back on the rolls anyway, and they might be entitled to retroactive retirement pay under existing law; but this bill, in making it possible for any officer to be restored to the list, expressly prohibits and forbids the payment of any past-due retirement pay. In other words, it is not retroactive.

Not only that but the bill takes out of the law the presumption of soundness on the date of enlistment and the presumption that the disability arose from a service cause under the circumstances under which a great many officers were added to the retired list or were placed on the retired list under the Emergency Officers' Retirement Act. The bill also provides that the Veterans' Administration may rebut, by official record or by clear and unmistakable evidence, those cases which otherwise prima facie might be entitled to be again entered on the rolls.

There is one amendment to which I shall invite attention. That amendment is in section 2. It provides that retirement pay shall not be received by these officers if they are already drawing compensation from the Government in the sum of $3,000; or, if the amount of compensation paid by the Government, plus the retired pay of the officer, amounts to over $3,000, it must be reduced to $3,000 per annum, with two exceptions, that is, the officer who received his permanent disability in actual combat may receive compensation from the Government and his full retirement pay; and there is also another group which includes, as I have been informed, about four or five officers who received their disability as the result of an explosion of an instrumentality of war, as in the case

where they were demonstrating some firearm actually in service, and were permanently and totally disabled.

Mr. LEWIS. Mr. President, may I ask the Senator from Georgia to yield to me while I propound an inquiry to the able Senator from Michigan?

Mr. GEORGE. I yield.

Mr. LEWIS. The Senator from Michigan has just asserted that, touching some question of the Economy Act, after some feature of it had been concluded there had arisen a great many scandals. I do not know to what the able Senator refers, but I should like to ask him whether he means to indicate by that a charge that the administration had been guilty of scandals in connection with the administration of the act, or did he mean to intimate that the persons receiving the money, whoever they were, were themselves guilty of that which led to what he calls a scandal?

Mr. VANDENBERG. Mr. President, will the Senator from Georgia yield to me while I reply to the Senator from Illinois?

Mr. GEORGE. I yield.

Mr. VANDENBERG. It is a notorious fact that under the Emergency Officers' Retirement Act many doctors who were employed by the Government, and received substantial salaries from the Government as employees of the Veterans' Bureau, also enjoyed retirement pay, which resulted in virtually a double compensation. It is no reflection on the administration, I can assure the Senator; it was simply the net result of the Emergency Officers' Act as originally drawn. The complaint against it was universal and uniform throughout the service organizations, and it was corrected.

Mr. LEWIS. The explanation of the Senator, I think, replies to the purpose of my inquiry.

Mr. BYRNES. Mr. President, will the Senator from Georgia yield for a question?

Mr. GEORGE. I shall be glad to yield.

Mr. BYRNES. The report of the Administrator on page 4 states that the bill repeals the provision in the present law limiting the disability retirement to officers who enlisted prior to November 11, 1918. Is that correct?

Mr. GEORGE. That is correct; and I may say by way of explanation that less than 100 officers were commissioned after November 11, 1918. Some of them were in hospitals suffering from wounds, and their commissions were not actually received by them. It cannot affect more than ninety-odd officers at best. In other words, the entire class that would be affected is limited to less than 100.

For the most part they were officers who had earned their commissions but who, on account of wounds and disabilities, had not actually received their commissions. The committee was of the opinion that it was not fair, if they were otherwise qualified, with 30 percent permanent disability received in line of duty, to exclude them from receiving retirement benefits, provided, of course, that they must have received their commissions before the actual termination of the war. I assure the Senate that only a small number would be affected by the provision, and for the most part they were officers who had earned their commissions by long service during the war. Many of them were actually in hospitals, and therefore did not receive their commissions.

Mr. BYRNES. As I read the report of the Administrator, his estimate as to the cost is three and a half million, unless the act shall be retroactive. Is that the understanding of the Senator from Georgia?

Mr. GEORGE. My understanding of the report of the Administrator is that his opinion is that the cost in the beginning may amount to $6,000,000. It is not retroactive, and therefore there could be, at the outside, only the retirement pay for some 3,000 officers, if the entire number were actually restored to the rolls.

Mr. BYRNES. Mr. President, I call the attention of the Senator to this statement in the letter of the Administrator:

> It is estimated that approximately 3,194 emergency officers who are not now on the rolls would be entitled to retirement pay at an additional annual cost of approximately $3,696,000.

According to the Administrator, it would really cost less than the estimate.

Mr. GEORGE. I thank the Senator for calling my attention to that, because the bill prohibits the retirement pay from becoming retroactive except in a small number of cases where the officer has pending an appeal in which he may be successful, anyway, without the enactment of this measure.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to the consideration of Senate bill 423, which had been reported from the Committee on Finance with amendments.

The amendments were, in section 1, page 2, line 8, after the word "service", to insert the words "in line of duty", and at the end of the bill to insert two new sections, so as to make the bill read:

Be it enacted, etc., That, notwithstanding the provisions of any law of the United States, any person who served as an officer of the Army, Navy, or Marine Corps of the United States during the World War, other than as an officer of the Regular Army, Navy, or Marine Corps during the World War, who made valid application for retirement under the provisions of Public Law No. 506, Seventieth Congress, enacted May 24, 1928 (U. S. C., Supp. VII, title 38, secs. 581 and 582), and who prior to the passage of this act has been granted retirement with pay, shall be entitled to continue to receive retirement pay at the monthly rate paid him on March 19, 1933, if the disability for which he has been retired resulted from disease or injury or aggravation of a preexisting disease or injury incurred in such service in line of duty and directly resulting from the performance of duty: *Provided*, That such person entered active service between April 6, 1917, and November 11, 1918, and served as an officer prior to July 2, 1921: *Provided further*, That where the disability is now or hereafter determined to be directly service connected, without benefit of statutory presumption of soundness or service connection, it will be considered to have directly resulted from performance of duty unless otherwise shown by official record, or clear and unmistakable evidence.

SEC. 2. Payment of emergency officers' retirement pay shall be effective from the date of enactment of this act in all cases where entitlement thereto is authorized solely by the provisions of this act.

SEC. 3. That subsection (b) of section 212 of Public Law No. 212, Seventy-second Congress, shall be amended to read as follows:

"(b) This section shall not apply to any person whose retired pay plus civilian pay amounts to less than $3,000: *Provided*, That this section shall not apply to regular or emergency commissioned officers retired for disability incurred in combat with an enemy of the United States or for disabilities resulting from an explosion of an instrumentality of war in line of duty during an enlistment or employment as provided in Veterans Regulation No. 1 (a), part I, paragraph I."

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill providing for continuing retirement pay, under certain conditions, of officers and former officers of the Army, Navy, and Marine Corps of the United States, other than officers of the Regular Army, Navy, or Marine Corps, who incurred physical disability while in the service of the United States during the World War, and for other purposes."

JOINT RESOLUTION PASSED OVER

The joint resolution (S. J. Res. 88) providing for the participation of the United States in the world's fair to be held by the San Francisco Bay Exposition, Inc., in the city of San Francisco during the year 1939, and for other purposes was announced as next in order.

Mr. JOHNSON of California. Mr. President, I ask that this joint resolution go over.

The PRESIDENT pro tempore. The joint resolution will be passed over.

JUVENILE COURT, DISTRICT OF COLUMBIA

The bill (H. R. 4276) to amend an act entitled "An act to create a juvenile court in and for the District of Columbia, and for other purposes", was announced as next in order.

Mr. COPELAND. Mr. President, I ask that this bill go over without prejudice. One of the Senators who wishes to be heard on the measure is not now in the Chamber. I hope that later the bill may be passed, perhaps in modified form, because of its great merit.

The PRESIDENT pro tempore. Objection being heard, the bill will be passed over.

RETIREMENT PAY OF WORLD WAR OFFICERS

The Senate proceeded to consider the bill (S. 1040) placing provisional officers of the World War in the same status with emergency officers of the World War and extending to them the same benefits and/or privileges as are now or may hereafter be provided by law, orders, and/or regulations for said emergency officers, and for other purposes, which was read, as follows:

Be it enacted, etc., That all persons who served as provisional officers in the Army, Navy, or Marine Corps of the United States during the World War, and were honorably separated from such service prior to December 31, 1921, are hereby placed in the same status with all persons who served as emergency officers in the Army, Navy, or Marine Corps of the United States during the World War and extended the same benefits and/or privileges as are now or may hereafter be provided by law, orders, and/or regulations for said emergency officers: *Provided*, That application under this act for benefits and/or privileges must be made within 1 year after the passage of this act.

SEC. 2. That all acts and parts of acts in conflict with or inconsistent with the provisions of this act are hereby repealed.

Mr. McKELLAR. Mr. President, may we have an explanation of this bill?

Mr. SHEPPARD. Mr. President, this bill gives provisional officers of the World War who terminated their service before 1921 the same rights, insofar as application for compensation benefits and the emergency retirement benefits are concerned, that are possessed by emergency officers of the World War. These provisional officers served through the war just as did all other officers, but they have been excluded from compensation and emergency retirement benefits. It is thought to be just to place them in the same status with the emergency officers.

Mr. VANDENBERG. Mr. President, how many are involved?

Mr. SHEPPARD. About 2,200 altogether.

Mr. VANDENBERG. Is there any estimate of the contemplated cost of the program?

Mr. SHEPPARD. The estimate is that the compensation benefits would be in the neighborhood of about $3,300,000, and, based on applications received from provisional officers in 1928, the emergency retirement benefits would be about $10,000.

Mr. VANDENBERG. What is the recommendation of the Veterans' Administration?

Mr. SHEPPARD. The Veterans' Administration has recommended against the bill because the Compensation Act of 1924 excluded these men.

Mr. GILLETTE. Mr. President, these provisional officers in the main were transferred from the regular service, were they not? Most of them were either sergeants or other noncommissioned officers in the regular service who were commissioned during the war. Is not that true?

Mr. SHEPPARD. I do not think that applies to all of them.

Mr. GILLETTE. In the main they were, I believe. There is a provision in the bill that if they served as provisional commissioned officers and were separated from such service before December 1921, they should come under the measure. Does the Senator understand that to refer to their service as commissioned officers, or their service after their return to their status as noncommissioned officers?

Mr. SHEPPARD. Their service as commissioned officers.

Mr. GILLETTE. It did not mean their separation from the service?

Mr. SHEPPARD. It meant their separation from the service.

Mr. GILLETTE. I think it should be corrected, and I shall insist on my objection at this time.

The PRESIDENT pro tempore. Objection being heard, the bill will be passed over.

MAXIMUM HOURS, MINIMUM WAGES, AND CHILD LABOR (H. DOC. NO. 255)

The PRESIDENT pro tempore. The Chair lays before the Senate a message from the President of the United States, which will be read.

The legislative clerk read as follows:

To the Congress of the United States:

The time has arrived for us to take further action to extend the frontiers of social progress. Such further action initiated by the legislative branch of the Government, administered by the Executive, and sustained by the judicial, is within the common-sense framework and purpose of our Constitution and receives beyond doubt the approval of our electorate.

The overwhelming majority of our population earns its daily bread either in agriculture or in industry. One-third of our population, the overwhelming majority of which is in agriculture or industry, is ill-nourished, ill-clad, and ill-housed.

The overwhelming majority of this Nation has little patience with that small minority which vociferates today that prosperity has returned, that wages are good, that crop prices are high and that Government should take a holiday.

The truth of the matter, of course, is that the exponents of the theory of private initiative as the cure for deep-seated national ills want in most cases to improve the lot of mankind. But, well intentioned as they may be, they fail for four evident reasons—first, they see the problem from the point of view of their own business; second, they see the problem from the point of view of their own locality or region; third, they cannot act unanimously because they have no machinery for agreeing among themselves; and, finally, they have no power to bind the inevitable minority of chiselers within their own ranks.

Though we may go far in admitting the innate decency of this small minority, the whole story of our Nation proves that social progress has too often been fought by them. In actual practice it has been effectively advanced only by the passage of laws by State legislatures or the National Congress.

Today, you and I are pledged to take further steps to reduce the lag in the purchasing power of industrial workers and to strengthen and stabilize the markets for the farmers' products. The two go hand in hand. Each depends for its effectiveness upon the other. Both working simultaneously will open new outlets for productive capital. Our Nation so richly endowed with natural resources and with a capable and industrious population should be able to devise ways and means of insuring to all our able-bodied working men and women a fair day's pay for a fair day's work. A self-supporting and self-respecting democracy can plead no justification for the existence of child labor, no economic reason for chiseling workers' wages or stretching workers' hours.

Enlightened business is learning that competition ought not to cause bad social consequences which inevitably react upon the profits of business itself. All but the hopelessly reactionary will agree that to conserve our primary resources of manpower, Government must have some control over maximum hours, minimum wages, the evil of child labor, and the exploitation of unorganized labor.

Nearly 20 years ago, in his dissenting opinion in *Hammer v. Dagenhart*, Mr. Justice Holmes expressed his views as to the power of the Congress to prohibit the shipment in interstate or foreign commerce of the product of the labor of children in factories below what Congress then deemed to be civilized social standards. Surely the experience of the last 20 years has only served to reinforce the wisdom and the rightness of his views. And surely, if he was right about the power of the Congress over the work of children in factories, it is equally right that the Congress has the power over decent wages and hours in those same factories. He said:

I had thought that the propriety of the exercise of a power admitted to exist in some cases was for the consideration of Congress alone, and that this Court always had disavowed the right to intrude its judgment upon questions of policy or morals. It is not for this Court to pronounce when prohibition is necessary to regulation, if it ever may be necessary—to say that it is permissible as against strong drink but not as against the product of ruined lives.

The act does not meddle with anything belonging to the States. They may regulate their internal affairs and their domestic com-

merce as they like. But when they seek to send their products across the State line they are no longer within their rights. If there were no Constitution and no Congress, their power to cross the line would depend upon their neighbors. Under the Constitution such commerce belongs not to the States but to Congress to regulate. It may carry out its views of public policy, whatever indirect effect they may have upon the activities of the States. Instead of being encountered by a prohibitive tariff at her boundaries, the State encounters the public policy of the United States, which it is for Congress to express. The public policy of the United States is shaped with a view to the benefit of the Nation as a whole * * *. The national welfare, as understood by Congress, may require a different attitude within its sphere from that of some self-seeking State. It seems to me entirely constitutional for Congress to enforce its understanding by all the means at its command.

Mr. Justice Brandeis, Mr. Justice Clark, and Mr. Justice McKenna agreed. A majority of the Supreme Court, however, decided 5 to 4 against Mr. Justice Holmes and laid down a rule of constitutional law which has ever since driven into impractical distinctions and subterfuges all attempts to assert the fundamental power of the National Government over interstate commerce.

But although Mr. Justice Holmes spoke for a *minority* of the Supreme Court, he spoke for a *majority* of the American people.

One of the primary purposes of the formation of our Federal Union was to do away with the trade barriers between the States. To the Congress, and not to the States, was given the power to regulate commerce among the several States. Congress cannot interfere in local affairs, but when goods pass through the channels of commerce from one State to another they become subject to the power of the Congress, and the Congress may exercise that power to recognize and protect the fundamental interests of free labor.

And so to protect the fundamental interests of free labor and a free people we propose that only goods which have been produced under conditions which meet the minimum standards of free labor shall be admitted to interstate commerce. Goods produced under conditions which do not meet rudimentary standards of decency should be regarded as contraband and ought not to be allowed to pollute the channels of interstate trade.

These rudimentary standards will of necessity at the start fall far short of the ideal. Even in the treatment of national problems there are geographical and industrial diversities which practical statesmanship cannot wholly ignore. Backward labor conditions and relatively progressive labor conditions cannot be completely assimilated and made uniform at one fell swoop without creating economic dislocations.

Practical exigencies suggest the wisdom of distinguishing labor conditions which are clearly oppressive from those which are not as fair or as reasonable as they should be under circumstances prevailing in particular industries. Most fair labor standards as a practical matter require some differentiation between different industries and localities. But there are a few rudimentary standards of which we may properly ask general and widespread observance. Failure to observe them must be regarded as socially and economically oppressive and unwarranted under almost any circumstance.

Allowing for a few exceptional trades and permitting longer hours on the payment of time and a half for overtime, it should not be difficult to define a general maximum working week. Allowing for appropriate qualifications and general classifications by administrative action, it should also be possible to put some floor below which the wage ought not to fall. There should be no difficulty in ruling out the products of the labor of children from any fair market. And there should also be little dispute when it comes to ruling out of the interstate markets products of employers who deny to their workers the right of self-organization and collective bargaining, whether through the fear of labor spies, the bait of company unions, or the use of strikebreakers. The abuses disclosed by the investigations of the Senate must be promptly curbed.

With the establishment of these rudimentary standards as a base we must seek to build up, through appropriate administrative machinery, minimum wage standards of fairness and reasonableness, industry by industry, having due regard to local and geographical diversities and to the effect of unfair labor conditions upon competition in interstate trade and upon the maintenance of industrial peace.

Although a goodly portion of the goods of American industry move in interstate commerce and will be covered by the legislation which we recommend, there are many purely local pursuits and services which no Federal legislation can effectively cover. No State is justified in sitting idly by and expecting the Federal Government to meet State responsibility for those labor conditions with which the State may effectively deal without fear of unneighborly competition from sister States. The proposed Federal legislation should be a stimulus and not a hindrance to State action.

As we move resolutely to extend the frontiers of social progress, we must be guided by practical reason and not by barren formulae. We must ever bear in mind that our objective is to improve and not to impair the standard of living of those who are now undernourished, poorly clad, and ill housed.

We know that overwork and underpay do not increase the national income when a large portion of our workers remain unemployed. Reasonable and flexible use of the long-established right of Government to set and to change working hours can, I hope, decrease unemployment in those groups in which unemployment today principally exists.

Our problem is to work out in practice those labor standards which will permit the maximum but prudent employment of our human resources to bring within the reach of the average man and woman a maximum of goods and of services conducive to the fulfillment of the promise of American life.

Legislation can, I hope, be passed at this session of the Congress further to help those who toil in factory and on farm. We have promised it. We cannot stand still.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *May 24, 1937.*

Mr. BYRNES. I ask that the message of the President of the United States be referred to the Committee on Education and Labor and that it also be printed as a document.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BLACK. Mr. President, I ask consent to introduce a bill and request that it be referred to the Committee on Education and Labor.

Mr. McNARY. Mr. President, may I ask the Senator is that bill intended to carry out the suggestions made by the President in his message to the Congress?

Mr. BLACK. It is.

The PRESIDENT pro tempore. Without objection, the bill introduced by the Senator from Alabama will be received and referred as requested.

The bill (S. 2475) to provide for the establishment of fair labor standards in employments in and affecting interstate commerce, and for other purposes, was read twice by its title and referred to the Committee on Education and Labor.

FRED G. CLARK CO.

The PRESIDENT pro tempore. The clerk will state the next business in order on the calendar.

The Senate proceeded to consider the bill (S. 51) for the relief of Fred G. Clark Co., which had been reported from the Committee on Claims with an amendment at the end of the bill to add a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Fred G. Clark Co. the sum of $7,586.61, being the amount agreed upon in accordance with the decision of the Board of Contract Adjustment, War Department, in full settlement for losses suffered by reason of forced compliance by said company with orders of the War Industries Board preventing said company from disposing of its stock of wool grease during the late war with Germany: *Provided*, That no part of the amount appropriated in this act in excess of 10

percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ROBERT B. ROLFE

The bill (S. 526) for the relief of Robert B. Rolfe was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the United States Employees' Compensation Commission is authorized and directed to pay, from the date of approval of this act, to Robert B. Rolfe, formerly a forest ranger, compensation in the amount and manner provided for by sections 3 and 6 of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 7, 1916, as amended.

CHARLES B. STAFFORD

The bill (S. 2087) for the relief of Charles B. Stafford was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers Charles B. Stafford, who was a member of Company D, First Regiment Texas Volunteer Infantry, in the Spanish War, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a member of that organization on the 3d day of December 1898: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

INCORPORATION OF MARINE CORPS LEAGUE

The Senate proceeded to consider the bill (S. 774) to incorporate the Marine Corps League, which had been reported from the Committee on Naval Affairs with an amendment, after the enacting clause, to strike out sections 1, 2, and 3 and insert new sections in lieu thereof, so as to make the bill read:

That Maj. Gen. John A. Lejeune, United States Marine Corps, retired, honorary national commandant; Maurice A. Ilich, national commandant; Roy S. Taylor, senior national vice commandant; Kenneth B. Collings, junior national vice commandant; Alexander F. Ormsby, national judge advocate; Rev. John H. Clifford, national chaplain; Edward A. Walker, national sergeant at arms; John B. Hinckley, Jr., national adjutant and paymaster; John E. Brock, national chief of staff; are hereby created a body corporate of the name "Marine Corps League."

SEC. 2. That the purposes of this corporation shall be (a) to preserve the traditions and to promote the interests of the United States Marine Corps; (b) to band those who are now serving in the United States Marine Corps and those who have been honorably discharged from that service together in fellowship that they may effectively promote the ideals of American freedom and democracy; (c) to fit its members for the duties of citizenship and to encourage them to serve as ably as citizens as they have served the Nation under arms; (d) to hold sacred the history and memory of the men who have given their lives to the Nation; (e) to foster love for the principles which they have supported by blood and valor since the founding of the Republic; (f) to maintain true allegiance to American institutions; (g) to create a bond of comradeship between those in service and those who have returned to civil life; (h) to aid voluntarily and to render assistance to all marines and former marines as well as to their widows and orphans; (i) to perpetuate the history of the United States Marine Corps and by fitting acts to observe the anniversaries of historical occasions of peculiar interest to marines.

SEC. 3. That the corporation (a) shall have perpetual succession; (b) may charge and collect membership dues and receive contributions of money or property to be devoted to carrying out the purposes of the organization; (c) may sue or may be sued; (d) may adopt a corporate seal and alter it at pleasure; (e) may adopt and alter bylaws not inconsistent with the Constitution and laws of the United States or of any State; (f) may establish and maintain offices for the conduct of its business; (g) may appoint or elect officers and agents; (h) may choose a board of trustees, consisting of not more than 15 persons nor less than 5 persons, to conduct the business and exercise the powers of the corporation; (i) may acquire, by purchase, devise, bequest, gift, or otherwise, and hold, encumber, convey, or otherwise dispose of such real and personal property as may be necessary or appropriate for its corporate purposes; and (j) generally may do any and all lawful acts necessary or appropriate to carry out the purposes for which the corporation is created.

SEC. 4. That the corporation shall, on or before the 1st day of December in each year, transmit to Congress a report of its proceedings and activities for the preceding calendar year, including the full and complete statement of its receipts and expenditures. Such reports shall not be printed as public documents.

SEC. 5. That the right to alter, amend, or repeal this act at any time is hereby expressly reserved.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

OBLIGATION OF FUNDS FOR WORK AT GOVERMENT-OWNED ESTABLISHMENTS

The bill (S. 2357) authorizing the obligation of funds for work at Government-owned establishments was announced as next in order.

Mr. WALSH. Mr. President, there is on the calendar a similar bill, being Calendar No. 582, House bill 6866, which has passed the House of Representatives. I ask that the House bill may be substituted for the Senate bill 2357 and considered at this time.

Mr. McKELLAR. Mr. President, will the Senator explain what the bill proposes to do?

Mr. WALSH. Mr. President, this bill is to correct a ruling of the Comptroller General. He has ruled that when allotments are made to Government establishments for work or service rendered the funds must be spent within the fiscal year and those which are not expended must be returned to the Treasury. When, however, the Navy Department makes allotments under private contracts to private companies the amount of the unexpended balance at the end of the fiscal year is not covered into the Public Treasury but becomes available for another year. So in the construction of naval vessels and in the performance of other naval work the Government navy yards are discriminated against in favor of private concerns who bid and obtain contracts from the Government.

This bill proposes to restore what was believed to be the law before the ruling of the Comptroller General and also to put Government establishments which receive contracts from the Navy, such as navy yards, in the same position as that occupied by private establishments. The bill is recommended by the Navy Department and approved by the Comptroller General.

Mr. BYRNES. Mr. President, it simply restores the condition that existed in the Department until the ruling of the Comptroller General to which the Senator from Massachusetts has referred?

Mr. WALSH. Exactly.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Massachusetts that House bill 6866 be substituted for Senate bill 2357 and be considered at this time?

There being no objection, the Senate proceeded to consider the bill (H. R. 6866) authorizing obligation of funds for work at Government-owned establishments, which was read, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That nothing contained in title VI, part II, of the Legislative Appropriation Act for the fiscal year 1933 (47 Stat., 417), as amended by section 8 of the First Deficiency Appropriation Act, fiscal year 1936 (49 Stat., 1648), shall be construed as modifying or amending the provision in the Naval Appropriation Act for the fiscal year 1923 (42 Stat., 812), which reads as follows: "That all orders or contracts for work or material, under authorization of law heretofore or hereafter placed with Government-owned establishments, shall be considered as obligations in the same manner as provided for similar orders or contracts placed with private contractors, and appropriations for such work or material shall remain available for payment therefor as in the case of orders or contracts placed with private contractors."

The PRESIDENT pro tempore. Without objection, the bill (S. 2357) authorizing the obligation of funds for work at Government-owned establishments will be indefinitely postponed.

JOHN A. ENSOR

The bill (S. 2266) for the relief of John A. Ensor was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in

the Treasury not otherwise appropriated, to John A. Ensor, of Sparks, Md., the sum of $25. The payment of such sum shall be in full settlement of all claims against the United States on account of the slaughter, prior to its registration as a purebred, of one diseased cow owned by the said John A. Ensor: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

L. L. STOKES

The Senate proceeded to consider the bill (S. 226) for the relief of L. L. Stokes, which had been reported from the Committee on Claims with an amendment, in line 3, after the word "the", to strike out "Postmaster General" and insert "Comptroller General of the United States", so as to make the bill read:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit the account of L. L. Stokes, former postmaster at Mountainburg, Ark., in the sum of $118.56, due the United States on account of public funds lost in the burglary of the post office on November 12, 1917.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

DEPENDENTS OF W. R. DYESS

The bill (S. 1873) for the relief of the dependents of W. R. Dyess was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the United States Employees' Compensation Commission be, and it is hereby, authorized and directed to extend to the dependents of the late W. R. Dyess, who was fatally injured in an airplane accident on January 14, 1936, while in the performance of his official duties as State administrator for the Works Progress Administration, the benefits of the United States Employees' Compensation Act approved September 7, 1916, as amended, and to pay funeral and burial expenses in accordance with the provisions of section 11 of the said act.

OHIO RIVER BRIDGE, INDIANA AND KENTUCKY

The bill (H. R. 4550) to extend the times for commencing and completing the construction of a bridge across the Ohio River between Rockport, Ind., and Owensboro, Ky., was considered, ordered to a third reading, read the third time, and passed.

BRIDGES ACROSS CHICAGO RIVER AND MICHIGAN CANAL, ILL.

The bill (H. R. 5595) to extend the time for completing the construction of two bridges, one across a part of Lake Michigan at or near the entrance to the Chicago River, Ill., and the other across the Michigan Canal, or Ogden Slip, in city of Chicago, Ill., was considered, ordered to a third reading, read the third time, and passed.

AGRICULTURAL MARKETING AGREEMENTS

The bill (H. R. 5722) to reenact and amend provisions of the Agricultural Adjustment Act, as amended, relating to marketing agreements and orders, was announced as next in order.

Mr. BULKLEY. Mr. President, I am in favor of this bill, but an amendment has been proposed by the Committee on Agriculture to which some of my constituents are opposed, and they have asked for hearings. I appeal to the chairman of the committee to consent that the bill be recommitted for the purpose of having hearings.

Mr. SMITH. Mr. President, the Senator will recall that the very same amendment at two separate times had full hearings and was incorporated in the bill but went out on a vote in the Senate. I had hoped that, perhaps, there might be a vote taken on the amendment reported by the committee, as it seems to be the only controversial question in the bill. A good many have approached me about recommitting the bill and holding hearings. I wish to state to the Senator from Ohio that, so far as I am individually concerned, I feel that those who are in earnest about this matter should have that privilege; but I am informed at the Department that it is very essential that this bill be enacted in order that the necessary reorganization steps may be taken so that the marketing agreements may go into effect, especially in reference to milk.

I understand that in some of the New England States the agreements worked very satisfactorily, but since the decision in the Hoosac Mills case their marketing organizations have disintegrated, and the dairy industry is likely to suffer considerable loss by virtue of the encroachment of other forces that heretofore have operated.

I wish to repeat that, so far as I am individually concerned, I should be very glad to have the measure recommitted for the purpose of having hearings, but we have had hearings heretofore, after which the amendment was reported to the Senate but voted out of the bill.

Mr. BULKLEY. I am advised that there is new matter that could be brought up in the hearings.

Mr. SMITH. New matter?

Mr. BULKLEY. Yes; I am so advised.

Mr. POPE. Mr. President, if the Senator from Ohio will yield, may I inquire of him to what amendment does he refer?

Mr. BULKLEY. To the so-called Bone amendment.

Mr. POPE. With what does it have to do?

Mr. BULKLEY. It relates to canned goods.

Mr. SMITH. That is known as the fruit and vegetable amendment, which was put in by the committee. I will admit that it was done after very casual consideration, but the committee voted it in, and I had hoped that when the bill came up the amendment could be discussed on the floor and disposed of without the necessity of having the bill recommitted. Of course, if a motion is made to that effect, I shall not interfere with it, but I think "time is of the essence" in this matter; and if we could have a vote on the amendment now, it would greatly expedite the procedure.

Mr. McGILL. Mr. President, will the Senator yield?

Mr. BULKLEY. I yield.

Mr. McGILL. I wish to call to mind—I know it is not necessary in the case of the chairman of the committee, but the Senator from Ohio may not be familiar with it—that in 1935, when this very provision was in the bill, detailed hearings, lasting some 8 or 9 days, were held by the Senate committee, and some 50 or 60 pages of those hearings were devoted to this very proposal.

I can see no good reason why the bill should be recommitted to the committee solely for the purpose of hearings, for those interested have had ample opportunity to present their contentions to the committee.

Mr. PEPPER. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Ohio yield to the Senator from Florida?

Mr. BULKLEY. I yield.

Mr. PEPPER. May I ask the Senator from South Carolina if this is not what is known as the Bone amendment?

Mr. SMITH. I do not know absolutely as to that, but it is known as the fruit and vegetable amendment.

Mr. PEPPER. That is what I am interested in. May I further ask the Senator does he intend to have this measure disposed of in the absence of the Senator from Washington?

Mr. SMITH. So far as I, as chairman of the committee, am concerned, it seems to me that if there is any new matter which it is desired to discuss, that would be persuasive; but, as the Senator from Kansas [Mr. McGILL] has just said, exhaustive hearings were held, and then the amendment was incorporated in the bill, although when it came to the floor of the Senate the amendment was rejected.

Mr. McNARY. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Ohio yield to the Senator from Oregon?

Mr. BULKLEY. I yield.

Mr. McNARY. Mr. President, the amendment referred to is known as the Bone amendment; there can be no mistake about that.

Mr. SMITH. Yes; I think that is so.

Mr. McNARY. In the absence of the Senator from Washington [Mr. BONE] it was proposed in the committee by his colleague, the junior Senator from Washington [Mr. SCHWELLENBACH]. The amendment includes in this bill, which is directed to improve the conditions of the dairy industry canned goods by including them in marketing agreements as provided in the A. A. A. Act, which was held unconstitutional by the Supreme Court. The bill as introduced provided only for milk to come within its provisions. When the bill came up for consideration a meeting was called for another purpose; this amendment was offered, and without debate or consideration was incorporated in the bill.

When the original A. A. A. bill was under consideration before the Senate Committee on Agriculture and Forestry in 1933 vegetable producers objected to the inclusion of canned goods in that measure, and canned goods were not included. They are still objecting, I am informed, to the inclusion of canned goods.

I have had from my State, Oregon, a number of telegrams from cooperative growers who opposed canned goods coming within the provisions of the act, and I think, in all fairness, they should have an opportunity to be heard. If the bill is not recommitted to the Committee on Agriculture and Forestry, I will ask that it go over at this time.

Mr. AUSTIN. Mr. President, will the Senator yield for a statement in regard to this matter?

Mr. McNARY. I yield to the Senator, who, I know, is very much interested in the provision as applied to the dairy industry.

Mr. AUSTIN. Mr. President, if there should not be a very urgent reason for this bill going over, I should like to ask the Senate for an opportunity to elicit some evidence of the critical situation in the northeastern section of the United States which calls for action on this bill. I will not, however, detain the Senate by doing more than to read a telegram I received this morning, which, I will say, is only one of a great many communications I have received from citizens of Vermont upon this subject. This particular telegram comes from the Governor of the State and is, perhaps, entitled to weight on that account. It reads as follows:

> Passage of marketing-agreement amendment apparently only hope for 15,000 Vermont dairymen. Situation critical and haste needed.
>
> GEORGE AIKEN, *Governor.*

I have had similar communications from the commissioner of agriculture and from the heads of various cooperatives and of various agricultural associations and societies in the State.

It has been represented to me that in all the depression there has never been such a chaotic condition among the producers of milk in that section of the United States as there is today. From sources upon which I rely I am informed that unless relief is provided to stabilize the market, promptly forthwith some of our best producers will be driven out of business.

Unless there is a real cause for delay in the matter I think the affirmative urgency of the situation calls for prompt action by the Congress. It is true that the interest which now arises for debate is well represented and set forth in that part of the hearings which begin at page 149 of the hearings on S. 1807, March 7 to 16, 1935, both inclusive. If those hearings cover the principle, I think the Senate ought to consider it upon the request for delay and ought to proceed as early as convenient to the consideration of the bill.

Mr. SMITH. Mr. President, why would it not expedite the matter for the Senate now to take action on this one amendment? As I understand, nearly all Senators with whom I have had any conversation in reference to the matter are agreeable to the provisions of the bill except the fruit and vegetable provision. As the Senator from Oregon [Mr. McNARY] said, the amendment was brought up in the committee and adopted casually to await the action of the Senate. Now for it to occasion such delay as would be necessary to bring the witnesses here and have them testify and cover the same ground they did before it seems to me would not be fair. I think the Senate understands the situation sufficiently to vote up or vote down the fruit and vegetable provision.

Mr. BULKLEY. Mr. President, my constituents had assurance that they would have an opportunity to be heard on the matter, and I do not feel they should be foreclosed. However, though the Senator feels it would expedite the matter to take the action he has suggested, I think it would be better if the Senate should not now proceed to the consideration of the bill, and then in the next few days we will see what we can do about it. I object to the present consideration of the bill.

Mr. MOORE. Mr. President, New Jersey has been in the same situation with reference to the milk question. For months conditions have been serious for the milk producers, and Congress should do something to save the situation. This is a matter of great importance to us. The milk producers are in urgent need of remedial legislation. It seems to me very important that the bill, so far as these interests are concerned, should be passed promptly.

Mr. PEPPER. Mr. President, I desire to ask the Senator from South Carolina [Mr. SMITH] a question. I think the cause of the disturbance is the feeling most of us have that the canners in our States are not in favor of the Bone amendment. I am in favor of the bill. Is the Senator, as chairman of the committee, disposed to press for passage of the bill, including the Bone amendment?

Mr. SMITH. No. I may state to the Senator from Florida, in view of the action of the Senate committee after deliberate and extensive hearings, the bill was voted out of the Committee on Agriculture and Forestry. If the Senator from Ohio [Mr. BULKLEY] is agreeable, I, as chairman of the committee, will move to strike out the amendment and let it go to a vote.

Mr. PEPPER. That would be satisfactory to me.

Mr. McGILL. Mr. President, before a vote is had there should be a quorum call. The Senator from Washington [Mr. SCHWELLENBACH] is not on the floor at the moment. As he offered the amendment and, of course, is interested in it, I think there should be a quorum call before a vote is taken on the amendment.

Mr. SMITH. If the Senator from Ohio will withdraw his objection, I should like to follow the procedure which I have just indicated. I fully realize the condition in which the milk producers find themselves.

Mr. BULKLEY. I do not want to be in the position of preventing the passage of the bill. In view of the Senator's assurance and wishes, I withdraw my objection.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. FRAZIER. Mr. President, the bill was reported from the committee in my absence the other day. I was present at the hearings of the farm bureau group, but had an appointment in the city and had to leave. When I returned I found that the bill had been ordered reported.

A dairy farmer from Maryland was in my office afterward and complained very bitterly about the milk provision and thought there ought to be an amendment. He said he wanted to work out an amendment. He has not yet brought it to my office, but I expect to hear from him today or tomorrow. I should like to have the bill go over until the next call of the calendar so that I may have an opportunity to see what his amendment may be. He claims the bill is against the best interests of the independent dairymen. Therefore, Mr. President, I ask that the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

Mr. VANDENBERG. I call for the regular order.

LILLIAN J. GLINN

The PRESIDENT pro tempore. The Clerk will state the next bill in order on the calendar.

The bill (S. 727) validating homestead entry, Billings 029004, of Lillian J. Glinn was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the stock-raising homestead entry, Billings 029004, made by Lillian J. Glinn on June 28, 1927, as amended, for all of section 32, township 7 south, range 54 east, Montana principal meridian, is hereby validated, and the Secretary of the Interior is hereby authorized to accept the final proof submitted by the entrywoman, now Lillian J. Castleberry, in support of said homestead entry on December 20, 1934, and to issue patent for the entry in regular course.

FEDERAL SURPLUS COMMODITIES CORPORATION

The Senate proceeded to consider the bill (S. 2439) to extend the time for purchase and distribution of surplus agricultural commodities for relief purposes and to continue the Federal Surplus Commodities Corporation, which was read, as follows:

Be it enacted, etc., That in carrying out the provisions of clause (2) of section 32 of the act approved August 24, 1935 (49 Stat. 774), as amended, the Secretary of Agriculture may transfer to the Federal Surplus Commodities Corporation, which Corporation is hereby continued, until June 30, 1939, as an agency of the United States under the direction of the Secretary of Agriculture, such funds, appropriated by said section 32, as may be necessary for the purpose of effectuating said clause (2) of section 32: *Provided*, That such transferred funds, together with other funds of the Corporation, may be used for purchasing, exchanging, processing, distributing, disposing, transporting, storing, and handling of agricultural commodities and products thereof and inspection costs, commissions, and other incidental costs and expenses, without regard to the provisions of existing law governing the expenditure of public funds and for administrative expenses, including rent, printing and binding, and the employment of persons and means, in the District of Columbia and elsewhere, such employment of persons to be in accordance with the provisions of law applicable to the employment of persons by the Agricultural Adjustment Administration.

In carrying out clause (2) of section 32, the funds appropriated by said section may be used for the purchase, without regard to the provisions of existing law governing the expenditure of public funds of agricultural commodities and products thereof, and such commodities, as well as agricultural commodities and products thereof purchased under the preceding paragraph hereof, may be donated for relief purposes.

Mr. McNARY. Mr. President, I think the able Senator from Idaho [Mr. POPE] should explain the provisions of the bill.

Mr. POPE. Mr. President, the purpose of the bill is to extend the provisions of the Federal Surplus Commodities Corporation Act. I think most Senators are familiar with the work of that Corporation during the last 2 years. In this connection I ask to have inserted in the RECORD a rather complete statement of the commodities which have been handled and the States where they have been purchased and turned over to relief organizations.

A question was raised in the hearings before the Committee on Agriculture and Forestry recently with reference to the effect this might have upon imports of commodities such as butter and cheese. In the first place, the commodities which have been handled are considerable in number, including apples, beans, cabbage, carrots, cauliflower, butter, cheese, and a great many others. I have a statement showing the months in which the purchases were made and also the imports of the commodities during the same months.

The administrators of the act claim that it has no effect upon imports at all; that the purchases are always made when the price of the commodities is very low, due to a surplus of the commodities in a given State or community; that since the price is very low it has no effect upon imports. The table which I have asked to have made a part of my remarks shows that during the very months when the greatest purchases were made there were very small imports, for the very reason, as I have said, that the price was so low imports did not come in.

Mr. McNARY. I have no objection.

Mr. POPE. It seems to me very important that the bill be passed in order that the Jones-Connally Act and others may be extended.

I ask permission to have printed in the RECORD the statement to which I refer.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Commodities procured by A. A. A. and donated by Federal Surplus Commodities Corporation, Jan. 1, 1936, through Apr. 30, 1937

COMMODITY AND STATES OF PURCHASE		Quantity
Apples: California, Connecticut, Idaho, Illinois, Indiana, Maryland, Massachusetts, Michigan, Missouri, New Hampshire, New Jersey, New York, Ohio, Oregon, Pennsylvania, Virginia, Washington, West Virginia	bushels	1,372,275
Beans (dried): California, Michigan, Mississippi	pounds	2,400,000
Cabbage: Alabama, Louisiana, New York	do	8,751,931
Carrots: New York	do	2,637,900
Cauliflower: Colorado, Oregon	crates	18,670
Grapefruit: Arizona, California, Florida, Texas	boxes	2,155,428
Grapefruit juice: Florida, Texas	cases	715,070
Onions: California, Colorado, Idaho, Massachusetts, Michigan, New York, Ohio, Oregon, Texas, Utah, Washington	pounds	35,573,637
Oranges: California, Florida	boxes	198,312
Peas (dried): Idaho, Washington	pounds	13,501,765
Peaches (dried): California	do	2,940,000
Pears: California, Washington	boxes	234,682
Prunes: California, Idaho, Oregon, Washington	pounds	60,572,200
Sirup: Alabama, Florida, Georgia, Louisiana	gallons	263,068
Butter: Illinois, Massachusetts, New York, Oregon. From all tributary producing areas	pounds	3,343,420
Cheese: Missouri, New Jersey, Oregon, Wisconsin. From tributary producing areas	pounds	932,038
Eggs: Arkansas, California, Connecticut, Florida, Illinois, Indiana, Maryland, Massachusetts, Michigan, Missouri, Nebraska, New Hampshire, New York, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, Texas, Utah, Washington, District of Columbia	cases	306,469
Milk (dry skim): California, Idaho, Illinois, Kansas, Maryland, Michigan, Minnesota, Nebraska, New York, Ohio, Oregon, Pennsylvania, Tennessee, Utah, Vermont, Washington, Wisconsin	pounds	16,477,513
Milk (evaporated): California, Illinois, Indiana, Maryland, Michigan, Missouri, New York, Ohio, Pennsylvania, Washington, Wisconsin	cases	509,800
Wheat (for flour and mill feed): Idaho, Indiana, Kentucky, New York, Ohio, Oregon, Washington	bushels	3,041,824
Cattle and calves (for dressed beef and veal): Colorado, Illinois, Indiana, Iowa, Kansas, Minnesota, Missouri, Montana, Nebraska, North Dakota, Oklahoma, South Dakota, Texas, Wisconsin, and Wyoming	head	3,633
Cotton (raw, bale): Alabama, Arkansas, California, Florida, Georgia, Louisiana, Massachusetts, Mississippi, New Jersey, New York, North Carolina, South Carolina, Tennessee, Texas	bales	50,000
Cotton ticking: Alabama, Georgia, and Louisiana	yards	4,746,452
Cotton fabric: Georgia and North Carolina	do	2,870,534
Cotton mats: Connecticut and Texas	pieces	89,535
Cotton—miscellaneous products: District of Columbia	yards	2,000

Surplus commodities procured by Agricultural Adjustment Administration for donation to relief agencies, fiscal year 1936

		Quantity
Apples (fresh)	bushels	1,372,275
Beans (dried)	pounds	1,200,000
Cabbage	do	8,751,931
Carrots	do	2,637,900
Grapefruit	boxes	31,480
Onions	pounds	32,425,600
Oranges	boxes	198,312
Peas (dried)	pounds	7,502,295
Prunes (dried)	do	17,632,425
Eggs	cases	31,472
Wheat (for flour)	bushels	3,027,643
Cotton (raw bales for mattresses)	bales	50,000
Cotton ticking	yards	4,750,076
Butter	pounds	9,207,175
Cheese	do	1,074,031
Milk (dry skim)	do	8,791,034
Milk (evaporated)	cases 48 tall	358,400
Sugar	pounds	2,500,000

Surplus commodities procured by Agricultural Adjustment Administration for donation to relief agencies, fiscal year 1937, to May 15, 1937

		Quantity
Beans	pounds	1,200,000
Cauliflower	crates	78,670
Grapefruit	boxes	2,123,948
Grapefruit juice	cases	715,070
Onions	pounds	3,148,037
Peas (dried)	do	5,999,470
Peaches (dried)	do	2,940,000
Pears	boxes	234,682
Prunes	pounds	42,939,775

Surplus commodities procured by Agricultural Adjustment Administration for donation to relief agencies, fiscal year 1937, to May 15, 1937—Continued

		Quantity
Sirup	gallons	263,068
Butter	pounds	392,117
Eggs	cases	274,997
Milk (dry skim)	pounds	12,881,850
Milk (evaporated)	cases	368,200
Wheat (for flour and mill feed)	bushels	14,181
Cattle and calves (for dressed beef and veal)	head	3,663

Government purchases of butter and cheese, United States imports, and variation from month to month in imports January 1935 to February 1937

Year and month	Butter			Cheese		
	Purchases by Government	Imports by United States	Each month's imports as percent of total for year	Purchases by Government	Imports by United States	Each month's imports as percent of total for year
1935	*Pounds*	*Pounds*	*Percent*	*Pounds*	*Pounds*	*Percent*
January		539,000	2.4		3,575,000	7.3
February		3,070,000	13.5		4,084,000	8.3
March		4,929,000	21.7		4,220,000	8.6
April		8,860,000	39.1		4,455,000	9.1
May		2,665,000	11.8		3,735,000	7.6
June	797,654	1,437,000	6.3	49,982	3,836,000	7.8
July	3,493,770	177,000	.8		2,832,000	5.8
August		149,000	.7		3,647,000	7.5
September	1,593,572	122,000	.5		3,632,000	7.4
October	1,111,619	108,000	.5	141,993	6,015,000	12.3
November	56,911	277,000	1.2		5,880,000	12.1
December		341,000	1.5		3,022,000	6.2
Total	7,053,526	22,674,000	100.0	191,975	48,933,000	100.0
1936						
January		860,000	8.7		3,240,000	5.4
February		2,191,000	22.2		3,794,000	6.3
March	627,207	577,000	5.8		5,693,000	9.5
April	999,683	661,000	6.7		4,217,000	7.0
May	1,324,413	224,000	2.3	630,379	3,152,000	5.3
June		168,000	1.7	301,660	4,257,000	7.1
July		308,000	3.1		5,463,000	9.1
August		1,182,000	12.0		6,452,000	10.8
September		539,000	5.5		5,796,000	9.7
October		648,000	6.6		5,675,000	9.5
November		1,361,000	13.8		5,881,000	9.8
December		1,155,000	11.6		6,229,000	10.5
Total	2,951,303	9,874,000	100.0	932,039	59,849,000	100.0
1937						
January		2,390,000			5,022,000	
February	33,692	2,915,000			4,697,000	

The PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. LEWIS. Mr. President, at this point in the proceedings of the Senate I desire to address myself for 1 or 2 moments to a matter contained in the President's message sent to the Congress this morning.

Mr. McNARY. Mr. President, I always enjoy being particularly courteous to the Senator from Illinois, as he well knows, but I suggest that we finish the call of the calendar, which we are proceeding to do under the unanimous-consent agreement, and then we shall all be very happy to listen to the able Senator from Illinois.

Mr. LEWIS. Very well. I do not wish to interfere with the program, of course. I shall ask unanimous consent to proceed at the conclusion of the call of the calendar to a brief discussion of the President's message in its application to certain subjects therein referred to which are very important to this body.

YOSEMITE NATIONAL PARK

The Senate proceeded to consider the bill (S. 1791) to provide for the acquisition of certain lands for and the addition thereof to the Yosemite National Park, in the State of California, and for other purposes, which had been reported from the Committee on Public Lands and Surveys with an amendment, on page 2, line 1, after the word "quarter", to insert "southeast quarter, northwest quarter", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized to acquire, by purchase when purchaseable at prices deemed by him reasonable, otherwise by condemnation under the provisions of the act of August 1, 1888, on behalf of the United States under any fund or moneys available for such purpose, except from the general fund of the Treasury, any of the following-described lands in the State of California now in private ownership, to wit: Section 25, lots 3, 4, 5, 8, and 9, section 34, northeast quarter, southeast quarter, northwest quarter, lots 1 to 10, inclusive, section 35, section 36, township 1 south, range 19 east; southeast quarter northwest quarter, east half southwest quarter, southeast quarter, lots 2, 3, and 4, section 30, section 31, township 1 south, range 20 east; sections 1, 2, and 3, east half section 10, sections 11 and 12, north half section 14, northeast quarter section 15, township 2 south, range 19 east; southeast quarter northwest quarter, east half southwest quarter, lots 3 to 7, inclusive, section 6, township 2 south, range 20 east, Mount Diablo meridian.

SEC. 2. When title to the aforesaid privately owned lands has been vested in the United States, all of the lands described in section 1 hereof shall be added to and become a part of the Yosemite National Park and shall be subject to all laws and regulations applicable thereto: *Provided*, That nothing in this act shall be construed to affect any valid existing rights.

SEC. 3. The provisions of the act approved June 10, 1920, as amended, known as the Federal Water Power Act, shall not apply to any of the lands added to the Yosemite National Park pursuant to the provisions of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. McCARRAN subsequently said: Mr. President, inadvertently Calendar No. 583, being Senate bill 1791, was passed without my noticing it. I ask that the Senate return to the bill for the purpose of asking a reconsideration, and then that it may go over.

Mr. BYRNES. Mr. President, I did not understand that the bill had been passed.

Mr. McCARRAN. I understand that it was passed without objection.

Mr. BYRNES. When the bill was called on the calendar, I rose to make an inquiry of the Senator in charge of the bill.

Mr. McCARRAN. I understand; but I also understand that the bill passed. I now ask that that action be reconsidered, because I understood the Senator from South Carolina to ask that an explanation be given, and I was about to ask that the bill go over; and I now ask that it go over.

The PRESIDENT pro tempore. The Chair will state the parliamentary situation. The Senator from Nevada asks unanimous consent that the votes by which Senate bill 1791 was ordered to be engrossed for a third reading and passed be reconsidered, and that the bill go over. Is there objection?

Mr. McADOO. Mr. President, I hope the Senator will withdraw his objection. Did the Senator object to the consideration of the bill?

Mr. McCARRAN. I am going to object when it comes up. The bill passed without my knowing it.

Mr. McADOO. I am sorry for that; but, Mr. President, this measure is quite important to my State of California, because it is the intention of the logging companies to begin cutting the timber on this tract of 7,000 acres of land adjoining the Yosemite National Park just as quickly as the snow permits them to go upon the ground. That time is rapidly approaching, and it is important to have this bill promptly enacted, if it is to be enacted at all.

If the bill is to be considered, I shall be glad to discuss it and explain it to the Senate.

The PRESIDENT pro tempore. The parliamentary situation is that the Senator from Nevada [Mr. McCARRAN] asks unanimous consent to reconsider the votes by which the bill was ordered to be engrossed for a third reading and passed. Is there objection? The Chair hears none, and the bill is before the Senate for consideration.

The Senator from Nevada now objects to the consideration of the bill, and it will be passed over.

HOT SPRINGS NATIONAL PARK, ARK.

The bill (H. R. 4655) to accept the cession by the State of Arkansas of jurisdiction over all lands now or hereafter

included within the Hot Springs National Park, Ark., and for other purposes, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the provisions of an act of the Legislature of the State of Arkansas, approved March 25, 1933 (no. 166), ceding to the United States jurisdiction over all lands now or hereafter included within the Hot Springs National Park, are hereby accepted, and the provisions of the act approved April 20, 1904 (33 Stat. 187), as amended by the acts of March 2, 1907 (34 Stat. 1218), and March 3, 1911 (36 Stat. 1086), relating to the Hot Springs Mountain Reservation, Ark., are hereby extended to all lands now or hereafter included within said park.

R. N. TEAGUE AND MINNIE TEAGUE

The Senate proceeded to consider the bill (H. R. 2630) for the relief of R. N. Teague and Minnie Teague, which had been reported from the Committee on Claims with an amendment, on page 1, line 5, after the word "Treasury", to strike out "not otherwise appropriated" and insert "allocated by the President for the maintenance and operation of the Civilian Conservation Corps", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury allocated by the President for the maintenance and operation of the Civilian Conservation Corps, to R. N. Teague, Lambert, Miss., the sum of $1,000, and to Minnie Teague, Lambert, Miss., the sum of $750. The payment of such sums shall be in full settlement of all claims against the United States for damages and injuries sustained by them when the vehicle in which they were riding was struck, on Arkansas State Highway 167, near Sheridan, Ark., November 1, 1934, by a vehicle in the service of the Civilian Conservation Corps: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

HAROLD SCOTT AND ELLIS MARKS

The Senate proceeded to consider the bill (H. R. 5456) for the relief of Harold Scott and Ellis Marks which had been reported from the Committee on Claims with an amendment, on page 1, line 4, after the word "Treasury", to strike out "not otherwise appropriated" and insert "allocated by the President for the maintenance and operation of the Civilian Conservation Corps", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury allocated by the President for the maintenance and operation of the Civilian Conservation Corps, to Harold Scott, Bay City, Mich., the sum of $2,000, and to Ellis Marks, Bay City, Mich., the sum of $3,000, in full settlement of all claims against the United States for personal injuries and resulting damages sustained by them when the truck in which they were riding was struck from the rear by an Emergency Conservation Work truck being driven at an excessive rate of speed by an enrollee of the Civilian Conservation Corps, on October 30, 1935, near Frederic, Crawford County, Mich.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with these claims, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

ELBERT ARNOLD JARRELL

The Senate proceeded to consider the bill (H. R. 703) for the relief of Elbert Arnold Jarrell, which had been reported from the Committee on Claims with amendments, on page 1, line 5, after the word "Treasury" to strike out "not otherwise appropriated" and insert "allocated by the President for the maintenance and operation of the Civilian Conservation Corps"; and in line 8, before the words " in full", to strike out "$8,211" and insert "$5,000", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury allocated by the President for the maintenance and operation of the Civilian Conservation Corps, to Elbert Arnold Jarrell the sum of $5,000 in full settlement of all claims against the United States for damages suffered by reason of being struck and seriously injured by a Government truck which was driven by an enrollee of the Civilian Conservation Corps, on March 16, 1934, near Friendship, Ohio, which has resulted in his being unable to provide for himself, his wife, and his six children: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

WILLIAM RANDOLPH CASON

The bill (H. R. 3268) for the relief of William Randolph Cason was considered, ordered to a third reading, read the third time, and passed.

GREAT NORTHERN RAILWAY CO.

The bill (H. R. 3354) for the relief of the Great Northern Railway Co. was considered, ordered to a third reading, read the third time, and passed.

LON D. WORSHAM CO.

The bill (H. R. 564) for the relief of Lon D. Worsham Co. was considered, ordered to a third reading, read the third time, and passed.

ELIZA BOYKIN

The bill (H. R. 3926) for the relief of Eliza Boykin was considered, ordered to a third reading, read the third time, and passed.

CHARLES W. BENTON

The Senate proceeded to consider the bill (H. R. 5214) conferring jurisdiction upon the United States District Court for the Eastern District of Arkansas to hear, determine, and render judgment upon the claim of Charles W. Benton, which had been reported from the Committee on Claims with an amendment, on page 1, line 7, after the word "for", to insert "alleged", so as to make the bill read:

Be it enacted, etc., That jurisdiction is hereby conferred upon the United States District Court for the Eastern District of Arkansas to hear, determine, and render judgment, as if the United States were suable in tort, upon the claim of Charles W. Benton, of Beebe, Ark., for alleged damages resulting from personal injuries sustained by him on December 14, 1936, on account of the alleged explosion of dynamite caps or other explosives stored or left on his farm near Beebe, White County, Ark., by employees of the Beebe-Floyd-Romance, Ark., road project, an undertaking of the Works Progress Administration of the United States.

SEC. 2. Suit upon such claim may be instituted at any time within 1 year after the enactment of this act, notwithstanding the lapse of time or any statute of limitations. Proceedings for the determination of such claim, appeals therefrom, and payment of any judgment thereon shall be in the same manner as in the cases over which such court has jurisdiction under the provisions of paragraph 20 of section 24 of the Judicial Code, as amended: *Provided*, That the judgment, if any, shall not exceed the sum of $2,500.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

HORACE HUTCHESON, A MINOR

The bill (H. R. 1280) for the relief of Horace Hutcheson, a minor, was considered, ordered to a third reading, read the third time, and passed.

HEDWIG GRASSMAN STEHN

The bill (H. R. 2469) for the relief of Hedwig Grassman Stehn was considered, ordered to a third reading, read the third time, and passed.

MILES C. BAXTER AND OTHERS

The bill (H. R. 4870) for the relief of Miles C. Baxter, Anse Cockran, Sam Cornett, Mrs. Louie Hesterly, and Mrs. George Lovell was considered, ordered to a third reading, read the third time, and passed.

JOHN KNAACK

The Senate proceeded to consider the bill (H. R. 2090) for the relief of John Knaack, which had been reported from the Committee on Claims with an amendment, on page 1, line 5, after the words "sum of"; to strike out "$3,500" and insert "$2,500", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to John Knaack, of Chicago Heights, Ill., the sum of $2,500, out of any money in the Treasury allocated by the President for the maintenance and operation of the Civilian Conservation Corps, and in full settlement of all claims against the Government of the United States, and reimbursement for medical service, to said John Knaack, who was injured January 9, 1935, when he was run into by a truck working out of Camp DSP–12, Thornton, of the Department of the Interior, National Park Service, State Park Division, Civilian Conservation Corps, on the Glenwood Road, Chicago Heights, Ill.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

TRENT TRUST CO., LTD.

The resolution (S. Res. 136) referring the bill (S. 2155) for the relief of the Trent Trust Co., Ltd., to the Court of Claims for findings of fact was considered and agreed to, as follows:

Resolved, That the bill (S. 2155) entitled "A bill for the relief of the Trent Trust Co., Ltd.", now pending in the Senate, together with all the accompanying papers, be, and the same is hereby, referred to the Court of Claims, in pursuance of the provisions of an act entitled "An act to codify, revise, and amend the laws relating to the judiciary", approved March 3, 1911; and the said court shall proceed with the same in accordance with the provisions of such act and report to the Senate in accordance therewith.

MARION M'GLOTHLIN AND OTHERS

The bill (H. R. 860) for the relief of Marion McGlothlin, the Baylor Hospital, Dr. F. M. Gilbert, and Dr. T. C. Gilbert was considered, ordered to a third reading, read the third time, and passed.

MISSISSIPPI RIVER BRIDGE, NATCHEZ, MISS.

The bill (S. 2116) to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Natchez, Miss., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge across the Mississippi River, at or near Natchez, Miss., authorized to be built by the city of Natchez and county of Adams, State of Mississippi, by the act of Congress approved August 30, 1935, as amended by the act of Congress approved May 1, 1936, are hereby extended 1 and 3 years, respectively, from August 30, 1937.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

COLUMBIA RIVER BRIDGE, ASTORIA, OREG.

The bill (S. 2205) to extend the times for commencing and completing the construction of a bridge across the Columbia River at Astoria, Clatsop County, Oreg., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge across the Columbia River at Astoria, Clatsop County, Oreg., authorized to be built by the Oregon-Washington Bridge Board of Trustees by an act of Congress approved June 13, 1934, as heretofore extended by acts of Congress approved August 30, 1935, and January 27, 1936, are further extended 1 and 3 years, respectively, from June 13, 1937.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

SUPPLEMENT TO COMPILATION OF TREATIES, ETC.

The resolution (S. Res. 132) for the preparation of a supplement to the compilation of treaties, conventions, international laws, and protocols since March 4, 1923, was considered and agreed to, as follows:

Resolved, That there be prepared, under the direction of the Committee on Foreign Relations, a revised supplement to the compilation entitled "Treaties, conventions, international acts, and protocols between the United States and other powers, 1776–1923", to include treaties, conventions, important protocols, and international acts to which the United States may have been a party since March 4, 1923.

INTERNATIONAL CONGRESS OF ARCHITECTS

The joint resolution (S. J. Res. 111) to provide that the United States extend to foreign governments invitations to participate in the International Congress of Architects to be held in the United States during the calendar year 1939, and to authorize an appropriation to assist in meeting the expenses of the session, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, That the President be, and is hereby, authorized and requested to invite foreign governments to participate in the International Congress of Architects to be held in the United States during the calendar year 1939.

SEC. 2. That the sum of $20,000, or so much thereof as may be necessary, is hereby authorized to be appropriated for the expenses of organizing and holding the Fifteenth International Congress of Architects, including personal services in the District of Columbia and elsewhere without regard to the Classification Act of 1923, as amended, communication services, stenographic and other services by contract if deemed necessary without regard to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5); travel expenses, local transportation, hire of motor-propelled passenger-carrying vehicles, rent in the District of Columbia and elsewhere, printing and binding, entertainment, official cards, purchase of newspapers and periodicals, necessary books and documents, stationery, membership badges, and such other expenses as may be actually and necessarily incurred by the Government of the United States by reason of observance of appropriate courtesies in connection therewith, and such other expenses as may be authorized by the Secretary of State, including the reimbursement of other appropriations from which payments have been made for any purposes herein specified, for the fiscal year 1939.

ELEVENTH INTERNATIONAL DAIRY CONGRESS

The joint resolution (H. J. Res. 193) to authorize an appropriation for the expenses of participation by the United States in the Eleventh International Dairy Congress, Berlin, Germany, in 1937, was considered, ordered to a third reading, read the third time, and passed.

LAND IN AMOY, CHINA

The bill (H. R. 3473) to authorize the Secretary of State to sell, for a price, transfer, and convey the title, rights, and interest of this Government in a lot situated at Sin Lu T'ou Jetty, Kulangsu, Amoy, China, was considered, ordered to a third reading, read the third time, and passed.

POTOMAC RIVER BRIDGE, DAHLGREN, VA.

The bill (H. R. 4794) to extend the times for commencing and completing the construction of a bridge across the Potomac River at or near Dahlgren, Va., was considered, ordered to a third reading, read the third time, and passed.

PEARL RIVER BRIDGE, JACKSON, MISS.

The bill (H. R. 5579) granting the consent of Congress to the State of Mississippi to construct, maintain, and operate a free highway bridge across Pearl River at or near Jackson, in Hinds County, Miss., was considered, ordered to a third reading, read the third time, and passed.

MONONGAHELA, ALLEGHENY, AND YOUGHIOGHENY RIVERS BRIDGE, PENNSYLVANIA

The bill (H. R. 5694) to extend the times for commencing and completing the construction of certain bridges across the Monongahela, Allegheny, and Youghiogheny Rivers, in the county of Allegheny, Pa., was considered, ordered to a third reading, read the third time, and passed.

MISSISSIPPI RIVER BRIDGE, ST. LOUIS, MO.-EAST ST. LOUIS, ILL.

The bill (H. R. 5468) to extend the times for commencing and completing the construction of a bridge across the Mis-

sissippi River at or near a point between Morgan and Wash Streets in the city of St. Louis, Mo., and a point opposite thereto in the city of East St. Louis, Ill., was considered, ordered to a third reading, read the third time, and passed.

The PRESIDENT pro tempore. That completes the call of the calendar under the unanimous-consent agreement.

AGRICULTURAL MARKETING AGREEMENTS

Mr. SMITH. Mr. President, I move that the Senate proceed to the consideration of House bill 5722, to reenact and amend provisions of the Agricultural Adjustment Act, as amended, relating to marketing agreements and orders.

The PRESIDENT pro tempore. The question is on the motion of the Senator from South Carolina.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Agriculture and Forestry, with amendments.

Mr. SMITH. Mr. President, I move to strike from the bill the so-called fruits and vegetables amendment appearing on page 3, beginning with line 11 and including line 17.

The PRESIDENT pro tempore. Let the Chair state the parliamentary situation.

The committee has reported an amendment. It is unnecessary to move to strike out the committee amendment, because the question arises on the adoption of the committee amendment. All those who favor striking it out will vote "no." So the question is on the adoption of the amendment which is opposed by the Senator from South Carolina, who has moved to strike it out. The same result will be attained by voting against the amendment.

Mr. SMITH. Mr. President, I think the Senate is ready for a vote on this amendment without any further delay.

The first amendment of the Committee on Agriculture and Forestry was, on page 3, after line 10, to insert the following new paragraph:

(d) Section 8c (2) is amended by striking out "and not including fruits, other than olives, for canning"; and by striking out "(not including vegetables, other than asparagus, for canning)"; and by inserting after the words "except the products of naval stores" the words "and the products of honeybees" and after "soybeans" the following: "honeybees."

The PRESIDENT pro tempore. The question is on agreeing to the first amendment reported by the committee.

The amendment was rejected.

Mr. COPELAND. Mr. President, I desire to ask the Senator from South Carolina about the section on page 4 relating to milk prices. Was there a hearing on the bill?

Mr. SMITH. As I understand the procedure, all those interested collaborated with the Department in preparing the bill.

Mr. COPELAND. Was there any opposition to it?

Mr. SMITH. None.

Mr. COPELAND. I am assured by my distinguished friend from New Jersey [Mr. MOORE], whose dairy interests are the same as mine, that this measure is acceptable to those who are interested.

The PRESIDENT pro tempore. There is another committee amendment.

The next amendment was, on page 3, after line 20, to insert the following new paragraph:

(f) Section 8c (6) is amended by striking out "and not including fruits, other than olives, for canning"; and by striking out "(not including vegetables, other than asparagus, for canning)"; and by inserting after "soybeans and their products" the following: "honeybees."

The PRESIDENT pro tempore. Without objection, the amendment will be agreed to.

Mr. BULKLEY. Mr. President, I object to agreeing to the amendment.

The PRESIDENT pro tempore. The question is on agreeing to the amendment reported by the committee.

The amendment was rejected.

The PRESIDENT pro tempore. The question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

Mr. ELLENDER subsequently said: Mr. President, a few minutes ago the Senate passed House bill 5722, to reenact and amend provisions of the Agricultural Adjustment Act, as amended, relative to marketing agreements and orders. I ask unanimous consent for a reconsideration of the votes by which the bill was ordered to a third reading, read the third time, and passed, as well as the vote rejecting the committee amendents. The purpose is to correct an error in the Senate's action on the two committee amendments.

I make the request in order to move that the committee amendment on page 3, lines 11 to 17, be amended by striking out the words "striking out 'and not including fruits, other than olives, for canning'; and by strikng out '(not including vegetables, other than asparagus, for canning)'; and by"; that the committee amendment, in lines 21 to 25 be similarly amended, and that the amendments, as amended, be then agreed to, and the bill as so amended be passed.

It was the purpose of the Senate to exclude from the bill the amendment pertaining to fruits and vegetables, but in the same amendment was an item with reference to honeybees.

Mr. BULKLEY. The sole purpose is to restore the honey bees to the bill?

Mr. ELLENDER. That is correct.

Mr. BULKLEY. I do not object.

Mr. SCHWELLENBACH. Mr. President, the amendment to which the Senator refers is one that was adopted by the committee, and provided for the inclusion of fruits and vegetables for canning within the bill relating to marketing agreements.

So far as concerns the farmers of my State who produce fruits and vegetables for canning, they are very anxious to have the privilege of coming under this bill. I understood, when the question came before the Senate a few minutes ago, that it was desirable not to amend the bill because of the fact that such an amendment might result in delay in the passage of the bill; that an acute condition existed in the dairy industry, and that it was therefore necessary to withdraw the support of the committee to the amendment in order that the bill might pass promptly, and the peculiar and difficult problems of the dairy industry might be taken care of.

I do not wish to stand in the way of any amendment which the Senator from Louisiana may have. I voted for the amendment in committee 2 years ago. I voted for it on the floor of the Senate. But if those who are producing fruits and vegetables for canning are willing to step aside in order to take care of a difficult situation so far as the dairy industry is concerned, I do not think any other producers in the country should attempt to delay the bill by insisting upon another amendment.

In view of the fact that we have been willing to step aside in favor of the dairy industry, I should like to ask the Senator from Louisiana whether those interested in honeybees should not also be willing to take a similar position. If that is not true, if there is a different attitude toward the amendment which the Senator from Louisiana has offered than toward the amendment in which we are interested, then some distinction could be made. But I call the attention of the Senate to the fact that 2 years ago the same amendment was presented to the Senate, and, after argument, was rejected. So I cannot see why one group of producers should be asked to step aside and another group of producers be permitted to come under the provisions of the measure.

The PRESIDING OFFICER (Mr. MCGILL in the chair). Is there objection to the unanimous-consent request of the Senator from Louisiana that the vote whereby the bill was ordered to a third reading, read the third time, and passed, be reconsidered?

Mr. AUSTIN. Mr. President, as I interpret the parliamentary situation the bill in its present form is just the same as when passed by the House. I should like to inquire whether that is a correct statement.

The PRESIDING OFFICER. Inasmuch as the Senate has rejected the committee amendments, the Chair is advised that the bill as passed by the Senate is now in the same form as when passed by the House.

Mr. AUSTIN. As I understand the request for unanimous consent, it is to reconsider for a definite and limited purpose. Is that the situation?

Mr. ELLENDER. That is my request.

Mr. SCHWELLENBACH. Mr. President, I shall have to object to that request. I will say to the Senator from Louisiana that if he will make a request for reconsideration of the whole bill generally——

Mr. ELLENDER. Mr. President, although my idea is to reconsider the bill for a definite and limited purpose, it was necessary that I request a reconsideration of the whole bill. In considering the committee amendments, I am certain that the Members of the Senate were under the impression that they were voting only on the amendment of the Senator from Washington [Mr. SCHWELLENBACH]. I for one thought the amendment of the Senator from Washington pertaining to fruits and vegetables was separate from the amendment pertaining to honey bees. When the first amendment was read by the clerk, it only referred to fruits and vegetables. I am sure that it was not the intention of the Senate to overlook the other committee amendment, with was with reference to honey bees. The Senator from Washington [Mr. SCHWELLENBACH] will recall that he presented his amendment with reference to fruits and vegetables before the Committee on Agriculture and Forestry and it was unanimously adopted, after which I offered a separate amendment with reference to honey bees, which was likewise unanimously adopted.

I naturally thought that the amendments would be considered by the Senate separately, and that is why I am asking for a reconsideration of the vote by which the bill was passed and the amendment rejected so that the amendment with reference to honey bees may be voted on as a separate proposal. I think that is a just and fair request, and I hope that the Senate will reconsider the vote.

Mr. AUSTIN. Inasmuch as the Presiding Officer has stated that the bill, as passed by the Senate, is in the same form and language as when passed by the other House, I object to the request for reconsideration.

The PRESIDING OFFICER. Objection is made.

Mr. ELLENDER. Mr. President, I am in thorough sympathy with the dairy industry. I am informed that the proponents of this measure are not really opposed to the amendments which have been rejected, but they fear that if the bill is amended, its final consideration will be considerably delayed, and the dairy industry will thereby suffer. It is my intention to offer a separate bill for the relief of the honey-bee industry.

THE PRESIDENT'S MESSAGE ON DUTY OF STATE TO THE CITIZEN

Mr. LEWIS. Mr. President, earlier in the day, when the message of the President came before this body touching the matter of relief to the needy, justice to the toiler, and righteousness generally to the oppressed, I was particularly attracted to observe in the President's message the following public statement to the country:

> No State is justified in sitting idly by and expecting the Federal Government to meet State responsibility for those labor conditions with which the State may effectively deal.

Mr. President, I take this occasion to note this passage in the President's message in order that I may bring that paragraph to the attention of the Senate and invite Senators to recognize for a moment its due portent, and what it now justifies us to indulge insofar as hopes in behalf of this Government being restored may be entertained. The President tells the country that he is not able to see why any State has the right to sit idly by and practically put upon the Federal Government the duties which are essentially those of the State in carrying out the obligations due to the citizens.

Mr. President, I observe in the public press that a large number of people in the city of New York yesterday paraded in public places objecting to the Congress assuming to pass legislation limiting relief to $1,500,000,000. I was attracted to the fact that the participants in this demonstration had at the same time compatriots in seven different States, giving voice to the same expression. I invite the attention of the country to the fact that here is a set of men who, not waiting to see whether there shall be necessity for relief at all, or, if there be such, whether the funds to be provided shall be sufficient for the purposes, proceed to denounce the Congress and demand that billions of dollars be promptly appropriated by Congress for distribution wherever certain combinations or organizations shall demand it.

If the conditions continue as they are now threatened, there is no treasure that can be exacted from the public purse and the public pocket that can possibly endure the demands. It is little less than a form of political cowardice for us to sit silent and allow these people to feel that by this form of hippodrome they can terrorize the Congress into doing that which is a robbery of the citizens.

Mr. President, the time has come when this Government must get back to the foundation principles of its existence, and to some degree carry out and fulfill the orders of its own destiny. If it is the purpose to convert the Government of the United States into a mere granary for the supply of all wants of mankind without regard to whence they come, regardless of whether the citizenry toil or spin, whether they labor or decline all industry, we will begin upon a course that will mean, first, the paralysis of all initiative of all business; then all manufacturing will cease, because it will be realized that whatever is produced is to be consumed by government, instead of accruing to the benefit of those who own the property, and justly distributed in wages to the toilers.

On the other hand, the farmer must bid good-bye to any aid to his farm designed to further his interests in a pursuit so elevating and historically renowned as is agriculture, because, sir, if the money is to be consumed by those in the cities who call for what they denominate relief merely because they will not work, or merely because, with work calling for them, they feel it is to their profit to shirk the work and to make no effort in behalf of sustaining themselves or the Government, then we are on the eve, I assure you, sir, of a condition in this Republic which will discourage progress in every form and, above all, will destroy every form of enterprise, and likewise discourage all men looking to the investment of whatever they may have in the way of possessions, either to increase their own business or to provide success in their enterprises for uses of others.

I cannot possibly overlook the fact that we are educating the States of America to the conclusion that they may set themselves down as one of a family in this Government and make a draft upon the Treasury for the purpose of getting funds to be distributed among themselves by the people themselves, and that without any regard to the relative constitutional limitations of the Federal Government on the one hand and the duty of the States on the other, or, sirs, the power of the Federal Government on the one hand and the rights of the people on the other.

Mr. President, the statement of the President of the United States sent to the Congress this morning is more far-reaching than possibly it was in his mind at the time to direct. He has gone further, possibly, than certain people in America expected. The President has found it agreeable to return to the fundamentals, and to announce to his country that his belief is, and he so asserts, that no State has a right to sit idly by and to demand of the Federal Government the executing of that which is the duty of the States both to enact and to protect.

This gives rise to the thought that there were reasons in the mind of the President that led him to make that assertion, and there cannot fail to be a feeling in the minds of my fellow Senators that there were in his understanding threats of invasion upon the rights of the Federal Government by those who now express it. He must have seen that a movement was generally afoot to overlook the distinction between the privilege of the people, on the one hand, and the duty of the Federal Government, on the other.

We have reached the point when the expenditure of billions of money should be an announcement to the public that we have done all we could do for relief, and to the full limit of our Treasury, and that hereafter there should not be any demand upon the Government save and except on behalf of

those who are so distressed that they are unable to toil or, where proof can be adduced, that they are unable to obtain work.

If it shall be said, as it seems to me now, that men may band themselves together in communities throughout this land and demand that the Congress shall increase appropriations to the amount of billions of dollars without regard to whether it shall ever be needed or not, and demand as a privilege that the Government shall tax its citizens to the extent of practically draining them of their purse, exhausting them of their treasure, and, in the name of taxation, leaving them bankrupt, to provide funds that are supposed to be justified as a gift and favor to mankind, this is the end of government, and such a situation should receive at once the condemnation of this legislative body. If there is a move afoot, as appears now from what we see, by hippodrome and otherwise to terrorize Congress to accept the theory that it has to vote appropriations in the sum of billions of dollars to exempt people from toil, let it be said such is being done as a license from the extremes to which they have been going. We cannot in the name of relief continue to pay patrimony in the form of a gift of the people's money to those who desire exemption from toil or of duty and responsibility to the Government.

It is time it should end. It is time there should come a voice from this body announcing that it never should have begun; but, having been begun, it should never be carried further than necessity actually justifies.

I turn to see what the resolution will be. We must understand that agriculture, with the aid given to it, produces something from the soil which goes out to feed the hungry and supply the necessitous, and provides a form of industry that is necessary to the welfare of the Republic. But if there shall continue to be a demand in the name of relief for millions upon millions of money monthly along streets and highways, we must ask whence shall the money come that shall go to the needs of agriculture and to the cultivation of that which is so necessary to the Republic? Where shall we obtain that to be consumed by those who merely wish to speculate upon what may be called the generosity or credulity of the Federal Government and to drain its resources so that they may either not work, make no effort to toil, or, toiling, however slightly, may have themselves supported by exactions that can give them luxury.

We have been making a great error, as I see the situation, in not informing the public that the United States is not a bureau created for the distribution of money to those who may demand it. Is the ordinary citizen to be held up upon the highway and, at the cry of "Hands up", to have his pockets rifled on the theory that it is the privilege of such as may accomplish it? Then is to be justified as against the Government in the name of "relief" and enforced in the name of taxation. Is there never to come a time when this country is honestly to meet face to face whatever burdens and evils shall be necessary to the honest citizen?

Therefore, Mr. President, I desire to emphasize the President's words in his message which comes to us this morning, when he says:

> No State is justified in sitting idly by and expecting the Federal Government to meet State responsibility.

Mr. President, the time has come when the Government must take some action to carry out the fundamentals of this Government and the fundamental doctrines on which it was erected, or to abandon it. We cannot play with it merely to truss it up on the one hand and violate it on the other. We are either a government of certain limited powers on the one hand and privileges on the other, or we are a government of human beings posing as agents of charity, assembling around the Treasury to raid it with every effort that may be made by force and power.

We have an institution which we speak of as the W. P. A. The initials become interesting. There is justification for much of the money it has expended. There will, no doubt, be some justification for some of the money which it will distribute in the future. But the time has come when that particular branch of our Government should be at an end. This Government is not a house of charity. This Government is not a house that arrays fellow citizens against one another. This Government is seeking now, as we rise into the evidence of prosperity, to provide for those who are helpless and without aid and without opportunity; but it is not to provide for those who merely seek from the Government, through power of politics, the right, sir, to pillage the Treasury. Nor have we the right, in the name of what appears to be taxation, to drain the citizen of all his possessions, rob business of its chances, and cut off the prospect of the prosperity it seeks.

How can the employer be put in the position where he can employ idle labor if we take from him his income in a manner, sir, that does nothing more than to rend it from him in order to distribute it among those who politically terrorize Congress to give it to them?

For that reason, sir, I rise to say these few words when I find that the President of the United States, true to the Constitution, faithful to his oath, consistent with his duty, announces the doctrine to which now is the time for us to turn.

Let the States and other political subdivisions show their capacity or their right to draw money from the Treasury of the Federal Government as a loan wherever the circumstances will wholly justify. Then let those localities, through their instrumentalities, through their officers of the law, distribute such money to the needy, or to whatever sources may seem to be just under their personal supervision. Then, sir, let the Federal Government proceed in every way it can to economize its own expenditures, cut off the useless burdens and bureaus, and thus in this manner bring the Government back to the basis on which the fathers erected it, and on which its sons have erected their hopes and future.

I congratulate the President that he has found it agreeable now to sound, as it were, a tocsin and a warning that he expects the States to turn to the discharge of their duties in their local governments, and not sit idly by and attempt to put upon the Federal Government the necessity of maintaining them, their counties, their cities, their people out of the Federal Treasury, as though, sir, it were a source to be drawn on for favor or gratuity and ever to be imposed upon because it silently or cowardly accepts that status and yields to it.

I rose at this moment to invite the attention of this honorable body to the declaration of the President in his message and to refresh ourselves in the belief that at last we are returning home to the house of our fathers. Let us, sir, realize that the time has come when no longer should we strike down institutions in order to serve political or personal purposes, and at no time should we ever do that which strikes down our institutions in the house of their guardian.

BENTON HARBOR CANAL, BENTON HARBOR, MICH.

Mr. VANDENBERG. Mr. President, out of order, from the Committee on Commerce, I report back favorably, without amendment House bill 5177, to declare the Benton Harbor Canal at and above the west line of Ninth Street, Benton Harbor, Mich., a nonnavigable stream; and I submit a report (No. 605) thereon.

I now ask for the immediate consideration of the bill. It merely declares the Benton Harbor Canal at Benton Harbor, Mich., a nonnavigable stream. The bill is approved by the War Department. The reason for immediate action is that dredges are working, and it is desired to have this vacated channel as the receptacle for the materials taken out in dredging.

Mr. BYRNES. Mr. President, was the report from the committee unanimously favorable?

Mr. VANDENBERG. There is no controversy of any nature.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 5177) to declare the Benton Harbor Canal at and above the west line of Ninth Street, Benton

Harbor, Mich., a nonnavigable stream, which was ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Benton Harbor Canal at and above the west line of Ninth Street, in the city of Benton Harbor and State of Michigan, be, and the same is hereby, declared to be not a navigable water of the United States within the meaning of the Constitution and laws of the United States.

SEC. 2. That the project for the Benton Harbor Canal, authorized by the River and Harbor Act of June 14, 1880, insofar as said project relates to said canal at and above the west line of Ninth Street, in the city of Benton Harbor, Mich., be, and the same is hereby, abandoned.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

EXECUTIVE SESSION

Mr. BYRNES. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. MCGILL in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

He also, from the Committee on Appropriations, reported favorably the following nominations:

Farrell D. Coyle, of Rhode Island, to be State administrator in the Works Progress Administration for Rhode Island; and

Vincent J. Sullivan, of Connecticut, to be State administrator in the Works Progress Administration for Connecticut, vice Robert A. Hurley, resigned.

Mr. HARRISON, from the Committee on Finance, reported favorably the nomination of James J. Connors, of Juneau, Alaska, to be collector of customs for customs collection district no. 31, with headquarters at Juneau, Alaska. (Reappointment.)

Mr. BAILEY, from the Committee on Finance, reported favorably the nomination of John Bright Hill, of Wilmington, N. C., to be collector of customs for customs collection district no. 15, with headquarters at Wilmington, N. C. (Reappointment.)

Mr. PEPPER, from the Committee on Education and Labor, reported favorably the nomination of John J. Keegan, of Florida, to be a member of the United States Employees' Compensation Commission for the term of 6 years from March 15, 1937, vice Harry Bassett, term expired.

Mr. SHEPPARD, from the Committee on Military Affairs, reported favorably the nomination of Brig. Gen. Edmund de Schweinitz, Inactive Reserve, to be brigadier general, Inactive Reserve, under the provisions of law. (Reappointment.)

He also, from the same committee, reported favorably the nominations of several citizens and officers for appointment in the Regular Army.

The PRESIDING OFFICER. The reports will be placed on the Executive Calendar.

If there be no further reports of committees, the clerk will state in order the nominations on the calendar.

DIPLOMATIC AND FOREIGN SERVICE

The Chief Clerk read the nomination of Alvin Mansfield Owsley, of Texas, to be Envoy Extraordinary and Minister Plenipotentiary to Denmark.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of John Cudahy, of Wisconsin, to be Envoy Extraordinary and Minister Plenipotentiary to the Irish Free State.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Edwin L. Neville, of Ohio, to be Envoy Extraordinary and Minister Plenipotentiary to Siam.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

CONSUL GENERAL—HOMER BRETT

The Chief Clerk read the nomination of Homer Brett, of Mississippi, to be consul general.

Mr. BILBO. I am not rising to object to that nomination, but I ask that it go over for investigation.

The PRESIDING OFFICER. The nomination will be passed over.

POSTMASTERS

The Chief Clerk proceeded to read sundry nominations of postmasters.

Mr. BYRNES. I ask unanimous consent that the nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations of postmasters are confirmed en bloc.

IN THE NAVY

The Chief Clerk proceeded to read sundry nominations in the Navy.

Mr. BYRNES. I make the same request with respect to nominations in the Navy, that they be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations in the Navy are confirmed en bloc.

IN THE MARINE CORPS

The Chief Clerk proceeded to read sundry nominations in the Marine Corps.

Mr. BYRNES. I also ask that the nominations in the Marine Corps be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations in the Marine Corps are confirmed en bloc.

That completes the Executive Calendar.

ADJOURNMENT TO WEDNESDAY

Mr. BYRNES. I move that the Senate adjourn until 12 o'clock noon on Wednesday next.

The motion was agreed to; and (at 2 o'clock and 3 minutes p. m.) the Senate adjourned until Wednesday, May 26, 1937, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 24, 1937

WORKS PROGRESS ADMINISTRATION

Ron Stevens, of Oklahoma, to be State administrator in the Works Progress Administration for Oklahoma, vice W. S. Key, resigned.

RESETTLEMENT ADMINISTRATION

Newell S. Boardman, of Wisconsin, to be Regional Director of the Resettlement Administration, vice R. I. Nowell, resigned.

PUBLIC UTILITIES COMMISSION, DISTRICT OF COLUMBIA

Riley E. Elgen, of the District of Columbia, to be a member of the Public Utilities Commission of the District of Columbia for a term of 3 years from July 1, 1937. (Reappointment.)

UNITED STATES PUBLIC HEALTH SERVICE

Passed Assistant Surgeon Raymond A. Vonderlehr to be Surgeon in the United States Public Health Service, to rank as such from April 10, 1937.

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY

TO ADJUTANT GENERAL'S DEPARTMENT

Maj. Jess Garnett Boykin, Cavalry, with rank from October 12, 1935.

TO QUARTERMASTER CORPS

Maj. Thomas Ernest Campbell, Infantry, with rank from August 1, 1935.

PROMOTIONS IN THE REGULAR ARMY OF THE UNITED STATES

MEDICAL CORPS

To be lieutenant colonels

Maj. Andrew William Smith, Medical Corps, from June 1, 1937.

Maj. James Wesley Duckworth, Medical Corps, from June 1, 1937.
Maj. Henry Edgar Keely, Medical Corps, from June 1, 1937.
Maj. Ralph Hayward Simmons, Medical Corps, from June 1, 1937.
Maj. Walter Franz von Zelinski, Medical Corps, from June 2, 1937.
Maj. James Brent Anderson, Medical Corps, from June 2, 1937.
Maj. Jarrett Matthew Huddleston, Medical Corps, from June 2, 1937.
Maj. Albert Bowen, Medical Corps, from June 3, 1937.
Maj. Louis Archie Milne, Medical Corps, from June 3, 1937.
Maj. John Pierce Beeson, Medical Corps, from June 3, 1937.
Maj. James Monroe Troutt, Medical Corps, from June 4, 1937.
Maj. Howard Tilghman Wickert, Medical Corps, from June 7, 1937.
Maj. Nelson Allen Myll, Medical Corps, from June 10, 1937.
Maj. James Vincent Falisi, Medical Corps, from June 10, 1937.
Maj. Harold Paine Sawyer, Medical Corps, from June 13, 1937.
Maj. Frank Ernest Winter, Medical Corps, from June 14, 1937.
Maj. William George McKay, Medical Corps, from June 14, 1937.
Maj. Frederic Hamilton Thorne, Medical Corps, from June 14, 1937.
Maj. James Roy Hudnall, Medical Corps, from June 14, 1937.
Maj. Elton Lacroix Titus, Medical Corps, from June 16, 1937.
Maj. Reginald Ducat, Medical Corps, from June 16, 1937.
Maj. Henry Shedd Beckford, Medical Corps, from June 18, 1937.
Maj. John Andrews Rogers, Medical Corps, from June 18, 1937.
Maj. Guy Blair Denit, Medical Corps, from June 18, 1937.
Maj. Charles Rice Lanahan, Medical Corps, from June 20, 1937.
Maj. Read Benedict Harding, Medical Corps, from June 21, 1937.
Maj. Lowyd Whitcombe Ballantyne, Medical Corps, from June 26, 1937.
Maj. Seymour Crandall Schwartz, Medical Corps, from June 30, 1937.

To be major

Capt. Frank Bolles Wakeman, Medical Corps, from June 4, 1937.

To be captains

First Lt. Wayne Ross Weaver, Medical Corps, from June 1, 1937.
First Lt. William John Long Porcher, Medical Corps, from June 1, 1937.
First Lt. Albert Alfred Biederman, Medical Corps, from June 14, 1937.
First Lt. Thomas William Mattingly, Medical Corps, from June 17, 1937.
First Lt. William Hugh Latimer Westbrook, Jr., Medical Corps, from June 18, 1937.
First Lt. William Fred Patient, Medical Corps, from June 18, 1937.
First Lt. Alfred August Grebe, Medical Corps, from June 19, 1937.
First Lt. Joseph Frank Peters, Medical Corps, from June 20, 1937.
First Lt. Donald Davis Flickinger, Medical Corps, from June 24, 1937.
First Lt. Albert Marion Richmond, Medical Corps, from June 26, 1937.
First Lt. Edward Morris DeYoung, Medical Corps, from June 27, 1937.

DENTAL CORPS

To be lieutenant colonel

Maj. Beverley Morrison Epes, Dental Corps, from June 5, 1937.

VETERINARY CORPS

To be lieutenant colonels

Maj. Kenneth Earl Buffin, Veterinary Corps, from June 11, 1937.
Maj. William Roy Wolfe, Veterinary Corps, from June 23, 1937.

CHAPLAIN

To be chaplain with the rank of lieutenant colonel

Chaplain (Maj.) Henry Nathan Blanchard, United States Army, June 13, 1937.

PROMOTIONS IN THE REGULAR ARMY

TO BE CAPTAINS WITH RANK FROM JUNE 14, 1937

First Lt. Hans William Holmer, Corps of Engineers.
First Lt. Harold Albert Kurstedt, Corps of Engineers.
First Lt. Edward Grow Daly, Corps of Engineers.
First Lt. Donald Chamberlin Hawkins, Corps of Engineers.
First Lt. Theodore Addison Weyher, Corps of Engineers.
First Lt. Robert Hammiell Naylor, Corps of Engineers
First Lt. Paul Dunn Charles Berrigan, Corps of Engineers.
First Lt. Henry Gordon Douglas, Corps of Engineers.
First Lt. Joseph Winston Cox, Jr., Corps of Engineers.
First Lt. George Townsend Derby, Corps of Engineers.
First Lt. Max Sherred Johnson, Corps of Engineers.
First Lt. Lee Bird Washbourne, Corps of Engineers.
First Lt. John Robert Crume, Jr., Corps of Engineers.
First Lt. George Woodburne McGregor, Air Corps.
First Lt. John Leonard Hines, Jr., Cavalry.
First Lt. Charles Albert Harrington, Air Corps.
First Lt. Charles H. McNutt, Corps of Engineers.
First Lt. Herman Walter Schull, Jr., Corps of Engineers.
First Lt. Elmer Blair Garland, Signal Corps.
First Lt. Loren Davis Pegg, Cavalry.
First Lt. Garrison Holt Davidson, Corps of Engineers.
First Lt. Woodbury Megrew Burgess, Cavalry.
First Lt. Manuel José Asensio, Corps of Engineers.
First Lt. Cecil Winfield Land, Field Artillery.
First Lt. Frederick Everett Day, Coast Artillery Corps.
First Lt. Frederic Joseph Brown, Field Artillery.
First Lt. Edwin William Chamberlain, Coast Artillery Corps.
First Lt. Alvin Louis Pachynski, Signal Corps.
First Lt. Harry Oliver Paxson, Corps of Engineers.
First Lt. Henry Joseph Hoeffer, Corps of Engineers.
First Lt. Maurice Francis Daly, Air Corps.
First Lt. Fred Wallace Kunesh, Signal Corps.
First Lt. Alexander Macomb Miller, 3d, Cavalry.
First Lt. Gerald Francis Lillard, Field Artillery.
First Lt. George Fenton Peirce, Coast Artillery Corps.
First Lt. William Hamilton Hunter, Cavalry.
First Lt. Francis Cecil Foster, Field Artillery.
First Lt. James Wilson Green, Jr., Signal Corps.
First Lt. Parmer Wiley Edwards, Coast Artillery Corps.
First Lt. Francis Elliot Howard, Infantry.
First Lt. Laurence Sherman Kuter, Air Corps.
First Lt. William Perry Pence, Signal Corps.
First Lt. Thomas Morgan Watlington, Jr., Field Artillery.
First Lt. William Lewis McNamee, Coast Artillery Corps.
First Lt. Thomas John Hall Trapnell, Cavalry.
First Lt. John Raymond Lovell, Coast Artillery Corps.
First Lt. Raymond Wiley Curtis, Cavalry.
First Lt. Kenneth Earl Thiebaud, Infantry.
First Lt. Reynolds Condon, Field Artillery.
First Lt. Charles Brundy Brown, Signal Corps.
First Lt. Edward Gilbert Farrand, Field Artillery.
First Lt. Mason Fred Stober, Field Artillery.
First Lt. Willard Burton Carlock, Infantry.
First Lt. George McCoy, Jr., Air Corps.
First Lt. George Lucien Richon, Signal Corps.
First Lt. Charles Richard Hutchison, Field Artillery.

First Lt. Stanley Burton Bonner, Field Artillery.
First Lt. Edward Pont Mechling, Ordnance Department.
First Lt. Julius Theodore Flock, Air Corps.
First Lt. Robert Graham Lowe, Cavalry.
First Lt. Charles Everett Dunham, Coast Artillery Corps.
First Lt. George Edward Martin, Infantry.
First Lt. John Milton Burdge, Jr., Field Artillery.
First Lt. Bertram Arthur Holtzworth, Field Artillery.
First Lt. Frederick Andrew Granholm, Field Artillery.
First Lt. Charles Pennoyer Bixel, Cavalry.
First Lt. Robert Griffith Turner, Infantry.
First Lt. Alex Norwood Williams, Jr., Field Artillery.
First Lt. Jeremiah Paul Holland, Field Artillery.
First Lt. John Mills Sterling, Air Corps.
First Lt. Edward James Francis Glavin, Infantry.
First Lt. Mark Kincaid Lewis, Jr., Air Corps.
First Lt. Joseph Howard Gilbreth, Infantry.
First Lt. James Francis Collins, Field Artillery.
First Lt. Horace Alvord Quinn, Ordnance Department.
First Lt. Lee Roy Williams, Infantry.
First Lt. James Virgil Thompson, Infantry.
First Lt. Henri Anthony Luebbermann, Cavalry.
First Lt. Harold James Coyle, Field Artillery.
First Lt. Paul Edwin Meredith, Quartermaster Corps.
First Lt. Olaf Helgesen Kyster, Jr., Coast Artillery Corps.
First Lt. Orrin Leigh Grover, Air Corps.
First Lt. Harry Forrest Townsend, Coast Artillery Corps.
First Lt. Francis Scoon Gardner, Field Artillery.
First Lt. Forester Hampton Sinclair, Field Artillery.
First Lt. Walter Morris Johnson, Infantry.
First Lt. Harold Stanley Isaacson, Field Artillery.
First Lt. Willis Webb Whelchel, Field Artillery.
First Lt. Albert Harvey Dickerson, Infantry.
First Lt. Leander LaChance Doan, Cavalry.
First Lt. Arthur Edwin Solem, Field Artillery.
First Lt. Theodore Kalakuka, Cavalry.
First Lt. Charlie Wesner, Field Artillery.
First Lt. Henry Magruder Zeller, Cavalry.
First Lt. Orville Melvin Hewitt, Infantry.
First Lt. Arthur Layton Cobb, Field Artillery.
First Lt. Meredith Donald Masters, Field Artillery, subject to examination required by law.
First Lt. Lewis Hinchman Ham, Field Artillery.
First Lt. Virgil Miles Kimm, Coast Artillery Corps.
First Lt. Milton Merrill Towner, Air Corps.
First Lt. Robert Curtis White, Field Artillery.
First Lt. William Jordan Verbeck, Infantry.
First Lt. Aloysius Joseph Lepping, Coast Artillery Corps.
First Lt. Joseph Ganahl, Field Artillery.
First Lt. Fay Roscoe Upthegrove, Air Corps.
First Lt. John Marion Moore, Quartermaster Corps.
First Lt. Stuart Wood, Field Artillery.
First Lt. Lawrence Edward Shaw, Coast Artillery Corps.
First Lt. Matthew Kemp Deichelmann, Coast Artillery Corps.
First Lt. Nathan Alton McLamb, Coast Artillery Corps.
First Lt. William Jefferson Glasgow, Jr., Infantry.
First Lt. Charles Bertody Stone, 3d, Air Corps.
First Lt. Frank Thomas Ostenberg, Coast Artillery Corps.
First Lt. John Harold Kochevar, Coast Artillery Corps.
First Lt. Ernest Benjamin Gray, Infantry.
First Lt. Douglas Campbell, Infantry.
First Lt. William Joseph Phelan, Infantry.
First Lt. Joy Thomas Wrean, Coast Artillery Corps.
First Lt. John Joseph Holst, Coast Artillery Corps.
First Lt. Arthur Roth, Coast Artillery Corps.
First Lt. Carl Sherman Graybeal, Infantry.
First Lt. Ralph Wise Zwicker, Infantry.
First Lt. Woodson Finch Hocker, Infantry, subject to examination required by law.
First Lt. Cyril Edward Williams, Infantry.
First Lt. Vachel Davis Whatley, Jr., Infantry.
First Lt. Harry Ellery McKinney, Infantry.
First Lt. Carl Elliott Lundquist, Infantry.
First Lt. Antulio Segarra, Infantry.
First Lt. Guy Stanley Meloy, Jr., Infantry.
First Lt. George Van Horn Moseley, Jr., Infantry.
First Lt. Roy William Axup, Infantry.
First Lt. John Walker Kirby, Air Corps.
First Lt. Forrest Anthony Hornisher, Infantry.
First Lt. Raymond Earle Bell, Infantry.
First Lt. Dudley George Strickler, Infantry.
First Lt. Dana Powers McGown, Infantry.
First Lt. Charles Boal Ewing, Infantry.
First Lt. Felix Alex Todd, Jr., Infantry.
First Lt. Barney Avant Daughtry, Infantry.
First Lt. Philip DeWitt Ginder, Infantry.
First Lt. Ralph Edwin Doty, Infantry.
First Lt. Howell Hopson Jordan, Infantry.
First Lt. Robert Frederick Sink, Infantry.
First Lt. Elmer Matthew Webb, Quartermaster Corps.
First Lt. John Prame Kaylor, Infantry.
First Lt. Christian Gotthard Nelson, Field Artillery.
First Lt. Gilbert McKee Allen, Jr., Infantry.
First Lt. Calvin Louis Whittle, Infantry.
First Lt. George Emericus Bender, Infantry, subject to examination required by law.
First Lt. Jack Henry Griffith, Infantry.
First Lt. Robert Campbell Aloe, Infantry.
First Lt. Montgomery McKee, Infantry.
First Lt. Nelson Irving Fooks, Infantry.
First Lt. Lawton Butler, Infantry.
First Lt. Marion Huggins, Air Corps.
First Lt. Martin Moses, Infantry.
First Lt. Robert John West, Jr., Field Artillery.
First Lt. Edgar Daniel Stark, Infantry.
First Lt. David Drew Hedekin, Infantry.
First Lt. James William Smyly, Jr., Infantry.
First Lt. Raymund Gregory Stanton, Infantry.
First Lt. Neil Bosworth Harding, Air Corps.
First Lt. Jesse Floyd Dressler, Infantry.
First Lt. Willis Small Matthews, Infantry.
First Lt. Robert Lewis Easton, Air Corps.
First Lt. Henry Malone Bailey, Air Corps.
First Lt. Fred Leroy Thorpe, Infantry.
First Lt. William Rapier Francis Bleakney, Infantry.

TO BE CAPTAINS WITH RANK FROM JUNE 16, 1937

First Lt. Harold Henry Hunt, Field Artillery.
First Lt. Joseph Lawrence Dark, Infantry.
First Lt. Walter William Gross, Air Corps.
First Lt. Joseph George Felber, Infantry.
First Lt. Otto Clyde George, Air Corps.
First Lt. John N. Jones, Air Corps.

TO BE CAPTAINS WITH RANK FROM JUNE 30, 1937

First Lt. Morris Miller Bauer, Corps of Engineers.
First Lt. Frank Alfred Lightfoot, Field Artillery.
First Lt. John Richmond Pitman, Jr., Field Artillery.
First Lt. George Selman, Infantry.
First Lt. Earl Clarence Bergquist, Infantry.
First Lt. Richard Chase, Infantry.
First Lt. Albert Neil Hickey, Infantry.
First Lt. Ronald Irving Pride, Field Artillery.
First Lt. Royce Alison Drake, Cavalry.
First Lt. Paul Alfred Disney, Cavalry.
First Lt. Leo William De Rosier, Air Corps.
First Lt. Gordon Philip Saville, Air Corps.
First Lt. Charles Bernard Overacker, Jr., Air Corps.
First Lt. George Henry Macnair, Air Corps.
First Lt. Louis Howard Foote, Corps of Engineers.
First Lt. James Arthur Ellison, Air Corps.
First Lt. Hoyt Leroy Prindle, Air Corps.
First Lt. James Franklin Walsh, Air Corps.
First Lt. George Richard Geer, Air Corps.
First Lt. Martin Joseph Morin, Infantry.
First Lt. Donald Wright Benner, Air Corps.
First Lt. Lawrence Henry Douthit, Air Corps.
First Lt. George Robert Acheson, Air Corps.
First Lt. Frank Hamlet Robinson, Air Corps.
First Lt. Waldine Winston Messmore, Air Corps.
First Lt. Herbert Melvin Newstrom, Air Corps.
First Lt. Allen Ralph Springer, Air Corps.

First Lt. Franklin Calhoun Wolfe, Air Corps.
First Lt. Ford Larimore Fair, Air Corps.
First Lt. Ivan Maurice Palmer, Air Corps.
First Lt. Joseph Gerard Hopkins, Air Corps.

TO BE FIRST LIEUTENANTS WITH RANK FROM JUNE 12, 1937

Second Lt. Charles Francis Tank, Corps of Engineers.
Second Lt. Thomas DeForth Rogers, Corps of Engineers.
Second Lt. John Burroughs Cary, Air Corps.
Second Lt. James Fuller Miller, Jr., Infantry.
Second Lt. Robert Erlenkotter, Corps of Engineers.
Second Lt. John Heughes Donoghue, Corps of Engineers.
Second Lt. Staunton Lindsley Brown, Corps of Engineers.
Second Lt. Richard Moser Sieg, Corps of Engineers.
Second Lt. Joseph Lemual Johnson, Corps of Engineers.
Second Lt. Ferdinand Julian Tate, Corps of Engineers.
Second Lt. Burton Blodgett Bruce, Corps of Engineers.
Second Lt. Robert George MacDonnell, Corps of Engineers.
Second Lt. Paul Carter Ashworth, Air Corps.
Second Lt. Charles Leon Andrews, Coast Artillery Corps.
Second Lt. Walter Jackson Renfroe, Jr., Infantry.
Second Lt. William Joslin Himes, Corps of Engineers.
Second Lt. Robert Beauchamp Miller, Signal Corps.
Second Lt. Charles Francis Fell, Signal Corps.
Second Lt. Charles Rea Revie, Field Artillery.
Second Lt. Paul Douglas Wood, Infantry.
Second Lt. Joseph Ochsenschlager Killian, Corps of Engineers.
Second Lt. Thomas Heber Lipscomb, Corps of Engineers.
Second Lt. James Edward Walsh, Corps of Engineers.
Second Lt. Austin Wortham Betts, Corps of Engineers.
Second Lt. John Page Buehler, Corps of Engineers.
Second Lt. Paul Henry Berkowitz, Corps of Engineers.
Second Lt. Edward Walter Moore, Coast Artillery Corps.
Second Lt. Seymour Irving Gilman, Coast Artillery Corps.
Second Lt. Curtis Delano Sluman, Air Corps.
Second Lt. Byron Elias Brugge, Air Corps.
Second Lt. Robert Butler Warren, Corps of Engineers.
Second Lt. Thompson Brooke Maury, 3d, Field Artillery.
Second Lt. Wilford Edward Harry Voehl, Coast Artillery Corps.
Second Lt. John Jacob Stark, Coast Artillery Corps.
Second Lt. William Sebastian Stone, Air Corps.
Second Lt. Jonathan Owen Seaman, Field Artillery.
Second Lt. Kermit LeVelle Davis, Field Artillery.
Second Lt. Ellis Oakes Davis, Corps of Engineers.
Second Lt. William Loveland Rogers, Corps of Engineers.
Second Lt. George Bernard Dany, Air Corps.
Second Lt. Harvey Julius Jablonsky, Coast Artillery Corps.
Second Lt. Urquhart Pullen Williams, Field Artillery.
Second Lt. Peter Samuel Peca, Coast Artillery Corps.
Second Lt. Lawson S. Moseley, Jr., Air Corps.
Second Lt. Richard Ringo Moorman, Coast Artillery Corps.
Second Lt. Jean Paul Craig, Field Artillery.
Second Lt. James Oscar Baker, Coast Artillery Corps.
Second Lt. Lewis Kaspar Beazley, Coast Artillery Corps.
Second Lt. John Hicks Anderson, Corps of Engineers.
Second Lt. Severin Richard Beyma, Coast Artillery Corps.
Second Lt. Thomas Leslie Crystal, Jr., Field Artillery.
Second Lt. Frederic Wood Barnes, Cavalry.
Second Lt. William Beehler Bunker, Corps of Engineers.
Second Lt. Theodore Frelinghuysen Hoffman, Coast Artillery Corps.
Second Lt. Miles Birkett Chatfield, Field Artillery.
Second Lt. Howard Marshall Batson, Jr., Field Artillery.
Second Lt. Charles Henry White, Jr., Field Artillery.
Second Lt. William Jack Holzapfel, Jr., Air Corps.
Second Lt. Mathew Valois Pothier, Field Artillery.
Second Lt. Joseph Sylvester Piram, Coast Artillery Corps.
Second Lt. George Edward Adams, Field Artillery.
Second Lt. Almon White Manlove, Infantry.
Second Lt. John DuVal Stevens, Coast Artillery Corps.
Second Lt. Yale Harold Wolfe, Coast Artillery Corps.
Second Lt. John Farnsworth Smoller, Field Artillery.
Second Lt. Craig Smyser, Corps of Engineers.
Second Lt. Franklin Kemble, Jr., Coast Artillery Corps.
Second Lt. Henry Richardson Hester, Infantry.
Second Lt. Gersen Leo Kushner, Coast Artillery Corps.
Second Lt. Richard Edward Weber, Jr., Field Artillery.
Second Lt. Robert Waight Fuller, 3d, Cavalry.
Second Lt. James Alexander Costain, Field Artillery.
Second Lt. Charles Warren Schnabel, Corps of Engineers.
Second Lt. Harold Charles Davall, Infantry.
Second Lt. Carl Delbert Womack, Cavalry.
Second Lt. Robert Gardner Baker, Field Artillery.
Second Lt. Ronald LeVerne Martin, Field Artillery.
Second Lt. George Julius Weitzel, Coast Artillery Corps.
Second Lt. Charles Wadsworth Hill, Coast Artillery Corps.
Second Lt. Gene Huggins Tibbets, Air Corps.
Second Lt. Donald Oliver Vars, Cavalry.
Second Lt. George Francis Wells, Infantry.
Second Lt. Henry William Ebel, Coast Artillery Corps.
Second Lt. Paul Tompkins Hanley, Air Corps.
Second Lt. Jack Edward Shuck, Air Corps.
Second Lt. David Belmont Routh, Coast Artillery Corps.
Second Lt. Leroy Carl Miller, Infantry.
Second Lt. Travis Ludwell Petty, Cavalry.
Second Lt. Peter James Kopcsak, Field Artillery.
Second Lt. Robert Griffith Finkenaur, Coast Artillery Corps.
Second Lt. William Scott Penn, Jr., Field Artillery.
Second Lt. John dePeyster Townsend Hills, Air Corps.
Second Lt. Frank Willoughby Moorman, Infantry.
Second Lt. Horace Lake Sanders, Field Artillery.
Second Lt. Merlin Louis DeGuire, Infantry.
Second Lt. Alexander James Stuart, Jr., Coast Artillery Corps.
Second Lt. Harrison Francis Turner, Coast Artillery Corps.
Second Lt. Percy Thomas Hennigar, Field Artillery.
Second Lt. William Monte Canterbury, Air Corps.
Second Lt. Kenneth Riffel Kenerick, Coast Artillery Corps.
Second Lt. Richard Lee McKee, Field Artillery.
Second Lt. Jerome Edward Blair, 2d, Air Corps.
Second Lt. Stacy William Gooch, Field Artillery.
Second Lt. Clark Lynn, Jr., Field Artillery.
Second Lt. Edward Flanick, Air Corps.
Second Lt. Leo William Henry Shaughnessey, Infantry.
Second Lt. Harry Jenkins Hubbard, Field Artillery.
Second Lt. Samuel Knox Yarbrough, Jr., Field Artillery.
Second Lt. Joe Free Surratt, Field Artillery.
Second Lt. Charles John Bondley, Jr., Coast Artillery Corps.
Second Lt. William Milton Gross, Air Corps.
Second Lt. Claude Norris Howard, Infantry.
Second Lt. Dale Orville Smith, Air Corps.
Second Lt. Gordon Graham Warner, Field Artillery.
Second Lt. Hudson Hutton Upham, Air Corps.
Second Lt. Albert Patterson Mossman, Infantry.
Second Lt. Robert Carl Bahr, Field Artillery.
Second Lt. Frank Carter Norvell, Air Corps.
Second Lt. John Walker Darrah, Jr., Cavalry.
Second Lt. Robert Hawkins Adams, Field Artillery.
Second Lt. Donald Glover McLennan, Field Artillery.
Second Lt. John Francis Franklin, Jr., Cavalry.
Second Lt. Theodore Gilmore Bilbo, Jr., Field Artillery.
Second Lt. Perry Bruce Griffith, Cavalry.
Second Lt. Berton Everett Spivy, Jr., Field Artillery.
Second Lt. Stilson Hilton Smith, Jr., Infantry.
Second Lt. Kenneth Alonzo Cunin, Field Artillery.
Second Lt. Lawrence Kent Meade, Field Artillery.
Second Lt. Thomas Eugene Wood, Field Artillery.
Second Lt. Fredric Carson Cook, Infantry.
Second Lt. Lloyd Elmer Fellenz, Infantry.
Second Lt. Joseph Michael Cummins, Jr., Infantry.
Second Lt. Percival Stanley Brown, Infantry.
Second Lt. Thomas Clary Foote, Field Artillery.
Second Lt. John Huber Squier, Field Artillery.
Second Lt. Charles Bernadou Elliott, Jr., Field Artillery.
Second Lt. James Richard Winn, Field Artillery.
Second Lt. Louis Lee Ingram, Coast Artillery Corps.
Second Lt. Daniel Henry Heyne, Field Artillery.

Second Lt. Harry Evans Lardin, Cavalry.
Second Lt. Paul Burlingame, Jr., Air Corps.
Second Lt. Wilson Hawkes Neal, Air Corps.
Second Lt. Elvin Seth Ligon, Jr., Air Corps.
Second Lt. Charles Herbert Wood, Infantry.
Second Lt. John Wentworth Merrill, Infantry.
Second Lt. Charles Burton Winkle, Air Corps.
Second Lt. Herbert Marvin Baker, Jr., Air Corps.
Second Lt. George Rolfe Walton, Infantry.
Second Lt. Theorode Fiquet Hurt, Jr., Cavalry.
Second Lt. Thew Joseph Ice, Jr., Infantry.
Second Lt. Dana Watterson Johnston, Jr., Cavalry.
Second Lt. Daniel Murray Cheston, 3d, Infantry.
Second Lt. John Monroe Hutchison, Air Corps.
Second Lt. Edmund Waller Wilkes, Infantry.
Second Lt. Daniel Edward Still, Cavalry.
Second Lt. Clifford Guldlin Simenson, Infantry.
Second Lt. Richard Albert Smith, Cavalry.
Second Lt. Arno Herman Luehman, Air Corps.
Second Lt. Paul Lawrence Barton, Infantry.
Second Lt. Frank Joseph Caufield, Infantry.
Second Lt. James William Snee, Cavalry.
Second Lt. Floyd Felice Forte, Infantry.
Second Lt. James Dudley Wilmeth, Infantry.
Second Lt. Joseph Aloysius Cleary, Cavalry.
Second Lt. Stanley Holmes, Infantry.
Second Lt. William Starr Van Nostrand, Cavalry.
Second Lt. Raymond Judson Reeves, Air Corps.
Second Lt. Harry Lester Hillyard, Infantry.
Second Lt. Robert Hugh Bennett, Infantry.
Second Lt. William Hutcheson Craig, Infantry.
Second Lt. William Harvey Wise, Air Corps.
Second Lt. Richard Andrew Legg, Air Corps.
Second Lt. Ralph Doak McKinney, Infantry.
Second Lt. Gerald Joseph Higgins, Infantry.
Second Lt. Harvey Thompson Alness, Air Corps.
Second Lt. Charles Edward Johnson, Infantry.
Second Lt. Robert Carson Kyser, Infantry.
Second Lt. John Dixon Lawlor, Infantry.
Second Lt. Russell William Volckmann, Infantry.
Second Lt. Donald Linscott Durfee, Infantry.
Second Lt. Victor Charles Huffsmith, Infantry.
Second Lt. Sidney Thompson Telford, Infantry.
Second Lt. Hallett Daniel Edson, Infantry.
Second Lt. Edwin Rusteberg, Infantry.
Second Lt. Albert Theodore Wilson, Jr., Air Corps.
Second Lt. Karl Trueheart Gould, Cavalry.
Second Lt. Harold Webb Browning, Infantry.
Second Lt. Herbert Hadley Andrae, Infantry.
Second Lt. William Frederick Northam, Infantry.
Second Lt. George Lowe Eatman, Infantry.
Second Lt. John Berchman Stanley, Infantry.
Second Lt. John William White, Air Corps.
Second Lt. Charles Edward Brown, Infantry.
Second Lt. Nathaniel Plummer Ward, 3d, Infantry.
Second Lt. James Buchanan Wells, Infantry.
Second Lt. Donald Adams McPheron, Infantry.
Second Lt. Thomas Hogan Hayes, Infantry.
Second Lt. Robert Herbert Sanders, Infantry.
Second Lt. Paul Lee Turner, Jr., Infantry.
Second Lt. Arthur Lafayette Inman, Infantry.
Second Lt. Stanley Joseph Donovan, Air Corps.
Second Lt. Harold Conly Brookhart, Infantry.
Second Lt. Edward Messmore O'Connell, Infantry.
Second Lt. Russell Walker Jenna, Infantry.
Second Lt. Gerhard Leroy Bolland, Infantry.
Second Lt. William Bentley Kern, Infantry.
Second Lt. Louis Alfred Walsh, Jr., Infantry.
Second Lt. George Horner Gerhart, Infantry.
Second Lt. Thomas Andrew McCrary, Infantry.
Second Lt. John George Benner, Field Artillery.
Second Lt. Eugene Harrington Cloud, Infantry.
Second Lt. Dale Emerson Huber, Infantry.
Second Lt. Travis Tabor Brown, Infantry.
Second Lt. Edwin Gantt Hickman, Field Artillery.
Second Lt. John Elwood Mead, Infantry.
Second Lt. David Lyon Hollingsworth, Cavalry.
Second Lt. William Alexander Cunningham, 3d, Infantry.
Second Lt. Edward Ernest Bruno Weber, Infantry.
Second Lt. Meade Julian Dugas, Infantry.
Second Lt. Thomas Almon O'Neil, Infantry.
Second Lt. Emory Alexander Lewis, Infantry.
Second Lt. Samuel Alfred Luttrell, Infantry.
Second Lt. William Joseph Mullen, Jr., Infantry.
Second Lt. William Hammond Waugh, Jr., Infantry.
Second Lt. Henry Neilson, Infantry.
Second Lt. William Graham Barnwell, Jr., Infantry.
Second Lt. Robert Hector McKinnon, Infantry.
Second Lt. Oliver Prescott Robinson, Jr., Field Artillery.
Second Lt. Dennis John McMahon, Infantry.
Second Lt. James O'Hara, Infantry.
Second Lt. Robert Nabors Tyson, Field Artillery.
Second Lt. Joseph Edward Barzynski, Jr., Infantry.
Second Lt. John Buchanan Richardson, Jr., Infantry.

PROMOTION IN THE PHILIPPINE SCOUTS

First Lt. Bienvenido Mobo Alba, Philippine Scouts, to be captain with rank from June 15, 1937.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 24, 1937

ENVOYS EXTRAORDINARY AND MINISTERS PLENIPOTENTIARY

Alvin Mansfield Owsley to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Denmark.

John Cudahy to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to the Irish Free State.

Edwin L. Neville to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Siam.

PROMOTIONS IN THE NAVY

To be captain

David I. Hedrick

To be commanders

Lyman K. Swenson
Walter W. Webb

To be lieutenants

Frederick C. Marggraff, Jr.
August W. Lentz
Albert S. Carter
Matthew Radom
Clarence M. Bowley
Frederick E. Moore
Joe E. Wyatt
J. Clark Riggs
Robert L. Morris
John M. Boyd
Marcel R. Gerin

To be dental surgeon

Jesse W. Miller, Jr.

To be ensigns

Thomas McC. Adams
Guy J. Anderson
James P. Andrea
Edward S. Arentzen
Augustus W. Aylesworth
Donald "G" Baer
Howard W. Baker
Richard E. Ball
John M. Ballinger
Richard L. Barkley
Walter J. Barry
Harry H. Barton
David B. Bell
Ralph H. Benson, Jr.
Lawrence G. Bernard
Bernhard H. Bieri, Jr.
Francis G. Blasdel, Jr.
John K. Boal
Harold S. Bottomley, Jr.
William L. Brantley
William D. Brinckloe, Jr.
William F. Bringle
William B. Brown
Charles L. Browning
Franklin D. Buckley
Charles A. Burch
Henry F. Burfeind
Roy H. Burgess, Jr.
Paul S. Burt, Jr.
Albert J. Carr
John B. Carroll
John D. Carson
Earl W. Cassidy
John F. Cheney
George W. Chipley
Francis E. Clark
Charles W. Coker
Richard G. Colbert
Terrell H. W. Connor
Ralph W. Cousins
William R. Crenshaw
James B. Cresap
David C. Crowell
James H. Cruse
Thomas D. Cunningham
John P. Currie

Roger N. Currier
Frederick E. Daily
Joseph F. Dalton
Thomas D. Davies
Lewis O. Davis
Daniel B. Deckelman
Felix E. de Golian, Jr.
Edward G. De Long
James B. Denton
John M. De Vane, Jr.
Charles R. Dodds
Joseph A. Dodson, Jr.
Carl R. Doerflinger
David E. Dressendorfer
Greer A. Duncan, Jr.
John C. Dyson
Frank M. Eddy
Thomas E. Edwards, Jr.
George C. Ellerton, Jr.
Jesse D. Elliott, Jr.
Robert B. Erly
Leonard E. Ewoldt
Robert F. Farrington
Maurice Ferrara
William L. Fey, Jr.
Saverio Filippone
Edwin C. Finney
Clifton W. Flenniken, Jr.
Warren W. Ford
Albert S. Freedman, Jr.
Ernest S. Friedrick
Albert S. Fuhrman
Alfred W. Gardes, Jr.
Donald Gay, Jr.
Alfred F. Gerken
Charles E. Gibson
Edward B. Gibson, Jr.
Jack E. Gibson
Fillmore B. Gilkeson
Green C. Goodloe
Shields Goodman
Charles M. Gore
Emery A. Grantham
William Gregg
James R. Grey
Alexander Groves
James R. Gustin
Harry B. Hahn
Fletcher Hale, Jr.
Warren C. Hall, Jr.
Widmer C. Hansen
Kenneth E. Hanson
Talbot E. Harper
Patrick H. Hart
Herbert J. Hartman
Paul E. Hartmann
Herold A. Harveson
William J. Held
Frederick J. Henderich
Frank H. Henderson, Jr.
John B. Hess
Edward W. Hessel
Carl R. Hirschberger
Clifton M. Hocker
Richard Holden
Hugh W. Howard
William A. H. Howland
John G. Hughes
Richard B. Hughes
Francis W. Ingling
Lloyd F. Jakeman
Frederick E. Janney
Dwight L. Johnson
John P. M. Johnston
Mark H. Jordan
Gerald P. Joyce
Lawrence V. Julihn
Walter H. Keen, Jr.
John L. Kelley, Jr.
John C. Kelly
John W. King
Ralph Kissinger, Jr.
Fred E. Wexel
Leonce A. Lajaunie, Jr.
Charles E. Lake
Robert B. Lander
Harvey P. Lanham
Falkland MacK. Lansdowne
William R. Lowndes
Dayle W. Lyke
Morton H. Lytle
William P. Mack
John R. Madison
Edward P. Madley
William B. Mason, Jr.
Gordon G. Matheson
James N. Mayes
Vincent F. McCormack
Ellis H. McDowell
Merle B. McKaig
Frank D. McKay, Jr.
Roger W. Mehle
Donald L. Mehlhop
John L. Mehlig
Charles H. Meigs
Frank F. Menefee
John W. Merryman
Clifford A. Messenheimer
John D. Miller
Thomas L. Miller
Charles S. Minter, Jr.
Peter G. Molteni, Jr.
Parkman B. Moore
Raymond A. Moore
Theophilus H. Moore
John F. Morse
Charles A. Nash, Jr.
John W. Neel
Howard W. Nester, Jr.
Fred R. Newell, Jr.
Richard P. Nicholson
John L. Nielsen
Thomas J. Nixon, III
Geoffrey P. Norman
Robert H. Northwood
Jack A. Obermeyer
Edward H. O'Hare
Guy E. O'Neil, Jr.
James S. O'Rourke
Bethel V. Otter
John E. Pace
Raymond F. Parker
Frank A. Patriarca
Kenneth W. Patrick
Donald D. Patterson
John C. Patty, Jr.
Theodore M. Peterson
Walter L. Phaler
John E. Pond, Jr.
William M. Porter
Kenneth E. Pound
James A. Pridmore
Charles F. Putman
Simon E. Ramey
Oliver M. Ramsey
Eugene P. Rankin
Hubert B. Reece
John "D" Reese, Jr.
Walter S. Reid
Adrian W. Rich
Paul J. Riley
Hugh R. Rimmer
Franklin S. Rixey
Jesse P. Robinson, Jr.
Thomas W. Roby, Jr.
Richard S. Rogers
James G. Ross
Eli Roth
George M. Rouzee
Henry A. Rowe
Lewis A. Rupp
Francis C. Rydeen
Everett G. Sanderson
Robert L. Savage, Jr.
James R. Scales
John S. Schmidt
Frederick H. Schneider, Jr.
Edward K. Scofield
Thomas H. Seitz
Frank N. Shamer
Maurice W. Shea
Harmon B. Sherry
Stewart Shick, Jr.
Harold D. Shrider
Burton H. Shupper
Henry D. Sipple
Bruce D. Skidmore
John S. Slaughter
Ralph A. Smith
William R. Smith, Jr.
Ray A. Snodgrass
William A. Snyder
Archie "H" Soucek
Edward D. Spruance
Charles Stein, Jr.
Walter J. Stencil
William M. Stevens
William R. Stevens
William S. Stewart
George L. Street, III
Stockton B. Strong
Wesley J. Stuessi
Henry M. S. Swift
Lewis D. Tamny
Robert V. Tate
Frank W. Taylor
Paul K. Taylor
John A. Thomas
Newell E. Thomas
Mac D. Thompson
Harry C. Transue
Harold L. Usher, Jr.
Ellsworth H. Van Patten, Jr.
Albert O. Vorse, Jr.
John R. Wadleigh
Joseph L. Walker
Russell H. Wallace
Robert M. Ware
Nelson P. Watkins
Richard A. Waugh
Donald V. Wengrovius
Robert H. Wescott, Jr.
Rexford V. Wheeler, Jr.
Jack C. Whistler
Donald M. White
Victor H. Wildt
Robert S. Willey
Richard B. Williams
Fay E. Wilsie
Sanford E. Woodard
Roger B. Woodhull
Joseph T. Yavorsky
Howard M. Young
Anthony P. Zavadil, Jr.
Charles J. Zellner
Stanley M. Zimny

MARINE CORPS

To be captains

Deane C. Roberts
William A. Willis

To be first lieutenants

Edward L. Hutchinson
Frederic H. Ramsey
Reynolds H. Hayden

To be second lieutenants

John G. Walsh, Jr.
Robert T. Vance
Woodrow M. Kessler
Arthur W. Fisher, Jr.
Paul R. Byrum, Jr.
Rivers J. Morrell, Jr.
Donald E. Huey
Cedric H. Kuhn
Merritt Adelman
James C. Bennett
Clarence A. Barninger, Jr.
Arthur J. Stuart
Webster D. Smith
Guy G. Narter
Hewitt D. Adams
Joseph A. Gerath, Jr.
Alben C. Robertson
Robert F. Ruge
John R. Lirette
Thomas A. Culhane, Jr.
James R. Bromeyer
Thomas R. Stokes
Radford C. West
Ray L. Vroome
Owen A. Chambers

POSTMASTERS

CALIFORNIA

Harvey H. Washburn, Hanford.
John Phillip Souza, Salinas.
Joseph Anthony Chargin, Jr., San Jose.
Harry E. Meyers, Yuba City.

COLORADO

William B. Sweezy, Fort Lyon.
Edward F. Baldwin, Nucla.

CONNECTICUT

Laurent E. Beauregard, Wauregan.

ILLINOIS

Thelma B. Zimmer, Armington.
Alvah G. Eimen, Danforth.
Wilfrid W. Jones, Thawville.

LOUISIANA

William Z. Lewis, Alco.
Stephen R. Jackson, Jr., Cheneyville.
Paul T. Thibodaux, Donaldsonville.
Jesse L. Beasley, Harrisonburg.
Fred E. Callaway, Jonesboro.
John T. Boyett, Sarepta.
George M. Tannehill, Urania.
Nannie H. Rogillio, Water Proof.

MARYLAND

Michael J. Sullivan, Ellicott City.
Guy M. Coale, Upper Marlboro.

MASSACHUSETTS

Grace Hartley Howe, Fall River.
William J. O'Connor, Foxboro.
Josephine E. Worster, Hull.

MINNESOTA

Floyd H. Scheid, Easton.
Ira T. Strom, Lake Lillian.
Gerhard Byholt, Peterson.

TEXAS

Oscar T. Griffith, Sunray.

WISCONSIN

Thomas A. Lowerre, Delafield.
William R. Hartley, Fountain City.
John J. Burkhard, Monroe.

HOUSE OF REPRESENTATIVES

MONDAY, MAY 24, 1937

The House was called to order by the Speaker pro tempore, Mr. WARREN, at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Heavenly Father, our blessed Lord and the giver of all life, help us that we may live in the full fruition of faith. We pray that we may not measure ourselves by the narrow rules of time, but be content in the allotments of Thy holy providence. Upon those who have feeble faith or downward minds, or who are weary and anxious, let Thy divine influence rest. These blessings Thou canst give and will. Trust in the Lord at all times; pour out your hearts before Him. O God, we would enter into that larger liberty which is hidden in the secret place of the Most High. Faith is deliberate, patient, and tranquil, and herein is the source of our strength. O give us aspirations which are the breath of the divine and noble enthusiasms which give a charm to labor, a relish to daily toil, and a sweetness to rest. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of Friday, May 21, 1937, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and a joint resolution of the House of the following titles:

On May 18, 1937:

H. R. 4728. An act to authorize cooperation in the development of farm forestry in the States and Territories, and for other purposes.

On May 20, 1937:

H. R. 4892. An act to authorize the Secretary of War to convey to the International Young Men's Christian Association College and to the trustees of the Gunn Realty Trust all right, title, and interest of the United States in and to certain lands in Hampden County, Mass.;

H. R. 5142. An act to provide for the issuance of a license to practice the healing art in the District of Columbia to Dr. William Hollister; and

H. R. 5354. An act for the relief of Charles Somogi, Jr.

On May 21, 1937:

H. J. Res. 228. Joint resolution authorizing the payment of salaries of officers and employees of Congress for December on the 20th day of that month each year.

On May 22, 1937:

H. R. 1119. An act for the relief of Dr. E. T. Kirkendall;

H. R. 1346. An act for the relief of James M. Winter;

H. R. 2218. An act for the relief of Helen Marie Lewis;

H. R. 4329. An act for the relief of George T. Heppenstall; and

H. R. 6566. An act granting a pension to Helen H. Taft.

SWEARING IN OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Will the gentleman from Texas [Mr. RAYBURN] please administer to me the oath as Speaker pro tempore.

Mr. RAYBURN administered the oath of office to Mr. WARREN.

SWEARING IN OF A MEMBER

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House:

MAY 24, 1937.

The SPEAKER,
House of Representatives,
Washington, D. C.

SIR: From the Secretary of the Commonwealth of the State of Pennsylvania I have received the certificate of election, in due form of law, of Hon. RICHARD M. SIMPSON as a Representative-elect to the Seventy-fifth Congress from the Eighteenth Congressional District of that State to fill the vacancy caused by the death of Hon. Benjamin K. Focht.

Yours respectfully,

SOUTH TRIMBLE,
Clerk of the House of Representatives.

Mr. KINZER. Mr. Speaker, I present Mr. RICHARD M. SIMPSON, a Representative-elect from the Eighteenth Congressional District of Pennsylvania. His credentials are here.

Mr. SIMPSON appeared at the bar of the House and took the oath of office.

EXTENSION OF REMARKS

Mr. BACON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting a radio address which I recently delivered.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. RICH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD upon the death of Hon. Benjamin K. Focht.

The SPEAKER pro tempore. Is there objection?

There was no objection.

LEAVE TO ADDRESS THE HOUSE

Mr. GOLDSBOROUGH. Mr. Speaker, I ask unanimous consent that on Tuesday, June 1, after the disposal of matters on the Speaker's desk, I be permitted to address the House for 1 hour.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

Mr. RAYBURN. Mr. Speaker, I reserve the right to object, though, of course, I shall not. That carries the same provision as to privileged matters, of course, that the other requests have been recently carrying.

The SPEAKER pro tempore. The Chair reminds the gentleman from Texas that June 1 is Private Calendar Day.

Mr. RAYBURN. I have no objection to the gentleman's coming before the call of the Private Calendar on June 1, so far as I am concerned, because we are well along with it and after he gets through we can take up and dispose of the Private Calendar.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

Mr. SNELL. Mr. Speaker, under reservation of objection, will the gentleman from Texas [Mr. RAYBURN] kindly state to us what is to be the program for the rest of the week?

Mr. RAYBURN. This is District day and apparently it will take most of the day. We will next finish the relief bill. Wednesday, of course, is to be devoted to memorializing deceased Members. There is a rule reporting in order what is known as the "hot oil" bill, which, if we do not reach

tomorrow, we will take up on Thursday after the completion of the relief bill, but after District business today, the relief bill is next in order until it is finished.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

Mr. WOODRUM. Mr. Speaker, I reserve the right to object for the purpose of asking the gentleman from Texas a question. If it is likely that District business will consume several hours today I am wondering if it would not be in the interest of economy of time to let the relief bill go over until tomorrow. There are a great many amendments and I do not think it is fair to the membership to start that bill late this afternoon.

Mr. RAYBURN. It will not be our purpose to do so, and I may say to the gentleman that if District matters take until 3:30 o'clock today we will not take up the relief bill.

Mr. WOODRUM. Of course, 3:30 does not mean very much. There are a great many amendments to the relief bill and some of them will take us half a day.

Mr. RAYBURN. I think the gentleman may feel safe that District business will take up most of the day.

Mr. WOODRUM. Cannot we have an understanding?

Mr. RAYBURN. If the District business takes us as late as 3 o'clock today, we will not take up the relief bill today.

Mr. WHITE of Idaho. Mr. Speaker, reserving the right to object to ask the majority leader about the Private Calendar, I understand there is an omnibus bill on the Private Calendar. I should like to know whether it is intended to take up the omnibus bill first or if the regular Private Calendar will be called?

The SPEAKER pro tempore. The Chair will state that the omnibus bill is not on the Private Calendar to be considered on that date.

Is there objection to the request of the gentleman from Maryland [Mr. GOLDSBOROUGH]?

There was no objection.

EXTENSION OF REMARKS

Mr. DEEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point and to include therein certain statistical information which I have obtained from the Office of Education with reference to the allotment under the vocational-education program.

The SPEAKER pro tempore. Is there objection?

There was no objection.

VOCATIONAL EDUCATION PROGRAM ALLOTMENT

Mr. DEEN. Mr. Speaker, in connection with the amendment which I offered last week to the Interior Department appropriation bill, raising the amount placed in the bill by the committee for vocational education, from $7,241,500 to $14,483,000, I desire to herewith submit a table showing the provisional allotment to States and Territories of appropriations authorized by the George-Deen Act for the further development of vocational education and the amount of State or local money required to match the Federal allotment.

Provisional allotment to States and Territories of appropriations authorized by the George-Deen Act for the further development of vocational education and amount of State or local money required to match the Federal allotment, by States and Territories, for fiscal years ending June 30, 1938 to 1942

[Allotments on the basis of U. S. Census returns of population as of Apr. 1, 1930] [1]

State or Territory	Allotment of Federal money						Amount of State or local money required to match Federal allotment					
	Total	For salaries and necessary travel expenses of teachers, supervisors, and directors				For preparation of teachers, supervisors, and directors in agriculture, trade and industry, and home economics	Total	For salaries and necessary travel expenses of teachers, supervisors, and directors				For preparation of teachers, supervisors, and directors in agriculture, trade and industry, and home economics
		Agriculture	Trade and industry	Home economics	Distributive occupations			Agriculture	Trade and industry	Home economics	Distributive occupations	
Total	$14,797,496.53	$4,147,789.15	$4,129,626.78	$4,107,478.41	$1,298,692.10	$1,113,910.09	$7,955,703.73	$2,073,894.68	$2,064,813.49	$2,053,739.34	$649,346.13	$1,113,910.09
Alabama	410,174.39	169,475.92	56,102.55	137,927.34	25,455.59	21,212.99	215,693.70	84,737.96	28,051.28	68,963.67	12,727.80	21,212.99
Arizona	80,719.61	20,000.00	20,000.00	20,719.61	10,000.00	10,000.00	45,359.81	10,000.00	10,000.00	10,359.81	5,000.00	10,000.00
Arkansas	312,552.63	141,554.46	31,575.27	106,717.71	17,839.19	14,866.00	163,709.33	70,777.23	15,787.64	53,358.86	8,919.60	14,866.00
California	503,799.52	78,462.01	217,230.18	109,984.72	54,612.33	43,510.28	275,654.91	39,231.01	108,615.09	54,992.36	27,306.17	45,510.28
Colorado	125,521.90	35,763.03	32,346.20	37,412.67	10,000.00	10,000.00	67,760.96	17,881.52	16,173.10	18,706.34	5,000.00	10,000.00
Connecticut	148,097.25	20,000.00	65,302.63	34,455.67	15,457.61	12,881.34	80,489.31	10,000.00	32,651.32	17,227.84	7,728.81	12,881.34
Delaware	80,000.00	20,000.00	20,000.00	20,000.00	10,000.00	10,000.00	45,000.00	10,000.00	10,000.00	10,000.00	5,000.00	10,000.00
Florida	163,631.37	75,276.71	51,087.54	51,374.11	14,123.46	11,769.55	87,700.47	17,638.36	25,543.77	25,687.06	7,061.73	11,769.55
Georgia	440,650.04	179,368.86	64,007.82	145,979.66	27,978.38	23,315.32	231,982.68	89,684.43	32,003.91	72,989.83	13,989.19	23,315.32
Idaho	86,699.69	23,818.46	20,000.00	22,881.23	10,000.00	10,000.00	48,349.85	11,909.23	10,000.00	11,440.62	5,000.00	10,000.00
Illinois	690,469.05	125,353.46	284,875.21	144,668.03	73,403.10	61,169.25	375,819.16	63,176.73	142,437.61	72,334.02	36,701.55	61,169.25
Indiana	358,727.78	102,803.46	104,195.67	104,615.20	31,152.79	25,960.66	197,344.23	51,401.73	52,097.84	52,307.60	15,576.40	25,960.66
Iowa	339,541.20	123,654.68	64,138.46	108,171.19	23,769.20	19,807.67	179,674.44	61,827.34	32,069.23	54,085.60	11,884.60	19,807.67
Kansas	256,501.61	89,423.82	50,424.82	83,480.13	18,094.28	15,078.56	135,790.09	44,711.91	25,212.41	41,740.07	9,047.14	15,078.56
Kentucky	388,317.90	148,769.61	61,777.11	131,660.92	25,151.05	20,959.21	204,638.57	74,384.81	30,888.56	65,830.46	12,575.53	20,959.21
Louisiana	288,648.87	105,028.82	54,599.69	91,957.19	20,216.27	16,846.90	152,747.90	52,514.41	27,299.85	45,978.60	10,108.14	16,846.90
Maine	103,044.99	21,622.05	26,910.41	34,512.53	10,000.00	10,000.00	56,522.51	10,811.03	13,455.21	17,256.27	5,000.00	10,000.00
Maryland	166,305.70	30,025.94	59,887.15	47,619.42	15,694.47	13,078.72	89,692.22	15,012.97	29,943.58	23,809.71	7,847.24	13,078.72
Massachusetts	302,533.48	20,000.00	177,262.19	30,326.14	40,879.17	34,065.98	168,299.74	10,000.00	88,631.10	15,163.07	20,439.59	34,065.98
Michigan	470,434.87	98,932.49	174,408.54	111,695.78	46,580.76	38,817.30	254,626.09	49,466.25	87,204.27	55,847.89	23,290.38	38,817.30
Minnesota	324,846.32	113,215.47	71,680.72	94,732.89	24,663.95	20,553.29	172,699.82	56,607.74	35,840.36	47,366.45	12,331.98	20,553.29
Mississippi	356,742.66	172,329.35	27,793.20	121,175.40	19,333.48	16,111.23	186,426.95	86,164.68	13,896.60	60,587.70	9,666.74	16,111.23
Missouri	441,341.75	140,924.75	108,035.60	128,374.77	34,912.71	29,093.92	235,217.85	70,462.38	54,017.80	64,187.39	17,456.36	29,093.92
Montana	91,728.32	25,870.59	20,000.00	25,857.73	10,000.00	10,000.00	50,864.17	12,935.30	10,000.00	12,928.87	5,000.00	10,000.00
Nebraska	197,072.35	74,060.97	34,034.39	64,675.57	13,255.32	11,046.10	104,059.24	37,030.49	17,017.20	32,337.79	6,627.66	11,046.10
Nevada	80,000.00	20,000.00	20,000.00	20,000.00	10,000.00	10,000.00	45,000.00	10,000.00	10,000.00	10,000.00	5,000.00	10,000.00
New Hampshire	80,000.00	20,000.00	20,000.00	20,000.00	10,000.00	10,000.00	45,000.00	10,000.00	10,000.00	10,000.00	5,000.00	10,000.00
New Jersey	310,164.06	20,000.00	167,977.96	50,914.13	38,875.62	32,396.35	171,280.21	10,000.00	83,988.98	25,457.07	19,437.81	32,396.35
New Mexico	83,010.65	20,058.64	20,000.00	22,952.01	10,000.00	10,000.00	46,505.33	10,029.32	10,000.00	11,476.01	5,000.00	10,000.00
New York	972,701.65	91,033.89	509,837.35	149,830.36	121,090.94	100,909.11	536,805.39	45,516.95	254,918.68	74,915.18	60,545.47	100,909.11
North Carolina	496,851.03	202,307.11	67,460.22	171,173.49	30,496.48	25,413.73	261,132.39	101,153.56	33,730.11	85,586.75	15,248.24	25,413.73
North Dakota	131,393.97	50,237.20	20,000.00	41,156.77	10,000.00	10,000.00	70,696.99	25,118.60	10,000.00	20,578.39	5,000.00	10,000.00
Ohio	642,485.61	128,121.21	242,005.33	155,139.55	63,937.92	53,281.60	347,883.62	64,060.61	121,002.67	77,569.78	31,968.96	53,281.60
Oklahoma	344,855.08	129,492.04	58,937.77	114,169.30	23,048.71	19,207.26	182,031.18	64,746.02	29,468.89	57,084.65	11,524.36	19,207.26
Oregon	113,298.39	28,282.34	31,364.82	33,651.23	10,000.00	10,000.00	61,649.20	14,141.17	15,682.41	16,825.62	5,000.00	10,000.00
Pennsylvania	879,778.74	108,327.61	376,946.05	224,648.95	92,648.80	77,207.33	478,493.05	54,163.81	188,473.03	112,324.48	46,324.40	77,207.33
Rhode Island	88,826.01	20,000.00	28,826.01	20,000.00	10,000.00	10,000.00	49,413.01	10,000.00	14,413.01	10,000.00	5,000.00	10,000.00
South Carolina	281,056.99	115,886.32	35,324.52	99,181.72	16,726.05	13,938.38	147,497.69	57,943.16	17,662.26	49,590.86	8,363.03	13,938.38
South Dakota	130,091.69	49,340.81	20,000.00	40,750.88	10,000.00	10,000.00	70,045.85	24,670.41	10,000.00	20,375.44	5,000.00	10,000.00
Tennessee	384,758.44	153,691.99	60,189.32	124,732.19	25,169.97	20,974.97	202,866.72	76,846.00	30,094.66	62,366.10	12,584.99	20,974.97
Texas	798,461.08	297,441.10	149,170.94	249,125.79	56,030.86	46,692.39	422,576.74	148,720.55	74,585.47	124,562.90	28,015.43	46,692.39
Utah	80,000.00	20,000.00	20,000.00	20,000.00	10,000.00	10,000.00	45,000.00	10,000.00	10,000.00	10,000.00	5,000.00	10,000.00
Vermont	80,000.00	20,000.00	20,000.00	20,000.00	10,000.00	10,000.00	45,000.00	10,000.00	10,000.00	10,000.00	5,000.00	10,000.00
Virginia	344,791.04	120,221.73	63,195.99	118,662.15	23,297.00	19,414.17	182,102.62	60,110.87	31,598.00	59,331.08	11,648.50	19,414.17
Washington	169,404.60	38,533.51	54,070.10	49,229.32	15,039.09	12,532.58	90,968.60	19,266.76	27,035.05	24,614.66	7,519.55	12,532.58
West Virginia	232,031.93	56,789.76	54,990.79	89,755.55	16,634.09	13,861.74	122,946.85	28,394.88	27,495.40	44,877.78	8,317.05	13,861.74
Wisconsin	352,095.20	111,407.89	88,406.53	100,449.19	28,271.78	23,559.81	187,827.52	55,703.95	44,203.27	50,224.60	14,135.89	23,559.81
Wyoming	80,000.00	20,000.00	20,000.00	20,000.00	10,000.00	10,000.00	45,000.00	10,000.00	10,000.00	10,000.00	5,000.00	10,000.00
Alaska	80,000.00	20,000.00	20,000.00	20,000.00	10,000.00	10,000.00	45,000.00	10,000.00	10,000.00	10,000.00	5,000.00	10,000.00
District of Columbia	80,896.47	20,000.00	20,896.47	20,000.00	10,000.00	10,000.00	45,448.24	10,000.00	10,448.24	10,000.00	5,000.00	10,000.00
Hawaii	80,446.71	20,446.71	20,000.00	20,000.00	10,000.00	10,000.00	45,223.36	10,223.36	10,000.00	10,000.00	5,000.00	10,000.00
Puerto Rico	259,993.94	129,434.38	22,351.26	80,980.22	14,851.68	12,376.40	136,185.17	64,717.19	11,175.63	40,490.11	7,425.84	12,376.40

[1] The allotments for agriculture and trade and industry will be modified somewhat by the 1935 census which determines the "farm" and "nonfarm" populations on which these figures must be based.

NOTE.—The sums authorized to be appropriated to guarantee the minimum allotments to each State and Territory are: For vocational education, $175,000; for distributive occupations, $54,000; and for teacher training, $54,000. The amounts required to guarantee the minimum specified in the act are: For vocational education, $384,895; for distributive occupations $93,693; and for teacher training $113,911.

It should be remembered that the George-Deen Act which becomes effective July 1, 1937, replaces the George-Ellzey Act which expires June 30, 1937, and appropriations made thereunder are not in addition to appropriations made under provisions of the George-Ellzey Act. In order that my colleagues may have detailed information as to expenditures for vocational education under the George-Ellzey Act, I am herewith submitting a table of figures with amounts allotted to each State on the basis of population, together with special allotments to guarantee the minimum of $5,000 authorized under the act.

Allotment to the States and Territories of Federal vocational education funds, George-Ellzey Act, for salaries of vocational teachers, supervisors, and directors, for the year ending June 30, 1937 [1]

State or Territory	Total	Agricultural education	Trade and industrial education	Home economics education	Allotted on basis of population				Special allotment to guaranty minimum of $5,000			
					Total	Agricultural education	Trade and industrial education	Home economics education	Total	Agricultural education	Trade and industrial education	Home economics education
Total	$3,084,603.00	$1,031,019.75	$1,032,191.60	$1,021,391.65	$3,000,000.00	$1,000,000.00	$1,000,000.00	$1,000,000.00	$84,603.00	$31,019.75	$32,191.60	$21,391.65
Alabama	93,135.83	43,759.65	14,181.83	35,194.35	93,135.83	43,759.65	14,181.83	35,194.35				
Arizona	15,286.94	5,000.00	5,000.00	5,286.94	12,174.08	3,232.16	3,654.98	5,286.94	3,112.86	1,767.84	1,345.02	
Arkansas	71,762.61	36,550.17	7,981.72	27,230.72	71,762.61	36,550.17	7,981.72	27,230.72				
California	103,235.99	20,259.34	54,912.31	28,064.34	103,235.99	20,259.34	54,912.31	28,064.34				
Colorado	26,957.25	9,234.22	8,176.60	9,546.43	26,957.25	9,234.22	8,176.60	9,546.43				
Connecticut	30,299.37	5,000.00	16,507.46	8,791.91	28,132.39	2,833.02	16,507.46	8,791.91	2,166.98	2,166.98		
Delaware	15,000.00	5,000.00	5,000.00	5,000.00	5,734.83	1,519.19	2,083.34	2,132.30	9,265.17	3,480.81	2,916.66	2,867.70
Florida	35,131.68	9,108.65	12,914.11	13,108.92	35,131.68	9,108.65	12,914.11	13,108.92				
Georgia	99,743.24	46,314.07	16,180.15	37,249.02	99,743.24	46,314.07	16,180.15	37,249.02				
Idaho	16,988.57	6,150.06	5,000.00	5,838.51	14,775.77	6,150.06	2,787.20	5,838.51	2,212.80		2,212.80	
Illinois	141,551.42	32,625.19	72,011.89	36,914.34	141,551.42	32,625.19	72,011.89	36,914.34				
Indiana	79,577.66	26,544.44	26,338.99	26,694.23	79,577.66	26,544.44	26,338.99	26,694.23				
Iowa	75,743.10	31,928.34	16,213.17	27,601.59	75,743.10	31,928.34	16,213.17	27,601.59				
Kansas	57,137.61	23,089.74	12,746.59	21,301.28	57,137.61	23,089.74	12,746.59	21,301.28				
Kentucky	87,624.79	38,413.16	15,616.26	33,595.37	87,624.79	38,413.16	15,616.26	33,595.37				
Louisiana	64,385.30	27,119.04	13,801.93	23,464.33	64,385.30	27,119.04	13,801.93	23,464.33				
Maine	21,191.88	5,582.94	6,802.52	8,806.42	21,191.88	5,582.94	6,802.52	8,806.42				
Maryland	35,042.23	7,752.87	15,138.51	12,150.85	35,042.23	7,752.87	15,138.51	12,150.85				
Massachusetts	57,547.23	5,000.00	44,809.04	7,738.19	56,571.47	4,024.24	44,809.04	7,738.19	975.76	975.76		
Michigan	98,133.56	25,544.93	44,087.68	28,500.95	98,133.56	25,544.93	44,087.68	28,500.95				
Minnesota	71,525.22	29,232.88	18,119.74	24,172.60	71,525.22	29,232.88	18,119.74	24,172.60				
Mississippi	82,441.92	44,496.42	7,025.68	30,919.82	82,441.92	44,496.42	7,025.68	30,919.82				
Missouri	96,454.11	36,387.58	27,309.67	32,756.86	96,454.11	36,387.58	27,309.67	32,756.86				
Montana	18,277.94	6,679.93	5,000.00	6,598.01	16,894.19	6,679.93	3,616.25	6,598.01	1,383.75		1,383.75	
Nebraska	44,229.32	19,122.97	8,603.35	16,503.00	44,229.32	19,122.97	8,603.35	16,503.00				
Nevada	15,000.00	5,000.00	5,000.00	5,000.00	2,394.29	536.79	810.28	1,047.22	12,605.71	4,463.21	4,189.72	3,952.78
New Hampshire	15,000.00	5,000.00	5,000.00	5,000.00	9,979.01	2,052.04	4,370.22	3,556.75	5,020.99	2,947.96	629.78	1,443.25
New Jersey	60,453.69	5,000.00	42,462.14	12,991.55	59,733.94	4,280.25	42,462.14	12,991.55	719.75	719.75		
New Mexico	16,035.83	5,179.26	5,000.00	5,856.57	13,910.12	5,179.26	2,874.29	5,856.57	2,125.71		2,125.71	
New York	190,615.77	23,505.47	128,878.71	38,231.59	190,615.77	23,505.47	128,878.71	38,231.59				
North Carolina	112,967.34	52,236.85	17,052.86	43,677.63	112,967.34	52,236.85	17,052.86	43,677.63				
North Dakota	28,473.33	12,971.53	5,000.00	10,501.80	26,552.47	12,971.53	3,079.14	10,501.80	1,920.86		1,920.86	
Ohio	133,843.01	33,081.63	61,175.07	39,586.31	133,843.01	33,081.63	61,175.07	39,586.31				
Oklahoma	77,466.22	33,435.59	14,898.52	29,132.11	77,466.22	33,435.59	14,898.52	29,132.11				
Oregon	23,817.83	7,302.66	7,928.52	8,586.65	23,817.83	7,302.66	7,928.52	8,586.65				
Pennsylvania	180,579.47	27,970.81	95,285.92	57,322.74	180,579.47	27,970.81	95,285.92	57,322.74				
Rhode Island	17,286.75	5,000.00	7,286.75	5,000.00	8,788.19	537.97	7,286.75	963.47	8,498.56	4,462.03		4,036.53
South Carolina	64,159.77	29,922.51	8,929.47	25,307.79	64,159.77	29,922.51	8,929.47	25,307.79				
South Dakota	28,138.31	12,740.08	5,000.00	10,398.23	26,424.79	12,740.08	3,286.48	10,398.23	1,713.52		1,713.52	
Tennessee	86,726.44	39,684.15	15,214.90	31,827.39	86,726.44	39,684.15	15,214.90	31,827.39				
Texas	178,077.40	76,800.99	37,708.02	63,568.39	178,077.40	76,800.99	37,708.02	63,568.39				
Utah	15,000.00	5,000.00	5,000.00	5,000.00	12,506.55	3,778.00	4,258.27	4,470.28	2,493.45	1,222.00	741.73	529.72
Vermont	15,000.00	5,000.00	5,000.00	5,000.00	10,821.95	3,686.28	2,679.05	4,456.62	4,178.05	1,313.72	2,320.95	543.38
Virginia	77,295.40	31,041.94	15,974.93	30,278.53	77,295.40	31,041.94	15,974.93	30,278.53				
Washington	36,179.26	9,949.57	13,668.05	12,561.64	36,179.26	9,949.57	13,668.05	12,561.64				
West Virginia	51,466.78	14,663.44	13,900.79	22,902.55	51,466.78	14,663.44	13,900.79	22,902.55				
Wisconsin	76,745.11	28,766.16	22,347.75	25,631.20	76,745.11	28,766.16	22,347.75	25,631.20				
Wyoming	15,000.00	5,000.00	5,000.00	5,000.00	6,920.28	2,388.39	1,655.09	2,876.80	8,079.72	2,611.61	3,344.91	2,123.20
Alaska	15,000.00	5,000.00	5,000.00	5,000.00	1,670.24	111.92	606.49	951.83	13,329.76	4,888.08	4,393.51	4,048.17
Hawaii	15,870.52	5,870.52	5,000.00	5,000.00	11,070.92	5,870.52	2,047.32	3,153.08	4,799.60		2,952.68	1,846.92
Puerto Rico												

[1] The appropriations for allotment to the States in 1937 were for the full amounts authorized by the act to be appropriated.

The George-Deen Vocational Act was passed by the Seventy-Fourth Congress and approved by the President on June 8, 1936. It authorized an appropriation of $14,483,000 as follows:

Vocation education in agriculture	$4,000,000
Vocational education in home economics	4,000,000
Vocational education in trades and industry	4,000,000
Additional amount for minimum allotment	175,000
Vocational education in distributive occupational subjects	1,200,000
Additional amount for minimum allotment	54,000
Vocational education, teacher training	1,000,000
Additional amount for minimum allotment	54,000
Total authorization	14,483,000

Shortly after the George-Deen Act became law the President of the United States appointed a committee of sixteen to make a survey and study of the subject of vocational education and its related activities, and to make such recommendations to him, as in the judgment of the committee, were deemed advisable. The committee has not yet made its report. The Bureau of the Budget recommended to the Congress that the appropriation under the George-Deen Act be fixed at only $3,000,000. It was perhaps due to the recommendation of the President, and pending receipt of the committee report, that the Director of the Budget recommended only $3,000,000.

Extensive hearings were held by the Committee on Education in the House of Representatives during the Seventy-fourth Congress. Sufficient evidence, facts, and figures were submitted during the hearings on H. R. 12120, known as the George-Deen Act, and being Public, No. 673, Seventy-fourth Congress, to justify the passage of the bill by an overwhelming majority in the House of Representatives. The bill passed the Senate without a dissenting vote prior to action by the House, and subsequently passed the Senate without a dissenting vote.

Acting in good faith, and on the basis of the increased appropriation, various State legislatures and State departments of education set up their programs accordingly on

an enlarged basis in order to meet the increasing requests and demands of respective communities and counties in vocational agricultural work.

As evidence of this statement may I submit that the Wisconsin State Legislature, on January 27, 1937, passed a joint resolution urging Congress to allocate to the several States the entire appropriation authorized by the George-Deen Act for vocational education.

The Governor of Nebraska recommended to the State legislature for the full appropriation of State vocational funds to match the full amount of Federal funds available under the George-Deen Act.

The Pennsylvania State Council of Education has registered an official request for the full amount authorized under the George-Deen Act.

Between 80 and 90 vocational-school buildings have been constructed during the past few months in the State of Arkansas, largely by the W. P. A. Administration and in order to meet the increasing demands for vocational-education training. Authorities were acting on the assumption that Congress would make available the total appropriation called for under the George-Deen Act.

Approximately 500 official applications for the establishment of vocational courses and departments have been received by the State department of education in Georgia within the past year. These official applications come from local school districts, from local boards of education, and from superintendents of education who are prepared to proceed with the program, acting of course on the assumption that the full appropriation would be available under the George-Deen Act.

As an illustration of the general need for these funds submitted by an average State, that of the State of Missouri, may I submit that there are 200 high schools which do not now have vocational agricultural departments but which are eligible for such courses? Sixty-two schools in Missouri have requested assistance in establishing vocational-education programs. They are on the waiting list pending the availability of these funds.

According to information submitted by the vocational division of the State department of education, $56,000 is needed to add 62 new departments of vocational agriculture, this amount to be used for payment of teachers. Twenty-one thousand dollars is needed to add extra teachers with large enrollments; $21,000 is needed to reimburse teachers for part-time and evening-school classes; $22,000 is needed to apply on travel allowance of teachers in attendance upon special teacher-training courses and also in visiting communities to assist in organizing vocational programs. An additional $21,000 is needed to increase salaries of the present teaching force to give them a respectable income. A total amount of $141,000 is therefore needed by the State of Missouri if the State is to meet the demands and requests for the vocational-education program.

What is true of the State of Missouri is true of a great many other States, and numbers of the States could be cited along with Missouri. Many of the States are in much greater need than the State of Missouri. I have on file in my office figures submitted by various State educational authorities showing the need for this appropriation. Some of the States are as follows: Nebraska, Pennsylvania, Arkansas, Georgia, Mississippi, South Carolina, Maine, Oregon, Utah, North Carolina, and others.

May I submit that in my judgment no funds appropriated by Congress have yielded greater dividends to the taxpayers and the public generally than that appropriated for vocational education, including training in home economics, the trades, and industries.

Enrollments in vocational-education classes in agriculture, trade, and industry, and home economics, reached a peak of 1,249,189 during the fiscal year ending June 30, 1935. This was an increase of more than 130,000 over the previous years. The increase is divided as follows: Agriculture, 40,622; trade and industry, 51,924; and home economics, 37,503.

The increases are based on a total enrollment of 329,983 persons in agricultural courses, 537,983 in trade and industrial courses, and 381,224 in home-economics courses.

The enrollment in vocational schools during the fiscal year ending June 30, 1936, was 1,381,701, of which 347,728 attended classes in agriculture, 579,971 attended trade and industrial classes, and 454,000 studied home economics.

State boards of vocational education, in their respective reports to the Office of Vocational Education, reveal many interesting and illuminating facts with reference to the rapid and valuable progress being made in this work. Briefly, vocational education has functioned as follows:

Training the unemployed worker how to get back into employment.

By providing occupational-adjustment training to keep the unemployed worker employed. As an illustration, in 1934, 100,000 adult farmers, 140,000 trade and industrial workers, and 129,000 women in the home were enrolled in evening classes for instruction along the lines of their daily employment. This was done to assist them in adjusting themselves to a rapidly changing work environment.

By administering apprentice training for the unemployed boy and girl.

By enrolling the unemployed worker in regular vocational courses.

By organizing special vocational courses for the unemployed.

By assisting the unemployed worker to find himself and then help him find a job.

By training the unemployed worker in his or her specific line of work.

By protecting the occupational morale of unemployed workers during unemployment.

By promoting agricultural adjustment to the maladjusted farmer.

By safeguarding the health, morale, and welfare of the unemployed worker's family.

By educating the homemaker as a buyer-consumer for the family.

By organizing live-at-home programs for rural families.

By teaching the homemaker to make over rather than buy new when he has not the money.

By vocationally rehabilitating the physically disabled unemployed.

As an illustration, in 1934 more than 8,000 permanently disabled and generally unemployed dependent workers in their respective fields of endeavor were vocationally rehabilitated and placed in employment in lines of work that they could do.

By cooperating with agencies of public and private relief.

By cooperating with Civilian Conservation Corps camps for the unadjusted youth.

By cooperation in programs of rural rehabilitation. Here more than 80,000 F. F. A. farm boys—that is, future farmers of America—have taken vocational-agricultural courses and have therefore participated in the rehabilitation and readjustment of their farm-family problems.

By cooperating with transit bureaus and elimination of vagrancy.

By cooperating with subsistence-homestead communities.

By cooperating with adult-education agencies.

By teaching and training in part-time classes adult and young men in trades and industry in order to meet the changing conditions brought about by eliminating of sweatshops, shorter hours, and so forth.

By teaching, through the Extension Service, adult farmers the importance of readjustment necessitated by overproduction of farm products and low prices.

Evidence presented by a State instruction of vocational education at the hearings disclosed that in one rural community, where vocational education had been taught for the past several years, in 1935 the citizens of the community canned approximately 50,000 pounds of fruits and vegetables and 270 beef cattle, all of which were consumed in the community, and none of it was shipped outside of the

county. The testimony disclosed that not a person in that community had been on relief during the past 3 or 4 years.

Other similar and most interesting facts and conditions supporting the value and benefits of vocational education were submitted to the committee.

A perusal of the hearings will disclose many illuminating and interesting reasons why the vocational-education program should not only be continued, but should be broadened as provided for in H. R. 12120.

In 1934, 555 State directors, supervisors, and teacher-trainers for vocational education and 169 State supervisors and case workers for vocational rehabilitation were employed. Vocational teaching staffs of local communities included 8,677 teachers of evening classes, and 13,186 all-day teachers, and 5,093 teachers of part-time classes. Vocational teacher training institutions enrolled 15,962 pupils in teacher-training courses taught by 790 teachers. No group of citizens has rendered a greater service or done more toward combating the depression than these excellent vocational teachers.

My colleagues, may I make it clear that I realize Congress cannot appropriate all the money contained in the requests and demands of various persons, organizations, and so forth. No one realizes more than I do that shortly excessive spending and appropriating of public funds by the Congress must be curtailed. An individual cannot continue to spend twice as much as he earns, neither can the Federal Government continue to spend annually twice the amount of its income. But let me point out to you that no money, in my opinion, spent by the Federal Government, has done more and is doing more to reestablish our people in agricultural work and in industrial work than that which has been done by our vocational-education program.

EXTENSION OF REMARKS

Mr. JARRETT. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD.

The SPEAKER pro tempore. Without objection it is so ordered.

There was no objection.

Mr. RICH rose.

The SPEAKER pro tempore. For what purpose does the gentleman from Pennsylvania [Mr. RICH] rise?

Mr. RICH. To ask why we have all the microphones in the House of Representatives today?

The SPEAKER pro tempore. The Chair is informed that the President of the United States will shortly send a message to the Congress, at which time the reading of it will be broadcast.

Mr. RANKIN. Mr. Speaker, may we have the broadcasting cut off in the meantime and keep so much static from coming out of Pennsylvania? [Laughter.]

Mr. SNELL. What about Mississippi? [Laughter.]

The SPEAKER pro tempore. This is District of Columbia day.

REPEALING PROVISIONS RELATING TO TEACHING OR ADVOCATING COMMUNISM IN PUBLIC SCHOOLS, DISTRICT OF COLUMBIA

Mrs. NORTON. Mr. Speaker, I call up the conference report on the bill, H. R. 148 (Rept. No. 834), to repeal a proviso relating to teaching or advocating communism in the public schools of the District of Columbia.

The SPEAKER pro tempore. The gentlewoman from New Jersey calls up a conference report, which the Clerk will report.

CALL OF THE HOUSE

Mr. Speaker, I make a point of order that there is not a quorum present.

The SPEAKER pro tempore. The Chair will count. (After counting.) One hundred and eighty-two Members are present, not a quorum.

Mrs. NORTON. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll and the following Members failed to answer to their names:

[Roll No. 65]

Allen, Del.	Drewry, Va.	Long	Sacks
Allen, Pa.	Duncan	Lord	Sadowski
Bradley	Fernandez	McClellan	Schuetz
Buckley, N. Y.	Fitzpatrick	Maas	Scrugham
Cannon, Wis.	Fulmer	Mason	Smith, Va.
Cartwright	Gifford	Meeks	Smith, W. Va.
Celler	Gilchrist	Miller	Somers, N. Y.
Chandler	Gildea	Mouton	Sumners, Tex.
Claypool	Goodwin	O'Brien, Mich.	Taylor, Colo.
Cluett	Griffith	Patrick	Transue
Crowe	Hancock, N. Y.	Pearson	Treadway
Culkin	Harrington	Peterson, Fla.	White, Idaho
Dempsey	Johnson, Minn.	Peterson, Ga.	Withrow
De Muth	Keller	Peyser	Wood
Dorsey	Kelly, N. Y.	Pierce	
Douglas	Kvale	Plumley	
Drew, Pa.	Lesinski	Rutherford	

The SPEAKER pro tempore. Three hundred and sixty-seven Members have answered to their names. A quorum is present.

On motion by Mrs. NORTON, further proceedings under the call were dispensed with.

WAGES AND HOURS OF LABOR—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 255)

The SPEAKER pro tempore laid before the House the following message from the President of the United States, which was read and, with the accompanying papers, referred to the Committee on Labor and ordered printed:

To the Congress of the United States:

The time has arrived for us to take further action to extend the frontiers of social progress. Such further action initiated by the legislative branch of the Government, administered by the executive, and sustained by the judicial, is within the common-sense framework and purpose of our Constitution and receives beyond doubt the approval of our electorate.

The overwhelming majority of our population earns its daily bread either in agriculture or in industry. One-third of our population, the overwhelming majority of which is in agriculture or industry, is ill-nourished, ill-clad, and ill-housed.

The overwhelming majority of this Nation has little patience with that small minority which vociferates today that prosperity has returned, that wages are good, that crop prices are high, and that Government should take a holiday.

The truth of the matter, of course, is that the exponents of the theory of private initiative as the cure for deep-seated national ills want in most cases to improve the lot of mankind. But, well-intentioned as they may be, they fail for four evident reasons—first, they see the problem from the point of view of their own business; second, they see the problem from the point of view of their own locality or region; third, they cannot act unanimously because they have no machinery for agreeing among themselves; and, finally, they have no power to bind the inevitable minority of chiselers within their own ranks.

Though we may go far in admitting the innate decency of this small minority, the whole story of our Nation proves that social progress has too often been fought by them. In actual practice it has been effectively advanced only by the passage of laws by State legislatures or the National Congress.

Today you and I are pledged to take further steps to reduce the lag in the purchasing power of industrial workers and to strengthen and stabilize the markets for the farmers' products. The two go hand in hand. Each depends for its effectiveness upon the other. Both working simultaneously will open new outlets for productive capital. Our Nation, so richly endowed with natural resources and with a capable and industrious population, should be able to devise ways and means of insuring to all our able-bodied working men and women a fair day's pay for a fair day's work. A self-supporting and self-respecting democracy can plead no justification for the existence of child labor, no economic reason for chiseling workers' wages or stretching workers' hours.

Enlightened business is learning that competition ought not to cause bad social consequences, which inevitably react upon the profits of business itself. All but the hopelessly

reactionary will agree that to conserve our primary resources of manpower, government must have some control over maximum hours, minimum wages, the evil of child labor, and the exploitation of unorganized labor.

Nearly 20 years ago, in his dissenting opinion in *Hammer* v. *Dagenhart*, Mr. Justice Holmes expressed his views as to the power of the Congress to prohibit the shipment in interstate or foreign commerce of the product of the labor of children in factories below what Congress then deemed to be civilized social standards. Surely the experience of the last 20 years has only served to reinforce the wisdom and the rightness of his views. And surely if he was right about the power of the Congress over the work of children in factories, it is equally right that the Congress has the power over decent wages and hours in those same factories. He said:

> I had thought that the propriety of the exercise of a power admitted to exist in some cases was for the consideration of Congress alone and that this Court always had disavowed the right to intrude its judgment upon questions of policy or morals. It is not for this Court to pronounce when prohibition is necessary to regulation, if it ever may be necessary—to say that it is permissible as against strong drink but not as against the product of ruined lives.
>
> The act does not meddle with anything belonging to the States. They may regulate their internal affairs and their domestic commerce as they like. But when they seek to send their products across the State line they are no longer within their rights. If there were no Constitution and no Congress, their power to cross the line would depend upon their neighbors. Under the Constitution such commerce belongs not to the States but to Congress to regulate. It may carry out its views of public policy, whatever indirect effect they may have upon the activities of the States. Instead of being encountered by a prohibitive tariff at her boundaries, the State encounters the public policy of the United States, which it is for Congress to express. The public policy of the United States is shaped with a view to the benefit of the Nation as a whole. * * * The national welfare as understood by Congress may require a different attitude within its sphere from that of some self-seeking State. It seems to me entirely constitutional for Congress to enforce its understanding by all the means at its command.

Mr. Justice Brandeis, Mr. Justice Clark, and Mr. Justice McKenna agreed. A majority of the Supreme Court, however, decided—5 to 4—against Mr. Justice Holmes and laid down a rule of constitutional law which has ever since driven into impractical distinctions and subterfuges all attempts to assert the fundamental power of the National Government over interstate commerce.

But although Mr. Justice Holmes spoke for a minority of the Supreme Court, he spoke for a majority of the American people.

One of the primary purposes of the formation of our Federal Union was to do away with the trade barriers between the States. To the Congress, and not to the States, was given the power to regulate commerce among the several States. Congress cannot interfere in local affairs; but when goods pass through the channels of commerce from one State to another, they become subject to the power of the Congress, and the Congress may exercise that power to recognize and protect the fundamental interests of free labor.

And so to protect the fundamental interests of free labor and a free people we propose that only goods which have been produced under conditions which meet the minimum standards of free labor shall be admitted to interstate commerce. Goods produced under conditions which do not meet rudimentary standards of decency should be regarded as contraband and ought not to be allowed to pollute the channels of interstate trade.

These rudimentary standards will of necessity at the start fall far short of the ideal. Even in the treatment of national problems there are geographical and industrial diversities which practical statesmanship cannot wholly ignore. Backward labor conditions and relatively progressive labor conditions cannot be completely assimilated and made uniform at one fell swoop without creating economic dislocations.

Practical exigencies suggest the wisdom of distinguishing labor conditions which are clearly oppressive from those which are not as fair or as reasonable as they should be under circumstances prevailing in particular industries. Most fair labor standards as a practical matter require some differentiation between different industries and localities. But there are a few rudimentary standards of which we may properly ask general and widespread observance. Failure to observe them must be regarded as socially and economically oppressive and unwarranted under almost any circumstance.

Allowing for a few exceptional trades and permitting longer hours on the payment of time and a half for overtime, it should not be difficult to define a general maximum working week. Allowing for appropriate qualifications and general classifications by administrative action, it should also be possible to put some floor below which the wage ought not to fall. There should be no difficulty in ruling out the products of the labor of children from any fair market. And there should also be little dispute when it comes to ruling out of the interstate markets products of employers who deny to their workers the right of self-organization and collective bargaining, whether through the fear of labor spies, the bait of company unions, or the use of strikebreakers. The abuses disclosed by the investigations of the Senate must be promptly curbed.

With the establishment of these rudimentary standards as a base, we must seek to build up, through appropriate administrative machinery, minimum-wage standards of fairness and reasonableness, industry by industry, having due regard to local and geographical diversities and to the effect of unfair labor conditions upon competition in interstate trade and upon the maintenance of industrial peace.

Although a goodly portion of the goods of American industry move in interstate commerce and will be covered by the legislation which we recommend, there are many purely local pursuits and services which no Federal legislation can effectively cover. No State is justified in sitting idly by and expecting the Federal Government to meet State responsibility for those labor conditions with which the State may effectively deal without fear of unneighborly competition from sister States. The proposed Federal legislation should be a stimulus and not a hindrance to State action.

As we move resolutely to extend the frontiers of social progress, we must be guided by practical reason and not by barren formula. We must ever bear in mind that our objective is to improve and not to impair the standard of living of those who are now undernourished, poorly clad, and ill-housed.

We know that overwork and underpay do not increase the national income when a large portion of our workers remain unemployed. Reasonable and flexible use of the long-established right of government to set and to change working hours can, I hope, decrease unemployment in those groups in which unemployment today principally exists.

Our problem is to work out in practice those labor standards which will permit the maximum but prudent employment of our human resources to bring within the reach of the average man and woman a maximum of goods and of services conducive to the fulfillment of the promise of American life.

Legislation can, I hope, be passed at this session of the Congress further to help those who toil in factory and on farm. We have promised it. We cannot stand still.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *May 24, 1937.*

REPEALING PROVISION RELATING TO TEACHING OR ADVOCATING COMMUNISM IN PUBLIC SCHOOLS, DISTRICT OF COLUMBIA

Mrs. NORTON. Mr. Speaker, I call up the conference report on the bill H. R. 148, and I ask unanimous consent that the statement may be read in lieu of the report.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 148) to repeal a proviso relating to teaching or advocating com-

munism in the public schools of the District of Columbia, and appearing in the District of Columbia Appropriation Act for the fiscal year ending June 30, 1936, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"That the proviso appearing in the fourteenth paragraph under the subheading 'Miscellaneous' under the heading 'Public Schools' in the District of Columbia Appropriation Act for the fiscal year ending June 30, 1936, approved June 14, 1935 (49 Stat. 356), and reading as follows: *Provided*, That hereafter no part of any appropriation for the public schools shall be available for the payment of the salary of any person teaching or advocating communism', is hereby repealed: *Provided, however*, That nothing herein shall be construed as permitting the advocating of communism."

And the Senate agree to the same.

MARY T. NORTON,
DEWEY SHORT,
AMBROSE J. KENNEDY,
Managers on the part of the House.

HUGO L. BLACK,
ROYAL S. COPELAND,
ROBERT M. LA FOLLETTE, Jr.,
WM. E. BORAH,
DAVID I. WALSH,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 148) to repeal a proviso relating to teaching or advocating communism in the public schools of the District of Columbia, and appearing in the District of Columbia Appropriation Act for the fiscal year ending June 30, 1936, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The House bill amended the provision of the District of Columbia Appropriation Act of 1936 relating to the unavailability of public school appropriations for the payment of the salary of any person teaching or advocating communism by substituting therefor a provision under which such appropriations were not to be available for the salary of any person advocating communism or treating any such doctrine with favor or support. The House bill also provided that no person was to be required to make a statement of nonviolation of the proviso as a condition of salary payment.

The Senate amendment struck out the House provision and substituted therefor a provision for the repeal of the proviso of the District of Columbia Appropriation Act.

The conference agreement has the effect of repealing the proviso as in the Senate amendment but adds thereto an express provision under which the repeal is not to be construed as permitting the advocating of communism.

MARY T. NORTON,
DEWEY SHORT,
AMBROSE J. KENNEDY,
Managers on the part of the House.

The SPEAKER pro tempore. The gentlewoman from New Jersey [Mrs. NORTON] is recognized for 1 hour.

Mrs. NORTON. Mr. Speaker, following three conferences held with the conferees of the Senate, at all of which the House conferees endeavored to the best of their ability to carry out the wishes approved by the House, we finally reached an agreement which we hope will be acceptable to all of the Members of the House. It is that the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

That the proviso appearing in the fourteenth paragraph under the subheading "Miscellaneous" under the heading "Public Schools" in the District of Columbia Appropriation Act for the fiscal year ending June 30, 1936, approved June 14, 1935 (49 Stat. 356), and reading as follows: "*Provided*, That hereafter no part of any appropriation for the public schools shall be available for the payment of the salary of any person teaching or advocating communism", is hereby repealed: *Provided, however*, That nothing herein shall be construed as permitting the advocating of communism.

Mr. Speaker, I yield 10 minutes to the gentleman from Massachusetts [Mr. MCCORMACK].

Mr. McCORMACK. Mr. Speaker, when this matter was before the House I introduced the amendment which the House adopted which excluded from direct repeal the advocacy of communism. The effect of that was to prohibit the advocacy of communism by teachers in the public schools of the District of Columbia. The Senate voted for outright repeal, and the Senate conferees have adhered to the position of the Senate. The conferees have agreed as provided in their report today. Frankly, I say that the House conferees have fought, as I see it, for the position of the House. We all know what their individual views were; nevertheless, I am satisfied they have fought to carry out the intent of the House in the adoption of the amendment that I offered.

The primary object I had in mind was that the outright repeal should not be construed as permitting the advocacy of communism in the public schools of the District of Columbia. In attempting to arrive at an adjustment of the differences, the conferees have brought in a report for outright repeal, but with the proviso that it shall not be construed as "permitting the advocacy of communism" in the schools of the District of Columbia. Personally, I would have much preferred to have the Senate accept the amendment which I offered. We must, however, realize, as we do, being practical persons, that when there is a difference between the two branches and there is apparently a deadlock that a compromise spirit must prevail in order to have the question adjusted between the two branches, and so far as the report is concerned, while I do not favor it, it carries out the spirit and the intent of the House amendment, as I view it; while it is not a direct prohibition, it is indirectly a prohibition against the advocacy of communism by any teacher in the public schools of the District of Columbia and for that reason I shall not oppose the report. It an express declaration by the Congress that the repeal shall not be construed as permitting the advocating of communism; and, being an expressed mandate of the Congress, it is a mandate of Congress so far as the Board of Education of the District is concerned, and so far as the Superintendent and teachers of the District are concerned.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. For a brief question.

Mr. MAY. The report of the conferees eliminates entirely the question of any prohibition against teaching communism and amounts to nothing more than an admonition to the teachers or to the school authorities. Can the gentleman advise me as to whether or not if this report is defeated that it leaves the situation just as it was without repeal and that if it is adopted it leaves it with the report confirmed?

Mr. McCORMACK. The gentleman's understanding is correct, that if defeated it leaves it as it is.

Mrs. JENCKES of Indiana. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. For a brief question.

Mrs. JENCKES of Indiana. Does the gentleman think that conditions in the District of Columbia warrant the repeal today any more than they did when the "red rider" was written into the law?

Mr. McCORMACK. So far as the teaching is concerned we all agree that it is advisable to permit the teaching of the truth, the established truth; and we all agree that the necessity of signing an affidavit as a condition precedent to receiving a teacher's salary was unwise and constituted in a sense a nuisance.

I am just as firm today in my position against the advocacy of communism as I ever was, but we are confronted with a practical situation where two parts of the existing law are very objectionable to all of us. The conferees bring in a report which shows specifically that in the repeal the Congress did not intend inferentially or otherwise that it should be construed as permitting the advocacy of communism. In substance it carries out the intent of the amendment which I offered, and indirectly it has the force of law operating upon those who are vested with the charge of the schools of our District. Under those conditions I took the position, having offered the original amendment, that I will not oppose the conference report, inasmuch as it accomplished the spirit and the intent; although, as I say, I would much prefer to have had an absolute and outright prohibition against the advocacy of communism. I take this position because I realize that there must be some adjustment in order to iron out the difference between the two branches. The House conferees have obtained a substantial

victory in incorporating into the law the substance of the amendment that I offered.

Mr. GASQUE. Mr. Speaker, will the gentleman yield for a brief question?

Mr. McCORMACK. Yes.

Mr. GASQUE. If this conference report is adopted by the House, does not the House go on record as repealing the "red rider" in toto but just saying to the school teachers of the District that we want it understood that the House is not in favor of your teaching it, but you can go ahead and teach it if you wish to?

Mr. McCORMACK. No; not the latter. It has the force of a congressional mandate against the advocacy of communism, although it does not have the direct force. Indirectly it has, as I view it, the same effect, and so far as I am concerned, it is a mandate from Congress that the advocacy of communism is prohibited in the schools of the District of Columbia.

Mr. GASQUE. The gentleman's amendment did nothing more nor less than let the teachers of the District of Columbia know that while we did not object to the teaching of communism we did object to the advocacy of communism?

Mr. McCORMACK. Exactly; the gentleman is right in that respect.

Mr. GASQUE. I cannot see where this conference report does anything more than make an apology for striking out the House amendment.

Mr. McCORMACK. I shall not argue with the gentleman. I construe the report of the conferees as in substance accomplishing what we had in mind, that the repeal of the "red rider" shall not be construed as permitting the advocacy of communism in the schools; and being an express mandate of the Congress, it has full force and effect upon the officials of our schools and upon the teachers in the schools of the District of Columbia.

[Here the gavel fell.]

Mrs. NORTON. Mr. Speaker, I yield 5 additional minutes to the gentleman from Massachusetts.

Mr. McCORMACK. Mr. Speaker, I want the gentleman to understand my position. I am not opposing the report, although personally I would much prefer the amendment that the House adopted; but, appreciating the position of the conferees, appreciating the difficulties, and appreciating that the report carries out in substance that the repeal shall not permit the construction by anyone that it allows the advocacy of communism, I believe this is an indirect prohibition, and it has binding force and effect upon the school officials and teachers.

Mr. GASQUE. If we agree to the conference report, we are just saying that in order to harmonize and to get an agreement with the Senate, we accept this report?

Mr. McCORMACK. I do not construe it that way. But if the gentleman does, I respect his state of mind, and I respect his opinion and his right to place that construction upon it.

Mr. BARRY. Will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from New York.

Mr. BARRY. As a matter of fact, at any time under the school laws of the District of Columbia, communism was never permitted to be taught. The "red rider" did nothing but put a prohibition upon something that was not necessary.

Mr. McCORMACK. The "red rider" went into the field of teaching, and also had something to do with teachers' signing a paper before receiving pay. It also prohibited the advocacy of communism, and it was a direct prohibition. Personally, I would much prefer that, but this indirectly, in my opinion, accomplishes the substance of my opposition to outright repeal. It is an express statement by the Congress, and any official of the schools of the District of Columbia or any teacher who violates it will be responsible. It would be the duty of the Board of Education of the schools to proceed against that teacher, and it is their duty under this amendment, as I see it, to investigate all textbooks to see they are not in fact "red" propaganda, and to vigorously investigate all complaints that are made against any teacher on the ground that the teacher is advocating, not teaching, communism.

Mr. BARRY. If at any time a teacher taught or advocated communism, that teacher could have been proceeded against and fired?

Mr. McCORMACK. That teacher could have been proceeded against, exactly, but this is an express mandate. It does not go to the extent of my amendment. I am not opposing it because it carries out the substance of my amendment, and, indirectly, as I construe it, it is a prohibition against the advocacy of communism?

Mr. MAVERICK. Will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Texas.

Mr. MAVERICK. Does not the gentleman believe that this, in effect, expresses the disapprobation and disapproval of Congress, and the only effect is going to be to not require this monthly or semimonthly affidavit of the teachers? We disapprove of the advocacy of communism, but the teachers will not be required to take the oath?

Mr. McCORMACK. My friend agrees with me?

Mr. MAVERICK. Yes. Teachers should not advocate communism or fascism, but should instruct, teach, give learning. As you know, however, I believe that is a matter for the school authorities.

Mr. McCORMACK. In other words, it is the duty of the superintendent, the officials, and the teachers to realize this is a prohibition against the advocacy of communism.

Mr. MAVERICK. Yes; I so understand it. And they dare not violate the will of Congress?

Mr. McCORMACK. It is the will of Congress so expressed.

Mr. MOTT. Will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Oregon.

Mr. MOTT. I understand the gentleman is not contending this provision has any legal effect whatever.

Mr. McCORMACK. I do. I contend this is the will of Congress expressed, and it is obligatory upon the teachers of the District of Columbia and it is the duty of the school board to comply with this mandate.

Mr. MOTT. Does the gentleman contend this proviso could be enforced by law?

Mr. McCORMACK. It can be enforced by the Board of Education where any teacher violates the express will of Congress, as contained in this proviso.

[Here the gavel fell.]

Mrs. NORTON. Mr. Speaker, I yield the gentleman 2 additional minutes.

Mr. COLDEN. Will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from California.

Mr. COLDEN. I agree with the gentleman in opposing the teaching of communism. But I call attention to the fact that in California Communists are recognized and they nominate their own candidates for office. I understand a recent decision of the Supreme Court also recognizes the right to advocate communism from the platform.

Mr. McCORMACK. No; the Supreme Court did not.

Mr. COLDEN. Are we not abridging the right of teachers to free speech by placing restrictions upon them?

Mr. McCORMACK. No; it is not. The law does not permit of anything which is destructive of existing government. That is not freedom of speech. That is an abuse of speech and it constitutes license.

Mr. MOTT. The gentleman has only 2 minutes. I suggest it would be very valuable if in those 2 minutes he would explain how this provision may be enforced by law, and what the legal effect of the provision is? That is not clear to me.

Mr. McCORMACK. If any teacher violates this mandate, it is the duty of the Board of Education to investigate and punish the teacher.

Mr. MOTT. Under law that existed prior to the enactment of this bill?

Mr. McCORMACK. Under this express mandate of Congress it has, as I construe it, that effect. I have stated my position before, I prefer the amendment that I offered, but I am not opposing the conference report. It carries out

substantially the intent and purposes of the amendment which I offered.

Mr. MOTT. I understand the gentleman's position, but I do not see how it can be carried out in law.

[Here the gavel fell.]

Mrs. NORTON. Mr. Speaker, I yield 10 minutes to the gentleman from Illinois [Mr. DIRKSEN], a member of the committee.

Mr. DIRKSEN. Mr. Speaker, it begins to appear that we shall have an interment today. This is the official day for interring and suitable obsequies for a strange little creature that once was known as "Little Red Rider", but later became known as "Little Pink Rider." For all practical purposes it will be shunted out of existence today.

Mr. McCORMACK. Will the gentleman yield?

Mr. DIRKSEN. Permit me to continue.

Mr. McCORMACK. The gentleman says this has no effect.

Mr. DIRKSEN. I will get to that later.

I suppose in the manner of a minister who follows the customary form of an obituary, it would be proper to say that "Little Red Rider" came into this world on the 14th day of June 1935, under rather felicitous but doubtful circumstances. Nobody seemed quite clear as to how "Little Red Rider" was born. I am not even satisfied as to the sex of this little creature. I might dub it as she, he, or it with perfect propriety. In any event, it came into being, and we do not know whether it came into being on the floor of this House or in committee. However, we do know that in the hectic days of the closing session, in June of 1935, that provision known as the "red rider" in the form of permanent law, found its way into the District appropriation bill, which put an interdiction upon the teaching and the advocacy of communism in the public schools of the District of Columbia. By virtue of the word "hereafter" inserted in the amendment, it became permanent legislation. What appeared at that time to be a wholly inconsequential little amendment provoked a storm and a fury which raged from the Atlantic to the Pacific Ocean and from the Dominion line to the Gulf of Mexico. In a little while it was being bandied around in the councils of the American Legion and being discussed in the forums of teachers, particularly the National Education Association. Soon we found the Patriotic Coalition, representing a hundred sundry patriotic societies, coming before the House District Committee, inveighing for and against the "little red rider." It took on some of the aspects of an international controversy, with the danger of severance of diplomatic relations. I am hopeful, therefore, that in all peace we can inter "Little Red Rider" today and never hear of it any more.

It is rather tragic that some of the circumstances and some of the evil consequences which did arise should have arisen from something that seemed so inconsequential. You would be amazed to know some of the things which have been related in the hearings of the Committee on the District of Columbia as a result of "Little Red Rider." For instance, a teacher of physiology got up before a class and said, "Now, children, today we are going to study the red corpuscles in the blood." Some very smart and sophisticated youngster said, "Teacher, you said 'red.' I am going to tell on you."

A teacher of geography began to discuss the question of Russia and the Union of Socialist Soviet Republics. Somebody stood up in the classroom and literally menaced and threatened the teacher for having used the word "Russia" and for having used the words "Union of Socialist Soviet Republics."

This is how far these little things can ofttimes go. It is not at all surprising, therefore, that you have not hundreds, but literally thousands, of teachers in the District of Columbia who were somewhat affrighted because their jobs were in danger. They did not know quite how far they might go without having somebody report them to the school board or to the House District Committee. This was one of the results of the "red rider", silly and nonsensical as it may seem, and you can multiply these instances as having been within the reality of experience in the schoolrooms of the District of Columbia.

Therefore after suitable hearings before a subcommittee, at which many pages were filled with testimony and a great number of distinguished personages came to testify, the matter was finally brought to the floor of the House, and then was modified somewhat by the amendment of my friend the gentleman from Massachusetts [Mr. McCORMACK]. In that form it went over to the Senate. I can say to you the Senate was absolutely insistent that the "red rider" be repealed, and I think it was, perhaps, in the exercise of some generosity on the part of the Senate that this little directional provision finally crept in, which provides that the original "red rider" be repealed, and that nothing herein shall be construed as permitting the advocating of communism.

I thoroughly disagree with my very distinguished friend the gentleman from Massachusetts [Mr. McCORMACK] that this provision has the binding effect of law, unless there is something in existing law which now makes it impossible to use the appropriations which were made available in that bill for the purpose of advocating communism. I think this is in the nature of the obiter dicta you sometimes find in a court decision. I think it is nothing more than directional, that it gives a hint to the teachers and to the school board that it is the sense and the judgment of Congress that communism should not be advocated in the District schools. However, if the teachers undertake to violate this direction, I know of no way in which they can be punished unless the school board takes it upon itself to do so; and, perhaps, this has to be done only after proper notice has been given and a hearing has been held. I do not know whether the teachers can be arbitrarily and summarily discharged or not.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield to my good friend the gentleman from Kentucky.

Mr. MAY. The gentleman knows full well as a lawyer that no criminal statute which does not carry a penalty either of imprisonment or fine can be enforced.

Mr. DIRKSEN. I agree with the gentleman's statement. Therefore, I feel that after all the discussion which has thus far taken place, this is nothing more than a direction to the teachers here to the effect that they will be violating, in a sense, what seems to be the present apparent desire of Congress relative to the advocating of communism.

Mr. MAVERICK. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Texas.

Mr. MAVERICK. Does the gentleman think we need a criminal statute for the teachers to keep them patriotic and doing their duty? This point was brought up just now by the gentleman from Kentucky [Mr. MAY]. Do you think we must threaten our teachers with prison as though they are criminals?

Mr. DIRKSEN. I do not believe we do.

Mr. MAVERICK. Does not the gentleman think that if some teacher should advocate the establishment of the Russian form of government, together with the overthrow of our form of government, he would get "canned" very quickly?

Mr. DIRKSEN. Yes. We run once more the entire gamut of discussion this House has been through since 1935. I trust we have seen the light since that day.

Mr. MAVERICK. Of course. I hope we have seen the light, too.

Mr. LUCAS. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Illinois.

Mr. LUCAS. Is it not a fact that if the House adopts the conference report, the effect will be merely to eliminate any difficulty the teachers may have with the Comptroller General as far as concerns the affidavit they used to take under the old law?

Mr. DIRKSEN. Substantially, I would say that is so.

Mr. LUCAS. They will not be required under the conference report to make any affidavit that they have not taught or advocated communism during the previous month?

Mr. DIRKSEN. The gentleman is correct.

Mr. LUCAS. Is it not a fact that under the McCormack amendment there was the possibility they would still be required to do that very thing?

Mr. DIRKSEN. It is purely a question of interpretation, but I am not so sure but what they might have been required to do so under that amendment.

Mr. MOTT. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield to my friend, the gentleman from Oregon.

Mr. MOTT. The gentleman from Texas suggested that if a teacher should teach communism she would presently be fired. Perhaps that is true; but she would not be fired by virtue of anything in this proviso?

Mr. DIRKSEN. Nothing in this proviso, in my judgment, has the impelling force which would make it possible to discharge her. There must be some other preexisting provision of law or regulation under which she could be discharged.

Mr. MOTT. Is it not a fact this proviso is more in the nature of a face-saving compromise, so far as the House conferees are concerned?

Mr. DIRKSEN. It is manifestly declaratory and I think when you analyze it that is about the best that can be said for it; but I thoroughly agree with it.

[Here the gavel fell.]

Mrs. NORTON. Mr. Speaker, I move the previous question on the adoption of the conference report.

Mrs. JENCKES of Indiana. Mr. Speaker, on that I demand the yeas and nays.

Mr. BOILEAU. Mr. Speaker, I make a point of order there is no quorum present.

The SPEAKER pro tempore. Evidently there is not a quorum present.

Mrs. NORTON. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, when the following Members failed to answer to their names:

[Roll No. 66]

Allen, Pa.	Ferguson	Long	Sacks
Caldwell	Fernandez	Lord	Sadowski
Cannon, Wis.	Fulmer	McClellan	Schuetz
Chandler	Gifford	McGroarty	Scrugham
Clark, Idaho	Gilchrist	Maas	Smith, Va.
Cluett	Goodwin	Mason	Somers, N. Y.
Crowe	Griffith	Miller, Ark.	Sumners, Tex.
Crowther	Harrington	Mouton	Smith, Wash.
Culkin	Jacobsen	O'Connell, Mont.	Smith, W. Va.
Cummings	Jenkins, Ohio	Pearson	Taylor, Colo.
Dempsey	Johnson, Minn.	Peterson, Fla.	Treadway
DeRouen	Keller	Peyser	Williams
Douglas	Kelly, N. Y.	Pierce	Withrow
Drew, Pa.	Kvale	Plumley	Wolfenden
Duncan	Lesinski	Rutherford	Wood

The SPEAKER pro tempore. Three hundred and seventy-two Members have answered to their names, a quorum.

Mrs. NORTON. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The SPEAKER pro tempore. The question is on the motion of the gentlewoman from New Jersey to order the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the adoption of the conference report.

Mrs. JENCKES of Indiana. Mr. Speaker, on that I demand the yeas and nays.

The SPEAKER pro tempore. The gentlewoman from Indiana demands the yeas and nays. Those who are in favor of this vote by the yeas and nays will rise and stand until counted. [After counting.] Forty Members have risen, not a sufficient number.

So the yeas and nays were refused.

The question was taken; and there were on a division (demanded by Mr. GASQUE)—ayes 182, noes 60.

So the conference report was agreed to.

On motion of Mrs. NORTON, a motion to reconsider the vote by which the conference report was agreed to was laid on the table.

EXTENSION OF REMARKS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to insert therein a copy of the bill which was approved by the unofficial steering committee for Government ownership of the 12 Federal Reserve banks, and a list of the 156 Members who are the coauthors and cosponsors of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

AMENDMENT OF MARRIAGE LAWS OF THE DISTRICT OF COLUMBIA

Mrs. NORTON. Mr. Speaker, I call up the bill (H. R. 5462) to increase the age of consent for marriage in the District of Columbia to 18 years of age in the case of males and 16 years of age in the case of females.

The SPEAKER pro tempore. This bill is on the House Calendar. The clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That paragraph "Fourth" of section 1285 of the act entitled "An act to establish a code of law for the District of Columbia", approved March 3, 1901, as amended, is amended to read as follows:

"Fourth. When either of the parties is under the age of consent, which is hereby declared to be 18 years of age for males and 16 years of age for females."

With the following committee amendment:

Page 1, after line 9, insert:

SEC. 2. A license to marry shall not be issued until 3 days have elapsed from date of application for issuance of said license.

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 2. This act shall take effect on the thirtieth day after the date of its enactment.

With the following committee amendment:

Line 4, strike out the figure "2" and insert the figure "3."

The committee amendment was agreed to and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

AMENDMENT TO THE HEALING ARTS PRACTICE ACT

Mrs. NORTON. Mr. Speaker, I call up the bill, H. R. 6696, to amend an act entitled "An act to regulate the practice of the healing art to protect the public health in the District of Columbia", known as the "Healing Arts Practice Act, District of Columbia, 1928", approved February 27, 1929.

The SPEAKER pro tempore. The gentlewoman from New Jersey calls up the bill H. R. 6696, which the Clerk will report.

The Clerk read the bill, as follows:

Be it enacted, etc., That the act of Congress entitled "An act to regulate the practice of the healing art to protect the public health in the District of Columbia", known as the "Healing Arts Practice Act, District of Columbia, 1928", approved February 27, 1929, be amended by striking from the first paragraph of section 24 thereof the sentence reading as follows: "After 5 years after the approval of this act the commission shall issue no license to practice the healing art in the District of Columbia on the basis of a license to practice medicine and surgery or to practice midwifery, in the District of Columbia, in force on the date of its approval."

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. SIROVICH. Mr. Speaker, will the gentlewoman from New Jersey tell me what this bill is about, what the bill does.

Mr. COLLINS. Mr. Speaker, will the lady yield to me?

Mrs. NORTON. I yield to the gentleman from Mississippi.

Mr. COLLINS. There is a provision in the old act giving those who had been practicing in the District 5 years' time in which to file their applications. A large number of doctors, dentists, and other practitioners who were in the Navy and Army and in other services have been absent from the District for a longer period of time than 5 years. This

bill merely strikes out the 5-year provision so that these persons can come back to practice in the District if they see fit to do so.

The SPEAKER pro tempore. The question is on the passage of the bill.

The bill was passed and a motion to reconsider laid on the table.

DR. RUSSELL V. PEMBERTON

Mrs. NORTON. Mr. Speaker, I call up the bill (H. R. 5110) to provide for the issuance of a license to practice chiropractic in the District of Columbia to Dr. Russell V. Pemberton and ask unanimous consent that the bill be considered in the House as in the Committee of the Whole.

The SPEAKER pro tempore. The gentlewoman from New Jersey calls up the bill H. R. 5110 and asks unanimous consent that the bill be considered in the House as in Committee of the Whole. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding any limitation relating to the time within which an application for a license must be filed, the Commission on Licensure to Practice the Healing Art in the District of Columbia is authorized and directed to issue a license to practice chiropractic in the District of Columbia to Dr. Russell V. Pemberton in accordance with the provisions of the act of Congress entitled "An act to regulate the practice of the healing art to protect the public health in the District of Columbia", approved February 27, 1929, and on condition that the said Russell V. Pemberton shall be found by said Commission to be otherwise qualified to practice under the provisions of said act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

TO PROTECT BUYERS OF POTATOES IN THE DISTRICT OF COLUMBIA

Mrs. NORTON. Mr. Speaker, I call up the bill (H. R. 6242) to protect the buyers of potatoes in the District of Columbia, and ask unanimous consent that it be considered in the House as in Committee of the Whole.

The SPEAKER pro tempore. The gentlewoman from New Jersey calls up the bill H. R. 6242, and asks unanimous consent that it be considered in the House as in Committee of the Whole. Is there objection?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That no person, firm, or corporation shall sell, offer for sale, keep, or expose for sale in the District of Columbia potatoes in any package which is not plainly marked or labeled with the name of the United States grade which represents a standard no higher than the actual grade of potatoes contained therein: *Provided, however*, That the term "unclassified" or "ungraded" may be used. The superintendent of weights, measures, and markets shall administer this act and the Commissioners of the District of Columbia are authorized to establish necessary rules and regulations therefor.

SEC. 2. No person, firm, or corporation shall sell, offer for sale, keep, or expose for sale in the District of Columbia any potatoes otherwise than in packages as provided in section 1 of this act without having plainly and conspicuously displayed in proximity to said potatoes a printed sign where it may readily be seen and in letters of not less than one-half inch high printed in Gothic type clearly and distinctly stating the United States grade of said potatoes.

SEC. 3. The provisions of this act shall not apply to officially certified seed potatoes which meet the grade or certification requirements as labeled and which are sold exclusively for seed purposes, provided they are sold in original packages and bear the official seal and certification of the department of agriculture of the State or country where the potatoes were grown.

SEC. 4. Any person, firm, or corporation which shall violate any provisions of this act shall be fined not more than $50 for the first offense and not more than $200 for each subsequent offense.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PROHIBITION OF UNDESIRABLE INDUSTRIES, DISTRICT OF COLUMBIA

Mrs. NORTON. Mr. Speaker, I call up the bill (H. R. 6834) to prohibit the use of buildings or premises in the District of Columbia for the carrying on of certain undesirable industries.

The SPEAKER pro tempore. The gentlewoman from New Jersey calls up the bill H. R. 6834, which the Clerk will report:

The Clerk read the bill, as follows:

Whereas, under section 8 of article I of the Constitution, the Congress was granted power to exercise exclusive legislation in all cases whatsoever over such District as should become the seat of the government of the United States; and

Whereas the area of the District of Columbia is approximately 70 square miles and, due to the continuing increase of population of the District of Columbia, the area remaining in the District of Columbia available for the housing of such population and the supplying of its needs is becoming more and more limited; and

Whereas the Government has in the past expended, and is continuing to expend, vast amounts to render the area included in the District of Columbia more suitable for a seat of government and as a place of residence for the agents and employees of the Government; and

Whereas the use of buildings or premises for the purposes hereinafter set forth is unduly detrimental to the proper use and development of the District of Columbia as a seat of government and as such place of residence: Therefore

Be it enacted, etc., That the following purposes are hereby declared to be undesirable purposes for use of buildings or premises within the District of Columbia, and it shall be unlawful, from and after the effective date of this act, to erect, alter, or use any building or premises in the District of Columbia for any one or more of the following purposes:

1. Acetylene gas manufacturing.
2. Distillation of bones or wood.
3. Manufacture of pyroxylin, celluloid, explosives, fireworks, or gunpowder.
4. Gasoline, naphtha, or petroleum refining, except such refining as shall be merely incidental to other permitted uses and for the purpose of recovering for use by the person refining the same, of such products rendered impure through such other permitted uses.
5. Ammonia, bleaching powder, or chlorine manufacturing.
6. Gelatine, glue, or sizing manufacturing.
7. Rendering of fat or other animal products.
8. Incineration, for others, or reduction or rendering, of dead animals, garbage, offal, or refuse, except in a municipal plant.
9. Manufacture of fertilizer from animals or animal refuse.
10. Slaughtering of animals.
11. Stockyards.
12. Smelting of ores.
13. Sulphuric-, nitric-, or hydrochloric-acid manufacturing.
14. Tetra-ethyl lead precipitate or liquid manufacture.
15. Tanning, curing, cleaning, or other processing, or storage, of raw skins or raw hides, other than taxidermy: *Provided, however*, That in the event that any building or premises in the District of Columbia shall be actually used on the effective date of this act, for any one or more of the aforesaid purposes, the person or persons so operating or using said building or premises may apply to the Zoning Commission created by the act approved March 1, 1920 (Public, No. 153, 66th Cong.), for a permit or permits to continue such use or uses of such building or premises in the manner and to the extent hereinafter set forth.

In the event that such applicant shall, within 90 days after the effective date of this act, establish to the satisfaction of the Zoning Commission and the health officer of the District of Columbia—

(1) That such building or premises were used on the effective date of this act for one of the purposes specified above (showing the extent to which such building or premises have been so used during each of the 5 years next preceding the effective date of this act);

(2) That such use has not been and if continued will not be unduly injurious, obnoxious, or offensive by reason of noise, smoke, odor, gas, dust, or other objectionable feature; and

(3) That such use will be solely for the purpose of supplying the needs of the inhabitants of the District of Columbia and the surrounding territory within a distance of not more than 5 miles from the nearest boundary of the District of Columbia;

the Zoning Commission, with the approval of the health officer, may grant, and it is hereby authorized to grant, a permit for the continuance of such use of the premises for a period of 1 year from the date of issuance of such permit.

Such permit shall set forth the use the continuance of which is authorized thereby, and the building or premises (or portion thereof) to which the same is applicable, and shall also set forth the extent to which such building or premises (or portion thereof) may be so used for such purpose, based upon such period as the Zoning Commission shall determine to reflect most accurately the operations of the applicant, which use shall be no greater than the greater of—

(1) 125 percent of the average extent of the use of such building or premises (or portion thereof) for such purpose during the 5 years preceding the effective date of this act (or, if any such use shall not have been commenced on or before a date 5 years prior to the effective date of this act, 125 percent of the average extent of the use for such purpose during the time from the date of commencement of such use to the effective date of this act), or

(ii) the average extent of the use for such purpose during any 12 consecutive calendar months during such five years

of such building or premises, or such portion thereof as shall have been used for such purpose, and shall also provide that such use

shall be solely for the purpose of supplying the needs of the inhabitants of the District of Columbia, and the surrounding territory within a distance of not more than 5 miles from the nearest boundary of the District of Columbia. Any permit so granted may be renewed for a further period of 1 year, and thereafter successively renewed for periods of 1 year: *Provided*, That the holder of such permit shall, within 60 days prior to the expiration of any permit, or renewal thereof, establish to the satisfaction of the Zoning Commission and the health officer, in respect of the period since the date of the last previous application for any such permit or renewal, the same requirements as are hereinabove required to be established in case of an original application for such permit and in addition shall establish that it has complied with all the terms and provisions of the permit (or renewal) then held by it.

The Zoning Commission, with the approval of the health officer, may, in the event that an application for an original permit shall have been received as hereinabove provided, grant a temporary permit to the applicant for the continuance of the use specified in such temporary permit for a period of not exceeding 30 days from the date of such temporary permit, pending final action upon the application for a permit, and may renew such temporary permit for successive periods of not exceeding 30 days, provided that no temporary permit shall be effective after 6 months after the effective date of this act.

The Zoning Commission and the health officer shall have full authority to reject any application for a permit or renewal thereof if the aforesaid matters shall not be established as hereinabove provided.

Any holder of a permit granted in accordance with the provisions of this section shall have the right to alter any building (or portion thereof) covered by any such permit: *Provided*, That the capacity of the building shall not be thereby increased and that any alterations shall be made in accordance with the most modern methods of carrying on the permitted use, and that any such alteration shall be in accordance with the rules and regulations of the Commissioners of the District of Columbia applicable thereto.

SEC. 2. Buildings or premises erected, altered, or raised, or converted or used, in violation of any of the provisions of this act are hereby declared to be common nuisances; and the owner or person in charge of or maintaining any such buildings or premises upon conviction on information filed in the police court of the District of Columbia by the corporation counsel or any of his assistants in the name of said District, and which court is hereby authorized to hear and determine such cases, shall be adjudged guilty of maintaining a common nuisance, and shall be punished by a fine of not more than $200 per day for each and every day such nuisances shall be permitted to continue, and shall be required by said court to abate such nuisance. The corporation counsel of the District of Columbia may maintain an action in the District Court for the District of Columbia in the name of the District of Columbia to abate and perpetually enjoin such nuisance.

SEC. 3. The Commissioners of the District of Columbia shall enforce the provisions of this act, and nothing herein contained shall be construed to limit the authority of the Commissioners of the District of Columbia to make municipal regulations as heretofore: *Provided*, That such regulations are not inconsistent with the provisions of this act.

SEC. 4. This act shall be effective upon the date of its passage.

Mrs. NORTON. Mr. Speaker, this bill sets out a group of undesirable industries for which it is made unlawful to erect, alter, or use any building in the District of Columbia. If a building is, at the date of the bill's enactment, being used for any of the proscribed purposes, the continued use of such building for such a purpose is permitted after a permit has been granted by the Zoning Commission with the approval of the health officer of the District of Columbia. Provision is made for the granting of temporary permits for the continued use of a building for 30 days and for renewals of such temporary permits for a limited length of time.

The regular permits granted by the Zoning Commission are to run for 1 year—3 years pursuant to a committee amendment—and may be issued only after the Zoning Commission and the health officer have been satisfied as to the location, nature, and purpose of the continued use. The bill sets up a method by which the Zoning Commission may determine the extent to which a building may be used for one of the affected purposes. Provision is made for renewals of these permits, upon the Zoning Commission and the health officer being satisfied as to certain factors which are set forth in the bill.

A building which is erected, altered, or used in violation of the provisions of the bill is declared to be a common nuisance, and penalties for its violation are set forth. The bill also provides that actions against violators are to be filed in the police court of the District of Columbia by the corporation counsel in the name of the District of Columbia and that actions to abate and perpetually enjoin the nuisance may be maintained by the corporation counsel in the District Court of the United States for the District of Columbia.

If what I have to say today were to be delivered as a sermon, the text would be, "Better late than never." For I am frank to say that H. R. 6834 is a bill which should have been adopted by the Congress years ago. Although part of the responsibility for this delay must rest with those of us who, in the heat of working on legislation for the country as a whole, have in this respect regrettably ignored the District of Columbia, some portion of the responsibility, I believe, is explained by the nature of the relationship between the District of Columbia and the Federal Government.

In many cities throughout this country similar legislation has already been adopted, enforced, and sustained. But action in other cities is often assured through the militant steps which can be taken by the electorate who, through their elected representatives, can prevent the establishment of these so-called nuisance industries. But action by residents of the District must be restricted to such tactics as resolutions, petitions, newspaper editorials, and the like. Having no vote, the residents here are at the mercy of the Congress, which controls the District.

Another peculiar situation injects itself. The responsibility of Congress, so far as the District of Columbia is concerned, is not only to the residents here but also to the country at large. Steps must be taken to insure that the Nation's Capital will be developed along those lines which will prevent the location in the seat of the Government of industries whose operations are unduly injurious, obnoxious, or offensive by reason of noise, smoke, odor, gas, or dust. It is, therefore, the joint stimuli of local protest and national pride which should induce the Congress to adopt H. R. 6834.

A companion bill to H. R. 6834 was introduced in the Senate, and is known as S. 2286. Hearings have been held on the Senate bill by a special subcommittee, and I have had access to the transcript of the testimony thus far adduced there. It is plain from an examination of this transcript that there is considerable at stake in connection with this bill. Responsible Government officials have indicated their support of this bill and have demonstrated the possible effect upon Government investment in various undertakings, such as hospitals, public buildings, parks, roadways, and housing projects, if such a bill is not adopted as soon as possible. Furthermore, witnesses have testified as to the need for this bill in preserving the orderly development of the District as the seat of the Government.

As your committee's report points out, the territorial limits of the District are fixed, and the growing population here makes it necessary that immediate steps be taken to prevent the construction of buildings which will be used for purposes not consistent with the manner in which the Nation's Capital should be developed. We all know that the District of Columbia is essentially a residential area, that this is not the place for heavy industries. It seems to me, therefore, that a bill of this nature only makes articulate what some of us have felt was long necessary and, I believe, what some of us mistakingly considered was already the law.

I mention this because in my discussions with other Members of this House I have found it to be the impression that there already existed in the Zoning Commission power to prohibit these industries. Unfortunately, such is not the case. The present applicable regulations of the Zoning Commission do not prohibit the use of buildings for the prescribed purposes; they merely require that before a building may be used for any of these purposes the approval of the Commission must first be obtained.

The District Commissioners have approved and are urging the enactment of this legislation. In submitting their report urging the adoption of H. R. 6834, the Commission submitted a legal opinion by Corporation Counsel Seal. Mr. Seal's elaborate opinion, authoritatively documented, concludes that the bill is entirely constitutional. This opinion points out that regulation and, if necessary, abatement of

the following businesses, trades, and industries have been sustained: Distilleries, soap, glue, vitriol, and like factories; manufacturers of fertilizer, and so forth; tanneries, brickyards, brickmaking, brickkilns; stone quarries; hide-curing establishments; open cattle yards and cattle pens; keeping of hogs and hog pens; slaughterhouses; garbage-reduction plants; rendering of dead animals; manufacture or storage of gunpowders or explosives. Furthermore, his opinion points out that the exclusion of certain of the above-enumerated businesses, trades, and industries from within the limitations of municipalities has been sustained: Open cattle yards and pens; keeping of hogs and hog pens; rendering of dead animals; garbage; and so forth; slaughterhouses; and manufacture or storage of gunpowders and explosives.

Despite the fact that there would be no question as to the constitutionality of a bill which excluded from the territorial limits of the District certain industries and which would prohibit the continuance of any of these industries, this bill does not go that far. In the interest of equity, provision is made only for the prohibition of the construction, alteration, or repair of any building for any of the proscribed uses after the adoption of the bill, but the bill does not absolutely prohibit an existing use at the time of the adoption of the bill. Instead, persons using a building at the time of the adoption of this bill for any of the affected purposes may apply for a permit to the Zoning Commission, which, with the approval of the health officer, is authorized to grant renewable permits for reasonable lengths of time upon being satisfied as to certain factors.

I have heard of attempts to modify the bill to the extent of providing for compensation to certain owners or users of buildings who would be unable to use those buildings for the purpose intended if this bill was passed. I want to go on record as being against this idea. I recognize that some hardship must inevitably work on some person whenever any legislation of this kind is enacted. But, as was quoted by the Supreme Court of the United States in the *Slaughterhouse Cases* (16 Wall. (U. S.) 36)—

> Persons and property are subjected to all kinds of restraints and burdens in order to secure the general comfort, welfare, health, and prosperity of the State. Of the perfect right of the legislature to do this no question ever was, or, upon acknowledged general principles, ever can be made, so far as natural persons are concerned.

Our function as legislators in the exercise of police power is to weigh the public benefit against resulting hardship to individual personal and property rights. Where the public benefit outweighs individual hardships as strikingly as it does in this instance, personal rights must yield to the paramount rights of the Government in conserving the general welfare. This maxim of law is fundamental to our democratic system of government. It is a maxim which the Supreme Court of the United States within recent years has extended so as to make municipal planning and zoning legally feasible.

In my opinion, the adoption of a bill which would provide for payment to owners or users of property affected by the passage of H. R. 6834 would be an unprecedented step. It would be, in effect, a price paid by a legislative body to individuals under its jurisdiction for the privilege of exercising the police power residing in that legislative body. It would be a step whch would do violence to the very essence of the police power, for it assumes that despite the fact that a legislative body has determined that the interests of the community at large require the passage of a bill under the police power, the interests of certain affected individuals of that community are so superior to the interests of the entire community as to justify an apology in the form of monetary compensation for the exercise of that legislative body's sovereign power.

Mr. Speaker, the committee has sent to the desk several suggested amendments to this bill.

Mr. FITZPATRICK. Mr. Speaker, will the gentlewoman yield?

Mrs. NORTON. I yield.

Mr. FITZPATRICK. I am in sympathy with the bill, but on page 3, line 1, I would like to know if the word "incineration" would affect a new apartment hotel that might be constructed in the District?

Mrs. NORTON. No; it would not.

Mr. FITZPATRICK. That would not affect it?

Mrs. NORTON. No.

Mr. GAMBRILL. Mr. Speaker, will the gentlewoman yield?

Mrs. NORTON. Gladly.

Mr. GAMBRILL. Will the gentlewoman please inform the House why there is so much haste in the passage of this bill? I understand that a bill of similar character is pending before the Senate and that extensive hearings have been held by the Senate, which hearings are to be concluded in a short time.

Mrs. NORTON. The gentleman is correct. There is a similar bill pending before the Senate and hearings have been held on that bill, which will be available to every member of this committee.

Mr. GAMBRILL. I also understand that the House District Committee has not held any hearings?

Mrs. NORTON. That is true. The committee decided it was not necessary to hold hearings before the House committee when the Senate was holding hearings on the identical bill in question. May I say that the Committee on the District of Columbia at the present time has 10 subcommittees at work on different bills? This being a matter that should be acted upon just as quickly as possible, it was thought we could facilitate the passage of the bill by bringing it up in the House. Of course, it will take its usual procedure in the Senate.

Mr. GAMBRILL. Will the gentlewoman tell us why there is so much haste in the passage of the bill? Will the gentlewoman please bear in mind in answering that question that the Senate is probably considering a compromise measure under which Gobel & Co., who have a permit to erect an abattoir out at Benning, will be paid some compensation for the expense they have been under?

Mrs. NORTON. I may say to the gentleman that we have an amendment that will be read in a few moments by the Clerk which will take care of that in this bill.

Mr. GASQUE. Mr. Speaker, will the gentlewoman yield?

Mrs. NORTON. I yield.

Mr. GASQUE. I am very much in sympathy with the proponents of this bill.

Mrs. NORTON. Mr. Speaker, I yield 10 minutes to the gentleman from New York [Mr. O'CONNOR].

Mr. O'CONNOR of New York. Mr. Speaker, I rise in opposition to the bill.

CALL OF THE HOUSE

Mr. O'MALLEY. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. The Chair will count. [After counting.] One hundred and thirty-five Members are present—not a quorum.

Mr. RAYBURN. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 67]

Allen, Pa.	Fernandez	McClellan	Sacks
Andrews	Fulmer	McLaughlin	Sadowski
Burch	Garrett	McLean	Schuetz
Cannon, Wis.	Gifford	Maas	Smith, Maine
Chandler	Gilchrist	Mason	Smith, Va.
Clark, Idaho	Goodwin	Meeks	Smith, W. Va.
Clark, N. C.	Griffith	Miller	Sullivan
Cluett	Harrington	Mouton	Sumners, Tex.
Creal	Hendricks	Murdock, Utah	Taylor, Colo.
Crowe	Hunter	Nichols	Taylor, Tenn.
Crowther	Johnson, Minn.	Patrick	Thurston
Culkin	Keller	Pearson	Treadway
Cummings	Kerr	Peterson, Ga.	Vincent, B. M.
DeRouen	Kvale	Peyser	White, Idaho
Douglas	Lesinski	Pierce	Williams
Drew, Pa.	Lewis, Md.	Plumley	Withrow
Duncan	Long	Robinson, Utah	Wood
Farley	Lord	Rutherford	

The SPEAKER pro tempore. Three hundred and sixty-two Members have answered to their names, a quorum.

On motion of Mrs. NORTON, further proceedings under the call were dispensed with.

Mr. O'CONNOR of New York. Mr. Speaker, it is gratuitous for me to say that it is with great reluctance I take the floor to oppose a bill brought out by the Committee on the District of Columbia, and especially one brought out under the direction of the distinguished chairman of that committee. This bill is what is commonly known as the abattoir bill, or slaughterhouse bill. In all my experience with legislation I have never seen the like. I am proposing to the gentlewoman from New Jersey—and I am quite sure it will be agreeable to the majority of her committee—to withdraw the bill and hold some hearings on it.

The bill, after reciting a number of "whereases", contains unfinished lines and unfinished sentences that have no meaning.

Mr. COLE of Maryland. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR of New York. I yield.

Mr. COLE of Maryland. Are we to understand that there have been no hearings whatever on this bill?

Mr. O'CONNOR of New York. There have been absolutely no hearings at all on the bill. The report contains 17 amendments recommended by the Commissioners of the District. I understand that these amendments were never submitted to the committee. They are not contained in the bill as reported.

Mr. Speaker, let me briefly review the history of this situation, and let me tell you at the beginning why I take this position. I do so because this bill is aimed solely and entirely against one of the best-known packers in America, the Adolph Gobel Co., of New York. They were granted a permit to remodel and reconstruct an abattoir at Benning which they have owned for a great many years. It has been operated as a slaughterhouse for about 40 years. The Commissioners of the District granted the permit, and the company spent a great deal of money to make it one of the most modern plants in America. It had the approval of the Bureau of Animal Industry, but on the very day the permit was granted somebody brought a bill up here. It is not disclosed who brought it up, but the distinguished gentlewoman from New Jersey introduced it by request.

That bill is supposed to be directed, after the whereases, against about 15 industries from the manufacture of acetylene gas down to tanning, yet there is not one of those industries existing in the District of Columbia. The only industry the bill is really directed against is this abattoir in Benning, about 6 miles from here, which has served the cattlemen of Maryland for 40 years and has reduced the cost of meat products to the people in the surrounding territory, as well as giving work to hundreds of employees.

As I say, there were no hearings before the committee and there was no consideration of the bill. After voting pro and con and reconsidering the vote, the bill was ordered out by a vote of 9 to 8. No amendments were submitted or approved. The committee could not have read the bill, because if they had, they would have seen unfinished sentences and unfinished provisos.

Listen to this: For the first time in the history of legislation there is this extreme attempt on the part of the Government to control private industry. It is indeed novel. The bill says that if by any chance a permit should ever be granted to operate an abattoir or slaughterhouse the commissioners appointed under the bill can prescribe that this producer or packer must not sell his products at a greater distance than 5 miles from the boundary line of the District. [Laughter.] What does that sound like? It sounds as though some competitor, maybe in Baltimore or even Chicago, does not want any packing plant in this neighborhood to interfere with the sale of his products. And so on this strange attempt to control private business goes throughout the bill. I understand that the provision to which I just referred is going to be somewhat modified by taking out the 5-mile limit, but still it will permit the zoning commissioners to prescribe within certain bounds how far a man can sell his ham or his pork. Well, of course, I could not dignify that by calling it even an extension of the New Deal.

There is a lot of talk about odors. Everybody gets excited about a slaughterhouse. I have in my district on the East Side of New York more slaughterhouses, I dare say, than in any other district in the country outside of Chicago. On First Avenue, from Forty-second to Fiftieth Streets, nearly every well-known packing concern of this country has a slaughterhouse. In this same neighborhood, just one block from the slaughterhouses in all directions are the largest, the most expensive, and the highest-class apartment houses in America, as the gentleman from New York [Mr. SIROVICH] well knows. There is Beekman Place, where the Morgans and the Vanderbilts live; Tudor City, the largest apartment-house group in America. They are all just one block away, overlooking the slaughterhouses. Why is this possible? Because there is no odor today under the modern science of slaughterhouse operation.

Mr. O'MALLEY. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR of New York. I yield.

Mr. O'MALLEY. Are there not a lot of things in the District that stink worse than slaughterhouses that ought to be corrected?

Mr. O'CONNOR of New York. I do not know of my own knowledge. But this plant has been operated for more than 40 years, yet they now propose to close it down without even the suggestion of compensating these people for their huge investment. There has been no suggestion that they be compensated.

Mrs. NORTON. Will the gentleman yield? There is not a slaughterhouse at the present time on this land, and it is not in process of being built.

Mr. O'CONNOR of New York. Not at this exact time, no; but this slaughterhouse had been operating for years and is now being remodeled.

Mrs. NORTON. The slaughterhouse has not operated during the past 2 years.

Mr. O'CONNOR of New York. It was operating for many years. There was a fire out there a short time ago, and they are now remodeling it. Of course, you can actually say it is not in operation today.

Mr. Speaker, the Senate has this bill under consideration, or one similar to it, and they have been having hearings for weeks. It will be weeks before the hearings are completed. Why was this bill suddenly brought out under those circumstances to be put before this House?

We talk about slaughterhouses. In Philadelphia, Pa., the Pennsylvania Railroad built its huge, beautiful station at Thirtieth Street, right next door to one of the largest slaughterhouses in the country. Does anybody riding through there ever smell that slaughterhouse? At Wilmington, Del., right alongside the station, that you gentlemen pass through, is one of the largest slaughterhouses in the world.

Mrs. NORTON. Will the gentleman yield?

Mr. O'CONNOR of New York. I yield to the gentlewoman from New Jersey.

Mrs. NORTON. Does the gentleman believe that the Capital City of the Nation is the proper place for an industry of this kind?

Mr. O'CONNOR of New York. Yes; I do, if it is properly controlled and regulated. I do not believe anybody from out of town, who is trying to keep the District and its outlying sections so beautiful, should dictate whether or not the people of this locality shall have in this vicinity the means of getting reasonably priced food. The place of this abattoir is 6 miles from the Capitol, away out northeast, next to an old race track and in no fancy neighborhood.

Mrs. NORTON. Why should it be within sight of the dome of the Capitol of this great Nation?

Mr. O'CONNOR of New York. Well, of course, it is not, unless one is endowed with eyesight to look 6 miles downhill and through hills.

Mrs. NORTON. Why should we bring in this obnoxious industry to the Nation's Capital?

Mr. O'CONNOR of New York. It is not being brought in. It is right here. There is not a structure beautiful in the city of Washington except the Government buildings. You never saw a beautiful hotel in Washington. You never saw a beautiful apartment. You never saw a beautiful business store here, and the churches are no great works of architecture.

The business people of the District of Columbia and all the residents depend upon the Government for all the beautificiation there is here.

Mr. MAY. Will the gentleman yield?

Mr. O'CONNOR of New York. I yield to the gentleman from Kentucky.

Mr. MAY. I was wondering what authority Congress had to pass an act saying the Board of Commissioners should prevent this concern from loading a carload in the District of Columbia and shipping it to Baltimore.

Mr. O'CONNOR of New York. Search me. There are 260 men who will be deprived of employment. The Central Trades Union, the other night, held an indignation meeting of protest against this bill.

[Here the gavel fell.]

Mrs. NORTON. Mr. Speaker, I yield the gentleman 5 additional minutes.

Mr. MAVERICK. Will the gentleman yield?

Mr. O'CONNOR of New York. I yield to the gentleman from Texas.

Mr. MAVERICK. I have just read this bill for the first time, and I am looking at it from the viewpoint of statutory construction. If the gentleman will look on page 4, line 16, there are several words left out. Then on page 5, it is stated "which use shall be no greater than the greater of—"

Following that there is not anything. Then down on line 15 there are the words "during such 5 years" with nothing following.

I am looking at this from the viewpoint of statutory construction. Is it proper to consider a bill which does not say anything? I do not want to hurt the gentlewoman's feelings, but this bill is written in a slipshod manner.

Mrs. NORTON. Will the gentleman yield?

Mr. MAVERICK. I want to know. I am asking a conscientious question.

Mrs. NORTON. We have amendments that will cure all the defects you speak of.

Mr. MAVERICK. I want to make this observation, and I feel very friendly to the gentlewoman from New Jersey. This bill does not say anything, and we should not be called upon to vote on a bill that does not say anything.

Mr. O'CONNOR of New York. That is not unusual.

Mr. MAVERICK. I cannot vote for a bill that does not say anything.

Mr. PHILLIPS. Will the gentleman yield?

Mr. O'CONNOR of New York. I yield to the gentleman from Connecticut.

Mr. PHILLIPS. The gentleman made a remark a minute ago about apartment houses in New York not being bothered by these slaughterhouses nearby. Is it not true that the water is more grossly polluted around that area in New York than anywhere else in the United States?

Mr. O'CONNOR of New York. Not from the slaughterhouses. That has nothing to do with it. There is no reason why water should be polluted under the modern scientific methods available, as has been testified to before the Senate committee. Every bit of offal can be disposed of without odor and without polluting the water.

Mr. Speaker, here is a bill that has never been considered by the committee, although the people interested in this bill asked and begged for hearings. There is no great rush about it, I submit.

Mrs. NORTON. Will the gentleman yield?

Mr. O'CONNOR of New York. I yield to the gentlewoman from New Jersey.

Mrs. NORTON. It is not fair to make statements on this floor that are not true.

Mr. O'CONNOR of New York. I did not intend to, I assure you.

Mrs. NORTON. The committee was not asked for hearings on this bill. Hearings are now being held in the United States Senate and certainly it seems entirely unnecessary to hold hearings simultaneously in both Houses of the Congress on identical bills.

Mr. O'CONNOR of New York. By the same token, may I suggest that the gentlewoman might have waited until the hearings in the Senate were concluded? I was informed that representatives of the New York company were present and asked to be heard and were not given the opportunity.

Mrs. NORTON. A representative from the Gobel Co., a very high-priced lawyer, came in and was heard by the committee.

Mr. O'CONNOR of New York. It was from committee members that I heard there were no hearings.

Mrs. NORTON. Will the gentleman please say what committee members stated that? I would like very much to know. I was present and presiding.

Mr. O'MALLEY. Will the gentleman yield?

Mr. O'CONNOR of New York. I yield to the gentleman from Wisconsin.

Mr. O'MALLEY. Is it the usual procedure for a House committee to forego hearings on legislation if a Senate committee is having hearings on similar legislation?

Mr. O'CONNOR of New York. Of course, I do not follow that procedure. I believe in connection with a matter like this, where you are going to take away property worth hundreds of thousands of dollars, we should at least give them the courtesy of a hearing.

Mrs. NORTON. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR of New York. In just a second. The bill coming from nowhere, from some nebulous source——

Mrs. NORTON. Oh, now, the gentleman is most unfair. Will the gentleman yield to me?

Mr. O'CONNOR of New York. Yes.

Mrs. NORTON. Does the gentleman consider the Committee on the District of Columbia nowhere?

Mr. O'CONNOR of New York. I did not mean that. I know the committee reported it.

Mrs. NORTON. I know the committee does not receive too much consideration.

Mr. O'CONNOR of New York. I refer to the source of the bill prior to its introduction. I know it came from the Committee on the District of Columbia, a committee for which I have the greatest respect.

A number of trades are described in the bill as being "nuisances"; none of those businesses is now being conducted in the District, but sandwiched in there, as item 15, is a covert attack on this one business, this one concern, and against the wishes of all the cattlemen of that section and against the wishes of all the consumers, against a business located out in a neighborhood where it could do no harm, and has not been complained against for 40 years. What is the harm in taking the bill back to the committee and holding hearings on it, in justice to everybody, including the District of Columbia, and to particularly find out what and who are behind the bill? [Applause.]

[Here the gavel fell.]

Mr. RICH. Mr. Speaker——

The SPEAKER pro tempore. For what purpose does the gentleman from Pennsylvania rise?

Mr. RICH. I am wondering whether the radio is now on.

The SPEAKER pro tempore. The Chair is unable to inform the gentleman.

Mrs. NORTON. Mr. Speaker, I yield 5 minutes to the gentleman from Oklahoma [Mr. FERGUSON].

Mr. FERGUSON. Mr. Speaker, in fairness to an industry which processes the product of my State and of the West, I want to take this opportunity to say something I have had in my mind for a long time.

First, if we are going to carry this thing to its logical conclusion, if we are to do away with all odors in the District,

and if we are going to clean up the District and make it worthy of the Capital, as the proponents of this bill insist, I think we should amend this bill by an addition to line 6, on page 3, so that the item will read:

Slaughtering of animals, including fowl, and the cleaning and preparation of fish and sea food.

If any of you have had an opportunity to go down on Water Street and see the barges come in laden with sea food and fish, you certainly cannot take issue with me on the fact that their odor outodors that of any slaughterhouse you have ever passed. [Laughter.] These fish have to be cleaned in a manner which compares with the preparation of cattle, hogs, or sheep. Just because they come out of the water is no sign their scales and the material from their insides are any cleaner than those from an animal. Therefore, in taking the position that because a slaughterhouse happens to be located at a place where somebody wants to build some houses we are going to stop this slaughterhouse from operating, we are also going to close the door to the operation of any slaughterhouse for any purpose in the District from now on, unless the present licenses are to be continued by the Commissioners.

Mr. KLEBERG. Mr. Speaker, will the gentleman yield there?

Mr. FERGUSON. Yes; I am pleased to yield.

Mr. KLEBERG. I may call the gentleman's attention to the first section on page 3 of the bill, which reads:

Incineration, for others, or reduction or rendering, of dead animals, garbage, offal, or refuse, except in a municipal plant.

Will the gentleman explain to me what the major difference in odor may be between a rose called a municipal plant and some other plant?

Mr. FERGUSON. I think the point of the gentleman is well taken. In fact, I think by the time all this refuse would be collected and taken to a municipal plant its odor would be greatly increased.

Mr. PHILLIPS. Mr. Speaker, will the gentleman yield?

Mr. FERGUSON. I am glad to yield.

Mr. PHILLIPS. Is it not an absolute, inescapable fact that, in connection with the operation of a municipal plant, you have to get rid of waste somewhere, and according to modern methods the best way to get rid of it is by the use of an incinerator? You have to incinerate this waste whether you want to or not, or else put it on a dump, which is worse. If we have to dispose of this waste by incineration, anyway, why add to it by bringing in some more waste?

Mr. FERGUSON. I may say to the gentleman, in regard to packing houses, that if he has ever visited a packing house he will realize the waste from the slaughter of animals is absolutely nil. Every part of the animal is utilized in the name of efficiency. The packing houses do not haul waste out and dispose of it in the river any more. They make fertilizer out of it. If the gentleman will visit a large packing plant in a big city, as I know many of you have, the gentleman will find every bit of the animal is utilized for commercial purposes. [Applause.]

It has long been my conviction there is a conspiracy of the restaurants and food shops in Washington to make the entire city fish and sea-food consumers. For the enlightenment of the House I would like to read from the House Restaurant menu of today. After a long list of sea foods and clams and a dietary platter which consists of crab flakes, we have under the title of "Chef's Suggestions": "Broiled boneless bluefish, fried scallops, lump crab flakes, and sea-food patties", not to mention shrimp salad and sardines.

As a Representative from a Western State that produces beef I want to take this opportunity to complain of this continual fish diet with the hope that beef and pork may sometime find a more prominent place at more reasonable prices on the menus.

To legislate all local packing plants, regardless of their sanitary provisions out of the District, while leaving fish and sea foods free to fill the air with their odors, we would aggravate an already bad situation. Out-of-town packers would absolutely control the price of beef, pork, and mutton. Farmers in the surrounding country would lose the advantage of a local market, and the consumer would be forced to meet the impossible situation of paying an exorbitant price for real meat such as beef, pork, and mutton, or resigning themselves to a steady diet of sea foods every day. [Applause.]

[Here the gavel fell.]

Mrs. NORTON. Mr. Speaker, I yield 10 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. RICH. Mr. Speaker——

The SPEAKER pro tempore. For what purpose does the gentleman from Pennsylvania rise?

Mr. RICH. I just want to find out if the radio is still on. This is a good vaudeville show.

The SPEAKER pro tempore. That is beyond the knowledge of the Chair.

Mr. DIRKSEN. Mr. Speaker, I may first say, in regard to the witticisms and the facetiousness that have taken place with respect to the fact this is an incomplete bill that if the gentlemen who have made these facetious remarks will just read a little bit further, they will find that, after all, those are not incomplete sentences, but language such as is very often used in a zoning ordinance.

May I say just a word about the genesis of this bill and the condition which provokes it.

Mr. BULWINKLE. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. Not just now. I can say this with very good grace, because I opposed the bill in committee.

Out on Benning Road the Gobel Packing Co. maintained a packing plant and slaughterhouse for many years. In 1933, as a result of the depression, they got into financial stringency and difficulties. In 1934, as I recall, the plant was partly destroyed by fire. Since that time the operators and proprietors of the packing plant have been seeking the necessary funds with which to finance the opening, the enlarging, and the building of a new plant. I understand they have been successful in securing the money, and as a result they have made application to the District Commissioners and to the Zoning Board for a building permit, which permit cost $628.

Now, the fact remains there is nothing in the District laws at the present time under which or whereby the District Commissioners or any agency of the District government could refuse to give them a permit. This is the law today, and if that had been refused, the chances are they might have gone into court and sought a mandamus whereby the District Commissioners and the Zoning Board would have been compelled to issue this license.

Mrs. NORTON. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mrs. NORTON. Is it not a fact they did seek that remedy?

Mr. DIRKSEN. Yes, I think so. So the license that was granted was very properly granted under existing law. I do believe, however, it is unfortunate that the bill came up just at the time when this particular matter was pending.

I think every Member of this House and every Member of the Senate and everybody who has any interest in the Nation's Capital would like to see this the most beautiful city in the United States of America. I think everybody who has an interest in the Nation's Capital is truly interested in keeping it beautiful and free from noxious fumes and noises and odors and all those things that detract somewhat from the beauty of a city, but at the same time it is very unfortunate that this bill should have come up at this particular time. However, I can see what the proponents of the bill have in mind.

I do not know that I speak with authority when I say that, perhaps, the Secretary of the Interior was responsible for this bill. I do not speak with authority, or pretend to speak with authority, when I say that the P. W. A. Housing Division owns a plot of ground near this packing plant. There was a privately organized limited dividend corporation a few years ago that tried to secure this ground for the

purpose of building low-cost houses, but something happened. Their option expired and after it had expired, the P. W. A. Housing Division, as I understand, took title to the land. They had in mind building some low-cost housing units, but the building has not started. However, they own the fee to the land and, perhaps, they had in mind preventing any enlargement of the present building or the construction of a new slaughterhouse, because it might impair the value of their property. I may say, however, this is all unfortunate, because it does appear to me that the people who own this packing-plant property still have a vested interest there that ought properly to be safeguarded.

We have another packing plant in town and I do not know what we are going to do about that. We have the Auth Packing Co. right across the street from the huge building purchased by the Federal Government, which houses the Procurement Division. The Auth Packing Co. manufactures these very succulent, skinless frankfurters and other products, and they slaughter lambs, hogs, cattle, and that sort of thing. I do not know whether it is contemplated they are to be put out of business under this or not.

I notice also that no ammonia plant is to be permitted. I am wondering in my own mind a little whether or not the ammonia plant which is incident to a dairy establishment or an ice-cream establishment could very well operate under the provisions of this bill.

However, I do say, in deference to and on behalf of the chairman of the committee, I think she was well motivated in the matter of introducing this bill and had a proper regard for the members of the District of Columbia Committee, who are busy on all sorts of tax legislation and every other conceivable kind of legislation under the sun, and, since there was a disposition to hurry this matter now and since they have had rather full hearings over on the Senate side, I can very well understand that point of view, even though in the meetings of the committee I was opposed to the bill. We are somewhat in the position of that committee of the House that brought in an amendment to the Neutrality Act in the hope of heading off a shipment of airplanes that was about to leave for Spain.

Mr. PALMISANO. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. PALMISANO. Is it not true that the gentleman from Illinois is opposed to the bill and voted to reconsider for the sole purpose of offering amendments to cure some defects in the bill?

Mr. DIRKSEN. That is substantially true. I wanted to see that these people were properly taken care of under the due-process clause and that no injury might be inflicted upon anyone. However, there may be other cases that may have been handled under the safeguarding provision, and I must say in deference to myself and the committee, we certainly did not have a proper opportunity to consider the bill. I wanted to do the gracious and gentlemanly thing and go along the best I knew how.

Mr. PALMISANO. I may say that by an 8-to-7 vote the gentleman was refused such reconsideration at the suggestion of the Corporation Counsel.

Mr. DIRKSEN. As the gentleman knows, I voted against it in the first instance and then made a motion to reconsider in the hope that something might be done about it, I may say further that two propositions are involved here, first of all with respect to the Gobel Packing Co. and, secondly, the larger aspect of doing something now in behalf of safeguarding the beauty of the Nation's Capital. Maybe this was hasty and, perhaps, the bill ought to go back to the committee, but at least this precipitates the whole proceeding before the House and there must be action before outside capital comes in for the purpose of securing, ultimately, a vested right in some enterprise regarded as undesirable so that we can no longer stop them. We can stop them at the present time and something must be done. It is, perhaps, somewhat unfortunate because it so happens that this came at a time when these people had made application for, and had secured, a permit for the purpose of enlarging what was once a slaughterhouse.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. MAY. Did the committee ascertain from any evidence or from any report the extent, if any, to which the property of this concern would be depreciated or confiscated in the event this bill passed and became law?

Mr. DIRKSEN. The amount is in controversy, I may say to the gentleman. The amount claimed and the amount that would, perhaps, be acknowledged by the District officials, would vary immensely.

Now, I understand that the citizens' associations, the members of which live in proximity to this plant, are opposed to the bill and in favor not only of retaining the plant but in favor of enlargement because there are prospects that 500 men will receive employment. Secondly, I may say that the Central Labor Union of this city opposes the bill and they are in favor of permitting the Gobel Co. to proceed with the construction of this slaughterhouse.

Mr. MAY. Even though it is a District of Columbia matter, does not the Congress put itself in the attitude of setting a bad precedent as affecting industry generally throughout the country if it should pass this bill?

Mr. DIRKSEN. I doubt it very much. I listened to the distinguished gentleman from New York [Mr. O'CONNOR], when he spoke of New York, Baltimore, and Philadelphia. I think those are well taken. However, I do not believe anybody wants to set the Nation's Capital on all fours with any other town in the United States. We have taken a particular pride in trying to limit the number and kind of industries that come in here. You have the smoke evil that must ultimately be abated. I do not think you can compare this city—the Nation's Capital—with some of the other metropolitan centers of the country.

The SPEAKER pro tempore. The time of the gentleman from Illinois has expired.

Mrs. NORTON. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. DINGELL].

Mr. DINGELL. Mr. Speaker, I rise at this time to lend what little support I can to the distinguished chairman of this committee. I dislike very much to differ with my friend and colleague from New York [Mr. O'CONNOR], but I am firmly convinced that there has never been a slaughterhouse that did not produce, in addition to meat products, a lot of noxious effluvia and foul odors. I have one in my district which has been the subject of a great deal of controversy for many years. In the process of rendering, in the process of turning into profit offal substances for fertilizer, a packing house necessarily produces a great deal of foul smell. The neighborhoods are polluted several times a week when this process is necessarily resorted to. A packing-house district becomes, as a rule, a blighted district insofar as real-estate values are concerned.

In the District of Columbia we, as representatives of an entire Nation, have some interest; and the interest of the people as a whole is paramount to that of a single packing-house concern. It is my impression that it is within the power of Congress in this particular instance to prescribe highly restrictive rules and regulations under which a packing house might be built here, and likewise that the Congress may state definitely that a packing house or any other industry is undesirable and should not be permitted to locate here. Washington was to be the seat of government, not an industrial center.

One of the things that is really disappointing to me, as I watched the consideration of the District of Columbia bill, is the fact that on so many occasions the hard-working and distinguished chairman of this committee presents her problems to the House and it seems she stands almost alone. She seems deserted by her committee colleagues. This bill is not the particular concern of the gentlewoman from New Jersey. This is something that should interest every Member of this House, because it involves a definite policy, and I believe that the House should go along with the gentlewoman from New

Jersey in this instance. I think the Members have sufficient information before them to intelligently pass upon the subject matter in this bill. They know whether or not they want to permit the construction of a slaughterhouse and whether they want to industrialize the District of Columbia. They know from what they have read and learned and heard in the discussion whether the Capital is to be made a second Chicago or Pittsburgh. There can be no argument whatsoever that we must have a packing house in the city of Washington for the benefit of the people of this community, nor is there any argument that will hold water to the effect that it is necessary for the cattlemen and stock producers here or near the District to have a slaughterhouse for their products.

Mr. PARSONS. Mr. Speaker, I make the point of order that there is no quorum present.

Mrs. NORTON. Mr. Speaker, will the gentleman withhold his point of order for a short time?

Mr. PARSONS. I withhold it for a moment.

Mr. DINGELL. Mr. Speaker, I repeat, there can be no question regarding the necessity of having a packing house located in the city of Washington in order to accommodate the cattle producers and hog raisers in our immediate vicinity. In the first, place we can get all the meat we want from Baltimore, Philadelphia, Chicago, New York, and elsewhere. But once we industrialize the city of Washington, we will destroy its beauty and attractiveness forever.

The SPEAKER pro tempore. The time of the gentleman from Michigan has expired.

Mrs. NORTON. Mr. Speaker, in view of the unfair opposition that has developed to this bill, and because the Members seem to think that full consideration has not been given it, and because the District of Columbia Committee desires at all times to have the membership of this House feel that we are serving in the interest of all of the Members of the House, as chairman of the committee I feel that it would be well to withdraw this bill and hold hearings on it. May I state I believe that very little, if anything, will be gained by holding hearings, but at any rate it will satisfy some of the objections that have been raised here today. The committee is prepared to present several amendments that would perfect it.

However, since apparently it is the opinion of the House that the bill should be withdrawn at this time and be recommitted to the committee and I so move.

The SPEAKER pro tempore. The gentlewoman from New Jersey moves that the bill be recommitted to the committee on the District of Columbia.

Mr. MEAD. Mr. Speaker, will the gentlewoman withhold that for a moment and yield me 5 minutes?

Mrs. NORTON. I shall be glad to.

The SPEAKER pro tempore. The gentleman from New York is recognized for 5 minutes.

Mr. DOWELL. Mr. Speaker, I make the point of order that this should be withdrawn by unanimous consent.

Mrs. NORTON. Mr. Speaker, I shall ask unanimous consent that the bill be withdrawn.

The SPEAKER pro tempore. The gentlewoman has withheld her request or motion, and the gentleman from New York, Mr. Mead, is recognized for 5 minutes.

Mr. MEAD. Mr. Speaker, I have given this subject a great deal of consideration in the past, and I am reluctant to agree to the request made by the gentlewoman from New Jersey for the withdrawal of the bill at this time.

This is the United States Capital. It is growing by leaps and bounds. At this rate it will be difficult in a few years for Members of Congress to provide themselves with decent housing facilities. I do not want this city turned into an industrial city. [Applause.]

As far as I am concerned, I would request that the Committee on the District of Columbia bring in a bill in the very near future adopting a restrictive building program for the United States Capital. [Applause.]

This city was laid out by a great engineer, Major L'Enfant, a friend of the Father of his Country. He intended it to be the seat of government, and, in his judgment, only essential service industries were to be permitted to locate in the city of Washington.

We now have several Government hospitals in the city of Washington. One of them ought to be located in some other part of the country. We have an Army base and a navy yard with headquarters and shops here which ought to be bringing prosperity to some community that you or I might represent. Almost every agency of the Government in the last 25 or 50 years has been attempting to move activities to Washington that ought to be located somewhere in the South, the East, the West, or the North. Let us decentralize these agencies. [Applause.] Let us give the people back home some service, some opportunity for employment. Let us notify these industries, the nonessential industries, that there are other cities in America, cities for which we are appropriating money because their people are on relief, that can accommodate them and their needs. We are building a great Capital, a beautiful city, a city that will give us no end of problems of every nature and description if we industralize it. I say to you it is high time we had a restrictive policy, a policy that would not permit industries of a nonessential, unnecessary character to come within this city. I hope the Committee on the District of Columbia will forthwith bring back a bill with a restrictive policy for our future building plan for the District of Columbia; one that will insure here a city magnificent in its beauty and its buildings; one that might go so far as to prevent not only the industries mentioned in the bill but also railroads, if you please, from operating trains into the District of Columbia except under the use of electric power, no longer covering the Capitol and office buildings with a deluge of soft-coal smoke.

I am sorry this bill is going to be returned to the committee, and I hope it comes out again very soon.

The SPEAKER pro tempore. The time of the gentleman from New York [Mr. MEAD] has expired.

Mrs. NORTON. Mr. Speaker, I ask unanimous consent that this bill may be returned to the committee in order to hold a hearing on it and be brought back to be acted upon in the House at the first possible moment.

The SPEAKER pro tempore. The gentlewoman from New Jersey asks unanimous consent that the bill be rereferred to the Committee on the District of Columbia with a view to holding a hearing, and to be brought back at some future date. Is there objection?

Mr. PHILLIPS. Mr. Speaker, reserving the right to object, it seems to me, addressing myself to the gentlewoman from New Jersey, that it makes very little difference whether a bill is worded in Chesterfieldian language or whether it is not, or whether hearings have been held before this committee or not, we are facing a condition, as I understand it, and not a theory. The condition is that unless we act now these people will build——

Mr. SCHULTE. Mr. Speaker, the regular order.

The SPEAKER pro tempore. The regular order is demanded. Is there objection?

Mr. PHILLIPS. Very well, Mr. Speaker, I object.

Mrs. NORTON. Mr. Speaker, I move that the bill be rereferred to the Committee on the District of Columbia.

Mr. WOLCOTT. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. WOLCOTT. If the bill is sent back to the committee under the unanimous-consent request of the gentlewoman from New Jersey or under the motion embodying the unanimous-consent request, are the proceedings by which the bill was reported out of committee vacated?

The SPEAKER pro tempore. If it is rereferred to the committee and would come out again, it would be an entirely new proceeding.

Mr. WOLCOTT. I understood the gentlewoman's request was that it be sent back to the House after hearings. I surely would object if that is the understanding. We want the bill recommitted, and, after hearings, voted upon by the committee the same as if the bill was never reported out.

The SPEAKER pro tempore. If the bill be recommitted and come back to the House the proceedings would be entirely new and there would be a new report.

The question is on the motion of the gentlewoman from New Jersey to recommit the bill to the Committee on the District of Columbia.

The motion was agreed to.

EXTENSION OF REMARKS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including therein a recent address of our distinguished colleague, the gentleman from Illinois [Mr. LUCAS].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

DISTRICT OF COLUMBIA REAL ESTATE COMMISSION

Mrs. NORTON. Mr. Speaker, I call up the bill (H. R. 6563) to define, regulate, and license real-estate brokers and real-estate salesmen; to create a Real Estate Commission in the District of Columbia; to protect the public against fraud in real-estate transactions; and for other purposes, and ask unanimous consent that the bill may be considered in the House as in the Committee of the Whole.

The SPEAKER pro tempore. Is there objection to the question of the gentlewoman from New Jersey?

Mr. COLLINS. Mr. Speaker, I object to the consideration of the bill and make a point of order against its consideration on the ground that the bill does not comply with clause 2a of rule XIII, the so-called Ramseyer rule.

The SPEAKER pro tempore. Will the gentleman from Mississippi point out to the Chair specifically where the bill attempts to amend existing law?

Mr. COLLINS. Section 18 on page 30 reads—

all laws or parts of laws in conflict with this act be and the same are hereby repealed.

Mr. PARSONS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Will the gentleman withdraw his point of order until the Chair passes upon the point of order raised by the gentleman from Mississippi?

Mr. PARSONS. I withdraw the point of order for the time being.

Mrs. NORTON. Mr. Speaker, I ask unanimous consent to withdraw the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

Mr. RICH. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. RICH. Is the radio still on?

The SPEAKER pro tempore. The Chair can at last inform the gentleman from Pennsylvania that it is not and has not been on since the reading of the President's message. [Laughter.]

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. DREW of Pennsylvania (at the request of Mr. DALY), indefinitely, on account of illness.

To Mr. JOHNSON of Minnesota (at the request of Mr. O'CONNELL of Montana), indefinitely, on account of sickness.

To Mr. REECE of Tennessee, for 4 days on account of illness in family.

To Mr. KLOEB, for 1 week, on account of sickness at home.

To Mr. CROWE, for 3 days, on account of important business.

To Mr. KVALE (at the request of Mr. BOILEAU), for the rest of the week, on account of illness.

To Mr. MILLER (at the request of Mr. DRIVER), for the week, on account of important business at home.

DISTRICT OF COLUMBIA BOARD OF COSMETOLOGY

Mrs. NORTON. Mr. Speaker, I call up the bill (H. R. 6869) to regulate the occupation and practices of cosmetology, to create a District of Columbia Board of Cosmetology for the examination and licensing of persons to carry on or to teach such practices, to insure the better education of such practitioners, to provide rules regulating the proper conduct and sanitation of cosmetological establishments and schools, for the protection of the public health, and to provide penalties for violation thereof, and ask unanimous consent that the bill may be considered in the House as in the Committee of the Whole.

Mr. PARSONS. Mr. Speaker, I make the point of order that there is not a quorum present.

The SPEAKER pro tempore. The Chair will count. [After counting.] One hundred and sixty-two Members are present, not a quorum.

ADJOURNMENT

Mrs. NORTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 41 minutes p. m.) the House adjourned until tomorrow, Tuesday, May 25, 1937, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON MILITARY AFFAIRS

There will be a meeting of the Committee on Military Affairs in room 1310, New House Office Building, at 10:30 a. m., Tuesday, May 25, 1937, for further consideration of H. R. 1608, to provide for the common defense by acquiring certain commodities essential to the manufacture of supplies for armed forces in time of emergency, and for other purposes.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the Committee on Immigration and Naturalization in room 445, House Office Building, at 10:30 a. m., on Wednesday, May 26, 1937, for the public consideration of H. R. 4353, H. R. 4354, H. R. 4355, and H. R. 4356.

COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS

There will be a meeting of the Committee on Public Buildings and Grounds at 10:30 a. m., on Wednesday, May 26, 1937, for the consideration of H. R. 6287.

COMMITTEE ON THE JUDICIARY

There will be a hearing before the Committee on the Judiciary Tuesday, June 1, 1937, at 10 a. m., on H. R. 6439, a bill to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto; and to repeal section 76 thereof and all acts and parts of acts inconsistent therewith.

There will be a hearing before subcommittee no. III of the Committee on the Judiciary, Friday, June 4, 1937, at 10:30 a. m., on H. R. 4650, to amend section 40 of the United States Employees Compensation Act, as amended (the term "physician" to include surgeons and oesteopathic practitioners).

EXECUTIVE COMMUNICATIONS, ETC.

626. Under clause 2 of rule XXIV, a letter from the Secretary of the Navy, transmitting a draft of a proposed bill to provide a uniform method for examinations for promotion of warrant officers, was taken from the Speaker's table and referred to the Committee on Naval Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. MANSFIELD: Committee on Rivers and Harbors. H. R. 7051. A bill authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes; with amendment (Rept. No. 885). Referred to the Committee of the Whole House on the state of the Union.

Mr. THOMASON of Texas: Committee on Military Affairs. H. R. 224. A bill to authorize an appropriation for the purpose of establishing a national cemetery at Fort Bliss, Tex.;

without amendment (Rept. No. 886). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 7199. A bill for the relief of sundry claimants, and for other purposes; with amendment (Rept. No. 884). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 3981) granting a pension to Lena P. Riddick, and the same was referred to the Committee on Invalid Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CONNERY: A bill (H. R. 7200) to provide for the establishment of fair labor standards in employments in and affecting interstate commerce, and for other purposes; to the Committee on Labor.

By Mr. ALESHIRE: A bill (H. R. 7201) to allow a credit against net income for a dependent not over 23 years of age attending an educational institution; to the Committee on Ways and Means.

By Mr. CANNON of Wisconsin: A bill (H. R. 7202) establishing a Crime Prevention Bureau; to the Committee on the Judiciary.

By Mr. MAAS: A bill (H. R. 7203) for the relief of certain officers of the United States Navy and the United States Marine Corps; to the Committee on Naval Affairs.

By Mr. O'CONNOR of Montana: A bill (H. R. 7204) to amend section 2 of the act entitled "An act to provide for the allotment of lands of the Crow Tribe, for the distribution of tribal funds, and for other purposes, approved June 4, 1920; to the Committee on Indian Affairs.

Also, a bill (H. R. 7205) relating to the conveyance of restricted land on the Crow Reservation in the State of Montana; to the Committee on Indian Affairs.

By Mrs. O'DAY: A bill (H. R. 7206) to permit the temporary entry into the United States under certain conditions of alien participants and officials of the World Association of Girl Guides and Girl Scouts Silver Jubilee Camp to be held in the United States in 1937; to the Committee on Immigration and Naturalization.

By Mr. SWOPE: A bill (H. R. 7207) to provide for the sale of certain arms to war veterans' organizations; to the Committee on Military Affairs.

By Mr. VOORHIS: A bill (H. R. 7208) to authorize the construction of levees and the dredging of channels in the Yolo bypass area, Sacramento River Basin, State of California; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 7209) for the protection of the consumers of the United States and for the encouragement of fair-trade practices; to the Committee on Interstate and Foreign Commerce.

By Mr. SWOPE: A bill (H. R. 7210) to authorize an exchange of lands at the New Cumberland General Depot, Pa.; to the Committee on Military Affairs.

By Mr. CELLER: A bill (H. R. 7211) to provide that the United States shall have no right to redeem after a foreclosure sale to satisfy a lien prior to that of the United States; to the Committee on the Judiciary.

Also, a bill (H. R. 7212) to regulate interstate commerce in the products of child labor, and for other purposes; to the Committee on Labor.

By Mr. DINGELL: A bill (H. R. 7213) to provide for the construction of a metal-clad airship for the United States Navy; to the Committee on Naval Affairs.

By Mr. BELL: A bill (H. R. 7214) to liberalize the provisions of the Medal of Honor Roll Act of April 27, 1916; to the Committee on Invalid Pensions.

By Mr. MAGNUSON: A bill (H. R. 7215) appropriating funds for the Zioncheck Memorial Association; to the Committee on the Library.

By Mr. VINSON of Georgia: A bill (H. R. 7216) to provide for the assignment of officers of the Navy for duty under the Department of Commerce and appointment to positions therein; to the Committee on Naval Affairs.

By Mr. STEAGALL: Joint resolution (H. J. Res. 377) authorizing the destruction of Federal Reserve notes of the series of 1928, and their replacement by Federal Reserve notes of the series of 1934, or a later series, at the expense of the United States; to the Committee on Banking and Currency.

By Mr. VOORHIS: Joint resolution (H. J. Res. 378) providing for the appointment of a National Unemployment and Relief Commission; to the Committee on Labor.

By Mr. MERRITT: Joint resolution (H. J. Res. 379) authorizing Federal Participation in the New York World's Fair, 1939; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Wisconsin, memorializing the President and the Congress of the United States to investigate the Federal farm-credit agencies in the seventh Federal land-bank district and their activities and policies concerning loans; to the Committee on Banking and Currency.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARRY: A bill (H. R. 7217) for the relief of Charles V. Wanamaker; to the Committee on Military Affairs.

By Mr. BOLAND of Pennsylvania: A bill (H. R. 7218) for the relief of the Katharine W. Murray trust; to the Committee on Claims.

By Mr. CELLER: A bill (H. R. 7219) for the relief of Mildred E. Cameron; to the Committee on Claims.

By Mr. DEMPSEY: A bill (H. R. 7220) for the relief of Anna Hathaway; to the Committee on Claims.

By Mr. McKEOUGH: A bill (H. R. 7221) granting an increase of pension to Hannah Christen; to the Committee on Invalid Pensions.

By Mr. MARTIN of Massachusetts: A bill (H. R. 7222) granting an increase of pension to Katie A. Reynolds; to the Committee on Invalid Pensions.

By Mr. O'CONNOR of Montana: A bill (H. R. 7223) for the relief of Dan Yancey; to the Committee on Claims.

By Mr. OWEN: A bill (H. R. 7224) for the relief of James O. King; to the Committee on Claims.

Also, a bill (H. R. 7225) awarding the Distinguished Service Cross to Capt. O. C. Holleran; to the Committee on Military Affairs.

By Mr. PALMISANO: A bill (H. R. 7226) for the relief of Laurence A. Powell; to the Committee on Military Affairs.

Also, a bill (H. R. 7227) granting a pension to Rachel Roesel; to the Committee on Invalid Pensions.

By Mr. RAMSAY: A bill (H. R. 7228) granting an increase of pension to John Flanagan; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2346. By Mr. CASE of South Dakota: Petition of R. W. Harris and 40 other citizens of the towns of Webster, Grenville, New Effington, and Roslyn, in South Dakota, protesting against proposals to increase the size of the Supreme Court, and urging that an independent judiciary be retained; to the Committee on the Judiciary.

2347. Also, petition of A. L. Penhallegon and 34 citizens of Sturgis, S. Dak., protesting against proposals to increase the size of the Supreme Court, and urging that an independent judiciary be retained; to the Committee on the Judiciary.

2348. Also, petition of E. E. Hatfield and five other citizens of Fairburn and Hill City, S. Dak., protesting against proposals to increase the size of the Supreme Court, and urging that the constitutional safeguards of an independent judiciary be retained; to the Committee on the Judiciary.

2349. Also, petition of G. W. Leap and 14 other citizens of Fort Pierre, S. Dak., protesting against proposals to increase the size of the Supreme Court, and urging that an independent judiciary be retained; to the Committee on the Judiciary.

2350. Also, petition of W. H. Griffith and 12 doctors in the city of Huron, S. Dak., protesting against proposals to increase the size of the Supreme Court, and urging that an independent judiciary be retained; to the Committee on the Judiciary.

2351. Also, petition of Wray Byrd and 56 citizens of the towns of Salem, Bridgewater, and Montrose, in South Dakota, protesting against proposals to increase the size of the Supreme Court, and urging that an independent judiciary be retained; to the Committee on the Judiciary.

2352. Also, petition of I. S. Coomes and 33 other citizens of Webster, S. Dak., protesting against proposals to increase the size of the Supreme Court, and urging that an independent judiciary be retained; to the Committee on the Judiciary.

2353. Also, petition of Einar Looseth and 21 citizens of the city of Sioux Falls, S. Dak., protesting against proposals to increase the size of the Supreme Court, and urging that an independent judiciary be retained; to the Committee on the Judiciary.

2354. Also, petition of Mrs. L. Comstock and 38 citizens of the city of Brookings, S. Dak., protesting against proposals to increase the size of the Supreme Court, and urging that an independent judiciary be retained; to the Committee on the Judiciary.

2355. Also, petition of John H. Dohman and 16 citizens of Colome, S. Dak., protesting against proposals to increase the size of the Supreme Court, and urging that an independent judiciary be retained; to the Committee on the Judiciary.

2356. Also, resolution of George W. Case and 16 other citizens of Watertown, S. Dak., protesting against any action, bill, or resolution in the Congress of the United States whereby the number of members of the Supreme Court of the United States will be changed and enlarged at this time; and petitioning Congress to use every effort to prevent the Congress or any executive or administrative officer of the United States, directly or indirectly, from influencing the opinions to be rendered by the United States Supreme Court; to the Committee on the Judiciary.

2357. Also, petition of Paul Goodwin, James A. Wagner, P. W. Fischer, and 50 other citizens of Winner, S. Dak., protesting against proposals to increase the size of the Supreme Court, and urging that an independent judiciary be retained; to the Committee on the Judiciary.

2358. Also, petition of Marvin Broline and 30 other citizens of Hamill, S. Dak., protesting against proposals to increase the size of the Supreme Court, and urging that an independent judiciary be retained; to the Committee on the Judiciary.

2359. Also, petition of Blanche C. Kaufman and 51 citizens in the towns of White River, Norris, Allen, Kary, and Parmelee, in South Dakota, protesting against proposals to increase the size of the Supreme Court, and urging that an independent judiciary be retained; to the Committee on the Judiciary.

2360. Also, petition of T. J. Wilkey and 22 other citizens of Fairfax, S. Dak., protesting against proposals to increase the size of the Supreme Court, and urging that an independent judiciary be retained; to the Committee on the Judiciary.

2361. Also, petition of Leslie Zeller and 27 citizens in the towns of Morristown, McIntosh, and Lemmon, S. Dak., protesting against proposals to increase the size of the Supreme Court, and urging that an independent judiciary be retained; to the Committee on the Judiciary.

2362. By Mr. FORD of California: Resolution of the Council of the City of Los Angeles, endorsing the President's relief proposals, and urging their adoption by the Congress of the United States; to the Committee on Ways and Means.

2363. By Mr. HART: Petition of the American Legion, Department of New Jersey, endorsing Senate bill 716 and House bill 3490, providing for the establishment of one Infantry battalion of Negro troops as a part of the National Guard of the State of New Jersey; to the Committee on Military Affairs.

2364. By Mr. LUTHER A. JOHNSON: Petition of the Texas Bankers Association, opposing Senate bills 2347 and 2348, concerning branch banking; to the Committee on Banking and Currency.

2365. By Mr. KEOGH: Petition of the Oil Marketers' Association of New York, Inc., concerning the Dies bill (H. R. 5366); to the Committee on Interstate and Foreign Commerce.

2366. Also, petition of Mr. and Mrs. T. Rosenblum and Marion Lind, of Brooklyn, N. Y., concerning the Sheppard-Hill bill; to the Committee on Military Affairs.

2367. Also, petition of the Brooklyn Post, No. 500, Kings County American Legion, Brooklyn, N. Y., concerning the Collins bill for enlisted men in the United States Regular Army; to the Committee on Military Affairs.

2368. Also, petition of the Federal Writers Projects, Supervisors Council, New York City, with reference to the Boileau bill (H. R. 5882); to the Committee on Naval Affairs.

2369. By Mr. KRAMER: Resolution of the City Council of the City of Los Angeles, pertaining to the President's relief proposals, etc.; to the Committee on Ways and Means.

2370. By Mr. MERRITT: Resolution of the Bronx Council of Emergency Peace Campaign, urging support of House bill 3800; to the Committee on Military Affairs.

2371. Also, resolution of the Delaware Democratic Club of Queens County, unanimously endorsing the appointment of Senator ROBERT F. WAGNER as Justice of the Supreme Court to fill the vacancy created by the resignation of Justice Willis Van Devanter; to the Committee on the Judiciary.

2372. By Mr. PFEIFER: Telegram from Mr. and Mrs. Samuel Lockeretz, of Brooklyn, N. Y., concerning the Sheppard-Hill bill; to the Committee on Military Affairs.

2373. Also, petition of the Oil Marketers' Association of New York, Inc., concerning the Dies bill (H. R. 5366); to the Committee on Interstate and Foreign Commerce.

2374. Also, petition of the Supervisors Council, Federal Writers' Project, New York City, concerning the Boileau bill (H. R. 5822); to the Committee on Appropriations.

2375. Also, telegram of the Shepard Steamship Co., Boston, Mass., concerning the canal-toll bill (H. R. 5417) and S. 1912); to the Committee on Merchant Marine and Fisheries.

2376. Also, telegram of the elementary teachers, Works Progress Administration Teachers Union, New York City, concerning the Boileau bill (H. R. 5822); to the Committee on Appropriations.

2377. Also, petition of the Virginia State Federation of Post Office Clerks, concerning reduction in appropriations that might result either in salary reductions or payless furloughs; to the Committee on Appropriations.

2378. Also, petition of the Brooklyn Post, No. 500, Kings County American Legion, Brooklyn, N. Y., concerning the Collins bill, which will afford enlisted men of the Army better dental service; to the Committee on Military Affairs.

2379. Also, telegram of the Works Progress Administration students of adult education, of Brooklyn, N. Y., concerning Works Progress Administration appropriation to continue their classes; to the Committee on Appropriations.

2380. Also, telegram of the Works Progress Administration students of adult education at Leonard Street Library, Brooklyn, N. Y., concerning Works Progress Administration appropriation to continue their classes; to the Committee on Appropriations.

2381. Also, petition of the Journeymen Tailors Union of America, Local Union No. 1, New York City, concerning the Public Works and Relief Standard Act (H. R. 5822); to the Committee on Appropriations.

2382. By Mr. RICH: Petition of the citizens of Potter County, Pa., protesting against the passage of House bill 3291; to the Committee on the District of Columbia.

2383. By Mrs. ROGERS of Massachusetts: Petition of the Council of the City of Cambridge, Mass., memorializing Congress to pass the so-called United States Housing Act of 1937; to the Committee on Banking and Currency.

2384. By Mr. THOMASON of Texas: Petition of G. W. Barrett and 117 other citizens of El Paso, Tex., requesting that House bill 4199 (General Welfare Act), known as the Crosby bill, be brought out of the Ways and Means Committed and admitted on the floor of the House for open discussion; to the Committee on Ways and Means.

2385. By Mr. TURNER: Petition of Josie Young of Columbia, Maury County, and citizens of Perry County, Tenn., urging Congress to enact the old-age pension bill embodied in House bill 2257; to the Committee on Ways and Means.

2386. By Mr. WITHROW: Joint Resolution No. 52, S. passed by the Wisconsin Legislature, memorializing the Congress of the United States to establish Superior, Wis., as a subport of Milwaukee, Wis.; to the Committee on Rivers and Harbors.

2387. Also, Joint Resolution No. 39, S, passed by the Wisconsin Legislature, memorializing the President and Congress of the United States to amend the Federal law so as to permit the States to tax national banks upon the same basis as State banks are taxed; to the Committee on Ways and Means.

2388. Also, Joint Resolution No. 73, A, passed by the Wisconsin Legislature, urging the Congress of the United States to appropriate adequate funds for the completion of the investigation by the subcommittee of the United States Senate Committee on Education and Labor; to the Committee on Appropriations.

2389. Also, Joint Resolution No. 35, S, passed by the Wisconsin Legislature, relating to memorializing the Congress of the United States to investigate the Federal farm-credit agencies in the seventh Federal land-bank district and their activities and policies concerning loans; to the Committee on Banking and Currency.

2390. By the SPEAKER: Petition of the New York City Federation of Women's Clubs, Inc., New York City, N. Y., concerning the Thomas Jefferson Memorial location; to the Committee on the Library.

HOUSE OF REPRESENTATIVES

TUESDAY, MAY 25, 1937

The House met at 12 o'clock noon, and was called to order by the Speaker pro tempore, Mr. WARREN.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Blessed be the Father of mercies and the God of all comfort. We praise Thee for the Lamb who taketh away the sins of the world. That we may be generous to the wayward, kind to the cruel, gracious to the unthankful, is to join hands with our divine Teacher. As we draw near to Thee, Heavenly Father, we pray that this day may assume a fresh meaning of responsibility. Merciful Spirit, be with us, that we may be exalted in understanding and fellowship and be enabled to avoid discord; thus we shall emulate and foster the spirit of concession, peace, and brotherhood. Rebuke us if we leave unexpressed the helpful words. O God, search our hearts and know our thoughts; and if there be any wicked ways in us, we beseech Thee to lead us in the way everlasting. By the law of mutual aid, may this suffering world be redeemed from its crushing poverty, ignorance, and shame. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment bills and a joint resolution of the House of the following titles:

H. R. 564. An act for the relief of Lon D. Worsham Co.;

H. R. 860. An act for the relief of Marion McGlothlin, the Baylor Hospital, Dr. F. M. Gilbert, and Dr. T. C. Gilbert;

H. R. 1280. An act for the relief of Horace Hutcheson, a minor;

H. R. 2469. An act for the relief of Hedwig Grassman Stehn;

H. R. 3268. An act for the relief of William Randolph Cason;

H. R. 3354. An act for the relief of the Great Northern Railway Co.;

H. R. 3473. An act to authorize the Secretary of State to sell, for a price, transfer, and convey the title, rights, and interest of this Government in a lot situated at Sin Lu T'ou Jetty, Kulangsu, Amoy, China;

H. R. 3926. An act for the relief of Eliza Boykin;

H. R. 4550. An act to extend the times for commencing and completing the construction of a bridge across the Ohio River between Rockport, Ind., and Owensboro, Ky.;

H. R. 4655. An act to accept the cession by the State of Arkansas of jurisdiction over all lands now or hereafter included within the Hot Springs National Park, Ark., and for other purposes;

H. R. 4794. An act to extend the times for commencing and completing the construction of a bridge across the Potomac River at or near Dahlgren, Va.;

H. R. 4870. An act for the relief of Miles C. Baxter, Anse Cockran, Sam Cornett, Mrs. Louie Hesterly, and Mrs. George Lovell;

H. R. 5177. An act to declare the Benton Harbor Canal at and above the west line of Ninth Street, Benton Harbor, Mich., a nonnavigable stream;

H. R. 5468. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near a point between Morgan and Wash Streets in the city of St. Louis, Mo., and a point opposite thereto in the city of East St. Louis, Ill.;

H. R. 5579. An act granting the consent of Congress to the State of Mississippi to construct, maintain, and operate a free highway bridge across Pearl River at or near Jackson, in Hinds County, Miss.;

H. R. 5595. An act to extend the time for completing the construction of two bridges, one across a part of Lake Michigan at or near the entrance to the Chicago River, Ill., and the other across the Michigan Canal or Ogden Slip, in city of Chicago, Ill.;

H. R. 5694. An act to extend the times for commencing and completing the construction of certain bridges across the Monongahela, Allegheny, and Youghiogheny Rivers in the county of Allegheny, Pa.;

H. R. 5722. An act to reenact and amend provisions of the Agricultural Adjustment Act, as amended, relating to marketing agreements and orders;

H. R. 6866. An act authorizing the obligation of funds for work at Government-owned establishments; and

H. J. Res. 193. Joint resolution to authorize an appropriation for the expenses of participation by the United States in the Eleventh International Dairy Congress, Berlin, Germany, in 1937.

The message also announced that the Senate had passed, with amendments, in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 703. An act for the relief of Elbert Arnold Jarrell;

H. R. 2090. An act for the relief of John Knaack;

H. R. 2630. An act for the relief of R. N. Teague and Minnie Teague;

H. R. 5214. An act conferring jurisdiction upon the United States District Court for the Eastern District of Arkansas to hear, determine, and render judgment upon the claim of Charles W. Benton; and

H. R. 5456. An act for the relief of Harold Scott and Ellis Marks.

The message also announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 51. An act for the relief of the Fred G. Clark Co.;

S. 81. An act to provide retirement annuities for certain former employees of the Panama Canal and the Panama Railroad Co. on the Isthmus of Panama;

S. 226. An act for the relief of L. L. Stokes;

S. 423. An act providing for continuing retirement pay, under certain conditions, of officers and former officers of the Army, Navy, and Marine Corps of the United States, other than officers of the Regular Army, Navy, or Marine Corps, who incurred physical disability while in the service of the United States during the World War, and for other purposes;

S. 526. An act for the relief of Robert B. Rolfe;

S. 727. An act validating homestead entry Billings 029004 of Lillian J. Glinn;

S. 774. An act to incorporate the Marine Corps League;

S. 1585. An act for the relief of Sallie S. Twilley;

S. 1873. An act for the relief of the dependents of W. R. Dyess;

S. 1883. An act to amend section 9 of the Trade-Mark Act of February 20, 1905, as amended (U. S. C., title 15, sec. 89);

S. 2087. An act for the relief of Charles B. Stafford;

S. 2116. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Natchez, Miss.;

S. 2205. An act to extend the times for commencing and completing the construction of a bridge across the Columbia River at Astoria, Clatsop County, Oreg.;

S. 2266. An act for the relief of John A. Ensor;

S. 2439. An act to extend the time for purchase and distribution of surplus agricultural commodities for relief purposes and to continue the Federal Surplus Commodities Corporation; and

S. J. Res. 111. Joint resolution to provide that the United States extend to foreign governments invitations to participate in the International Congress of Architects to be held in the United States during the calendar year 1939, and to authorize an appropriation to assist in meeting the expenses of the session.

EXTENSION OF REMARKS

Mr. ARENDS asked and was given permission to revise and extend his own remarks in the RECORD.

Mr. COLDEN and Mr. SCHULTE asked and were given permission to extend their own remarks in the RECORD.

PERMISSION TO ADDRESS THE HOUSE

Mr. DALY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. DALY. Mr. Speaker, I am informed that on Monday next the Senate Judiciary Committee will report to that body what is commonly known as the Supreme Court plan to increase the membership of that Court. I understand some 100 petitions have been filed in this House in opposition to the President's plan, none of which contain more than 200 names. May I inform the House I am filing at this time a petition signed by more than 7,000 voters of the Fourth Congressional District of Pennsylvania in support of the President's Supreme Court plan. [Applause.]

Mr. BEITER. Mr. Speaker, I make the point of order a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

Mr. WOODRUM. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 68]

Arnold	Crowe	Fulmer	Harrington
Buckley, N. Y.	Culkin	Gambrill	Hunter
Cannon, Wis.	Delaney	Gifford	Johnson, Minn.
Celler	Dempsey	Gilchrist	Keller
Clark, Idaho	Ditter	Goodwin	Kelly, N. Y.
Cluett	Duncan	Griffith	Kniffin
Creal	Fernandez	Halleck	Kvale
Lemke	Miller	Poage	Smith, W. Va.
Lesinski	Mouton	Randolph	Sumners, Tex.
Long	Pearson	Reece, Tenn.	Taylor, Colo.
Lord	Peterson, Ga.	Rutherford	Treadway
McGranery	Pettingill	Sadowski	Wolcott
Maas	Peyser	Schuetz	Wood
Mason	Pierce	Sheppard	
Millard	Plumley	Smith, Maine	

The SPEAKER pro tempore. Three hundred and seventy-four Members have answered to their names. A quorum is present.

On motion of Mr. WOODRUM, further proceedings under the call were dispensed with.

Mr. MARTIN of Massachusetts. Mr. Speaker, on yesterday the Delegate from Hawaii [Mr. KING] under a previous special order was allowed 10 minutes to address the House, but the House adjourned rather abruptly. I ask unanimous consent that the Delegate from Hawaii [Mr. KING] may have permission to address the House on Thursday next following the consideration of the relief bill or the "hot oil" bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent that on Tuesday next, after the disposition of matters on the Speaker's desk, I may be permitted to address the House for 30 minutes.

The SPEAKER pro tempore. The Chair may say to the gentleman from Michigan that there is already a special order for that day.

Mr. HOFFMAN. Mr. Speaker, I modify the request and make it next Wednesday instead.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

Mr. RAYBURN. Mr. Speaker, reserving the right to object, I have no objection, if the request is modified to address the House after the business on Calendar Wednesday has been disposed of.

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent that at the conclusion of the special order for next Tuesday I may be permitted to address the House for 30 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

EXTENSION OF REMARKS

Mr. WOLVERTON asked and was given permission to extend his own remarks in the RECORD.

EMERGENCY RELIEF APPROPRIATION BILL

Mr. WOODRUM. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the joint resolution (H. J. Res. 361) making appropriations for relief purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the resolution (H. J. Res. 361) making appropriations for relief purposes, with Mr. O'CONNOR of New York in the chair.

The Clerk read the title of the joint resolution.

The CHAIRMAN. Let the Chair state the parliamentary situation at this time.

The bill has been read through the first section. All the committee amendments to the first section have been adopted. The first section is now open to amendment. The Chair will try to accommodate as far as possible all Members offering amendments. The Chair feels obliged, however, to give preference in recognition to members of the Committee on Appropriations in offering amendments.

The Chair recognizes the gentleman from New York [Mr. BACON], who offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BACON: Strike out all of section 1 and insert the following:

"That to provide relief and work relief and to increase employment, there is hereby appropriated the sum of $1,500,000,000, which shall be available for the fiscal year ending June 30, 1938.

"SEC. 2. (a) Not more than $1,400,000,000 of the sum appropriated by section 1 shall be available for grants-in-aid to States to assist them in financing and administering such forms of relief and work relief and methods of increasing employment as may be determined upon and undertaken by them. Such amount shall be allocated by the Federal Relief Board (hereinafter established), with the approval of the President, among the several States upon the basis of the Board's findings and conclusions with respect to the facts concerning and weight to be given to unemployment and living costs in, and population and financial resources of, the several States. Not more than 15 percent of such amount shall be paid to any State.

"(b) The sum allotted to a State under subsection (a) shall be paid quarterly by order of the Federal Relief Board to the State if—

"(1) The Governor (or in the case of the District of Columbia, the District Commissioners) has certified to the Federal Relief Board that there has been established a board of relief trustees in such State, the membership of which is not composed solely of individuals who are members of the same political party, and that such board has the power and duty of receiving and disbursing sums which may be granted such State under this section;

"(2) The State board has certified to the Federal Relief Board that the State, or its subdivisions, or both, have provided or are prepared to provide an amount equal to not less than 33⅓ percent of the amount allocated to it under this section, for relief, work relief, or methods of increasing employment; and

"(3) The State board has agreed to furnish to the Federal Relief Board such reports (respecting the administration of the relief, work relief, or methods of increasing employment with respect to which funds allocated to the State under this section are used) in such form and containing such information as the Federal Relief Board may from time to time require, and to comply with such provisions as the Federal Relief Board may from time to time find necessary to assure the correctness and verification of such reports.

"(c) If the Federal Relief Board finds that any part of an amount granted to a State under this section has been diverted to a purpose not reasonably within the purpose of furnishing relief, work relief, or increasing employment, or that more than 75 percent of the amount devoted to such purposes has been expended out of grants under this section, the amount of future grants to be made to the State shall be reduced by an amount equal to the amount the Board determines has been diverted or the amount the Board determines to be such excess.

"(d) The Federal Relief Board shall allocate, out of the sum specified in subsection (a), such sums as it deems necessary on the basis of the needs of Puerto Rico, the Virgin Islands, and the Canal Zone for relief, work relief, and increasing employment. Such sums shall be expended as the Board prescribes as necessary for such purposes and subject to such requirement, if any, as the Board may prescribe for contribution by the possessions to such purposes.

"SEC. 3. Not more than $100,000,000 of the sum appropriated by section 1 shall be available to enable the Federal Relief Board, with the approval of the President, in its discretion and on its order, to make such grants or loans to States as it deems necessary in order to meet extraordinary and unforeseen emergencies, and such grants or loans shall be made without regard to the provisions of section 2. The sum specified in this section shall also be available for all administrative expenses of the United States in carrying out the provisions of section 2 and this section.

"SEC. 4. (a) There is hereby established the Federal Relief Board, which shall be composed of three members appointed by the President, by and with the advice and consent of the Senate. Not more than two of the members of the Board shall be members of the same political party and the President shall designate one of the members as chairman. Each member shall receive a salary at the rate of $10,000 per annum.

"(b) The Board shall have the power and duty of carrying out sections 2 and 3 of this act, and such powers and duties shall be exercised under the direction and subject to the approval of the President.

"(c) The Board is authorized to make such expenditures, and, subject to the civil-service laws and rules and regulations made thereunder and the Classification Act of 1923, as amended, to appoint and fix the compensation of such officers and employees, as may be necessary to carry out its powers and duties.

"SEC. 5. Any person who knowingly makes any false statement in connection with securing a grant or loan or making any report or furnishing any information under section 2 or 3, or who solicits or receives political contributions from any person who directly or indirectly receives any part of a grant or loan made under section 2 or 3, or any person who, in administering any such grant or loan, discriminates against any person on account of race, religion, or political affiliation shall, on conviction thereof, be deemed guilty of a misdemeanor and fined not more than $2,000 or imprisoned not more than 1 year, or both. For the purposes of this section, each payment made by a State to which a grant or loan has been made under section 2 or 3 for relief, work relief, or increasing employment shall be considered to consist one-fourth of funds of the State and three-fourths of funds of the United States.

"SEC. 6. There is hereby appropriated the sum of $10,000,000, which shall be available for carrying out during the fiscal year ending June 30, 1938, the provisions of written contracts made prior to the date of the enactment of this act under authority of the Emergency Relief Appropriation Act of 1935 or the Emergency Relief Appropriation Act of 1936. Except the sums appropriated under this section, no part of the sums appropriated under this act shall be available for carrying out such acts. No contract shall be entered into under such act of 1935 or 1936 after the date of the enactment of this act.

"SEC. 7. As used in this act, the term 'State' means the several States, Alaska, Hawaii, and the District of Columbia.

"SEC. 8. This act may be cited as the Relief Appropriation Act of 1937."

Mr. BACON. Mr. Chairman, this is a substitute proposal, which is offered in good faith and without any sort of partisanship at all.

For the purposes of this discussion, this proposal accepts the amount of $1,500,000,000, the amount guessed at by the President and accepted by the committee on last Friday. I do not want any discussion of the amount to take place, because this has already been discussed. I want to direct attention to the new approach to the relief problem which is offered by this substitute proposal. It attempts to eliminate Federal bureaucratic control of relief, and looks to the eventual complete absorption by the States of the relief machinery.

The proposal returns the administration of relief to the control of the States, aided by Federal contribution. It attempts to wipe out the present duplication of effort, waste, extravagance, exploitation, and politics that have grown up in our relief administration in the past few years. The proposal returns the administrative control of relief to the several States and leaves to each State the decision as to what type of relief shall be provided. It restores the only effective restraint of which I can think by which we can ever hope to police a system of this kind, namely, the power of home responsibility and neighborhood opinion. I think it is recognized that the longer the Federal bureaucratic administration of relief persists, the harder it will be to eventually get rid of it.

This plan starts right now to return the administration of relief to the several States. The plan accepts Federal responsibility by providing a financial backlog for relief. It is analogous to Federal aid to States in carrying out the good-roads program.

The proposal would set up a bipartisan national relief authority to aid the President in allocating the relief contributions of the Federal Government to the States, based upon relative size, relative unemployment, resources, and needs.

The plan requires that each State shall put up at least 25 cents for every 75 cents put up by the Federal Government, and provides that administration in the States shall be under bipartisan State boards. It thus establishes, I think, a clean-cut definition of State responsibility, althought still providing liberal Federal assistance.

As I mentioned at the beginning of my remarks, I have accepted the figure of $1,500,000,000 adopted by the Committee on last Friday, but my proposal would require the States to add to this amount on the basis of 75-25 an additional sum of $375,000,000, thus giving for relief the coming year a total of $1,875,000,000, or a greater amount for relief purposes, if the State contributions are included, than is provided for in the bill of the committee.

[Here the gavel fell.]

Mr. BACON. Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BACON. It is believed that by the elimination of the present Federal costly overhead, the proposal will offer the best assurance that the largest possible proportion of every relief dollar shall go to those on relief who will need it.

When this proposal was introduced in the form of a bill as a substitute for the pending bill, the Democratic New York Times commented on it favorably in a leading editorial. The Times states:

Doubtless the bill that Senator VANDENBERG and Representative BACON have introduced to revise the Federal relief system has no bright prospect of immediate passage. Its sponsorship is Republican, and if there is going to be any credit for forming relief the

Democratic majority in Congress will want that credit itself. Yet the Vandenberg-Bacon proposal must not be dismissed as a mere partisan gesture. It is carefully considered, and any sound reform of relief must adopt its leading principles.

Those principles are local administrative responsibility and nonpolitical control. To be eligible for Federal relief funds each State must agree to disburse those funds through a bipartisan board. Penalties are provided for false statements, political contributions, or discrimination against any relief applicant on account of race, religion, or political affiliation. Provisions of this type would obviously reduce the possibilities of using relief as a political weapon.

The foregoing is from an editorial in the New York Times of May 12, I think.

Mr. FITZPATRICK. Mr. Chairman, will the gentleman yield for a short question?

Mr. BACON. Yes.

Mr. FITZPATRICK. Assuming a State would not make application for relief, would the money which would be allotted to that State be distributed among the other States or go back into the general fund?

Mr. BACON. That would be entirely in the hands of the Federal Relief Board. I do not limit their authority.

This proposal has met with considerable favor in other quarters. Two distinguished Democratic Senators in another body have made speeches in favor of this principle. Only on yesterday a very distinguished Democratic Senator made a speech in another body in which he endorsed the principle of this proposal. I call attention to the very eloquent speech made by the Democratic whip of the United States Senate, who took as his text a quotation from the President's message of yesterday, in which the President stated—

No State is justified in sitting idly by and expecting the Federal Government to meet State responsibility.

With that as his text, in his speech the Senator from Illinois endorsed the principle of this proposal 100 percent. I merely cite this speech to show that this plan is not a partisan effort. This is offered in good faith as a new approach to this very serious problem. [Applause.]

[Here the gavel fell.]

Mr. CURLEY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I ask unanimous consent to revise and extend my own remarks in the RECORD.

The CHAIRMAN. To save time, let the Chair state that all Members now have up to the close of 5 legislative days after the completion of the consideration of the bill in which to revise and extend their remarks.

Mr. CURLEY. Mr. Chairman, in answer to the gentleman from New York [Mr. BACON], I may state that in an editorial of one of our leading newspapers of the State of New York I was attracted by a unique heading, "Wanted a New Party." It may be a little early to declare the Republican Party dead, but it can be assumed safely that it will never be the same. Any political party that claimed to be "the only party fit to govern" some years ago and meets with four consecutive crushing defeats in a row in the national elections in 1930, 1932, 1934, and 1936, and winds up with its standards barely visible in 2 States out of 48, indicates it has reached the vanishing point and "has signed off the air" in the political life of this great Nation.

Now, in reply to the gentleman from New York [Mr. BACON] I will repeat the answer that I made last year to another gentleman from New York [Mr. TABER], who made the same claim with respect to the administration of relief in this country. He spoke about transferring the administration of relief to the States and municipalities, when, as a matter of fact, the public history of administration of relief in the city of New York is the result of legislation passed by a distinguished representative, a member of the gentleman's own party, a Mr. Wicks, of New York, and as a result of the administration of the provisions of the Wicks Act in New York some 3 years ago, when we conducted an investigation of the relief situation in that city, we found that over $3,000,000 per month was paid there for chiselers. Now, we find that the gentleman comes in here and is asking for the same sort of change in the administration of relief.

I find from practical and actual experience, as well as from the testimony brought out in the recent investigation of relief in the city of New York, that some 10 or 15 percent, and even up to as much as 20 percent, of those on relief, as testified to by a member of their own administration, a Mr. McNulty, as well as Hon. William Hodson, at that time commissioner of the emergency relief bureau, were chiselers on the relief list of the city of New York. So, judging from the experience we have had in that great city, we find that administration of relief in the city of New York has been far better under the Federal Government than it can be under the State or the city government. As a matter of public record in the investigation of relief in New York City, Commissioner Hodson, the chairman of the emergency relief bureau, in answer to the question by Counsel Lloyd Stryker:

So that by reason of improper investigation, or at least insufficient investigation, the taxpayers of the city of New York are losing approximately $24,000,000 a year through plain, ordinary grafting and chiseling on the part of people who are on these rolls; this is so, isn't it?

Replied:

I should say substantially so.

[Here the gavel fell.]

Mr. WOODRUM. Mr. Chairman, I ask unanimous consent that all debate on this amendment conclude in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. WOODRUM. Mr. Chairman, undoubtedly the principle set out in the Bacon amendment has much merit. Perhaps, sometime we will reach a situation in this relief business when we will have to get down to the proposition of devising some permanent method of meeting relief. At the present time, however, we have not reached that point.

I do not subscribe at the present moment to the statement of Mr. Hopkins that the Federal Government is now permanently in the relief business. [Applause.] I do not deny, however, present need of Federal assistance. I think there is a present need. There probably will be such need for several years, but I still cling to the hope, perhaps a little forlorn, but still I cling to it, that the time will come in our economic set-up when, as the President has said, the Federal Government can get out of the relief business and when States and localities and municipalities will be able to carry that part of the burden; at any rate, Mr. Chairman, certainly, the Federal Government should not step in permanently to the relief picture at a time when many States and many more localities are absolutely lying down on the job and not making any reasonable effort to carry the problem that is theirs under any form of democratic government. Undoubtedly, in my mind, the States and localities must be made relief conscious. We must impress upon them the fact that it is their primary duty. Then, if they need help and cannot carry the burden, of course, the Federal Government is going to help. Nobody wants to see honest, American citizens, who are able to toil and want to toil, go hungry or without clothes or without food, neither do we want to create a situation where American citizens will not feel impelled to get out and provide for themselves.

So, Mr. Chairman, the time has not yet come, in my judgment, for us to set up a permanent Federal relief agency, and until that time does come, I do not believe we can handle it in any better way than to provide funds which we think are adequate, and give the Chief Executive, whoever he may be, pretty wide discretion and authority in the handling and administering of such funds.

Of course, there is a difference of opinion about how much funds ought to be provided in this bill. The committee has passed upon that, and I may say, while I am on my feet, there is no difference in the Appropriations Committee on the question of earmarking these funds. We do not think it is possible to earmark funds in this bill for any purpose. If these are to be relief funds, then we must give the

President the discretion and the authority which we have given him in the past to handle these funds.

I had hoped that enough money would be taken out of this relief so we could have a works program, a public-building program, so we could go on with the fine, splendid public improvements that are so much needed, but if this money is to be for relief, whether it is to be one billion or a billion and a quarter, which it will probably be ultimately, when it comes back from the Senate, then it should be for relief purposes and not be tied down. As much merit as there may be in these splendid suggestions which are going to presently come about highways, public buildings, roads, and so forth, the committee is going to be compelled to resist any effort to earmark these funds.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The question was taken; and on a division (demanded by Mr. BACON) there were—ayes 70, noes 172.

So the amendment was rejected.

Mr. STARNES. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. STARNES: Page 2, line 18, after the sign and figures $630,000,000, insert the following: ", of which amount not less than $20,000,000 shall be available to augment funds otherwise provided to carry out the provisions of the Flood Control Act, approved May 15, 1928 (U. S. C., title 33, sec. 702–a), as amended by the Flood Control Act, approved June 15, 1936 (49 Stat. 1508), and not less than $25,000,000 shall be available to augment funds otherwise provided to carry out the provisions of the Flood Control Act, approved June 22, 1936 (49 Stat. 1570–1595), as amended: *Provided*, That these funds are expended under the provisions herein established for the use of relief labor: *Provided further*, That the requirements hereinafter established that no Federal construction project shall be undertaken unless and until there have been allocated and irrevocably set aside sufficient funds for its completion shall not apply to duly authorized flood-control projects."

Mr. STARNES. Mr. Chairman, I ask unanimous consent to proceed for 10 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. STARNES. Mr. Chairman, this amendment seeks to definitely earmark the sum of $45,000,000 for flood-control projects, projects which have been authorized by an overwhelming vote of Congress, projects which have been surveyed and approved by the Engineers of the War Department. You will recall that in the Seventy-fourth Congress, in the month of June 1936, the Congress passed and the President approved two flood-control acts, one known as the Overton Act, which provided for a flood-control program covering a period of 6 years and authorizing an expenditure of $272,000,000 for the lower Mississippi. The other was the so-called Copeland-Snyder Act, which authorized the expenditure of $300,000,000 over a period of 6 years for flood-control projects in other sections of the country. Today we are $70,000,000 behind the authorized program—the program which has the expressed approval of the Congress. The Budget recommendation for the next fiscal year, 1938, recommends only twenty-two and one-half million dollars for use under the Overton Act, and $30,000,000 under the Copeland-Snyder Act, although the testimony before the subcommittee handling the appropriation shows there are projects which will total $150,000,000 on which the engineers of the War Department are ready to begin immediate construction.

I call attention to the fact that this amendment will do three things. First, it will make available $20,000,000 to augment funds to be provided through the regular budgetary appropriations for the lower Mississippi Valley under the authority of the Overton Act, and $25,000,000 to augment funds otherwise provided to carry out provisions of the Copeland-Snyder Act. Second, the amendment expressly provides that in the expenditure of these funds relief labor shall be used.

Therefore it does not interfere with the program of Mr. Hopkins to spend a billion and a half, a billion and a quarter, or a billion, whatever amount the Congress may ultimately approve, on relief labor alone. Third, it carries a provision that requirements established by this bill, that no Federal construction project shall be undertaken unless and until there have been allocated and irrevocably set aside sufficient funds for its completion, shall not apply to duly authorized flood-control projects. This will permit the initiation of a larger number of flood control projects than we would otherwise be permitted to do. It is estimated by reliable authority, the Chief of Engineers of the Army Engineers, that in the Ohio Valley alone this year the property loss suffered amounted to more than $400,000,000, and during the years 1936 and 1937 this Nation suffered from floods a property loss of more than $1,000,000,000. This loss was suffered by every section of the country, including the Connecticut Valley, New England, New York State, Pennsylvania, the Ohio Valley, the Mississippi and its various tributaries.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. STARNES. Briefly, for a question.

Mr. MAY. As I understand the gentleman's amendment it merely tells the Works Progress Administration the things upon which the money shall be expended, and provides it shall be expended on people who are on relief?

Mr. STARNES. Absolutely, and on projects already authorized by Congress.

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. STARNES. Yes.

Mr. MOTT. I did not understand whether the gentleman's amendment covers all authorized flood projects or only those in the Mississippi and Ohio Valleys.

Mr. STARNES. It covers every section of the country where the States concerned have met the provisions of the acts of Congress and especially the Overton Act and the Copeland-Snyder Act.

Mr. PARSONS. And if the Congress should not ultimately before adjournment pass a new authorization bill for flood control, then the funds provided in this bill could be used in these authorizations.

Mr. STARNES. Absolutely.

Mr. MARTIN of Colorado. Mr. Chairman, will the gentleman yield?

Mr. STARNES. I yield.

Mr. MARTIN of Colorado. If the gentleman will permit me, the Flood Control Act of 1936 carries projects in 39 different States.

Mr. STARNES. I thank the gentleman for that observation and information.

Mr. LANZETTA. Mr. Chairman, will the gentleman yield?

Mr. STARNES. I yield.

Mr. LANZETTA. Does the gentleman feel that there is enough relief help available in the areas where flood-control projects are necessary—that is, enough relief workers to carry on such work?

Mr. STARNES. Yes. The greatest number of people on relief rolls in the country are in New England, New York State, Pennsylvania, and States adjacent to the Ohio Valley. That is where the relief burden lies heaviest today.

Mr. LANZETTA. But does not the gentleman feel that in these parts of the country where flood conditions exist there might not be available enough needy persons to carry on such work, and that the pay for W. P. A. workers is not sufficiently compensatory to bring in relief workers from other areas so as to benefit other needy persons who are not within the immediate vicinity where such projects may be necessary?

Mr. STARNES. I cannot answer that question.

Mr. Chairman, I cannot yield further. I only have a very short time in which to finish my statement.

I think the time has come when the Congress of the United States should keep its fingers upon the purse strings of this Nation. [Applause.] I think it is high time that we should fully assume our duties and our responsibilities to the people of this country as their legistators in every respect. I think it is the duty of this Congress, if I may be so bold as to say it, to say where these huge sums of money are going. [Ap-

plause.] If we are to vote to tax the taxpayers of America to provide these huge funds for relief, we owe them an obligation, and it is our duty to give definite directions as to the expenditure of those funds.

The question of flood control is a national problem in every sense of the word. As these turbulent, turgid tides sweep on to the ocean, laden with the finest soil of America, sweeping everything in their path, destroying towns and cities, laying waste and devastating the countryside, they take their toll of life and add to misery and want throughout our fair land. This huge annual loss of soil, property, and life impress upon flood-control projects the character of paramount importance. This amendment will provide protection as well as relief.

When we speak of relief, I say to you that the people living in the Ohio Valley, the Susquehanna, the Connecticut, and the lower Mississippi, and throughout the country, are entitled to relief from floods. There is a well-developed program in this country for the control of floods. Instead of permitting a useless waste and loss of life and property year after year, we owe it to ourselves and we owe it to this Nation to carry out the express will of the Congress and definitely earmark money under this relief program in a manner which will give permanent relief to the people of the Nation from the floods from which they have suffered in the past years. [Applause.]

[Here the gavel fell.]

Mr. JONES. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. JONES to the Starnes amendment: Strike out the figures "$45,000,000" and insert the figures "$55,000,000"; strike out the period, insert a semicolon, and at the end of the Starnes amendment add the following: "and not less than $10,000,000 shall be available for the construction of ponds and small lakes and for water conservation in the Great Plains area."

Mr. JONES. Mr. Chairman, I ask unanimous consent to proceed for 10 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. JONES. Mr. Chairman, I think this is an extremely important amendment. If we are not to have any earmarking at all, that is one thing, but if we are to have earmarking, and in that connection have earmarking for flood relief, I think the work should be started at the right place, and that is at the source. [Applause.]

We started a long time ago treating water as a curse instead of as a blessing. We started channeling up levees along the mouths of the rivers, and by plowing up the hillsides and chopping down the trees and digging up the rocks we permitted the soil to wash away with the water and to build up the mouth of the rivers above the surrounding territory. The place to start is at the source, where the water first falls to the ground; where it first becomes a problem. This will accomplish a double purpose. Water is a different problem up there. It is a question of conserving the water. By conserving water on the prairies and at the heads of the draws and small streams we also help the flood situation. I have seen the hot winds come and sweep with blistering trail across the Great Plains area, a great productive area in this country, the heavens become brass and the earth iron, and the water rush off into draws and streams and on to the sea. By building small ponds and small lakes and damming up draws and building small reservoirs, which can be done at very small cost, a great deal of the water can be kept from going into the complicating areas near the mouths of the streams.

You men who live on the great rivers and want the problem solved, I think should help on this amendment. If you are going to have your amendment, certainly this one should be adopted also.

I read a story one time about a fellow who was dipping up muddy water in a stream and trying to throw the water out on the land.

They asked him what he was doing. He said: "I am trying to dip the muddy water out of the stream."

Somebody told him: "Go up yonder to the source of the stream, scare the old sow out of the spring, and it will clear up itself." [Laughter.]

If we start at the source of the rivers, make ponds, and dam up the draws it will help the flood-control problem. It will really solve the problem and it will be solved in no other way. We will be attacking this problem at the proper place. Then follow it on down to the mouth of the stream and we will have attacked the thing logically.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield for a brief question.

Mr. MICHENER. I am very much interested in what the gentleman has just said, but if the gentleman's amendment carries, is it contemplated that there will be authorized the beginning of the construction of a series of ponds that will not be completed within the appropriation here provided but will require future appropriations?

Mr. JONES. It will require no more future appropriations than the annual rainfall will require. We have always had this problem and we shall have it so long as we have rivers and streams, and water is something we have in the plains area as well as in other areas. You are not, of course, going to solve this whole problem this year; you are not going to solve the river problem this year. I am not attempting to argue that.

Mr. MICHENER. Mr. Chairman, will the gentleman yield further?

Mr. JONES. I am sorry, but I must yield now to somebody else.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield.

Mr. MAY. The gentleman's amendment works right into and improves the Starnes amendment, and fits into the soil-erosion program of the Department of Agriculture with its plans to grow cover crops to hold the rainfall back.

Mr. JONES. Certainly, it dovetails into the whole picture and fits in with the Great Plains Committee's report. The gentleman will remember that the President appointed a Great Plains Committee. This covers one phase of that committee's report, and it gears into the whole program.

I do not know whether it is wise to begin earmarking this fund, but certainly if any earmarking is to be done funds should be earmarked for this purpose. It really ought to be adopted in order that we may attack the problem all along the line.

Mr. LAMBETH. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield.

Mr. LAMBETH. I think the proviso on page 3 beginning in line 8 answers the question of the gentleman from Michigan. This proviso reads:

That no Federal construction project shall be undertaken or prosecuted under this appropriation unless and until there shall have been allocated and irrevocably set aside Federal funds sufficient for its completion.

Mr. JONES. As a matter of fact, if that is what was worrying the gentleman from Michigan, building these small ponds and damming the draws are small earthen or concrete projects; they are not big undertakings like some of the river projects. Practically all of them will be completed during the year they are taken up. The individual cost will not usually be large. I am not trying to get the Congress committed to an undertaking that I think is vital and fundamental by getting a small appropriation to start a big project. The proposition in its general aspect is big, yes; and it is fundamental, but the nature of the individual pieces of work to be undertaken is such that the work on any one can be done in 1 year.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield.

Mr. KNUTSON. I am very much concerned over the Dust Bowl area. I think it is becoming a constantly increasing menace to the entire West and perhaps eastward as far as the Mississippi Valley. Does the gentleman feel that he is earmarking enough money?

Mr. JONES. I may say to the gentleman from Kansas that I first drafted this amendment for $20,000,000, and then, after consulting with others who are interested, I thought we had better start modestly, at least insofar as this bill is concerned. So, to try it out, I am seeking to get $10,000,000 earmarked. Then, if the work justifies itself, we can proceed in future years with whatever is necessary.

Mr. KNUTSON. I am thoroughly satisfied that if we can carry out an intelligent, comprehensive plan of water conservation that the Dust Bowl problem will solve itself.

Mr. JONES. I am certain that it will. The district I have the honor to represent is in the heart of the so-called Dust Bowl. We have an average rainfall of about 20 inches. This is enough usually to make a productive area, but when the drought comes for a certain period the land becomes hard and the water rushes right off.

Mr. KNUTSON. The creation of a number of these ponds all over the West will make for greater condensation, which, in turn, will mean greater precipitation, and this will cure the evil.

Mr. JONES. I think that is correct.

Mr. CITRON. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield.

Mr. CITRON. What contributions does the gentleman contemplate will be made by the States or local interests under this amendment?

Mr. JONES. Some of the States and local interests are doing work along this line. No contribution is required at all. That is a matter that is left to be determined by the administering authorities.

The Great Plains area is the productive heart of this country. A few millions spent in this way will accomplish more than anything else that might be done.

[Here the gavel fell.]

Mr. CITRON. Mr. Chairman, I ask unanimous consent that the gentleman's time may be extended for 2 minutes in order that he may answer my question.

The CHAIRMAN. Is there objection to the request of the gentleman from Connecticut?

Mr. WOODRUM. Mr. Chairman, the gentleman has not requested any further time. A great many amendments are pending. It would not be fair to other Members.

The CHAIRMAN. Objection is heard.

Mr. WOODRUM. Mr. Chairman, may we have some understanding as to time? There are a great many amendments to be offered. I ask unanimous consent that all debate on the Starnes amendment and all amendments thereto close in 15 minutes. There has already been 10 minutes' debate on the amendment. The Chair can divide the time any way it pleases.

The CHAIRMAN. The Chair may say that there have been four requests for time on this amendment. There are additional requests from the floor at the present time.

Mr. WOODRUM. Mr. Chairman, there are a great many amendments to be offered, and consideration of this bill has to be completed today. It seems to me that if these gentlemen will take 2 or 3 minutes apiece, that would be sufficient. There is nothing fundamentally involved in the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

Mr. COLDEN. Mr. Chairman, reserving the right to object, this is one of the most fundamental amendments that has been offered up to this time. It strikes at the very root of the question. It is constructive. It is not destructive.

Mr. WOODRUM. Mr. Chairman, under those circumstances I ask unanimous consent that all debate close in 20 minutes.

The CHAIRMAN. The gentleman from Virginia [Mr. WOODRUM] asks unanimous consent that all debate on the Starnes amendment and the Jones amendment to the Starnes amendment close in 20 minutes. Is there objection?

Mr. CASE of South Dakota. Mr. Chairman, reserving the right to object——

Mr. WOODRUM. Mr. Chairman, I move that all debate on the Starnes amendment and the Jones amendment to the Starnes amendment close in 20 minutes.

The motion was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Mississippi [Mr. WHITTINGTON] for 5 minutes.

Mr. WHITTINGTON. Mr. Chairman, I wish the two pending amendments could be considered separately because the theory of the two amendments involves two separate propositions. The theory of the two amendments is different and for that reason, as I stated, I should like to have them considered separately. Personally I am in favor of the upstream control. I may say that the Congress of the United States has already appropriated, this session, in the regular fund approximately $25,000,000 for soil conservation that may be utilized for upstream control, and, in addition to that, the Congress of the United States will be called upon to appropriate for the next fiscal year $300,000,000 for C. C. C. camps. Their activities are largely utilized in upstream control. I am in sympathy with the program.

May I therefore emphasize if it be desired to earmark $10,000,000 additional for upstream control, it would be better to do it by a separate provision and separate amendment. I make that statement for the reason the Starnes amendment proceeds on the theory that the flood-control projects heretofore approved by Congress shall be constructed as provided by laws passed by Congress.

Mr. Chairman, in 1936 the Congress passed two flood-control acts, one the Overton or Mississippi Flood Control Act for the lower Mississippi River and certain tributaries. The Budget has recommended for that act twenty-two and one-half million dollars. We knew when the bill was passed that it provided for a 6-year program and it contemplated an annual expenditure or appropriation of approximately forty-two and one-half to forty-five million dollars.

The Starnes amendment, out of flood control relief funds, not diverting them for any other purpose, augments the Budget recommendation. The gentleman from Alabama is a member of the Subcomittee on Appropriations, having charge of flood-control appropriations. He proposes to supplement the Budget estimate from flood-control funds in the pending bill.

Mr. Chairman, in the omnibus Flood Control Act the Congress has adopted flood-control projects aggregating authorizations of $310,000,000 covering some 270 projects in more than 30 States of the Union. The Budget has recommended $30,000,000. The omnibus bill contemplates a 6-year program, an annual appropriation of $52,000,000.

The gentleman from Alabama [Mr. STARNES], a member of the Subcommittee on Appropriations, offering the amendment, now proposes to earmark from funds to be designated by this act for flood-control works an additional $25,000,000, so that the declared purpose and intent of the Congress of the United States shall be carried out. If the Starnes amendment is adopted, no more money will be appropriated this year than Congress twice declared last year by approving the authorization of those two flood-control acts should be appropriated.

In my judgment, inasmuch as all of those projects have been approved by the Congress, and inasmuch as thus far this session not a dollar has been appropriated for flood control, the Congress of the United States owes it to itself, at the very first opportunity, when we are appropriating money that may be used for flood control, to earmark the money at least for the projects that Congress itself has approved and for which authorizations have been made.

Mr. Chairman, I extend my remarks by saying it may be suggested, if not urged, that the Committee on Appropriations will increase the recommendations of the Director of the Budget from $30,000,000 to $55,000,000 as contemplated by the omnibus flood-control bill. It may also be urged that the Committee on Appropriations will increase the amount recommended by the Director of the Budget under the Overton or Mississippi Flood Control Act from

$22,500,000 to $42,500,000, the amount contemplated by the bill.

Personally I have advocated such increases. I believe that the Committee on Appropriations should make the increases; moreover, I believe the Director of the Budget should increase his recommendations. I therefore did not offer the pending amendment. The gentleman from Alabama [Mr. STARNES], a member of the Subcommittee on Appropriations, is in sympathy with plans to increase the amounts recommended by the Budget in both bills; so is the chairman of the Subcommittee on Appropriations, the gentleman from Pennsylvania [Mr. SNYDER]. Mr. STARNES felt that the committee might not override the Budget; he felt that the proper procedure would be to earmark $20,000,000 for the Mississippi River bill and $25,000,000 for the omnibus flood-control bill, as provided by his amendment to the pending bill.

The pending bill contemplates flood-control works in aid of relief. The amendment of the gentleman from Alabama definitely earmarks $45,000,000 to augment the contemplated appropriations that will be reported by the Committee on Appropriations in accordance with the recommendtions of the Budget.

The gentleman from Alabama, the author of the amendment, and the gentleman from Pennsylvania [Mr. SNYDER], are cooperating to provide funds for the execution of the two flood-control acts adopted in 1936. They have indicated that the proper procedure is to adopt the pending amendment to augment and supplement the amounts that will be recommended by the Committee on Appropriations.

The chairman of the Committee on Appropriations has repeatedly insisted that the Budget be followed. The subcommittee has been urged to follow the recommendations of the Budget, but Mr. STARNES, of the subcommittee, believes that the Budget recommendations should be augmented. I repeat to emphasize that I think the Committee on Appropriations should make the appropriations authorized by law. Personally I think that the Budget should recommend as authorized by law. Moreover I think the Committee on Appropriations should appropriate as provided by law. If there were any assurances that the Committee on Appropriations would increase the authorizations of the Budget to the amounts contemplated in the two flood-control acts for the projects authorized in them, there would be no occasion for the passage of the pending amendment. No such assurances have been given.

The advocates of the two measures have been given to understand by members of the subcommittee on appropriations that the only way to augment the recommendations of the Budget is to pass the pending amendment. This amendment provides for projects already authorized.

I believe that Congress, before it adjourns, should pass a flood-control bill for additional flood-control projects in the light of the great flood of 1937. Moreover, I believe that Congress should provide for the execution of the priority and emergency projects in the next fiscal year. The best way to promote additional flood-control legislation is to provide for the execution of works already authorized in legislation already passed by Congress.

The pending amendment has nothing to do with the flood-control act that should be passed by Congress. I repeat to emphasize that it deals only with projects that have heretofore been approved by Congress. I shall continue to urge the passage of adequate flood-control legislation before Congress adjourns to provide for the priority and emergency projects in the light of the 1937 flood in the lower Ohio Valley, and I shall continue to insist that adequate authorizations be made for such projects and that adequate funds be made available for their construction. Additional authorization for additional projects is necessary without regard to the pending amendment.

The relief bill contemplates flood-control works. The pending amendment definitely allocates, of the $630,000,000 mentioned for flood control and other works, $45,000,000 to the construction of the projects that Congress has approved.

Appropriations to build projects approved by Congress will best promote flood-control authorizations for projects not yet approved. I believe that flood-control projects should be approved by Congress and that regular appropriations should be made for their construction, as provided by the authorization, but in the absence of sufficient appropriations through the regular channels, allocations from relief appropriations intended for flood-control works are in order.

The earmarking of relief funds in the relief bill has limitations. In order to provide for the works adopted in the two flood-control acts of 1936, I trust these limitations will be removed in another body.

The friends of flood control in Congress are uneasy because the authorizations passed by Congress were practically cut in two by the Budget. Again, for the first time, two military bills are being reported by the Committee on Appropriations. Heretofore only one bill, which has combined military and nonmilitary activities, has been reported. The friends of flood control and rivers and harbors see no more reason for segregating into two bills the military appropriations than they see for two bills for the Interior Department, so that there might be a separate bill for reclamation. Moreover, there is just as good reason for two bills for the Department of Agriculture. The annual agricultural bill provides for highways. There is no more reason for putting flood control and river and harbor appropriations in a separate bill than there is for putting reclamation and highway appropriations in separate bills.

Mr. Chairman, for the reasons indicated and for other reasons, I favor the adoption of the Starnes amendment.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from South Dakota [Mr. CASE].

Mr. CASE of South Dakota. Mr. Chairman, I offer a substitute amendment.

The Clerk read as follows:

Substitute amendment offered by Mr. CASE of South Dakota for the amendment offered by Mr. STARNES: Strike out the period at the end of the amendment, insert a semicolon, and add the following: "of which amount not less than $15,000,000 is to be expended for the construction of check dams, storage dams, and diversion dams in the Great Plains area for the purposes of providing livestock, water, and supplemental irrigation for lands already under cultivation; one-half of this $15,000,000 to be assigned to the Department of the Interior to be administered by the Bureau of Reclamation and one-half of this $15,000,000 to be assigned to the Department of Agriculture to be administered by the Bureau of Agricultural Engineering and the Resettlement Administration: *Provided*, That preference shall be given to projects where not less than 75 percent of the land to be watered is already under cultivation and that no more than $50,000 of the $15,000,000 shall be expended on any one project and no more than $1,500,000 in any one State."

Mr. WHITTINGTON. Mr. Chairman, I make the point of order against the amendment that it is legislation not provided by law, and, in addition to that, it provides for the construction of projects, no matter how meritorious they may be. The pending bill provides for work relief and allied objects. I make the point of order that the construction of projects by the Department of Agriculture or by the Department of the Interior is foreign to the purposes of this bill and, therefore, the amendment is not germane.

Mr. MICHENER. Mr. Chairman, I rise to speak on the point of order. This bill lodges a discretion as to the expenditure of this money. Where a discretion is lodged the Congress undoubtedly has a right to limit the discretion.

If the bill here gives the President or anyone else the right to spend the money appropriated, in his discretion, then there is not any question but that under the rules of the House it may limit and designate where the money is to be spent. No direction is given in the bill, but the Congress can exercise its discretion. It would be preposterous to say that the Congress can only appropriate money to the Executive or to any head of a department to do as that individual sees fit, without in any way limiting or qualifying or even suggesting where the money might be spent for relief purposes.

The Members of Congress possibly understand where the money could be spent in our respective districts to the most advantage for relief purposes. We control the purse strings,

or at least we used to, and we should again assert ourselves. Here is the opportunity. It seems strange, indeed, the question should be raised that under the rules of the House we are limited in exercising that constitutional right and duty.

Mr. MOTT. Mr. Chairman, will the gentleman yield for a question?

Mr. MICHENER. Yes.

Mr. MOTT. As I understand it, this amendment against which a point of order has been raised undertakes to change the jurisdiction of construction of flood-control projects, to take it out of the hands of the Army engineers and put it into the hands of the Secretary of the Interior. May I ask the gentleman if it is permissible to do this sort of thing in an appropriation bill?

Mr. MICHENER. I might agree with the gentleman as to the merits. I believe in the Army engineers. However, under the rules of the House it seems to me that where we are appropriating $1,500,000,000 for relief purposes, to be spent by the Executive as he sees fit for relief purposes, we may add limitations and specify the agency which is to spend the money. This is not an appropriation bill. It is a legislative bill, and the rules preventing legislation on an appropriation bill do not apply.

The CHAIRMAN. Does the gentleman from South Dakota desire to be heard on the point of order?

Mr. CASE of South Dakota. No, Mr. Chairman. I understood the Chair had already ruled in previous debate on this bill that this is a legislative bill as well as an appropriation bill. I may point out that this bill does not seek to provide for anything except work relief. It still would be work relief.

The CHAIRMAN. The Chair is ready to rule.

In view of the ruling of the Chair just referred to by the gentleman from South Dakota, the gentleman's amendment, if offered to the bill, might be in order. The Chair does not rule on that question at this time. However, the substitute offered by the gentleman from South Dakota is to the amendment offered by the gentleman from Alabama [Mr. STARNES]. The amendment offered by the gentleman from Alabama pertains to flood control. The substitute of the gentleman from South Dakota pertains to irrigation and places it under the jurisdiction of the Bureau of Reclamation.

Therefore, the gentleman's substitute is not germane to the amendment offered by the gentleman from Alabama, and the Chair sustains the point of order.

Mr. CASE of South Dakota. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CASE of South Dakota. Does the Chair feel the control of water where it falls is not flood control?

The CHAIRMAN. The Chair has before it only the language of the amendment and cannot go outside of the written amendment.

Mr. MICHENER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MICHENER. As I understand it, then, the ruling of the Chair is that the amendment might be in order to some other part of the bill, and the Chair does not sustain the point of order made by the gentleman from Mississippi?

The CHAIRMAN. The Chair sustains the point of order only insofar as the amendment of the gentleman from South Dakota is not germane as a substitute for the pending amendment.

The Chair recognizes the gentleman from Oklahoma [Mr. FERGUSON] for 2 minutes.

Mr. FERGUSON. Mr. Chairman, I shall use my time to speak on behalf of the flood-control amendment offered by the gentleman from Alabama [Mr. STARNES].

The question the Committee will decide is whether the Members want these relief funds which are already earmarked in this bill for flood control to be spent on projects authorized by Congress and investigated by the Army engineers, or whether the Members want flood-control projects to be determined by some other agency than Congress and the Army engineers.

In defense of this amendment to the relief bill, the appropriations of which should be primarily for providing work, I have here a detailed report on the whole Muskingum Valley project, which includes the construction of 13 dams, that absolutely control the floods in this whole valley. Fifty-eight percent of the money spent to complete structures went for labor. When I say "labor" I mean labor taken from the relief rolls to work on these projects.

Mr. JENKINS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. FERGUSON. Yes.

Mr. JENKINS of Ohio. It strikes me the Starnes amendment does not apply to any proposed improvements except those included in the Overton Act. Am I correct in this?

Mr. FERGUSON. No; the gentleman is incorrect. Twenty-five million dollars is for the omnibus bill and $20,000,000 for the Overton bill.

Mr. JENKINS of Ohio. I thank the gentleman.

Mr. FERGUSON. This includes all projects which were authorized in the omnibus bill, H. R. 8455, passed by the last Congress.

Mr. JENKINS of Ohio. That is the Copeland bill?

Mr. FERGUSON. The gentleman is correct.

I also at this time wish to support the Jones amendment to the Starnes amendment, which, in addition to providing $45,000,000 for carrying out the flood-control projects authorized by Congress, makes $10,000,000 available for the construction of ponds and lakes in the Great Plains area.

Only a man who has seen the devastation caused by years of drought in the western part of Oklahoma and the surrounding States can realize the need for water conservation in this area. It has now reached the place where the conservation of water actually means life to the people in this area. They are destitute today; they prefer to work for what the Government gives them. This $10,000,000 makes it possible for the people in this area to work, and at the same time it helps us solve the problem of saving this area.

Gentlemen, let me say in conclusion that if the House adopts these amendments I have advocated, and also adopts the Public Works Administration amendment, the roads amendment that my colleague from Oklahoma will offer, we will have earmarked $500,000,000 for worth-while projects that will add to the wealth of the Nation. At the same time, there will remain available $1,000,000,000 for relief, the exact sum the distinguished gentleman from Virginia [Mr. WOODRUM] and his subcommittee recommended necessary for relief purposes.

I repeat what I said in my previous remarks on this bill, that with one-half billion earmarked for public-works projects, as directed by this Congress, and one billion for relief purposes, I am well satisfied with this measure. But if this House fails to earmark this money for flood control, roads, and public-works projects, I for one consider a billion and one-half excessive for relief, and will be constrained to vote against the whole bill.

[Here the gavel fell.]

Mr. DIRKSEN. Mr. Chairman, I may say to the committee I am opposed to the Starnes amendment and to all amendments to the amendment, for this reason: While I am in full sympathy with flood control, I can think of no enterprise in which the investment is so great and the return to labor so small as flood-control projects. I think of this bill as a relief bill in the hope this money may be diffused to cover the largest number of people and flood control makes a very poor relief investment.

I used to be a drainage contractor, if you will pardon a personal allusion, operating a dirt-moving machine which originally cost $100,000. When you talk about flood control, you are speaking first of all of the condition which is caused by melted snow and heavy precipitation, where streams, rivers, and creeks overflow their banks and resultant damage to riparian property.

Now come those who want flood control. What kind of control? There are basically only two kinds. One is to build reservoirs, which you cannot do out of these funds,

and the other is to build huge earthen levees and dams for the purpose of impounding the water or confining the water in the stream courses. How are you going to build these dams and levees? By teams? By hand work? Certainly not; it would cost you $1 a cubic yard or more to move the dirt.

You can move it for 8 or 10 cents a cubic yard with machinery, with dredges and draglines bearing 100-foot booms. They represent a tremendous investment and the cost of oil, food, heavy repairs, and all the rest of the things that are necessary will require practically all the funds made available, and the residue for labor will be very small. It is the poorest kind of investment and the poorest kind of an amendment to a relief bill, and I hope the amendment is voted down. [Applause.]

I reaffirm that I am in full sympathy with flood control, but I am not unmindful that we are today dealing with a relief bill under which we hope to extend the benefits of this appropriation to the maximum number of people and accomplish the greatest amount of good. How the authors of these amendments hope to accomplish that objective is certainly not apparent.

If you undertake to build flood-control levees or conservancy districts by hand labor or with teams and scrapers, there is not enough money in the Federal Treasury to accomplish the job. If you expect these funds to be used for engaging heavy-duty machinery with which to move earth for levee building and earth-construction works, you fly in the very face of the basic purpose of this bill, because such heavy-duty machinery with dippers ranging in capacity from 3 to 20 cubic yards is today being operated with a complement of men that ranges from 2 to 8 or 10. For every dollar of a project that goes for labor there will be many, many dollars to go to fuel, repairs, capital investment, and other items, and you defeat the purpose of the bill.

I know there are many in this House to whom this amendment will have strong appeal, especially those who come from flood-stricken areas. I submit that common sense should dictate, that this amendment, bearing the provision that relief labor shall be used in the construction of these flood-control projects means that no flood control will be accomplished and relief labor will get no benefit. It will be a futile gesture and nothing more.

There are many other classes of useful projects where the labor item bulks large in the cost, and such classifications might readily be incorporated in the bill, but building levees and dams, all of which, if to be done efficiently, must be done with costly heavy-duty machinery, is not one of them, and I trust that in the interest of needy people and in the interest of diffusing these funds to achieve the greatest amount of good, this amendment will be rejected.

Mr. COLDEN. Mr. Chairman, I desire to speak in behalf of the Jones amendment.

This amendment provides for constructive relief. It provides for the rehabilitation of the soil and of men. I would rather vote $5,000,000,000 for constructive relief than to vote for $1,500,000,000 to be passed out as a dole and obtain no results. The great problem in this country is to find permanent employment for the great army of unemployed, and these homeopathic doses we are passing out are not reaching the real roots of our trouble. I am for the Jones amendment because it does set up a program of constructive relief that will return dividends to future generations. [Applause.]

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield for a question?

Mr. COLDEN. I yield.

Mr. CRAWFORD. Is it not also true that the Jones amendment will provide for the impounding of water in small communities where most of the work will be done by teams and scrapers and by men handling such machinery?

Mr. COLDEN. The gentleman from Michigan is correct.

Mr. CRAWFORD. Certainly; and anyone who knows the territory knows that is true.

Mr. COLDEN. And it will make a permanent contribution to that entire country.

Mr. KLEBERG. Mr. Chairman, will the gentleman yield?

Mr. COLDEN. Yes; I yield to the gentleman from Texas.

Mr. KLEBERG. Is it not equally true that under the Jones amendment the impounding of these waters would largely tend to restore the lost subterranean water level, the loss of which is the cause of dust storms and all that sort of thing?

Mr. COLDEN. I agree with the gentleman from Texas.

Thousands of refugees are pouring into California from the Dust Bowl. A recent check disclosed that of the thousands crossing the California border, the largest number were coming from the drought-stricken Great Plains. These people arrive hungry, poorly clad, and unhoused. They are desperate for employment. Frequently they displace local labor, reducing wages and increasing hours. The result is heavier burdens on relief and increased relief rolls. It has placed a vexatious, added burden on the backs of the California taxpayer and disastrous competition to the workers seeking jobs.

I am opposed to that brand of economy that would save Government money by taking it out of the half-fed, half-clothed, and half-housed unemployed. It is a wise, humane, and patriotic investment to strike at the root of unemployment and rehabilitate men and women and relieve them of the humiliating necessity of the dole.

Mr. Chairman, some of my colleagues berate waste and extravagance. The greatest extravagance of a century was 10,000,000 unemployed. If these idle hands were employed at a reasonable wage of $5 per day it would add $50,000,000 daily to our national income; a 5-day week would add $250,000,000 weekly and $1,000,000,000 a month, and the stupendous amount of $12,000,000,000 annually. It would convert the hungry, the ill-clad, and ill-housed into happy and prosperous citizens and vastly increase the Nation's purchasing power. It would provide further employment in the factory and on the farm.

The Jones amendment would provide work in the Dust Bowl. By conserving the floodwaters and moisture of that great area, these refugees now fleeing to the westward would be kept at home reclaiming their own farms and homes. This amendment provides for constructive relief and an investment for the present and future generations of real Americans.

[Here the gavel fell.]

MORE SMALL DAMS AND PONDS

Mr. CASE of South Dakota. Mr. Chairman, I speak in support of the Jones amendment. It accomplishes, I think, the same purpose as the amendment I planned to offer, but, perhaps, in not quite as much detail. I would like to have fifteen million for small dams but ten million will help. The aim is to provide work relief now and insurance against drought distress for all time to come.

We need to realize that a shortage of water in one area can be just as much a matter of national distress and national concern as too much water at some other point. A drought takes longer to kill a man than drowning. That is the only difference. And the gentleman from Texas knows that storage of rainfall in the headwaters not only means drought relief but also reduces flood problems downstream.

I have here a report on this year's rainfall in the Great Plains area. It shows that a drought again impends.

SHORTAGE OF RAINFALL THIS SPRING

Up to the 1st of May, in north-central Texas, the rainfall was 35 percent of normal, and up to the 21st of May only 22 percent.

In western Oklahoma, rainfall has been only 39 percent of normal.

In central Kansas the rainfall up to the 1st of May was 27 percent of normal and up to the 21st of May only 39 percent. In western Kansas, 20 percent of normal.

In South Dakota the rainfall in the eastern part of the State was normal up to the 1st of May but only 41 percent since then. Small grain is suffering. In the western half of the State rainfall has been only 42 percent of normal the entire year.

In North Dakota a similar situation obtains. Eastern Montana had only 5 percent of normal rainfall in the first 3 weeks of May. That means another drought and drought means distress.

This situation comes after a series of dry years. The Great Plains area has lost its subsoil waters and it is necessary to conserve the water that falls when it falls. These small ponds and dams will save the people in the Great Plains area.

Mr. GREEVER. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. GREEVER. Is not this the most constructive form of relief we can have in the Great Plains area?

Mr. CASE of South Dakota. I agree with the gentleman. It means relief in the form of work relief now and it means putting these people in a position where they can take care of themselves in times of future distress.

Our people want to help themselves. The figures given in the hearings on this bill show, in spite of any opinion to the contrary, that a large part of relief costs are provided by the local communities. Every W. P. A. project has to have a sponsor. The tables in the hearings show that the average contribution of the sponsor for the whole country is about 13 percent. In my State of South Dakota it averages 15 percent—14.9. You add to that the larger percent provided locally on P. W. A. projects—those on the 45-55 basis—and you have a percentage of local contribution not far from the 25 percent proposed in the Bacon amendment.

I cite these figures here merely to show that people do want to help themselves. And if we could earmark these relief funds for work of the dam-building type, projects that increase the ability of people to provide for themselves and to meet adversity, we would not only provide the emergency relief they need today but equip them to meet future drought so they could go off relief.

RELIEF FOR TODAY AND PROTECTION FOR TOMORROW

This type of water conservation, flood control, or whatever you want to call it, is sound. It does not mean bringing new acres into cultivation. It means guaranteeing water for livestock on the ranges. It means supplemental water for subsistence gardens rather than for commercial irrigation. If our western ranchers can always be sure of a good garden and alfalfa for the milk cows, they will not go on relief.

The Indian Irrigation Service has demonstrated what can be done. Last year it used $24,938 and provided water storage for 46 garden plots totaling 490.7 acres on 9 different reservations. That was only 10 acres to the average plot. They kept track of the expenses of watering those gardens. They charged up 20 percent of the initial cost to the year's operation—that is, figuring the dams to pay out in 5 years. The returns showed an average yield of $35.71 per acre against a cost of $23.20 per acre, a net return of $12.84 per acre.

When every ranch has permanent stock water and a watered garden, our folks will get by these dry years. We are adjusting the size of our herds to the amount of summer range and winter feed. We are building up 2 and 3 years of winter feed. Let us store our run-off waters and we will be willing to take our chances on the years as they come.

I earnestly urge that you vote for this Jones amendment to earmark not less than $10,000,000 for small dams and ponds in the Great Plains area. It is relief for today and protection for tomorrow.

[Here the gavel fell.]

Mr. RAYBURN. Mr. Chairman, I do not think there is a better friend of flood control in the country than I am, I do not think there is a better friend of conservation than I am, and I am utterly surprised at the able gentleman from Mississippi [Mr. WHITTINGTON], chairman of the great Committee on Flood Control, in supporting this amendment. The gentleman from Mississippi could have, and I hope does have, a well organized and a well formed flood-control policy. We have ceased to talk about relief here today and we have begun to talk about specific projects.

In my opinion a friend of flood control, a friend of the committee that the gentleman is chairman of, wanting to see flood control come along in an orderly way, with specific projects named, will realize that such action as is contemplated by the amendment offered here today will wreck instead of help a flood-control program, and let me say further that in the adoption of such an amendment earmarking this amount, we can readily see where we will get. My colleague, the gentleman from Texas, has an amendment, and if this amendment is to be adopted, then why not adopt the amendment of my colleague from Texas? If that amendment is to be adopted and the appropriation earmarked in that amount, who not consider the very necessary project and one that has great merit in it, mentioned by the gentleman from South Dakota?

I say to you that this is a relief bill, and when you earmark these amounts and divert them in ways such as the one mentioned in the amendment now pending, in my opinion you do great harm and destroy some of the great programs we are trying to inaugurate. [Applause.]

And what I say about the pending amendment goes for the amendment earmarking $150,000,000 for roads and also the Beiter amendment. This is a bill for relief, not a specific-projects bill. Do you know that with the amount provided in this bill with other appropriations authorized, more than $500,000,000 will be available for the coming year for roads, with a small amount of this sum for streets and small projects. I caution you to go slow in these matters. I do trust caution be exercised, and a well-ordered program be enacted.

Mr. JONES. Mr. Chairman, in drafting my amendment to the Starnes amendment I made an error, because the Starnes amendment had been changed. I ask unanimous consent to correct the amendment to make it conform to the Starnes amendment.

The CHAIRMAN. Without objection, it will be so ordered.

There was no objection.

The CHAIRMAN. The Clerk will report the modified Jones amendment.

The Clerk read as follows:

Amendment offered by Mr. JONES: At the end of the Starnes amendment strike out the period and insert a semicolon and add the following: "and not less than $10,000,000 shall be available for the construction of ponds, small lakes, and for water conservation in the Great Plains area."

Mr. CANNON of Missouri. Mr. Chairman, the proposition presented in these amendments is one of great merit, and has been ably presented, but as our distinguished leader has indicated, is leading us afield, and getting us away from the fundamental proposition before us.

Mr. PARSONS. Mr. Chairman, will the gentleman yield for a brief question?

Mr. CANNON of Missouri. I regret I cannot do so; I am very sorry, but I have only 5 minutes.

Mr. Chairman, the question before us is not the question of flood control. That is provided for in another bill. The question here presented is whether we shall make this a project bill or a relief bill; whether we shall provide "pork" for ourselves and our districts or whether we shall feed the destitute, care for the halt and the blind, and find work for the unemployed. That is the real question we decide when we vote on this amendment. We are at the turning point in this bill. If you admit this amendment to earmark funds, you will have to agree to the numerous other amendments which will follow it to earmark funds for other purposes. Mr. Chairman, there is on the Clerk's desk now a pile of amendments earmarking funds in this bill for every conceivable purpose. You must adopt all or none. If you admit this amendment, you must admit all the rest. If you earmark this bill now, we have to let every other man in with his earmarking proposition, and so you are going to decide now as to whether you are going to earmark everything in the bill and take away from it the purpose for which it is created, or are going to pass a relief bill, which is the proposition before us.

Mr. COLDEN. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I am sorry I cannot yield at this point.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I am sorry I have not the time. Only a minute or two remains.

We cannot put this in a strait jacket. Latitude must be allowed in its administration to permit allocation of relief where it is most needed. The relief load varies from time to time and from city to city. In some the relief situation is acute and in others comparatively light.

Unforeseen emergencies are constantly arising. In the past year we have had to deal with fire, flood, and famine, with drought, pests, and catastrophes, and, according to the law of averages, will have to meet them again in the coming year. The administration must be free and unhampered in order to be in position to give prompt and adequate relief at any time and wherever required. To earmark the funds withdraws them from the common reservoir and renders them unavailable except for specified purposes and under limited circumstances.

In voting for these amendments you are to that extent voting against mobile relief and in some cases any relief at all.

Mr. PARSONS. Mr. Chairman, will the gentleman yield at that point?

Mr. CANNON of Missouri. I regret that I cannot yield. All debate closes in 1 minute.

The CHAIRMAN. The gentleman from Missouri declines to yield.

Mr. CANNON of Missouri. There is pending before a subcommittee of the Committee on Appropriations at this time a bill in which ample provision will be made for flood control. The subcommittee on the War Department bill is now holding hearings on the nonmilitary section of the bill in which the annual appropriations are made for national flood control. The only question before the committee on that item is the amount of the appropriation. The danger is that in our overenthusiasm here this afternoon we will lose more for flood control than we will gain. If we earmark funds in this bill, then it can very well be said that provision has been made for flood control and a smaller sum can be written into the War Department bill. If we refuse to earmark money for flood control here, funds can still be allocated to flood control from this billion and a half dollars, but will not militate against an adequate appropriation in the War Department bill. Let us not chase a dime of relief money in this bill against a dollar of flood-control money in that bill.

Mr. Chairman, let us render unto Caesar the things that are Caesar's; let us provide for relief the money that should be provided for relief in this bill; and for flood control an adequate appropriation for flood control in the regular annual supply bill where it properly belongs.

The CHAIRMAN. The time of the gentleman from Missouri has expired. All time has expired. The question is on the amendment offered by the gentleman from Texas [Mr. JONES] to the amendment offered by the gentleman from Alabama [Mr. STARNES].

The question was taken; and on a division (demanded by Mr. BOILEAU) there were—ayes 132, noes 84.

So the amendment to the amendment was agreed to.

The CHAIRMAN. The question now recurs upon the amendment offered by the gentleman from Alabama [Mr. STARNES] as amended by the amendment of the gentleman from Texas [Mr. JONES].

The question was taken; and on a division (demanded by Mr. WOODRUM) there were—ayes 142, noes 90.

Mr. WOODRUM. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed Mr. STARNES and Mr. WOODRUM to act as tellers.

The Committee again divided; and the tellers reported there were ayes 156 and noes 89.

So the amendment was agreed to.

Mr. WIGGLESWORTH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WIGGLESWORTH: Page 3, line 18, after the words "may determine", strike out the period, insert a colon and the words: "*Provided further*, That the amounts expended, if any, during the first 6 months of the fiscal year 1938 for salaries, printing and binding, and other obligations incident to information service or publicity shall be reported to Congress in January of 1938 for each agency of the Federal Government receiving any

Mr. WIGGLESWORTH. Mr. Chairman, this is not an earmarking amendment. This amendment is designed to give Congress proper control over expenditure out of relief funds carried in this bill for the purpose of informational service or publicity. I think the amendment is almost self-explanatory.

I know there are many Members on both sides of the aisle who have become concerned by the amount that has been expended recently for the general purpose of publicity by various agencies of the Federal Government. The Members will recall that when the independent offices appropriation bill was under consideration I pointed out that three of the agencies alone provided for in that bill were asking for upward of $1,000,000 for the general purpose of information service or publicity. The Rural Electrification Administration, as the Members will recall, asked for about $163,000. The Social Security Board asked for about $233,000. The Federal Housing Administration, which at one time spent as much as a million and a quarter dollars in a single year for this purpose, asked for about $513,000. You will recall the large staffs maintained by these agencies and the amount of publicity work done by each of them.

I may say, incidentally, that when the bill went to the other body a material reduction was made in the sums asked for.

Today we are about to appropriate funds for relief purposes aggregating $1,500,000,000. Those funds will be expended by numerous agencies of this Government, if we can judge by past experience. No one knows exactly what agencies will expend the money. No one knows exactly how much any agency will be allocated out of the funds made available. The normal control over expenditure by the House Appropriations Committee is entirely lacking.

This much is clear, however, if I read the hearings correctly: In the present fiscal year the Resettlement Administration, for a staff of 33 persons, is expending about $75,000. The Works Progress Administration, for the same period, for a staff of 108 at home and in the field, is expending for salaries about $267,000, and for other obligations about $600,000. In other words, these two agencies are spending during the present fiscal year almost a million dollars for publicity purposes. I may add that this amount is in addition to printing and binding items for the two agencies, amounting to $1,346,000, and in addition also to an item of $120,000 for the Works Progress Administration for a mimeographing section of 47 persons.

As I have said, no one here today knows exactly what agencies are to spend the money carried by this bill. I understand that a sincere effort is to be made to reduce the expenditure for publicity purposes. I sincerely hope that effort will succeed. But whether it succeeds or not, one thing is certain. Every dollar taken from the funds carried by this bill for the purpose of information service or publicity is a dollar which otherwise would be available for the relief of people in distress in these difficult times.

Mr. Chairman, the effect of my amendment is to serve notice to all Federal agencies concerned that we believe expenditure for publicity purposes should be reduced to a minimum. The effect of the amendment is to put the Congress in a position to control this expenditure intelligently in the light of definite information. It merely requires a report in detail of expenditure for publicity purposes during the first 6 months of the next fiscal year. The least we can do at this time is to make sure that the bill specifically calls for this information.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. WIGGLESWORTH] has expired.

Mr. WOODRUM. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 3 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. WOODRUM. Mr. Chairman, I am in thorough accord with the objective of the gentleman from Massachusetts [Mr. WIGGLESWORTH]. I suppose every subcommittee of the Committee on Appropriations has been concerned about the amount of money spent by some of the agencies for so-called informational service. It is true, however, that in the relief agency and in the Public Works Administration it has been necessary to be able to answer inquiries, to furnish certain printed information and reports. But the amendment offered by the gentleman from Massachusetts is not necessary to accomplish what he desires. Section 13, page 10, of the bill, requires a report of the operation of the appropriation, including a statement of the expenditures made and obligations incurred by classes and amounts, to be submitted to the President and to Congress before the 15th day of January. So we will have on the 15th day of January a comprehensive report of all of the operations under this expenditure. Just to make a special report on the question of informational service will simply mean to load up this item with an additional clerical force down there that is not necessary.

Mr. Chairman, I ask for a vote on the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. WIGGLESWORTH].

The question was taken; and on a division (demanded by Mr. WIGGLESWORTH) there were ayes 44 and noes 182.

So the amendment was rejected.

Mr. CONNERY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CONNERY: Page 3, after line 18, insert as a new paragraph the following:

"Of the appropriation made herein, the sum of $50,000,000 shall be allocated for grants for the purpose of relieving suffering of persons and repairing damage to private property occasioned by the floods in the winter and spring of the year 1937; such grants shall be made for the respective States affected by such floods in the proportion that the number of persons affected by such floods in any such State bears to the total number of such persons in all of such States, and the amount so determined for grants within any such State shall be utilized for that purpose by such Federal agency as the President may designate for that purpose and under such rules and regulations with respect thereto as he may prescribe."

Mr. WOODRUM. Mr. Chairman, I make a point of order against the amendment.

Mr. CONNERY. Mr. Chairman, will the gentleman reserve his point of order?

Mr. WOODRUM. Mr. Chairman, I reserve the point of order to permit the gentleman to make a statement.

Mr. CONNERY. Mr. Chairman, this is not my amendment. The gentleman from Indiana [Mr. CROWE] was obliged to return to Indiana to attend the dedication of a post office in Batesville, I think it is, Indiana. He requested me to offer this amendment on his behalf in order that it might come before the House. I told him very frankly that I was not in favor of allocating any of the funds in this bill in any way, that I felt that it should be passed as it came from the committee, but that in order for his amendment to get before the House properly I would take the floor and explain the situation.

Mr. Chairman, I now ask unanimous consent that the amendment may be again read so that the Members may know exactly what the amendment is.

The CHAIRMAN. Without objection, the Clerk will again read the amendment.

There was no objection.

The Clerk again read the amendment.

Mr. CONNERY. Mr. Chairman, I hope that I have done my duty by my dear friend from Indiana [Mr. CROWE] and that the House knows exactly what is in this amendment.

Mr. WOODRUM. Mr. Chairman, I make the point of order that this being a bill for the relief of human beings an amendment is not in order which undertakes to make it possible for Congress to appropriate funds for the relief of property damage also.

Mr. CONNERY. Mr. Chairman, it seems to me that this is no different from any other limitation. This is a relief bill. The amendment provides for the allocation of certain funds to relieve flood sufferers. I think it is germane to the bill.

The CHAIRMAN. The Chair is ready to rule.

The amendment pertains to relief and to work relief, subject matters carried in the pending bill. The Chair carefully examined the amendment when it was first presented to him several days ago. The Chair is of opinion that the amendment is germane to the bill.

The point of order is overruled.

Mr. WOODRUM. Mr. Chairman, I ask for recognition against the amendment and ask unanimous consent that all debate on this amendment close in 2 minutes.

Mr. HOOK. Mr. Chairman, I object.

Mr. WOODRUM. Mr. Chairman, I move that all debate on this amendment close in 2 minutes.

The motion was agreed to.

Mr. WOODRUM. Mr. Chairman, the amendment offered by the gentleman from Massachusetts for the gentleman from Indiana illustrates, of course, just how far we can go if we want to keep on adopting earmarking amendments to this bill: Here is a man who went through a flood, lost a team of oxen, a team of mules, or a barn, or a chicken coop, or a horse and buggy, or something else. This is a bill for the relief of human suffering, for the relief of the poor, distressed, starving human beings over whom we were weeping a few days ago, yet here we are in a perfect frenzy taking the dollars we voted to give them and allocating them to pet projects over the country. As I say, Mr. Chairman, it just demonstrates how far we can go with this earmarking business; and I want to say to my friends, to you who are really interested in relief, that a few amendments of this kind on this bill will absolutely destroy the relief program and will tie the hands of the President so that he cannot relieve human suffering and human misery.

Mr. Chairman, I ask that the amendment be defeated.

The CHAIRMAN. The question is on the amendment of the gentleman from Massachusetts.

The amendment was rejected.

Mr. CALDWELL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CALDWELL: On page 2, line 20, after the semicolon, add: "*Provided*, That from the amount specified for the foregoing classes $300,000,000 shall be allocated to the Federal Emergency Administration of Public Works."

Mr. TABER. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. TABER. I make the point of order that it is not in order on this bill to, in effect, appropriate money to an agency that will be out of existence at the time the funds become available; and that is what this amendment does, because this Federal Emergency Administration of Public Works expires by operation of law on the 30th of June this year. This amendment, constituting as it does, an appropriation for an activity that is not authorized by law is not in order.

I make the further point of order, Mr. Chairman, that the amendment is not germane to the subject matter of the paragraph.

The CHAIRMAN. The Chair is ready to rule.

In this bill it is provided that the President may make allocations to certain agencies of the Government.

The amendment offered by the gentleman from Florida, which is in substance the same as the so-called Beiter amendment which the Chair has examined, provides that part of the appropriation in this bill shall be allocated to one of the agencies of government, the Federal Administration of Public Works.

The Chair is of the opinion that the amendment is germane to the bill, and therefore overrules the point of order.

Mr. CALDWELL. Mr. Chairman, the language of the amendment speaks for itself. It is identical with the Beiter amendment which the Chair has examined. It simply allo-

cates for the Public Works Administration the sum of $300,000,000.

Mr. BEITER. Will the gentleman yield?

Mr. CALDWELL. I yield to the gentleman from New York.

Mr. BEITER. Mr. Chairman, this amendment is identical with an amendment I proposed to offer at the proper time. However, the gentleman is a member of the Appropriations Committee and is entitled to recognition prior to another Member, according to my understanding. He offers my amendment at my suggestion and with my approval.

The amendment makes no change whatsoever in the class of work to be undertaken for which this relief appropriation is made. The purpose of the bill is to continue to provide relief and work relief on useful public projects throughout the United States. The Federal Emergency Administration of Public Works is equipped to do just that.

The bill appropriates the sum of $1,500,000,000 to be used in the discretion and under the direction of the President for specific classes of public projects, such as highways, roads, streets, public buildings, parks, sewer systems, and so forth. The amendment merely provides that out of the various sums proposed to be appropriated for these various classes of work projects $300,000,000 shall be set aside for the financing of projects of similar nature by the Federal Emergency Administration of Public Works.

It is my understanding that a subject presented in an amendment which is of the same nature as that incorporated in the bill to be amended is germane if the bill is not an individualistic one. My amendment sets aside a portion of the proposed appropriation for certain work-relief projects—the purpose for which the bill under consideration is drawn.

This appropriation bill is not individualistic—it appropriates a large sum of money to be used for general relief purposes and does not specifically state which agency or agencies will be utilized to administer the funds. It infers that relief agencies already in existence will be empowered to administer the funds.

It is implied throughout the bill that the Works Progress Administration, the National Youth Administration, and such other agencies within the Government concerned with the administration of relief and work-relief projects will receive allocations under the terms of this bill. My amendment covers the same subject as that contained in the bill. It is for the relief and work-relief of our destitute unemployed—and I might state here that in New York City alone there are 50,000 skilled building-trades workers out of employment that could benefit by my amendment. In fact, the building-trades workers all over the country would benefit and the fact that they are in need of this type of relief is proven by a report received from the American Federation of Labor that a conservative estimate places the unemployed in this one class alone at 40 percent and indicates that any statement to the effect that there is a shortage of skilled building-trades workers in this country is erroneous and without foundation.

This amendment, then, is designed to bring about just what the bill intends and merely cites that a certain sum be allocated to the Federal Emergency Administration of Public Works—one of the agencies within the Federal Government alluded to in the bill.

Therefore, my amendment specifying that the Federal Emergency Administration of Public Works shall receive a part of this money for public-works projects is in order and entirely in keeping with the inferences of the bill.

The amendment that has been offered takes care of all the projects that have been approved by the Examining Division of the Federal Emergency Administration of Public Works on the effective date of this act. It further takes care of all the projects where bond elections have been held by municipalities. I have not a project pending in my district, nor have I a project pending where a bond election has been held; however, I am deeply interested in seeing funds appropriated, set aside or earmarked for these projects that have been submitted in good faith by various municipalities with the understanding that funds would be forthcoming. Last year I offered a similar amendment and the House turned it down under a parliamentary procedure. Are we going to permit the Senate this year to earmark this same bill?

According to Saturday's newspapers word was passed around among administration leaders of the House that the President would not be averse to a cut in the work-relief bill.

This occurred after the House had voted down all amendments to reduce or increase the amount, having been led to believe by these same leaders that the fifteen-hundred-million fund was what the President wanted.

I submit that we do not any of us know what the President wants on this. He has not said definitely that he wants fifteen hundred million, three thousand million, or just one billion.

Also he has not said he will oppose earmarking a portion of it for P. W. A., as I propose.

The matter, gentlemen, is left up to you. From word I have received from Members of the upper Chamber I can safely predict that the Senate will earmark a portion for P. W. A. if we do not.

Last year the Senate took the matter in their own hands and added a provision to the work-relief bill for P. W. A. after the House was prevented from doing so by a parliamentary ruling.

We can, of course, continue meekly to accept all appropriation bills as presented, leaving it up to the Senate to make any changes the country demands. And if the country calls us rubber stamps with no backbone, then we deserve the title.

Mr. Chairman, I have letters here from Members of the Senate saying they are in sympathy with this movement. If you will permit me, I will read a letter from Senator MURRAY, in which he says——

The CHAIRMAN. The Chair, on its own responsibility, makes the point of order against the reading of a letter from a Member of another body.

Mr. BEITER. Mr. Chairman, I refer to a letter I received from one of the Members of the Senate in which it is stated that he approves my proposals with regard to the continuance of the P. W. A. program and earmarking a portion of the relief funds for this purpose. He further states that such a move would be in accord with the desires of his State.

This distinguished Member of the Upper House relates that there are a number of water projects in Montana which, if constructed, would be of great economic value to his people that are regenerative in character and would largely aid in the problem of relief. In other words, they would contribute to making certain sections of his State self-supporting and relieve the necessity of W. P. A. activities. He emphasizes that this is particularly true in the drought sections.

He approves my activities and assures me that when the matter comes to the Senate he will be in accord with my objectives.

Another distinguished Member of the Senate from the State of Wyoming writes me to the effect that he is, of course, in favor of the continuance of the P. W. A. program. Many others have also indicated to me by letter or telegram their desire to go along with my proposals.

Mr. MURDOCK of Arizona. Mr. Chairman, will the gentleman yield?

Mr. CALDWELL. I yield to the gentleman from Arizona.

Mr. MURDOCK of Arizona. Is it not true that mayors and administrative officers all over the country are asking that some of these particular funds be earmarked for the P. W. A.? The mayors of Arizona cities have so requested.

Mr. CALDWELL. I think that is correct.

Mr. MURDOCK of Arizona. Is it not also true we are less likely to get an additional appropriation for P. W. A. than we are for flood control? A real flood-control bill may follow this bill.

Mr. CALDWELL. I think that is probably true.

Mr. MURDOCK of Arizona. That makes a difference in the case of earmarking these two. I favor earmarking for

P. W. A. now, for I fear we shall get nothing for that purpose later.

Mr. BEITER. Mr. Chairman, the gentleman is aware of the fact that there are 501 schoolhouses in the United States that are now considered fire hazards. In addition to that, there are 437 of them that are health hazards, 50 that are safety hazards, and 33 that are so bad they have been condemned from the safety standpoint. The gentleman will recall the catastrophe that occurred in New London, Tex. Look at the picture! Here is a boy crushed in that tragedy. Stretcher after stretcher bearing torn and mangled children from the ruins. In the State of Texas alone there are 91 such schools that have been condemned. The other day the floor leader, one of our spokesmen, said he did not want his hands dipped in the blood of some of these men who are now unemployed. Do you want to dip your hands in the blood of these innocent children who are now compelled to attend schools that are considered fire hazards, or do you want to continue the public-works program so that every one of these projects can be completed?

Mr. Chairman, this amendment will assure labor the maximum benefit per dollar expended on public works. No one can deny the integrity or efficiency of P. W. A. I have continually cited statistics from the Department of Labor, P. W. A., and other agencies irrevocably proving those facts. I have only time for a brief plea.

Do you know that 47 States have P. W. A. school projects pending to replace hazardous school conditions? The P. W. A. has 1,178 school projects pending. All of them have been submitted to eliminate conditions hazardous to the lives of their children, many of them could not reconstruct the buildings without Government aid. Is this not a worthy relief program?

Observe the ramifications of this type of work relief. A group of buildings in Washington, D. C., cost $21,000,000. Three million dollars was actually spent here, the other $18,000,000 went to 28 different States and placed men to work in your districts. Indiana received $2,500,000; Michigan, $1,100,000; New York, $1,125,000; Virginia, $1,000,000; Pennsylvania, $2,500,000; and so it progresses on and on, taking in over half of the States of the Union. You cannot get around these facts. If you want to produce work for our unemployed, P. W. A. gives you the efficient opportunity.

Public-works projects have created more than 1,297,000,000 man-hours of direct labor at the site of the construction, and 2,204,000,000 man-hours of indirect labor. These are the unemployed put back to work in your districts and mine. They produced the materials, fabricated the products and transported them to the site of the work. These figures are not mine—they were determined by the Bureau of Labor Statistics. To these figures may be added the man-hours of employment directly affecting the consumer-goods industries. These three employment factors comprise a grand total of more than 7,000,000,000 man-hours of employment.

The Public Works Administration has demonstrated that economic recovery can be effected through careful expenditure of public funds for permanent public works. I urge that you adopt this amendment in behalf of the P. W. A. It will then be possible to complete the splendid program now at a peak.

Mr. SNELL. Will the gentleman yield?

Mr. CALDWELL. I yield to the gentleman from New York.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I rise in opposition to the amendment.

Mr. WOODRUM. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Virginia.

Mr. WOODRUM. Mr. Chairman, I ask unanimous consent that all debate on the amendment offered by the gentleman from Florida [Mr. CALDWELL], and all amendments thereto, close in 40 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

Mr. ROBSION of Kentucky. Mr. Chairman, reserving the right to object, I have not had an opportunity to speak on this bill, but I desire to do so. I would like to have 5 minutes.

Mr. WOODRUM. I am sure the distinguished gentleman who is now presiding will see that the gentleman gets 5 minutes.

Mr. ANDERSON of Missouri. Mr. Chairman, reserving the right to object, I would like to speak for 5 minutes.

The CHAIRMAN. The Chair is informed that 10 Members are standing who desire recognition on this amendment.

Mr. WOODRUM. That is 4 minutes apiece.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

Mr. CALDWELL. Mr. Chairman, reserving the right to object, I see no reason why 40 minutes should not be sufficient. There will be perfecting amendments offered later if this amendment is adopted.

Mr. MICHENER. Does the gentleman's request include the pending amendment and all amendments thereto?

Mr. WOODRUM. Amendments to this particular amendment.

Mr. MICHENER. Not the section?

Mr. WOODRUM. Oh, no.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

Mr. MARTIN of Colorado. Mr. Chairman, reserving the right to object, will a subsequent amendment proposing a different amount be considered an amendment to this amendment?

Mr. RABAUT. Mr. Chairman, I demand the regular order.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. TABER. Mr. Chairman, this is not a relief bill, and we might just as well realize it right now as at some other time.

The amount of direct relief paid for by the Federal Government in the current fiscal year, according to the statements we have had from the Treasury and from witnesses before the committee, will be about $11,500,000 from the F. E. R. A., approximately $30,000,000 from the Resettlement Administration, and approximately $380,000,000 from the Social Security Board, or approximately $420,000,000 total expenditures out of an expenditure of $4,400,000,000 for what they set up in one way or another as recovery or relief. The rest of the money has been spent for the promotion of pet projects and rackets.

We might just as well look this situation in the face. The way this bill is set up, it provides for the continuation of this kind of operation. Under P. W. A., funds have been allotted for different things, for building such enterprises as that Jersey settlement, where, to build housing units for 206 families, $3,000,000 has been spent, or $15,000 per family. Over in Greenbelt they will spend $10,800,000 to provide for 1,000 families, or over $10,000 per family. In Green Hills, Ohio, they will spend practically a similar amount for the same kind of an operation. In New York City, for the Harlem flats which they have put up for colored tenants, they will spend $4,200,000, or $7,500 per family. In Williamsburgh, in New York City, they will spend over $12,000,000, or practically $9,500 per family. This is all spent so that certain groups may live in luxury at the expense of the taxpayer, which is not relief.

W. P. A. has spent over $1,000,000 getting up a Baedeker on Washington and other places, and these books have been distributed gratis to Members of Congress. The book is a large, well-bound volume 3 inches thick. This is the kind of activity this money can be used for if you vote for this amendment, and if you adopt the amendment the gentleman has offered. They can use the money for just the things of which I have told you, and they will so use it. [Applause.]

[Here the gavel fell.]

Mr. BEITER. Mr. Chairman, yesterday the President of the United States sent us a message in which he stated:

> The overwhelming majority of our population earns its daily bread either in agriculture or in industry. One-third of our population, the overwhelming majority of which is in agriculture or industry, is ill-nourished, ill-clad, and ill-housed.

If this amendment is agreed to, a great many of the men who are now employed in the Federal Emergency Administration of Public Works in the construction of municipal buildings, sewage plants, schoolhouses, and so forth, will be continued in their line of work.

Mr. LANHAM. Mr. Chairman, will the gentleman yield?

Mr. BEITER. Yes.

Mr. LANHAM. In the judgment of the gentleman, does not good faith require that preference in expenditures for these projects should be given to those projects for which local communities have voted bonds, and upon the terms under which the bonds were voted?

Mr. BEITER. Of course, there is a moral obligation on the part of the Federal Government. I believe if these communities had the right to sue the Federal Government they would have a just claim, and that any jury which might sit in the case would award to the municipality the amount of money which would be involved.

Mr. LAMBETH. Mr. Chairman, will the gentleman yield?

Mr. BEITER. Yes.

Mr. LAMBETH. The amendment of the gentleman refers only to non-Federal projects?

Mr. BEITER. The gentleman is correct.

Mr. SIROVICH. Mr. Chairman, will the gentleman yield?

Mr. BEITER. Yes.

Mr. SIROVICH. Is it not a fact that the finest construction work done by the Government has been done by the P. W. A.? [Applause.]

Mr. BEITER. Most emphatically, yes. There has not been one iota of criticism of any project which has been constructed by the Federal Emergency Administration of Public Works thus far.

[Here the gavel fell.]

Mr. HARTER. Mr. Chairman, there are several good reasons why this amendment should prevail. As has been stated here, in the case of many local subdivisions of Government, elections have been held and bonds have been voted to pay the local communities' part of the cost of the improvement. In many instances the funds are now in the treasuries of these various subdivisions. In addition to this, the improvements which are possible under P. W. A. are of a permanent nature, which add something to the wealth of the local community and will be usable for years. They are of a type of which we can all be proud, as having been built during this period when relief was so badly needed by so many people.

Moreover, these will be contract jobs and as a result there will be increased hiring of the unemployed in private industry—something for which we are all striving. Likewise, this building and construction program, if initiated, will result in further activity in the heavy industries giving the manufacturers of products usable in new construction an opportunity on their part to employ new labor. This will stimulate the building industry and will have a most wholesome influence upon it.

Mr. GREEN. Mr. Chairman, will the gentleman yield?

Mr. HARTER. Briefly.

Mr. GREEN. Does this amendment require the use of relief labor on these projects?

Mr. HARTER. It is my understanding it does. There will be a further amendment covering that phase of it.

Mr. BEITER. Mr. Chairman, will the gentleman yield?

Mr. HARTER. I cannot yield at this time.

Our Public Works Administration program has been worth while. There are many communities which were unable to take advantage of the opportunity of receiving Federal aid because of the financial condition in which they were when Federal assistance was first offered, and this oftimes occurred in communities where the relief load proportionately was the greatest. This was true in my home city of Akron, Ohio. In the early days of this administration, under the original $3,300,000,000 appropriation, it was unable to get approval of its projects, for while they were satisfactory to the engineering and legal divisions of the Public Works Administration the financial section would not approve because Akron had to default upon its bonds. This situation has changed, the credit of the city having been reestablished, and it is now in position to carry its portion of the cost of much-needed improvements if it is given the grants on the basis of 45 percent for which application was made many months ago. This is not only true of Akron but of other cities and school districts in Ohio.

This amendment should be adopted. I extend my remarks by including two letters of officials of Akron which clearly state the city's position.

The letters are as follows:

CITY OF AKRON, OHIO,
DEPARTMENT OF PUBLIC SERVICE,
May 5, 1937.

Re: OH–1609, OH–1579, OH–1589, OH–1584, OH–1580, OH–1597, OH–1251, OH–1592, OH–1560, OH–1578, OH–1581, OH–1564, OH–1562, OH–1561, OH–1559, OH–1563, OH–1565, OH–1566.

Mr. L. A. BOULAY,
State Director, P. W. A., New Post Office Building, Columbus, Ohio.

DEAR SIR: In reply to your letter of April 28, 1937, stating terms of a new policy relative to loans and grants, I beg to submit the following:

Akron, Ohio, as is well known, between the years 1910 and 1920, was the fastest growing city in the world. During that period of time extensions of sewers, water mains, street widening, and grade elimination became doubly necessary because of congestion and public need.

Any community having to make all of these improvements had to issue large amounts of bonds. Akron was one of the first cities in the country that had to default on payments on bonds. We were the first city in the United States, however, to establish a sound refunding program.

Akron immediately endeavored to cooperate with P. W. A. for the purpose of constructing the many worth-while public-works projects. Bond issues were passed by the electors in November 1933, covering projects under four headings: Sewers, grade crossings, street widenings, and repaving. All of the legislation and even the ballots on these bond issues provided that the bonds could only be issued in conjunction with Federal aid. The elector's approval was secured on the representation that the Federal Government would contribute a very substantial portion of the cost of these improvements.

After bonds were authorized, a citizens' group was formed to tell Akron's story to official Washington, and every public agency and organization was in wholehearted support of an expansive public-works program for Akron.

A hearing was had before the Board of Appeals of P. W. A. at Washington, and a whole day was set aside to hear Akron's cause.

At the conclusion of the hearing, Akron was informed that the engineering and legal divisions approved the projects, but that the financial division had denied Akron on the ground that the Public Works section of N. R. A. required a city to offer reasonable security, and that Akron was not offering reasonable security because it was in default on its bonded indebtedness.

As a result thereof, Akron, which was entitled to better than $7,000,000 of allotment under any method which was used by the Government to distribute the $3,300,000,000, got nothing.

As a result of these facts we think that a moral obligation has been created which the Federal Government should recognize and now make it possible for Akron to secure the approval of its projects on the basis of participation by the Federal Government on substantially the basis represented to the electorate in November 1933 and which projects, from the standpoint of public necessity, engineering, and legal detail, were approved by the Government immediately after the advent of P. W. A. in 1933.

The officials of the city of Akron desire to keep faith with their moral obligation to the people who voted this bond issue and therefore must decline your offer as being much less than the citizens of Akron have a right to expect, and it does not coincide with the information relative to grant basis at the time of vote on the bond issue.

Very truly yours,

W. F. PETERS,
Director of Public Service.

CITY OF AKRON, OHIO,
May 21, 1937.

Re P. W. A. program.

Hon. DOW HARTER,
Member of Congress, Washington, D. C.

DEAR SIR: You will, of course, recall the comprehensive public improvement plan devised by the service department in 1934 and 1935 during the administration of I. S. Myers, mayor.

A considerable portion of the Akron projects received Federal approval and 45 percent grants were made by P. W. A. and a

substantial contribution by the Bureau of Public Roads for the grade-elimination project in south Akron.

All of the P. W. A. projects attained the construction stage after the new administration came into power, and they will all be completed in a month or two. The grade-elimination project has just been put under contract and will be completed in 1938. Not to exceed 50 relief workers can be employed in this at anytime, so that it will not be a great help in reducing unemployment.

The remainder of our 1935 program, which did not reach the approval stage in 1935, is now the largest part of the 1937 program which has been approved by the Columbus office and forwarded to Washington. These items are as follows, in the order of their importance, as it appeared to us at the time:

Docket no.	Description	Estimated total cost	Grant requested
OH 1565	South High St. extension from Steiner Ave. to South Main St.	$352,000	$61,000
OH-1251	Domestic water-impounding reservoir	460,000	193,500
OH-1579 OH-1589	Sanitary sewers	550,000	247,000
OH-1580 OH-1584 OH-1597 OH-1578	Storm sewers	516,700	231,765
OH-1560 OH-1581 OH-1592	Water standpipes and mains	364,000	163,200
	Total	2,242,700	896,465

To these groups there have been added (in 1937) six (OH–1559, OH–1561, OH–1562, OH–1563, OH–1564, and OH–1566) street-improvement projects, estimated to cost $662,000, and requesting grants totaling $274,050; also, OH–1609 for swimming pools, estimated to cost $128,000, with requested grants of $57,650.

You will observe that South High Street extension is first on the original list, and that the grant requested is quite small, since a large part of the cost is for land and damage. The completion of the grade-elimination project will leave the consolidated improvement of street widening and extension and grade elimination about 85 percent completed as to cost, but less than half completed as to transportation facilities, which will still be bad until High Street is completed and added to the State highway system, as is contemplated. This is well shown on the aerial photograph which I am enclosing.

The sewers, waterworks, and highway improvements are likewise well-selected improvements, for which bonds were authorized by popular vote in 1933 to pay the city's cost under Federal cooperation.

There is absolutely no other improvement plan, and none can be undertaken except with Federal participation, since Akron's independent bond-issuing power has long since been exhausted by reducing the tax values.

The threatened suspension of P. W. A. grants would leave the city "out on a limb" in respect to employment of labor, and probably empty the engineering division quarters, translating us back to 1932 and 1933, because of the short notice given after the city had been led to believe that the P. W. A. activities would be continued as provided for in the First Deficiency Appropriation Act, fiscal year 1936, wherein the Administrator of Public Works is authorized to use $300,000,000 funds on hand to provide grants only for projects that can be completed by July 1, 1938.

I am in complete accord with the remarks of the Honorable C. ARTHUR ANDERSON, of Missouri, who made a memorable speech in the House of Representatives on May 10, in which he called attention, among other things, that there is still $131,000,000 of the $300,000,000 available, and that it ought to be used to gradually taper off the Federal aid so that the local authorities can have sufficient time for preparation to resume their full responsibility in relation to public works and unemployment.

It appears to me that the proposal of Congressman ANDERSON to have Congress earmark $350,000,000 of the 1937 relief appropriation for P. W. A. projects is altogether sound and timely.

I trust that it will be possible for you to persuade the Administrator to approve the most useful of the Akron projects on a basis better than 115 percent of cost of relief labor grants.

I would also like to take this occasion to again thank you for the substantial help that you gave to our efforts to secure Federal improvements all along the line since 1934.

Cordially yours,

E. A. KEMMLER.

[Here the gavel fell.]

Mr. LUCAS. Mr. Chairman, I rise in support of the Caldwell and Beiter amendments. The Congress of the United States declared in 1933 that widespread unemployment and disorganization of industry were prevalent throughout the country, and because the standards of living of the American people had been undermined it was further declared that a state of national emergency existed. Thereupon the National Industrial Recovery Act became a law. Title II of that act deals with public works and construction projects. Recognizing the necessity of increasing employment quickly, it empowered the President to make grants to States, municipalities, or other public bodies for the construction, repair, or improvement of any public project, and it further provided that the Government should finance 30 percent of the cost of the labor and materials used on such projects. Later that grant was increased by Executive order to 45 percent.

You and I recall that action upon the part of municipalities was suggested by the Government in order that they might aid in relieving the unemployed. Agents of the Government who were on the public pay rolls visited the various communities and explained to the citizens what was necessary in order that they might obtain a grant of 45 percent from the Federal Government. Acting upon the theory that the Government was in good faith, many a municipality in this Nation has gone forward and raised the money by bond issues or otherwise for the purpose of constructing a public building on the theory that they were to obtain from the Government 45 percent of the cost thereof.

A number of projects in my district have been completed. There is also a number which are not completed because of the recent rules and regulations laid down by the Administrator of the Public Works Administration. You are all familiar with those drastic regulations. No community can comply with those terms. Just why regulations of that kind were ever submitted to any community that had acted originally upon the basis of a 45-percent grant is more than I can comprehend or conceive. I cannot believe that Secretary Ickes inaugurated such an absurd and unworkable policy. Under the present rules and regulations municipal projects for which bonds have been voted become nothing more or less than Works Progress Administration projects. In fact, the Public Works Administration is more of a relief administration than the Works Progress Administration. My colleagues, Colonel Hackett, of the Federal Emergency Administration of Public Works, has in recent letters to me specifically pointed out that they were always careful in advising an applicant that no assurance could be given that an allotment would be forthcoming regardless of any action it might have taken in an effort to have its application favorably considered. Notwithstanding the statement of Colonel Hackett, I know what has been done in my own district. I know that five communities have been led to believe that if they raised the balance of the money necessary for their projects through the issuance of bonds or otherwise a 45-percent grant from the Government would be available. Acting upon that belief, the communities of Waverly, Patterson, Pittsfield, Chapin, and Meredosia, in my district in Illinois, are now in the throes of a financial plight from which there is no relief unless the Beiter amendments are adopted.

A waterworks and sewerage system project at Waverly, Ill., has been approved by the examining divisions of the Public Works Administration. The people there voted a bond issue of $105,000, solely upon the theory that an $81,000 grant would be forthcoming from the Government.

The same thing is true in the town of Patterson, Ill. A school project is in the making there, and $7,000 worth of bonds have been contracted for by the White Hall National Bank on the theory that the Government would cooperate by making a grant of $11,454.

In the city of Pittsfield I am advised that special assessment bonds for a large city improvement have been sold on the assurance that a grant of some $209,087 would be forthcoming from the Government.

In Meredosia the people voted a bond issue of $40,000 for the establishment of a high school. Today that community leases for high-school purposes part of a grade-school building, and unless they receive some relief from the Government it will be impossible for them to operate a high school during the coming year because of the expansion of both grade and high schools. The bonds for this project were voted after a careful examination of the situation by Government agents who advised the community that a grant of 45 percent would be made in the event $40,000 could be raised. These bonds have not been sold, but there is an open market for them the moment a law is passed which will carry out the intent and purposes of the original act.

In Chapin, Ill., a bond issue has been voted for a new high-school building. The present one is in a delapidated and deplorable condition. I had occasion to visit this school last year at the request of the directors. It is a fire trap; it is a hazardous spot for children; it lacks all of the modern facilities and equipment which are so vital to the proper education of the youth of today. This community, by an overwhelming vote, passed a bond issue of $45,000 solely upon the theory that the Government would aid them in their dilemma by a grant of $24,545. And the tragedy of this last example is that the bonds have been sold. Unless that community receives from the Government the grant it expected, not only will it be compelled to continue with a school building which should be junked, but it also will be in a financial predicament which will be burdensome to the taxpayers without obtaining any value for the money spent.

Mr. Chairman, the Public Works Administration has done the most constructive work in the most efficient and economical way of any department during the recent emergency. And the attempt upon the part of those in power to shelve this Department and make it purely a Works Progress Administration agency is not in line with what is for the best interests of the people of this Nation. I submit that it is absolutely necessary to earmark these funds in order that we may have definite assurance that every project which has the technical approval of the Public Works Administration here in Washington will be completed. It may be that, in line with Colonel Hackett's theory, there is no legal obligation to take care of them, but certainly no one will deny the fact that there is a moral obligation to take care of these communities which have acted in good faith in helping the Federal Government take care of the unemployed in this country during the emergency.

In conclusion, I want to emphasize once again that the public-works program has been about the only adventure upon the part of the Government during the economic crisis which has escaped criticism. I submit that the benefits derived from the Public Works Administration program justify its continuation under the circumstances which have been heretofore detailed in my remarks. The benefits derived through the employment of unskilled and skilled labor are so far reaching that it is impossible to accurately recapitulate the gains.

Mr. Chairman, the distinguished and brilliant gentleman from Virginia [Mr. WOODRUM] has made serious appeals against earmarking any portion of this $1,500,000,000. If the House had followed the gentleman from Virginia the other day, we would have appropriated only $1,000,000,000 for relief purposes. All of these funds that we seek to earmark at the present time will amount to $500,000,000, and this will be strictly in line with the program which he championed here in the House on last Friday. [Applause.]

I sincerely hope these amendments will pass in order that simple financial and moral justice may be done to these communities where bond issues have been voted with the understanding that the Federal Government would keep the faith.

Mr. McCLELLAN. Mr. Chairman, we, as Representatives in Congress, are confronted today with the issue of whether we are going to continue to write blank checks for someone else to spend, or whether we are going to assume that responsibility which is rightfully ours to legislate with regard to how and for what purposes these relief funds shall be expended. [Applause.]

For one, I am ready to assume this responsibility. I get the blame when the Department heads and others issue these rules and regulations you have just heard the gentleman from Illinois [Mr. LUCAS] speak of, that impose conditions that are impossible to be complied with. I find some of my school districts have voted bond issues relying upon a promised grant of 45 percent, and now it developes these impossible and unreasonable rules are imposed so they cannot proceed any further. They come to me as their Representative in Congress to know why such restrictions are placed upon these projects. I am ready today to answer and tell them we are going to carry out what they have been promised and comply with the moral obligation that we assumed in permitting them to go ahead under these promised programs. [Applause.]

Mr. SNELL. Mr. Chairman, will the gentleman yield?

Mr. McCLELLAN. I yield.

Mr. SNELL. Were these grants or allocations made to your people by W. P. A. or P. W. A.?

Mr. McCLELLAN. By P. W. A., and they have voted their bonds.

Mr. SNELL. I thought most of them were W. P. A.

Mr. McCLELLAN. No; these applications are pending with the P. W. A. They have voted their bonds, they are ready to go on, they have met every condition that was required of them at the time they started their program or their projects.

Mr. FLANNERY. Mr. Chairman, will the gentleman yield?

Mr. McCLELLAN. I yield.

Mr. FLANNERY. May I ask the gentleman if this earmarking is accomplished here, will the restrictions referred to still obtain with respect to the earmarked funds? If so, we are still without relief.

Mr. McCLELLAN. We may go further after this, but the first thing to do is to say how we want the money spent.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. McCLELLAN. I yield.

Mr. MICHENER. Do I understand the situation to be that the so-called boondoggling is done under W. P. A. and that these approved projects, where the local communities participate, come under P. W. A.?

Mr. McCLELLAN. The gentleman may place his own interpretation upon it. I know and the gentleman knows there have been some good projects under W. P. A., but we do know we get something for our money under P. W. A. projects. [Applause.]

Mr. ROBSION of Kentucky. Mr. Chairman and colleagues, we all agree that it is the duty of the Federal Government when necessary to help take care of the needy people of the Nation. No party or group has a monopoly on philanthropy and patriotism of this country. The Republicans in Congress are just as anxious that the needy people of the Nation are properly cared for as the President or his party. The difference arises as to the plan of solving this important problem and the way and manner in which relief is administered.

The Republican Party has never failed when a relief appropriation bill has been up for consideration to condemn the favoritism, partiality, and partisanship, as well as the needless waste, shown in the administration of relief. During the last several months we have heard these same things condemned by leading Democrats in the House and Senate, and it has been refreshing during the debate on this bill to hear a number of leading Democrats of the House boldly declare that a lot of the taxpayers' money is being wasted, and that there is a lot of racketeering, chiseling, cheating, and boondoggling going on. These Democrats, like myself and others, are anxious to take care of the needy people of the Nation, but they are unwilling to close their eyes and approve this boondoggling, waste, racketeering, chiseling, and cheating. I wish to commend their courage, and I fully endorse the sentiment expressed by them.

We must bear in mind the money for relief comes from the taxes paid into the Treasury by all of the people, without regard to race, creed, color, or politics, and this relief should be administered for the relief of the needy without regard to race, creed, color, or politics, and it should be done in a sensible and businesslike way.

It is now admitted that from 30 to 40 percent of the money appropriated for relief goes for overhead; that is, to provide a great army of people who do not need relief with political jobs and to pay their expenses. The needy people do not receive more than 60 to 70 cents out of each dollar that we are appropriating.

WE ARE BORROWING THE MONEY

President Roosevelt announced in his campaign in 1932 that we would have to stop the continuing deficits; that is,

paying out more than we are taking in, and we must stop increasing our national debt. He warned that if we kept this up it would mean bankruptcy for the Nation. Now, instead of stopping or reducing these deficits or debts, they have increased so that by the end of this fiscal year the deficits under President Roosevelt's administration will have reached the stupendous sum of approximately $15,000,000,000 and our national debt will have increased from approximately $20,000,000,000 to more than $35,000,000,000 and the end is not in sight. Every year since Mr. Roosevelt took office, his subservient Congress has added new taxes and increased other taxes, so that this fiscal year the Government will collect more than twice as much revenue and taxes as it did in the last year of the Hoover administration. With these new taxes and increased taxes we were told that the Budget would be balanced and we would stop deficits and stop the increase in our national debt. However, it is now clear that there will be a deficit for the fiscal year ending June 30, 1937, of around $3,000,000,000, and there is little doubt now but what there will be a deficit and the national debt will be increased in 1938.

Mr. Buchanan, late chairman of the Appropriations Committee of the House, shortly before his death recently, stated that the Federal Government had appropriated and expended for relief and recovery more than $15,000,000,000.

Since we are borrowing the money this relief money should be spent honestly and should go only to those who need relief, and to build and promote projects that will add to the permanent wealth of the Nation.

CHILDREN MUST PAY OR REPUDIATE

Our children and children's children will have either to pay or repudiate these huge debts we are piling up, and they, no doubt, will inquire, "What did our fathers do with this money? Show us what they did." It will be some consolation to use this money in a way that will develop the country and add to its wealth. There are many worth-while projects that can be undertaken by the Government that will furnish employment to those out of work, which, when completed, will add to the capital wealth of the Nation, and our children will know the purposes for which we created the debt. [Applause.]

AMENDMENTS SHOULD BE ADOPTED

The President only asked for $1,500,000,000 for relief for the fiscal year beginning July 1, 1937. This bill not only carries a new appropriation for $1,500,000,000, but as I understand our colleague, Mr. WOODRUM of Virginia, who is a member of the Appropriations Committee, it also reappropriates more than $200,000,000 of other funds making in all $1,700,000,000. We are turning this over to the President in a lump sum. He, of course, will turn it over to Mr. Hopkins and others to spend as they see fit. In other words, we are giving to Mr. Hopkins and other subordinates of the President a blank check for $1,700,000,000. This policy is wrong.

Before the board of directors of any great railroad or any business concern would turn over to the president of the railroad on his request a blank check for $100,000, they would require him carefully to designate the purposes for which the money would be used.

We have had 30 other Presidents besides Mr. Roosevelt. In 140 years Congress turned over to them approximately $1,500,000,000. Practically all of that sum was turned over to the Presidents while this country was at war. There has been turned over to President Roosevelt approximately $15,500,000,000 in a little over 4 years. I mean as a lump sum—a blank check, and it is more remarkable because this sum has been turned over to him in peacetime.

The greater part of this $1,700,000,000 included in this bill should be earmarked. We should not turn all of this money over to any man to do with it as he pleases. I am supporting the amendment to earmark a part of it for flood control, and the amendment to earmark $150,000,000 of this money for Federal and secondary roads and to aid in the elimination of grade crossings. I also favor the earmarking of $300,000,000 for the P. W. A., so that the P. W. A. projects in the various States, counties, cities, and towns that have been approved and for which these States, counties, cities, and towns have made arrangements to put up their part of the money, may be completed. These will include waterworks, school buildings, other public buildings, and other public improvements of a permanent and substantial character. We have hundreds of thousands of miles of dirt roads that need improvement. We have flood areas that should be protected. These are all worth-while projects. These improvements will mean permanent benefit to the people of the Nation and will add to our national wealth.

Congress, made up of 435 Members from every section of the country and 96 Senators from the 48 States, men of wide experience in legislation and fully advised of the needs of the Nation, certainly knows more how to allocate this money than Mr. Hopkins, or any other one man. Of course, Mr. Hopkins is anxious that all of the money be turned over to him. We must bear in mind that it was under Mr. Hopkins they had the leaves rakings, the boondoggling, ditches dug and filled up again. It has been under Mr. Hopkins that millions have been spent for nonessentials and useless projects.

For one, I am opposed to giving blank checks to the President, Mr. Hopkins, or anybody else for billions of dollars. I am ready and willing to assume my responsibility as a Member of the House to say for what purpose the taxpayers' money shall be used when I know that these useful projects will furnish just as much employment for the unemployed as these boondoggling projects, and then we will have something to show for our deficits and debts. [Applause.]

Mr. JENKINS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. ROBSION of Kentucky. Yes.

Mr. JENKINS of Ohio. Why should they not earmark every dollar of it?

Mr. ROBSION of Kentucky. So far as I am concerned, I should like to see practically all of it earmarked.

LIMIT RELIEF TO AMERICAN CITIZENS

We have more than 7,000,000 aliens in this country. Perhaps 3,500,000 of them came into this country in violation of law. They were smuggled over the borders of Canada and Mexico or slipped in from the Atlantic or Pacific Ocean. Five hundred thousand aliens have deserted their ships and have become dispersed throughout this country. Millions of these aliens are either on relief or they have jobs that should go to American citizens, especially when it is reported by the American Federation of Labor that we still have 10,000,000 workers unemployed in this country and Mr. Hopkins reports that this unemployment and this relief problem is a permanent problem.

If we are going to have unemployment and the taxpayers must take care of the needy, they have a right to limit this relief to American citizens. American citizens unemployed, among these a million or more of the defenders of our country and their sons and daughters, should have preference of the jobs over aliens.

Whenever an American citizen finds himself stranded and needing relief in France or other countries, arrangements are made for him to get back to America. They do not keep our stranded people on relief in those countries for years as we have done aliens in this country, and, furthermore, in other countries under their laws and regulations the citizens of those countries are given preference in employment. An American citizen cannot go to those countries and get a job when there is a citizen of that country who can do the job and desires to do it. The most amazing disclosure of all is that a great many aliens have good Government jobs, with fat salaries, here in the city of Washington and other parts of the Nation. Yes; our own Government is employing aliens and paying them good salaries when we have millions of citizens, trained men and women, seeking work and on relief. Could there be anything more inexcusable than this conduct on the part of our own Government?

Our country is going more heavily in debt every year and endangering the credit of this country; therefore I consider it my duty to protect the American taxpayers against assuming a burden that is unfair for them to assume, and I am

giving my support to the amendment limiting relief and relief jobs to American citizens.

CHISELING, CHEATING, AND WASTE

If the administration would see to it that the needy alone were taken care of out of these relief funds there could be a large sum saved. As pointed out by some of our Democratic friends on the floor of the House, there is a lot of chiseling and cheating. There has been developed and there has grown up a tremendous system of partiality, favoritism, chiseling, and cheating in this relief work. Many people who do not need relief and are not entitled to relief are getting the money, while tens of thousands who need relief and are entitled to relief are being denied relief. I know that many of you, like myself, have received hundreds and hundreds of protests and complaints about the manner in which relief is being administered.

I sent out a questionnaire about a year ago and received about 5,000 replies, and, with only a few exceptions, they claim that favoritism and partiality were being shown in the relief in their respective communities.

I received yesterday a letter which is typical. I know personally the man who made the statement. I am sure he is telling the truth. He says last year he had a job on the W. P. A. He was able to secure employment with a private concern, and he promptly accepted it. He is a good citizen. On account of cutting out the work, he lost his job some time ago. He has a wife and several children. He has seen better days. He is poor, but honest and industrious. He has made every effort possible to secure work from a certain person in charge of a certain W. P. A. project. I know that man. He is prosperous and independent. He owns two good farms, yet he has a good job with a good, fat salary working for the W. P. A. One of his sons got into a C. C. C. camp. Another son is hooked up with the N. Y. A. The needy man has been denied work and his son has been denied the right to go to a C. C. C. camp.

I know of another family in my district. It is a large and prominent family. Any one of them could get along well without relief jobs or relief work. To my knowledge, at least nine of that family have good, fat jobs with good, fat salaries paid out of these relief funds.

To my own personal knowledge, a son of one of the head officials of a big railroad in Kentucky, a son of a prominent and prosperous well-to-do lawyer, and a son of one of the outstanding physicians and surgeons of Kentucky were taken into the C. C. C. I know of another young man going into the C. C. C. whose mother, a widow, owned a fine river-bottom farm. She and her son, who was about 25 years of age, were the only persons living on the farm. This son was needed there to help take care of that fine farm. He was able-bodied, but by some means or other he got into the C. C. C. I could enumerate many other cases of the well-to-do with two or more members of the family securing the jobs and relief benefits, while on the other hand I could enumerate many, many, many cases where those who needed the relief and were entitled to the relief and who needed the jobs and were entitled to the jobs could not get them, and among these were veterans with families.

Of course, this is wrong. I am satisfied if this money was honestly and fairly administered to the needy people of this country they could be well cared for and well provided for with a saving to the taxpayers of at least 33⅓ percent. A lot of money is wasted and squandered—for instance, in the Resettlement Administration $35,000,000 has been spent to resettle 3,500 families. That is $10,000 per family, but President Roosevelt claimed there were 5,000,000 needy families. If we would treat all the needy families alike, at that rate it would cost $500,000,000,000 to take care of the resettlement feature alone. Of course, these 3,500 families did not receive $10,000 of benefits. A big part of this money went for so-called overhead expenses—furnishing a multitude of New Deal politicians with easy jobs and big salaries. There has been appropriated and turned over to the President in 4 years over $15,000,000,000. Assume there were 5,000,000 needy families in America. This means $3,000 on an average to each and every family. Of course, that number of families has not received relief and none of those families have received $3,000. A great part of it has been eaten up by overhead.

If relief conditions are to continue in this country, one of these days we must come to honesty and common sense and work out a program that will be fair and just to the needy people of this Nation. I have all along urged and shall continue to urge that favoritism, partiality, and partisanship must be eliminated. This money comes from all the people and it must go to all the needy.

Mr. BOILEAU. Mr. Chairman, it seems rather strange that men on the floor here today should be advocating earmarking of such huge parts of this appropriation for particular projects when they were not willing last Friday to support appropriations large enough to do the job. I appeal to you this afternoon not to cut down this niggardly amount that is now in the bill which is designed for relief. You cannot take three hundred million out of this bill and give it to P. W. A. without having men and women who are on W. P. A. suffering. I submit I am as much in favor of carrying on the P. W. A. projects as any other man in this House.

Mr. BEITER. Mr. Chairman, will the gentleman yield?

Mr. BOILEAU. I cannot yield. All the time so far has been used by those who favor the amendment. I submit, if you can now or if you had the other day offered an amendment to increase the amount in this appropriation bill, I would support it; but so far as my vote is concerned, it will never be used to cut down the small amount that we have in this bill now for W. P. A. These matters can be taken care of in other bills; and if you Democrats, who seem to be in large numbers in support of this amendment, have any control in your own party in this respect, I submit that you have large enough numbers here to force your committee and the leaders of your party here in the House to bring out increased appropriations for P. W. A., and a lot of us on the other side will support you; but, in the name of justice, do not cut down this niggardly amount. We are not using good sense this afternoon. A little while ago we earmarked some money for flood control, and we are supposed to use W. P. A. labor for that. Do you know what they are getting for W. P. A. labor in the South, where we expect to use a lot of this money? Twenty-one dollars a month for minimum wages for labor.

Mr. ANDERSON of Missouri. Mr. Chairman, recently I made a talk on this floor offering my reasons why I believed that P. W. A. should be continued. The response from my colleagues and the general public has been most unexpected and gratifying.

Today I wish to take a few minutes to recall this situation to your consideration.

The P. W. A. expires June 30, 1937, unless this Congress sees fit to extend its life. Already P. W. A. has obligated the Federal Government to the extent of two hundred and eighty-two millions plus a revolving fund of one hundred and thirty-one millions, which is actually a drawing account on the United States Treasury. I realize full well that the Government is facing an economic crisis and that it is the duty of this body to map out a definite program of retrenchment. However, I am firmly convinced that a cut in P. W. A. appropriations is not a step in the right direction. In my opinion, a curtailment of P. W. A. would be calamitous.

First. Thousands of P. W. A. workers would be out of employment and consequently forced to seek sustenance from direct relief, a condition most unfavorable to national welfare.

Second. It would mean that hundreds of projects on which bonds have been voted, plans and specifications prepared, and other commitments made would have to be abandoned, a morbid reflection on our capacity for progress.

Third. The cessation of buying to supply the needs of P. W. A. would cause an inestimable repercussion in business, tending to defeat a program of recovery.

And finally, the Federal Government would be the object of relentless ridicule and calumny, and confidence in national policies would be badly shaken. One cannot blame a

community or municipality for its distrust of the Federal Government if we go back on P. W. A. promises and leave cities, towns, and villages reeking with abandoned projects that will stand as monuments to our lack of understanding and foresight. Permit me to call the following facts to your attention:

Under the National Industrial Recovery Act of 1933, the Public Works Administration was authorized to make grants of 30 percent of the cost of labor and materials. P. W. A. statistics show that this system of computing grants netted project sponsors grants amounting to approximately 26 percent of the total project costs. Under subsequent acts the Public Works Administration was authorized to make grants amounting to 45 percent of the total project cost. This was obviously inequitable from the standpoint of a redistribution of wealth. Project sponsors were financially able to pay the entire cost of their projects and communities having relatively little unemployment received the same benefits as project sponsors who were unable to pay more than 55 percent of the cost of their projects and communities which had large numbers of unemployed on relief rolls. If this suggested system of determining earned grant is made into law, it will give communities suffering from excessive unemployment an opportunity to receive worth-while Federal aid and provide useful work for the unemployed.

In order to create a practical basis for computing earned grants on P. W. A. projects and at the same time eliminate the necessity for excessive administrative expense, it is suggested that Congress set a minimum grant of 20 percent of the total project cost to cover indirect relief labor. To encourage project sponsors to employ directly on the projects as much relief labor as possible, it is suggested that Congress authorize the Public Works Administration to increase the minimum grant by whatever amount is expended for relief labor employed on the projects. This system of grant computation would net an average of 26 percent and would be simple and inexpensive to supervise. It would also provide a definite minimum grant, which is all-important to communities in determining whether or not they will undertake P. W. A. projects. In localities where nearly all the labor employed directly on the project could be taken from relief rolls, the sponsors of such projects would receive from 40 to 45 percent of the total project cost. At least three hundred million of whatever funds appropriated for work relief should be earmarked for the Public Works Administration to be used for making loans and grants. In addition to this P. W. A. should be authorized to use for the same purpose the revolving fund now on hand and funds which will be received from the sale of securities now held and those acquired during the next 2 fiscal years. A larger appropriation would be desirable and economically sound in order to make it possible for P. W. A. to materially assist in bolstering and stabilizing the market for political-subdivision bonds. P. W. A. should, in addition to funds for grants, be given funds and authority to purchase and hold until maturity, if necessary, three or four hundred million of political-subdivision bonds. It is now holding about one hundred and thirty-one million of such bonds.

A provision should be incorporated requiring all projects financed on the whole or in part by P. W. A. under this program to be substantially completed by December 31, 1939. This will give 2½ years to complete the program, which should be sufficient time for Congress to observe social and economic trends and determine what subsequent action will be necessary.

The social and economic conditions of this country have actually just begun to adjust themselves. If the Public Works Administration is continued and given a substantial appropriation with which to operate, the process of social and economic adjustment now definitely under way will be given an opportunity to continue undisturbed, at least so far as the construction and associated industries are concerned. It would be a disastrous mistake to interrupt this progress now.

Any one of us can look over our district and see P. W. A. projects now in progress. Certainly we can realize that the Nation is better off as a result of this great public-works program. In my district there are now in the process of construction a number of projects that are almost indispensable to the welfare of the district. There is project no. 1230, providing for the construction of sewers in Lemay, a community of nearly 25,000 people, and where today sewers are unknown and will remain so unless P. W. A. is continued. I am sure all of us can see just what a benefit sewers are to a community of this size and population.

I have another project for the construction of sewers in Ladue Village, which is a modern community in every respect except for a sewage-disposal system. Both these projects are indispensable from a standpoint of public health and impossible with the help of P. W. A.

In Clayton, Mo., just outside St. Louis, there is a project to aid in the erection of a library and another for the building of a school, and I believe that I need not argue to show the merit of such undertakings. We cannot do a better work than to educate our children, and P. W. A. is rendering material aid in this great ideal. At Kirkwood, Mo., there is a project for a school. All these communities are suburbs of St. Louis and are municipal in every respect. Bond elections have been held and carried, engineers and architects have been engaged, trustees have been appointed, specifications and plans have been drawn, and these communities have gone to great expense and inconvenience relying on the promise of P. W. A. to adhere to the original 45-percent grant only to find that it has been reduced to 15 percent. I know that nearly every Member of this House can find the same or similar conditions in his or her district. In all such cases there exists at least a moral obligation on the part of the Federal Government to make funds available on the terms proposed and accepted by these communities. In other words, in those communities in your district where bond elections have been held or funds otherwise secured on the assumption that a 45-percent grant would be forthcoming from the Government, the Caldwell amendment will provide for the Government keeping faith with the sponsors. This is most important to you and to the people you represent. It should be the main reason why you should support the earmarking of a part of this work-relief fund for the Public Works Administration. It has never been the practice of this Government, and I hope it never will be, to run out on its promises.

Recently in my district the dreaded disease of encephalitis, or sleeping sickness, took a great toll of human life. This has been directly attributed by experts to an improper sewage-disposal system. At present at least two P. W. A. projects are under way to provide the necessary sewers to protect the health of St. Louis County. A number of projects are in progress to eliminate the fire hazards in schools in order to avert insofar as possible an occurrence similar to the recent disaster at New London, Tex.

I know that you all have the same conditions in your respective districts and I hope you will support the Caldwell amendment, which will enable these great public undertakings to continue.

From a standpoint of general welfare and national economic stability and recovery I believe it is not only obvious but mandatory that P. W. A. be continued and provided with sufficient funds to carry out the Government's good faith commitments.

Everyone realizes that retrenchment in Government spending is imperative. Telegrams and letters from communities which have P. W. A. projects pending indicate their willingness to accept the plan I have proposed. Telegrams and letters from contractors, labor organizations, and material suppliers indicate their unqualified concurrence in my suggestions. It is a definite retrenchment from the straight 45-percent grant. It takes the President's idea of a grant of 115 percent of relief labor and weaves it into a definite and equitable formula for Federal aid in public construction.

The indicated concurrence of project sponsors and labor should be sufficient to encourage this Congress to adopt the Caldwell amendment unanimously. [Applause.]

Mr. MARTIN of Colorado. Mr. Chairman, I am no more in favor than the gentleman from Wisconsin [Mr. BOILEAU] of taking this money from work relief for a public-works

program. I offered a work-relief amendment of $1,800,000,000. But I am crossing my bridges one at a time, and this is the bridge I am at now, in addition to which I have some faith in the President of the United States in taking care of the relief situation as it develops.

It has been stated here a number of times this afternoon that this situation involves a moral obligation on the part of the Government toward municipalities, school districts, and so forth, which have applications pending in P. W. A. in which bond elections have been held. I stated before the Subcommittee on Appropriations, and I am going to repeat here, that in my judgment this situation goes further than that, that it involves violation of a moral obligation on the part of the Government toward these municipalities and school districts. If my information is not incorrect, hundreds of these municipalities and school districts where they complied with the old 45-55 grant and loan proposition they did so under the belief that they would get the money when they complied, when it was known in Washington that they would not get the money.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of Colorado. Yes.

Mr. KNUTSON. Some of these communities and school districts have already issued bonds and sold the bonds.

Mr. MARTIN of Colorado. Yes; and are paying interest on them. Let me give you a few figures. Here is a list taken from the P. W. A. report furnished Members of Congress. Down there on the P. W. A. docket there are 597 school projects, every one of which has been approved, in every one of which there have been bond issues, full compliance, the districts and municipalities paying interest on the loans, and the Federal grant and loan denied. What they are offering down there now amounts to practically nothing, not more than 6 to 10 percent, and I want to put a few States which are heavily affected in the RECORD. Take the State of Texas which is on this list; the State of Texas has 90 such approved projects down there.

Mr. Chairman, for the information of Members I submit summaries taken from the official P. W. A. report of April 22, 1937:

List of all pending non-Federal approved projects for which bond elections have been held and carried as of Apr. 20, 1937 — 597

Forty-six States are listed. The States having the largest quotas are:

California	30
Georgia	23
Illinois	35
Kansas	23
Massachusetts	19
Michigan	15
Minnesota	23
Missouri	36
Ohio	32
Oregon	15
Pennsylvania	16
Tennessee	19
Texas	90
Washington	36
Wisconsin	33

List of all non-Federal approved projects for which appropriations have been made by State legislatures as of Apr. 20, 1937 — 77

Twenty States are involved. West Virginia has 23 and Connecticut 11.

Total of both classes — 674

List of pending non-Federal projects for construction and improvement of schools as of Apr. 20, 1937 — 1,178

The largest quotas of these are in the following States:

California	83
Georgia	34
Illinois	47
Indiana	53
Iowa	31
Kansas	44
Missouri	38
New Jersey	35
New York	60
Ohio	98
Pennsylvania	38
Texas	94
Virginia	39
Washington	60
Wisconsin	41

List of pending non-Federal projects approved by examining divisions on the basis of grants for 45 percent of the cost, for which no allocations have been made — 2,962

States and number of projects are as follows—I note specially those having over 100: California, 140; Illinois, 170; Iowa, 104; Minnesota, 106; New York, 187; Ohio, 147, Texas, 365:

Alabama	37
Arizona	30
Arkansas	21
California	140
Colorado	11
Connecticut	36
Delaware	2
Florida	40
Georgia	70
Idaho	31
Illinois	170
Indiana	87
Iowa	104
Kansas	81
Kentucky	64
Louisiana	25
Maine	21
Maryland	14
Massachusetts	31
Michigan	92
Minnesota	106
Mississippi	30
Missouri	88
Montana	35
Nebraska	32
Nevada	6
New Hampshire	10
New Jersey	75
New Mexico	7
New York	187
North Carolina	78
North Dakota	20
Ohio	147
Oklahoma	36
Oregon	48
Pennsylvania	60
Rhode Island	14
South Carolina	56
South Dakota	23
Tennessee	61
Texas	365
Utah	24
Vermont	10
Virginia	87
Washington	90
West Virginia	16
Wisconsin	96
Wyoming	5

So it will be seen that every State and district is interested in the Beiter amendment. I wish to emphasize the 1,178 school projects pending down there in P. W. A. I am for the amendment.

The CHAIRMAN. The time of the gentleman from Colorado has expired.

Mr. MARTIN of Colorado. Mr. Chairman, under leave granted I append a brief statement made by me before the Subcommittee on Appropriations handling the bill. It will give Members the picture more fully than can be done in a few minutes here in the Committee of the Whole.

STATEMENT OF HON. JOHN A. MARTIN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF COLORADO

Mr. WOODRUM. Mr. MARTIN, if you desire to make a statement to the committee in reference to this matter, we will be very glad to hear you at this time.

Mr. MARTIN. Mr. Chairman, some of this ground has been pretty well thrashed over, but I would like, first, to make two brief general observations. One is that I think the P. W. A. has been very highly beneficial and very successfully conducted. So much so, in fact, that the main criticism leveled at it now, so far as I can learn, is that it has really overdone its work and is not any longer needed, that the lines of industry which it was designed to help are back to normal, and some of them are plus normal. I consider that to be a very complimentary criticism of any governmental activity.

In addition to that, it has done a very fine type of work. I drive all over the country and see what is going on. If I had any criticism of the P. W. A. projects as they appear in many of the smaller towns, it would be along the line of the fellow who has a new hat but needs a haircut and a shave and a shine.

You can pick a P. W. A. project without looking for the sign. They have done a very fine work, architecturally and artistically, all over the country.

The thing that brings me here this afternoon is what looks to me like an injustice that practically involves the violation of a moral obligation on the part of the Government toward the sponsors of hundreds of these projects.

I never heard any mention of this order until Mr. BEITER mentioned it, this order 197 that suspends the 45 and 55 grant and loan.

I went recently to the Public Works Administration to find out what was delaying, so to speak, a project in my district, and I was astounded to be officially advised by a man very high in the Public Works Administration that the suspension of the 45 and 55 grant and loan provision virtually occurred last November, and I apprehend that the sponsors of these projects did not know anything about it.

Mr. TABER. Did it occur before the election?

Mr. MARTIN. I will say this to the gentleman from New York, that it looks to me like they have not always picked their time with respect to elections. They knocked the Home Owners' Loan Corporation in the head about 30 days before the election of 1934 with over half a million applications pending, and it made us plenty of trouble. They do not always pick a psychological time to make these drastic changes.

I learned for the first time about 2 weeks ago that this very material change had been made last November and the sponsors of some of the projects in my district that have acted in compliance with the P. W. A. requirements did not know, until I advised them, that they were not going to get any money, and they have had their bond elections. In the city of Colorado Springs, which was terribly damaged by a big flood 2 years ago, they have a city bridge project approved down here by the proper authority, and they have already levied taxes for compliance with the requirements.

The city of Monte Vista, for the purpose of erecting a high-school building, has held a bond election. At Las Animas they have held a bond election, and they have fully complied with the requirements.

Mr. WIGGLESWORTH. Were these projects approved here?

Mr. MARTIN. Yes, sir; these projects were approved here, and none of the sponsors knew there had been any suspension of the 45–55 grant and loan until I had to break the bad news to them.

Mr. LUDLOW. How long after the suspension were the bond elections held?

Mr. MARTIN. The bond election in Las Animas has been held within the last 90 days, and this order was suspended last November.

You talk about how long we are going to carry this activity on. It is all right with me if the administration swings the ax on all future applications, if it stops them and keeps them stopped, but these approved projects should be completed on the original basis.

I want to read you a paragraph from a letter I got this morning from my district. The man who wrote this letter is secretary and treasurer of the Colorado State Farm Bureau, a leading citizen of the town, and a member of the school board. He says:

"It is our information that Greeley has been recently granted a P. W. A. allotment"—that is for a school project—"I was told that this was secured by their Representative's and Senator's persistence." I did not fail to get that. "This may be somewhat distorted, but I do not see how this project was lost."

I will not go into that except to say that apparently there is no rule put into effect as to which somebody cannot go, if he has the combination, and pull a rabbit out of the hat. I got information about this, that some one project in Colorado has been pulled out of the hole within the last 30 days, and I got it by wire from the sponsor of another school project.

If they want to chop this off from now on, as to the filing of any more applications, it is all right with me, but I think the Government is under a moral obligation to go ahead as originally proposed with these projects that have been brought to maturity. I have a few notes here in reference to what the general situation is.

I want to say, first, that apparently most of these projects are school projects. I have in my file a statement showing that the total Colorado applications in the P. W. A. engineer's office in Denver, at the close of 1935, was 41. He had 41 projects on the list, of which 26 were school and school addition and auxiliaries projects. The last statement he sent me under date of February 19, 1937, showed a total of 33 projects, of which 16 were for schools and school libraries, and so forth. There are 14 Colorado projects down here approved now, the majority of them being for schools.

Mr. TABER. Have you any idea how much they total?

Mr. MARTIN. In my State?

Mr. TABER. Yes.

Mr. MARTIN. I think the total figures would not run to more than a million dollars in the State, including the 14 projects.

Mr. TABER. Would you know what the allocation was of the $3,000,000 grant, the State providing fifteen million from its funds, that has recently been made, according to the statement on page four that has been furnished us by the Secretary?

Mr. MARTIN. I did not bring that data with me.

Mr. TABER. It gives the recent allocations.

Mr. MARTIN. That is for highways. Our State has recently floated a bonded indebtedness of twenty-five million for a general State highway program, and this is a Federal application on that.

Mr. WOODRUM. Of course, that could be granted under the terms of the Executive order because of the relief labor.

Mr. MARTIN. Here are a few more figures I have noted from the reports of the Public Works Administration:

They have pending down there now 597 approved projects on which there have been bond elections held and everything completed for compliance on the part of the sponsors. The total cost is $106,000,000. They have 77 with grants made by State legislatures for school projects, at a cost of fifteen million. That is a total of about one hundred twenty-one million on all those projects, the majority of which are school projects, on which compliance has been completed, and all or most of them completed in ignorance of the fact that the consideration for completion had been withdrawn by the Government.

As to this program that is pending now, when I say it is all right to stop this in the future, I have in mind taking care of the present situation.

There is a total number pending down there of 1,178 school projects all over the country. New York State has about 60 of them. Pennsylvania has a lot of them, 38; Texas, 94; Illinois, 47; Indiana, 53; Washington State, 60; California, 83; Georgia, 34; New Jersey, 35; and so forth. They are scattered all over the country. There are 1,178 of them, and the total estimated cost of the whole number is only $177,000,000.

They have pending down there a grand total of all kinds of projects of 2,926, the estimated cost of which is $812,000,000.

You have asked me where you are going to stop. I will say, go ahead and complete this list, anyhow, and stop, if you want to, at the other end of the line.

There are some hung up in Denver in the P. W. A. office, and no doubt there are some hung up in all the other States also. They have not gotten to us, but I think every Member knows where they have gotten to him down here and the responsibility and the burden and criticism it throws on him to get favorable action on a project.

If that whole program were completed, I cannot see why it would be such an undue strain on the national purse, considering the local contribution and the type of construction it is.

Here are a couple of ideas in connection with this matter: I have heard recently—I have not checked up on this but I presume you know about it—that the W. P. A. has limited the material cost to 5 percent as being the top amount that can go for material. That reduces the W. P. A. to a pick-and-shovel proposition. I cannot imagine anything outside of a pick and shovel that can be built for 5 percent of the material cost by the Federal Government, unless the sponsors put up the rest of it.

I understand that on the best type of construction, which has been school buildings—and I have no doubt it is also true as to other municipal improvements—it runs as high as 70 percent for the nonlabor part of the cost of material, site, and other costs, and it is very common for the nonlabor cost to go up to 50 percent.

That simply means that these people cannot build that type of construction. If they want to go ahead and stop any applications from here on, and everybody gets an even break on that kind of a deal, I am willing to take mine.

My State has 14 projects that are being held up down here where there has been complete compliance.

When I was talking down there the other day, when they gave me this new grant formula, I said, "That is too deep for me; break it down into percentages. Here is one project at an estimated cost of $160,000, and they voted bonds and they are ready to go ahead." That is one of the finest towns in the country. But they were hard hit—all banks closed for 3 years. I said, "What would it amount to in percentage of Federal grant on that project under the new formula?" He said, "Well, it is 6 to 10 percent."

That would be twelve or fifteen thousand on that $160,000 project, whereas they were working on the theory that they would get over 70,000 on the 45–55 grant and loan proposition.

W. P. A. has done some very good work. I have seen many beautiful projects under the plan by which they built things in units. They are limited in amount to 25,000 on a project, which is as big a project as W. P. A. can build, but some projects can be built in units. Now it looks like they are out of the picture so far as building construction is concerned.

There is quite a movement on in Congress, with much backing in the country, for a big Federal appropriation for education. There has been a bill introduced providing for an appropriation of a billion dollars on a 5-year program, with $100,000,000 for the first year and an increase of $50,000,000 a year each year up to the fifth year. But it looks like under the economy drive that is out of the picture. The last proposition I have seen along that line is that they were going to cut that amount to $25,000,000 the first year, and it may go out altogether.

So it looks like P. W. A. should at least be permitted to carry on this school-building aid. They have put schools in hundreds of localities over the United States that would not have had them except for the P. W. A. I think all of this work has been beneficial, including waterworks, sewers, and drainage work, bridges, auditoriums, and everything of that character. I have not seen any wasteful type of P. W. A. work.

Mr. LUDLOW. Do you think the P. W. A. aid has been distributed equitably throughout the country?

Mr. MARTIN. I think it has been.

Mr. WOODRUM. Your bill, H. R. 5943, if enacted, would not make these funds available in view of the Executive order.

Mr. MARTIN. I understand that that is only a bill to extend the life of the agency; it does not involve an appropriation.

Mr. WOODRUM. It does not involve a change in policy?

Mr. MARTIN. No. I would feel the bill might be amended if the life of the activity is to be extended, and I think it ought to be; and if it is, we ought to have some hope that what is needed will be added.

Mr. LUDLOW. If the life of the activity is not extended, what would be your idea as to a similar alternative liquidating agency?

Mr. MARTIN. I have not given any thought to that.

Mr. SNYDER. Did I understand you to say you think it would be all right to comply with the application already accepted and then shut them off so they would not accept any new applications?

Mr. MARTIN. I would pick that as the last of two evils, if I have to be hung on either horn of the dilemma.

Mr. TABER. Do you believe it is desirable to balance the Budget?

Mr. MARTIN. I will say this: I would be in favor of balancing the Budget, if I could do the balancing.

I am a good deal like your esteemed colleague the minority leader. He said he would be in favor of another economy act if it was properly administered.

I would be in favor of balancing the Budget, if I could do the balancing. It does not work out evenly. I think it eventually ought to be drawn to a balance, although I am not as excited about that as I might be when I reflect that the national income of this country in 1932 was only $38,000,000,000, while last year it was sixty billion, which is at least seven times more than any pump priming came to on the part of the Federal Government last year.

Every corporation in the country is virtually making as much money as it did before. I am not so sure that we could not collect a little more than we are collecting. It is a serious thing having people, municipalities, and school districts all through the country feel that they have been misled and did not get a square deal, and the worst part of it—who can they take it out on?

Mr. CONNERY. Mr. Chairman, the gentleman from Wisconsin [Mr. BOILEAU] told the whole story on this. This is an old picture. We had it last year. No one would be quicker than I to vote for $300,000,000 increase in this bill for P. W. A.—not allocation but increase to help the building trades in the United States, who have a 30-hour week under the P. W. A., and who get decent, prevailing rates of wages. But when you allocate $300,000,000 out of this $1,500,000,000, you are taking it away from the men who have four or five children, men who are not building-trades men, who are not bricklayers or masons, men who are not members of the building trades, but many are union men. You take it away from the widow, the seamstress, who cannot get a job any place else. They talk about boondoggling. Boondoggling under Harry Hopkins means taking care of the poor people in the United States who cannot get any money in any other way except by so-called boondoggling. If that is boondoggling, I am for it. [Applause.]

As I say, if they want to add $300,000,000 for P. W. A. to this bill, I am for it. I am for the building trades; I am for the men who get decent wages. I am for the 30-hour week; but I do not believe in taking it away from men with five or six children, men who are not building-trades men, but who need that money to support their families just as much as the building-trades men. When you take $300,000,000 away and allocate it to the building trades, those are the men and women you are taking it from. I am in favor of $300,000,000 additional, but I am not in favor of allocating $300,000,000 and taking it away from the poor people now on relief.

Mr. BEITER. Mr. Chairman, will the gentleman yield?

Mr. CONNERY. I only have a few minutes.

Mr. BEITER. The building trades have endorsed this amendment.

Mr. CONNERY. Yes. Of course anybody will endorse an amendment that will give them jobs.

Mr. BEITER. There are over 40 percent of skilled laborers unemployed.

Mr. CONNERY. But there are many others. For instance, members of the musicians' union and other unions who do not belong to the building trades, who have children to feed just as well as the building-trades men.

Mr. MILLS. Mr. Chairman, will the gentleman yield?

Mr. CONNERY. Yes; I yield.

Mr. MILLS. Is it not a fact that if we come back here next year and we find people are in destitute circumstances we can pass a bill authorizing additional appropriations?

Mr. CONNERY. Yes; but you cannot get a deficiency passed, because you passed an amendment the other day on this bill preventing the W. P. A. from getting additional funds when these are gone. You will be short of funds. Wait until you get back home and find the people hollering "Why cannot I get some money for relief?" It is because of that amendment that you passed the other day.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. MOSER of Pennsylvania. Mr. Chairman, without desiring to tire the Committee unduly, I would like to state an experience that I had yesterday morning. It was in connection with contacting P. W. A. authorities, when it was learned that every bit of labor for any of these projects that are now granted must come from W. P. A. rolls. In addition to that, the borrowing community, or community to be benefited, must put up 100 percent of the cost of the project that is authorized under Public Works Administration since the ruling of April 24. In addition to that, having undertaken to put up this money they are confronted with the proposition of having the Government give them, instead of 45 percent as they expected, only 15 percent, which may be used to retire a part of the bonds.

One such hardship as is worked on the communities was what brought me to the P. W. A. authorities yesterday. They made their application on March 17 and held a special election on March 23; they went along until the 1st of May to be turned down, after a bond issue had been authorized on the expectation of getting 45 percent. It is now absolutely impossible to raise additional funds to meet the new order. Approximately $7,000 will have been wasted, on surveys, engineering, and the special election which authorized the bond issue. I appeal to you my colleagues, is there not a moral obligation on the part of the Federal Government, toward this and all other communities similarly embarrassed?

I hope the Committee will support this amendment.

[Here the gavel fell.]

Mr. HOOK. Mr. Chairman, I have listened to the arguments as to the different communities which have voted bonds and have asked for P. W. A. funds. I am for the P. W. A. program, but let us find out who is at fault. We appropriated certain funds for the P. W. A. Those in charge must have known how much they had to expend. Did they deliberately go out to those communities and mislead the communities into putting over their bond issues beyond the amount of money they had appropriated to them?

Mr. BEITER. I can answer that.

Mr. HOOK. I do not yield, Mr. Chairman. The gentleman has his time.

Now, let us find out whether this same organization, if they are allotted this $300,000,000, is going out and mislead some more communities into issuing more bonds when they know they do not have the funds to complete the projects. I believe as the gentleman from Massachusetts [Mr. CONNERY] that if we are going to appropriate money for the P. W. A., let us increase the amount of this bill. Let us take care of the unemployed and relieve the people of this country.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. WOODRUM. Mr. Chairman, under the law as it stands today the Public Works Administration goes out of existence on June 30. We have pending before the Appropriations Committee now a bill dealing with the question of whether the life of P. W. A. shall be extended and if so under what circumstances. We have had hearings and our distinguished colleague from New York appeared before us and presented his views. Just as soon as the relief bill is out of the way that bill will be brought out for your consideration and for you to do with it as you please; but as it stands today this activity goes out of existence on June 30. This amendment, however, seeks to set aside $300,000,000 for an organization that goes out of existence before the funds will become available. Not only that, but P. W. A. still has $150,000,000 or $160,000,000 unobligated and unallocated, and they cannot use a penny of it. Why? Because there is an Executive order saying that the money

cannot be used on any project unless 100 percent relief labor is used, and Mr. Ickes and his associates testified that under the circumstances not a single one of your projects could be considered. So it is useless to make money available to the P. W. A. unless the effect of the Executive order is changed by law.

We are going to bring you legislation in a few days affecting the Public Works Administration. It will be brought in under such circumstances that you can consider it and do with it as you please, but I ask you not to load up this bill with amendments that mean nothing. Setting aside $300,000,000 or $500,000,000 for P. W. A. would mean absolutely nothing, for this agency goes out of existence by operation of law on June 30, and as things stand they cannot spend the balance of the money they have, $150,000,000 or $160,000,000, because the President has said he did not want it to go to projects unless they employed relief labor.

The pending bill is a relief bill, not a bill to relieve the buildings-trade industry, as the distinguished gentleman from Massachusetts pointed out. I ask you gentlemen today, and you my colleagues on this side, do you realize the fact that we are here step by step stripping the President of his authority in the relief program? I do not care whether it is $1,000,000,000, or $1,500,000,000, or $2,000,000,000; whatever it is, we have given it to the President and given him authority to handle it. I appeal to you gentlemen not to destroy this bill by loading it up with this sort of allocation.

Mr. FLANNERY. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. FLANNERY. Mr. Chairman, will the gentleman inform us whether the proposed bill extending the life of W. P. A. will carry an appropriation for that agency?

Mr. WOODRUM. Whether this proposed bill will have in it an appropriation will be for the House to say. The committee has not done anything except to hold hearings. I may say that we were interrupted in our consideration of that bill by bringing up the relief bill and reporting it out.

Mr. MARTIN of Colorado rose.

Mr. WOODRUM. We have had hearings; they have been printed and are available. Our distinguished friend the gentleman from New York [Mr. BEITER] appeared before us, and other Members of Congress. I see our distinguished friend from Colorado on his feet. He appeared before us, too, and made a very enlightening and helpful statement, as he always does, and I now yield to him.

Mr. MARTIN of Colorado. Mr. Chairman, the graciousness of the gentleman from Virginia so overwhelms me that it has taken me three-quarters of my time to catch my breath. Does his committee contemplate bringing in a program for the extension of P. W. A. that will carry an appropriation with it?

Mr. WOODRUM. I may say to my friend that the first consideration is whether or not we can pass legislation taking down the barriers to this $150,000,000, but all matters in connection with P. W. A. can be ironed out when the bill reaches the floor.

The CHAIRMAN. All time has expired.

Mr. LUCKEY of Nebraska. Mr. Chairman, I ask unanimous consent to proceed for 1 minute.

Mr. WOODRUM. Mr. Chairman, the time has been fixed. I hope the gentleman will not press his request. There must be an end to this.

The CHAIRMAN. Objection is heard.

The question is on the amendment of the gentleman from Florida [Mr. CALDWELL].

The question was taken; and on a division (demanded by Mr. WOODRUM) there were—ayes 172, noes 48.

So the amendment was agreed to.

Mr. BOILEAU. Mr. Chairman, I offer an amendment.

The CHAIRMAN. Let the Chair state that there are some 20 amendments pending at the desk. In the regular order the Chair would next recognize the gentleman from New York on an amendment which pertains to the subject matter of the last amendment.

The Clerk will report the amendment of the gentleman from New York [Mr. BEITER].

The Clerk read as follows:

Amendment offered by Mr. BEITER: Page 3, after line 24, add a new paragraph, as follows:

"In order to maintain or increase employment by providing for useful public-works projects of the kind and character for which the Federal Emergency Administrator of Public Works (hereinafter called the Administrator) has heretofore made loans or grants pursuant to title II of the National Industrial Recovery Act, the Emergency Relief Appropriation Act of 1935, or the Emergency Relief Appropriation Act of 1936, the Federal Emergency Administration of Public Works is hereby continued until June 30, 1939, and the funds hereinbefore allocated to the Federal Emergency Administration of Public Works shall be used for the making of loans or grants to finance or aid in the financing of such projects, and in addition thereto the Administrator is hereby authorized to use funds on hand which have accrued from the sale of securities and funds which will be received from the sale of securities for the making of loans or grants to finance or aid in the financing of such projects: *Provided*, That after the effective date of this act no allotment shall be made for any project the application for which has not been approved by the examining divisions of the Federal Emergency Administration of Public Works prior to the effective date of this act: *Provided further*, That no part of the sum made available by this paragraph shall be loaned or granted for any project unless, in the determination of the Administrator, the completion thereof can be substantially accomplished prior to July 1, 1939, and adequate provision has been made or is assured for financing such part of the entire cost thereof as is not to be supplied through the Federal Emergency Administration of Public Works: *Provided further*, That this limitation upon time shall not apply to any project enjoined in any Federal or State court: *Provided further*, That any grant hereafter made by the Federal Emergency Administration of Public Works to aid in the financing of any project for which an allotment was recommended on a 45-percent grant basis by the examining divisions of the Federal Emergency Administration of Public Works and for which bonds have been voted or funds otherwise secured by the project sponsor to finance 55 percent of the project cost prior to the effective date of this act shall be 45 percent of the project cost: *Provided further*, That any grant hereafter made by the Federal Emergency Administration of Public Works to aid in the financing of any project for which the initial allotment is made after the effective date of this act, and for which no bonds have been voted or funds otherwise secured by the project sponsor as specified in the foregoing provision shall be 20 percent of the cost of such project, plus an amount equal to the amount paid in salaries or wages to workers employed on such project who have been certified as being in need of relief by the Works Progress Administration or any agency or agencies designated by it: *Provided further*, That for the purpose of determining the total earned grant on any project the Administrator shall exclude the cost of work, materials, or services which have not been, in his opinion, performed or supplied in accordance with the terms and conditions of the financing agreement between the Government and the grantee. The Emergency Appropriation Act, fiscal year 1935, approved June 1934, as supplemented by the Emergency Relief Appropriation Act of 1935 and the Emergency Relief Appropriation Act of 1936, is hereby amended by striking out from the paragraph authorizing the Reconstruction Finance Corporation to purchase securities from the Federal Emergency Administration of Public Works the colon and the following: '*Provided*, That the amount that the Reconstruction Finance Corporation may have invested at any one time in such securities shall not exceed $250,000,000', and inserting in lieu thereof a period. The Independent Offices Appropriation Act, 1938, is hereby amended by striking out the words 'in connection with the liquidation' in the provision relating to administrative expenses of the Federal Emergency Administration of Public Works and in addition to the funds made available for administrative expenses, in said act, the Federal Emergency Administration of Public Works is hereby authorized to use not to exceed $10,000,000 of the funds allocated in this joint resolution for administrative expenses during the fiscal year 1938."

Mr. WOODRUM. Mr. Chairman, I make a point of order against the amendment.

The CHAIRMAN. The gentleman will state it.

Mr. WOODRUM. The amendment as read differs from the amendment printed in the RECORD, but, as I have been able to follow its reading from a copy handed me by the gentleman from New York, it appears that the amendment goes very much beyond the scope of the purposes of the relief act under consideration. In the first place, it undertakes to extend the life of the Public Works Administration to June 30, 1939, beyond the scope of the present act. In the second place, it amends the Relief Acts of 1935 and 1936 by changing the powers of the Reconstruction Corporation; it amends the Emergency Appropriation Act, fiscal year 1935, approved June 1934, as supplemented by the Emergency Relief Appropriation Act of 1935 and the Emergency Relief Appropriation Act of 1936. In the third place, it amends the independent offices appropriation bill for 1938, which has not yet become a law.

I think the whole purpose of this amendment is an effort to revive an agency that expires by operation of law and to extend its powers, and to amend other acts not in any way connected with the subject matter under consideration.

The CHAIRMAN. Does the gentleman from New York [Mr. BEITER] desire to be heard?

Mr. BEITER. Mr. Chairman, I am sure the Chair will be fair in its decision on this amendment in view of the decision it made last Friday in connection with a point of order raised by the gentleman from Illinois [Mr. PARSONS]. The gentleman from Illinois at that time raised the point of order that the amendment was not proper because it was legislation on an appropriation bill. At that time the Chair stated:

The bill in question is not a general appropriation bill; therefore clause no. 2 of rule XXI does not apply.

And the Chair then overruled the point of order.

The amendment I have offered is legislation, but this is not an appropriation bill. In view of the Chair's decision of last Friday, I ask the Chair to overrule the point of order.

Mr. CANNON of Missouri. Mr. Chairman, the gentleman submits a very interesting analysis but mistakes the point at issue. It is not a question of legislation but a question of germaneness. It is true that the amendment proposes changes in law but these proposed changes are in laws which are not affected by this bill. The amendment, therefore, is not germane to the pending bill and is subject to the point of order.

The CHAIRMAN. The amendment offered by the gentleman from New York does not in any wise come within the ruling of the Chair made last Friday. The ruling then made pertained to a point of order made as to legislation on this bill. The Chair stated at that time that this was not a general appropriation bill; therefore, the rule pertaining to legislation on an appropriation bill did not apply.

As the gentleman from Missouri [Mr. CANNON] has just stated, this is not a question of legislation but a question of germaneness, and that is the test to be applied to this amendment.

The amendment offered by the gentleman from New York [Mr. BEITER] in addition to providing for many matters, provides for extension of the Public Works Administration, an agency of the Government not carried in this bill, and handled heretofore by other legislation. The amendment also pertains to certain powers of the Reconstruction Finance Corporation, about which there is nothing in this bill. As the gentleman from Virginia has pointed out, it also pertains to certain provisions of the independent offices appropriation bill, still pending in the Congress.

Because of the fact the amendment attempts to extend an agency of the Government not covered by this bill and yet to be handled by the Congress, the Chair feels the amendment is not germane to this bill and sustains the point of order.

Mr. BEITER. Mr. Chairman, I have another amendment pertaining to this same matter, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. BEITER: Page 3, after line 24, add a new paragraph, as follows:

"In order to maintain or increase employment by providing for useful public-works projects of the kind and character for which the Federal Emergency Administrator of Public Works (hereinafter called the Administrator) has heretofore made loans and grants pursuant to title II of the National Industrial Recovery Act, the Emergency Relief Appropriation Act of 1935, or the Emergency Relief Appropriation Act of 1936, the funds hereinbefore allocated to the Federal Emergency Administration of Public Works shall be used for the making of loans and grants to finance or aid in the financing of such projects, and in addition thereto the Administrator is hereby authorized to use funds on hand which have accrued from the sale of securities and funds which will be received from the sale of securities, for the making of loans or grants to finance or aid in the financing of such projects in accordance with existing law. The Federal Emergency Administration of Public Works is hereby authorized to use not to exceed $10,000,000 of the funds allocated in this joint resolution for administrative expenses."

Mr. WOODRUM. Mr. Chairman, I make a point of order against this amendment. The amendment, of course, seeks to assume that there is or will be if and when this becomes law a Federal Emergency Administration of Public Works. It is stated:

The Administrator is hereby authorized to use funds on hand—

And so forth, and that the Federal Emergency Administration of Public Works is authorized to use not to exceed $10,000,000 of the funds allocated in this joint resolution.

There will be no Federal Emergency Administration of Public Works when this act becomes law on July 1, as the law now stands. The Federal Emergency Administration of Public Works expires on June 1 and there will be no Administration on July 1 unless subsequent to this date the Congress takes action. We cannot assume by amending this law that at a subsequent time Congress is going to set up such authority. Therefore this is allocating to an agency which will not be in existence the authority to use part of these funds.

The CHAIRMAN. The Chair is ready to rule.

The only objectionable feature of this amendment from the standpoint of germaneness is the authorization of the Federal Emergency Administration of Public Works to use funds "from the sale of securities." The contention of the gentleman from Virginia that the Federal Emergency Administration of Public Works may not be continued does not apply to this bill because it is effective immediately and is not held up until the 1st of July.

By reason of the fact that this amendment, while it does not continue the Public Works Administration, does pertain to the use of funds from the sale of securities, about which nothing is contained in the pending bill, the Chair feels constrained to sustain the point of order.

Mr. CALDWELL. Mr. Chairman, I offer an amendment pertaining to the same subject matter, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. CALDWELL: Page 3, after line 24, add a new paragraph, as follows:

"In order to maintain or increase employment by providing for useful public-works projects of the kind and character for which the Federal Emergency Administrator of Public Works (hereinafter called the Administrator) has heretofore made loans and grants pursuant to title II of the National Industrial Recovery Act, the Emergency Relief Appropriation Act of 1935, or the Emergency Relief Appropriation Act of 1936, the funds hereinbefore allocated to the Federal Emergency Administration of Public Works shall be used for the making of loans and grants to finance or aid in the financing of such projects, and for the making of loans or grants to finance or aid in the financing of such projects in accordance with existing law. The Federal Emergency Administration of Public Works is hereby authorized to use not to exceed $10,000,000 of the funds allocated in this joint resolution for administrative expenses."

Mr. WOODRUM. Mr. Chairman, I renew my previous point of order to this amendment.

The CHAIRMAN. The Chair is ready to rule.

In view of the previous ruling of the Chair and due to the fact this amendment eliminates the provision as to the use of funds from the sale of securities, the Chair overrules the point of order.

The gentleman from Florida [Mr. CALDWELL] is recognized for 5 minutes.

Mr. CALDWELL. Mr. Chairman, this amendment simply provides a method by which the Federal Emergency Administration of Public Works may administer the fund allocated by the amendment passed a few moments ago.

Mr. BEITER. Mr. Chairman, will the gentleman yield?

Mr. CALDWELL. Yes.

Mr. BEITER. The amendment further provides a working capital with which the Administration can carry on its functions. It impounds the $131,000,000 in the revolving fund, so that it cannot be taken away from them and given to some other agency. The supporting amendment ties up this amount. I hope the members of the committee will support the amendment.

Mr. THOMPSON of Illinois. Mr. Chairman, will the gentleman yield?

Mr. CALDWELL. Yes.

Mr. THOMPSON of Illinois. Will the gentleman tell me, if this amendment is adopted, how much money will be available to the Public Works Administration?

Mr. BEITER. Four hundred and thirty-one million dollars—$300,000,000 through the amendment which has just been adopted and $131,000,000 which is in the revolving fund. With this $431,000,000 there will be sufficient funds to take care of all the projects approved to date.

Mr. THOMPSON of Illinois. On the basis of 45-percent grants?

Mr. BEITER. No; only the projects where they have had bond elections will be given 45-percent grants on this basis. However, if the law is extended as it is at the present time, they may be permitted to receive a 45-percent grant. A point of order was sustained against the perfecting amendment which I offered. Therefore, when the bill providing for extending the authority of this agency is reported, we will offer the amendment to make it a 45-percent grant.

Mr. LUCAS. Mr. Chairman, will the gentleman yield?

Mr. CALDWELL. I yield.

Mr. LUCAS. Do I understand that if the Committee adopts the amendment offered by the distinguished gentleman from Florida, no Executive order on the part of the President will keep the Government from going ahead and fulfilling the obligations it has contracted insofar as bond issues are concerned?

Mr. CALDWELL. I do not believe there is anything in this amendment which would prevent the administration of the Executive order as first contemplated.

Mr. WOODRUM. Mr. Chairman, will the gentleman yield?

Mr. CALDWELL. Yes.

Mr. WOODRUM. Is it not a fact that if this amendment is agreed to, with the money in here, not one penny can be used on P. W. A. contracts unless the President's Executive order is changed?

Mr. CALDWELL. I think the gentleman is correct.

Mr. LUCAS. Then it amounts to nothing?

Mr. BEITER. It amounts to this: Insofar as the balance of $131,000,000 is concerned, it cannot be taken away from the Public Works Administration. However, there is now a bill pending in the Appropriations Committee providing for the continuance of the Federal Emergency Administration of Public Works until June 30, 1939, and I propose to offer an amendment to that bill when it is reported out which will specifically provide that funds will be allotted on 45-percent grant and 55-percent loan basis as heretofore in those cases where bond elections have been held or funds otherwise secured by communities. In other words, I propose to protect those communities where project applications were submitted and accepted on the assumption that a 45-percent grant would be forthcoming. The Government has a moral obligation to these municipalities; we cannot let them down. From what I have gathered from Members of this House sentiment is overwhelmingly for this proposal.

The Executive order to which the gentleman from Virginia makes reference is unfair to these communities and should be changed. The House can correct this by amending the bill authorizing the extension of the P. W. A. agency which will later come before us to specifically provide on what basis loans and grants can be made in the future. I believe this explains the situation.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, it seems to me we should have a picture of the situation in front of us as we approach a vote upon this amendment. What is the history of the situation which confronts us?

A year ago, when the 1936 so-called Emergency Relief Act was passed, a revolving fund of $300,000,000 was set up. Out of that, funds were allocated by the Administrator of Public Works, down through election. Very soon after election an order was issued by the President, the bill having served its purpose, that no further allocations should be made except those involving a percentage of relief labor of approximately 95 percent. I do not have in my head the exact figures, but this is approximately it. Publicity was not given to this regulation when it was promulgated, and was not given to it until about 2 or 3 weeks ago. Therefore, all these municipalities went ahead and held special elections and arranged for bond issues for which they could not get allotments. The P. W. A. did not disabuse them of their belief in regard to that situation. It did not tell them no allotments would be made to them because they could not comply with the regulations as to relief labor. Now you are going ahead here proposing to provide funds which can or cannot be allocated by the President, or by whomever he directs, to these projects. The President has shown his purpose, regarding what he proposes to do; that is, the P. W. A. having served its purpose, right after election he changed the rule, so the funds are not now available. If you go along with this, you will run up against just the same kind of rigamarole you did before, because this is not an election year.

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield?

Mr. TABER. Yes.

Mr. PHILLIPS. Awhile ago the gentleman referred to various slum-clearance projects in a way which led me to believe he was against the proposal of slum clearance.

Mr. TABER. I am against the idea of going ahead and spending $10,000 or $15,000 to provide quarters for one family, and letting the poor people of this country be taxed to support one group of people in luxury, while other people are having hard work making a living. I do not believe in that way of doing business. I do not believe the gentleman would be for it if he would go into the situation and realize what kind of a proposition he is supporting. [Applause.]

And you know we were told by the P. W. A. when they were before the Appropriations Committee that the Government was to charge off 45 percent of the cost of these houses and that they were to be leased on a basis to yield depreciation at 3-percent interest on 55 percent of the cost, plus repairs. The interest on the 55 percent of the cost of these Harlem houses runs approximately $69,700. The lease is made on a basis of $69,062 a year. The depreciation on a 60-year projected life of the buildings runs about $39,000. The lease appears to be on a basis of $39,000 less than we were told the property must lease for. This is a fair sample of the way the outfit you are asked to trust with $300,000,000 operates. And yet, under this amendment the operation can take place.

There is now available to the President to allot for the construction of schoolhouses, local buildings, and sewers, $145,000,000. This item will be available through the 30th day of June next. But he will not allot it because election is over. He will not allot it if you pass this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida [Mr. CALDWELL].

The question was taken; and on a division (demanded by Mr. WOODRUM) there were—ayes 154, noes 47.

So the amendment was agreed to.

Mr. CARTWRIGHT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CARTWRIGHT: On page 3, between lines 18 and 19, insert:

"Of the amount specified for highways, roads, and streets, not less than $75,000,000 shall be allocated for the survey and construction of public highways on the Federal-aid highway system and not less than $50,000,000 for the survey and construction of secondary or feeder roads, including farm-to-market roads, rural free-delivery mail roads, and public-school bus routes. Such sums shall be apportioned in the manner provided by section 204 (b) of the National Industrial Recovery Act for expenditure by the State highway departments under the provisions of the Federal Highway Act, as amended and supplemented. Not less than $25,000,000 shall be allocated for the survey and construction of projects for the elimination of hazards to life at railroad grade crossings, on the Federal-aid highway system and elsewhere, including the separation or protection of grades at crossings, the reconstruction of existing railroad grade crossing structures, and the relocation of highways to eliminate grade crossings, and shall be apportioned and expended in accordance with the provisions of section 8 of the act of June 16, 1936, entitled 'An act to amend the Federal Highway Act, approved July 11, 1916, as amended and supplemented, and for other purposes.' No part of the funds apportioned to any State or Territory under this paragraph need be matched by the State or Territory. The President shall prescribe rules and regulations for carrying into effect the provisions of this paragraph."

Mr. CARTWRIGHT. Mr. Chairman, I ask unanimous consent to proceed for 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. CARTWRIGHT. Mr. Chairman, this body has shown this afternoon a decided disposition to earmark funds in the pending bill. It appears that Congress has finally decided to have something to say about how funds that it appropriates shall be spent. [Applause.] May I say that I have offered this amendment to earmark $150,000,000 for roads, believing that in no other possible manner can money be spent to a better advantage.

Inasmuch as I have been allotted only 10 minutes' time, I ask that I may be permitted to speak without interruption.

As chairman of the Committee on Roads, I am naturally interested in earmarking a reasonable amount of relief money for roads to be spent through the State highway departments. I am convinced that this is the best way to spend the people's money. It is better safeguarded and there is less criticism over money spent for roads than any other form of relief. About 87 percent goes into labor—directly and indirectly.

The Roads Committee discussed the advisability of earmarking these funds at a full committee meeting, and I appointed a subcommittee consisting of the gentleman from Arkansas [Mr. McCLELLAN], the gentleman from Mississippi [Mr. WHITTINGTON], and the gentleman from Michigan [Mr. WOLCOTT], to investigate and report to the full committee. After carefully weighing the relevant facts and circumstances, and after going into every phase of the situation, they reported back with a resolution that the full committee go on record for earmarking $150,000,000, or 10 percent of the one and one-half billion dollars in the relief bill.

Anticipating the report of the subcommittee and the action of the full committee, I had prepared the amendment which I have just offered.

The full committee adopted the subcommittee's report, and I was authorized to appear before the Appropriations Committee and ask that they accept the amendment, and, in the event that we were too late for the Appropriations Committee, I was instructed to present this amendment on the floor of the House. I hastened to the Appropriations Committee and on arriving there I found that committee reporting out the relief bill which is before you today and that I was too late. I then conferred with the honorable and distinguished chairman of the subcommittee [Mr. WOODRUM], who is in charge of the bill, who courteously assured us of every opportunity to present our claim on the floor. So we are here and feel confident of the outcome.

I give you this background in order to show you that this is not merely my idea but that in presenting this amendment I have the unanimous support of the Roads Committee, and judging from the correspondence which I have been receiving it is the sentiment of the whole Nation that this amount be earmarked for roads, as provided in this amendment. [Applause.]

The amendment sets out $75,000,000 to be expended on Federal-aid roads, $50,000,000 on secondary, feeder, and farm-to-market roads, rural free delivery roads, and school bus routes, and $25,000,000 on the elimination of hazardous grade crossings.

This money will be expended under the supervision of the State highway departments, the projects approved by the Bureau of Public Roads, and regulations can provide for the fullest possible use of relief labor. That should satisfy all. By expending it in this manner and under this arrangement, the State highway departments will select the projects to be constructed, and certainly no one can claim that the W. P. A. or any other agency is in a better position to judge or more competent to select road projects than are the State highway commissions, with the approval of the Bureau of Public Roads.

Mr. HOOK. Mr. Chairman, will the gentleman yield?

Mr. CARTWRIGHT. I yield for a brief question.

Mr. HOOK. I have noticed the chart which the gentleman has placed in the RECORD. Will the gentleman explain on what basis the funds are distributed to the different States?

Mr. CARTWRIGHT. That is a very fair question. I may say that the basis on which the funds are allocated is seven-eighths public aid and one-eighth population as under the N. R. A. Act, section 204, which is referred to in the amendment. For the elimination of dangerous railroad crossings the allocation is one-half population, one-fourth mileage Federal aid, and one-fourth mileage of railroads.

Mr. JOHNSON of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. CARTWRIGHT. I gladly yield to the my colleague from Oklahoma.

Mr. JOHNSON of Oklahoma. I may say that the distinguished chairman of the Committee on Roads recently placed in the CONGRESSIONAL RECORD a statement showing what each State will receive under his amendment.

Mr. CARTWRIGHT. I thank the gentleman for calling attention of Members to that. That information can be found on page 6427 in the Appendix of the daily CONGRESSIONAL RECORD of May 21. Incidentally Oklahoma will receive $3,490,000 under my amendment.

Mr. Chairman, I do not believe we should give a blank check to any bureau or individual. [Applause.] I think that we, as Congressmen who come from the "grass roots", know more about what the people of our respective districts want and need than one man or any bureau chief in Washington. [Applause.]

Our highway system is not finished. Our total road mileage in round numbers is more than 3,000,000. More than 2,000,000 of those miles are unimproved as against 1,000,000 miles of roads that are improved and only 175,000 miles of which are hard surfaced. So you see we have merely scratched the surface in road building.

The trunk highway systems of the 48 States need completing. Inferior and faulty roads must be reconstructed to meet safety standards. Thousands of miles of light-traffic and farm-to-market roads must be built.

Rural sections need improved roads. The lack of good year-round, all-weather, farm-to-market roads is greatly retarding agriculture. This is the place where we can help the farmer. The farmer must have good and safe roads over which to haul his produce to market. Forty-two percent of all our farms are on mud roads and more than 5,000,000 motor vehicles are on the farms of the Nation and farmers use 26 percent of all trucks in operation today.

The building of much-needed secondary roads will also expedite the delivery of rural mail. Total R. F. D. mail-route mileage in the United States is 1,359,840, half of which is unimproved.

Added highway construction will also promote educational progress. There are 17,000 consolidated rural schools, operating 70,000 busses over 700,000 miles of highways, carrying more than 2,500,000 children, each and every day of the school year. Additional good and safe roads are urgently needed to carry these precious loads.

[Here the gavel fell.]

Mr. CARTWRIGHT. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

Mr. WOODRUM. Mr. Chairman, if the gentleman from Oklahoma asks for 2 additional minutes, I shall not object.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. CARTWRIGHT. We have other advantages, my friends, by having this money expended this way. The State highway departments have technical advisers, experienced supervisors, projects already approved, and machinery set and ready to go.

The administrative organization for the expenditure of this $150,000,000, namely, the United States Bureau of

Public Roads, and the State highway departments are equipped to handle this expenditure practically without additional expense.

This statement is made to refute a suggestion which has been made that administration or accounting offices would have to be set up in the various States for the expenditure of this money, at a cost of several million dollars. That is bunk. [Applause.]

The present administrative set-up has adequately handled over a billion dollars of emergency Federal road money since the relief work started, with a minimum of engineering and administrative expense—about 1.2 percent.

What is more impressive is the fact that the State highway departments are better organized today than they were 4 years ago and are in a position to take care of more work with greater efficiency than ever before in the history of highway building.

Mr. Chairman, I sincerely hope this amendment is incorporated in the relief bill. I do not see how anyone can object to this money being equitably distributed among the States. We are asking no increase in appropriations, nor do the States have to match. We believe it is just a matter of getting the most for the people's money that will be spent, anyway.

In conclusion, Mr. Chairman, it should be a source of great satisfaction to all to realize that funds expended for good roads not only give employment in practically every county in the United States but add to the permanent wealth of every community. The work is being supervised with economy and integrity, which should be a source of great satisfaction to the taxpayers as well as all high-minded citizens. I hope and trust this amendment prevails. [Applause.]

Mr. WOODRUM and several other Members rose.

The CHAIRMAN. The Chair recognizes the chairman of the subcommitee, the gentleman from Virginia [Mr. WOODRUM].

Mr. WOODRUM. Mr. Chairman, I ask unanimous consent that all debate upon this amendment and all amendments thereto close in 30 minutes.

The CHAIRMAN. The gentleman from Virginia asks unanimous consent that all debate upon this amendment and all amendments thereto close in 30 minutes. Is there objection?

Mr. McCLELLAN and Mr. WOLCOTT and several other Members reserved the right to object.

Mr. CANNON of Missouri. Mr. Chairman, I would like to have 5 minutes.

Mr. WOODRUM. Mr. Chairman, I have no doubt the Chair will recognize the distinguished gentleman from Missouri under the 5-minute rule.

Mr. CANNON of Missouri. Mr. Chairman, a parliamentary inquiry. Would the committee have the right to close the debate?

The CHAIRMAN. Surely. Is there objection to the request of the gentleman from Virginia that all debate upon the amendment and all amendments thereto close in 30 minutes?

Several Members rose, reserving the right to object.

Mr. WOODRUM. Mr. Chairman, I move that all debate upon this amendment and all amendments thereto close in 30 minutes.

The motion was agreed to.

Mr. KNUTSON. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

In line 20 of the Cartwright amendment, strike out the period, insert a colon and the following: "*Provided*, That in the construction of secondary or feeder roads and farm-to-market roads preference shall be given in employment to farmers owing the Federal Government for feed and seed loans made under authority of Congress."

Mr. KNUTSON. Mr. Chairman, the purpose of this amendment is merely to give preference in the construction of secondary and farm-to-market roads to farmers who owe the Government for feed and seed loans. It is very much needed out in the drought area and I appeal to this generous majority to adopt the amendment.

Mr. McCLELLAN and several other Members rose.

The CHAIRMAN. The Chair recognizes the gentleman from Arkansas [Mr. McCLELLAN], in opposition to the amendment.

Mr. McCLELLAN. Mr. Chairman, we have seen here this afternoon a very good sign. Again Congress is willing and ready to assert its authority and its prerogatives. You know we have been spending a lot of money. Within 2 or 3 months after I came to Congress the $4,800,000,000 relief bill came up for consideration. I supported it then with some reservation. Conditions were different then from now. We have come a long ways from the emergency and distress of that hour, and I think now it is time for Congress to begin to select some of the projects upon which this money shall be expended. I heard the distinguished chairman of the committee in charge of this bill make the statement on the floor this afternoon that any earmarking of these funds is taking relief money away from those who are suffering today. I deny that. There are only two ways to provide relief. One is by an outright dole and the other is by providing jobs for those who are unemployed. I for one favor giving them jobs, and giving them jobs on something worth while. I challenge the chairman of the committee or any other Member of this House today to lay down any other program more extensive, more comprehensive, more worth while and more lasting than the three classes of projects we are voting amendments for here this afternoon. The first is for flood control, which is the need of the Nation today. The second is for more schoolhouses, which makes substantial contribution to education and the youth of America; and the third, that which this amendment provides, is for more and better roads, and there is no better way to meet the distress of this Nation than by providing jobs for the able-bodied on construction work of this character.

These three amendments earmarking these funds should be approved. The money will be expended under the regular and permanent agencies of the State and Federal Governments, and I think we can get better results in that way than we can by expending all these funds through emergency set-ups. Let me tell you something else. In most instances we are accorded the best of treatment and very courteous consideration by the various departmental chiefs, but there are exceptions, and I dislike to see Members of Congress vote appropriations and sign blank checks, and then have to go beg of some subordinate for a little bit of the money for a work project in his own district. I am tired of it. [Applause.] We are the representatives chosen to express the will of the taxpayers of this Nation, and my people want flood control, better schools, and improved roads, and I propose to exert every influence I have here to spend money for the purposes that they approve.

No; this amendment will not wreck the relief program. Listen to this! Secretary Wallace in a national hook-up radio address, speaking on the subject of roads on May 11 this year, said:

Road building is one of the best ways to spend Federal money in time of depression to take care of unemployment in a way to prime the pump and get things going again.

And further said:

Yes; roads undoubtedly rank with C. C. C. camps as one of the best ways of meeting unemployment in time of depression.

We are not wrecking the program. We are providing employment to the greatest number possible on worth-while projects of substantial value, and distributing this relief money equitably. Every Member should join with us in this fight to earmark these funds and thus assume the responsibility of saying how relief funds shall be spent. [Applause.]

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. REED of New York. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment offered by Mr. REED of New York to the amendment offered by Mr. CARTWRIGHT: In line 9 of the amendment strike out "$25,000,000" and insert in lieu thereof "$50,000,000."

The CHAIRMAN. The Chair calls attention to the fact that this is an amendment in the third degree.

Mr. WHITTINGTON. Mr. Chairman, I make a point of order against the amendment.

The CHAIRMAN. The Chair is ready to rule.

Mr. REED of New York. Mr. Chairman, will the gentleman reserve the point of order?

Mr. WHITTINGTON. I reserve the point of order.

The CHAIRMAN. The gentleman from New York [Mr. REED] is recognized for 2 minutes.

Mr. REED of New York. Mr. Chairman, in a great many municipalities today grade crossings are simply human slaughterhouses. I have many in my district, and I have no doubt that other Members have many dangerous grade crossings in their districts. The fast trains are making better time each year. The streamline trains will soon increase the grade-crossing hazards. In some communities 40 or 50 people have been wiped out at these railroad crossings and within a comparatively short time.

When the previous relief bill was under consideration, I addressed the House urging that a sum be earmarked in sufficient amount to enable many of the localities where these crossings are a menace to get rid of them. Here is an opportunity to do so, but $25,000,000 is not enough. You will remember the terrible accident at Rockville, Md. The next morning the President issued a statement that he proposed to eliminate all the dangerous grade crossings in the country. We voted the money, but comparatively little was done about it. The cause of the tragedy at Rockville has not been removed. If Congress were to have its way, these death traps would be eliminated.

That is the reason I have offered this amendment.

[Here the gavel fell.]

Mr. WHITTINGTON. Mr. Chairman, I renew the point of order.

The CHAIRMAN. The Chair sustains the point of order, the amendment being an amendment in the third degree.

The Chair recognizes the gentleman from Arkansas [Mr. TERRY] for 2 minutes.

Mr. TERRY. Mr. Chairman, objection was made to earmarking this bill this afternoon, because it would do away with the relief program. I submit to the fairness of this House that the amendment now pending to provide for earmarking for road work certainly will do as much as any other kind of projects for the relief program. A large amount of the cost of roads is in the labor. It does not require that the labor be skilled, and every community can furnish its quota.

The bill which is now before us recognizes highways, roads, and streets as projects that will give relief, but the trick in the bill is that it says "not exceeding $415,000,000 shall be used for highways, roads, and streets." Under the phrase "not exceeding", it is entirely within the discretion of the W. P. A. administration to say whether or not one dollar or one dime shall be given to road projects. This House recognizes the great benefit from feeder roads, farm-to-market roads, roads for school busses, and highways, and we have the right, and we should exercise our right, to earmark this bill, for these roads will be a permanent benefit to the country and will at the same time afford the greatest amount of work for relief labor.

I urge your support of the amendment. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. MICHENER].

Mr. MICHENER. Mr. Chairman, if there has been a practical suggestion offered in connection with this legislation it is the Cartwright amendment now pending before the Committee. That amendment is the fruition of investigation and consideration on the part of the Roads Committee of the House. It is not a guess proposition. We know how well Federal highway funds are expended, and, if there is one agency in the Government that functions efficiently and, as a rule, impartially, it is the Bureau of Public Roads. I feel sure that every State in the Union is willing to trust its highway officials to spend this relief money on the roads in the localities where it will do the most good and furnish the most relief to the unemployed.

This bill makes available to the President for relief purposes the coming year a total of $1,723,000,000; that is, the bill calls for a new appropriation of $1,500,000,000 and reappropriates an unexpended balance of $223,000,000. I am opposed to giving the President, or any other individual, the right to spend this vast amount of money without let or hindrance on the part of anyone. The bill gives the President practically unlimited authority. He may use the money for direct relief or for work relief, and he alone is the judge.

Much of the language in this bill follows the language in the last emergency relief bill. It seems to me the days of "emergency" are over. On page 2 of the bill we do designate certain amounts for certain projects. Some call this earmarking. Literally speaking, it is not earmarking, because the bill provides that not more than a certain amount shall be used for certain purposes. This should be more definite. I hope, before the bill is completed, that it will be amended so that every dollar, insofar as possible, must be expended in accordance with the desires of the Congress rather than at the whim and dictation of Mr. Harry Hopkins, or any other administrator.

One thing about the bill I do like, and that is an effort is made to make this appropriation suffice for the 12 months, and not permit the expenditure of the whole sum within a few months, with the sure result of requested deficiencies before the end of the year. Then again, only projects can be undertaken which can be completed within the appropriation.

Now I do not want to be placed in the position of opposing any amount necessary for relief, and I make no such opposition. If we have needy people who must be cared for by the Federal Government, then it is our duty to provide the means as long as our money lasts. There is a difference, however, between needed emergency relief and using for other purposes appropriations authorized for relief.

I have heretofore objected to giving these blank checks to the President, and I insist that my fears have been justified. The expenditure of relief money to harness the tides at Passamaquoddy Bay, the expenditure of relief money to build a canal across Florida, the expenditure of relief money to lay keels for new battleships, the expenditure of relief money to build new irrigation and power dams, illustrate exactly what I mean. These projects were not authorized by the Congress; in fact, many of them were rejected by the Congress. Yet the Chief Executive, with this vast amount of money in his control, instituted, in the name of relief, these fabulous projects and undertakings, undoubtedly believing that once the projects were started and money tied up in them, it would be hard for Congress to refuse to continue appropriating funds for their completion.

This practice of the Congress making appropriations to be spent at the discretion of the President has gone about far enough, it seems to me. Do you realize that the discretionary appropriations made by the Congress between the years 1789 and 1933 amounted to but $1,687,000,000 and covered 30 administrations, while the blank checks given the Roosevelt administration in 4 short years total $15,428,000,000? It is time to call a halt. I am opposed to appropriating any large sums at this time without some earmarking and designation as to when and where the money is to be spent.

So far as the amount actually needed for relief during the coming year, that is a mere matter of conjecture. Mr. Hopkins guesses $1,500,000,000, and the President transmits that guess to Congress. The subcommittee of the Appropriations Committee considering this bill is the only agency, so far as I know, which has attempted to make any investigation as to the absolute necessities. The chairman of that subcommittee, the gentleman from Virginia [Mr. WOODRUM] is an outstanding leader of the New Deal in this body. At times I have violently disagreed with some of the New Deal philosophy with which he has gone along. I say "gone along"

because I do not feel that I am reflecting at all upon the gentleman when I intimate that at times his loyalty to the President has compelled him to pursue a course other than that which he might have charted for himself.

There should be no partisanship in dealing with relief. Therefore, considering the loyalty of the gentleman from Virginia to the administration, considering the fact that he conducted the hearings before the subcommittee on this bill, and is undoubtedly one of the best-informed men in Washington as to how this relief has been expended in the past, I surely cannot be charged with partisanship if I call to your attention that when the gentleman addressed the House on Thursday last, he demonstrated that $1,000,000,000 and not $1,500,000,000 should be authorized by this bill. Among other things, the gentleman from Virginia said:

I shall endeavor to demonstrate to the House the fact that $1,000,000,000 will be a liberal allowance for the real relief. Not a liberal allowance if you are going to keep hanging on at the public trough all of the relief racketeers, all of the political appointees regardless of their merit; not a liberal allowance if you want to continue as a matter of Federal policy all the idealistic and socialistic experiments; not a liberal allowance if you want to continue publishing and have laid on your desks books and stacks of books printed by all of these relief agencies; but if you want money to help the destitute and needy American citizens, if it is administered in that way, $1,000,000,000 is a large amount and an adequate amount for that purpose.

Understand, these are not my words, but the words of a distinguished New Deal leader from Virginia. He wants to furnish every dollar of relief necessary, but he has a heart for the people who must pay the bills. He has gone the limit to help the destitute and the needy.

What the gentleman from Virginia said was most forcibly reenforced and supported by that other outstanding Democrat, the chairman of the Foreign Affairs Committee, the gentleman from Tennessee, Judge MCREYNOLDS, who said, in part:

I say we should stand by this subcommittee. No man is better qualified to do the job of investigation, or as a man on this floor to fight the battles of the President of the United States, than the gentleman from Virginia [Mr. WOODRUM], and you know it.

I could continue indefinitely calling to your attention the testimony given in this debate by outstanding Democrats in opposition to the $1,500,000,000 appropriation. I do want to quote this statement of the gentleman from Indiana [Mr. GRISWOLD]:

It costs the taxpayer $172.80 to have $660 transferred from the blank check Congress has given Mr. Hopkins to the man on relief. This is not in reality a bill for the benefit of the needy. This is a bill to relieve the taxpayer of his money for the benefit of those who are not needy—for those who receive the $172.80 spread. They are the profiteers of relief.

That much of the relief money during the last 4 years has been recklessly and improvidently spent is, I think, denied by no one, and the time has come when this spending must cease. Maybe it was all right to try to prime the pump for a time, but we cannot continue this policy. We now have a national debt approximating $36,000,000,000. Of course, we cannot comprehend what this vast sum means, but we can reduce it to figures that we can understand. Prior to the World War our national debt was $13 for each man, woman, and child. At the close of the World War our national debt was up to $240 per capita. Then during the 10 years between 1920 and 1930, while our taxes were reduced five times, our per-capita debt was also reduced to $130. The spending in the depression has increased the per-capita debt so that today every man, woman, and child in the United States owes approximately $271. As has been pointed out, that means $1,080 for every family of four.

Of course, no one knows the exact number of the unemployed today, but the best evidence I can get indicates that the number is somewhere between six and nine million. We are told in one breath that the emergency is past; that recovery is here. In the next breath we are still urged to make the usual appropriation for the unemployed. Why is it that the cost of relief for 1934 was $2,154,000,000 and that the estimated cost for 1938 is $2,420,000,000—$266,000,000 more under what we are told is recovery than in the darkest days of the depression? Something is wrong somewhere.

We must at last concede that we cannot spend ourselves into prosperity. We must face the fact that the relief dollars have not been providently used. How is this condition to be remedied? I am convinced that the present system is wrong. The matter of relief and care of our citizens in times of financial adversity has heretofore rested upon the local communities, and we all know that the task was well done. Neighborhood responsibility means much in a democracy. Neighborhood pride and friendship and good neighborliness on the part of our several communities have heretofore seen to it that there was no starvation in our midst. The recent world-wide depression was so stringent, so general, and so far reaching that some of these local communities were, for the time being, unable to give the help that was needed. As a result the Federal Government stepped in. No one thought for a minute that the Federal Government was in this field in a permanent way. The very legislation itself declared the contrary.

However, after 5 years of spending, we are still in the field of Federal relief, and Harry Hopkins, the Federal Relief Administrator, stated before the committee that it was his opinion that the Federal Government was in this activity to stay. Can it be possible that from now on to the end of time the Government at Washington is to provide relief to all of our local communities? I repudiate any such doctrine and condemn the statement of any emergency bureau chief who attempts in this way to carry on these bureaucratic activities. Where relief is necessary let us provide it, but let us get out of the business as soon as possible.

The folks back home have begun to realize that in the end all taxes come from themselves. Uncle Sam has no money other than that which he takes from the people in taxes. These taxpayers are now demanding that this spending be terminated, and that the communities be again asked to rely somewhat upon their own resources.

No one denies that there must be some Federal relief during the coming year. It is just a question as to how it is to be furnished. I believe that a vast majority of our people would prefer to have the administration of this relief returned to the States and the local communities. I believe that the States should contribute toward the relief. As to the amount, that is difficult to say, but no State in the Union today is unable to carry at least 25 percent of its relief burden for the next year. The Federal Government contributes to the building of good roads in every State, and this plan has worked well. This Federal money has been spent to the advantage of all our people. The supervision and overhead are taken care of by the States. The same principle should be applied to our relief problem. The Federal Government, if necessary, should contribute, but the States down through the channels to the county supervisors, and through the municipal authorities, should administer the funds provided. Of course, as stated by the gentleman from Virginia, that will cut out a lot of political jobs. Just take your home State, your home county, and your home town, and, as a rule, you will find that those administering relief through W. P. A. are not on relief. Many cases have been cited here where those administering relief are holding other jobs—do not need assistance—but, because of political preferment, are favored at the expense of the fellow in real need, for whom Congress appropriated and for whom the taxpayer gives up his dollars. My attention was called today to a case where a State administrator is a trustee in the reorganization of a large corporation, for which he receives thousands of dollars a year, and, in addition, he is State administrator of W. P. A. at a salary of more than $4,000 a year. Now that $4,000 is charged up as "relief."

Who is there among us who does not realize that the best manner of handling relief in the city of New York, for instance, is vastly different than handling the same problem in a rural district in the State of Kansas? No Washington agency can possibly know as much about these local conditions as the people who live there and who are a part of the community. Then why not do away with this Wash-

ington supervision and expense, and turn over what relief money the Federal Government is going to contribute to the States, to be handled under State supervision?

I shall vote for every reasonable amendment offered to this bill to earmark this appropriation. The Congress must vote to raise the tax and the people expect the Congress to know where and how the money is spent. Of course, Mr. Hopkins, the Federal Administrator, as well as the President, does not want any interference on the part of the Congress. All they want is a signed check for a billion and a half dollars. So far in the consideration of this bill, the Congress—for the first time in months, even years—has shown some sign of returning independence. We have earmarked by amendment some of these funds so that worthy projects which have been approved by local communities, and which will furnish employment for the needy, will be sure to receive consideration. This is not boondoggling. Where the P. W. A. has promised grants to municipalities, these municipalities having complied with the terms of the grant, where schoolhouses and other worth-while things are undertaken—here are good ways to spend our relief money and give employment to those in the community out of employment. Of course, all relief work is expensive work and that is why we should get rid of it as soon as possible.

I have, within the last 2 days, received a large number of telegrams from villages, cities, and those interested in P. W. A. projects in my congressional district. I am sure all of these people favor the curtailing of public spending and the balancing of the Budget. However, the feeling has grown up in the land that Congress is going to continue to spend, and that it is just a question of every community getting its hand into the grab bag. For instance, at the village of Parma, Jackson County, Mich., as reported by the Parma News, they had a meeting the other night to discuss the possibility of getting a Federal grant in the construction of a water and sewer system. The principal speaker, the mayor of an adjoining city, among other things, said:

> It doesn't matter whether we like this type of Government relief or not, or whether we agree with the various set-ups—it is the order of the day and the money is going to be spent. The President is asking now for an additional billion and a half dollars for this type of work.
>
> You and your children and grandchildren are going to have to help pay back this money whether or not you get any of it for your community, or whether you like it. The money is being spent and if Parma doesn't get some of it and have something to show for the huge expenditures, other communities are going to do so.
>
> My advice to you is to go after several of these projects and have something tangible to show for the taxes you are going to have to pay.

Now that psychology must come to an end, and it is up to the Members of Congress to take the lead and make the people understand just what the situation is. Let us stand firm and if this bill goes to the Senate let it be so amended that as much as possible of the money will be used for the benefit of the people—those who pay the taxes as well as those receiving the relief. We are told that at present 39 percent of every relief dollar goes for administration, therefore the person intended to be helped gets but 61 percent. No such condition would prevail if the local authorities administered relief. If relief is necessary, it must be provided. The American people will approve the expenditure of the last dollar in our Treasury when required for honest relief, and by the same token they will and should drive from public life those who would waste the substance of the people in times like these.

The CHAIRMAN. The Chair recognizes the gentleman from Nebraska [Mr. LUCKEY].

Mr. LUCKEY of Nebraska. Mr. Chairman, we have an opportunity here to authorize an appropriation of money for a worth-while project. The people in my district and out in the Great Plains section are sick and tired of appropriating money for all kinds of boondoggling jobs. Here we have got something worth while; something that will be of practical benefit to our farmers and to all those who use public roads. We have thrown away money on some of these big-building projects, such as the nearby Greenbelt project, where we have not received 50 cents on the dollar for our expenditure. Under the amendment offered by the gentleman from Oklahoma [Mr. CARTWRIGHT] this money will go to the various States and will be expended under State machinery, which will work in a real, practical way, so that we will get 100 cents on the dollar.

I am heartily in favor of the amendment. I am opposed to giving Harry Hopkins or anybody else a blank check to spend billions of dollars without this Congress knowing what it is going to be spent for. [Applause.]

[Here the gavel fell.]

Mr. JENKINS of Ohio. Mr. Chairman, I wish to compliment and congratulate the author of this amendment in the splendid way in which he has drawn it and the splendid way in which he has defended it. May I say for the benefit of those who have not been in Congress long that this amendment does not involve any new principle? The language of this amendment is well drawn. It is the same language that we have used in road bills for years, and nobody need have any fear in voting for it because it takes care of every class of roads and road improvements in the usual language.

Mr. Chairman, I am glad to add my voice to that of those who support this amendment. [Applause.]

The history of the development of Government assistance is an interesting one. It is a gradual growth, as many other governmental participations have been. At first many of the States were vigorously opposed to any governmental participation for the reason that they maintained that the matter of road building was absolutely a matter for the States, and that the Government had no right to use its resources for road building. Gradually and principally with the coming of the automobile it became apparent that roads were being used more by people who did not live in the immediate community than by those who did live in the immediate community. This brought up the agitation in favor of compelling those who live in a wealthy, populous State should help maintain the roads in a State of large area but of small population and of poor appraisal values. At first the Federal Government was limited to main market roads and to a certain limit per mile. It was also limited according to three factors: First, population; second, area; and third, number of miles of roads in the State. When we came to draw the National Industrial Recovery Act, we of the Ways and Means Committee added a paragraph to the law providing $400,000,000 for a road-building program.

The law provided that this money should be allocated to the States in the following proportion: First, the first 12½ percent should be divided among the States according to population; and the remainder, 87½ percent, should be divided among the States on the basis of population, road mileage, and area, as I have already stated. We who had for years been making a fight to have a part of the Federal contribution used for county roads had a provision placed in this bill to the effect that "not more than 25 percent" should be used for county roads, such as school bus routes and rural mail routes. When they came to make the allocations they paid no heed in many States to this provision, for it was a maximum provision, and they could refuse to use any of this money for that class of roads and still it would be "not more than 25 percent." The following year in the next session of Congress we went after this matter in earnest and changed the law to read "not less than 25 percent" should be used on these county roads. We were again thwarted by those interests which were primarily interested in heavy road construction and who were not interested in the improvement of county roads. They were able to win their points with the State highway directors in many States. They adopted a very simple plan to defeat this program. You will note that the language of this amendment provides for school bus routes and rural mail routes. Of course, school routes and mail routes emanate frequently from large towns and oftentimes from large cities. They maintained that those portions of the highways near the cities and towns were part of rural mail routes and school bus routes and consequently were entitled

to receive improvements from this 25-percent fund. Although this was clearly contrary to the spirit of this law, yet the highway directors in many States winked at the spirit of the law and permitted these high-powered roadmen to thwart our plan. We have kept after this plan just as we are doing here today, and I am glad to say that we have whipped them out in many States. We must eternally keep on our guard, however. We have shown the country rural people what we have been doing, and they are rallying to our support. If you will permit a personal allusion, I can say that this whole movement originated in my district out of the agitation of a strong, intelligent organization of rural mail carriers assisted by a very intelligent county engineer. I have always been proud of the way Congress has assisted us in this fight. I know this amendment will pass by an overwhelming vote. [Applause.]

The CHAIRMAN. The gentleman from Michigan [Mr. WOLCOTT] is recognized for 2 minutes.

Mr. WOLCOTT. Mr. Chairman, the purpose of all relief legislation is to give employment. I call the attention of the Members to the testimony of Mr. MacDonald, not only a very estimable gentleman, but a very efficient head of the Bureau of Public Roads. In testifying before the Roads Committee as to the amount of employment provided by the building of highways he told us that after the distribution of profits, interest, rents, and depletion that $910 of every $1,000 goes for salaries and wages. If there is any question or doubt in your minds as to whether we should do away with administrative costs in the giving of this relief, I think this is one of the best arguments that could be used as to why this amendment should be adopted. This does not increase the appropriation. The States will not have to match it. It is the unanimous opinion of the Roads Committee that this amendment should be adopted.

I call the Members' attention to page 6427 of the daily CONGRESSIONAL RECORD of last Friday, on which is a table showing the amount which each of the States will receive in allocation for these three purposes if this amendment is accepted. Let me call attention to a few of them. Under the plan of this amendment we know that relief is going to be given to this amount. It is not a matter of whether the Administrator of Public Works or W. P. A. wants to give it, we know that this amount is definitely allocated for this purpose under the Highway Act or under section 204 (B) of the National Industrial Recovery Act: For example, Ohio will get $5,958,000. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The gentleman from Wisconsin [Mr. O'MALLEY] is recognized for 3 minutes.

Mr. O'MALLEY. Mr. Chairman, as a member of the Roads Committee, I add my support to the amendment introduced by the chairman of our committee. We in Wisconsin know from actual experience that more people are employed per $1,000 upon a road project than upon any project that has been yet invented by some of the gentlemen who do the project inventing. This is one way through which we can place this relief money into the hands of the greatest number of people. While I admit that some of the people in charge of the W. P. A. projects may not agree with me that Congress should decide how relief money should be spent, yet the fact remains that we can take care of more people through road-building projects in place of ballet dancing and some other artistic endeavors. Furthermore the road workers get their money every week and are doing something that will add permanently to the economic wealth of every State that is represented in this House.

Mr. Chairman, I hope that we will earmark this bill so that roads and highways will get some money. If we adopt this amendment nobody down at W. P. A. or any other place can prevent this use of the money for needed projects that will save lives and give livelihood to many heads of families who have no special trade. Any man can work on a road. It is a necessary and intelligent use of relief money and needs no starry-eyed idealists to manage the job.

Mr. LUTHER A. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. O'MALLEY. I yield.

Mr. LUTHER A. JOHNSON. How will the money be expended if earmarked? Will it be allocated by the Bureau of Public Roads to the States?

Mr. O'MALLEY. It will be expended by the different State highway departments. It will be allocated under the same methods that have always been used, on the basis of road mileage, railroad mileage, and population.

Mr. LUTHER A. JOHNSON. That is one of the fairest ways that has yet been devised of distributing such money.

Mr. O'MALLEY. That is one of the fairest ways ever devised, and that is the way this Congress has been distributing such money since 1916 when the first Federal aid highway bill was passed. I trust the House will adopt the amendment. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The gentleman from Nebraska [Mr. STEFAN] is recognized for 3 minutes.

Mr. STEFAN. If you will vote for this amendment you will have the everlasting thanks of every farmer in your districts. [Applause.]

The building of farm-to-market roads has brought more good will to this administration than anything it has done in the way of expending money for relief, and I say this from the standpoint of one who comes from a farm district.

I urge that you vote for this amendment, that you earmark this $150,000,000 for this purpose. I wish it all could go for farm-to-market roads.

Mr. DOWELL. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield.

Mr. DOWELL. In addition to furnishing market roads to the farmers, it is going to furnish the laborers with an opportunity to earn money to support themselves and families, and the money will result in the accomplishment of as much real good as if spent in any other way.

Mr. STEFAN. That is the purpose of this amendment, to provide work relief. The purpose of the entire bill should be to provide actual relief. Money spent on farm roads will bring greater returns than any other form of relief activity.

Mr. Chairman, in the industrial East, according to all information I have at hand, the depression is pretty well over; but out in my district of Nebraska the depression is not yet over and we still need the helping hand of the Federal Government to keep unemployed people at work. There have been many amendments offered to this relief bill. Some Members think that the President's recommendation for $1,500,000,000 is too much. Others believe it is not enough. This House has now taken the stand that the figure suggested by the President is about right. So it becomes my duty to call your attention to conditions which exist in my district, where some government aid must continue. I am like many other Members of this body regarding the cost of relief. It is disappointing to me that the relief work gets but 61 cents out of the relief dollar. I now make the plea to the administrators of this relief money to eliminate much of the overhead in order that the relief dollar goes where this membership intends and expects it to go—to the man and woman in need of the relief. I for one believe that the overhead cost of relief is too high. People who are on relief are objecting to the high cost of this relief. Those in my district who are forced on relief have complained to me that it is wrong to pay high salaries from this relief fund to people who are well off financially and who are drawing these high salaries from the people's relief funds. I hope that some of the amendments which we have inserted in this bill will take care of this objectionable phase of relief and that the amendments will result in the elimination of much of the overhead cost. This, I believe, will result in bringing more money to those unfortunate people who still must remain on relief to earn money with which to buy food and clothing for their families.

I have no real objection, Mr. Chairman, to giving our executive branch of government the power to administer these relief funds. I know the task has been difficult, but certain conditions exist now in my district which lead me to believe that this legislative branch should now earmark some of this money in order that we will know just how it is going to

be spent. I say this, Mr. Chairman, because I feel that the people I represent want some of these funds earmarked. I feel that if I am to represent these people who pay this relief money and the people who are forced to accept it, I must do everything possible to legislate fairly and work toward the end that all of this money is spent wisely, economically, and that it goes where it is intended to go. I do not want one penny of this money to be used for any purpose other than the purpose intended—actual relief. The people in my district are not proud to be on relief rolls, but most of them have been unable to help themselves. We felt the depression last because we represent the greatest farm district in the world. When we have crops we have good times. All of the people in my district depend upon the farmer for their living. The merchants, professional men, the railroads, everybody, depends on this real producer and customer—the farmer. After the depression came we had droughts and crop failures. Even today hundreds of farmers are leaving their lands. We are 50 percent on moisture today. Hundreds are going and have already gone to other States. Thousands of acres of tillable land will lie idle. Hundreds of farmers and farm workers have gone to our towns and cities. The counties and towns and cities have been taxed to the utmost by the increasing population which was driven from the farms to the towns. Relief loads gained by leaps and bounds. Federal relief for feed and seed came very slowly, and even today it is not satisfactory. Government agents furnish me with lists of figures from most of my counties to show that many people have left the land because they had no money with which to buy feed for livestock nor seed to plant in the ground. We have had some rains in the district during the past few months but the subsoil is still dry. I am not so optimistic for the future out there. If we do not get a crop this year, Mr. Chairman, I do not know what thousands of farmers are going to do. So you see the need to be on the alert for emergency relief and the need for a proper program of earmarking so that any emergency can be met.

A billion dollars for this year might have been enough to carry out this program if we could eliminate much of the overhead and waste in relief administration. But we have settled down to the original figure of $1,500,000,000. Mr. Chairman, none of us here can realize how much money this is. None of us could really count that much money. It is a fund which attracts everybody. Let us guard it because it represents the taxes we have taken from the people. Outside of the little money we receive from the customs, all the money we have to run this Government and all its functions is the money we take from the taxpayers. We know that we are spending $2 for every dollar we collect. We know that our national debt is reaching close to the $40,000,000,000 mark. We begin to realize that half of everything we eat, wear, feel, or see is represented in interest and taxes. The people in my district know this. So I plead again for safeguarding this gigantic sum of money which represents the taxpayers of America.

Mr. Chairman, I have joined other members of the House Committee on Roads, of which I am a member, to earmark this huge fund for a total of $150,000,000 for roads. Our committee has included in this $50,000,000 for farm-to-market roads. This is a praiseworthy cause because the building of farm-to-market roads or feeder roads is more necessary today than the building of great trunk tourist roads or superhighways. I realize that the Cement Trust, the Steel and Bridge Trusts are not so favorable to farm-to-market roads because we do not use so much of the materials they sell. This material is represented in these superhighways. So our committee is pleading with you and I join them in this plea, that we earmark this fund for roads. I hope that those of you who favor farm-to-market roads will see fit to use the entire $150,000,000 for farm-to-market roads. We have built numerous of these farm-to-market roads in my district. We have many, many more to build before all of our farmers will be actually out of the mud and in a position to reach these superhighways in all kinds of weather. That should be our objective here today. That will give many men work. It will take care of most of the relief problem.

Whether or not there is any specific earmarking of these funds for expenditure on future public-works projects, I feel that the Federal Government should not now abandon those communities that have already substantially acted in reliance upon the at least implied invitation of the Government, and I feel that we should now protect these communities by voting specific funds sufficient to enable them to carry their projects to completion. I speak of and in behalf of municipalities, school districts, and so forth, that filed their orginal application months and even in excess of a year ago. In many of these cases, the applications have been fully approved in the district P. W. A. offices and there are actually existing cases in my district wherein the application has been approved in Washington but without allotment. According to the present situation and unless we provide the money, specifically, here and now, allotments are not likely to be made even in those cases where procedure has been absolutely completed all the way up to allotment. The disappointment of the sponsors at the failure of their projects when in sight of success is one thing. The action of the Government in abandoning these sponsors after the latter have contributed their share of the bargain is quite another and more serious matter. These sponsors have gone to substantial expense incident to the submission of their proposals. Some of the municipalities in my district have held special bond elections and through such elections have produced overwhelming community support for their projects, relying upon the Federal Government to stay with them following the time that they had done their part locally. It cost them money, time, and effort to do this. It is, of course, well known that these communities can ill afford to lose anything of value. Let us avoid the travesty of causing them to lose what they have invested in an effort to participate in the recovery program. They have relied upon us. We should keep faith with them. [Applause.]

The CHAIRMAN. The gentleman from California [Mr. FORD] is recognized for 3 minutes.

Mr. FORD of California. Mr. Chairman, I have consistently voted against every amendment offered to this bill, and I shall continue to do so, for the simple reason that we voted the other day for $1,500,000,000 for relief purposes to be spent by the regular relief agencies. When you come here and cut this bill up, as you are doing today, you are endangering its getting by the President, you are endangering it in the Senate, and you are endangering every phase of it. I say you have made this not a relief bill but a "pork barrel" bill. [Applause.]

Let me add this: I am in accord with the purposes of every amendment offered if they come to us in individual bills; but I repeat that these amendments as adopted so emasculate this relief bill that its original purpose is completely defeated.

In the course of the debate on this resolution, when an attempt was being made to persuade the House to limit the relief appropriation to $1,000,000,000, we listened to some very eloquent appeals by those favoring the $1,000,000,000 sum. One appeal in particular was predicated on the proposition that continuing relief tended to destroy the morale of the recipients, making them wards of the Government, and thus breaking down that rugged individualism that has, ostensibly, meant so much to our ideals of liberty which have contributed so much to our national greatness.

This is a philosophy with which I am in total disagreement. For the reason that in a great crisis, such as we faced in 1933, if the Federal Government had refrained from rendering aid to the individual in order to preserve that morale that is supposed to be a concomitant of individual liberty, the Government would have been preserving the individual's liberty, sure—his liberty to starve, to lose his home, to walk the streets, head high, shoulders thrown back, but taking a hitch in his belt every 10 steps, and,

looking starvation in the face, boldly crying out, "I stand for liberty, liberty to starve, because I am a rugged American individualist."

Because that is one type of liberty that I do not want labeled American, I opposed the one-billion appropriation and voted for every amendment designed to increase it.

And because I believe that the one billion five hundred million is too low, I am opposed to further cuts in it by the earmarking process.

If the P. W. A. needs more funds—and I agree that it does and should have them—let Congress provide them in a special appropriation, and I will vote for that. If good roads need more funds—and I agree that they do—let us provide them, but not at the expense of the relief appropriation. If flood control needs more funds—and I agree it does—I will vote for that.

In the words of the distinguished gentleman from Virginia, let us not get hysterical on the subject of economy.

Humanity is far more important. At least, I believe it is, and, so believing, I want the relief bill left intact.

Mr. CANNON of Missouri. Mr. Chairman, the speeches which have been made in the last half hour indicate a wide misapprehension as to the effect of this amendment. Let us consider a minute what will be the situation if we agree to this amendment and what will be the situation if we do not agree to the amendment.

If we do not agree to the amendment, we will spend this money for farm-to-market roads as we have been spending it in the last year according to a program under which we employed 2,280,000 people and built thousands of miles of farm-to-market roads.

If we agree to the pending amendment the money will be spent under a program which this year employed 37,000 people and will give us a comparatively few miles of primary roads, feeder roads, and grade crossing. Under the bill as it stands we will continue to build serviceable gravel farm-to-market roads, employing the farmers and their teams, and linking their farms with the great primary systems. Under the amendment the money will be turned over to the State highway commissions, who will build monumental concrete primary roads and grade crossings, in which most of the money is spent for material and skilled contract labor, and the farmer will have neither employment nor roads. During the past year we have built thousands of miles of farm-to-market roads the highway commission refused to build.

We have built thousands of miles of rural roads on which the highway commissions, even if they could have been prevailed upon to build, would have charged more for the blueprints and engineering than the Relief Administration used to build the entire road. As a result, we have in every rural congressional district in the United States farm-to-market roads you would not have had if the State highway commissions had been in charge.

I do not have to call this to the attention of the country Congressmen here. Every one of them knows that the best spent money for relief in their districts is the money spent for the gravel and labor on these farm-to-market roads.

The farmers of your district would not have a mile of them today if there had been an amendment like this in the last relief bill. You would not have a single mile of them if the money in the last relief bill had been turned over to the State highway commissions as provided in this amendment.

Someone said just now that he was tired of going hat in hand to ask for projects.

Mr. Chairman, just let him try going to his State highway commission for one of these farm-to-market roads. They would not build one of these roads we have been giving the farmers all over the United States this year to save your immortal soul. They would not build any road in which a large part of the money did not go for engineering and blue prints and the remainder for material and skilled labor. Now, I am not objecting to that. When they build a road it is built right. But we have provided $165,000,000 for such roads in the agricultural appropriation bill and an authorization for $214,000,000 more. We have provided more for such roads this year than ever before. But the bill before us is a relief bill. We want this money used to pay farmers for labor and teams and we want it used to build farm-to-market roads the highway commissions will not build.

Now, if you have any doubt about how this money will be spent if you pass this amendment read the law it specifies. How many of you have read section 204 (b) of the National Industrial Recovery Act under which this amendment proposes to spend the money? Not one out of a hundred of you have read it. It takes the employment away from the farmers and their teams and gives it to contract skilled labor. It takes it away from gravel and spends it for concrete and steel. It takes away the road from the farmer's gate to the highway and puts in another peacock highway for interurban traffic. It is unfortunate that the farmers who were saved last year and were able to feed their families and their stock with money spent on these roads do not have a chance to vote on this amendment.

Go back to your districts and look at the roads that have been built this year by the relief administration. We have been building roads in my county and my State that we begged the State highway commission for years to build, and they laughed at us. Mr. MacDonald, the Director of the Bureau of Roads, testified before our committee that he would not approve the building of any road that cost less than $7,500 a mile. How many miles of roads could you build to the farms at that rate? And how much employment would the farmer get out of it?

Mr. Chairman, we have provided money for the State highway departments. We have provided money for primary roads and grade crossings and feeder roads and for the concrete and steel and skilled labor entering into their construction. We are providing in cash and authorizations at this session of Congress the greatest amount ever provided for the purpose in the history of the Nation. And still they are coming here now and wanting to crowd into the relief lines and take away the small amount we have provided for the farmer and his teams and for a practical common-sense gravel road to get his crops from the farm to the slab. It is unfair. It is unreasonable. And it defeats the purpose of this bill.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. KNUTSON] to the amendment offered by the gentleman from Oklahoma [Mr. CARTWRIGHT].

Mr. RANKIN. Mr. Chairman, I ask unanimous consent that the amendment be again read.

The CHAIRMAN. Without objection, the amendment offered by the gentleman from Minnesota [Mr. KNUTSON] will be again reported.

There was no objection.

The Clerk again reported the Knutson amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. KNUTSON] to the amendment offered by the gentleman from Oklahoma [Mr. CARTWRIGHT].

The question was taken; and on a division (demanded by Mr. KNUTSON) there were—ayes 51, noes 122.

So the amendment to the amendment was rejected.

Mr. REED of New York. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. REED of New York to the amendment offered by Mr. CARTWRIGHT: Line 9, strike out "$25,000,000" and insert in lieu thereof "$50,000,000."

Mr. WHITTINGTON. Mr. Chairman, I make the same point of order against that amendment.

The CHAIRMAN. Will the gentleman state the point of order?

Mr. WHITTINGTON. Mr. Chairman, I withdraw the point of order and rise in opposition to the amendment.

The CHAIRMAN. All time has expired. The question is on the amendment offered by the gentleman from New York [Mr. REED] to the amendment offered by the gentleman from Oklahoma [Mr. CARTWRIGHT].

The amendment to the amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma [Mr. CARTWRIGHT].

The question was taken; and on a division (demanded by Mr. WOODRUM) there were—ayes 165, noes 53.

So the amendment was agreed to.

Mr. RANKIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RANKIN: Page 2, line 15, after the word "including", insert the following: "electric transmission and distribution lines or systems to serve persons in rural areas, including projects sponsored by and for the benefit of nonprofit and cooperative associations", and then insert a comma.

Mr. RANKIN. Mr. Chairman, I ask unanimous consent that I may proceed for 8 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Chairman, this amendment which I am proposing authorizes the building of electric transmission and distribution lines or systems to serve persons in the rural areas, including projects sponsored by and for the benefit of nonprofit and cooperative associations. It does not allocate any specific amount for that purpose, but leaves it to the discretion of the administration to use as much of the $630,000,000 carried in this item as may be deemed necessary.

My amendment simply gives the administration the authority to do for the people in the rural districts what the bill authorizes it to do for people living in towns and cities. There is no reason on earth why the administration should have the right to build, or help to build, a municipal light plant or distribution system and not be permitted to aid rural communities in building electric lines to serve their homes.

The funds spent for this purpose will do more good, dollar for dollar, than any other expenditures provided for in this bill. It will employ just as many people for the amount of money involved as that used for any other purpose and will go just as far toward relieving unemployment. There will be poles to cut, peel, haul, and creosote. There will be rights-of-way to clear, holes to dig, cross arms to make, poles to erect, wires to stretch, and other labors to perform. In fact, I am not sure if it will not employ more laborers for the amount involved than would be employed by the expenditure of a like sum on any other project or projects provided for in the entire bill.

Besides, the money spent on these rural power lines will be a permanent investment that will yield untold dividends in the years to come. It will take to the farmer and his family the joys, comforts, and conveniences of city life without the attendant noise, strife, turmoil, extra taxes, and other expenses and demoralizing influences. It will greatly increase, if not double, the value of every farm by bringing light and comfort to the home, adding conveniences the farmer has never enjoyed before, and lifting the burdens of household drudgery from the shoulders of his wife and children.

It will turn many a drab farmhouse into an attractive home, stimulate the children's interest, and so strengthen the home ties that they will not want to leave it. In other words, it will keep the young people on the farm who are there now and will cause others to return.

We can never have a prosperous country with an impoverished agriculture. If this country is to be great, rich, and powerful in the years to come, we must have an enlightened, prosperous, and contented rural population that can have and enjoy all the blessings of this modern advanced electric civilization.

The greatest thing this administration could possibly do would be to electrify every farm home in the whole United States at T. V. A. rates. This amendment will go a long way in that direction. It will be the greatest step in that direction we have ever taken, and I hope it will result in the ultimate electrification of every farm home in America.

I should like to see at least $200,000,000 of this $1,500,000,000 used in building these rural power lines. Subsection (b), to which I am offering this amendment, carries an appropriation of $630,000,000 for parks, recreational facilities, public utilities, airports, conservation, work projects, and so forth. I submit that if we will take $200,000,000 of this amount and spend it in building rural power lines to the farmers' homes, it will do more good than all the rest of the entire $1,500,000,000 carried in the bill. It will add $20,000,000,000 to the Nation's wealth by increasing the value of farm homes, to say nothing of the untold blessing it will bring to the toiling masses who till the soil, from whose homes have sprung the great leaders of the past and from whose homes no doubt will spring the leaders of the Nation in future years.

Some of you gentlemen who are willing to spend money by the billions in the large cities of the country seem to think I am unreasonable when I ask that a reasonable proportion be spent for rural electrification. Well, you might as well get used to it. I have started in to electrify the farm homes of this Nation, and I am going to see that a provision of this kind goes into every one of these bills from now on or until we get an adequate amount provided for this purpose.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Kentucky. Is the gentleman going to vote for this amendment?

Mr. MAY. I think I shall. I may say to my friend the gentleman from Mississippi that he and I have rarely agreed on any of these electrical propositions.

Mr. RANKIN. That is correct.

Mr. MAY. However, I am a great believer in rural electrification, but the Government is getting the bad part of that under present management.

Mr. RANKIN. I hope the gentleman has been thoroughly converted. But he is wrong about the Government getting the worst of the bargain.

Mr. MAY. May I ask the gentleman whether we did not pass a bill in the last Congress known as the Norris bill which appropriated $50,000,000 for the R. E. A.? What are they doing?

Mr. RANKIN. If the gentleman will recall, the Norris rural electrification bill was referred to the Committee on Interstate and Foreign Commerce. That committee changed the measure by sticking into it a provision for loaning this money to private power companies. That one change almost wrecked the whole program. In addition to borrowing money to prevent cooperative associations from getting it, private power companies have been building "spite" lines to cut the rural territory to pieces and prevent the spread of rural electrification.

I am glad to say that since Mr. John M. Carmody has been placed at the head of the Rural Electrification Administration conditions have greatly improved. He is carrying out the real intention of the Norris Act and dealing with cooperative associations that are organized for the purpose of securing electricity for the people in the rural districts. Since that fact has become known to the farmers throughout the country the demands have far exceeded the amount provided in the Norris bill. The R. E. A. is now moving forward with this program as rapidly as their limited funds will permit. But they need this additional help.

Let me say to the gentleman from Kentucky [Mr. MAY] that I have probably had more experience with rural electrification than any other Member of the House. I know the difficulties this problem presents. Many communities cannot be reached at all under the strict provisions of the Norris Act unless they get help of this kind. Many counties can never be electrified without assistance.

Other nations spend large sums of money to build rural power lines to serve their farmers while we lag behind. Less than 10 percent of the farmers in the United States even have electric lights in their homes, while in Norway, Sweden, Holland, Switzerland, France, Germany, and even Japan more than 90 percent of their rural homes are electrified. That is what I hope to see in this country within the next 5 or 10 years. Here is the place and now is the time to begin. If you want to help the man who is doing something for himself, for God's sake vote for this amendment, and help to do something for the farmer, who is working out his own salvation and is not begging for a dole. [Applause.]

Mr. MAY. Have the regulations of the R. E. A. prevented that?

Mr. RANKIN. If the gentleman is familiar with the law, he must realize that there are many localities that cannot be reached without assistance of some kind. If the gentleman had been as diligent in trying to get rural electrification to his farm as he should have been, he would know that.

Mr. MAY. My home has electricity.

Mr. RANKIN. There is not 1 farmer out of 50 in the gentleman's district who ever sees an electric light except when he goes to town. His district is no worse than the rest of them. The same thing is true of every other district represented here, except for a few right around the large cities.

Mr. WOODRUM. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Virginia, the chairman of the committee.

Mr. WOODRUM. I may say to the gentleman that I feel the Works Progress Administration, perhaps, would have authority in any event under the language carried in the bill to do what the gentleman seeks to accomplish, but if it would not, the gentleman's language is permissive, and I have no objection to it.

Mr. RANKIN. I thank the gentleman from Virginia for withdrawing his objections. I hope every other Member will take the same course. I wish I could impress upon each and every one of you the importance of this amendment.

I know what rural electrification will do for the farmers. I have a cooperative power association organized in every county in the district which I represent, and I have devoted my time and energies to the task of getting these rural lines extended so as to reach every farmer possible.

I have before me reports from large numbers of them. I sent out a questionnaire the other day and have already received 89 replies. Of that number, 89 had radios, 81 had electric irons, 66 had refrigerators, 24 electric ranges, 56 electric fans, 11 washing machines, and other appliances in proportion.

I know there are some Members who think it is extravagant for a farmer to own a radio. But why shouldn't he? Nothing brings so much life, so much hope, so much joy, so much wholesome entertainment, so much splendid music, or so much of the news of the world at such small expense as does the radio. I hope to see one in every farm home in the United States. The radio uses so little electricity that you cannot even tell it on your bill; especially is this true when electricity is supplied at the T. V. A. rates.

I have three letters here, Mr. Chairman, which I have been given permission to insert in the RECORD. All of them are from farmers who are using T. V. A. power at T. V. A. rates. The first one is from a man who lives 6 miles from the railroad. He uses the following electrical appliances: Lights in his home, in his yard, and in his garage, a radio, electric iron, electric refrigerator, electric fans, electric toaster, electric waffle iron, and an electric pump. In the month of April he used 62 kilowatt-hours of electricity, for which he paid $2.36. Here is what he has to say:

> I am enclosing herewith completed questionnaire, together with my last month's electric-service bill. I believe it would be difficult to explain to you the degree of satisfaction which we are receiving from T. V. A. service. In other words, it is nothing short of complete satisfaction. The only complaint I hear is among those people who do not have the T. V. A. service. They are apparently in a mad scramble most of the time trying to devise ways and means that will bring cheap electric service to them.
>
> The T. V. A. program has done more to make life easy, added more comforts to our homes, inspired more hope, and stimulated more enthusiasm among our people of this section than all other developments in history.
>
> T. V. A. is a godsend to the rural development of our country. More homes are being constructed, old homes repaired, and the surroundings thereof beautified, all because of the added advantages for comfort and convenience through cheap T. V. A. service. Keep up your good work, bearing in mind that we are still with you.

Here is another one from a farmer who uses the following electrical appliances: Lights in his home, in his yard, and in his garage, a radio, an electric iron, electric refrigerator, electric range, electric water heater, electric fans, an electric heater, and an electric water pump. In the month of April he used 319 kilowatt-hours of electricity, for which he paid $5.69. Here is what he says:

> We are delighted with our T. V. A. It is by far the greatest convenience and the greatest help a farmer could have. We are enjoying it to the fullest. I never realized that anything could be such a wonderful help. The T. V. A. service has been all that could be expected, satisfactory in every respect. It means more to us and to our community than anything that has ever come our way. In fact it brings city life and conveniences to the country. For all of this we want to thank you. Your efforts were untiring. We shall always remember your services to us and your district.

Mr. Chairman, I have hundreds of letters of this kind from farmers who are being served with electricity at T. V. A. rates but I am only going to quote one more. Here is one from a man who lives 9 miles from the railroad, in a village that 3 years ago was without electricity. Today it has taken on new life. This man has lights in his home, and in his yard, he has a radio, an electric iron, and an electric washing machine. In the month of April he used 35 kilowatt-hours of electricity for which he paid $1.40. He writes me as follows:

> As to what I think of the T. V. A. and my views on this service, I am glad to state very frankly, that it is, in my opinion, the greatest help to the poor homes of anything that has been done through the New Deal. My property has been doubled in value and money could not buy the pleasure and happiness we get through this service. Had it not been for the cheap rates that we are getting, I could not have had lights, or any of the modern conveniences we now enjoy. Frankly, I prize the T. V. A. more highly than any other one thing that you have done through Congress in all your years of service.

As I said, Mr. Chairman, I could quote hundreds of similar letters from farmers throughout that section of the country who are now enjoying electricity at T. V. A. rates, but the unfortunate thing about it is that a great number of them are being left out because they live in sparsely settled communities or in areas that we cannot reach without help of this kind.

Adopt this amendment and it will start a movement that will ultimately result in the electrification of every farm home in America.

The amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi [Mr. RANKIN].

The amendment was agreed to.

Mr. SPENCE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. SPENCE: Page 2, line 21, beginning with the colon, strike out the remainder of the line and all of lines 22, 23, 24, and 25, all of lines 1 and 2 on page 3, and down to the colon in line 3, and insert in lieu thereof a semicolon and the following: "and (e) the Federal Emergency Administration of Public Works, the amount of the unexpended balances of appropriations hereinabove reappropriated."

Mr. SPENCE. Mr. Chairman, as this amendment simply has for its purpose the appropriation of the unexpended balances to the Public Works Administration, and as the substance of the amendment has already been adopted, I desire to withdraw the amendment.

The CHAIRMAN. Without objection, the amendment is withdrawn.

There was no objection.

The CHAIRMAN. The gentleman from Montana [Mr. O'CONNOR] offers an amendment which the Clerk will report.

Mr. O'CONNOR of Montana. Mr. Chairman, I do not believe there is much left to earmark, and I withdraw the amendment.

The CHAIRMAN. Without objection, the amendment is withdrawn.

There was no objection.

The CHAIRMAN. The gentleman from Washington [Mr. MAGNUSON] offers an amendment, which the Clerk will report.

The Clerk read as follows:

> Amendment offered by Mr. MAGNUSON: On page 2, line 19, after the word "professional", insert "and self-help."

Mr. MAGNUSON. Mr. Chairman, this is my first opportunity to speak to the House [applause], and I have sat here

and listened with a great deal of interest for about 4 or 5 months now, and I have sat here and listened to the debate on this relief bill with a great deal of interest during the last 2 days.

If I could put myself in the place of someone who knew nothing about relief, someone sitting in the gallery coming from some foreign country or from some unknown planet, I would come to the conclusion, after listening to all this debate, that we still have a lot of people who are unemployed that we want to help out, Republicans and Democrats alike, but we do not want to spend any more money than we have to.

With that in mind, I think this bill has overlooked one of the finest things in the whole relief program—the self-help cooperative program. I do not see any place in the bill where there is provision for it. Therefore I propose this amendment: All the money, as the gentleman from Montana has said, has been pretty well earmarked. The purpose of this amendment is merely to encourage the self-help programs. Do any of you know what they are? Well, I have heard the cry over here on the other side for 4 months, "Where are you going to get the money?" This is a familiar ring to most of you, and I wish the gentleman from New York would pay attention to this. Do you know that the self-help program, sponsored by the emergency relief, has paid back in goods $7 for every dollar put into them? [Applause.]

What are they? Well, I have here a report which states:

Their combined activities resulted in about 15,000,000 man-hours worked by October 31, 1936, with a conservatively estimated saving of $2,753,218 relief costs. Relief budgets have been reduced through these cooperative activities and some families have succeeded in removing themselves from the relief rolls entirely. Food, clothing, shelter, medical and dental services, etc., have been supplied through the effort of cooperatives instead of through regular relief channels.

On October 31, 1936, there were 182 active associations, with a membership of 10,029. However, it is estimated that over the total period about 30,000 participating families have benefited from these special grants.

By comparing the amount of grant funds expended with the value of equipment and inventories still available, it appears that the net cost of the program to date has been approximately $600,000. Comparing this amount with the value of benefits received by the members of self-help cooperatives through their participation, it appears that each Federal dollar used up in this program has helped to create benefits valued at nearly $7.

This information is taken from a letter from Mr. Udo Rall, Director of the Division of Self-Help Cooperatives, written to me on May 24 of this year.

This is not earmarking any money. Like the amendment of the gentleman from Mississippi [Mr. RANKIN], it simply provides that where these self-help projects are feasible, the Government shall go ahead with them; and I hope the gentleman from Virginia will have no objection to the insertion of this amendment in the bill.

Mr. WOODRUM. Mr. Chairman, we have no objection to the amendment.

The amendment was agreed to.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. STACK] offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. STACK: Page 3, line 16, after the word "funds", strike out the period, insert a colon and the following: "*Provided*, That in the event any municipality or political subdivision is unable to make its contribution toward the purchasing of material and other equipment for any project, the President or his agent may make such purchases as may be necessary in the carrying out of such projects in said municipality or political subdivision."

Mr. STACK. Mr. Chairman, today seems to be the acceptable time. Practically all amendments that have been submitted have been accepted and I hope you ladies and gentlemen will continue to do that until at least my amendment is passed. I happen to come from Philadelphia, a city of approximately two and a half million people. At this minute there are 67,000 relief cases in Philadelphia, representing approximately a quarter of a million people on relief. Fifty-one thousand of those have been certified as employables, and for the last 6 months $10,000,000 of the last relief appropriation bill have been set aside by the Works Progress Administration for projects that have already been O. K.'d by the Federal Government, but our city government in Philadelphia for some reason or other has not put up its ante.

Mr. BRADLEY. Mr. Chairman, will the gentleman yield?

Mr. STACK. Yes; I am glad to yield to my colleague from Philadelphia.

Mr. BRADLEY. Is it not a fact that in the city of Philadelphia the Republican city council for obvious partisan reasons and because they apparently wish to penalize the people of that city for having voted Democratic have refused to appropriate funds to commence these projects?

Mr. STACK. Possibly that is so, but regardless of whether it is so or not, we have in Philadelphia a quarter of a million people on relief and unless this amendment is passed, or some like provision, you may as well send your relief bill down the Potomac River as far as Philadelphia is concerned. I am here pleading for the people on relief, the needy, who want work and who cannot get it, because the sponsors back home or somebody else refuse to put up the ante that is absolutely necessary for the carrying out of any projects.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. STACK. Yes; I will be glad to yield to my friend from Pennsylvania.

Mr. RICH. Would not the administration give you money for relief this present year when they are handing out to everybody else? Why did not the gentleman get his?

Mr. DITTER. Mr. Chairman, will the gentleman yield?

Mr. STACK. Yes, certainly; I will be glad to yield to my distinguished friend and colleague.

Mr. DITTER. A distinguished colleague made the observation that the Republican council of the city of Philadelphia refused to provide funds. Does the gentleman know that a very substantial part of his relief workers went out of the city of Philadelphia into Delaware County, into Chester County, into Bucks County, into Montgomery County, and that largely his relief was taken care of in the adjoining counties, so that the municipality of Philadelphia really did not have to help them. We of the suburban counties were generous and provided all the necessary help.

Mr. STACK. Yes; and I appreciate that, and I thank the gentleman for giving us that help.

Mr. DORSEY. Mr. Chairman, will the gentleman yield?

Mr. STACK. Yes; certainly to my distinguished friend and colleague from Philadelphia.

Mr. DORSEY. The fact of the Philadelphia people on relief had to go to outside counties to get relief was caused by the local administration not sponsoring projects to Philadelphia relief people on the works relief, was it not?

Mr. STACK. That is the fact, but the main point that I make here is for the people back home who are not working. We do not want them crucified for political or any other reasons, and as I said before as far as I am concerned you can send this bill down the river if you do not take care of Philadelphia by starting some projects there immediately and put people to work.

Mr. WOODRUM. Mr. Chairman, I ask unanimous consent that all debate upon this amendment close in 2 minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. WOODRUM. Mr. Chairman, I appreciate the patriotic zeal of our distinguished colleague from Philadelphia [Mr. STACK], and I am persuaded that Philadelphia will be treated all right under this program.

Mr. STACK. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM. I have only 2 minutes.

Mr. STACK. I just made the statement that we have $10,000,000 allocated for 6 months which is no good to us. We cannot use a dollar. Please do something with my amendment.

Mr. WOODRUM. I want to do something with the gentleman's amendment. I say to the gentleman from Pennsylvania that the language which he suggests is not necessary. The Works Progress Administration already has authority to require local sponsors to put up funds if they wish to do so, and to put language in here would not help it. I ask the Committee not to undertake to vote a principle in here that the local sponsors do not have to put up any funds. Surely

we are not going to announce the principle that the Federal Government is going to do all of this, and as for the little 10 or 15 percent that the States and localities have put up, for Heaven's sake let them put that much up in the future.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. STACK].

The amendment was rejected.

Mr. LANHAM. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LANHAM: On page 3, line 18, after the word "determine", strike out the period, insert a colon, and add the following: *"Provided,* That no agricultural laborer and no unskilled laborer who refuses or has refused an offer of private employment paying as much or more in compensation for such work as such person has received or could receive under the relief herein provided, and who is capable of performing such work, shall be eligible for relief hereafter for the period such private employment or any similar subsequent offer of such employment would be available: *And provided further,* That any person who performs such private employment shall, at the expiration thereof, be entitled to an immediate resumption of his previously existing employment status on the work relief authorized by this act."

Mr. LANHAM. Mr. Chairman, this amendment is in the interest both of economy and industry. It has reference to unskilled labor only and provides that agricultural workers and nonskilled workers who refuse private employment which they are able to perform and which will pay them as much as or more than they are receiving under relief, will not be eligible for relief during the time such employment is available; and with the further proviso that with the expiration of such employment they will again be placed on relief.

Mr. DICKSTEIN. Mr. Chairman, will the gentleman yield?

Mr. LANHAM. I yield.

Mr. DICKSTEIN. I am for the gentleman's amendment, but it does not go far enough. The gentleman ought to take care of domestics who refuse to work because they are getting relief.

Mr. LANHAM. My understanding is they would come under the heading of "unskilled laborers", and it is so intended.

This is the situation: In many parts of our country, especially in our agricultural sections, the farmers come to town and try to get men to work or harvest their crops, and they sit around and refuse such employment, saying, "We can make almost that much doing nothing and stay on relief"; and for the same reason many domestic servants will not seek or accept employment because of the fact that the relief pays them enough to keep them going.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. LANHAM. I yield.

Mr. DONDERO. I am in sympathy with the gentleman's amendment, and I have had the same thing brought to my attention in my district. In regard to the resumption of his place on relief, I think it should be shown by the individual that he is in need of relief before it is given to him.

Mr. LANHAM. In that regard I call attention to the fact that this amendment also covers any similar subsequent offer of employment.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. LANHAM. I yield.

Mr. CRAWFORD. The Government figures indicate that in my State of Michigan there are 100 jobs now offered for each 79 men available in agriculture, and unless the gentleman's amendment is adopted I see no way I can vote for this bill at all.

Mr. LANHAM. I want to say in that regard that where work is provided and is available and a man is able to perform it and refuses to do so, we had better get back to what the Scriptures tell us, that if any man will not work, neither shall he eat. [Applause.]

Mr. HEALEY. Mr. Chairman, will the gentleman yield?

Mr. LANHAM. I yield.

Mr. HEALEY. Why does the gentleman confine his amendment to unskilled workers and agricultural workers?

Mr. LANHAM. I confine it to unskilled workers for the reason that if it applied to skilled workers, then employers could go to relief headquarters and get skilled workers at less than the prevailing rate of wage that their fellow workers in the same crafts were receiving.

Mr. CONNERY. Mr. Chairman, will the gentleman yield?

Mr. LANHAM. I yield.

Mr. CONNERY. I want to be clear on this, because I think I favor it. As I understand the situation, a man is on relief and he is getting the prevailing rate of wage. He is offered a job at the same rate of wage or higher. If he does not take that job he goes off relief?

Mr. LANHAM. He goes off relief for the time the job would be available. Then he goes back on relief if there is no similar employment at the expiration of that job.

Mr. CONNERY. Mr. Jones gives him a job and he works for 3 weeks. Then he can go oack on relief again?

Mr. LANHAM. Yes.

Mr. VOORHIS. Mr. Chairman, will the gentleman yield?

Mr. LANHAM. I yield.

Mr. VOORHIS. I wish the gentleman's amendment provided that those people, after they have had private employment, would have preference in going back on relief.

Mr. LANHAM. It says that it gives them the right of immediate resumption of that status.

Mr. VOORHIS. But the eligible places might all be taken in the meantime, when there are millions of people out of work.

[Here the gavel fell.]

Mr. CONNERY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise to ask the gentleman from Texas [Mr. LANHAM] some questions along the line which the gentleman from California [Mr. VOORHIS] was just asking.

The danger in the gentleman's amendment is that after this man accepts private employment, works for 3 weeks, we will say, then is thrown out of employment again and wants to go back on relief, that he would not be given preference.

Mr. LANHAM. Mr. Chairman, I ask unanimous consent that the Clerk may read the second proviso of my amendment.

The CHAIRMAN. Without objection, the Clerk will read the second proviso of the amendment.

The Clerk read as follows:

And provided further, That any person who performs such private employment shall at the expiration thereof be entitled to an immediate resumption of his previously existing employment status on the work relief authorized by this act.

Mr. CONNERY. That entitles him to an immediate resumption of his previous status. I do not see how it could be made much stronger.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield for another question?

Mr. CONNERY. I yield.

Mr. CRAWFORD. Do I understand that this practice is now in operation by the relief agencies?

Mr. CONNERY. No; not that I know of. But I do know of instances where certain unscrupulous employers have tried to make skilled workers who were on W. P. A. work work at their skilled trades at W. P. A. allowances, make them work for starvation wages.

Mr. CRAWFORD. The reason I asked the question was because the statement was just made to me that that is the practice now. I just want to say that it is not an operation in my State.

Mr. CONNERY. It is not the practice that I know of.

Mr. LAMBERTSON. Mr. Chairman, will the gentleman yield?

Mr. CONNERY. I yield.

Mr. LAMBERTSON. The director of relief in Kansas has announced that as a new rule there that if a man is offered employment he must take it. I do not see how the proviso in the amendment could work fairly, for the man might have saved something from his employment.

Mr. BOILEAU. Mr. Chairman, will the gentleman yield?

Mr. CONNERY. I yield.

Mr. BOILEAU. Does the gentleman from Massachusetts think this type of legislation is at all necessary, especially when it is remembered that in practically every State in the Union there are laws now that provide that a man must support his wife and family on penalty of going to jail for failure to support them. So long as we have such criminal laws why should we establish conditions and lay down rules that are so easily susceptible of mismanagement and maladministration and that might work such hardships upon many of these people? I do not believe this legislation is at all necessary.

Mr. CONNERY. I do not think it will do any harm. As a matter of fact I think it will prove to be very salutary.

Mr. ALLEN of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. CONNERY. I yield.

Mr. ALLEN of Pennsylvania. Another danger is that unscrupulous employers could use such legislation to further unethical practices, and to break down wage standards.

Mr. CONNERY. No; because they must be employed at the prevailing rate of wages.

Mr. ALLEN of Pennsylvania. Not under the Relief Act.

Mr. CONNERY. Under W. P. A. they are supposed to pay the prevailing rate of wage. It does not say skilled or unskilled but just provides for the prevailing rate of wage.

Mr. FLETCHER. Mr. Chairman, will the gentleman yield?

Mr. CONNERY. I yield.

Mr. FLETCHER. The gentleman has introduced a bill which provides a minimum wage of $16, has he not?

Mr. CONNERY. We left the amount of wages for the committee to determine.

Mr. FLETCHER. It will be a minimum of some kind, will it not?

Mr. CONNERY. We hope so.

Mr. FLETCHER. If employers indulging in sweatshop methods try to hire these people on relief at $12 a week, would not that conflict with anticipated action by the gentleman's committee?

Mr. CONNERY. No; for that legislation would fix its own standards.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment of the gentleman from Texas.

The question was taken; and on a division (demanded by Mr. O'CONNELL of Montana) there were—ayes 179, noes 26.

So the amendment was agreed to.

Mr. BIERMANN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BIERMANN: Page 2, line 21, after the colon, insert: "*Provided*, That none of these amounts shall be available except where the States, counties, municipalities, or other governmental units which propose the projects match the Federal money dollar for dollar, except in cases where the State or other governmental unit proves affirmatively that it cannot match the Federal funds."

Mr. BIERMANN. Mr. Chairman, the result of this amendment would be that any governmental unit which proposes a W. P. A. relief project would have to pay half the cost of it unless it could prove affirmatively that it was not able to do so. What is unfair about that? Up until 4 years ago the Federal Government had never appropriated a dollar of the kind of money involved in this bill. We had had other depressions and other periods of unemployment, and in them the States and localities paid every dollar of the cost of relief.

The amendment I have offered would return to them half of the burden. If the States and localities pay half the bill, they will purge these relief rolls; the unworthy will be eliminated. The local property taxpayers will see to that. However, the saving of money, though important, Mr. Chairman, is the smaller part of the motive that has caused me to offer this amendment.

The principal purpose is to save this Republic from the disaster that is sure to overtake it if we do not check the appetite for Government hand-outs. [Applause.] On last Friday, if I had not looked around to see the patriotic markings of this Hall, I should have thought that the day had already arrived when the voters' support had been put up for auction. Our people know it when they pay property taxes and they are jealous of the manner of expenditure of property taxes. But, unfortunately, a great many persons, inside and outside the Congress, apparently believe that Federal money comes from a mystic, inexhaustible source. If we do not turn back the tide of that belief, I fear that we shall soon see, as in ancient Rome, the time when candidates for the people's favor will compete as to which one of them shall offer their constituents the deepest dip into the Public Treasury. [Applause.]

I can easily see candidate A saying, "Fifty dollars a month from the Treasury? That is a miserly sum. If I am elected, I will see that you get a hundred dollars a month." Candidate B will raise the bid, and say, "What kind of friend of the people is he who would give you only $100 a month for a man, a wife, and four children?" [Applause.]

[Here the gavel fell.]

Mr. BIERMANN. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. BIERMANN. Candidate B will say, "vote for me, and you will get $200 a month." Then the third candidate will declare, "I am the real friend of the people. Elect me, and you will have $300 a month." [Applause.]

Mr. Chairman, my amendment will dissipate the fancy that relief money is something for nothing. It is bad for an individual to get something for nothing, or to think he is getting something for nothing, and it is a bad thing for a State or for any other governmental unit. My amendment would remedy that ill.

Mr. FLETCHER. Will the gentleman yield?

Mr. BIERMANN. I yield to the gentleman from Ohio.

Mr. FLETCHER. The gentleman is stating the exact truth. Why should not a proposition presented by a man running for office such as the gentleman suggests be considered a bribery proposition and taken care of under the Corrupt Practices Act?

Mr. BIERMANN. It would be a fine thing, but I am afraid it would not work out that way.

Mr. HOOK. Will the gentleman yield?

Mr. BIERMANN. I yield to the gentleman from Michigan.

Mr. HOOK. I do not think the gentleman's argument is being followed very much by the voters, because the Townsendites were turned down last year.

Mr. BIERMANN. That was entirely too fantastic to be accepted by the majority of the voters, but the fact that it was proposed, I believe, lends support to the doctrine I have enunciated.

[Here the gavel fell.]

Mr. WOODRUM. Mr. Chairman, may I inquire how many amendments are pending to section 1?

The CHAIRMAN. There appear to be five amendments pending to section 1.

Mr. WOODRUM. Mr. Chairman, I ask unanimous consent that all debate on section 1 and all amendments thereto close in 20 minutes. That will allow 4 minutes to each amendment and give everybody a chance to speak.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

Mr. KNUTSON. Mr. Chairman, reserving the right to object, I have four amendments I want to offer to section 1 that have not been sent to the Clerk's desk.

Mr. SNELL. Mr. Chairman, reserving the right to object, is it the intention to finish this bill tonight?

Mr. WOODRUM. I will have to pass that bridge when I get to it.

Mr. SNELL. The gentleman in propounding a unanimous-consent request and wants us to cooperate. I think it is only fair that he tell us.

Mr. WOODRUM. I want to go as far as I can now and stop in 20 minutes all debate on this section.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

Mr. MAY. Mr. Chairman, I object.

Mr. WOODRUM. Mr. Chairman, I move that all debate on section 1 and all amendments thereto close in 20 minutes.

The motion was agreed to.

The CHAIRMAN. The Chair wishes to announce that in view of the motion being carried each Member will be recognized for not more than 2 minutes.

Mr. PHILLIPS. Mr. Chairman, I rise in opposition to the pending amendment.

Mr. Chairman, there is one factor that has not been put before us and that is the amount of money that municipalities put up right now and have been putting up in the past for supplementary relief. If you make municipalities put up and match the Federal grant with 50 percent you really make them match more than that because they are putting up money right now for supplementary relief and have been doing it for years.

Mr. Chairman, I hope the pending amendment is defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa.

The amendment was rejected.

Mr. KNUTSON. Mr. Chairman, I offer an amendment which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. KNUTSON: Page 1, line 5, after the word "possession", strike out all of lines 6 and 7 and the words "in this section" in line 8.

Mr. KNUTSON. Mr. Chairman, I am at a loss to understand why this particular language has been put in the bill. It is my information, and I received this from a Member of the Appropriations Committee, that there are six thousand illion dollars in projects which have already been approved. The purpose of the language in the bill is to exempt those projects from the limitations placed in this bill. The bill provides that all additional projects must be necessary. Why should we not put all of these projects on the same footing. If it is good to limit all future projects which are hereafter approved to necessary ones, why not put the same requirement on projects which have already been approved but upon which work has not yet been started?

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. KNUTSON].

The question was taken; and on a division (demanded by Mr. KNUTSON) there were—ayes 32, noes 137.

So the amendment was rejected.

Mr. KRAMER. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. KRAMER: Page 2, line 17, after the word "conservation", strike out the words "and miscellaneous."

Mr. KRAMER. Mr. Chairman, the object of this amendment is to prohibit the Administrator, Mr. Hopkins, from publishing books of this character, such as Landlord and Tenant on the Cotton Plantation, Urban Workers on Relief, and innumerable other publications, the cost of which is not only exorbitant but also the cost of compiling the data contained therein runs into hundreds of thousands of dollars.

Such useless and nonsensical printing matter which the W. P. A. has been mailing out continuously since the inauguration of the Works Progress Administration must stop. There is no wonder there is still a large number of unemployed on relief when money appropriated to help the poor and needy in distress has been used for such foolish and useless expenditures.

There is no doubt in my mind but what Mr. Hopkins is perfectly honest himself and means well, but his large corps of assistants who saturate his mind with all kinds of ideas, regardless of what they are, go into effect, and the individual who is in need cannot get a position or get help, relief, regardless of the large appropriations made by Congress.

Mr. Chairman and members of the Committee, the records show that under Mr. Hopkins' administration it requires 63 percent of the money appropriated by Congress to administer relief to the needy. Therefore, there is very little left for actual relief, which is really the prime object and purpose of this bill.

There has been expended during the last year approximately $300,000 for this kind of useless printing of booklets which have been published by the Administrator. The first part of the bill, on page 1, line 4, states that the appropriation is made for "useful public projects." I think this type of expenditure is a useless waste of money. It is extravagance of the wildest kind. If we are appropriating money for relief, let us hew to the line and contribute this money to those who are in need.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. KRAMER. Yes.

Mr. KNUTSON. I cannot understand why the gentleman did not vote for my amendment, if he wants this money spent for useful purposes. The gentleman is asking this House to pick up toothpicks, yet he votes to throw six thousand million dollars away.

Mr. KRAMER. I cannot yield to the gentleman further.

The President, in his message to the Congress last January, stated:

Now that we are out of the trough of the depression, the time has come to set our house in order. The administrative management of the Government needs overhauling.

Mr. Chairman and gentlemen, I take it for granted that this admonishment by the President applies to the Works Progress Administration, because of the useless squandering of money. I think the entire W. P. A. organization needs overhauling. There are many useless departments, as well as many useless executives, not only in Washington but throughout the entire country, who are giving no service at all to the public or who contribute nothing to relief. They are on the pay roll and consume the greater amount of the appropriation—money which rightfully belongs to relief of the needy. This kind of spending, extravagance, and throwing money to the winds, must be stopped. I believe the more money we vote for this bill, the more money Mr. Hopkins and his organization will have to spend uselessly. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from California.

The question was taken; and on a division (demanded by Mr. MAVERICK) there were—ayes 160, noes 49.

So the amendment was agreed to.

Mr. PHILLIPS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PHILLIPS: Page 2, line 15, after the words "public utilities", insert "garbage and/or rubbish incinerators."

Mr. PHILLIPS. Mr. Chairman, the accepted practice in municipalities today in disposing of garbage or rubbish, where the community is so congested it cannot have a public dump, is to burn it with proper incinerators. Therefore, it seems that should be included in the terms of this bill, so the Public Works Administration can build garbage incinerators or garbage and rubbish incinerators for communities wanting such incineration facilities built. I hope the Committee will agree to this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Connecticut [Mr. PHILLIPS].

The amendment was rejected.

The CHAIRMAN. Does the gentleman from Wisconsin [Mr. BOILEAU] desire to offer an amendment?

Mr. BOILEAU. Mr. Chairman, I offered an amendment, but as this is a relief bill it is not germane at the present time.

The CHAIRMAN. The amendment of the gentleman from Wisconsin is withdrawn.

The gentleman from Minnesota [Mr. KNUTSON] offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. KNUTSON: Page 3, line 16, after the period, insert the following: *"Provided,* That no money appropriated by this act shall be available for use in the construction of any golf course, swimming pool, or other recreational facility, excepting those which shall at all times be available without charge to the public.

Mr. KNUTSON. Mr. Chairman, I am informed that P. W. A. has advanced money for swimming pools, golf courses, and other recreational features where an admission fee is charged. I submit to the committee that this should not be. This amendment merely places a limitation upon such expenditure and limits them to such projects as have no admission fees. That will help the underprivileged about whom we hear so much but for whom little is really done.

Mr. BEITER. The gentleman said P. W. A. This is not P. W. A.; this is W. P. A.

Mr. KNUTSON. Well, W. P. A. I get confused with all these alphabet set-ups

Anyway, it places a limitation on expenditures by making none of this money available for any project where an admission charge is made. It would seem to me that persons who can pay admission fees are probably already members of golf and athletic clubs. Certainly we should favor those who are not so fortunately situated, but I assume this amendment will be voted down for election is over and the underprivileged have served their purpose for the time being.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota.

The amendment was rejected.

The CHAIRMAN. The gentleman from Minnesota offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. KNUTSON: On page 3, line 16, after the period, insert the following: *"Provided,* That no funds appropriated by this act shall be available for the building of monuments, memorials, or the improvement of historic sites, except within the limitations of title 16, United States Code, as amended."

The CHAIRMAN. The question is on the amendment of the gentleman from Minnesota [Mr. KNUTSON].

The question was taken; and on a division (demanded by Mr. KNUTSON) there were—ayes 33, noes 87.

So the amendment was rejected.

The CHAIRMAN. The gentleman from Minnesota offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. KNUTSON: On page 3, line 16, after the period, insert: *"Provided,* No funds appropriated by this act shall be available for the construction, advancement, or completion of any enterprise, building, or project which will result in goods or services being offered for sale to the public."

The amendment was rejected.

The CHAIRMAN. The gentleman from Minnesota offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. KNUTSON: Page 3, line 24, insert: *"Provided,* That $150,000 of the money appropriated by this bill shall be available to a joint committee of the Senate and House of Representatives for an investigation of relief and unemployment in the United States and Territories."

The amendment was rejected.

The Clerk read as follows:

SEC. 2. In carrying out the purposes of the foregoing appropriation the President is authorized (a) to prescribe such rules and regulations as may be necessary and to utilize agencies within the Government and to empower such agencies to prescribe rules and regulations to carry out the functions delegated thereto by the President: *Provided,* That the rates of pay for persons engaged upon projects under the foregoing appropriation shall be not less than the prevailing rates of pay for work of a similar nature in the same locality as determined by the Works Progress Administration with the approval of the President; and (b) to accept and utilize voluntary and uncompensated services, and utilize, with the consent of the State, such State and local officers and employees as may be necessary, and prescribe their authorities, duties, and responsibilities: *Provided, however,* That in the employment of persons, applicants in actual need whose names have not heretofore been placed on relief rolls shall be given the same eligibility for employment as applicants whose names have heretofore appeared on such rolls: *Provided further,* That the fact that a person is entitled to or has received either adjusted-service bonds or a Treasury check in payment of an adjusted-compensation certificate shall not be considered in determining actual need of such employment.

Mr. WOODRUM. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore having resumed the chair, Mr. O'CONNOR of New York, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the joint resolution (H. J. Res. 361) making appropriations for relief purposes, had come to no resolution thereon.

PROCUREMENT OF DIVORCES IN FOREIGN COUNTRIES

Mr. MEAD. Mr. Speaker, I ask unanimous consent that the Committee on the Post Office and Post Roads be discharged from the further consideration of the bill (H. R. 6961) to prohibit the use of the mails for the solicitation of the procurement of divorces in foreign countries, and that the bill be referred to the Committee on the Judiciary, which considered a similar measure last session.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

EXTENSION OF REMARKS

Mr. HEALEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein certain resolutions adopted by the Judiciary Committee of the House of Representatives.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. MCLAUGHLIN, for 1 week, on account of important business.

EXTENSION OF REMARKS

Mr. MAVERICK and Mr. LUDLOW asked and were given permission to extend their own remarks in the RECORD.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that in the extension of my remarks I may insert two or three short letters I received from farmers on the subject of rural electrification.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

ORDER OF BUSINESS

Mr. SNELL. Mr. Speaker, may I ask the gentleman from Texas, the majority leader, about the program for the balance of the week, as a number of the Members have inquired?

Mr. RAYBURN. I announced the plan earlier in the week——

Mr. SNELL. I understand that; but I thought, perhaps, the plans may have been changed.

Mr. RAYBURN. I thought at that time the pending bill would be disposed of today.

Tomorrow, of course, we have memorial services, and the program is to continue with the consideration of the relief bill on Thursday. It was hoped we would finish the consideration of that bill today, so that we could take up the so-called "hot oil" bill on Thursday; but now, of course, the program will have to be changed. Of course, we will have to meet on Friday in order to adjourn over till Tuesday. It is hoped we can adjourn over until that time, because a great many Members have programs in their own districts for Monday.

Mr. SNELL. That is the reason I am anxious to know about the program.

Mr. RAYBURN. If we get through with the relief bill, inasmuch as we have to meet on Friday, I would like to take up the Dies "hot oil" bill and dispose of that, but I will be pleased to discuss that further with the gentleman.

Mr. SNELL. I am wondering if the "hot oil" bill is one that is going to take any considerable amount of time.

Mr. RAYBURN. My impression is it will not, although some member of the Committee on Interstate and Foreign Commerce could give more definite information about that.

Mr. WOODRUM. Mr. Speaker, will the gentleman from Texas yield?

Mr. RAYBURN. I yield.

Mr. WOODRUM. I wonder if the gentleman would agree now that at the conclusion of the pending bill on Thursday we may be permitted to call up the conference report on the independent offices bill, and also the conference report on the second deficiency bill? I may state to the gentleman that it is extremely urgent that these matters be disposed of before the 1st of next month; and, as the gentleman knows, we have been awaiting an opportunity to call them up.

Mr. BACON. I may also suggest that there is a conference report on the State, Justice, Commerce, and Labor Departments appropriation bill pending.

Mr. RAYBURN. I would like to see those conference reports acted upon, and I think there is very little controversy in the House about them.

Mr. SNELL. Why not let the "hot oil" bill go over until next week?

Mr. RAYBURN. I would rather not agree to that just now, but I may say to the gentleman that I shall be pleased to discuss that with him later.

Mr. SIROVICH. Why can we not vote on the P. W. A. bill today and finish that?

Mr. RAYBURN. The Committee has risen, and I presume the House is in the humor to adjourn at this time. If we try to finish the consideration of that bill we would be here 2 or 3 hours before we would get to the point where we would probably have two or three roll calls.

Mr. MAPES. Mr. Speaker, is it fair to assume, I ask the majority leader, that the "hot oil" bill will not be brought up at least until Friday?

Mr. RAYBURN. It will not be brought up until Friday, it cannot be, because this bill and the conference reports will certainly take all of Thursday.

EXTENSION OF REMARKS

Mr. GRAY of Indiana. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. MARTIN of Colorado. Mr. Speaker, I ask unanimous consent that in the extension of my remarks I may include a brief statement made by me upon the bill before the Committee on Appropriations.

The SPEAKER pro tempore. Is there objection?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. MCLAUGHLIN, for 1 week, on account of important business.

SENATE BILLS AND JOINT RESOLUTION REFERRED

Bills and a joint resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 81. An act to provide retirement annuities for certain former employees of the Panama Canal and the Panama Railroad Co. on the Isthmus of Panama; to the Committee on Merchant Marine and Fisheries.

S. 226. An act for the relief of L. L. Stokes; to the Committee on Claims.

S. 423. An act providing for continuing retirement pay, under certain conditions, of officers and former officers of the Army, Navy, and Marine Corps of the United States, other than officers of the Regular Army, Navy, or Marine Corps, who incurred physical disability while in the service of the United States during the World War, and for other purposes; to the Committee on Military Affairs.

S. 526. An act for the relief of Robert B. Rolfe; to the Committee on Claims.

S. 727. An act validating homestead entry Billings 029004 of Lillian J. Glinn; to the Committee on the Public Lands.

S. 774. An act to incorporate the Marine Corps League; to the Committee on the Judiciary.

S. 1585. An act for the relief of Sallie S. Twilley; to the Committee on Claims.

S. 1873. An act for the relief of the dependents of W. R. Dyess; to the Committee on Claims.

S. 1883. An act to amend section 9 of the Trade-Mark Act of February 20, 1905, as amended (U. S. C., title 15, sec. 89); to the Committee on Patents.

S. 2087. An act for the relief of Charles B. Stafford; to the Committee on Military Affairs.

S. 2116. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Natchez, Miss.; to the Committee on Interstate and Foreign Commerce.

S. 2205. An act to extend the times for commencing and completing the construction of a bridge across the Columbia River at Astoria, Clatsop County, Oreg.; to the Committee on Interstate and Foreign Commerce.

S. 2266. An act for the relief of John A. Ensor; to the Committee on Claims.

S. 2439. An act to extend the time for purchase and distribution of surplus agricultural commodities for relief purposes and to continue the Federal Surplus Commodities Corporation; to the Committee on Agriculture.

S. J. Res. 111. Joint resolution to provide that the United States extend to foreign governments invitations to participate in the International Congress of Architects to be held in the United States during the calendar year 1939, and to authorize an appropriation to assist in meeting the expenses of the session; to the Committee on Foreign Affairs.

ENROLLED BILL SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 148. An act to repeal a proviso relating to teaching or advocating communism in the public schools of the District of Columbia, and appearing in the District of Columbia Appropriation Act for the fiscal year ending June 30, 1936.

BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills and joint resolutions of the House of the following titles:

H. R. 6249. An act to reserve certain lands in the State of Utah for the Kanosh Band of Paiute Indians;

H. R. 6250. An act to reserve certain lands in the State of Utah for the Shivwitz Band of Paiute Indians;

H. R. 6252. An act to reserve certain lands in the State of Utah for the Koosharem Band of Paiute Indians;

H. J. Res. 292. Joint resolution to protect the copyrights and patents of foreign exhibitors at the Golden Gate International Exposition, to be held at San Francisco, Calif., in 1939;

H. J. Res. 348. Joint resolution designating May 28, 1937, National Aviation Day; and

H. J. Res. 359. Joint resolution authorizing the President to proclaim the tercentenary of the birth of Pere Jacques Marquette.

ADJOURNMENT

Mr. WOODRUM. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 18 minutes p. m.) the House adjourned until tomorrow, Wednesday, May 26, 1937, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON RIVERS AND HARBORS

The Committee on Rivers and Harbors will meet Wednesday, May 26, 1937, at 10:30 a. m. to consider the Bonneville power project.

COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS

There will be a meeting of the Committee on Public Buildings and Grounds at 10:30 a. m. on Wednesday, May 26, 1937, for the consideration of H. R. 6287.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the Committee on Immigration and Naturalization in room 445, House Office Building, at 10:30 a. m. on Wednesday, May 26, 1937, for the public consideration of H. R. 4353, 4354, 4355, and 4356.

COMMITTEE ON MILITARY AFFAIRS

There will be a meeting of the Committee on Military Affairs in room 1310, New House Office Building, at 10:30 a. m. Wednesday, May 26, 1937, for further consideration of H. R. 1608, to provide for the common defense by acquiring certain commodities essential to the manufacture of supplies for the armed forces in time of an emergency, and for other purposes.

COMMITTEE ON THE JUDICIARY

There will be a hearing before the Committee on the Judiciary Tuesday, June 1, 1937, at 10 a. m. on H. R. 6439, a bill to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto, and to repeal section 76 thereof and all acts and parts of acts inconsistent therewith.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold a public hearing in room 219, House Office Building, June 3, 1937, at 10 a. m. on H. R. 7017, known as the right of appeal for suspension of licenses and certificates of service bill.

COMMITTEE ON THE JUDICIARY

There will be a hearing before subcommittee no. III of the Committee on the Judiciary Friday, June 4, 1937, at 10:30 a. m. on H. R. 4650, to amend section 40 of the United States Employees' Compensation Act, as amended (the term "physician" to include surgeons and osteopathic practitioners).

EXECUTIVE COMMUNICATIONS, ETC.

627. Under clause 2 of rule XXIV, a letter from the Architect of the Capitol, transmitting the annual report of the Office of the Architect of the Capitol for the fiscal year ended June 30, 1936; to the Committee on Public Buildings and Grounds.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. LONG: Committee on Foreign Affairs. House Joint Resolution 365. Joint resolution authorizing Federal participation in the Seventh World's Poultry Congress and Exposition to be held in the United States in 1939; with amendment (Rept. No. 887). Referred to the Committee of the Whole House on the state of the Union.

Mr. KELLER: Committee on the Library. House Joint Resolution 363. Joint resolution to authorize an additional appropriation to further the work of the United States Constitution Sesquicentennial Commission; without amendment (Rept. No. 889). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. MERRITT: Committee on Military Affairs. House Joint Resolution 335. Joint resolution authorizing the Secretary of War to receive for instruction at the United States Military Academy at West Point, Olmedo Alfaro, a citizen of Ecuador; without amendment (Rept. No. 888). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 7145) granting a pension to Ida Green; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 7171) granting an increase of pension to Allison D. McKinney; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Michigan, memorializing the President and the Congress of the United States concerning the use of Government hopper dredges for the maintenance of the Cuyahoga River at Cleveland Ohio; to the Committee on Rivers and Harbors.

Also, memorial of the Legislature of the State of Michigan, memorializing the President and the Congress of the United States to extend the excise tax on copper; to the Committee on Ways and Means.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States to consider their Act 179, relating to the creation of the Hawaii Housing Authority; to the Committee on the Territories.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States to consider their Joint Resolution No. 10, to create a public corporate authority authorized to engage in slum clearance; to the Committee on the Territories.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States to enact legislation to authorize the Legislature of the Territory of Hawaii to provide for the issuance of sewer bonds by the city and county of Honolulu, a municipal corporation of the Territory of Hawaii; to the Committee on the Territories.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. POWERS: A bill (H. R. 7229) to amend the Motor Carrier Act, 1935; to the Committee on Interstate and Foreign Commerce.

By Mr. PATMAN: A bill (H. R. 7230) providing for Government ownership of the 12 Federal Reserve banks, and for other purposes; to the Committee on Banking and Currency.

By Mr. CALDWELL: A bill (H. R. 7231) to provide for the appointment of one additional United States district judge for the northern district of Florida; to the Committee on the Judiciary.

By Mr. DALY: A bill (H. R. 7232) to repeal the act of May 29, 1934, providing for the promotion, retirement, and distribution of officers of the Marine Corps, and to provide in lieu thereof a more equitable, honest, and efficient method of promotion, distribution, and retirement of said officers, and for other purposes; to the Committee on Naval Affairs.

By Mr. DONDERO: A bill (H. R. 7233) to regulate the interstate transportation of containers for milk and other dairy products; to the Committee on Interstate and Foreign Commerce.

By Mr. COLDEN (by request): A bill (H. R. 7234) to permit home owners in default on home-loan mortgages to retain possession of their homes under certain conditions; to the Committee on Banking and Currency.

By Mr. JOHNSON of West Virginia: A bill (H. R. 7235) to provide local flood protection for the city of Huntington, W. Va.; to the Committee on Flood Control.

By Mr. McMILLAN: A bill (H. R. 7236) to provide for the conveyance by the United States to the city of Charleston,

S. C., of the old immigration-station property located in such city; to the Committee on Public Buildings and Grounds.

By Mr. BARRY: A bill (H. R. 7237) to create a United States Civil Service Board of Appeals; to the Committee on the Civil Service.

By Mr. RANDOLPH: A bill (H. R. 7238) to amend the act entitled "An act to authorize the operation of stands in Federal buildings by blind persons, to enlarge the economic opportunities of the blind, and for other purposes", approved June 20, 1936; to the Committee on Labor.

By Mr. HAMILTON: A bill (H. R. 7239) to amend Public Act, No. 784, Seventy-first Congress, entitled "An act to regulate the distribution and promotion of commissioned officers of the line of the Navy, and for other purposes"; to the Committee on Naval Affairs.

By Mr. BURDICK: A bill (H. R. 7240) to enroll certain persons on the final citizenship rolls of the Mississippi Choctaw Indians; to the Committee on Indian Affairs.

By Mr. SECREST: Joint resolution (H. J. Res. 380) to provide for the publication and sale by the Northwest Territory Celebration Commission of certain historical and educational material; to the Committee on the Library.

By Mr. SUTPHIN: Joint resolution (H. J. Res. 381) suspending action by Navy selection boards; to the Committee on Naval Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DRIVER: A bill (H. R. 7241) for the relief of certain officers of the United States Navy and the United States Marine Corps; to the Committee on Naval Affairs.

By Mr. GRAY of Indiana: A bill (H. R. 7242) granting a pension to Charles Smith; to the Committee on Invalid Pensions.

By Mr. HAVENNER: A bill (H. R. 7243) for the relief of William Rolland McIntyre; to the Committee on Naval Affairs.

By Mr. KINZER: A bill (H. R. 7244) granting a pension to Ella E. McMichael; to the Committee on Invalid Pensions.

By Mr. LANHAM: A bill (H. R. 7245) for the relief of J. C. Jones; to the Committee on Claims.

By Mr. ROBSION of Kentucky: A bill (H. R. 7246) granting a pension to Henry Combs; to the Committee on Pensions.

By Mr. SHANLEY: A bill (H. R. 7247) for the relief of Oman O. Bechtel; to the Committee on Claims.

Also, a bill (H. R. 7248) for the relief of Catherine Philbin Lee; to the Committee on Pensions.

By Mr. SCHULTE: A bill (H. R. 7249) for the relief of sundry aliens; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 7250) for the relief of sundry aliens; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 7251) for the relief of sundry aliens; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 7252) for the relief of sundry aliens; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 7253) for the relief of sundry aliens; to the Committee on Immigration and Naturalization.

By Mr. SOMERS of New York: A bill (H. R. 7254) for the relief of David Leo Lieb; to the Committee on Immigration and Naturalization.

By Mr. TAYLOR of Tennessee: A bill (H. R. 7255) for the relief of Dewey V. Bates; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2391. By Mr. COFFEE of Washington: Petition of the Thirty-first District Washington Commonwealth Federation, Mildred Jones, secretary, stating that the depression is not over for the unemployed and that these people will have to depend almost entirely upon Works Progress Administration projects for sustenance, and therefore vigorously espousing House bill 5822, the Boileau bill, and urging its prompt enactment into law; to the Committee on Appropriations.

2392. Also, petition of the Board of County Commissioners of King County, Wash. (largest county in the State of Washington, containing a population of 600,000), setting forth their endorsement of a program for continuation and expansion of Federal works, stating their espousal of congressional authorization and development of a plan for long-range public-works program for grants-in-aid by the Federal Government to the several States in relieving hardship and suffering; and to that end endorsing heartily and urging the prompt enactment of House bill 5822, known as the Public Works and Relief Standards Act, which bill is sponsored by the Workers Alliance of America; to the Committee on Appropriations.

2393. By Mr. DALY: Petition of 7,000 citizens and voters of the Fourth Congressional District of Pennsylvania, endorsing the President's proposal to enlarge the Supreme Court; to the Committee on the Judiciary.

2394. By Mr. HOOK: Resolution adopted by the Michigan House of Representatives on March 17, 1937, protesting against the use of Government hopper dredges for the maintenance of the Cuyahoga River at Cleveland, Ohio; to the Committee on Rivers and Harbors.

2395. Also, resolution adopted by the Michigan House of Representatives on March 23, 1937, respectfully urging the Congress of the United States to include an excise tax of 4 cents per pound on foreign copper in the revenue bill now under consideration; to the Committee on Ways and Means.

2396. By Mr. KEOGH: Petition of the Sears Oil Co., Inc., Rome, N. Y., with reference to Senate bill 790 and House bill 5366; to the Committee on Interstate and Foreign Commerce.

2397. Also, petition of the Underpinning and Foundation Co., Inc., New York City, concerning the continuation of the Public Works Administration, also necessary earmark sufficient funds from relief appropriation to finance pending projects for which Government has made tentative commitments; to the Committee on Appropriations.

2398. Also, petition of the National Maritime Union of America, Atlantic and Gulf district committee, New York City, concerning the Bland bill (H. R. 5193); to the Committee on Merchant Marine and Fisheries.

2399. Also, petition of the National Federation of Post Office Clerks, Washington, D. C., concerning reduction of Government expenditures; to the Committee on Appropriations.

2400. Also, petition of Local 802, American Federation of Musicians, associated musicians of Greater New York, concerning relief appropriations for Works Progress Administration workers; to the Committee on Ways and Means.

2401. By Mr. McLEAN: Petition of annual church meeting of the First Presbyterian Church of Plainfield, N. J., opposing reorganization of United States Supreme Court; to the Committee on the Judiciary.

2402. By Mr. MAPES: House Concurrent Resolution No. 24 of the House of Representatives, Michigan State Legislature, urging the Congress of the United States to include an excise tax of 4 cents per pound on foreign-produced copper in the revenue bill now under consideration; to the Committee on Ways and Means.

2403. By Mr. PFEIFER: Petition of the National Federation of Post Office Clerks, Washington, D. C., opposing any reduction in salaries of postal employees; to the Committee on the Post Office and Post Roads.

2404. Also, petition of the National Maritime Union of America, Atlantic and Gulf district committee, New York City, concerning the Bland bill (H. R. 5193); to the Committee on Merchant Marine and Fisheries.

2405. Also, telegram from the Underpinning & Foundation Co., Inc., New York, concerning continuation of Public Works Administration program; to the Committee on Appropriations.

2406. Also, petition of the National Council for the Prevention of War, Washington, D. C., concerning House bill 6704, by Congressman HILL of Alabama; to the Committee on Foreign Affairs.

2407. Also, petition of the Associated Musicians of Greater New York, Local 802, American Federation of Musicians, New York City, concerning appropriation for Works Progress Administration; to the Committee on Appropriations.

2408. By Mr. RICH: Petition of Ted A. and Bertha Buller, of Elkland, Pa., protesting against the passage of legislation to abridge the religious rights of the American people; to the Committee on the Judiciary.

2409. By Mr. SPARKMAN: Petition of Emil E. Messinger and 15 other citizens of Jackson County, Ala., protesting against House bill 3291; to the Committee on the District of Columbia.

2410. Also, petition of Loson Garst and various other citizens of Colbert County, Ala., urging the enactment of the old-age pension bill as embodied in House bill 2257, introduced by Representative WILL ROGERS, of Oklahoma; to the Committee on Ways and Means.

2411. Also petition of W. M. Sandlin and various other citizens of Morgan County, Ala., urging the enactment of the old-age pension bill as embodied in House bill 2257, introduced by Representative WILL ROGERS, of Oklahoma; to the Committee on Ways and Means.

2412. Also, petition of Jim Stone and various other citizens of Madison County, Ala., urging the enactment of the old-age pension bill as embodied in House bill 2257, introduced by Representative WILL ROGERS, of Oklahoma; to the Committee on Ways and Means.

2413. Also, petition of Marah Smith and various other citizens of Lauderdale County, Ala., urging the enactment of the old-age pension bill as embodied in House bill 2257, introduced by Representative WILL ROGERS, of Oklahoma; to the Committee on Ways and Means.

2414. Also, petition of Callie Mason and various other citizens of Lawrence County, Ala., urging the enactment of the old-age pension bill as embodied in House bill 2257, introduced by Representative WILL ROGERS, of Oklahoma; to the Committee on Ways and Means.

2415. Also, petition of James Baugh and various other citizens of Jackson County, Ala., urging the enactment of the old-age pension bill as embodied in House bill 2257, introduced by Representative WILL ROGERS, of Oklahoma; to the Committee on Ways and Means.

2416. By the SPEAKER: Petition of the Club Rotario De Mayaguez, P. R., regarding House bill 3629, concerning an engineering experiment station in Puerto Rico; to the Committee on Agriculture.

SENATE

WEDNESDAY, MAY 26, 1937

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

Almighty God, our Heavenly Father, from whom we dare not turn lest we fall, and in whom if we abide we shall stand fast forever: We thank Thee for this world and its witness of Thee, for sunshine and shadow, for the wide-bosomed sea and the everlasting hills, for clouds and stars, for springing grass and stately trees, for lakes and streams of water; but, above all, we thank Thee for man made in Thy image, for the memories of greatness that abide his fall, and for the grace of forgiveness that restores his soul.

Grant us, we beseech Thee, this day Thy help in all our duties, Thy guidance in all our perplexities; let cheerfulness be the companion of our strength as the uplift of Thy people is the inspiration of our work. Thou hast declared, O Father, the length and breadth, the height and depth of Thy love by the cross of Thy dear Son; and into the hands of that love we commit not only ourselves and all who share the responsibilities of government but all Thy children for whom Thou hast bidden us to pray—the sick and afflicted, the poor and needy, the suffering and the sorrowful. Do Thou fold them closer to Thy mercy's breast and make us all worthier of Thee. We ask it for Jesus Christ's sake. Amen.

THE JOURNAL

On request of Mr. ROBINSON, and by unanimous consent, the reading of the Journal of the proceedings of Monday, May 24, 1937, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States, submitting a nomination and sundry treaties and conventions, were communicated to the Senate by Mr. Latta, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Megill, one of its clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 148) to repeal a proviso relating to teaching or advocating communism in the public schools of the District of Columbia, and appearing in the District of Columbia Appropriation Act for the fiscal year ending June 30, 1936.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 5110. An act to provide for the issuance of a license to practice chiropractic in the District of Columbia to Dr. Russell V. Pemberton;

H. R. 5462. An act to increase the age of consent for marriage in the District of Columbia to 18 years of age in the case of males and 16 years of age in the case of females;

H. R. 6242. An act to protect the buyers of potatoes in the District of Columbia; and

H. R. 6696. An act to amend an act entitled "An act to regulate the practice of the healing art to protect the public health in the District of Columbia", known as the "Healing Arts Practice Act, District of Columbia, 1928", approved February 27, 1929.

ENROLLED BILL SIGNED

The message further announced that the Speaker pro tempore had affixed his signature to the enrolled bill (H. R. 148) to repeal a proviso relating to teaching or advocating communism in the public schools of the District of Columbia, and appearing in the District of Columbia Appropriation Act for the fiscal year ending June 30, 1936, and it was signed by the Vice President.

CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Davis	Lodge	Reynolds
Ashurst	Dieterich	Logan	Robinson
Austin	Donahey	Lonergan	Russell
Bailey	Ellender	Lundeen	Schwartz
Berry	Frazier	McAdoo	Schwellenbach
Bilbo	George	McCarran	Sheppard
Black	Gillette	McGill	Smathers
Borah	Green	McKellar	Smith
Bridges	Guffey	McNary	Steiwer
Brown, Mich.	Hale	Maloney	Thomas, Okla.
Brown, N. H.	Harrison	Minton	Thomas, Utah
Bulkley	Hatch	Moore	Townsend
Bulow	Hayden	Murray	Truman
Burke	Herring	Neely	Tydings
Byrd	Hitchcock	Norris	Vandenberg
Byrnes	Holt	Nye	Van Nuys
Capper	Hughes	O'Mahoney	Wagner
Caraway	Johnson, Calif.	Pepper	Walsh
Clark	Johnson, Colo.	Pittman	Wheeler
Connally	La Follette	Pope	White
Copeland	Lee	Radcliffe	

Mr. MINTON. I announce that the Senator from Virginia [Mr. GLASS] is detained from the Senate because of illness in his family.

The Senator from Florida [Mr. ANDREWS], the Senator from Kentucky [Mr. BARKLEY], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Wisconsin [Mr. DUFFY], the Senator from Oklahoma [Mr. LEE], the Senator from Illinois [Mr. LEWIS], and the Senator from Louisiana [Mr. OVERTON] are detained on important public business.

The Senator from Utah [Mr. KING] is absent because of illness.

Mr. AUSTIN. I announce that my colleague the junior Senator from Vermont [Mr. GIBSON] and the Senator from Minnesota [Mr. SHIPSTEAD] are necessarily absent.

The VICE PRESIDENT. Eighty-three Senators have answered to their names. A quorum is present.

COMMITTEE SERVICE

Mr. ROBINSON. Mr. President, on behalf of the majority, I ask that the Senator from Illinois [Mr. DIETERICH] be assigned to the vacancy on the Committee to Audit and Control the Contingent Expenses of the Senate.

The VICE PRESIDENT. Without objection, it is so ordered.

SUPPLEMENTAL ESTIMATE, DISTRICT OF COLUMBIA (S. DOC. NO. 75)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a supplemental estimate of appropriation for the District of Columbia, fiscal year 1938, amounting to $43,000 (for completing the replacement of the superstructure, and such portions of the substructure as may be necessary, including relocation and reconstruction of approach roads, of the Chain Bridge, etc.), which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

ILLUSTRATIONS FOR UNITED STATES AND FOREIGN POSTAGE STAMPS

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation to liberalize the laws relating to the making of illustrations of United States and foreign postage stamps, and for other purposes, which, with the accompanying paper, was referred to the Committee on Post Offices and Post Roads.

THIRD WORLD POWER CONFERENCE

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of the Interior, transmitting a draft of proposed legislation to amend a joint resolution entitled "Joint resolution to authorize the President to extend an invitation to the World Power Conference to hold the Third World Power Conference in the United States", approved August 26, 1935, which, with the accompanying paper, was referred to the Committee on Printing.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following joint resolution of the Legislature of the State of California, which was referred to the Committee on Public Lands and Surveys:

Senate joint resolution relative to memorializing the President and the Congress of the United States to acquire the Petrified Redwood Forest, in Sonoma County, as a permanent national monument

Whereas there is located in Sonoma County the Petrified Redwood Forest, which is of great interest and scientific value to all citizens of the United States; and

Whereas the protection of this forest against inroads of commerce and against the inroads of irresponsible persons can best be handled by the Federal Government: Now, therefore, be it

Resolved by the Senate and the Assembly of the State of California jointly, That the Legislature of the State of California respectfully memorialize the President and the Congress of the United States to expedite the purchase as a permanent national monument the Petrified Redwood Forest, in Sonoma County, in the State of California, and by appropriate legislation make such forest a national monument; and be it further

Resolved, That the Governor of the State of California is hereby requested to transmit copies of this resolution to the President and Vice President of the United States, the Speaker of the House of Representatives, and the National Park Service, to the Secretary of the Interior, and the Smithsonian Institute, and to each Senator and Member of the House of Representatives from California in the Congress of the United States, and such Senators and Members of the House of Representatives from California are respectfully urged to support this project.

The VICE PRESIDENT also laid before the Senate a joint resolution of the Legislature of the State of California, requesting the President of the United States to extend to the governments and dominions of the world invitations to participate in the Pacific Exposition and Mercado at Los Angeles in 1940, which was referred to the Committee on Foreign Relations.

(See joint resolution printed in full when presented today by Mr. JOHNSON of California.)

The VICE PRESIDENT also laid before the Senate a resolution adopted by the Rotary Club of Mayaguez, P. R., favoring the enactment of House bill 3629, providing for the establishment of engineering experiment stations at the land-grant colleges, which was referred to the Committee on Agriculture and Forestry.

He also laid before the Senate a resolution adopted by the Workers Alliance, of Philadelphia, Pa., favoring the enactment of pending legislation providing a $3,000,000,000 public-works appropriation, which was referred to the Committee on Appropriations.

He also laid before the Senate a resolution adopted by the California Conference of Social Work, San Francisco, Calif., favoring an appropriation for a survey of the social and economic needs of migratory workers, which was referred to the Committee on Education and Labor.

He also laid before the Senate a resolution adopted by the Massachusetts Democratic Club, of Washington, D. C., favoring the enactment of legislation to reorganize the judicial branch of the Government, which was ordered to lie on the table.

He also laid before the Senate a resolution adopted by the Lebanon County Bar Association, of Lebanon, Pa., protesting against the enactment of legislation to enlarge the membership of the Supreme Court of the United States, which was ordered to lie on the table.

He also presented the memorials of Abe Goldberg and Grove R. Gable, officers of the Chamber of Commerce of Eveleth, Minn., remonstrating against the enactment of legislation to limit the length of trains in interstate commerce, which were ordered to lie on the table.

Mr. WALSH presented a resolution adopted by Branch No. 12, of the American Federation of Hosiery Workers, Northampton, Mass., favoring the prompt enactment of the pending low-cost housing bill, which was referred to the Committee on Education and Labor.

Mr. CAPPER presented a letter in the nature of a petition, signed by sundry citizens of Wichita, Kans., praying for the enactment of the so-called Gavagan antilynching bill, which was referred to the Committee on the Judiciary.

Mr. TYDINGS presented petitions of sundry citizens of the State of Maryland, praying for the enactment of the so-called Rogers old-age pension bill, which were referred to the Committee on Finance.

He also presented a petition of sundry citizens of Capitol Heights, Md., praying for the enactment of the bill (S. 2286) to prohibit the use of buildings or premises in the District of Columbia for the carrying on of certain undesirable industries, with special reference to the proposal to operate an abattoir at Benning, D. C., which was referred to the Committee on the District of Columbia.

Mr. COPELAND presented resolutions adopted by the New York Board of Trade, Inc., of New York City, favoring substantial reductions in appropriations, which were referred to the Committee on Appropriations.

He also presented a memorial of sundry citizens of Gloversville, N. Y., remonstrating against an appropriation being made for the proposed Jefferson Memorial in the vicinity of the Tidal Basin in the District of Columbia, on account of the loss of or damage to the Japanese cherry trees if such project is carried forward at the location indicated, which was referred to the Committee on Appropriations.

He also presented a resolution adopted by the Council of the City of Niagara Falls, N. Y., favoring the prompt enactment of the pending low-cost housing bill, which was referred to the Committee on Education and Labor.

He also presented a resolution adopted by the Cortland (N. Y.) Chamber of Commerce, protesting against the enactment of Senate bill 69, limiting the length of railway freight trains to 70 cars and passenger trains to 14 cars, and so forth, which was ordered to lie on the table.

Mr. JOHNSON of California presented the following joint resolution of the Legislature of the State of California, which was referred to the Committee on Foreign Relations:

Assembly joint resolution relative to memorializing the President of the United States to extend to the governments and dominions of the world invitations to participate in the Pacific Exposition and Mercado at Los Angeles in 1940

Whereas the nations of North, Central, and South America today face the dawn of a new era and the world looks to the nations of the Western Hemisphere and the Orient, along whose shores live two-thirds of the people of the entire world, as the theater of its future activities, especially in the fields of industry and commerce; and

Whereas the 42 nations which comprise this Pacific littoral are faced with similar problems and possessed of identical opportunities and ideals, and, to an unusual degree, must depend upon one another for the achievement of these opportunities and for the fulfillment of the ideals, particularly from the standpoint of industry and commerce; and

Whereas the destiny of this country lies largely in its ability to coordinate its forces and to meet with the other nations of the Western Hemisphere on a basis of mutual friendship and cooperation for the equal benefit of all; and

Whereas the establishment of a permanent world mart and exhibition, including in its scope all the nations in the Western Hemisphere, will promote to the largest possible degree a spirit of friendship and cooperation between these nations who today trade with each other on a steadily increasing scale; and

Whereas such a permanent world mart and exposition—designated Pacific Mercado—has, after years of persistent study, now moved out of the sphere of contemplation into process of completion in the city of Los Angeles; and

Whereas the Pacific Mercado is of a permanent character, and every year after its inaugural there will be set aside a period of time wherein the nations may assemble their exhibits in a special and comprehensive display to which the entire world may be invited; and

Whereas during the remainder of the year the Pacific Mercado will be what its name implies, a meeting place for the merchants, manufacturers, and traders of the peoples who participate—a permanent trade mart; and

Whereas the Pacific Mercado at Los Angeles will be the first permanent exhibit held in the Pacific littoral, as well as the first world mart which will display the products not primarily of one nation, but of more than 40 nations; and

Whereas the assembled exhibits will represent not only industry and commerce alone, but art and culture as well, the fruits of the labor and genius of the various nations involved; and

Whereas the Pacific Mercado, in its landscape structures and equipment, will be of enduring character and will justify each invited nation in erecting permanent structure for the housing of its exhibits and a general meeting place between its officials and between its merchants and their customers; and

Whereas among the features planned will be special facilities to house the consulates of the various nations; and

Whereas the ensemble will constitute a symmetry of beautifully designated steel and concrete structures and landscaping that will be without parallel in the history of world exhibitions; and

Whereas the Pacific Mercado has the unqualified endorsement of the Governor of California, the legislature, and other public officials, as well as outstanding groups of business executives, as furnishing a gathering place on our shores where the civilizations of the Western Hemisphere and of the Orient may meet for an exchange of ideas and commodities, thus helping all to solve common problems and weld all together in a common cause: Now, therefore, be it

Resolved by the Assembly and Senate of the State of California, jointly, That the Legislature of the State of California hereby respectfully urge the President to extend, on behalf of the Pacific Exposition and Mercado of Los Angeles, invitations to the governments and dominions of the world to participate in the Pacific Exposition and Mercado of 1940; and be it further

Resolved, That the Governor of the State of California is hereby requested to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House, and to the Senators and Represenatives of the State of California in Congress.

REPORTS OF COMMITTEES

Mr. TYDINGS, from the Committee on Territories and Insular Affairs, to which was referred the bill (H. R. 1502) to amend Public Law No. 626, Seventy-fourth Congress, reported it without amendment and submitted a report (No. 613) thereon.

Mr. WALSH, from the Committee on Naval Affairs, to which was referred the bill (S. 2193) to authorize the construction of certain auxiliary vessels for the Navy, reported it without amendment and submitted a report (No. 614) thereon.

Mr. BLACK, from the Committee on Education and Labor, to which were referred the following joint resolutions, reported them each without amendment and submitted reports thereon:

S. J. Res. 68. Joint resolution providing for the appointment of a National Unemployment and Relief Commission (Rept. No. 615); and

S. J. Res. 85. Joint resolution authorizing an appropriation for an investigation of the social and economic needs of laborers migrating across State lines (Rept. No. 616).

Mr. BLACK (for Mr. TOWNSEND), from the Committee on Claims, to which was referred the bill (H. R. 3736) for the relief of Mr. and Mrs. Edward J. Pruett, reported it without amendment and submitted a report (No. 617) thereon.

Mr. LOGAN, from the Committee on Claims, to which was referred the bill (S. 2106) for the allowance of certain claims, not heretofore paid, for indemnity for spoliations by the French prior to July 31, 1801, as reported by the Court of Claims, reported it with amendments and submitted a report (No. 618) thereon.

He also, from the same committee, to which was referred the bill (H. R. 2673) for the relief of Howard Hefner, reported it without amendment and submitted a report (No. 619) thereon.

Mr. HUGHES, from the Committee on Claims, to which was referred the bill (S. 885) for the relief of H. G. Harmon, reported it with an amendment and submitted a report (No. 620) thereon.

He also, from the same committee, to which was referred the bill (S. 1274) authorizing John H. Owens to bring suit in the District Court of the United States for the District of Nebraska, Omaha division, against the United States of America for damages sustained by reason of being injured by an automobile operated by an employee of the United States engaged in Government business, reported it with amendments and submitted a report (No. 621) thereon.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. McADOO:

A bill (S. 2479) to amend provisions of the Agricultural Marketing Agreement Act of 1937; to the Committee on Agriculture and Forestry.

By Mr. NORRIS:

A bill (S. 2480) to authorize a preliminary examination and survey of the Platte River in the vicinity of Schuyler, Nebr., with a view to the control of its floods, and for other purposes; to the Committee on Commerce.

By Mr. JOHNSON of California:

A bill (S. 2481) to amend provisions of the Agricultural Adjustment Act, as amended; to the Committee on Agriculture and Forestry.

By Mr. WALSH:

A bill (S. 2482) to provide for the assignment of officers of the Navy for duty under the Department of Commerce and appointment to positions therein; to the Committee on Naval Affairs.

By Mr. MOORE:

A bill (S. 2483) to promote small-arms training of the Metropolitan Police force and to provide for a departmental pistol team in the Metropolitan Police, District of Columbia; to the Committee on the District of Columbia.

By Mr. SMATHERS and Mr. MOORE:

A bill (S. 2484) to amend the Judicial Code to provide two judicial districts for the State of New Jersey, and for other purposes; to the Committee on the Judiciary.

By Mr. BURKE:

A bill (S. 2485) for the relief of Howard U. Ballinger;

A bill (S. 2486) for the relief of Thomas P. Dineen;

A bill (S. 2487) for the relief of Leah P. Rice; and

A bill (S. 2488) for the relief of Bonnie Straley; to the Committee on Claims.

A bill (S. 2489) for the relief of Wesley E. Snider; to the Committee on Civil Service.

A bill (S. 2490) granting a pension to Hattie M. Jones; to the Committee on Pensions.

By Mr. HAYDEN:

A bill (S. 2491) to liberalize the laws relating to the making of illustrations of United States and foreign postage

stamps, and for other purposes; to the Committee on Post Offices and Post Roads.

By Mr. COPELAND:

A bill (S. 2492) to amend the Packers and Stockyards Act, as amended, by the addition of certain sections; to the Committee on Agriculture and Forestry.

A bill (S. 2493) to provide a permanent and equitable method of assessing tolls upon vessels transiting the Panama Canal; to provide for the method of making changes in the rules for the measurement of vessels for the Panama Canal and in the rates of tolls; and to stabilize the fiscal system of the Panama Canal in its relation to tolls; to the Committee on Interoceanic Canals.

A bill (S. 2494) to provide for the local delivery rate on certain first-class mail matter; to the Committee on Post Offices and Post Roads.

By Mr. THOMAS of Oklahoma:

A bill (S. 2495) authorizing the District Court of the United States for the Eastern District of Oklahoma to hear and determine certain claims of the Seminole Nation or Tribe of Indians; to the Committee on Indian Affairs.

By Mr. BERRY:

A bill (S. 2496) to provide night differential for certain employees; to the Committee on Education and Labor.

By Mr. BYRNES:

A bill (S. 2497) authorizing John Monroe Johnson, Assistant Secretary of Commerce, to accept the decoration tendered him by the Belgian Government; to the Committee on Foreign Relations.

By Mr. CAPPER:

A bill (S. 2498) to amend paragraph 81 of the Tariff Act of 1930; to the Committee on Finance.

A bill (S. 2499) to provide for the general welfare by establishing a system of Federal benefits to enable the several States to make more adequate provisions for the control and eradication of bindweed; to conserve and protect the agricultural resources of the several States and of the United States; and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. STEIWER:

A bill (S. 2500) authorizing the acquisition of timber lands within the boundary of the former Siletz Indian Reservation for the use and benefit of the Indians of western Oregon, and for other purposes; to the Committee on Indian Affairs.

SALARIES OF BAILIFFS OF DISTRICT COURTS

Mr. DAVIS. Mr. President, I introduce a bill as to which I am sure the distinguished and gracious chairman of the Judiciary Committee, to which the bill will be referred, will call upon the Attorney General for his views.

I ask that the bill be read, and then I will ask consent to make a brief statement concerning it.

The bill (S. 2501) providing a monthly salary for bailiffs of United States district courts, was read the first time by its title, the second time at length, as follows:

Be it enacted, etc., That notwithstanding the provisions and limitations of the laws relating to the compensation of bailiffs of United States district courts, any person holding the office of bailiff in any such court shall receive, beginning with the first day of the month following the enactment of this act, a salary at the rate of $130 a month, in lieu of per diem compensation.

The VICE PRESIDENT. The bill introduced by the Senator from Pennsylvania will be referred to the Committee on the Judiciary.

Mr. DAVIS. Mr. President, I now ask unanimous consent to make a brief statement concerning the bill.

The VICE PRESIDENT. Without objection, the Senator from Pennsylvania will proceed.

Mr. DAVIS. Mr. President, this bill affects an undetermined number of employees of United States district courts. I say "undetermined" because the Department of Justice has no way of ascertaining precisely how many bailiffs are affected until the end of the fiscal year, at which time a report is prepared indicating the number of court hours or days that have been served by bailiffs throughout the United States. The number of bailiff days is dependent on the volume of cases on the dockets of the respective Federal courts.

Under the present system a bailiff is paid $4.50 for every day the Federal court is in session or the judge or judges are present either in court or in their chambers. Practically all Federal courts have 3 months' vacation, and many United States district courts meet but once or twice a year. This means that the bailiff has really less than a part-time job. I believe that a monthly salary of $130 is quite nominal for full-time service on the part of a court officer.

It is my understanding that the Department of Justice has recently recognized the inequity of the situation and also the inefficiency of part-time bailiffs, and for that reason I am hopeful the very able chairman of the Judiciary Committee will refer the bill to the Attorney General, for by so doing he will permit the chief law officer an opportunity to express himself on the subject.

RECOMMITTAL OF A BILL—LEGAL GUARDIAN OF ROY D. COOK

Mr. STEIWER. Mr. President, Senate bill 410, Calendar No. 524, for the relief of the legal guardian of Roy D. Cook, a minor, was introduced by me and has been reported from the Committee on Claims. I am advised by the junior Senator from Michigan [Mr. BROWN], who reported the bill, that it was reported under some misapprehension on the part of certain members of the committee. An amendment was proposed to the bill by the committee which I think the committee now may desire to alter in some respects.

In view of the absence of the junior Senator from Michigan, I ask unanimous consent that the bill be removed from the calendar and recommitted to the Committee on Claims for further consideration.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred to the Committee on the District of Columbia:

H. R. 5110. An act to provide for the issuance of a license to practice chiropractic in the District of Columbia to Dr. Russell V. Pemberton;

H. R. 5462. An act to increase the age of consent for marriage in the District of Columbia to 18 years of age in the case of males and 16 years of age in the case of females;

H. R. 6242. An act to protect the buyers of potatoes in the District of Columbia; and

H. R. 6696. An act to amend an act entitled "An act to regulate the practice of the healing art to protect the public health in the District of Columbia", known as the Healing Arts Practice Act, District of Columbia, 1928, approved February 27, 1929.

RELIEF APPROPRIATIONS—AMENDMENTS

Mr. ROBINSON submitted an amendment intended to be proposed by him to the joint resolution (H. J. Res. 361) making appropriations for relief purposes, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

To strike out all of section 14 after the word "unless", in line 18, page 10, and insert in lieu of the parts stricken out the following: "the President shall have determined after a study of the penal and correctional system by the Prison Industries Reorganization Administration, or other appropriate agency, that the projects to be financed with such loan or grant will tend to eliminate prison competition with private enterprise and will facilitate the useful employment, humane treatment, and rehabilitation of persons convicted of crime: *Provided further*, That prisoners may be used in the preparation of materials for and in labor upon projects authorized as provided for in this section."

Mr. DAVIS submitted an amendment intended to be proposed by him to the joint resolution (H. J. Res. 361) making appropriations for relief purposes, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

In section 5, on page 6, line 3, after the word "Administration", to add the following:

"The Administrator of the Works Progress Administration shall upon request make available to representatives of the public the names, positions, and salaries of all administrative personnel

heretofore or hereafter appointed by the Works Progress Administration, or any subdivision or adjunct thereof, whose annual compensation is $1,000 or more."

CONSTITUTIONALITY OF THE SOCIAL SECURITY ACT (S. DOC. NO. 74)

Mr. HAYDEN. Mr. President, I ask consent that the opinions of the Supreme Court of the United States, together with the separate and dissenting opinions in the several cases recently decided involving the validity of taxes imposed by the Social Security Act, may be printed as a Senate document.

The VICE PRESIDENT. Without objection, it is so ordered.

CROP INSURANCE FOR FRUITS AND VEGETABLES

The VICE PRESIDENT. The Chair lays before the Senate a resolution coming over from a previous day, which will be read.

The legislative clerk read the resolution (S. Res. 108), submitted by Mr. PEPPER March 21, 1937, as follows:

Resolved, That the Secretary of Agriculture is requested to transmit to the Senate, at the earliest practicable date, a plan and recommendations for the establishment of a system of crop insurance for fruits and vegetables, and to make such studies as may be necessary in connection therewith.

Mr. PEPPER. I ask that the resolution go over.

The VICE PRESIDENT. The resolution will go over.

PROBLEMS INCIDENT TO PHILIPPINE INDEPENDENCE

Mr. TYDINGS. Mr. President, in connection with Filipino independence and the law which Congress recently enacted, a committee appointed by the President known as the Interdepartmental Committee on Philippine Affairs has been making certain studies. A letter has been addressed to me by Mr. Francis B. Sayre, the chairman of that committee. I ask that his letter be printed in the RECORD in full, following my remarks, for the information of the Senate.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF STATE,
Washington, May 24, 1937.

The Honorable MILLARD E. TYDINGS,
United States Senate.

MY DEAR SENATOR TYDINGS: As promised in the conversation which the Secretary of War and I had with you on February 23, 1937, with regard to the approaching visit of President Quezon of the Philippine Commonwealth and the expected discussions between him and the Interdepartmental Committee on Philippine Affairs, I now wish to acquaint you and the other members of the Senate Committee on Territories and Insular Affairs with the progress and results of the discussions which have ensued. In so doing I feel that it is desirable to review some of the circumstances which led up to these discussions.

The Tydings-McDuffie Independence Act, approved on March 24, 1934, provides the arrangements which control and guide, until July 4, 1946, the relationship which exists between the Government of the United States and the Commonwealth Government of the Philippines set up on November 15, 1935. This act did not become effective, as you know, until its provisions were accepted by concurrent resolution of the Philippine Legislature on May 1, 1934. In this resolution it was stated that in accepting the Tydings-McDuffie Act the legislature relied upon a statement of President Roosevelt "which gives to the Filipino people reasonable assurances of further hearing and due consideration of their views." [1]

The statement of President Roosevelt referred to was that contained in his message to Congress on March 2, 1934, recommending the enactment of the Tydings-McDuffie Act, as follows:

"I do not believe that other provisions of the original law need be changed at this time. Where imperfections or inequalities exist I am confident that they can be corrected after proper hearing and in fairness to both peoples." [2]

Provisions in the earlier Hare-Hawes-Cutting Act to which the Philippine Legislature took exception, in rejecting that act, and which they hoped to have corrected in the Tydings-McDuffie Act, related "to immigration, military, and other reservations, powers of the high commissioner, and trade relations between the islands and the United States." [3]

With regard to the Tydings-McDuffie Act, the Honorable Manuel L. Quezon, then president of the Philippine Senate and chairman of the Philippine independence delegation, in a letter to you dated March 22, 1934, 2 days before the passage of the act, stated as follows:

"There are, of course, other provisions of the bill to which we object, but we are willing to take it as it is now, and we have given up any attempt at this time to have it in any way amended, because we are relying upon the statement made by the President in his message to Congress March 2, 1934 * * *.

"Furthermore, we have seen the attitude of the chairmen of both committees of Congress toward the Filipino people's freedom and welfare, and we have no doubt that upon further investigation, when they shall have found that independence can be granted in a much shorter time and that other provisions of the bill need improvement, they will so recommend to the Congress." [4]

Moreover, Vice President John N. Garner, in his speech at the joint session of the Philippine Legislature on November 12, 1935 (3 days before the inauguration of the commonwealth government), stated in regard to "inequalities in our trade relations", as follows:

"Our great President, Franklin D. Roosevelt, in sending the last independence bill to Congress, accompanied it with a recommendation that where there were inequalities in our trade relations, they should be adjusted by a commission representing both peoples who could arrive at an equitable decision which would prove advantageous to our 120,000,000 people and to your 14,000,000 people." [5]

The statements quoted evidence a feeling on the part of responsible persons in both countries that certain "imperfections or inequalities" may be found, upon further study, to exist in the independence act. These so-called imperfections or inequalities in regard to future relationships have been regarded as being susceptible of adjustment through joint study and conference.

Contemporaneously with the recognition that imperfections and inequalities might exist in the independence act, an Interdepartmental Committee on Philippine Affairs was set up in December 1934. Acting upon a suggeston made by you and Senators McKELLAR, McADOO, and GIBSON in a joint telegram to President Roosevelt, this committee began in January 1935 a study of United States-Philippine trade relations.[6] Since that time this interdepartmental committee has been studying Philippine problems and coordinating the activities of the various administrative departments and agencies of the United States Government concerned with Philippine affairs. In the recent discussions with President Quezon, the deliberations of the interdepartmental committee have been attended by representatives of the Departments of State, War, Navy, Treasury, Agriculture, Commerce, and the Tariff Commission. It is the opinion of this committee, as well as of President Quezon, that in justice to the United States and to the Philippines uncertanties and misconceptions in regard to the future political and economic relations between the two countries should be removed as soon as practicable. Until these uncertainties are removed, necessary economic adjustments in the islands will be delayed.

The interdepartmental committee is also of the opinion, on the basis of evidence now available, that certain modifications in existing legislation may be necessary to facilitate the adjustment of Philippine economy to a position independent of preferences in the United States market. However, the committee cannot, until further study has been given the subject, recommend the specific adjustments which should be undertaken, nor can it estimate the period of time which will be required for making such adjustments. Much study has been devoted to a consideration of these matters by both the United States and the Philippine Governments, but no joint program has been formulated.

In addition to the problems involved in the adjustment of the national economy of the Philippines, there are comparable problems involved in providing an adjustment of American export trade to a nonpreferential, competitive position in the Philippine market. According to the terms of the independence act, American producers and export interests will be faced with an abrupt transition on July 4, 1946, from a condition of free access to the Philippine market to one in which full Philippine tariff duties apply. The problems involved in this adjustment should likewise be studied.

A recognition of these problems led the interdepartmental committee to the conclusion that it was desirable that a joint committee of American and Philippine experts be set up to study the problems and to formulate recommendations looking toward the correction of any "imperfections or inequalities" which might be found to exist in the present arrangements. President Roosevelt concurred in the proposal that the committee be created and he approved the appointment of the American members of the committee.[7] This joint committee held its first meeting on April 19, 1937, and is now carrying on its studies.[8]

The joint committee will conduct its studies with the general understanding (agreed upon between the interdepartmental committee and President Quezon) that preferential trade relations between the United States and the Philippines will be terminated at the earliest practicable date consistent with affording the Philippines a reasonable opportunity to adjust their national economy. This does not mean that preferential tariff rates or preferential excise rates will be withdrawn prior to July 4, 1946, the date for complete independence fixed by the terms of the independence act. The studies of the joint committee will be based on the assumption

[1] H. Doc. No. 400, 74th Cong., 2d sess., p. 1.
[2] H. Doc. No. 272, 73d Cong., 2d sess.
[3] S. Doc. No. 57, pt. 1, p. 10, 74th Cong., 1st sess.
[4] CONGRESSIONAL RECORD, vol. 78, Mar. 22, 1934, No. 64, p. 5237.
[5] H. Doc. No. 400, p. 44, 74th Cong., 2d sess.
[6] Joint telegram, dated Dec. 31, 1934, from Manila.
[7] See press release dated Mar. 18, 1937, announcing the decision to set up this joint committee, attached as enclosure 1.
[8] For names of the members of this committee see press release dated Apr. 14, 1937, which is attached as enclosure 2.

that trade preferences will be terminated on that date or as soon as practicable thereafter, having in mind the difficult task of economic adjustment with which the islands appear to be faced as trade preferences are withdrawn.

President Quezon, as you doubtless know, has suggested advancement of the date of independence to December 1938 or July 4, 1939. With reference to this suggestion, the interdepartmental committee and President Quezon have agreed that, insofar as they are authorized to speak, complete political independence of the Philippines shall become effective not later than July 4, 1946, the date fixed under the terms of the independence act. The Joint Committee, however, is instructed, in making its recommendations, to consider the bearing an advancement in the date of political independence to 1938 or 1939 would have on determining the date of termination of trade preferences between the United States and the Philippine Islands and on facilitating or retarding the execution of a program of economic adjustment in the Philippines. Legislation by Congress would, of course, be required to effect any change in the date of independence.

The functions of the joint committee, in general, are to consider proposals which have been made for changing the political and economic relations of the United States with the Philippines; to hold public hearings for interested parties both in the United States and in the Philippines; to study the problem of making adjustments in Philippine national economy; to prepare the way for a trade conference; and to make recommendations. Among the problems which will be given consideration by the joint committee are the following:

The character of the trade preferences which should exist for a specified, limited period.

The precise arrangements for governing the trade relations between the United States and the Philippine Islands after the termination of preferential trade relations.

Economic adjustments that could be undertaken in the Philippines and methods of executing and financing such adjustments.

The need or appropriateness of changes in the Philippine currency and banking system, and in the provisions for servicing Philippine bonded indebtedness, that may be required to implement the plan for economic adjustment recommended by the joint committee.

Adequate protection of the rights and interests of the United States and its citizens in the Philippines and of the Philippines and its citizens in the United States after the attainment of independence.

The bearing which the possible negotiation of the neutralization agreement provided for in section 11 of the Tydings-McDuffie Independence Act would have on the problems studied by the joint committee.

It is anticipated that the report and recommendations of the joint committee will be submitted sometime before the close of 1937 to the President of the United States through the Interdepartmental Committee on Philippine Affairs and to the President of the Commonwealth Government. It is hoped that this report may be available in ample time for consideration by the Congress and by the Philippine Assembly this coming autumn and winter.

For over a quarter of a century successive administrations of our Government have based their policy with reference to the Philippines upon an abiding confidence in the ability of the Philippine people ultimately to govern themselves as a free and independent nation. The task is one which involves problems of great magnitude. These problems are not merely those relating to trade between the two peoples but political and economic considerations of far-reaching significance to the United States, to the Philippines, and to all nations having interests in the Far East. The attainment of the objectives which both peoples have had in mind will require patience, a sense of fair play, and cooperation. It is believed that the leaders of both peoples, imbued with the highest ideals, will be able to surmount the difficulties that yet lie ahead of them. I can assure you that, with such ideals in mind, the joint committee will endeavor to make some contribution toward the successful conclusion of this great undertaking.

In view of the public interest in the problem, especially at this time, you may care to make this letter and its enclosures a matter of record for the information of Congress and the public.

Sincerely yours,

FRANCIS B. SAYRE,
Chairman, Interdepartmental Committee on Philippine Affairs.

[Enclosures: Press releases as stated.]

[Enclosure No. 1]

DEPARTMENT OF STATE,
March 18, 1937.

Joint statement of President Quezon and Mr. Sayre, chairman of the Interdepartmental Committee on Philippine Affairs

Arrangements are being made for the appointment shortly of a joint preparatory committee of American and Philippine experts. The committee is to study trade relations between the United States and the Philippines and to recommend a program for the adjustment of Philippine national economy. This announcement followed conferences between President Quezon, of the Philippine Commonwealth, and the Interdepartmental Committee on Philippine Affairs, which is acting on behalf of President Roosevelt in the preliminary discussions. Assistant Secretary of State Francis B. Sayre is chairman of this committee.

Inasmuch as the independence act provides that complete political independence of the Philippines shall become effective on July 4, 1946, and inasmuch as President Quezon has suggested that the date of independence might be advanced to 1938 or 1939, it was agreed that the joint committee of experts would be expected in making its recommendations to consider the bearing which an advancement in the date of independence would have on facilitating or retarding the execution of a program of economic adjustment in the Philippines. It was further agreed that preferential trade relations between the United States and the Philippines are to be terminated at the earliest practicable date consistent wih affording the Philippines a reasonable opportunity to adjust their national economy. Thereafter it is contemplated that trade relations between the two countries will be regulated in accordance with a reciprocal-trade agreement on a nonpreferential basis.

[Enclosure No. 2]

DEPARTMENT OF STATE,
April 14, 1937.

Joint preparatory committee of American and Philippine experts

In accordance with the arrangements referred to in the joint statement of President Quezon, of the Philippine Commonwealth, and Mr. Sayre, chairman of the Interdepartmental Committee on Philippine Affairs, dated March 18, 1937, President Roosevelt has approved the setting up of a joint preparatory committee of American and Philippine experts to study trade relations between the United States and the Philippines and to recommend a program for the adjustment of Philippine national economy in preparation for the termination of preferential trade relations between the United States and the Philippines. President Quezon and the interdepartmental committee have already agreed that preferential trade relations are to be terminated at the earliest practicable date consistent with affording the Philippines a reasonable opportunity to adjust their national economy.

The members of the joint committee appointed by the interdepartmental committee with the approval of President Roosevelt and by President Quezon are as follows:

AMERICAN GROUP

Joseph E. Jacobs, vice chairman of the committee and chairman of the American group. Mr. Jacobs is Chief of the Office of Philippine Affairs, Department of State.

Louis Domeratzky, Chief, Division of Regional Information, Bureau of Foreign and Domestic Commerce, Department of Commerce.

Lynn R. Edminster, chief economic analyst, Division of Trade Agreements, Department of State.

Col. Donald C. McDonald, Assistant to the Chief, Bureau of Insular Affairs, War Department.

Carl Robbins, Assistant Chief, Sugar Section, Agricultural Adjustment Administration, Department of Agriculture.

Frank A. Waring, senior economist, United States Tariff mission.

PHILIPPINE GROUP

José Yulo, vice chairman of the committee and chairman of the Philippine group. Mr. Yulo is secretary of justice of the Philippine Commonwealth.

Conrado Benitez, dean, college of business, University of the Philippines.

Joaquin M. Elizalde, member of National Economic Council.

Quintin Paredes, Resident Commissioner for the Philippines.

José E. Romero, floor leader, majority party, in the national assembly.

Manuel Roxas, floor leader, minority party, in the national assembly.

The joint committee will begin its work under the direction of the chairman of the Interdepartmental Committee on Philippine Affairs, the Honorable Francis B. Sayre. The first meeting of the joint committee will be held on Monday, April 19, 1937.

In addition to the above members, a number of special technical experts will be attached to the committee.

W. P. A. ADMINISTRATIVE PAY ROLL IN WEST VIRGINIA

Mr. HOLT. Mr. President, I ask unanimous consent to have printed in the RECORD as a part of my remarks a letter addressed to me by Aubrey Williams, Acting Administrator of the Works Progress Administration, and a letter written by me to Mr. Williams.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

MAY 15, 1937.

Senator RUSH HOLT,
Senate Office Building, Washington, D. C.

DEAR SENATOR HOLT: This is in reply to a telephone request from your office for names, addresses, and salaries of persons holding supervisory or administrative positions in the W. P. A. in West Virginia.

We have not made it a practice to give out information concerning the individual salaries and addresses of employees except those in a position to formulate policy or direct major portions of the operations. We have felt that the public could have no legitimate interest in such information and that its release would

very possibly result in these persons being subjected to solicitation from salesmen and the gossip of neighbors.

We do feel that the public could and should have a very real interest in the total amount of our administrative pay roll, the various salary grades for different kinds of work, and the number of persons employed in the various categories. Upon request we are glad to make listings of this kind.

Very truly yours,

AUBREY WILLIAMS,
Acting Administrator.

MAY 25, 1937.

Mr. AUBREY WILLIAMS,
Works Progress Administration, Washington, D. C.

DEAR MR. WILLIAMS: I am in receipt of your letter of May 15. Since it is my duty as one of the Members of Congress to determine the amount of money to be spent by the Works Progress Administration during the coming fiscal year, I feel that the information requested is of much importance. Certainly it is not being procured for solicitation of salesmen. As to gossip, I feel that a public pay roll is a public matter. The best way to stop gossip is to let the people know the facts. If anyone on the pay roll does not deserve to be there and is receiving far beyond what he should, I see no reason why neighbors should not talk about the matter because the neighbors are the ones who pay the bill. As you know, I unearthed a large number of individuals last summer on the W. P. A. pay rolls who were not entitled to be there on need or merit, and I feel that it has come to quite a state of affairs when a Member of the United States Senate, who is called upon to pass appropriations, cannot find out how much and who is being paid within his own State. Therefore, I request again that you furnish me with a list of names, addresses, and salaries of persons holding supervisory and administrative positions with the W. P. A. in West Virginia.

I cannot agree with you that the public could have no interest in such information. I feel that the public has a very important and definite interest. I do not agree with the contention that a public pay roll is a closed affair and that the people who pay the bill do not have a right to know the details.

Through a list last year I found very wealthy individuals receiving money from the relief administration. I found employees holding more than one job. I found employees placed on the relief pay rolls who were receiving many times their former private salaries. I found salaries increased by large amounts with no specific reason given or known for such advancement except political consideration. Could you mean that this is not legitimate for me to trace down such practices?

Yours very truly,

RUSH D. HOLT.

FUTURE AIR CONQUESTS—ADDRESS BY SENATOR M'ADOO

[Mr. MINTON asked and obtained leave to have printed in the RECORD a radio address on the subject of aviation delivered by Senator MCADOO on May 24, 1937, which appears in the Appendix.]

FOREIGN DEBTS VERSUS PEACE—ADDRESS BY SENATOR ELLENDER

[Mr. TRUMAN asked and obtained leave to have printed in the RECORD a radio address by Senator ELLENDER on the subject of Foreign Debts Versus Peace, which appears in the Appendix.]

THE MERCHANT MARINE—ADDRESS BY JOSEPH P. KENNEDY

[Mr. COPELAND asked and obtained leave to have printed in the RECORD a radio address on the subject of The Federal Government and Our Merchant Marine, delivered May 22, 1937, by Joseph P. Kennedy, Chairman of the United States Maritime Commission, which appears in the Appendix.]

ADMINISTRATION OF FEDERAL RELIEF

[Mr. HOLT asked and obtained leave to have printed in the RECORD an article by Frank R. Kent, under the title "Using Relief as a Club", published in the Baltimore Sun of the 26th instant, which appears in the Appendix.]

YOSEMITE NATIONAL PARK

Mr. McADOO. Mr. President, I ask unanimous consent for the present consideration of Order of Business No. 583, being the bill (S. 1791) to provide for the acquisition of certain lands for and the addition thereof to the Yosemite National Park, in the State of California, and for other purposes.

Mr. McNARY. Mr. President, there is so much confusion in the Chamber that I do not understand the nature of the request which was submitted by the Senator from California.

Mr. McADOO. I have asked for the immediate consideration of Senate bill 1791, relating to the acquisition of certain lands to be added to Yosemite National Park. On the call of the calendar last Monday the Senator from Nevada [Mr. MCCARRAN] objected to the bill, but he has now withdrawn the objection.

Mr. McNARY. Why does not the Senator in the ordinary way move to proceed to consideration of the bill?

Mr. McADOO. Very well. I move that the Senate proceed to the consideration of the bill.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 1791) to provide for the acquisition of certain lands for and the addition thereof to the Yosemite National Park, in the State of California, and for other purposes.

The PRESIDENT pro tempore. The committee amendment was agreed to last Monday. The question, therefore, is on the engrossment and third reading of the bill.

Mr. TYDINGS. Mr. President, will the Senator give a brief explanation of the bill? I have no desire to oppose it, but should like to know what it is.

Mr. McADOO. Mr. President, the bill authorizes the acquisition, by negotiation or by condemnation, of approximately 7,000 acres of what is known as the most concentrated sugar-pine forests in the Sierra Mountains adjoining Yosemite National Park.

Mr. McKELLAR. Mr. President, can the Senator give us an idea of what it will cost to acquire the lands in question?

Mr. McADOO. I can, and shall do so in just a moment.

This stand of sugar pine was originally a part of the Yosemite National Park, but under acts of Congress it was finally excluded, along with some other areas, and is now owned by the Yosemite Sugar Pine Lumber Co., which proposes to begin logging in this area at an early date.

I may say to the Senate that the sugar pine is without doubt the noblest tree in the great Sierra Nevada Mountain Range. It is not so great in diameter as are the famous Sequoias, but in symmetry and beauty it is far superior to the great Sequoias. This particular area is noted, as I have said, for having the most concentrated stand in the world of this noble tree. All over the country there is demand for the preservation of this particular area, and the bill grants the necessary authority for its acquisition.

I may say in this connection that no new money is necessary for the acquisition of the forest lands involved. It may cost from $2,000,000 to $2,500,000. I am advised by the Interior Department that the funds for this purpose can be provided out of appropriations made for forest lands and other purposes. A statement to that effect is incorporated in the report made to the committee by Mr. Arno B. Cammerer, Director of the National Park Service.

Mr. ROBINSON. Mr. President, will the Senator yield?

Mr. McADOO. I yield.

Mr. ROBINSON. My information is that the area which the Senator's bill seeks to incorporate in the park was at one time a part of the Yosemite National Park.

Mr. McADOO. That is correct.

Mr. ROBINSON. The desire is to preserve this very remarkable stand of fine and exceptionally beautiful trees.

Mr. McADOO. That is correct.

Mr. ROBINSON. The cost is estimated at between $2,000,000 and $2,500,000.

Mr. McADOO. I believe the Senator is correct in his statement of the figures.

Mr. POPE. Mr. President, may I inquire of the Senator from California why this area was at one time excluded from the Yosemite National Park?

Mr. McADOO. I have not consulted the record and cannot give the Senator the exact reasons which actuated Congress in permitting the area to be withdrawn from the park. I do not know what caused the Congress to take that step, but that is the way this property finally reverted to private ownership. It is that property or area which we now want to preserve and add to the Yosemite National Park. It is not a very large tract, but it contains these magnificent trees.

Mr. BYRNES. Mr. President, will the Senator yield?

Mr. McADOO. I yield.

Mr. BYRNES. I understood the Senator to say that the money for the purchase of the tract will be taken out of relief funds.

Mr. McADOO. I should have said out of certain funds in the hands of the Interior Department. I believe I did say "relief funds", but that was an error. If the Senator will refer to the report accompanying the bill he will find an exact statement of the matter.

Mr. HATCH. Mr. President——

The PRESIDENT pro tempore. Does the Senator from California yield to the Senator from New Mexico?

Mr. McADOO. I yield.

Mr. HATCH. I observe from the report that appropriations have heretofore been made for the Park Service and the money for this purpose is now in the hands of the Park Service.

Mr. McADOO. That is, I believe, correct.

The Senator from South Carolina [Mr. BYRNES] will find in the report of the committee a statement submitted by the Director of the National Park Service explaining how existing funds may be utilized for this purpose.

Mr. BYRNES. I should like to know whether the funds are to come out of relief-fund appropriations.

Mr. McADOO. No; I was mistaken when I used the word "relief."

From Mr. Cammerer's statement incorporated in the report of the committee I read as follows:

The basic authority for the acquisition of lands for the relief of unemployment and the performance of useful public works is contained in the act of Congress approved March 1, 1933 (48 Stat., p. 22). The objectives of that act, as outlined in section 1 thereof, are as follows:

Mr. BYRNES. I have no desire to have the Senator read further.

Mr. McADOO. Very well.

The PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized to acquire, by purchase when purchasable at prices deemed by him reasonable, otherwise by condemnation under the provisions of the act of August 1, 1888, on behalf of the United States under any fund or moneys available for such purpose, except from the general fund of the Treasury, any of the following-described lands in the State of California now in private ownership, to wit: Section 25, lots 3, 4, 5, 8, and 9, section 34, northeast quarter, southeast quarter, northwest quarter, lots 1 to 10, inclusive, section 35, section 36, township 1 south, range 19 east; southeast quarter northwest quarter, east half southwest quarter, southeast quarter, lots 2, 3, and 4, section 30, section 31, township 1 south, range 20 east; sections 1, 2, and 3, east half section 10, sections 11 and 12, north half section 14, northeast quarter section 15, township 2 south, range 19 east; southeast quarter northwest quarter, east half southwest quarter, lots 3 to 7, inclusive, section 6, township 2 south, range 20 east, Mount Diablo meridian.

SEC. 2. When title to the aforesaid privately owned lands has been vested in the United States, all of the lands described in section 1 hereof shall be added to and become a part of the Yosemite National Park and shall be subject to all laws and regulations applicable thereto: *Provided*, That nothing in this act shall be construed to affect any valid existing rights.

SEC. 3. The provisions of the act approved June 10, 1920, as amended, known as the Federal Water Power Act, shall not apply to any of the lands added to the Yosemite National Park pursuant to the provisions of this act.

ORDER OF BUSINESS—WORK OF THE SESSION

The PRESIDENT pro tempore. Morning business is closed. The calendar under rule VIII is in order.

Mr. ROBINSON. Mr. President, the calendar was called during the last session of the Senate. Only a few bills are now on the calendar, and most of them have been repeatedly called and objection has been made each time they were called. Some of the bills in the latter class I hope may be recommitted to the committees reporting them, in order to clear the calendar. I ask that further call of the calendar be dispensed with at this time.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBINSON. Mr. President, the Senate has kept well up with its work during the present session, as is indicated by the small number of bills on the calendar. Until the committees report additional proposed legislation there is very little business of importance to be transacted in the Senate. I ask consideration of the thought that it would be well for the standing committees to report as speedily as they can, in order to bring measures before this body so that they may receive consideration .

It is not intended by this statement to make any complaint as to the action of the respective committees. The Appropriations Committee is working almost continuously. Its subcommittees are very busy. Three major appropriation bills still remain to be disposed of by the Senate. Manifestly, the Senate cannot take them up until the committee finds itself able to report. I express the hope that rapid progress may be made in this particular.

In view of the fact that next Monday will be Decoration Day, and in view of the further fact that there is little business before the Senate, unless there is some objection, it is my intention to move an adjournment today until Friday; and on Friday, unless business shall have come in which the Senate is in a position to proceed with, it is my intention then to move a recess or adjournment until Tuesday, so that the Senate may have the opportunity of appropriately observing Decoration Day.

Mr. McKELLAR. Mr. President, in regard to the three general appropriation bills, I desire to say that they are all before subcommittees at this time, and are being rapidly prepared, and there will not be any undue delay. We hope to get them all before the Senate during the coming week.

Mr. ROBINSON. It seems appropriate to supplement what the Senator from Tennessee has just said with the statement that it is the understanding that the subcommittee of the Committee on Appropriations, which has jurisdiction of the relief bill now before the body at the other end of the Capitol, is ready to proceed with a study of that bill immediately upon the measure reaching the Senate.

Mr. McKELLAR. That is true.

EXECUTIVE SESSION

Mr. ROBINSON. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

TREATIES AND CONVENTIONS SIGNED AT BUENOS AIRES CONFERENCE—MESSAGE FROM THE PRESIDENT

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States, which was read, together with the letter from the Secretary of State to the President, and, with the accompanying papers and documents, was referred to the Committee on Foreign Relations, as follows:

To the Senate of the United States:

I transmit herewith to the Senate, with a view to obtaining the advice and consent of that body, five international conventions, two treaties, and an additional protocol, which were signed by the delegates of the United States of America at the Inter-American Conference for the Maintenance of Peace, held at Buenos Aires, December 1–23, 1936. The significance of these instruments is described in the accompanying letter from the Secretary of State and in the individual reports which describe and explain each document, to all of which the attention of the Senate is invited:

1. Convention for the Maintenance, Preservation, and Reestablishment of Peace.
2. Additional Protocol Relative to Nonintervention.
3. Treaty on the Prevention of Controversies.
4. Inter-American Treaty on Good Offices and Mediation.
5. Convention to Coordinate, Extend, and Assure the Fulfillment of Existing Treaties Between the American States.
6. Convention on the Pan American Highway.
7. Convention for the Promotion of Inter-American Cultural Relations.
8. Convention Concerning Artistic Exhibitions.

The conference at Buenos Aires which adopted these instruments met at a time of historic importance in the

Americas. With the termination of war between two sister republics there had arisen among the peoples of every country throughout the hemisphere a fervent desire that war be banished forever as a method of resolving international disputes. The delegates who assembled there felt deeply the responsibility that had been entrusted to them and proceeded in their deliberations with a determination and despatch which distinguished this conference. So favorable did the opportunity appear for constructive results that I journeyed to the conference to signify my own realization of the high importance of the conference, and I was accorded the high honor of addressing the opening session. I can, therefore, from personal observation testify to the earnestness of purpose of the many outstanding statesmen of the Americas gathered there, and to their determination to give an example to the world of international cooperation in order that peace may prevail.

It is my considered belief that the several instruments that the delegations of the American republics formulated justify in the fullest measure the high hopes for success which they bore with them. These instruments evidence the desire and the will of the American peoples to live in peace one with another and they provide the long-awaited mechanisms for insuring the cooperation between nations indispensable to the maintenance of peace.

The original initiative for this conference came from the United States. It would, therefore, seem to me particularly fitting that the United States Government be among the first American governments in the ratification of the instruments that the conference adopted, thereby giving a further indication of the sincerity of the good-neighbor policy. I strongly recommend, therefore, that the Senate give favorable consideration to the instruments herewith submitted with a view to giving its advice and consent to their ratification.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *May 26, 1937.*

[Accompaniments: Eight reports from the Secretary of State with seven treaties and conventions of the Inter-American Conference for the Maintenance of Peace.]

DEPARTMENT OF STATE,
Washington, May 15, 1937.

The PRESIDENT,
The White House.

MY DEAR MR. PRESIDENT: I have the honor to transmit herewith the following instruments which were negotiated and signed at the Inter-American Conference for the Maintenance of Peace held at Buenos Aires December 1–23, 1936:

1. Convention for the Maintenance, Preservation, and Reestablishment of Peace.
2. Additional Protocol Relative to Nonintervention.
3. Treaty on the Prevention of Controversies.
4. Inter-American Treaty on Good Offices and Mediation.
5. Convention to Coordinate, Extend, and Assure the Fulfillment of Existing Treaties Between the American States.
6. Convention on the Pan American Highway.
7. Convention for the Promotion of Inter-American Cultural Relations.
8. Convention Concerning Artistic Exhibitions.

These documents were signed by the delegates of the United States of America, subject to ratification, in accordance with the full powers issued by you, and accordingly they are sent to you with a view to their transmission to the Senate for its advice and consent to their ratification, if you approve thereof.

I am transmitting these instruments with separate reports for your convenience, as well as that of the Senate, if you approve of their submission. The separate reports briefly describe and explain these documents.

This conference was convened in pursuance of the proposal made by you on January 30, 1936, to the Presidents of all the American republics that the time was opportune for the countries of this hemisphere at a common council table to consider their joint responsibility for the maintenance of peace. Both the spirit in which the deliberations of the conference were conducted and the achievements themselves, all reached by unanimous agreement, established this conference as one of the most successful international gatherings in recent times.

The delegations of the several countries demonstrated a solidarity of purpose and determination to strengthen the edifice of peace seldom seen at an international conference. That they succeeded is evidenced by the instruments themselves. These reinforce the structure of peace by the reaffirmation of obligations to settle by pacific means all controversies of an international character; by providing the machinery for consultation and cooperation to prevent the outbreak of war, and, should these efforts unhappily fail, to prevent the spread or prolongation of hostilities; by declaring inadmissible intervention by one state in the internal or external affairs of another; and by providing measures for the improvement of cultural relations and communications. These instruments are interconnected segments of a structure of permanent peace, so that failure to ratify one will weaken the efficacy of all.

The policy of the good neighbor which you enunciated in your first inaugural message brought into the conduct of our foreign relations a spirit of friendship, tolerance, and good will. The early evidences of what that policy means in practice has dissipated the many apprehensions held among the other American republics concerning our motives and desires. The conference at Buenos Aires was, perhaps, the most important demonstration thus far of our motives and of our willingness to cooperate for the common good. From every point of view it is to be desired that this country do its share in carrying into reality the high hopes aroused by that conference by ratifying the various instruments adopted there.

I therefore recommend these instruments to your favorable consideration, with a view to their submission to the Senate for its advice and consent to ratification.

Faithfully yours,

CORDELL HULL.

[Enclosures: Conventions and treaties as listed on p. 1.]

EXECUTIVE MESSAGE REFERRED

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States submitting the nomination of Marion H. Allen, of Milledgeville, Ga., to be collector of internal revenue for the district of Georgia, in place of William E. Page, resigned, which was referred to the Committee on Finance.

EXECUTIVE REPORTS OF COMMITTEES

Mr. PITTMAN (the President pro tempore), from the Committee on Foreign Relations, reported favorably the nomination of Warden McK. Wilson, of Indiana, now a Foreign Service officer of class 4 and a secretary in the Diplomatic Service, to be also a consul general.

Mr. McKELLAR, from the Committee on Appropriations, reported favorably the nomination of Ron Stevens, of Oklahoma, to be State administrator for Oklahoma in the Works Progress Administration, vice W. S. Key, resigned.

The PRESIDENT pro tempore. The reports will be placed on the Executive Calendar.

If there be no further reports of committees, the clerk will state in order the nominations on the Executive Calendar.

CONSUL GENERAL—HOMER BRETT

The legislative clerk read the nomination of Homer Brett, of Mississippi, to be consul general.

Mr. BILBO. Mr. President, at the last session I asked that this nomination go over for investigation. Upon investigation I find that Mr. Brett has had a successful and distinguished career, and I take pleasure in asking for the confirmation of his nomination.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

UNITED STATES EMPLOYEES' COMPENSATION COMMISSION

The legislative clerk read the nomination of John J. Keegan, of Florida, to be a member of the United States Employees' Compensation Commission.

Mr. MINTON. Mr. President, I ask that that nomination go over. I have sent out some communications relating to this nomination which have not been responded to.

The PRESIDENT pro tempore. Without objection, the nomination will be passed over temporarily.

COLLECTORS OF CUSTOMS

The legislative clerk read the nomination of James J. Connors, of Juneau, Alaska, to be collector of customs for customs collection district no. 31, Juneau, Alaska.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of John Bright Hill, of Wilmington, N. C., to be collector of customs for customs collection district no. 15, Wilmington, N. C.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

WORKS PROGRESS ADMINISTRATION

The legislative clerk read the nomination of Vincent J. Sullivan to be State administrator for Connecticut.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Farrell D. Coyle to be State administrator for Rhode Island.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask that the nominations of postmasters on the calendar be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations of postmasters are confirmed en bloc.

IN THE ARMY

The legislative clerk proceeded to read sundry nominations in the Army.

Mr. SHEPPARD. I ask that the Army nominations on the calendar be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the Army nominations are confirmed en bloc.

That concludes the Executive Calendar.

ADJOURNMENT TO FRIDAY

Mr. ROBINSON. I move that the Senate adjourn until 12 o'clock noon on Friday next.

The motion was agreed to; and (at 12 o'clock and 28 minutes p. m.) the Senate adjourned until Friday, May 28, 1937, at 12 o'clock meridian.

NOMINATION

Executive nomination received by the Senate May 26, 1937

COLLECTOR OF INTERNAL REVENUE

Marion H. Allen, of Milledgeville, Ga., to be collector of internal revenue for the district of Georgia, in place of William E. Page, resigned.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 26, 1937

DIPLOMATIC AND FOREIGN SERVICE

Homer Brett to be a consul general of the United States of America.

COLLECTORS OF CUSTOMS

James J. Connors to be collector of customs for customs collection district no. 31, with headquarters at Juneau, Alaska.

John Bright Hill to be collector of customs for customs collection district no. 15, with headquarters at Wilmington, N. C.

WORKS PROGRESS ADMINISTRATION

Vincent J. Sullivan to be State administrator in the Works Progress Administration for Connecticut.

Farrell D. Coyle to be State administrator in the Works Progress Administration for Rhode Island.

APPOINTMENTS IN THE REGULAR ARMY

Thomas Morrison Arnett to be first lieutenant, Medical Corps.

James William Sullivan Stewart to be first lieutenant, Medical Corps.

Horace Craig Gibson to be first lieutenant, Medical Corps.

APPOINTMENT, BY TRANSFER, IN THE REGULAR ARMY

Capt. John Hamilton Judd to Quartermaster Corps.

PROMOTIONS IN THE REGULAR ARMY

Walter Reed Weaver to be colonel, Air Corps (temporary colonel, Air Corps).

Alfred James Maxwell to be lieutenant colonel, Finance Department.

Frederick Harry Black to be major, Field Artillery.

REAPPOINTMENT IN THE OFFICERS' RESERVE CORPS OF THE ARMY OF THE UNITED STATES

George Edmund de Schweinitz to be brigadier general, inactive Reserve.

POSTMASTERS

FLORIDA

Carrie Bowers, Lake Placid.

LOUISIANA

Alvin C. Brunson, Mangham.

MISSISSIPPI

Thomas H. Vance, Lake.
Catherine Fitzpatrick, Pass Christian.
William J. Stephens, Webb.
G. Albert Decell, Wesson.

NEW YORK

Marjorie E. Dickinson, Bridgehampton.
William L. Bergner, Callicoon.
George G. Taylor, Canaan.
Joseph E. Downs, Islip.
Timothy E. Driscoll, Kauneonga Lake.
George W. Millicker, Mahopac Falls.
Charles E. Miller, Moravia.

PENNSYLVANIA

Origen K. Bingham, Bridgeville.
Christina R. Hankin, North Wales.

SOUTH CAROLINA

Kittie A. Dunn, Eastover.
Thomas B. Horton, Heath Springs.
Jacob M. Bedenbaugh, Prosperity.

VIRGINIA

Bessie J. Deane, New Canton.
James Archie Buchanan, Saltville.

HOUSE OF REPRESENTATIVES

WEDNESDAY, MAY 26, 1937

The House was called to order by the Speaker pro tempore, Mr. WARREN, at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Humbly and reverently we wait for the breath of God. Heavenly Father, we pause in memory of those who have passed on and have become a part of our Nation's life. Thou alone canst bring light out of darkness, give peace to the troubled soul, and heal the wounded heart. Comfort all those who are dear to them, by the bonds of kinship, with the radiant hope of immortality and eternal life. Blessed Lord, we rejoice that they are not lost who find the light of sun, the stars, and God. O do Thou inspire us to live good, noble lives, going up and down this world serving Thee, lifting human burdens, enriching society, bound by the cords of human love. We pray that each day may be a preparation for the larger life of tomorrow, and, at the last, songs of praises will we ever give to Thee. In the name of our glorified Savior. Amen.

THE JOURNAL

The SPEAKER pro tempore. Without objection, the Journal of the proceedings of yesterday will stand approved.

There was no objection.

RECESS

The SPEAKER pro tempore. Pursuant to House Resolution 215, the Chair declares the House to be in recess for the purpose of holding memorial services as arranged by the Committee on Memorials.

Accordingly, the House stood in recess to meet at the call of the Chair.

MEMORIAL SERVICE PROGRAM

Prelude, Sacred Selections (11:30 to 12)
United States Marine Band Orchestra

Presiding Officer
The Speaker pro tempore of the House of Representatives

Invocation.....The Chaplain, Dr. James Shera Montgomery

God Shall Wipe Away All Tears.....Caro Roma
Caroline Macklin Hughes

Scripture Reading and Prayer.....The Chaplain

Roll of Deceased Members—The Clerk of the House of Representatives
Devotional Silence.
Address—Hon. JOHN H. TOLAN
Representative from the State of California
There Is No Death—O'Hara
Mary J. Mitchell
Address—Hon. DEWEY SHORT
Representative from the State of Missouri
Cornet Solo—Going Home—Winfred Kemp
Principal Musician, United States Marine Band Orchestra
Benediction—The Chaplain

IN MEMORIAM

Senate

Hon. PARK TRAMMELL, a Senator from the State of Florida. Died May 8, 1936.

Hon. DUNCAN UPSHAW FLETCHER, a Senator from the State of Florida. Died June 17, 1936.

Hon. LOUIS MURPHY, a Senator from the State of Iowa. Died July 16, 1936.

Hon. JAMES COUZENS, a Senator from the State of Michigan. Died October 22, 1936.

Hon. PETER NORBECK, a Senator from the State of South Dakota. Died December 20, 1936.

Hon. NATHAN LYNN BACHMAN, a Senator from the State of Tennessee. Died April 23, 1937.

House of Representatives

Hon. JOHN THEODORE BUCKBEE, Twelfth Congressional District of Illinois. Died April 23, 1936.

Hon. WILLIAM DAVID THOMAS, Twenty-ninth Congressional District of New York. Died May 17, 1936.

Hon. RANDOLPH PERKINS, Seventh Congressional District of New Jersey. Died May 25, 1936.

Hon. ABRAM PIATT ANDREW, Sixth Congressional District of Massachusetts. Died June 3, 1936.

Hon. JOSEPH WELLINGTON BYRNS, Fifth Congressional District of Tennessee. Died June 4, 1936.

Hon. BERNHARD MARTIN JACOBSEN, Second Congressional District of Iowa. Died June 30, 1936.

Hon. WARREN JOSEPH DUFFEY, Ninth Congressional District of Ohio. Died July 7, 1936.

Hon. JOHN JACKSON MCSWAIN, Fourth Congressional District of South Carolina. Died August 6, 1936.

Hon. MARION ANTON ZIONCHECK, First Congressional District of Washington. Died August 7, 1936.

Hon. WILLIAM VORIS GREGORY, First Congressional District of Kentucky. Died October 10, 1936.

Hon. GLOVER H. CARY, Second Congressional District of Kentucky. Died December 5, 1936.

Hon. ANDREW JACKSON MONTAGUE, Third Congressional District of Virginia. Died January 24, 1937.

Hon. JAMES PAUL BUCHANAN, Tenth Congressional District of Texas. Died February 22, 1937.

Hon. HENRY ELBERT STUBBS, Tenth Congressional District of California. Died February 28, 1937.

Hon. BENJAMIN KURTZ FOCHT, Eighteenth Congressional District of Pennsylvania. Died March 27, 1937.

MEMORIAL SERVICES

The Speaker pro tempore (Mr. WARREN) presided.

The Chaplain, Dr. Montgomery:

I am the resurrection and the life; he that believeth in Me, though he were dead, yet shall he live; and whosoever liveth and believeth on Me shall never die.

For we know that if the earthly house of our tabernacle be dissolved, we have a building from God, a house not made with hands, eternal, in the heavens.

Let not your heart be troubled; ye believe in God, believe also in Me. In my Father's house are many mansions; if it were not so, I would have told you; for I go to prepare a place for you. And if I go and prepare a place for you, I come again and will receive you unto Myself, that where I am, there ye may be also.

Lord, Thou hast been our dwelling place in all generations. Before the mountains were brought forth, or ever Thou hadst formed the earth and the world, even from everlasting to everlasting, Thou art God.

If on a quiet sea,
Toward heaven we calmly sail,
With grateful hearts, O God, to Thee
We'll own the favoring gale.

But should the surges rise,
And rest delay to come,
Blest be the tempest, kind the storm
That drives us nearer home.

Almighty God, unto whom all hearts are open, all desires known, and from whom no secrets are hid, cleanse the thoughts of our hearts by the inspiration of Thy holy spirit, that we may perfectly love Thee and worthily magnify Thy holy name. Through Jesus Christ our Lord. Amen.

Our Father which art in heaven, hallowed be Thy name. Thy kingdom come. Thy will be done on earth as it is in heaven. Give us this day our daily bread, and forgive us our trespasses as we forgive those who trespass against us. And lead us not into temptation, but deliver us from evil; for Thine is the kingdom, and the power, and the glory forever. Amen.

Caroline Macklin Hughes sang God Shall Wipe Away All Tears, by Caro Roma.

ROLL OF DECEASED MEMBERS

Mr. A. E. Chaffee, reading clerk of the House, read the following roll:

PARK TRAMMELL, SENATOR FROM THE STATE OF FLORIDA

Lawyer; editor; mayor of Lakeland, 1899–1903; member of the State legislature; attorney general of Florida; Governor of Florida, 1913–17; elected to the United States Senate in 1916, 1922, 1928, 1934. Died May 8, 1936.

DUNCAN UPSHAW FLETCHER, SENATOR FROM THE STATE OF FLORIDA

Lawyer; member of the Florida State Legislature; mayor of Jacksonville; chairman board of public instruction of Duvall County, 1900–1906; chairman State Democratic executive committee; elected to the United States Senate, 1908, 1914, 1920, 1926, 1932. Died June 17, 1936.

LOUIS MURPHY, SENATOR FROM THE STATE OF IOWA

Editor; collector of internal revenue for Iowa, 1913–20; income-tax counselor; elected to the United States Senate November 8, 1932. Died July 16, 1936.

JAMES COUZENS, SENATOR FROM THE STATE OF MICHIGAN

Banker; director, Detroit Trust Co.; commissioner of street railways, 1913–15; commissioner metropolitan police department, 1916–18; mayor of Detroit, 1919–22; appointed to United States Senate November 29, 1922, and subsequently elected for unexpired term; reelected 1924, 1930. Died October 22, 1936.

PETER NORBECK, SENATOR FROM THE STATE OF SOUTH DAKOTA

Farmer; contractor; member State senate, 1909–13; Lieutenant Governor, 1915–16; Governor of South Dakota, 1917–21; delegate, Republican national convention, 1924; elected to the United States Senate, 1920, 1926, 1932. Died December 20, 1936.

NATHAN LYNN BACHMAN, SENATOR FROM THE STATE OF TENNESSEE

Lawyer; city attorney of Chattanooga, 1906–8; circuit judge, 1912–18; associate justice of the Supreme Court of Tennessee, 1918–24; appointed to the United States Senate February 28, 1933, subsequently elected for unexpired term; reelected 1936. Died April 23, 1937.

JOHN THEODORE BUCKBEE, TWELFTH CONGRESSIONAL DISTRICT OF ILLINOIS

Businessman; horticulturist, receiving technical training in this subject in Austria, France, Holland, Denmark, Sweden, Belgium, Italy, and Great Britain; Member of the Seventieth, Seventy-first, Seventy-second, Seventy-third, and Seventy-fourth Congresses. Died April 23, 1936.

WILLIAM DAVID THOMAS, TWENTY-NINTH CONGRESSIONAL DISTRICT OF NEW YORK

Pharmacist; businessman; banker; town clerk of Hoosick, 1917–25; member of the New York State Legislature, 1925–26; Rensselaer County treasurer, 1927; Member of the Seventy-third and Seventy-fourth Congresses. Died May 17, 1936.

RANDOLPH PERKINS, SEVENTH CONGRESSIONAL DISTRICT OF NEW JERSEY

Lawyer; member New Jersey Legislature, 1905–7; mayor of Westfield, 1903–5; Member of the Sixty-seventh and each succeeding Congress. Died May 25, 1936.

ABRAM PIATT ANDREW, SIXTH CONGRESSIONAL DISTRICT OF MASSACHUSETTS

Educator; editor; soldier; Director of the Mint, 1909–10; Assistant Secretary of the Treasury, 1910–12; Member of the Sixty-seventh and each succeeding Congress. Died June 3, 1936.

JOSEPH WELLINGTON BYRNS, FIFTH CONGRESSIONAL DISTRICT OF TENNESSEE

Lawyer, three times elected to the lower house of the Tennessee Legislature; speaker of that body in 1899; elected to the State senate, 1900; Democratic Presidential elector, 1904; Member of the Sixty-first and each succeeding Congress; chairman, Democratic National Congressional Committee; chairman, Committee on Appropriations, Seventy-second Congress; majority floor leader, Seventy-third Congress; Speaker, Seventy-fourth Congress. Died June 4, 1936.

BERNHARD MARTIN JACOBSEN, SECOND CONGRESSIONAL DISTRICT OF IOWA

Banker; postmaster of Clinton, Iowa, 1914–23; organizer and president of the Clinton Thrift Co.; director, City National Bank; Member of the Seventy-second, Seventy-third, and Seventy-fourth Congresses. Died June 30, 1936.

WARREN JOSEPH DUFFEY, NINTH CONGRESSIONAL DISTRICT OF OHIO

Lawyer; member of the General Assembly of Ohio, 1913–14; member of the Toledo City Council, 1917–18; elected to the Seventy-third and Seventy-fourth Congresses. Died July 7, 1936.

JOHN JACKSON M'SWAIN, FOURTH CONGRESSIONAL DISTRICT OF SOUTH CAROLINA

Lawyer; teacher; soldier; member of the Interparliamentary Union; grand master of the I. O. O. F. of South Carolina; president of the Sons of Confederate Veterans; Member of the Sixty-seventh and each succeeding Congress; chairman of the Committee on Military Affairs. Died August 6, 1936.

MARION ANTON ZIONCHECK, FIRST CONGRESSIONAL DISTRICT OF WASHINGTON

Lawyer; civic leader; born in Kety, Poland, December 5, 1900; came to America at the age of 3. Graduate in law, University of Washington, president of the student body; Member of the Seventy-third and Seventy-fourth Congresses. Died August 7, 1936.

WILLIAM VORIS GREGORY, FIRST CONGRESSIONAL DISTRICT OF KENTUCKY

Lawyer; judge, Graves County Court two terms; United States attorney, western district of Kentucky; Member of the Seventieth, Seventy-first, Seventy-second, Seventy-third, and Seventy-fourth Congresses. Died October 10, 1936.

GLOVER H. CARY, SECOND CONGRESSIONAL DISTRICT OF KENTUCKY

Lawyer; twice elected to the Kentucky Legislature; county attorney, McLean County, 1918–21; elected Commonwealth attorney in 1921 and 1927; delegate to the Democratic national convention in 1932; Member of the Seventy-second, Seventy-third, and Seventy-fourth Congresses. Elected to the Seventy-fifth Congress. Died December 5, 1936.

ANDREW JACKSON MONTAGUE, THIRD CONGRESSIONAL DISTRICT OF VIRGINIA

Lawyer; teacher; author; United States attorney; attorney general of Virginia, 1898–1902; Governor of Virginia, 1902–6; delegate to the Third Conference American Republics at Rio Janeiro in 1906; delegate to Third International Conference on Maritime Law at Brussels, 1909–10; president, American Group Interparliamentary Union, 1930–35; Member of the Sixty-third and each succeeding Congress. Died January 24, 1937.

JAMES PAUL BUCHANAN, TENTH CONGRESSIONAL DISTRICT OF TEXAS

Lawyer; justice of the peace, Washington County, 1889–92; prosecuting attorney, 1892–99; district attorney, 1899–1906; member of the State house of representatives, 1906–13; Member of the Sixty-third and each succeeding Congress; member of the Committee on Appropriations, 1915–37, and chairman of that committee, Seventy-third and Seventy-fourth Congresses; chairman, Select Committee on Government Organization. Died February 22, 1937.

HENRY ELBERT STUBBS, TENTH CONGRESSIONAL DISTRICT OF CALIFORNIA

Minister; horticulturist; Member of the Seventy-third, Seventy-fourth, and Seventy-fifth Congresses. Died February 28, 1937.

BENJAMIN KURTZ FOCHT, EIGHTEENTH CONGRESSIONAL DISTRICT OF PENNSYLVANIA

Editor; publisher; State water supply commissioner; deputy secretary of the Commonwealth of Pennsylvania; Member of the Sixtieth, Sixty-first, Sixty-second, Sixty-fourth, Sixty-fifth, Sixty-sixth, Sixty-seventh; Seventy-third, Seventy-fourth, and Seventy-fifth Congresses. Died March 27, 1937.

Then followed 1 minute of devotional silence.

Hon. JOHN H. TOLAN, a Representative from the State of California, delivered the following address:

ADDRESS OF HON. JOHN H. TOLAN

Mr. Speaker, once a year the Senate and House of Representatives, the Congress of the United States, meets and dedicates one day of each session to our colleagues who have left us for the realms of immortality. Memories are here that cannot all be spoken, and feelings which are the sweetest and holiest within the human heart.

Life's story is soon told. In terms of centuries our lives are only seconds on the calendar of time. Millions of people have come and gone; millions are living, and soon this great army of human beings will take its place with the mighty hosts of the dead.

We are but tiny ants on the surface of the earth, floating in space among millions of other planets and stars and moving at tremendous speed around that glorious orb, the sun. If our planet to which we are all clinging should pause on its axis for a millionth part of a second, human life would cease to exist.

Men live and die; they slave and toil with governmental and individual problems; they taste joy and sorrow; build massive structures as though time will never fade them, praying and believing we will be happier tomorrow than we are today.

And it is this beautiful star of human hope shining brightly in the blue sky of our souls that carries us over the storms and stress of sorrow, sickness, and death.

How much do the dead affect the living? We do not know. If they are here today, they must be close to their colleagues, for they are entitled to the privileges of the floor.

At the opening of the Seventy-fifth Congress we all heard these memorable words coming from our present Speaker, referring to our late beloved Speaker: "I cannot but feel that somehow and in some way his spiritual presence and his solicitude still abide within this Chamber."

It is a sweet thought to believe our departed Speaker and our colleagues who went with him are listening to these ceremonies dedicated to their memories. If they are here in their spiritual forms with the experiences of life and eternity back of them, they might say to us:

"We are happy you have not forgotten us. We know the joys, the affection, the toil, and worries of a Congressman; we were hurt at times for things we did not say, for things we did not do, as you have been and as others have been since the creation of mankind. We were criticized as you have been, but remember that it is one of the highest honors within the gift of the American people to represent them in the Halls of Congress and that the real heart of the American people is sound."

They might tell us not to bear from yesterday one bitterness on to tomorrow, for they found out in their eternal home people were so much better than they were said to be here below.

There is no more important session of Congress than meeting in memory of our beloved dead. All the tenderness within the human soul shines forth in its splendor today and all present will be better and happier for it. Such is the uncertainty of life that this identical audience will never meet again on earth.

Our time will come. We will follow them. But today belongs to our departed dead.

Let us think that their dying eyes read a mystic meaning which only the rapt and parting soul may know. Let us believe that in the silence of the receding world they heard the waves breaking on the farther shore and felt upon their brows the breath of eternal morning.

The divine decree that went forth when man was first created still stands unrecalled. All men have to die. The rich, the poor, the white, the black, the king, the subject, all alike have sooner or later to embark on the river that flows forever from the shores of life to the shores of eternity, and all alike have to one day stand at the tremendous bar of God.

Of all the things in this vast world of which man has knowledge, the most certain and sudden of them all is death. "I come like a thief in the night", says the Lord. He plucks a tiny little bud, the hope and sunshine of a fond father and mother, at one place; a beautiful flower in full bloom, with the star of success shining brightly upon it, at another place; and then beckons to another, faded and withered at the sunset of life. And so on down the ages will He continue until the "trumpet of the archangel shall sound to announce that time shall be no more."

Attending as we are today this beautiful memorial service, dedicated to our departed colleagues, the question arises in our minds, Shall we ever meet again? Shall we ever see them as we used to know them, hear the kind tones of the familiar voice, see the same old smile that once filled us with delight? Or is this the end of our being? A few joys and a few sorrows from babyhood to old age, and then the grave. Have our loved ones gone forever? This is best answered in the words of the past:

Gone forever! Ever? No—for since our dying race began
Ever, ever, and forever, was the leading light of man.
Those that in barbarian burials, kill'd the slave and slew the wife
Felt within themselves the sacred passion of the second life.

Indian warriors dream of ampler hunting grounds beyond the night;
Ev'n the black Australian, dying, hopes he shall return, a white.

Truth for truth and good for good!
The good, the true, the pure, the just,
Take the charm "forever" from them and then crumble into dust.

No; this cannot be the end of our being.

I leave my body as armor, which fatigues me by its weight, to continue my infinite ascension to the heaven of heavens, bathed in light eternal.

No; it cannot be, for the Savior of mankind never carried His bloody cross to the hill of Cavalry in order that man might be born and then destroyed forever. "Our Father who art in heaven" does not reign as an instrument of destruction, but to call His children to their eternal home beyond the skies.

Unite in thought at the same instant the most beautiful objects in Nature. Suppose that you see at once all of the hours of the day and all the seasons of the year; a morning of spring and a morning of autumn; a night bespangled with stars and a night darkened by clouds; meadows enameled with flowers; forests hoary with snow; fields gilded by the tints of the autumn—then alone you will have a just conception of the universe.

While you are gazing on that sun which is plunging into the vault of the west, another observer admires it emerging from the golden gates of the east. By what inconceivable power does that aged star, which is sinking, fatigued and burning, in the shades of the evening, reappear at the same instant fresh and humid with the rosy dew of the morning? At every hour of the day the glorious orb is at once rising, resplendent as noonday, and setting in the west; or, rather, our senses deceive us, and there is, properly speaking, no east or west, no north or south in the world.

In mourning for our dead, let us not forget the living. Through the silver tears of sympathy, let us outline against the golden sky of human hope the universal brotherhood of man. In the silence and stillness of the tomb, about which are clustered the sweet memories of our departed colleagues, let us pierce the veil of the mysterious future and see mankind made a little happier and a little better for having mourned for our departed ones today.

God has written upon the blossoms that sweeten the air, upon the breeze that rocks the flower upon its stem, upon the raindrops that swell the mighty river, upon the dewdrops that refresh every sprig of moss that rears its head in the desert, upon every penciled shell that sleeps in the caverns of the deep, as well as upon the mighty sun which warms and cheers the millions of creatures that live in its light—upon all He has written "None of us liveth to himself."

Tenderly and sorrowfully your colleagues of today give a last thought to our colleagues of the past. O ever dear and absent ones, we have dedicated this day to your sweet memories. "Ere this our tears, our sadness, and our prayers are with you in your eternal home." We know not how soon death shall lay us on the never-ending shores of eternity, but as long as we remain here below "we shall enshrine you in our prayers." Reverently do we hope that we will meet in a—

Realm where the rainbow never fades, where the stars will be spread out before us like the islands that slumber on the ocean, and where the beautiful beings that here pass before us like visions will stay in our presence forever.

Mary J. Mitchell sang There Is No Death, by O'Hara.

Hon. DEWEY SHORT, a Representative from the State of Missouri, delivered the following address:

ADDRESS OF HON. DEWEY SHORT

Mr. Speaker, since we assembled in this Chamber on a similar occasion 1 year ago last month 21 Members of the Congress of the United States—6 Senators and 15 Representatives—have answered the final roll call. Death is no respecter of persons, parties, or places; ruthlessly and indiscriminately he cut through our ranks, and before his irresistible onslaught fell some of our ablest and best men from every section of our Union. Today we meet to pay them tribute and to do them honor.

It is altogether fitting and proper, sir, that we should pause in the midst of our arduous labors and exacting duties to acknowledge our respect and affection for and to pay our homage to our departed comrades; not that they need our praise so much as we need the inspiration derived from meditation upon their lives and achievements. Little that we say here will long be remembered, but the world never can forget their vigilant patriotism, their heroic and unselfish service to their country. Upon their fellow men they left an indelible imprint by the imperishable impact of their individual and powerful personalities. If time permitted and we could follow our natural inclination, we would, of course, discuss the life, character, and accomplishments of each one of our former colleagues, but of necessity our eulogy now must be composite. Other Members will incorporate their addresses on the different individuals in the printed record. But, in passing, we cannot refrain from calling the name of our late and lamented Speaker, Hon. JOSEPH WELLINGTON BYRNS, one of the most popular, just, and beloved Speakers ever to preside over this body. For over a quarter of a century he served his native State of Tennessee, which has made such a magnificent contribution to the statesmanship and history of our Nation, with exceptional distinction and high honor. It was my privilege to go on the funeral train that carried his mortal remains to rest in his beloved hills outside of Nashville. Sad as was the occasion, it was a real joy to see the tens of thousands of people, old and young, white and colored, rich and poor, who traveled many miles to line the highway, to show their deep and abiding affection for and to pay their last respects to this noble man. Knowing the character of Jo BYRNS, we realize that he would not have us single him out from his fellows or give him particular recognition; so democratic was his spirit and so warm was his human personality that he would merely wish to be counted among his fellows, all of whom worked together and did their best for their country.

Mr. Speaker, in recent years Congress has become the butt of jokes, and not infrequently the object of contempt. The cheap clown, whether in circus or higher places, makes us the subject of gibe, jest, and quip. It has become fashionable in some sophisticated and shallow circles to look upon Congress with scornful insolence. Perhaps there are times when we warrant a degree of disdain. And since every successful politician must smile when he wants to fight, and possesses—or should possess—a skin as tough as a rhinoceros, I suppose he should be impervious to all criticism. However, it is difficult to imagine anything more reprehensible than these carping critics, the chronic, contumelious cynics who constantly vent their spleen on Members of Congress. For such rapacious arrogance and blatant babbling there is no excuse and only jealousy and envy can explain such fatuous bellowing.

After all is said and done, no other group of men more perfectly reveals the true spirit, real genius, and genuine character of the American people as do the Members of the Congress of the United States. Particularly is this true of the House of Representatives. Each Member represents a cross section of American life and nearly always reflects the hopes, ambitions, interests, thoughts, ideals, and character of his constituents. This body is a mirror in which America can see herself. No doubt the picture at times is a bit disappointing and more disturbing, but we are elected by the people at frequent intervals and are directly responsible to them. Modesty will not allow us to claim that we are better than the people we represent and pride prevents us from admitting that we are any worse.

Let him who thinks that coming to Congress is an easy task attempt it. To be sure, politics, like nature, is at times freakish. Once in a great while, at remote intervals, a political storm will sweep accidentally some men into this Chamber, but their residence is temporary and not permanent unless they prove their worth. It is difficult for any person to get elected to Congress, and it is more difficult for him to return. Rarely does one little or weak or mean enter these portals, and only the big and strong and good can long remain. Here the true measure of a man is justly and unmistakably taken. But long before he comes here he has been

put to the test. What is the average background of these men? As the whitest lily often springs out of the muddiest hole, so the greatest men frequently come here from the most unexpected places. Like Lincoln, many of our colleagues came from humble origins and unpromising beginnings. They wrestled with poverty and triumphed over adversity.

Others, like Washington and Lee, were born in luxury and rocked in the cradle of plenty. They overcame the handicap of riches and aristocracy; they were neither misled by wealth nor corrupted by society. In our great democracy a man is judged not so much by what his ancestors did as by what he himself can do. Emerson laid down the proper yardstick to measure correctly a man's worth when he said, "What you are speaks so loud that I cannot hear what you say." Our fallen heroes are mourned today not so much for what they said here as for what they did here. They are remembered not for their flaming eloquence, pleasing as it was, but for what they were.

Though I speak with the tongues of men and of angels, and have not love, I am become as sounding brass or a tinkling cymbal.

Not by what they possessed, but how they performed are they today measured. The test is not money, but mind and character. It is good to know that in this fair land these stalwart men, coming from widely scattered regions, representing widely divergent views, reflecting every shade of public opinion on burning political, social, economic, and religious questions, were here working together in the common cause of a great nation—working faithfully and tirelessly to keep open wide the door of equal opportunity for all men, to make life richer and more abundant, to maintain our national honor, to prove ourselves worthy of the liberty, and to perpetuate the free institutions bequeathed to us through the heroic sacrifices of our forefathers. Their difficult task was to preserve all that was good in the old order and at the same time to courageously blaze new trails that lead to human betterment in a quickly changing and baffling world. Our duty is to carry on their unfinished task.

Mr. Speaker, it was never an easy nor an altogether pleasant task to serve in this body, and this is particularly true today. The manifold duties and multiplying demands made on Members of Congress in and through all the vast ramifications of a complex and intricate Government increasingly draw upon their strength and endurance, adding yearly to the terrific toll of human life. Anyone who survives a political campaign in which his life's history is reviewed in detail and during which he moves constantly and inescapably under the pitiless searchlight of publicity must of necessity possess some virtue.

To remain sweet when accused falsely, to silence the tongue of slander, to still the voice of character assassins, to triumph over the fair and strenuous efforts of formidable opponents every 2 years in both primary and general elections taxes one's strength and patience to the limit. Naturally, there come many disappointments with this public life. A man who rises to distinction in this body must do so because of his own personal worth, his mental capacity, untiring industry, and absolute honesty. The path is steep and rugged, and it is covered with sandpaper instead of velvet.

Yet out of this turbulent strife and clash of opinion, out of the heated debates and conflicting interests, out of the atmosphere of uncertainty which we all are forced to breathe, there come the priceless compensation and immeasurable joy of mutual confidence and respect and of real and lasting friendships. In no other body of men do I believe one could possibly find such a fine spirit of genuine and wholesome fellowship, such a splendid feeling of camaraderie. This is because I suppose each one of us realizes rather fully that through which the other fellow has passed. In this sad hour and on this solemn occasion, death once more has leveled all our differences, obliterated all lines of division, and drawn us closely together in the bonds of friendship and affection. The heat of controversy is now dissipated; there is no rancor in our souls or envy in our hearts. Petty jealousies are forgotten, and individual interests and purposes are buried with our comrades whom we memorialize today. Beneath the differences of individual opinion and below the eccentricities of personalities there is a more fundamental unity of the interests and purposes of mankind.

Each one of our former colleagues died at his post of duty, as he would have it.

Let me live out my years in heat of blood.
Let me die drunken with the dreamer's wine.
Let me not see this soul-house built of mud,
Go toppling to the dust—a vacant shrine.

Let me go quickly like a candle light
Snuffed out just at the heyday of its glow.
Give me high noon—and let it then be night.
Thus would I go.

And grant me, when I face the grisly thing,
One haughty cry to pierce the gray, perhaps.
O let me be a tune-swept fiddle string,
That feels the master melody- and snaps.

These comrades died "in heat of blood" and went "quickly like a candlelight snuffed out just at the heyday of its glow." They have felt the "master melody", and we would not ask them to return. At last they have gained rest and peace from their trying and exacting labors, and have gone to their reward for having served God and country well.

Life begins and ends in mystery. While there may not be exact scientific proof for immortality, certainly there is no disproof of this eternal longing of the human heart and its natural rebellion at the thought of extinction. Death is no more mysterious than birth, and they are not so much different things as they are two sides of the same thing—the will of a higher power which renders us helpless and impotent in all our might and wisdom before its insolvable mysteries. If there were no death there could be no life, and faith in the eternal values of truth, beauty, and goodness is a legitimate and necessary function of the human soul.

O world, thou choosest not the better part!
It is not wisdom to be only wise,
And on the inward vision close the eyes,
But it is wisdom to believe the heart.
Columbus found a world and had no chart,
Save one that faith deciphered in the skies;
To trust the soul's invincible surmise
Was all his science and his only art.
Our knowledge is a torch of smoky pine
That lights the pathway but one step ahead,
Across a void of mystery and dread.
Bid, then, the tender light of faith to shine
By which alone the mortal heart is led
Unto the thinking of the thought divine.

In these beautiful lines Santayana clearly and convincingly shows that life is deeper than logic and the human heart has reason that reason knows not of.

These men were "steadfast, abounding in the work of the Lord", because they felt their "labors were not in vain in the Lord." With strong minds, brave hearts, and willing hands they faithfully performed their daily tasks and courageously discharged their duties. With this sublime faith in the dignity of the human soul and with unalloyed ambition to leave the world better than they found it, they have passed from our midst.

Thou wilt not leave us in the dust:
Thou madest man, he knows not why,
He thinks he was not made to die;
And Thou hast made him: Thou art just.

A cornet solo, Going Home, was played by Winfred Kemp, principal musician, United States Marine Band Orchestra.

The Chaplain, Rev. James Shera Montgomery, D. D., pronounced the benediction:

The peace of God, which passeth all understanding, keep your hearts and minds in the knowledge and love of God and His Son, Jesus Christ, our Lord; and the blessing of God Almighty, the Father, the Son, and the Holy Spirit be among you and remain with you always. Amen.

AFTER RECESS

At the conclusion of the recess the Speaker pro tempore, Mr. WARREN, called the House to order, and then, pursuant to

House Resolution No. 215, as a further mark of respect to the memory of the deceased, declared the House adjourned.

ADJOURNMENT

Accordingly (at 1 o'clock and 8 minutes p. m.), pursuant to its order heretofore entered, the House adjourned until tomorrow, Thursday, May 27, 1937, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE JUDICIARY

There will be a hearing before the Committee on the Judiciary Tuesday, June 1, 1937, at 10 a. m., on H. R. 6439, a bill to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto; and to repeal section 76 thereof, and all acts and parts of acts inconsistent therewith.

There will be a hearing before Subcommittee No. 3 of the Committee on the Judiciary Friday, June 4, 1937, at 10:30 a. m., on H. R. 4650, to amend section 40 of the United States Employees' Compensation Act, as amended (the term "physician" to include surgeons and osteopathic practitioners).

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold a public hearing in room 219, House Office Building, June 3, 1937, at 10 a. m., on H. R. 7017, known as the "Right of appeal for suspension of licenses and certificates of service" bill.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

628. A letter from the Acting Secretary of the Interior, transmitting the draft of an amendment to Public Resolution No. 58, Seventy-fourth Congress, which proposes authorization of an appropriation to the Department of the Interior of $50,000 for the compiling, printing, and binding of 500 sets of transactions of the Third World Power Conference and Second Congress on Large Dams; to the Committee on Foreign Affairs.

629. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated May 24, 1937, submitting a report, together with accompanying papers, on a preliminary examination and survey of channel from George Island Landing, Md., to deep water in Chincoteague Bay, authorized by the River and Harbor Act approved August 30, 1935; to the Committee on Rivers and Harbors.

630. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated May 24, 1937, submitting a report, together with accompanying papers, on a preliminary examination of waterway from a point in the Grand Lagoon by way of Bayous Grand and Chico to Pensacola Bay, Fla., as an extension of the intracoastal waterway, authorized by the River and Harbor Act approved August 30, 1935; to the Committee on Rivers and Harbors.

631. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated May 24, 1937, submitting a report, together with accompanying papers, on a preliminary examination and survey of Black Walnut Harbor, Talbot County, Md., authorized by the River and Harbor Act approved August 30, 1935; to the Committee on Rivers and Harbors.

632. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated May 24, 1937, submitting a report, together with accompanying papers, on a preliminary examination and survey of Eastport Harbor, Maine, authorized by the River and Harbor Act approved August 30, 1935; to the Committee on Rivers and Harbors.

633. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated May 24, 1937, submitting a report, together with accompanying papers, on a preliminary examination of West Creek, N. J., authorized by the River and Harbor Act approved August 30, 1935; to the Committee on Rivers and Harbors.

634. A letter from the Acting Secretary of the Interior, transmitting a copy of legislation passed by the Municipal Council of St. Croix, and approved by the Acting Governor of the Virgin Islands; to the Committee on Insular Affairs.

635. A letter from the Acting Secretary of the Interior, transmitting a copy of legislation passed by the Municipal Council of St. Thomas and St. John, and approved by the Governor and Acting Governor of the Virgin Islands, respectively; to the Committee on Insular Affairs.

636. A letter from the Acting Secretary of the Interior, transmitting the draft of a proposed bill to authorize an appropriation to carry out the provisions of the act of May 3, 1928 (45 Stat. L. 484), and for other purposes; to the Committee on Indian Affairs.

637. A letter from the Secretary of War, transmitting a draft of a bill to authorize the transfer of certain military reservations to other agencies of the Government and to the people of Puerto Rico, and for other purposes; to the Committee on Military Affairs.

638. A letter from the Acting Secretary of the Treasury, transmitting a draft of a proposed bill designed to liberalize the laws relating to the making of illustrations of United States and foreign postage stamps; to the Committee on the Judiciary.

639. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Navy Department for the fiscal year 1937, amounting to $5,300 (H. Doc. No. 256); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. HILL of Alabama: Committee on Military Affairs. H. R. 3123. A bill to authorize the Secretary of War to lease to Old Fort Niagara Association, Inc., portions of the Fort Niagara Military Reservation, N. Y.; with amendment (Rept. No. 890). Referred to the Committee of the Whole House on the State of the Union.

Mr. PARSONS: Committee on Coinage, Weights, and Measures. S. 102. An act to authorize the coinage of 50-cent pieces in commemoration of the seventy-fifth anniversary of the Battle of Antietam; with amendment (Rept. No. 892). Referred to the Committee of the Whole House on the state of the Union.

Mr. PARSONS: Committee on Coinage, Weights, and Measures. S. 4. An act to authorize the coinage of 50-cent pieces in commemoration of the three hundredth anniversary of the original Norfolk (Va.) land grant and the two hundredth anniversary of the establishment of the city of Norfolk, Va., as a borough; with amendment (Rept. No. 893). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. COSTELLO: Committee on Military Affairs. House Joint Resolution 339. Joint resolution granting permission to George E. Ijams, civilian employee of the Veterans' Administration, to accept and wear the decoration bestowed upon him by the Republic of France; without amendment (Rept. No. 891). Referred to the Committee of the Whole House.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of California, relative to urging the President of the United States to extend to the governments and dominions of the world invitations to participate in the Pacific

Exposition and Mercado at Los Angeles in 1940; to the Committee on Foreign Affairs.

Also, memorial of the Legislature of the State of California, relative to urging the President and the Congress of the United States to acquire the petrified redwood forest in Sonoma County as a permanent national monument; to the Committee on the Public Lands.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. MOTT introduced a bill (H. R. 7256) for the relief of Muriel C. Young, which was referred to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2417. By Mr. BARRY: Petition of the National Federation of Post Office Clerks, Washington, D. C., opposing a reduction in the appropriation for the Post Office Department and the salaries of postal employees; to the Committee on the Post Office and Post Roads.

2418. Also, resolution of the Department of New York, Jewish War Veterans of the United States, endorsing the Barry bill which calls for an appropriation for the erection of a veterans' hospital in Queens County, N. Y.; to the Committee on World War Veterans' Legislation.

2419. By Mr. BEITER: Petition of the Associated General Contractors of America, Inc., protesting against the creation of any additional valley authorities designed and administered to perform construction work by the day-labor method, and reiterating the principle that any construction work incident to valley improvement should be performed under the competitive contract method of construction; to the Committee on Rivers and Harbors.

2420. Also, petition of Branch No. 40, American Federation of Hosiery Workers, of Buffalo, N. Y., urging the immediate adoption of the Wagner-Steagall housing bill; to the Committee on Banking and Currency.

2421. By Mr. MEAD: Petition of the American Federation of Hosiery Workers, Buffalo, N. Y., requesting Congress to enact the Wagner-Steagall housing bill; to the Committee on Banking and Currency.

2422. By Mr. WELCH: Joint Resolution No. 47 of the California Assembly, relative to memorializing the President of the United States to extend to the governments and dominions of the world invitations to participate in the Pacific Exposition and Mercado at Los Angeles in 1940; to the Committee on Foreign Affairs.

2423. Also, Joint Resolution No. 22 of the California Senate, relative to memorializing the President and the Congress of the United States to acquire the petrified redwood forest in Sonoma County as a permanent national monument; to the Committee on the Public Lands.

2424. By the SPEAKER: Petition of the Massachusetts Democratic Club of Washington, concerning the President's judicial-reform program; to the Committee on the Judiciary.

HOUSE OF REPRESENTATIVES

THURSDAY, MAY 27, 1937

The House met at 12 o'clock noon.

Rev. Edward G. Goetz, pastor of the Zion Evangelical Lutheran Church, Washington, D. C., offered the following prayer:

O God, our Father, Thou who art infinite, just, merciful, and loving, we bow before Thee as Thy children in the universal family of mankind.

May wellsprings of gratitude for Thy bountiful blessings in our lives continually surge up as fountains of help and hope and blessings upon the lives of others.

In Thine almighty hand Thou dost hold the scepter of universal government and good tidings. Thou hast committed this high and holy task to the hearts and hands of men.

To this end, we commend to Thee these, Thy servants, the President and the Congress of the United States, the Governors of our several Commonwealths, our judges and magistrates, and all others in authority. Fill them with divine wisdom to understand Thy way, and give them determined wills to carry it out in this our beloved country and in our relationships with all nations.

Forgive us of our sins. In the name of Christ, our Savior, we pray. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and a joint resolution of the House of the following titles:

On May 24, 1937:

H. R. 3135. An act for the exchange of land in Hudson Falls, N. Y., for the purpose of the post-office site;

H. R. 4778. An act to confer jurisdiction on the United States District Court for the Southern District of New York to hear, determine, and render judgment on the claim of A. Mateos & Sons, owner of the coal hulk *Callizene;* and

H. R. 5311. An act for the relief of the estate of Robert Edwin Lee.

On May 25, 1937:

H. R. 859. An act for the relief of the Union Shipping & Trading Co., Ltd.;

H. R. 1790. An act for the relief of Luvenia Flowers;

H. R. 2352. An act for the relief of Donald L. Bookwalter;

H. R. 3573. An act for the relief of D. B. Carter;

H. R. 3773. An act for the relief of B. B. Odom and Lilla Odom;

H. R. 6910. An act to provide for the exchange between the United States and the Union Terminal Co. of certain properties in connection with the parcel-post building site at Dallas, Tex.; and

H. J. Res. 348. Joint resolution designating May 28, 1937, National Aviation Day.

On May 26, 1937:

H. R. 593. An act for the relief of Albert Wheeler.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1791. An act to provide for the acquisition of certain lands for and the addition thereof to the Yosemite National Park, in the State of California, and for other purposes.

ADJOURNMENT OVER

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that when the House adjourns tomorrow it adjourn to meet on Tuesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

ESTATE OF REUEL SMALL

Mr. COCHRAN. Mr. Speaker, by direction of the Committee on Accounts, I present a privileged report and ask for its immediate consideration.

The Clerk read as follows:

House Resolution 220

Resolved, That there shall be paid out of the contingent fund of the House to the estate of Reuel Small, late an employee of the House, an amount equal to 6 months' compensation, and an additional amount, not to exceed $250, to defray funeral expenses of the said Reuel Small.

The resolution was agreed to, and a motion to reconsider was laid on the table.

ELECTION TO COMMITTEES

Mr. SNELL. Mr. Speaker, I offer a resolution and ask for its immediate consideration.

The Clerk read as follows:

House Resolution 221

Resolved, That RICHARD M. SIMPSON, of Pennsylvania, be, and he is hereby, elected a member of the following standing committees, to wit: Committees on the Census; Mines and Mining; Pensions; and Immigration and Naturalization.

The resolution was agreed to.

PERMISSION TO ADDRESS THE HOUSE

Mr. RICH. Mr. Speaker, I ask unanimous consent that on next Wednesday after the reading of the Journal and the disposition of matters on the Speaker's table I may be permitted to address the House for 10 minutes.

Mr. RAYBURN. Mr. Speaker, reserving the right to object, I shall have no objection if the gentleman will modify his request and take his time after the disposition of business in order on Calendar Wednesday. I have been taking this position consistently on such requests.

Mr. RICH. I appreciate that, Mr. Speaker, and modify my request. Mr. Speaker, I ask unanimous consent that on Thursday next after the reading of the Journal and the disposition of matters on the Speaker's table I may be permitted to address the House for 15 minutes.

Mr. RAYBURN. Mr. Speaker, reserving the right to object, I must, of course, ask that the gentleman's time come after the disposition of privileged matters, such as conference reports, special rules, and so forth.

Mr. RICH. I understand that.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

EXTENSION OF REMARKS

Mr. STEFAN asked and was given permission to revise and extend his own remarks in the RECORD.

GREAT LAKES EXPOSITION

Mr. LAMNECK. Mr. Speaker, by direction of the Committee on Ways and Means, I call up House Joint Resolution 332, providing for the importation of articles free from tariff or customs duty for the purpose of exhibition at Great Lakes Exposition to be held at Cleveland, Ohio, beginning in May 1937, and for other purposes, and ask for its immediate consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the resolution as follows:

Resolved, etc., That all articles which shall be imported from foreign countries for the purpose of exhibition at the international exposition to be held at Cleveland, Ohio, beginning in May 1937, by Great Lakes Exposition, or for use in constructing, installing, or maintaining foreign buildings, or exhibits at the said exhibition, upon which articles there shall be a tariff or customs duty, shall be admitted without payment of such tariff, customs duty, fees, or charges, under such regulations as the Secretary of the Treasury shall prescribe; but it shall be lawful at any time during or within 3 months after the close of the said exposition to sell within the area of the exposition any articles provided for herein, subject to such regulations for the security of the revenue and for the collection of import duties as the Secretary of the Treasury shall prescribe: *Provided*, That all such articles, when withdrawn for consumption or use in the United States, shall be subject to the duties, if any, imposed upon such articles by the revenue laws in force at the date of their withdrawal; and on such articles which shall have suffered diminution or deterioration from incidental handling or exposure the duties, if payable, shall be assessed according to the appraised value at the time of withdrawal from entry hereunder for consumption or entry under the general tariff law: *Provided further*, That imported articles provided for herein shall not be subject to any marketing requirements of the general tariff laws, except when such articles are withdrawn for consumption or use in the United States, in which case they shall not be released from customs custody until properly marked, but no additional duty shall be assessed because such articles were not sufficiently marked when imported into the United States: *Provided further*, That at any time during or within 3 months after the close of the exposition any article entered hereunder may be abandoned to the Government or destroyed under customs supervision, whereupon any duties on such article shall be remitted: *Provided further*, That articles which have been admitted without payment of duty for exhibition under any tariff law and which have remained in continuous customs custody or under a customs exhibition bond, and imported articles in bonded warehouses under the general tariff law, may be accorded the privilege of transfer to and entry for exhibition at the said exposition under such regulations as the Secretary of the Treasury shall prescribe: *And provided further*, That Great Lakes Exposition shall be deemed, for customs purposes only, to be the sole consignee of all merchandise imported under the provisions of this act, and that the actual and necessary customs charges for labor, services, and other expenses in connection with the entry, examination, appraisement, release, or custody, together with the necessary charges for salaries of customs officers and employees in connection with the supervision, custody of, and accounting for articles imported under the provisions of this act, shall be reimbursed by Great Lakes Exposition to the Government of the United States under regulations to be prescribed by the Secretary of the Treasury, and that receipts from such reimbursements shall be deposited as refunds to the appropriation from which paid in the manner provided for in section 524, Tariff Act of 1930.

The resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CALL OF THE HOUSE

Mr. DIXON. Mr. Speaker, I make a point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

Mr. RAYBURN. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 69]

Andresen, Minn.	Gilchrist	McGranery	Rutherford
Andrews	Goodwin	McLaughlin	Ryan
Buckley, N. Y.	Harrington	McLean	Sabath
Cannon, Wis.	Holmes	Maas	Sadowski
Celler	Hunter	Mason	Schuetz
Cluett	Imhoff	Miller	Shafer, Mich.
Cox	Jenks, N. H.	Mitchell, Ill.	Sheppard
Culkin	Johnson, Minn.	Mouton	Smith, Wash.
Dempsey	Kelly, N. Y.	O'Connell, Mont.	Smith, W. Va.
Ditter	Kleberg	Patrick	Taylor, Colo.
Duncan	Kloeb	Peyser	Taylor, S. C.
Fernandez	Kvale	Pierce	Vincent, B. M.
Ford, Miss.	Lesinski	Plumley	Wilcox
Fulmer	Lord	Poage	Wood
Gasque	Lucas	Robinson, Utah	
Gifford	McClellan	Robsion, Ky.	

The SPEAKER pro tempore. Three hundred and seventy Members have answered to their names. A quorum is present.

On motion of Mr. RAYBURN, further proceedings under the call were dispensed with.

VETO MESSAGE FROM THE PRESIDENT—PRINTZ-BIEDERMAN CO.

The SPEAKER pro tempore laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I return herewith, without my approval, H. R. 3326, Seventy-fifth Congress, first session, entitled "An act for the relief of Printz-Biederman Co."

The bill authorizes and directs the Secretary of the Treasury to pay to the Printz-Biederman Co. the sum of $741.40 as reimbursement for money paid as duty upon certain merchandise imported under section 308 of the Tariff Act of 1922 (42 Stat. 938).

The merchandise was admitted temporarily free of duty under bond under section 308, which required exportation of the articles within 6 months from the date of importation. Exportation was not made within that period, as a result of which the collector of customs collected duty on the imported merchandise, as required by law. The importer sought relief in the United States Customs Court, which affirmed the action of the collector of customs in assessing duty because of the failure of the importer to export the merchandise in accordance with the terms of the statute. No appeal was taken from this decision.

The importer now seeks relief, by means of legislation, in the form of reimbursement of the duty legally assessed and paid.

The importer failed to comply with the statutory requirement that the imported merchandise be exported within 6 months from the date of importation. The bill H. R. 3326 selects a particular importer for special treatment by excepting him from the general provisions of section 308 of the Tariff Act of 1922 (42 Stat. 938), thus discriminating against the whole body of importers and establishing a precedent which would open the door to relief in

all cases in which an importer, because of his failure to comply with the terms of the statute, has been required to pay customs duties legally due.

There appears to be no valid reason why the importer in this case should not be bound by the provisions of the law, as are other importers. It is my belief that the field of special legislation should not be opened to relieve special classes of importers from the consequences of their failure to comply with statutory requirements, and especially where the validity of the collection of the duty, which it is now proposed to refund, has been upheld by the court.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *May 27, 1937.*

The SPEAKER pro tempore. The objections of the President will be spread at large upon the Journal.

Mr. KENNEDY of Maryland. Mr. Speaker, I move that the message and bill be sent back to the Committee on Claims.

The motion was agreed to.

Mr. RICH. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. RICH. What right has the President of the United States to veto an act of Congress any more than the Supreme Court has that right?

Mr. RAYBURN. Mr. Speaker, I make the point of order——

The SPEAKER pro tempore. The gentleman does not state a parliamentary inquiry.

EXTENSION OF REMARKS

Mr. MAVERICK, Mr. PETTENGILL, Mr. RANDOLPH, Mr. BIGELOW, Mr. MURDOCK of Arizona, Mr. HOOK, Mr. AMLIE, Mr. REED of Illinois, Mr. ELLENBOGEN, and Mr. COFFEE of Washington asked and were given permission to extend their own remarks in the RECORD.

LEAVE OF ABSENCE

Mr. CALDWELL. Mr. Speaker, the gentleman from Florida, Mr. WILCOX, is unavoidably detained from the House on account of illness.

EMERGENCY RELIEF APPROPRIATION BILL

Mr. WOODRUM. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the joint resolution (H. J. Res. 361) making appropriations for relief purposes, which at one time was known as the relief bill.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the joint resolution (H. J. Res. 361) making appropriations for relief purposes, with Mr. O'CONNOR of New York in the chair.

The Clerk read the title of the joint resolution.

The CHAIRMAN. Section 2 of the bill has been read and is now open to amendment.

Mr. WOODRUM. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I do this for the purpose of making an announcement. There are a great many amendments pending to the remaining portions of this joint resolution, and in connection with some of them there is a great deal of interest, and the amendments will of necessity take some time.

There are lying on the Speaker's table two conference reports, one the independent offices conference report and the other the second deficiency appropriation conference report. It is absolutely imperative that these two conference reports be acted upon before June 1. That means today. The Social Security Board is without funds to meet the June allocations of old-age benefits. I do not think I need go further on that. The Treasury Department is without funds to carry on the clerical force for continuation of the payment of adjusted-compensation certificates. Several other agencies will be called upon to furlough personnel beginning the first of next week if these reports are not acted on at once.

I want to go as far as I can, and hope to conclude consideration of the relief bill today if we can do so. In any event, it is going to be absolutely necessary to take time enough to dispose of these conference reports before adjourning today, whatever that time may be.

Mr. FISH. Will the gentleman yield?

Mr. WOODRUM. I yield to the gentleman from New York.

Mr. FISH. Can the gentleman inform the House whether any definite time has been set when he will take up the conference reports for consideration this afternoon?

Mr. WOODRUM. Not beyond the fact it will obviously take 2 or 3 hours on the conference reports. If we get to the point this afternoon where it is apparent we cannot do both, we will then take up the conference reports.

Mr. FISH. In accord with what the gentleman has stated, I would assume that when it comes to 4 o'clock we will take up the conference reports?

Mr. WOODRUM. If we have not completed consideration of the pending bill by that time, it will be proper then to take up the conference reports.

Mr. BOILEAU. Will the gentleman yield?

Mr. WOODRUM. I yield to the gentleman from Wisconsin.

Mr. BOILEAU. Is it the intention to take up this bill tomorrow?

Mr. WOODRUM. I cannot answer that. The gentleman knows we have agreed to adjourn over from tomorrow until next Tuesday.

Mr. BOILEAU. I understood we were to have a session tomorrow.

Mr. WOODRUM. The gentleman is correct, but I think there will be nothing done tomorrow.

Mr. PARSONS. Will the gentleman yield?

Mr. WOODRUM. I yield to the gentleman from Illinois.

Mr. PARSONS. Does the gentleman propose to finish the pending bill today?

Mr. WOODRUM. If it is possible to do so.

Mr. PARSONS. And the conference reports will not come up until after we finish this bill?

Mr. WOODRUM. If it is not possible to complete this bill, we will dispose of the conference reports.

Many of the Members have received telegrams from home from people who are uneasy about their pension money. The Social Security Board does not have the money to pay these people's pensions on June 1 unless we provide it. It is necessary to take up the conference report on the independent offices appropriation bill before we adjourn this week.

Mr. PARSONS. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM. Yes; I yield to the gentleman from Illinois.

Mr. PARSONS. The gentleman was just about to say something about telegrams which were coming from home. Will the gentleman finish the statement?

Mr. WOODRUM. I stated a great many Members have had telegrams from the State administrations inquiring whether or not they are going to get their money for old-age allocations and benefit payments in June.

Mr. PARSONS. I thought the gentleman was about to make a statement about telegrams coming from back home with reference to the earmarking of the money in this bill.

Mr. WOODRUM. A great many of those have been coming, too.

Mr. PARSONS. I may say to the gentleman that if the membership of the House desires to stay here to dispose of this bill and the conference reports, it can do so by not adjourning today until the consideration of these matters is completed.

Mr. WOODRUM. The House can always do what it wants to do.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM. Yes; I yield.

[Here the gavel fell.]

Mr. MAY. Mr. Chairman, I ask unanimous consent that the time of the gentleman from Virginia [Mr. WOODRUM] may be extended 1 minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. MAY. I have noticed in the papers statements that the collections under the tax provisions of the Social Security Act up to June 30 would amount to over $800,000,000. If this is correct—and I do not know whether it is or not—what is the necessity for any rush in getting this through? Is it due to the fact Congress must appropriate these funds after they come in?

Mr. WOODRUM. The tax goes into the Treasury and Congress has to appropriate the funds.

Mr. O'MALLEY. If these conference reports are so important, why cannot the Committee now rise and take them up, and then go back into Committee and spend the rest of today and tomorrow in the consideration of the relief bill?

Mr. WOODRUM. The Committee could do that, except we are already in Committee.

Mr. O'MALLEY. The Committee could rise, though.

[Here the gavel fell.]

Mr. RICH, Mr. FULLER, and Mr. FISH rose.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. RICH] offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. RICH: Page 4, line 2, after the word "President", insert the following: "with the cooperation of a committee of 10 Members of Congress, 5 Members from the Senate and 5 Members of the House of Representatives, the House Members to be Mr. WOODRUM, of Virginia; Mr. O'NEAL, of Kentucky; Mr. BOILEAU, of Wisconsin; Mr. TABER, of New York; and Mr. JENKINS, of Ohio."

Mr. WOODRUM. Mr. Chairman, I make the point of order against the amendment that it is not germane to the portion of the bill to which it is directed. The amendment undertakes to introduce some new matter in the proposed legislation.

The CHAIRMAN. The Chair will be pleased to hear the gentleman from Pennsylvania in support of the amendment, with regard to its germaneness.

Mr. RICH. Mr. Chairman, I am of the opinion that the law, as it is written in this bill, giving the President of the United States supreme authority with regard to the matters mentioned in the bill, is going beyond the jurisdiction of Congress. I want a committee appointed, with five Members from the Senate and five Members from the House of Representatives, to assist the President of the United States in disposing of these funds.

The CHAIRMAN. The Chair is ready to rule.

Section 2 of the bill gives certain powers to the President of the United States. The amendment offered by the gentleman from Pennsylvania would add a new agency, made up of certain Members of Congress, to serve the same purpose. Adding a new agency or adding another class to one class is not germane. Therefore, the Chair sustains the point of order.

Mr. RICH. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. RICH. Does the Chair mean to state that the amendment sets up a separate organization? This committee is only to cooperate with the President of the United States. The amendment is not designed to set up any new organization.

The CHAIRMAN. The Chair has stated the gentleman's amendment adds to the specific class designated in the section. For that reason it is not germane.

Mr. RICH. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am offering this amendment in good faith. I think the majority of the Members of the House of Representatives have in the past 5 years placed absolute confidence in the President of the United States with respect to the expenditure of relief funds. The President of the United States has turned his authority for the distribution of these funds over to Mr. Hopkins and Mr. Ickes, without the Members of Congress having any knowledge regarding the projects for which the expenditures were to be made. I question whether we as Members of Congress have any right, according to the Constitution, to delegate this power to the President, especially when he has so many duties to perform in the regular conduct and routine of his office that I doubt whether he can give the time and the attention necessary to take care of relief. To substantiate this statement, let me say this——

Mr. CANNON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. RICH. I cannot yield now.

Mr. CANNON of Missouri. Mr. Chairman, a point of order. What is before the Committee?

The CHAIRMAN. The gentleman from Pennsylvania has moved to strike out the last word.

Mr. RICH. Mr. Chairman, we have appropriated for relief more money to Mr. Franklin Delano Roosevelt than any man in the history of the world, and in the shortest space of time. This money was appropriated for direct relief rather than to assist in putting people back on the pay rolls of industry instead of the Government pay rolls. Now, what has happened? At the time he assumed this authority in 1933 we had 12,000,000 people out of work, and today, according to the reports of the American Federation of Labor, there are 10,000,000 people out of work, and you must have come to the conclusion that he has not accomplished the end you and he sought to accomplish. You have been putting money—fabulous sums of money—in the hands of the President time after time, and you will be compelled to put more there under this present administration. I think the membership of the House ought to give him some aid and assistance to the proposition of relief. If there is anybody in this country who needs aid and assistance it is the President of the United States in administering relief, and if you select five Members of the House and five Members of the Senate and have them cooperate and aid and assist him in the expenditure of these funds it will be in the best interest of this Nation.

We have appropriated in the nine major appropriation bills passed by the House of Representatives this year, for 1938, over $4,816,000,000, and with the first emergency appropriation and with the appropriations in the pending bill and second deficiency bill we will have appropriated over $7,200,000,000. As the Members of the Congress know, we only received last year as income $4,165,000,000 You have appropriated now over $3,000,000,000 more than the total amount of money received last year. If the income is going to be as disappointing in the future as it has been in the past, this Nation will never balance the Budget with the present orgy of spending, and therefore you should give aid and assistance to the President of the United States in administration or our Nation will certainly and surely be wrecked on the rocks of financial spending. The Nation is in the gravest danger it has ever been. You need to guide the destiny of our Nation by judicious and wise spending, by sensible relief administration, by wise guidance of the Chief Executive, and he needs a committee to help him administer the affairs as to laws, relief, spending, taxation and every function of our Government.

[Here the gavel fell.]

Mr. COLMER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COLMER: Page 4, line 15, after the word "responsibilities", strike out the remainder of the sentence down to the colon, in line 19, and insert in lieu thereof the following: "*Provided, however*, That in the employment of persons actual need shall be the primary criterion for eligibility for such employment, and applicants in actual need shall be given the same eligibility for employment as applicants whose names may now or hereafter appear on the relief rolls."

Mr. COLMER. Mr. Chairman, I do not know that I shall take the 5 minutes allotted me on this occasion. I merely hope that you heard the amendment, and if you feel like I do about it you will vote for the amendment. I want to call your attention to a serious situation.

Mr. Chairman, I am sure that every Member of this House has had similar experiences to what I have had in traveling over our districts and finding people who have fought the battles of the depression on their own initiative, who have been too proud, if you please, to go upon the relief rolls. These people have been penalized because they

elected to fight it out upon their own, and, as I have said, were too proud to go upon the relief rolls. And this is no reflection on those who have, through their desperate circumstances, been forced on the relief rolls.

Under previous legislation we have penalized honest industry—the industry of the individual. There are just thousands of people in your district who do not want to be driven to going upon the relief rolls in order to get honest employment. There is no good reason why a man in need of employment should be forced on the relief rolls to get that employment.

It is suggested that this would open up the floodgates and would provide an opportunity for further political administration. I think everyone in the House knows how I feel about politics in the administration of this relief. I have no time and very little respect for anybody who will play politics with human misery; but at the same time the Congress did not provide how this money should be administered. They set up an administrative system down in the office of the Administrator here in Washington, and that same office can set up regulations to handle the program under this amendment.

Mr. RAYBURN. Mr. Chairman, will the gentleman yield?

Mr. COLMER. I yield to the distinguished majority leader.

Mr. RAYBURN. Mr. Chairman, frankly, I have been trying to find out just what change the gentleman makes in the proviso of the bill, and I ask the gentleman to state specifically.

Mr. COLMER. What I am trying to do under this amendment—and I shall be glad to have the amendment read again—is to place those who are actually in need, honest men who want to work but who do not want to go on relief, on a parity with those on the relief rolls. They can set up such administrative machinery down there in the W. P. A. to carry out this amendment.

Mr. BOILEAU. Mr. Chairman, will the gentleman yield?

Mr. COLMER. Yes.

Mr. BOILEAU. I understand the gentleman makes need the basis, so that a person who is trying to get a job would have to establish his need?

Mr. COLMER. Yes.

Mr. BOILEAU. Knowing he would get relief without being on the relief roll. Is not that a distinction without a difference?

Mr. COLMER. No.

Mr. BOILEAU. He has to prove that he is actually in need, and that is all the people on the relief rolls have to do.

Mr. COLMER. I understand; but those on the relief rolls are broadcast, and if a man were in actual need, somebody down there could determine that.

Mr. BOILEAU. They also broadcast the rolls of those employed.

The CHAIRMAN. The time of the gentleman from Mississippi has expired. The question is on the amendment offered by the gentleman from Mississippi.

The question was taken; and on a division (demanded by Mr. COLMER) there were—ayes 67, noes 74.

So the amendment was rejected.

Mr. FULLER. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. FULLER: Page 4, line 24, after the word "employment", in line 24, insert the following: "*Provided further*, That any person employed on a relief project who strikes, instigates or in any way participates in, or encourages a strike, shall hereafter be ineligible for relief, and such person shall be removed from such relief project.

Mr. FULLER. Mr. Chiarman, as I walked into the Well one of my good friends, who is for all kinds of appropriations, said that this is a very strong amendment, almost a radical one, but there is nothing in the amendment that is un-American or that is radical in any way. We must realize this money we are appropriating is relief money, that it is not a pension, nor an amount of money that anyone is entitled to except to save men and their families from starvation and to help them until conditions change. I cannot agree with Mr. Hopkins, and nobody else does, that this relief measure is here in America to stay. Such a statement is a reflection upon our great President and the Democratic administration. Most of the opposition, most of the earmarking of the money in this bill is due to the animosity against and to the rulings of the Administrator of Relief, Harry Hopkins. [Applause.] That does not apply to me, because I have received good treatment in my district. We have not had any trouble. Why on earth should a man who is on charity, who is receiving a dole, who is being paid by the taxpayers at the instance of the American Congress, have the right to go out on the public streets openly and aboveboard and denounce the Congress, denounce the administration, denounce the relief measure, because we will not pay him more wages than the law provides, which is the prevailing wages in his community. They are getting the prevailing wages in their communities. To me that is an insult to this administration. It is un-American; it is an insult to the American Congress, which has gone beyond its own desires and increased the public debt in its desire to take care of those who cannot take care of themselves.

It is an insult to have these people strike, cause dissention, ruin the morale of the rest of the workers who are associated with them; walk down the street with big banners in the big cities of this country, as well as here in Washington, denouncing the Congress, denouncing the administration for not paying them more wages. It is not only ingratitude, but a smiting of the hand that feeds them. But they could not and would not dare to pull these stunts in Arkansas. In 999 cases out of 1,000 they have not drawn as much money for several years past as they are drawing now; even possibly before the panic and the financial depression. Yet they denounce us and parade and try to bring disgrace on us because we will not pay them more money. Most of them are foreigners and Communists. With this crowd of agitators, relief is a racket and these people should not be catered to. We should let them know that if they are not satisfied with the relief we are giving them they should get out and find private employment. This they must do sooner or later. I tell you further that the American people are in favor of this amendment. They are demanding it. It does not apply to the ordinary strike of employees in industry. It only applies to those on relief. Their conduct is comparable to an individual feeding his friends, and in return have them refuse to eat his food, sit down and strike because he will not do more. What are we coming to? Sometime this debt must be paid by the taxpayers. Sometime we must stop notwithstanding these strikers and Communists. I seriously doubt strikers in organized industry having the right to relief. Their organizations in the past have always taken care of them and should do so now. Where Federal money is being given as a donation, where it is given as charity, strikers should not participate. [Applause.]

The CHAIRMAN. The time of the gentleman from Arkansas [Mr. FULLER] has expired.

Mr. MAVERICK. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Arkansas [Mr. FULLER].

Mr. Chairman, the amendment just brought before the Committee is one which will deny the rights of the Constitution of the United States to any man who is out of a job.

The gentleman from Arkansas says, "Why, these people are on relief. They go around here and parade." Just think of that! He says, "We have to stop people who are on W. P. A. from parading." That is the most ridiculous thing I ever heard of in my life.

The gentleman from Arkansas [Mr. FULLER] says: "Why on earth should a man who is on charity, who is receiving a dole, go out on the public streets openly and aboveboard and denounce the Congress, denounce the administration?" The reason simply is that such a person has a right to do it. Every person in America has a right to go out on public

streets "openly and above board" or secretly and below board, and has the right to denounce Congress. That is every man's right, and it should be preserved.

The gentleman from Arkansas says that all this business of walking down the street with banners is an insult to the administration. I think the greatest insult to the administration is when we fall out among ourselves, tear a bill to pieces or—and I say "or" because I do not believe we will adopt this amendment—or when we attempt to deny people their plain constitutional rights. The gentleman from Arkansas says that "they do not pull such stunts in Arkansas." Does he mean that it is a stunt to assert a constitutional right in Arkansas? I hope not.

ARE WE A HOUSE OF LORDS OR HOUSE OF REPRESENTATIVES?

What are we? Are we a House of Lords, back in 1500, to tell people that they cannot parade, that they cannot strike? Are we the Lords High and Mighty of the Privy Council? We must be going crazy to even listen to things like that. [Laughter and applause.]

Mr. Chairman, I want to make a few remarks about things that have happened in the last few days. We come up here and say, "Harry Hopkins this" and "Harry Hopkins that." I want to tell you that Harry Hopkins has the hardest job of any man in the United States. He has to satisfy the people who are paying the taxes. He has to satisfy the Congressmen of the United States, the President, the Cabinet, and everybody else. As far as I am concerned, I think Harry Hopkins is an able executive and has done a good job. [Applause.]

Now, they talk about earmarking this money. Yes; we have earmarked and earmarked until the bill has got no ears at all. It has got no feet; for that matter, has it a head? It is no relief bill any more. My colleagues, I repeat, this is no relief bill! This is a "pork barrel" bill; and it is a disgrace to Congress and a disgrace to the Democratic Party if we pass any such bill as this. [Applause.]

THE REPUBLICANS WORK TOGETHER; LET DEMOCRATS DO THE SAME

The Republicans have got a lot of sense or possibly political shrewdness. They stick together, and all day yesterday the Republicans were leading us around by their noses. That is what they were doing. [Laughter.] Oh, well, our noses, then; but I am sure it was not with the use of our brains. It was our emotions the Republicans were working on; we were led by our noses and walked in strange paths. It does not make any difference whose nose it was. We were not using our brains.

Now, let us sort of calm down. [Laughter.] That is fine.

The next thing, let us defeat this last amendment, which deprives citizens of their rights because they are unemployed. Let us get in the habit now of defeating amendments and stand by the committee.

CHINESE WAR LORDS FIGHT FOR SPOILS OF WAR

For the last 2 or 3 days one committee comes in here and knocks the relief bill completely out of place. Then another and another. We have gotten to be a bunch of Chinese war lords fighting against each other for the spoils of war. And just as China has not got any country, we have not got any bill. And just as they have not any defense against foreign enemies, we have no defense against the Republicans.

If we keep on we will have no party.

Now, Mr. Chairman, this bill has been cut to pieces for the benefit of the heavy industries and heavy pork. It is one of the "piggiest" bills ever to be written.

As I said in the beginning, it has never gone to a legislative committee. There is no policy, no rhyme nor reason in this bill.

One thing, however, I can repeat, and that is that the Republicans have been consistent. They have voted as a solid block, and they have stood by the side and laughed at us while we have knifed each other.

So let us first vote down this amendment, which makes a pariah and an outcast of any man who does not happen to have a job. It is unconstitutional to the point that it directly violates liberty and decency and is uncommonly wrong.

Mr. VOORHIS. Mr. Chairman, will the gentleman yield?

Mr. MAVERICK. I yield.

Mr. VOORHIS. After all, does not the gentleman think that a great deal of the issue here is whether people, because they are unemployed, are to be regarded as outside the pale of American citizenship? In the past few days the unemployed have been represented to this House as a group of chiselers receiving charity. I want to say they are victims of economic forces which so far we have not changed. They are our fellow human beings. They want work, not doles, 98 percent of them. They are citizens of the Nation the same as Members of this Congress are.

Mr. MAVERICK. The answer is that if we adopt this amendment we say if a man happens to be unemployed he is not an American citizen and is not entitled to his rights under the Constitution of the United States.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BOILEAU. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this is the most obnoxious amendment that has been proposed to this bill. I want to say to the membership of this House that if this amendment were approved it would mean that down in the State of Arkansas and in other States, where men are now getting as low as $21 a month, if they were dissatisfied with their conditions, if they were dissatisfied with their standard of living, they would not have the right of American citizens to make an organized protest against conditions that were being forced upon them.

I call the attention of the Members to the fact that the minimum wage paid in many States is as low at $21 a month. A man with a large family is given the big income of $21 per month while working on W. P. A. at common labor. That is the amount of income they give to a man who has a big family. If he has a small family, they do not put him on a W. P. A. job; they put him on direct relief, where he gets as low in some States as $5 a month or $6 a month to support himself and family. Under the gentleman's amendment, however, if a decent, respectable man or woman, a red-blooded American citizen, protests against that wage scale, against those intolerable conditions, he or she would be knocked off W. P. A. entirely, and I submit that I do not believe the gentleman from Arkansas wants to be so hard-boiled with these people. The gentleman from Arkansas says that these people are getting more money than they ever had before. If this be true, shame upon the States of this Union that permit and have permitted in the past a standard of living that could be satisfied with an income of $21 a month. [Applause.]

Mr. FULLER. Mr. Chairman, will the gentleman yield?

Mr. BOILEAU. I yield.

Mr. FULLER. There is nothing in my amendment that would prevent their protesting or asking for more money. When men strike they quit work.

Mr. BOILEAU. I may say to the gentleman that we have seen in recent generations that the only effective way to make a protest, the only effective way that labor has ever had of making its protest and having that protest heard, is to strike. When we deprive American citizens of the right to strike we deprive them of the only effective method they have of making their protest heard. [Applause.]

Mr. VOORHIS. Mr. Chairman, will the gentleman yield?

Mr. BOILEAU. I yield.

Mr. VOORHIS. The gentleman from Wisconsin is making an excellent statement. Does not the gentleman feel further that it is a basic American virtue for people to desire to better their condition? Does not the gentleman want to see our program of work relief for the unemployed placed on such a high plane and backed with enough funds to make it a really effective constructive program so that we could get back dollar for dollar and enable our unemployed not only to live but to make a full contribution to the Nation's

welfare? And does not the gentleman feel that in this country one of the greatest things we have ever had has been this insistence on the part of the people of their right to better themselves? Personally, I believe all people employed or unemployed have rights of citizenship which this amendment would violate.

Mr. BOILEAU. The gentleman is correct, and this amendment would take that right away from them.

Mr. MAVERICK. Mr. Chairman, will the gentleman yield?

Mr. BOILEAU. I yield.

Mr. MAVERICK. Does not the gentleman feel that this is in flagrant violation of the Constitution of the United States?

Mr. BOILEAU. It is not only a flagrant violation of the Constitution of the United States but it is a flagrant violation of human decency.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment of the gentleman from Arkansas.

The amendment was rejected.

Mr. FISH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FISH: Page 4, line 24, after the word "employment", strike out the period and insert a colon and add the following: "*Provided further*, That American citizens shall be given preference for employment over aliens by the Works Progress Administration."

Mr. WOODRUM. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. WOODRUM. Mr. Chairman, I make the point of order that the amendment is not germane to this section of the bill; that if in order at all, it would be in order as an amendment to section 3.

Mr. FISH. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. The Chair will hear the gentleman from New York.

Mr. FISH. The Chair will observe by a reading of sections 2 and 3 that this amendment is in order on either section. I agree with the gentleman from Virginia that it is unquestionably in order on section 3, but it certainly is also in order on section 2, because, for example, it is there provided:

That in the employment of persons, applicants in actual need—

And so forth, and so on. It is already written into section 2.

The CHAIRMAN. The Chair is ready to rule.

The Chair has pending before it a number of amendments pertaining to aliens, all directed toward section 3, which is the section that deals with aliens. The Chair feels that the gentleman's amendment is not germane to section 2.

The point of order is sustained.

Mr. FISH. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I voted against the amendment of the gentleman from Arkansas because it was far too broad. Had the gentleman confined his amendment to sit-down strikes in the Works Progress Administration he might have had it adopted.

Much has been said about the animus against and opposition to Administrator Hopkins. I believe this animus exists on both sides of the House. There is a feeling that Mr. Hopkins as Administrator of Relief has been arrogant, has grasped for power, has engineered a mass of propaganda for more appropriations and more power until the Congress on both sides have become tired of such methods. I agree with Senator LEWIS, of Illinois, who says that all of this relief should be turned over to the States and that Mr. Hopkins, the Administrator, be recalled. If this be done, then we would have ample funds under this bill.

I purpose voting for the bill in its present form, provided the earmarking is left as it is, with the gross amount at $1,500,000,000.

We will then have sufficient money if its administration is turned back to the States and Mr. Hopkins given some other kind of a job. When it comes to giving preference to American citizens, they are the only group that are not organized. They have no lobbyists; they have no lawyers down here to look after their interests; the foreign-born have; the various foreign groups have; other groups have.

I submit that if Mr. Hopkins is right, that the earmarkings in this bill will reduce the relief roll by 800,000, and if 800,000 citizens or noncitizens must be taken off, then it is only right that we give preference to American citizens and to the families of American citizens. I do not know who is going to offer the amendment, but if one is offered similar to the one I propose, I think it is the duty of the House, in view of the fact we have amended this bill, the effect of which, according to Mr. Hopkins, would be that 800,000 will be cut off from relief, then preference should be given, first, to American citizens and families of American citizens, and, secondly, to veterans of the World War and Spanish War veterans.

Mr. COX. Will the gentleman yield?

Mr. FISH. I yield to the gentleman from Georgia.

Mr. COX. Is the gentleman in position to advise the House as to the percentage of alien citizens on the relief rolls and the extent these aliens participate in rebellious explosions against the administration, which are designated as strikes?

Mr. FISH. Yes; because Mr. Victor Ridder, relief administrator in the city of New York, the greatest city in America, stated that the Workers' Alliance of the city of New York, an organization consisting wholly of Communists, controlled relief in that city. That statement has never been denied. Mr. Ridder was appointed by President Roosevelt, and is an able, honest, and honorable man. He was willing to come down here and testify before the Committee on Appropriations, but they refused to invite him or let him testify. The fact is this relief proposition in New York at least is in the hands of the Workers' Alliance, a communistic organization.

[Here the gavel fell.]

Mr. LANHAM. Mr. Chairman, I rise in opposition to the pro-forma amendment.

Mr. Chairman, on last Friday in discussing certain features of the pending measure I gave notice that when we reached section 3 I would offer an amendment to strike out on page 5, line 4, the words "illegally within the limits of the continental United States" and on page 7, after the word "that", strike out the word "such."

The effect of the amendment I shall offer is not merely to give preference to American citizens in this work but to deny giving this work to aliens and give it to American citizens. [Applause.]

Mr. Chairman, I do not know of any foreign country appropriating millions of dollars to take care of needy Americans within its borders. May I call your attention to the fact that aliens who have come into this country in recent years have had to give satisfactory assurances that they would not become public charges. With respect to those who have been in this country long enough to rear families, certainly there is no obligation on American taxpayers to put money in their pockets if they have not been sufficiently in sympathy with the ideals and institutions of our Government to become citizens of the country.

Mr. DIES. Will the gentleman yield?

Mr. LANHAM. I yield to the gentleman from Texas.

Mr. DIES. May I say to the gentleman that practically all foreign countries, including England, France, Germany, and all countries, have recently passed laws denying to American citizens and all foreigners in their midst even private employment. Not only have they denied them private employment, but they will not give them positions on relief.

Mr. LANHAM. I thank the gentleman. Mr. Chairman, I sometimes wonder how long we are going to continue to be an international easy mark. Some of these countries borrow our money and do not repay it. They give no such consideration to our citizens who may be within their borders as is proposed in this measure. Here we have aliens by the thousands and thousands and we are taking care of them

with the hard-earned money of American taxpayers. I do not know how many are on the rolls now, but I understand that 1 year ago there were 600,000 of them on the rolls. I say it is high time that we protect the Americans who are putting up this money by giving these jobs to American citizens.

Mr. SACKS. Will the gentleman yield?

Mr. LANHAM. I yield to the gentleman from Pennsylvania.

Mr. SACKS. I agree with the gentleman that those who have been here a long while and have made no effort to become American citizens ought to be excluded. But how about those who have been here some time and who are in the process of becoming American citizens?

Mr. LANHAM. I have no objection to taking proper care of those legally admitted who have heretofore in good faith declared their intention of becoming American citizens. I would have no special objection to an amendment which I understand the gentleman will offer in that regard to the amendment I shall offer. But these aliens who have come in recently have come in under the requirement that they give satisfactory assurances not to become public charges. With respect to those who have been here long enough to rear families and still remain aliens, I do not think they are entitled to any such monetary consideration from the taxpayers of the United States.

[Here the gavel fell.]

Mr. LUCKEY of Nebraska. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. LUCKEY of Nebraska. Mr. Chairman, since I have been a Member of this body I have read a lot and even heard a lot about usurpation of powers. Some have said that the Executive has been usurping the legislative powers and others have even hinted that the legislative bodies were trying to usurp the Executive powers. I am as much against one type of usurpation as the other, and neither has any place in the American system of government. There is one kind of usurpation of power that is even more deadly than those I have spoken of, and that is the usurpation of legislative and executive powers by administrative agencies. That is exactly what we have, and anyone who doubts such a statement only needs to consider the tremendous drive that has been put on by Mr. Harry L. Hopkins, the head of the Works Progress Administration, against the expressed will of this Congress, as shown by the earmarking amendments to this relief bill, which were so overwhelmingly passed on last Tuesday.

This relief bill was earmarked to provide that certain moneys should be set aside for flood control, water conservation, public roads, and public works. Those amendments were adopted in response to a real and serious wish upon the part of the people of this country. They were accepted in the interests of economy and good government. The people and their representatives want worth-while projects of great public value. Since those amendments were adopted a powerful Federal bureaucracy has been turned loose to convince this Congress that the W. P. A. and its Administrator, Mr. Hopkins, should be given a blank check and allowed to spend it just as they please. Florida ship canals and Passamaquoddys and everything else could be started, regardless of the will of this body. When I say started, that is just what I mean, because anyone with any sense knows that projects costing around $200,000,000 could only be started with these relief funds. Their completion would depend upon further appropriations of Federal funds, but this is the thing we want to stop.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. LUCKEY of Nebraska. I am sorry; I have only a few minutes and I want to finish my statement.

I do not intend to speak on the relative merits of public-works and works-progress projects. I do urge the retention of the amndment for public works upon the basis of fair play and of making good on the Federal Government's moral obligations to the sponsors of public-works projects. Anyone with a sense of fair play knows that you cannot change the rules after the game has started. Everyone knows that the integrity of the Federal Government must be maintained. I call to your attention the remarks made the other day in regard to the Blue Ridge and Natchez Trace Parkways by the distinguished gentleman from Virginia [Mr WOODRUM] in his defense of an increased appropriation for those parkways. I quote:

> How can the gentlemen now state that the Federal Government should repudiate not only a moral obligation, but a legal, contractual obligation, which it has with these communities and with the citizens who have acted upon the theory that the Government would live up to its obligations?

Mr. Chairman, those sentiments and principles are just as true in regard to the P. W. A. projects which have been approved and for which bond issues have been carried as they were for the Blue Ridge and Natchez Parkways.

Five hundred and ninety-seven municipalities and a great many States submitted projects to the Public Works Administration in the understanding that if they were approved by the P. W. A. they would receive a 45-percent grant. Those cities and towns hired engineers, prepared their plans, and voted bond issues to raise their share of the funds. The projects were approved by the P. W. A. but no allotments were made. Why? Because in the meantime the P. W. A., by virtue of an Executive order, had changed the regulations governing the loan and grant basis. As a result, the expenses that have been incurred by the respective municipalities are entirely wasted.

The first requirement under the new regulations is that the project sponsor must be able to underwrite 100 percent of the project. Then the P. W. A. will make grants of 15 percent over the actual amount paid to relief labor on the projects. Now these sponsors have already voted their bond issues. There is no possible way for them to underwrite a hundred percent of the cost when their bond issues called for only 55 percent of the project cost. In the agricultural States where droughts and dust storms have retarded the return of recovery there is not a full supply of skilled labor on relief rolls. In those States where the help is most needed the present P. W. A. rulings practically exclude them from participation in the program.

Mr. BEITER. Mr. Chairman, will the gentleman yield?

Mr. LUCKEY of Nebraska. Yes. I will be glad to yield to my good friend from New York.

Mr. BEITER. Does the gentleman agree with the opponents of earmarking that this is a "pork-barrel" bill?

Mr. LUCKEY of Nebraska. I do not.

Mr. BEITER. If anything is "pork barrel", it is giving a blank check for a billion and a half dollars.

Mr. LUCKEY of Nebraska. Absolutely.

Mr. BEITER. There is no "park barrel" in the contract system where the low bidder is awarded the contract.

Mr. LUCKEY of Nebraska. I was going to say "pork-barrel legislation" is such legislation as the Passamaquoddy project or the Florida ship canal, where millions and millions of dollars will be wasted.

Mr. DIES. Mr. Chairman, will the gentleman yield?

Mr. LUCKEY of Nebraska. Yes. I will be glad to yield to the my distinguished colleague from Texas.

Mr. DIES. I may remind the gentleman of the fact that during the last 2 years of the Hoover administration we Democrats passed a public-works program which was denounced as "pork barrel." We were then told that by setting up the P. W. A. we were getting away from "pork barrel" legislation. However, every public-works project which will be included in the $300,000,000 is a project which has been approved by the P. W. A., and not by this Congress.

Mr. LUCKEY of Nebraska. Yes. The gentleman from Texas is absolutely correct.

The Government has a moral obligation to fulfill, and the funds should be made available to fulfill those demands. This Congress should, and I am sure it will, make certain

that the regulations be changed to allow the Government's obligation to these 597 municipalities to be paid in full.

It is about time that this House asserts its prerogatives as a legislative body. [Applause.]

[Here the gavel fell.]

Mr. MICHENER. Mr. Chairman, I move to strike out the last word.

Mr. WOODRUM. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN (Mr. HART). The gentleman will state it.

Mr. WOODRUM. I think there are a number of amendments pending on the Clerk's desk, which should be reported and acted upon before gentlemen are recognized to offer pro-forma amendments.

Mr. MICHENER. Mr. Chairman, I was recognized, and I yielded for a parliamentary inquiry.

Mr. WOODRUM. The gentleman was not recognized, Mr. Chairman. There are amendments pending which ought to be acted upon before the pro-forma amendments.

The CHAIRMAN (Mr. O'CONNOR of New York). The Chair understands the gentleman from Michigan was recognized for 5 minutes.

Mr. MICHENER. Mr. Chairman, I desire to make a few pertinent remarks. The gentleman from Nebraska [Mr. LUCKEY] has just proceeded by consent of the Committee to deliver a 10-minute speech, 5 minutes more than is provided by the rules of the House. There has been a decided change of heart on the part of the Committee and those in charge of the bill since we recessed when the bill was being considered on Tuesday last. On Tuesday the chairman of the committee, the gentleman from Virginia [Mr. WOODRUM], insisted that the legislative program was such that this bill must be passed before adjournment on that day, and held the House in a late session. Every effort was made to curtail debate. Many Members were denied time in which to discuss the bill, and those who did discuss the bill were fortunate if they got 2 or 3 minutes' time.

On Tuesday the House displayed an encouraging degree of returning independence, and while in that state of mind exercised its own judgment and gave some direction as to how some of the $1,500,000,000 carried in this bill was to be spent. In other words, the House earmarked specific sums to be used for specific purposes, such as good roads, and the completion of certain P. W. A. approved projects.

The purpose on Tuesday was to finish the bill on that day. However, just as soon as this independence on the part of the House was evident, and when the Members got away from the apron strings of the President, the House was suddenly adjourned. When we adjourned on Tuesday we were told the bill would be completed today and that it was necessary to vote on the bill before the House adjourned today.

Now, I am sure that many here present are not familiar with just what is going to happen. Let me give you the facts. At 4 o'clock this afternoon the Committee will arise, and the completion of this bill will be put over until next Tuesday. If that is not the program, I am sure the leaders will correct me. We will have some conference reports, or something else of importance, to occupy the attention of the House the rest of the day, but you may be assured that there will be no vote on this bill today.

Mr. BEITER. Mr. Chairman, will the gentleman yield?

Mr. MICHENER. I regret that I only have 5 minutes.

Between now and Tuesday you will hear from the political bosses back home. Some of you will be importuned, many of you will be commanded, to vote for the appropriation of this $1,500,000,000 without any limitations whatever except such as are approved by the President. I have already talked this morning with several Democrats from Pennsylvania, who make no secret of the fact that they are receiving telegrams from the political leaders—I think the Governor, and if I remember correctly, a Mr. Lawrence—insisting that they vote for just the type of a bill the President wants, whatever that may be. If I am in error, of course some gentleman from Pennsylvania will take the floor in his own time and correct me. Some of the Democrats from Michigan are receiving long-distance calls from their political leaders asking them to vote against earmarking any sums in this bill.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. MICHENER. My time is so limited that I hope the gentleman will excuse me.

Mr. HOOK. Mr. Chairman, will the gentleman yield? He has referred to the Members from Michigan.

Mr. CHURCH. Mr. Chairman, I demand the regular order.

Mr. MICHENER. There are not enough votes in the House today to pass the bill without the crossing of a "t" or the dotting of an "i", as demanded by the administration. The other day the Members voted their own good judgment, and they are not yet ready to yield that which they believed to be right when they voted. Possibly this is a case where time is of the essence, and if this bill can be put over until next Tuesday, the political heat will be turned on. Various degrees will be applied, and when the political blowtorch gets to functioning properly I doubt not but that some of the good little boys, the rubber-stamp kind, the follow-the-President group, will jump through the hoop and respond to the political pressure that you and I know will be applied between now and Tuesday.

These amendments in the bill were placed there after much consideration and debate. There was first a yea-and-nay vote. Tellers were then demanded, and you might as well know that the names were taken down of those who passed by the tellers. The amendments carried by a splendid majority, and I can hardly imagine those Members who voted twice on the same question and went so far as to go on record by passing through the tellers will now yield to threats, temptations, or political expediency. Here we are going to have an opportunity to see what that courage and independence, about which some have been talking, amounts to. Are you going to vote on next Tuesday as you voted last Tuesday, or are you going to listen to your master's voice, and after you are called on the carpet and told what you must do, are you going to abjectly surrender your own judgment and the independence of your congressional district?

I realize that some of you say, "I was elected to follow the President."

Mr. BEITER. Mr. Chairman, will the gentleman yield?

Mr. MICHENER. I have not finished my statement, and my time is short.

Possibly some Members of this body did come in on the President's coattails, and possibly some Members were so anxious to be elected that in the hour of despair they may have repeated the old church hymn, "Where He leads me I will follow, I will follow, follow on."

If I were a New Deal Democrat and had been elected on the Democratic platform, I should feel constrained to observe the mandates of the platform during my term of office. I should really be ashamed of myself if I did not stand by the platform on which I was elected. I should also be ashamed of myself if I were a Democrat, elected on the Democratic platform of 1936, and then was told that I had but one function in Congress, and that was to vote "yes" or "no" as the President dictated. I should be more ashamed of myself if I thought it necessary to telephone to the White House on every occasion before I voted.

If this bill were voted upon today there is no question but that the amendments adopted by the House would be confirmed, and the bill would represent the will of Congress, if not the demands of the Executive. If the bill goes over until Tuesday, the steam roller will be oiled up and in good working order, and my prediction is that enough pressure will be brought to bear so that the Congress will again assume its meek and humble demeanor, and with hat in hand and full of apology will send to the Senate a bill complying supinely with instructions. [Applause.]

I avail myself of this privilege of extending the remarks made above and to call attention to the fact that since those remarks were made the House by an overwhelming vote has declared itself independent and shown its desire to complete this bill today. I hope that the courageous, sound, and splendid speech of the gentleman from Alabama [Mr. STARNES] will appear in the RECORD in just the way it was delivered. For a few minutes after the delivery of that

speech this was the most independent and "fightinest" Congress imaginable. It seemed like old times.

However, at 2 minutes of 4 o'clock the distinguished majority leader took the floor, advised that within an hour he had had a conference with the President, and pleaded with the House to continue this bill until Tuesday. The gentleman from Texas, the majority leader, in his speech appealed to partisan Democrats, and his appeal, as usual, was effective. These fighting men of a few minutes before meekly fell in line, and so on Tuesday next the House will be permitted to vote on such a bill as meets with the approval of the President. I predict now that the usual method will be employed. Promise some more money—possibly in a deficiency bill. Then that money held up by an Executive order in P. W. A. will be released. Pressure and more Santa Claus money may be the solution.

[Here the gavel fell.]

Mr. DIES. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DIES: Page 4, line 24, after the word "employment", strike out the period, insert a colon, and the following: "*Provided further*, That no money received by the Treasury after the enactment of this act shall be used for the purpose of carrying out this act."

Mr. WOODRUM. Mr. Chairman, I reserve a point of order on the amendment.

Mr. DIES. Mr. Chairman, the purpose of this amendment is to compel the Treasury of the United States to utilize some of the enormous gold and silver which we have accumulated to finance this relief program.

I want to call the attention of the Committee to the fact that we have accumulated approximately $12,000,000,000 of gold, or one-half of the entire known supply in the world; that we have accumulated approximately $1,500,000,000 of silver; that we do not need more than $6,000,000,000 to redeem all the outstanding currency if the time ever comes when we resume redemption, and that, as a matter of fact, we have approximately six or seven billion dollars of gold and silver that we are not utilizing for currency purposes.

When the Gold Revaluation Act was passed, provision was put in that act to enable the President and the Treasury to utilize the profits which accrued from that act in order to put this money to work. When the Dies Silver Act was passed we empowered the President to utilize the silver to the full extent of its statutory value. The administration has issued new currency under that act to the extent of $710,000,000, based upon the cost value of the silver, but we have today gold that we are purchasing at the rate of $1,500,000,000 a year with tax-exempt bonds. That gold is lying idle; it is not serving the purposes of this Nation; and yet you propose by this legislation to vote $1,500,000,000 more of tax-exempt securities.

At the conclusion of the War between the States we had issued $350,000,000 of so-called greenbacks. If we had issued Government bonds or tax-exempt bonds in place of greenbacks, the interest today would amount to $12,000,000,000. Now, the folly of this thing is that with $12,000,000,000 or $13,000,000,000 of metallic money in the storehouse of this country, you propose to place a mortgage not only upon this generation but other generations to come, and the very money that you will appropriate under this measure, the money that you are securing by mortgaging our future, is money you must pay back with a fixed interest that will amount to another billion and a half, and all the time you have in your great vaults more than enough gold and silver to finance this relief program. The President is empowered to issue currency upon it, and behind every dollar of currency there will be 100 percent metallic value; and yet, Mr. Chairman, we propose not to do that. No; let it accumulate, not utilize it, not carry out the provisions of the law, but go to the bankers of the country and say, "We want to borrow money from you, so that you can take money that you should put into industry, money that would go into industry, and buy these bonds and live in comfort and ease and have none of the risk of engaging in any private business."

So, Mr. Chairman, what this amendment proposes to do is to say to the Treasury, "You have $13,000,000,000 of gold and silver—that is all you have; you do not have any money—you have approximately $200,000,000 in the Treasury today, which is not enough to take care of your current bills; but you have all of this gold and silver, and you must use that first: you must use that before you place upon the backs of the American people any more tax-exempt bonds." [Applause.]

[Here the gavel fell.]

Mr. WOODRUM. Mr. Chairman, I make a point of order against the amendment.

The CHAIRMAN. The Chair is ready to rule.

The amendment offered by the gentleman from Texas provides, in substance, that no money received hereafter by the Treasury shall be applied to the purposes of this act. The gentleman offers the amendment to section 2 of the joint resolution. Provision as to the appropriation and as to where the money shall come from is contained in section 1 of the bill, in lines 8 to 10, "There is hereby appropriated, out of any money in the Treasury not otherwise appropriated", and so forth.

The amendment of the gentleman might have been germane to section 1, but has no application whatsoever to section 2.

Mr. DIES. Will the Chair hear me a moment?

The CHAIRMAN. The Chair will be pleased to hear the gentleman.

Mr. DIES. I call the Chair's attention to the fact that yesterday I offered the amendment, but I happened to be out of the Chamber when it was called up, and therefore no action was taken upon it. I therefore ask unanimous consent that the amendment may be considered as an amendment to the first section of the bill.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to return to section 1 for the purpose of considering an amendment which he has offered.

Mr. WOODRUM. Mr. Chairman, of course, it always grieves me not to be able to accommodate the distinguished and persuasive gentleman from Texas, but in the interest of expediting consideration of this matter——

Mr. DIES. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM. Certainly.

Mr. DIES. I hope the gentleman from Virginia will not raise any objection, because, surely, the gentleman is anxious to give the House an opportunity to vote upon something that is of such vital importance as this amendment. This is an economy measure, and the amendment will enable the gentleman to get his $1,500,000,000 and we will not have to impose taxes or issue tax-exempt bonds, but utilize some of the gold and silver which we already have.

Mr. WOODRUM. I may call the gentleman's attention to a fact which he has, perhaps, overlooked: The afternoon is waning and there is several hundred thousand dollars in the bill that has not been earmarked. [Laughter.]

Mr. Chairman, I must insist upon my point of order.

The CHAIRMAN. The Chair sustains the point of order that the amendment is not germane to section 2.

Mr. HOFFMAN. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. HOFFMAN: Page 4, line 24, after the word "employment", add: "*Provided further*, That employment shall not be given to those normally who would otherwise be employed in seasonal agricultural pursuits."

Mr. HOFFMAN. Mr. Chairman, this amendment is offered for the purpose of preventing the Government, through the W. P. A. or the P. W. A., coming into competition with a farmer in his efforts to employ labor to plant, care for, and harvest farm crops.

It is our duty to determine the amount of money which should be appropriated and the purposes for which it should be spent. To designate the bill, because funds are earmarked, as a "pork barrel" bill and to attempt to belittle Congressmen who are determined upon earmarking funds

and so performing at least a part of their duty is but demagoguery.

More truthfully might it be said that those insisting upon an arbitrary grant, without any restrictions as to the spending, seek to usurp our functions.

Hopkins was not elected to the Congress. Although neither he nor we may know it, it is our duty to the people of our districts to see that the funds granted are not wasted. Our people have had enough of wasteful spending, and it will be necessary that at some time we reassume the responsibility which is ours. Could I have my way, every dollar of this relief money would be earmarked.

Let us consider the purpose of the amendment which I have offered. However desirable relief, whether through boondoggling or worthy projects, may be, the fact remains that we must eat. Some of those who live in cities still believe that the eggplant produces eggs and that the milk they get on the breakfast table comes from the milkweed; but if we continue, through the Government or otherwise, to take from the farmer his available source of labor, sooner or later someone will be hungry.

You can raise the wages of the workers in the motor industries, the coal mines, the steel mills throughout the industrial world; you can boost the price of the things the farmer sells; but, whether the price of labor, the cost of food be high or low, the fact remains that someone must plow, must plant, must harvest, and somewhere and in due season some horny-handed son of toil must work in the dust, the dirt, from the rising until the setting of the sun, or you and I shall go hungry—this notwithstanding the theories of Wallace or anyone else.

So far no scheme has been devised which will produce a crop until the seed has been sown, and no way has been found to get the products of the soil to the market until they have been harvested.

The farmer, therefore, needs protection from Government competition.

Here is a letter received from E. J. Ries, of Kalamazoo and Martin, in the Third and Fourth Congressional Districts of Michigan. His lands are located in Gun Swamp, a vast area which produces and sends to market carload after carload of onions, celery, and other vegetables. He writes:

> As the time is getting near for the onion, beet, and celery farmers to be in need of extra labor to carry on their usual work, we are brought face to face with the fact that our National Government is using help for their various projects which we used to employ. Furthermore, I am advised that their wage scale is much higher than we can afford to pay.
>
> Would it be possible to curtail this Government work, making the labor now used by the Government available to the farmers of the immediate vicinity?

In the immediate vicinity of this vast acreage, which produces not only onions, but beets, celery, and other vegetables, are a number of Federal projects and, with the Government paying higher wages and giving shorter hours than can the farmer, you can figure the result for yourself.

Mr. FLANNERY. Mr. Chairman, I rise in opposition to the amendment. It seems to me that we are approaching this problem with confused thinking. We have had debate for the last several days on several phases of the bill, and I wish to touch briefly on those provisions as well as on the amendment under discussion. We came before this Congress and the people of the Nation and rejected the amendment of the gentleman from Wisconsin [Mr. BOILEAU] for a $3,000,000,000 relief. We opposed the amendment for a billion dollars relief, and took our stand on the necessity for a billion and a half dollars for relief. We have said since that time that the needy and destitute require a billion and a half, but now we have decided to take half a billion of that money, one-third of it, and give it to the building trades, give it for flood control and other purposes in our own districts. I respectfully submit to this committee, that if we needed a billion and a half dollars last week, we need a billion and a half dollars today, and we shall need a billion and a half dollars for purposes of relief in the future. We have beguiled ourselves or justified our position upon the theory, and it has been iterated and reiterated from the well of this House, that we are taking this attitude because we dislike Harry Hopkins. This is a protest vote we say, we object to the administration of this fund, and therefore, we have taken this means of voicing our protest before the American people.

Mr. RANDOLPH. Mr. Chairman, will the gentleman yield?

Mr. FLANNERY. I decline to yield. If we want to make any protest, let us be honest with ourselves and with Harry Hopkins and make that protest in an honest way. If we object to the manner in which this fund has been administered, then let us proceed to the root of the trouble and get at the administration of the fund. Do not let us fool ourselves and try to fool the American people by saying that we are going to take $500,000,000 of this for our own purposes in order to penalize Mr. Hopkins.

You are not penalizing Mr. Hopkins. You are penalizing the poor and destitute in the communities from which you come. I have over 55,000 people in my community on relief. They are honest, sincere, hard-working Americans. They are as much entitled to the consideration of their Government as any other class. I speak in behalf of those people. We are depriving them as it is, at least, we are curtailing the extent to which they are being relieved, but if you are going to cut this appropriation bill down to a billion dollars, you will deprive them irretrievably, and if you further deprive them by this allotment, you will create a situation which will be intolerable and inevitably must be corrected later on.

You are fooling yourselves. You say, "We will give $300,000,000 to P. W. A.", and you are going to give it under an arrangement for distribution of funds with which we cannot comply. You are giving $300,000,000 that cannot be used. We have admitted freely that the conditions being imposed by P. W. A. before they will allow you to have that fund cannot be met. Gentlemen, we are trying to vote a P. W. A. bill and a W. P. A. bill in a relief bill. One is to relieve the poor and destitute and unemployed. The other is relief for the building trades.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. FLANNERY] has expired.

Mr. FLANNERY. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

Mr. SCHULTE. Mr. Chairman, reserving the right to object——

Mr. FLANNERY. Mr. Chairman, I move to strike out the last four words.

The CHAIRMAN. The gentleman cannot be recognized so soon.

Mr. SCHULTE. Mr. Chairman, I object. In view of the fact that a great many Members desire to finish this bill today and vote today, I am going to object.

Let me add in supplement to these remarks I have projects under P. W. A. consideration in my district which cannot be undertaken because of the regulations. Voting more funds for P. W. A. will not help. I have been informed, and have verified the information, that a P. W. A. bill is now before the committee and will come upon the floor in a few days. In the consideration of that bill we should include the questions now under discussion and the regulations for handling the funds. Let us not take from the poor for these P. W. A. projects, and let us not take from the P. W. A. projects for W. P. A.

If these agencies are to be merged, let us do that, but until that time let us not confuse the functions of each to the detriment of both.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. HOFFMAN].

The amendment was rejected.

Mr. HOOK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. HOOK: On page 4, line 10, strike out the words "Works Progress Administration" and insert in lieu thereof "Department of Labor."

Mr. HOOK. Mr. Chairman, the purpose of this amendment is to have a different department than the adminis-

trator of the fund to determine what is the prevailing wage. I have had experience with that, and I believe the Labor Department is the proper department to determine what is the prevailing wage. That is the only purpose of the amendment.

Several of my colleagues from Michigan on the other side of the House have spoken on this bill. One of those gentlemen made the statement that he would be ashamed of this or that if he were a Democrat. I will say to the gentleman from Michigan [Mr. MICHENER], were he a Democrat and acted as he does now on the floor of this House, we Democrats would be ashamed of you. We are ashamed of you anyhow. In answer to you, I will say if anybody received any orders from any leaders back home it is you Republicans and not us Democrats. I challenge you to say whether there was one of us Democratic Members who received any orders from back home.

Mr. MICHENER. Yes; I say you did.

Mr. HOOK. From whom?

Mr. MICHENER. I will tell the gentleman after he sits down.

Mr. HOOK. Tell me on the floor of the House. I do not have to talk in the cloakroom. I talk on the floor of the House and not in the cloakroom. I happen to be a Democrat.

Mr. MICHENER. I do not think the Democrats down here admit it.

Mr. HOOK. They sure do.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. HOOK. Yes; I yield.

Mr. HOFFMAN. I do not know anything about what the gentleman from Michigan [Mr. MICHENER] is talking about, but I would like a ruling for my own guidance if I am going to follow somebody. Shall I follow Mr. Van Wagoner, commissioner of highways of the State of Michigan, who asks us to earmark some of this money for highways, or shall I follow the Governor, who does not want any of it earmarked?

Mr. HOOK. I follow my own good judgment as a Member of this House.

Mr. HOFFMAN. I do not doubt it. That is why the gentleman talked on the sit-down strike.

Mr. HOOK. Now, let us talk about the regional agricultural labor amendment for a moment. I will say that as a Member of the House of Representatives I have always been in favor of fair prevailing wages. We were discussing the proposition with regard to sugar beets and the sugar bill. The gentleman from Michigan [Mr. HOFFMAN] knows that we put a clause in that bill providing for the prevailing wage.

While we as a subcommittee were working on the sugar bill, the State administration of W. P. A., the administrator of the State of Michigan happened to be here in Washington on other business and said it was a disgrace that in your beet area that we were keeping people in a state of peonage and offering them a low rate of wages, lower than the W. P. A. rate, and that he would not allow them to go to work in the beet fields at $1.50 a day—whole families from dawn until dark. When I showed him how the provisions of the bill would take care of Michigan he said, "Yes, that will take care of it; but," he said, "I will never force men down to a starvation wage." I believe he was right, and I congratulate that fine gentleman for his good judgment.

[Here the gavel fell.]

The CHAIRMAN. The gentleman from Pennsylvania [Mr. ALLEN] is recognized for 5 minutes.

Mr. ALLEN of Pennsylvania. Mr. Chairman, I believe that this matter of wage structure must have the careful consideration of this House. I wish to refer to the amendment offered by the gentleman from Texas [Mr. LANHAM], which reads, in part, as follows:

> That no agricultural laborer and no unskilled laborer who refuses or has refused an offer of private employment paying as much or more in compensation for such work as such person has received or could receive under the relief herein provided.

The intent behind that amendment is good, and I am in sympathy with it, but in effect it is the most vicious amendment that has been offered so far. It tends to tear down the wage structure that has been raised during the past few years. It tends to reduce the basic wages now paid to unskilled workers in private industry to the lower W. P. A. level. Let me read you a few statistics so that when the time comes to vote on this amendment you will see it in its true light and turn it down. Do you realize what this amendment in the hands of unscrupulous employers who want to beat down the wage scale means? Listen to this for a moment: The average hourly W. P. A. rate in this country is $0.447. In the private building trades alone, and most of the W. P. A. laborers are now employed in building, or construction work, or work similar to that, the average hourly rate is 50 cents plus. Now, listen and realize what that means. Any employer paying American labor 50 cents today on private projects can go to W. P. A. where they get an average of 44 cents and say, "I want to employ your men at the rate they are now receiving. If they do not accept my offer at that rate, I can have them discharged from their jobs."

Mr. LANHAM. Mr. Chairman, will the gentleman yield?

Mr. ALLEN of Pennsylvania. Mr. Chairman, I decline to yield.

Mr. LANHAM. The gentleman has referred to my amendment.

Mr. ALLEN of Pennsylvania. Mr. Chairman, I refuse to yield. Or he can go to the men he is employing at 50 cents an hour and say: "I can go over to W. P. A. and get men to work for 44 cents an hour. Unless you will work for 44 cents an hour I will lay you off."

Mr. LANHAM. Mr. Chairman, in fairness will not the gentleman yield?

Mr. ALLEN of Pennsylvania. Mr. Chairman, I decline to yield. Thus the wage scales will be broken down.

Mr. LANHAM. My amendment applies only to unskilled labor.

Mr. ALLEN of Pennsylvania. And I am talking about unskilled labor only. I want it understood that I am talking about unskilled labor. The average monthly income of a W. P. A. worker is $52.81. We know that most of the W. P. A. labor is unskilled. Let me now tell you what unskilled labor in some other industries is receiving. For instance, in the railroad repair shops—and this is an average, let it be understood; this includes unskilled as well as some of the skilled labor—compared with the $52.81 such labor gets on W. P. A. they get in the railroad repair shop $127.74. Tobacco manufacturers pay the lowest rate of any, yet the rate there is $69.19. These same manufacturers could insist upon W. P. A. workers coming in at the rate they are now receiving on W. P. A. and use that as a club to lower the basic wage in the industry which they represent.

Mr. GRISWOLD. Mr. Chairman, will the gentleman yield?

Mr. ALLEN of Pennsylvania. Not now.

The battle cry of this administration has been "higher wages and greater buying power" for the masses of our people. We are in sympathy with this policy, and we would not knowingly defeat it at this time. W. P. A. wages for unskilled labor in most districts are substantially lower than those paid for unskilled work in private industry when we consider the problem on a monthly basis. Let us not provide a weapon whereby wages will be depressed now, at a time when purchasing power is so essential to our economic well-being.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. HOOK].

The amendment was rejected.

Mr. GREENWOOD. Mr. Chairman, I move that all debate on this section and all amendments thereto close in 10 minutes.

The question was taken; and on a division (demanded by Mr. WOODRUM) there were—ayes 118, noes 32.

Mr. WOODRUM. Mr. Chairman, I ask for tellers.

Mr. KNUTSON. Mr. Chairman, I make the point of order that the gentleman is filibustering against his own bill.

Tellers were ordered, and the Chair appointed as tellers Mr. WOODRUM and Mr. GREENWOOD.

The Committee again divided; and the tellers reported that there were—ayes 115, noes 55.

So the motion was agreed to.

Mr. STARNES. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it is now evident that a filibuster is being directed against this bill [applause] by the so-called leaders of the House. I say "so-called leaders of the House" because I am going to make a few statements that I hope will clarify the situation.

In the first place, some statements have been made on the floor of this House and some in the press of this Nation impugning the motive of those who desire to uphold the constitutional prerogatives of Members of the House in giving direction to the taxpayers' moneys that are being appropriated in the sum of $1,500,000,000.

We are told by the press—and the statement is imputed to Mr. Hopkins—that the earmarking of these funds will remove more than a half million people from the relief rolls. That statement is untrue.

The flood-control amendment which I offered specifically provides in its own terms that relief labor shall be used. [Applause.] I challenge the accuracy of any statement made on the floor of this House or in the press of this Nation that those of us who are sponsoring these amendments are motivated by a "pork barrel" spirit. There is not a flood-control measure in my district under the terms of the amendment which I offered.

Mr. Chairman, why this delay? Because they hope that Mr. Hopkins, the leader of the W. P. A., the present acting chairman of the Appropriations Committee of the House of Representatives, the present whip of the House of Representatives, and the present acting majority leader of the House of Representatives can bring enough political pressure to bear upon Members of Congress to make them bow to his desires. That is why. [Applause.]

Two weeks ago he had the power to override one of the ablest Members of the House of Representatives and his subcommittee—I refer to the gentleman from Virginia [Mr. WOODRUM]. A week ago, according to the press, he came on the hill and held a meeting in the office of the majority whip of the House of Representatives and yesterday he entered the sanctum sanctorum in the office of the majority leader of this House or the holy of holies. That is what the Members of the House resent.

I want to urge the Members of the House to stay on the floor of the House today and vote down any attempt to filibuster against this bill. [Applause.] I make no accusation against nor do I infer that Harry Hopkins has not been an honest and able Administrator and I hold no grudge against him. I have never made a request of him, therefore none have been denied. I yield to no man in my devotion to my party and my party's leadership. I think Franklin D. Roosevelt is the greatest President this Nation ever had. But I want to tell you how Mr. Hopkins feels toward the President. The President in a message to the Congress said, "We must get out of this business of relief."

Mr. BOLAND of Pennsylvania. Will the gentleman yield?

Mr. STARNES. I refuse to yield.

Mr. Chairman, Mr. Roosevelt, the greatest President in the history of this Nation, says that we must get out of this relief business as soon as we can. [Applause.] Mr. Hopkins tells Mr. WOODRUM and his committee, according to the hearings, that we cannot do that. In answer to the question, "Do you think the Federal Government must remain forever in the relief business?" Mr. Hopkins answered, "Yes, sir."

And in answer to the question, "That is, directed through an organized bureau here in Washington?" He replied, "In one way or another; yes, sir; just as we have it today in old-age pensions. I think that is a permanent function of the Government."

Not only does Mr. Hopkins attempt to dictate to the Congress but he also attempts to thwart the will of the President on a question involving a fundamental policy vitally affecting the welfare of the Nation. I urge the Members of the House to stand upon their constitutional prerogative and follow the dictates of their conscience upon the question of directing expenditures for protection of soil, property, and human life from the devastation of uncontrolled floods. I appeal to you to keep faith with towns, villages, and other local governing bodies who have bonded their property to provide funds for building schools, water works, sewer systems, and other worth-while public-works projects which have a lasting social and economic benefit, and which provide for the promotion of public health and the general welfare. We owe these people a moral obligation to provide funds for the completion of their projects.

And nothing could meet with more universal satisfaction than the completion of our Federal highways, the building of farm-to-market roads, and improving rural-route roads. By such action we not only facilitate the flow of trade and commerce and promote social intercourse but we also add to the happiness and comfort of our rural population in every State of the Union. [Applause.]

[Here the gavel fell.]

Mr. WOODRUM. Mr. Chairman, I rise in opposition to the pro-forma amendment.

Mr. Chairman, I am glad we are all still smiling. You know it has been a very curious situation. I plead with the Members a few days ago to exercise their legislative prerogative. [Laughter.] I urged that upon the Members of the House and the members of the committee, but I did not seem to get very far. You overrode me very nicely and overwhelmingly. There was a half billion dollars more put in the bill than I thought was necessary, but that was all right with me.

Since then I have been trying to protect the committee bill as much as possible. I have been here a week. Every time I could get the floor I have asked the Members of the House to stay here beyond 5:30. I could listen to my beloved colleagues here whispering in my ear around 5 o'clock, "Let us not stay any longer. Let us quit." We could not work beyond 5:30. Today I resent the fact my distinguished colleague from Indiana takes charge of the bill and takes it away from me. You gentlemen have permitted it. There are yet several amendments to this section pending on the desk which I think are entitled to be heard.

This is your bill. I do not care what you do with it. [Applause.] You can stay here today and vote on it if you want to. I do not believe there is any Member on this floor that anybody is going to sweep off his feet with propaganda. At least that has not been my experience in this body. I do not believe it makes any difference to any Member on this floor whether he voted yesterday, votes today, or tomorrow. If he gets additional information of a situation, he will change his mind. Many of us change our mind many times. That is our prerogative, and it is a sensible prerogative.

Here is what I would like to see you do. Let us work this relief bill out in some kind of a sensible, logical way, and try to compose our differences. I do not think we will get anywhere by fighting among ourselves. To you gentlemen over here who are so rampant and who desire to vote today, I say vote today, if you want to. I shall not put anything in your way, even if I could, and apparently I could not. [Laughter and applause.]

May I ask, what have you accomplished if you go ahead to a final vote today, when perhaps by delaying the matter we could compose all of our differences and come out with a relief bill that would go to the other body, and one which we could stand up, fight for, maintain, and uphold, and have something for our respective districts?

What is going to happen? I want you to consider this seriously. The word comes from another body, and this is a definite and emphatic word, that $1,000,000,000 is the ultimate amount for relief. Now, with the earmarking that has taken place in connection with this bill, it would be a bad bill. With $1,000,000,000 and all of this earmarking in it, it would be a bad bill.

Mr. Chairman, I would like to see the honest differences composed. If you want to finish it today, let us go ahead

and finish it today. I have been ready for a week. I want to finish it as soon as possible.

[Here the gavel fell.]

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from New York [Mr. BEITER].

The Clerk read as follows:

Amendment offered by Mr. BEITER: Page 4, line 19, after the colon, insert the following: "*Provided further*, That in order to insure the fulfillment of the purposes for which the foregoing appropriation is made and to avoid competition between the Works Progress Administration and other Federal or non-Federal agencies in the employment of labor on construction projects of any nature whatsoever, financed in whole or in part by the Federal Government, no worker shall be eligible for employment on any project of the Works Progress Administration who is needed and who has refused to accept employment on any other Federal or non-Federal project at a wage rate comparable with or higher than the wage rate established for similar work on projects of the Works Progress Administration: *Provided further*, That any worker who has been engaged on any Federal or non-Federal project and whose service has been regularly terminated through no fault of his own, shall not lose his eligibility for restoration to the relief rolls or for reemployment on any other Federal or non-Federal project on account of such previous employment."

Mr. BEITER. Mr. Chairman, there are complaints from all parts of the country to the effect that the Works Progress Administration will not release workers who are engaged on its projects who are qualified and needed for work on other Federal or non-Federal projects financed in whole or in part by the Federal Government. It is further alleged that such workers refuse to accept employment of a similar nature at a comparable, or even a higher, wage rate on other Federal or non-Federal projects for fear that after they are dropped from the relief rolls they will not again be restored to the relief rolls when their employment is terminated on projects other than those of the Works Progress Administration. Either condition definitely defeats the purposes of appropriations for relief. It should be stopped by law and the amendment I have suggested will accomplish it.

As a concrete example of what is happening I cite the following extract from a complaint officially made, in which I have purposely omitted names and locations:

Out of a total of 37 common laborers on the ——— paving job only 15 are from the relief rolls. I talked to the contractor about this and he advised me that he could not get them through the National Reemployment Office, but recruited labor, sent them to register, and then put them to work after they had been assigned. I talked to the national employment manager at ——— and he advised me that W. P. A. had two projects near ——— where the county had invested quite a sum of money in equipment to carry out the work and objected to having these men taken off the W. P. A. projects. The employment manager stated that he had taken the matter up with Mr. ———, W. P. A. director at ———, and was instructed to release the P. W. A. contractor from using W. P. A. labor.

This is typical of the complaints received.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. BEITER].

The amendment was agreed to.

The Clerk read as follows:

SEC. 3. The departments, agencies, or establishments having supervision of projects for which funds from the foregoing appropriation are made available shall not knowingly employ aliens illegally within the limits of the continental United States on such projects and they shall make every reasonable effort consistent with prompt employment of the destitute unemployed to see that such aliens are not employed, and if employed and their status as such alien is disclosed they shall thereupon be discharged.

Mr. LANHAM. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LANHAM: Page 5, line 4, after the word "aliens", strike out the following: "illegally within the limits of the continental United States", and on page 5, line 7, after the word "that", strike out the word "such."

Mr. LANHAM. Mr. Chairman, I have discussed this amendment about as much as I desire. The bill as drawn in this section would allow aliens illegally in our Territories and possessions to be employed. The amendment which I am offering will prevent the employment of aliens, both in the United States and in our Territories and possessions. I believe American employment should be given to American laborers, and that such work as we have to be done should be reserved for our American laborers. The purpose of this amendment is to make the money which we take from the taxpayer, from the American taxpayer, if you please, available to pay Americans for the work to be done under this measure. I think that in the spirit of our institutions and our ideals the amendment should prevail.

Mr. JENKINS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. LANHAM. I yield.

Mr. JENKINS of Ohio. I am interested in the gentleman's amendment, as it relates to small communities over the country, which are not close to immigration authorities. How will the gentleman's amendment operate in this respect?

Mr. LANHAM. Personally, I think anyone who makes an application for employment hereunder may well have placed upon him the burden of proof of showing he is either a native or a naturalized citizen. If he is a native citizen, it is very easily shown. If he is a naturalized citizen, there are records to establish the fact.

Mr. JENKINS of Ohio. Does the gentleman know whether at the present time the application is required to contain a statement as to citizenship?

Mr. LANHAM. I do not know that it does. However, this amendment would prevent the employment of aliens.

Mr. DIES. Mr. Chairman, will the gentleman yield?

Mr. LANHAM. I yield.

Mr. DIES. I may state to the gentleman I have been informed that in the Canal Zone $10,000,000 was allocated out of the W. P. A. funds, and the entire amount was spent to take care of foreign labor which came in there.

Mr. COLE of Maryland. Has the gentleman any idea how many men now on relief rolls will be affected if this amendment is adopted?

Mr. LANHAM. I cannot give the gentleman that information. I understand from one of my colleagues that a year ago he received information from the authorities that at that time there were 600,000 aliens in the country who were receiving relief under such a measure.

Mr. COLE of Maryland. These aliens would be dropped in the event this amendment should be adopted?

Mr. LANHAM. They would be dropped.

Mr. CITRON. Mr. Chairman, will the gentleman yield?

Mr. LANHAM. Yes.

Mr. CITRON. Does not the gentleman's amendment mean that not a single alien would be permitted to obtain work on these relief projects?

Mr. LANHAM. The gentleman is correct. May I say in that regard that the gentleman from Pennsylvania [Mr. SACKS] intends to offer an amendment to this amendment, to which I have no special objection. The gentleman's amendment is to the effect that this shall not apply to those aliens legally admitted who have heretofore in good faith declared their intention to become citizens.

Mr. CITRON. The reason I asked the question is that there are aged aliens who came here years ago, when there were no educational requirements, and who have not been able to obtain their citizenship papers because of their lack of necessary educational qualifications. Your amendment would exclude them, though they may have a son who is in the Army or sons and daughters who served in the World War.

Mr. LANHAM. Then I would give the employment to the sons and daughters, who are American citizens. If they came here when there was no educational test, then they could easily have declared their intention to become citizens and could have become naturalized.

[Here the gavel fell.]

Mr. SACKS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SACKS: Page 5, line 5, after the word "projects", insert the following: "except those aliens legally admitted into the United States and its Territories, and who have heretofore in good faith declared their intention to become citizens of the United States."

Mr. SACKS. Mr. Chairman, the amendment of the gentleman from Texas [Mr. LANHAM] would exclude all aliens from participating in work relief. I am opposed to this amendment. It is a vicious proposal, intended to starve

and exclude from help those whom we admitted by invitation to come to our shores. America, a democracy, surely is the haven of the oppressed and underprivileged economically and politically. Our action would aline our actions with those of autocratic Europe. However, if this amendment passes, I will offer another amendment to Mr. LANHAM's amendment which will protect those aliens who have signified their intentions to become citizens. However, I hope Mr. LANHAM's amendment is defeated, at which time I will withdraw mine and allow the law to exist as it was written into the bill by the committee. If it is not defeated but passes, my compromise should be adopted. Let the bill stay as it is. Defeat Mr. LANHAM's amendment and all amendments which would exclude aliens from W. P.A.

The amendment I have offered would give an opportunity to those who have come to this country and want to be citizens of this Nation, and who came here with the intention of becoming citizens of this country, and have so declared, to come within the provisions of this bill. They came to this country legally, and I think, in all fairness to these folks who have applied for citizenship and are willing to do everything necessary to become an American citizen, some opportunity should be given them to receive work relief.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. SACKS. Yes.

Mr. COX. Is the gentleman in position to advise the House as to the number of such persons falling within the class that his amendment is intended to take care of?

Mr. SACKS. I may say to the gentleman that I do not know the exact figures——

Mr. COX. Can the gentleman give an estimate?

Mr. SACKS. But I can say that my amendment simply applies to those who, before the passage of this act, had declared their intentions and who want to be citizens and are just waiting for the proper time to expire before becoming citizens.

Mr. COX. Has the gentleman any information as to the number of those that are in the country?

Mr. SACKS. No.

Mr. COX. Is the gentleman in position to give us any estimate?

Mr. SACKS. No; I am not.

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. SACKS. Yes.

Mr. MOTT. The gentleman's amendment includes those who have been here for a number of years, say, 25 years, and are just now applying for such citizenship?

Mr. SACKS. It would include those who, before the passage of this act, had applied for citizenship.

Mr. MOTT. No matter how long they may have lived here.

Mr. O'MALLEY. Mr. Chairman, will the gentleman yield?

Mr. SACKS. Yes.

Mr. O'MALLEY. It does not matter how many are here. If only one person had declared his intention to become a citizen, he would be entitled to some consideration, and the gentleman's amendment would protect him.

Mr. SACKS. Yes.

Mr. FORD of California. Mr. Chairman, will the gentleman yield?

Mr. SACKS. I yield.

Mr. FORD of California. Is it not a fact that in recent months several thousand people have declared their intention to become citizens by reason of the fact they thought they would be eligible for relief under the Old Age Pension Act?

Mr. SACKS. That may be true; but that does not affect this proposition.

Mr. LANZETTA. Mr. Chairman, will the gentleman yield?

Mr. SACKS. I yield.

Mr. LANZETTA. Is it not a fact that most of these men and women who have filed their declaration of intention have been unable to become citizens because of the educational requirements of our naturalization laws?

Mr. SACKS. That is correct; and when they came here, I may say to the gentleman, there were no such educational requirements.

Mr. FULLER. Mr. Chairman, will the gentleman yield?

Mr. SACKS. I yield to the gentleman from Arkansas.

Mr. FULLER. I realize there are a lot of aliens here who have been here for many, many years, who cannot read and write but are good citizens and have furnished veterans for our wars, but they cannot qualify on account of our recent laws that require certain educational qualifications.

Mr. SACKS. Yes.

Mr. FULLER. However, in recent years we have imposed restrictions providing that they cannot come in unless they can show they are able to take care of themselves. Why would not the gentleman agree to an amendment which would provide that they must have come here within the last 10 years?

Mr. LANZETTA. Mr. Chairman, will the gentleman yield?

Mr. SACKS. As a matter of fact, I may answer the gentleman by saying that is covered in my amendment, because my amendment says that they must have heretofore declared their intention, and, if they have done this, then they have the qualifications.

Mr. FULLER. They perhaps have been here 2 or 3 years and have declared their intention.

Mr. LANZETTA. Mr. Chairman, will the gentleman yield?

Mr. SACKS. I yield.

Mr. LANZETTA. Under our present immigration law any alien who is on the relief rolls or who becomes a public charge within 5 years after his admission into this country is subject to deportation, so that, insofar as aliens who have come here recently are concerned, there need be no fear of their getting on the relief rolls, since the immigration authorities must deport them as soon as they become public charges.

[Here the gavel fell.]

Mr. WOODRUM. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto do now close.

Mr. FORD of California and Mr. FISH objected.

Mr. KRAMER. Mr. Chairman, I move to strike out the last word.

Mr. FISH. Mr. Chairman, I would like to be heard on the first amendment.

The CHAIRMAN. The gentleman from New York is recognized in opposition to the amendment offered by the gentleman from Texas [Mr. LANHAM].

Mr. FISH. Mr. Chairman, I am in opposition only to the amendment if my understanding of it is correct, and I would like to ask the gentleman from Texas about it.

There seems to be some misunderstanding. There are many members of the Committee who think the gentleman's amendment only applies to those aliens who are here illegally. As I understand the gentleman's amendment, it applies to all aliens on the relief rolls.

Mr. LANHAM. It applies to all aliens, whether they are here legally or illegally, who are in continental United States or in our territories or posesssions.

Mr. FISH. Mr. Chairman, whatever is the will of the House is all right with me, but it seems to me that we are acting a little hastily when we say that we will strike 500,000 aliens off relief and let them starve. I offered an amendment to give preference to American citizens with the money involved. That would take care of the American citizens, and then if we had any money left over that would take care of aliens and those who had their first papers, but I think it is a hard-boiled proposition to rush in here without debate whatever, with a great deal of misunderstanding of the gentleman's amendment, and vote that these aliens shall be taken off relief and permitted to starve to death. That is not the attitude of the American people. I for one believe there ought to be a little more debate so that we know what we are voting on. I believe that we can have a compromise amendment and give preference to American citizens and veterans and then let these

aliens with first papers come in and get relief. If the will of the House is to strike off the aliens absolutely under the gentleman's amendment, then I submit that that is not the proper way to proceed with a few minutes of debate, regardless of the consequences, without knowing what is going to happen. Who is going to take care of 500,000 aliens? Are we going to be responsible for our votes and let them starve, let them "eat cake"? That is not the attitude of the American Congress, and that is why I ask for more debate on this amendment so that we may propose an amendment to it to give preference to American citizens, and let the aliens come in next.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. FISH. Yes.

Mr. KNUTSON. I am sure that under a strict interpretation of the gentleman's amendment, no one but the American Indians would be eligible for relief.

Mr. FISH. That is correct.

Mr. HEALEY. Mr. Chairman, will the gentleman yield?

Mr. FISH. Yes.

Mr. HEALEY. Is it not true that if you took those aliens off the relief rolls, you would simply drive them back to the welfare rolls in the local communities?

Mr. FISH. The gentleman knows there are lots of communities and lots of States that cannot take care of them.

Mr. HEALEY. Absolutely.

Mr. FISH. Let us face these facts. I submit the gentleman from Virginia [Mr. WOODRUM] ought to give us 5 minutes to offer an amendment on which the House can vote.

Mr. WOODRUM. I have not taken any time away from the House.

Mr. FISH. The gentleman cut me off.

Mr. WOODRUM. I suggest the gentleman from New York should not filibuster.

Mr. FISH. I want to know if the House can vote on the amendment.

Mr. MAY. Does not the amendment offered by the gentleman from Texas [Mr. LANHAM], as amended by the amendment offered by the gentleman from Pensnylvania [Mr. SACKS], take care of every alien there is in this country who is here with proper motives, and does the gentleman want to feed those who are not here with proper motives?

Mr. FISH. No; but if the gentleman's amendment is adopted giving aliens who have first papers the next preference, that is all right, but that has not been adopted.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. FORD of California. Mr. Chairman, I move to strike out the last word. I do this to comment on another phase of this bill. I noticed in the votes on the amendments the day before yesterday that practically 50 Members of the opposition party voted with every amendment offered by gentlemen on the Democratic side that had for its purpose the emasculation of the relief bill. I say to the Democrats in the House if you want to emasculate the relief bill, vote with the 50 Republicans who stood by those Democrats, but if they want to give us a relief bill that will take care of the situation in the United States, then they should vote with Mr. WOODRUM.

Mr. DIES. Does that include the gentleman's amendment for $1,000,000,000?

Mr. FORD of California. I decline to yield. There is not a single amendment offered by any Member of the House with regard to flood control, roads, P. W. A., or any other phase of the bill that I personally would not vote for if it were brought in separately, but when you permit these amendments to be brought here as an amendment to the relief bill, you are simply going to emasculate the bill as far as relief is concerned.

Let me further state it is my reasoned opinion, based on past experience and on the expressed attitude of the members of the Republican minority, that not 10 of the 50 members of the Republican minority would vote for a single one of these amendments if they came to the floor separately as bills appropriating money for the purposes set forth in these amendments, namely, flood control, good roads, and P. W. A.

In view of these facts, known to every member of the Democratic majority, I appeal to you to support the bill as it stands, appropriating $1,500,000,000 for the relief of human suffering.

Mr. BOILEAU. Mr. Chairman, I rise in opposition to the amendment to the amendment offered by the gentleman from Pennsylvania [Mr. SACKS]. The gentleman from Pennsylvania no doubt was motivated by the highest of purposes in offering this amendment. It seems to me that his amendment does not do the job properly, because it would discriminate against many people in this country, many children particularly, who are dependent upon the services of their parents to provide them with a livelihood. If the amendment to the amendment offered by the gentleman from Pennsylvania were to prevail, a man or woman who is an alien in the country, although legally here, who might have dependent children, would not be permitted to work to provide for his family.

Mr. SACKS. Mr. Chairman, will the gentleman yield?

Mr. BOILEAU. I will be glad to yield to the gentleman briefly.

Mr. SACKS. If the amendment offered by the gentleman from Texas [Mr. LANHAM] should be adopted without my amendment, it would mean that every alien in this country would be deprived of relief.

Mr. BOILEAU. It would be much worse. It is just a matter of degree. I submit we are working upon the wrong premise when we talk about all these aliens. According to a letter written by Mr. Hopkins to the gentleman from Missouri [Mr. COCHRAN], chairman of the Committee on Expenditures, it shows that only 120,000 aliens of all classes are working under W. P. A. That is less than 5 percent. I submit that we do not want to pass a relief bill and say to those people who are here, either legally or illegally, that we will not give them a chance to earn a living and provide for their dependents.

Mr. LAMNECK. Mr. Chairman, will the gentleman yield?

Mr. BOILEAU. I yield.

Mr. LAMNECK. As I understand it, they could have relief if they are here legally. It is only the aliens who are here illegally who would not be able to have relief.

Mr. BOILEAU. No. The bill provides that all aliens who are here legally can get employment. The gentleman from Texas [Mr. LANHAM] wanted to exclude all aliens, whether here legally or illegally. The gentleman from Pennsylvania [Mr. SACKS] wants to amend it so as to provide so that only those aliens who have declared their intention to become citizens could have relief. But even if we accept the amendment offered by the gentleman from Pennsylvania [Mr. SACKS], many fathers and mothers will be deprived of an opportunity to work and their dependents will have to suffer. It seems to me we are taking a rather narrow point of view.

Mr. McCLELLAN. Mr. Chairman, will the gentleman yield?

Mr. BOILEAU. I yield.

Mr. McCLELLAN. Is the gentleman insisting there is an obligation on the part of the taxpayers of this Nation to support aliens who are here illegally?

Mr. BOILEAU. I say that so long as the Government of the United States permits aliens to come to this country or permits people who are here illegally to stay here, so long as we let them stay here, we ought to give them a chance to earn bread and butter. We are not giving them a large income. We are not giving them $2,000-a-year jobs. We are giving them as low as $19 a month on which to support a family. If we find out who those aliens are who are here illegally, let us deport them, but let us treat them as human beings until we do send them out. Let us be fair about the situation.

Mr. LANHAM. Mr. Chairman, will the gentleman yield?

Mr. BOILEAU. I yield.

Mr. LANHAM. I would like to call the gentleman's attention to the fact that an American citizen in many of the foreign countries cannot even get private employment. They will not let them have it.

Mr. BOILEAU. Shame upon those countries if they permit people to stay there and will not give them an opportunity to make a living [applause]; but shame on us if we follow that example. [Applause.]

Mr. LANHAM. How many times shall we "turn the other cheek"?

Mr. BOILEAU. Oh, this is not a question of turning the other cheek. It is a question of giving these people a chance to have the bare necessities of life. That is all.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. WOODRUM. Mr. Chairman, I wonder if we can fix the time for debate on this section? May I inquire how many amendments there are pending?

The CHAIRMAN. The Chair is informed there is only one amendment at the Clerk's desk.

Mr. WOODRUM. I ask unanimous consent that all debate on this section and all amendments thereto close in 20 minutes.

Mr. KENNEY. Mr. Chairman, reserving the right to object, I would like to have 5 minutes.

The CHAIRMAN. There is only one other amendment pending to this section.

Mr. FISH. Mr. Chairman, I have an amendment at the Clerk's desk.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

Mr. KENNEY. Mr. Chairman, I object.

Mr. WOODRUM. Mr. Chairman, I move that all debate on this section and all amendments thereto close in 30 minutes.

Mr. O'MALLEY. Mr. Chairman, I object.

Mr. BEITER. Mr. Chairman, I move that all debate on this section and all amendments thereto close in 20 minutes.

Mr. KENNEY. Mr. Chairman, a point of order. I understand the gentleman from Virginia made a motion that all debate close in 30 minutes, and that takes precedence over the motion made by the gentleman from New York.

The CHAIRMAN. The gentleman from Virginia asked unanimous consent, to which there was an objection.

Mr. WOODRUM. Mr. Chairman, I did move to close debate in 30 minutes.

The CHAIRMAN. The Chair did not understand the gentleman. The gentleman from Virginia moves that all debate on this section and all amendments thereto close in 30 minutes.

The question was taken; and on a division there were ayes 135 and noes 14.

So the motion was agreed to.

Mr. LANZETTA. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I rise in opposition to all amendments to section 3, House Joint Resolution 361. While I am not in sympathy with the aliens who are in this country who refuse and do not intend to become American citizens, nevertheless I am deeply interested in a large group of men and women who have been in this country a long time and who have made every effort to become American citizens, but who, unfortunately, have been unable to qualify because of the educational requirements of our naturalization laws.

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. LANZETTA. I yield.

Mr. MOTT. Does the gentleman take into consideration that a rather large group of aliens have been here for a long period of time but nave not considered applying for citizenship until some contingency like the social-security law made it appear to them to be to their advantage to apply?

Mr. LANZETTA. While I agree with the gentleman that such aliens should not be given much consideration, nevertheless the gentleman must take this fact into consideration, and that is that a large number of aliens have given up all hope of becoming American citizens because of their inability to learn the English language. I know of a number of cases where men and women have said, "What is the use of filing a declaration of intention or going through the motions of naturalization when I know that under the present law I shall never be able to qualify?"

Mr. MOTT. I have no objection to giving consideration to that class, but the class I just spoke of, it seems to me, is not entitled to any consideration, because they have not fulfilled the duties that are expected of them.

Mr. LANZETTA. If the gentleman will recall, I stated at the beginning of my talk that I was not in sympathy with those aliens who willfully and deliberately avoid becoming American citizens.

Mr. MOTT. I think some effort should be made in the amendment to segregate these two classes.

Mr. CASEY of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. LANZETTA. I yield.

Mr. CASEY of Massachusetts. Then, there is that class of aliens who while here legally have not properly complied with the educational requirements. We ought also to consider that they have children and dependents who will be discriminated against.

Mr. LANZETTA. I am about to touch upon that point.

Mr. CASEY of Massachusetts. Would it not be our duty, in order to take care of them, to strike out both amendments and leave the section as it originally stood?

Mr. LANZETTA. Yes; I think that would be the fair thing to do.

In connection with the barring of aliens as W. P. A. workers, I would like to read part of a letter from Hon. Harry L. Hopkins, W. P. A. Administrator, addressed to Hon. JOHN J. COCHRAN, chairman of the Committee on Expenditures in the Executive Departments, on April 24, 1937, in connection with bill H. R. 3423 which also attempts to exclude aliens from the W. P. A. rolls. Mr. Hopkins says:

> The families of at least two-thirds of the works-program employees who are aliens contain children who are American citizens. The discharge of the legally entered aliens from the program would thus deny the benefits of the Federal works program to probably more than 160,000 American citizens, a great majority of whom are dependent children. These children would be forced to depend on the States and localities for relief, and many localities are unable to provide additional relief funds for the care of this group. Furthermore, it is probable that action taken to bar all aliens from Federal relief jobs would be quickly followed by similar action on the part of the States and municipalities. A considerable proportion of the aliens receiving employment have already taken out first papers as a step toward citizenship.

With respect to aliens who are here illegally and who become public charges within 5 years after their admission into the United States, I call your further attention to a statement made by the Honorable Frances Perkins in a letter to the Honorable JOHN J. COCHRAN on April 22, 1937:

> It would seem that existing laws amply operate to exclude the employment of undersirable aliens. Under the Emergency Appropriation Act of 1936 (49 Stat. 1609), aliens illegally within the limits of the continental United States may not be employed on projects financed under this act. Moreover, pursuant to section 3 of the Immigration Act of February 5, 1917 (39 Stat. 874), the admission of aliens who are or who are likely to become public charges is prohibited. The immigration laws also require the deportation of aliens who become public charges within 5 years after their admission. These laws have been strictly enforced by the Department of Labor, and in my opinion it would not only be a departure from and inconsistent with the scientific methods adopted to protect American workers from the competition of foreign labor, but also inhumane to deprive aliens who have resided in the United States more than 5 years of an opportunity to earn the bare necessities of life. Therefore only legally resident aliens of long standing are eligible to relief.

I trust that the members of this Committee will vote down all amendments to this section.

[Here the gavel fell.]

The CHAIRMAN (Mr. NICHOLS). The Chair would like to announce that 25 minutes remain for debate on this section. Because of the great interest in the section and to allow as many Members as possible to be heard, Members will be recognized for 3 minutes only.

Mr. FISH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FISH to the amendment offered by Mr. LANHAM: On page 5, line 9, strike out the period, insert a colon, and add: *"Provided further,* That preference shall be given to

American citizens in employment by the Works Progress Administration, and next to those aliens who have taken out first papers prior to the enactment of this legislation."

Mr. WHITTINGTON. Mr. Chairman, I make a point of order against the amendment.

The CHAIRMAN. The gentleman will state the point of order.

Mr. WHITTINGTON. Mr. Chairman, I make the point of order that the amendment is an amendment in the third degree, and further, that it is not germane to the pending amendment.

Mr. FISH. Mr. Chairman, I offered this amendment as a substitute.

The CHAIRMAN. The pending amendment is an amendment to strike out. The amendment of the gentleman from New York is a proviso to be added at the end of the section, and against this the point of order would lie.

Mr. FISH. Then, Mr. Chairman, I offer this as an amendment to the section.

The CHAIRMAN. Two amendments already are pending and a third amendment cannot be offered at this time.

Mr. WHITTINGTON. Mr. Chairman, if the gentleman desires to offer his amendment as a matter of information so that he may discuss it, I have no objection.

Mr. FISH. It has already been read.

The CHAIRMAN. The Chair sustains the point of order.

The gentleman from New York is recognized for 3 minutes.

Mr. LANZETTA. Mr. Chairman, will the gentleman yield?

Mr. FISH. Yes; very briefly.

Mr. LANZETTA. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. The gentleman already has that permission.

Mr. FISH. Mr. Chairman, I have offered this amendment in good faith as a compromise amendment, which gives preference to American citizens, and then, if there is any money left, to aliens who have taken out their first papers. I do not believe that the Congress intends to say that these aliens who are now on relief shall be thrown out overnight to starve. I do not believe the majority party wants to take that position. I am sure the majority party, with its representation in the great industrial cities of America, does not intend to take that position. There is only one Republican here in the House from the 10 largest cities in the United States.

The responsibility rests with you particularly as Members representing industrial cities where these aliens are now on relief. If you take that relief away from them, they will starve. As I say, the responsibility is upon you.

Mr. Chairman, I offer this as a fair compromise to give preference to American citizens, and if there is any money left, then it may go to these aliens who have taken out first papers.

Mr. CONNERY. Will the gentleman yield?

Mr. FISH. I yield to the gentleman from Massachusetts.

Mr. CONNERY. If those of us who favor the gentleman's amendment wish to vote for it, the only way the amendment may be reached is to vote down the other amendment?

Mr. FISH. Yes. The only way is to vote down the two pending amendments and then vote for my compromise amendment. You will accomplish the same thing in taking care of American citizens. Then you will take care of the aliens next. I, therefore, ask the membership to vote down the amendment proposed by the gentleman from Texas and vote in favor of my compromise amendment.

Mr. BOILEAU. Will the gentleman yield?

Mr. FISH. I yield to the gentleman from Wisconsin.

Mr. BOILEAU. Of course, the gentleman realizes that with the small amount of money in this bill, under the gentleman's amendment there would not be a single alien get a job?

Mr. FISH. I know, but we all hope conditions will become better. There is enough money now to take care of a great many of the aliens. However, what I am primarily interested in is that the American citizens be given preference.

[Here the gavel fell.]

Mr. CITRON. Mr. Chairman, I move to strike out the last three words.

The CHAIRMAN. The gentleman from Connecticut [Mr. CITRON] is recognized.

Mr. CITRON. Mr. Chairman, I address my remarks to section 3 of this bill and the amendment now proposed by the gentleman from Texas [Mr. LANHAM].

Section 3 proposes to treat with certain kinds of aliens in the same manner as we did in the bill we passed last year. Aliens who are illegally in this country may not be employed upon W. P. A. projects. But the amendment proposed by the gentleman from Texas [Mr. LANHAM] would exclude all aliens from working on W. P. A. projects; it would exclude aliens, no matter how long they have resided in our country; it would exclude them if they have children born here who are therefore American citizens; and it would exclude them if their sons or daughters served in our Armies or even gave their lives for this country, as many of the sons and daughters of so-called aliens did during the World War.

Mr. LANHAM. Will the gentleman yield?

Mr. CITRON. I yield to the gentleman from Texas.

Mr. LANHAM. May I ask the gentleman this question: In our Territories and possessions, why should we tax American taxpayers to give employment to aliens who are there illegally?

Mr. CITRON. The amendment offered by the gentleman is not restricted to those in our Territorial possessions. His amendment does not bar those illegally here; they are already barred from W. P. A. relief. It provides that all aliens shall not be eligible for W. P. A. relief. Though they came here years ago, because technical reasons, like educational qualifications, may have prevented their obtaining citizenship papers, they would now be excluded from W. P. A. relief. It means that aliens who have made this country their home, and who have children—children who love and cherish this land of ours, who are true and real Americans, and, as you and I remember, who served in our American Army, some of them even making the supreme sacrifice in the World War—to such people, though aliens, the amendment would bar relief. This includes people who came here from Italy, from Poland, from Sweden, from Germany, from Ireland, and many other countries. These people intend to remain here and die here. Their hearts are with this country. They have wanted to become citizens, but for some reason or other they could not.

If such people are without work, they cannot be deported. How about their children? Someone has to help them.

Out of the total on W. P. A. relief, only 5 percent, according to the report of the Administrator, consists of aliens. They pay taxes when able and they contribute in many ways to the welfare of this country. Once they were welcomed here.

An amendment such as offered by the gentleman from Texas is contrary to our traditions and to the ideals and principles of our country.

From time immemorial we have proclaimed that this country was a haven of refuge for the oppressed. While these people are within our household let us treat them honorably.

Because other countries preach the doctrine of hatred to aliens is no excuse for us doing likewise. The poor of our country, no matter from where they came, must be treated alike. We are passing a relief bill under the guidance of a great President, Franklin D. Roosevelt, to help the needy. Let us help the citizen and alien—put them all at work.

For these reasons I oppose discriminating in this bill against the honest, worthy alien. Mr. Chairman, I hope the amendment of the gentleman from Texas [Mr. LANHAM] is defeated. [Applause.]

[Here the gavel fell.]

Mr. KRAMER. Mr. Chairman, I rise in opposition to the pro-forma amendment.

Mr. Chairman, I read an article a few days ago that appeared in one of the papers in which Harry Hopkins made a statement in an address to the Teachers College of New York as follows:

We are now living under a new philosophy of government, a philosophy that says every American—

You will note he says "every American"—

has a right to eat.

I do not suppose he meant, when he made that statement, those aliens who are not American citizens.

The philosophy created during the emergency will be the philosophy of America from now on.

I sincerely hope that Harry Hopkins, the Administrator of the W. P. A., will carry into effect the words which he spoke when he made that address. I pay high tribute to the gentleman from Texas [Mr. LANHAM] who introduced the pending amendment.

The amendment offered by Mr. LANHAM is as follows:

Page 5, line 4, after the word "aliens", strike out the following: "illegally within the limits of the continental United States"; and on page 5, line 7, after the word "that", strike out the word "such."

I have a similar amendment that was sent to the Clerk's desk, but I understand the gentleman from Texas spoke on his amendment some time during the last week. If he had not introduced his amendment I would have introduced a similar amendment that American citizens be given preference over aliens.

Mr. Chairman, we have aliens on the pay roll and the American citizens are paying the taxes to pay for this relief and they are the ones who cannot get a job. If an American citizen goes to the W. P. A., he cannot even get inside of the office. They tell him they have no jobs when aliens and those who are not even registered voters are given the preference.

Mr. CASEY of Massachusetts. Will the gentleman yield?

Mr. KRAMER. I yield to the gentleman from Massachusetts.

Mr. CASEY of Massachusetts. Would the gentleman have us shut our hearts to the children of aliens who may be in this country?

Mr. KRAMER. I will even feed the man who is in prison or in jail, or the man who is down in the gutter. I have not the heart that would refuse that man or his family anything to eat. But I say the time has come when we have to give some preference to American citizens.

Mr. BARRY. How are you going to feed those citizens?

Mr. KRAMER. We do not have to put him on the pay roll. We can take care of him in some other way.

Mr. BARRY. How?

Mr. KRAMER. Our private institutions take care of those men and their families. We do not have to put them on the pay roll in preference to those who are American citizens.

This is why we have this difficulty, not only in California but throughout the Nation.

Mr. LUCAS. Mr. Chairman, will the gentleman yield?

Mr. KRAMER. Yes; I yield to my friend from Illinois.

Mr. LUCAS. Do I correctly understand the gentleman to say the W. P. A. administrators in California are using aliens in preference to Americans?

Mr. KRAMER. They are using aliens in preference to American citizens and aliens who have become American citizens.

Mr. LUCAS. I cannot believe it.

Mr. KRAMER. And neither could I until it was proven to me.

[Here the gavel fell.]

Mr. HEALEY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HEALEY. What amendments are now before the committee?

The CHAIRMAN. The amendment offered by the gentleman from Texas [Mr. LANHAM] and the amendment to that amendment offered by the gentleman from Pennsylvania [Mr. SACKS].

Mr. HEALEY. What happened to the amendment offered by the gentleman from New York [Mr. FISH]?

The CHAIRMAN. That amendment was ruled out on a point of order.

Mr. O'MALLEY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. O'MALLEY. How much time now remains?

The CHAIRMAN. Sixteen minutes of debate now remain.

Mr. O'MALLEY. Mr. Chairman, a further parliamentary inquiry.

Is this time allotted only on the amendments pending or upon the section?

The CHAIRMAN. As the Chair understands, it relates to the section.

Mr. WOODRUM. The motion I made related to the section and all amendments thereto.

Mr. CASEY of Massachusetts. A parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. CASEY of Massachusetts. If the amendment of the gentleman from Texas and the amendment of the gentleman from Pennsylvania are both voted down, would the amendment of the gentleman from New York [Mr. FISH] then be in order?

The CHAIRMAN. It would; but there probably would not be any time left to debate the amendment. However, the amendment would be in order.

Mr. KING. Mr. Chairman, in case the amendment offered by the gentleman from Texas [Mr. LANHAM] does not carry, the phraseology left in the bill will be "employ aliens illegally within the limits of the continental United States." I have an amendment pending, which then would be in order, to strike out the word "continental." Because there will be no time to discuss it, I have taken the opportunity to discuss it under a pro-forma amendment in the present discussion of the amendment of the gentleman from Texas [Mr. LANHAM]. There is no occasion for the use of the word "continental." Whatever rule is applied to the mainland of the United States applies with equal force and equal justice to the Territory of Hawaii. The word "continental" is to me like a red flag to a bull whenever I see it, because it introduces, when used in legislation, a geographical term which has no legal justification or meaning.

There is no necessity for the word "continental" being in the original draft of the bill.

Mr. DIMOND. Mr. Chairman, will the gentleman yield?

Mr. KING. I yield to the gentleman from Alaska.

Mr. DIMOND. I thank the gentleman for having offered this amendment, because it is time, certainly, that all general legislation shall apply equally to the 48 States and the Territories, because the Territories, as the gentleman has just so well stated, are integral parts of the United States. Whatever rule of law is applied in the States ought to be applied with equal force in the Territories of Hawaii and Alaska.

Mr. KING. That is the practice to which I am addressing myself, regardless of the merits or demerits of the amendment offered by the gentleman from Texas.

Mr. LANHAM. May I say to the gentleman that my amendment as offered applies to the United States and its Territories and possessions, and so would apply to Asiatics.

Mr. KING. I believe the gentleman's amendment would apply with equal force, and I have no point against that. I have taken this opportunity to express my objection to the use of the word "continental" in the section as originally drafted. If the opportunity comes, I would like to offer my amendment, to strike out the word "continental", to follow the amendment of the gentleman from Texas [Mr. LANHAM], if the gentleman's amendment does not carry.

Mr. HOOK. Mr. Chairman, will the gentleman yield?

Mr. KING. I yield.

Mr. HOOK. Are there not different immigration laws in the Territory of Hawaii and in the United States?

Mr. KING. No; there are not.

Mr. HOOK. What about your 3-year law?

Mr. KING. What 3-year law? I do not know what the gentleman is talking about.

[Here the gavel fell.]

Mr. KENNEY. Mr. Chairman, the gentleman from Texas has expressed a sound and sensible doctrine, "American money for Americans." However, his amendment would not keep American money for Americans. Rather it would deprive American children of the benefit of American money and potential Americans, parents of American children.

The bill we are debating is a resolution making an appropriation for relief purposes. Let us not forget that it is a relief bill. As it now stands it does not grant the relief it is intended to give. We ought to adjourn here this afternoon and go to our homes. [Applause.] We will have a good holiday and time to reflect on giving the country real relief. Tune in on the radio each day and get the benefit of the effective operation of an Irish relief bill that has brought about real relief in Ireland. You will hear beginning tonight and continuing tomorrow, Saturday, and up to June 3, a voice coming over the radio telling about American citizens who will get Irish money from the event which will take place June 2, the Irish Sweepstakes. They will get Irish money or some of our "American money for the Irish."

The bill under which our American money goes to the Irish is a real relief bill. This resolution will relieve the unemployed, provided, however, the amendments which have carried in the committee are voted down in the House. However, what we need is a real relief bill. While we are undertaking relief, let us go further than the present resolution and before we finally vote on it bring in another relief bill which we can pass, a bill that will give relief to the worker, taxpayer, the sick, the maimed, the blind, and crippled children.

Watch how the relief bill, the Irish lottery bill, is working over there in Ireland. That bill is giving employment over there. It is helping the sick, it is helping the hospitals, it is helping the taxpayer. Do you not want to give equal relief here? Do you not want to relieve the taxpayer? Do you not want to have real relief? If you do, adjourn, go home, and think it over, and come back here Tuesday and vote this bill as it was originally drawn, and bring in its companion bill, my bill for a national lottery. Sign the petition on the Speaker's desk, bring out the lottery bill, and let us pass it, along with this bill. Then we shall have real relief.

Mr. CONNERY. Mr. Chairman, I am as interested as any Member of this House in seeing that American citizens receive preference. However, I do not believe that any human being, whether he is an American citizen or an alien, should be allowed to walk the streets of the cities of the United States while we say to him, "We are going to let you starve. You have been over here a year and a half, and even though you could not file your declaration of intention to become an American citizen, and even though you are the father or the mother of a boy who served in the American Army before he could bring you over here, you cannot get anything to eat. You are going to have to walk the streets, and you are going to go hungry."

I would like to see the amendment which the gentleman from New York [Mr. FISH] tried to offer as a substitute passed. This would give preference to American citizens, but it would not say that no alien could get any relief whatever.

Mr. KRAMER. Mr. Chairman, will the gentleman yield?

Mr. CONNERY. I yield.

Mr. KRAMER. I do not believe that under the amendment of the gentleman from Texas we are going to permit any man or woman who is not an American citizen to starve.

Mr. CONNERY. They will go hungry and they will starve.

Mr. KRAMER. We just say by that amendment that the Americans shall be given the preference.

Mr. CONNERY. It does not say that. It states that no alien shall get a job under this appropriation.

Mr. BOILEAU. Mr. Chairman, will the gentleman yield?

Mr. CONNERY. I yield.

Mr. BOILEAU. I appreciate the gentleman's position; but even with the Fish amendment, with an appropriation of $1,500,000,000, with eight or nine million people unemployed, and with jobs for only 1,700,000, how many aliens does the gentleman think would get jobs under that situation, and would not the effect be exactly the same?

Mr. CONNERY. No; I will say to my friend from Wisconsin that when it comes to the question of whether an American or an alien is going to go hungry, or which one is going to get a job, I say the preference should be given to the American, but we should not bar the alien if there are funds; and if the Fish amendment is passed, they would get the funds to see that the aliens were taken care of.

Mr. BOILEAU. The gentleman states that he is in favor of giving the preference to American citizens——

Mr. CONNERY. If you have to give a preference to the American or the alien.

Mr. BOILEAU. Does not that crystallize the issue before us, and should we not appropriate money enough to take care of all human beings?

Mr. CONNERY. That is what I would like to see done; but in the present parliamentary situation I would like to see the Fish amendment passed, because under that amendment the Americans would get the preference and then they would find the money necessary to put on the aliens.

Mr. SACKS. Mr. Chairman, will the gentleman yield?

Mr. CONNERY. I yield.

Mr. SACKS. I want to point out to the gentleman that under the Lanham amendment, as amended by my amendment, all aliens who have declared their intention to become citizens would have equal opportunity with other citizens, whereas under the Fish amendment, if the money does not hold out, the American citizens would be taken care of first and then the aliens.

Mr. CONNERY. But under the gentleman's amendment they must file their declaration of intention, and they have to wait 2 years in order to do that.

[Here the gavel fell.]

Mr. MAVERICK. Mr. Chairman, there is a spirit of Americanism, or un-Americanism—I do not know which—that is sweeping the floor now. In any event, we are a little bit excited over this matter.

What percentage of the people who get relief or who are under W. P. A. are aliens? Something like 5 percent. It does not amount to a great deal financially or in proportion to the whole appropriation. Yet we are getting up here and just brutally saying that children, for instance, shall be kicked out. We take a condemned murderer and we feed him well. Let us be sensible and humane about this.

In my district I have a certain number of people there that they call Mexicans. They are Americans, but some of them cannot speak English, and they cannot prove they are citizens. That is only an instance; but I fear we are going to cause all kinds of unkind and brutal things to happen if we adopt this amendment. I think the amendment should be voted down.

Mr. SCHULTE. Mr. Chairman, will the gentleman yield?

Mr. MAVERICK. I yield.

Mr. SCHULTE. Does the gentleman know there are over 10,000 aliens on the pay rolls of the United States Government at the Isthmus of Panama?

Mr. MAVERICK. Yes; that is natural; I doubt if Americans want to move there and live like the aliens there.

Mr. SCHULTE. I may say to the gentleman that there are a great many in my district who would love to go down there.

Mr. MAVERICK. The gentleman may be right; but that does not concern the continental part of the United States.

Mr. Chairman, when you adopt legislation of this kind you are simply doing things that are thoughtless and brutal. If we have a W. P. A., we have got to trust the administrators. The bill as it is written now, which prevents the employment of aliens illegally here, is enough.

Mr. DIES. Mr. Chairman, will the gentleman yield?

Mr. MAVERICK. I yield.

Mr. DIES. The gentleman realizes that under the Fish amendment all aliens will be cut off the rolls because they are going to reduce the number by 600,000, whereas under the Lanham amendment three-fourths of the aliens already have declared their intention to become citizens, and therefore the Lanham amendment is 10 times more humane than the Fish amendment.

Mr. MAVERICK. I thank the gentleman; but it seems to me that the entire matter is so complicated at the present time that I think we ought to defeat the amendments and

leave the bill like the committee reported it. That seems the safest course.

Mr. DIES. Does the gentleman think we should be for the bill as reported with his amendment out of the bill?

Mr. MAVERICK. The bill ought to be left just like it is.

Mr. DIES. The gentleman asked for an increase to $1,500,000,000.

Mr. MAVERICK. The President asked for a billion and a half, which I favor. This was not an increase, according to my view.

Mr. HEALEY. Mr. Chairman, will the gentleman yield?

Mr. MAVERICK. Certainly, I yield to my good friend from Massachusetts.

Mr. HEALEY. The gentleman said that under the Lanham amendment aliens——

Mr. MAVERICK. Let us knock out all the amendments. [Here the gavel fell.]

Mr. O'MALLEY. Mr. Chairman, we have now nearly reached the time when the gentleman from Virginia [Mr. WOODRUM] hoped the House would have the bill finished so that we could take up the conference reports. We have reached the part of the bill where only a few amendments will probably be proposed. I have two amendments which I propose to offer, but I shall not do so, because I think what I wanted done can be accomplished by regulations of the Relief Administration. If we are to pass this bill today, if we are to stop the filibuster started by those who earlier in the day wanted a vote by 4 o'clock, we have to limit debate. We have achieved the objectives of three great committees in this House.

The Roads Committee went to the Committee on Appropriations, but arrived too late to have its proposition inserted in the bill, and we now have placed a direction in the bill that some of this money shall go for road building. The gentleman from Virginia [Mr. WOODRUM] hoped that we could get together and compromise our differences. The differences have already been compromised by three major amendments. We have put in the bill what three great groups in the House think ought to be in there, and we have passed the part of the bill where it is unlikely any more compromises will have to be made. I hope we can reach the end of this bill and pass it tonight, because if we do we avoid the calculated and bureau-inspired pressure of propaganda which is being brought to bear on Members of Congress by persons who have made relief a racket and who, if forced to stand for an election on use of some of this much-needed relief money, could not get elected dog catchers. No last-minute high pressure will influence any Representative who has the welfare of all classes at heart. I am getting a little sick and tired of self-appointed purveyors of prejudice, people who never held public office, being solicited by bureaucrats to send me telegrams to vote the way some directors of relief want me to vote so they can keep their soft jobs distributing money the Congress should control and allocate where needed most. I hope we will not fall for the evident purpose of this filibuster and prolong passage of this bill any further, so that some of these gentlemen who are bringing pressure on Congress, not for the relief worker but for their own well-paid sinecures, will have a couple of more days to attempt to change the expressed will of the Congress.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired. All time has expired. The question first comes on the amendment offered by the gentleman from Texas [Mr. LANHAM].

The question was taken, and Mr. LANHAM demanded a division.

Mr. LANHAM. Mr. Chairman, should not the vote first come upon the amendment to the amendment offered by the gentleman from Pennsylvania [Mr. SACKS]?

The CHAIRMAN. The Chair will state to the gentleman that there has been some confusion. The amendment offered by the gentleman from Pennsylvania [Mr. SACKS] is not, strictly speaking, an amendment to the amendment offered by the gentleman from Texas. They are two separate amendments and must be voted on separately.

Mr. BOILEAU. Mr. Chairman, the amendment was presented to the House as an amendment to the amendment.

The CHAIRMAN. Not finally. Both amendments were debated together.

Mr. LANHAM. Mr. Chairman, would it be in order to ask unanimous consent that it may be considered as an amendment to my amendment, in order that the two may be voted on in that way?

The CHAIRMAN. That can be done by unanimous consent.

Mr. LANHAM. Then I make the request, Mr. Chairman.

The CHAIRMAN. Is there objection?

Mr. FISH. I object.

Mr. CASEY of Massachusetts. I object.

The CHAIRMAN. Objection is heard.

Mr. CASEY of Massachusetts. Mr. Chairman, a parliamentary inquiry. The Chair has stated that the amendment of the gentleman from Pennsylvania is a separate amendment and not an amendment to the amendment of the gentleman from Texas [Mr. LANHAM].

The CHAIRMAN. That is correct.

Mr. CASEY of Massachusetts. I understood that the amendment of the gentleman from New York [Mr. FISH] was declared not in order because it was an amendment in the third degree.

Mr. FISH. I ask the gentleman to let it go.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas. A division has been demanded.

The Committee divided; and there were—ayes 102, noes 112.

Mr. LANHAM. Mr. Chairman, on that I demand tellers.

Tellers were ordered, and the Chair appointed Mr. LANHAM and Mr. WOODRUM to act as tellers.

The Committee again divided; and the tellers reported—ayes 112, noes 116.

So the amendment was rejected.

Mr. SACKS. Mr. Chairman, in view of the fact that the previous amendment was defeated, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Without objection, it was so ordered.

There was no objection.

Mr. FISH. Mr. Chairman, I have an amendment, a compromise amendment to this section. Can we not vote on that now?

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. FISH: Page 5, line 9, after the word "discharged", strike out the period, insert a colon, and add the following: "*Provided*, That preference shall be given to American citizens in employment by the Works Progress Administration, and next those aliens who have taken out first papers prior to the enactment of this act."

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The question was taken, and the amendment was agreed to.

Mr. FISH. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. FISH: Page 5, after the word "discharged" in line 9, strike out the period, insert a colon and the following: "*Provided further*, That veterans of the World War and the Spanish War shall be given preference for employment by the Works Progress Administration.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The question was taken, and the Chair announced himself in doubt.

The Committee divided; and there were—ayes 101, noes 32.

So the amendment was agreed to.

Mr. FISH. Mr. Chairman, I ask unanimous consent that that amendment follow the other amendment in order. I think there was some discrepancy in the reading by the Clerk.

The CHAIRMAN. Without objection, it is so ordered.

Mr. BOILEAU. Mr. Chairman, reserving the right to object, we could not hear the request of the gentleman.

The CHAIRMAN. The gentleman from New York made a request about the order of the amendment, which was not necessary, because they are in order.

Without objection, it is so ordered.

There was no objection.

Mr. KING. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KING: Page 5, lines 4 and 5, strike out the word "continental."

The amendment was agreed to.

The CHAIRMAN. The gentleman from California [Mr. KRAMER] has an amendment at the Clerk's desk, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. KRAMER: Page 5, line 9, insert after the colon "*Provided*, That preference for employment be given to American citizens and those aliens who in good faith made application to become American citizens."

Mr. KRAMER. Mr. Chairman, that is a similar amendment to the last amendment which has been voted upon. I ask unanimous consent to withdraw the amendment.

The CHAIRMAN. Without objection, the amendment will be withdrawn.

There was no objection.

The Clerk read as follows:

SEC. 4. Any Administrator or other officer named to have general supervision at the seat of government over the program and work contemplated under the foregoing appropriation and receiving a salary of $5,000 or more per annum from such appropriation, and any State or regional administrator receiving a salary of $5,000 or more per annum from such appropriation, except persons now serving as such under other law, shall be appointed by the President, by and with the advice and consent of the Senate: *Provided*, That the provisions of section 1761 of the Revised Statutes shall not apply to any such appointee and the salary of any person so appointed shall not be increased for a period of 6 months after confirmation.

Mr. MAY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MAY: On page 5, line 22, after the word "confirmation", strike out the period, insert a colon, and add the following proviso: "*Provided further*, That no part of the funds herein appropriated shall be applied to the payment of any salary in excess of the sum of $10,000 per annum."

Mr. MAY. Mr. Chairman, I do not care to be heard on the amendment except to say that this is a relief bill, and it is the purpose of the administration to administer relief as economically as possible, and of course that is very necessary. In the creation of various commissions and boards, such as the Wagner Labor Relations Board, the Bituminous Coal Commission, and others I do not now recall, the Congress has limited salaries to the maximum sum of $10,000.

Last week this House, in the consideration of a bill involving one of the appointees or directors of a relief organization, placed in the bill a provision which fixed the Administrator's salary at $10,000. Another body has concurred in that amendment. I am sure there is nobody connected with the Works Progress Administration who, under present circumstances, would ask for more than $10,000 a year.

I ask that the amendment be agreed to.

Mr. STARNES. Mr. Chairman, I move that all debate on this section and all amendments thereto close in 5 minutes.

The CHAIRMAN. The question is on the motion of the gentleman from Alabama.

The motion was agreed to.

Mr. MAVERICK. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Kentucky [Mr. MAY].

Mr. Chairman, everyone knows that the purpose of this is to strike at Harry Hopkins, and if you want to do it, of course, you can do it. But when you do this you are also striking at our own Democratic Party and President of the United States, and if you want to do that you can do that. [Laughter and applause.]

I would also call attention to the fact that when people yell that way you are acting like a mob, not Congressmen [laughter]; and when they do not listen, it does not make any difference who is speaking, you are being disrespectful to yourselves and to the person who is talking. [Laughter.] And when people keep on laughing, they are not showing good manners or good order; they are laughing at themselves.

I thank you.

Now, Mr. Chairman, I want to call attention to the fact that any man who worked for the Steel Corporation in as important a job as Harry Hopkins has would be getting $150,000 a year. [Applause.] Any man working for a small or fair-sized corporation in our home town would be making from $12,000 to $20,000 a year. [Applause.] Any man in private business would be getting much more than Mr. Hopkins is getting. When we permit enormous, unregulated salaries in private industry, and then beat down the W. P. A. Administrator, who has a job far more important than any of these industrialists, we are beating down the Government of our country.

We pay Federal judges from $10,000 to $20,000; the Chief Justice of the United States gets $20,000. I wonder if Justice Van Devanter, who writes three or four opinions a year, does as much work as Harry Hopkins?

Remember, when we do this we are just showing our anger at Harry Hopkins. Let that be the record. It is not a great compliment to representative government if we do.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. MAVERICK. Yes; I yield.

Mr. MAY. Is the gentleman aware of the fact that there are 435 Members of this House who work for $10,000 a year and have to run for their office two races every year? I deny that my amendment is aimed at Mr. Hopkins, for whom I have no criticism, but it is in furtherance of the President's desire for economy.

Mr. MAVERICK. President's desire for economy, my eye! Harry Hopkins has one of the most responsible jobs in America, and here we are supporting the President in economy, by knocking Mr. Hopkins down from $12,000 to $10,000, a net saving of $2,000 a year, and by raiding the relief bill to the extent of $505,000,000. Five hundred and five million dollars, gentlemen, for the "pork barrel", and $2,000 knocked off Mr. Hopkins in a rampage of absolutely unwarranted spite.

And I realize that we, as Congressmen, get $10,000 a year and have to run every 2 years. But I am again calling attention to the fact that in private businesses salaries are paid for much less responsible jobs than Mr. Hopkins holds, which pay from $25,000 to $200,000. The truth is that Mr. Hopkins has about the hardest job of any man in the United States.

If we adopt this amendment, it is a direct slap at the President of the United States.

Mr. MAY. Does he think that any man in an appointive position ought to have more than they are getting?

Mr. MAVERICK. Does the gentleman think that the Justices of the Supreme Court should be cut to $10,000?

Mr. MAY. Some of them.

Mr. MAVERICK. Some of them, yes; the liberal ones, the ones who are for the New Deal, sure. If a judge is for progress, social security, cut him down. The truth is all the judges should get the salaries they now receive—district judges get $10,000, the same as we do; others more.

I repeat, this is quite unreasonable, and is done for no good purpose. The only purpose is to show ill feeling for Harry Hopkins and to embarrass the President. The truth is, there is no substantial cause for any ill feeling toward Harry Hopkins. Because we are making a half billion raid, we use Harry for a $2,000 whipping boy. O Mr. Chairman, this just does not make sense.

All we are doing is to establish a bad precedent for the United States Government in discouraging able executives and we do not hurt Harry Hopkins or the President personally. Our general course in the last few days has not been to hurt them, but to hurt the unemployed, and the people as a whole, who elected us to give them democratic government.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Kentucky.

The question was taken; and the Chair being in doubt, the Committee divided, and there were—ayes 132, noes 105.

Mr. CONNERY. Mr. Chairman, I ask for tellers.

Tellers were ordered; and the Chair appointed as tellers Mr. MAY and Mr. WOODRUM.

The Committee again divided; and the tellers reported that there were—ayes 137, noes 114.

So the amendment was agreed to.

Mr. VOORHIS. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. Debate on this section has been closed. The Clerk will read.

The Clerk read as follows:

SEC. 5. Appointments to Federal positions of an administrative or advisory capacity under the foregoing appropriation in any State shall be made from among the bona-fide residents of that State so far as not inconsistent with efficient administration.

With the following committee amendment:

After line 3, add the following:

"No part of the sums appropriated by this joint resolution shall be available to pay the compensation of any officer or employee of the United States who holds an administrative, executive, or supervisory position under this joint resolution, if the position is in any office located outside the District of Columbia or is on any project prosecuted in any place outside the District of Columbia, unless such person is an actual and bona-fide resident of the State or Territory in which the office or project is situated, but this provision shall not apply to the temporary and emergency assignment of any person to a position where the period of service in such position does not exceed 60 days."

Mr. RAYBURN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it happens that I have been a Member of this body for a long time. I have been here long enough to be like a mule that has been broke—I do not get greatly excited, it matters not which side I am in, the majority or the minority. During all of this time I have never said a thing on this floor to or about a Member of Congress that I would withdraw from the RECORD today. In all of this time I have never sought to deceive the House of Representatives or any individual in it.

I take the floor at this time to appeal to the reason of my colleagues on this side of the aisle; not to their patriotism, because they are always full of patriotism; but we have reached a point in the consideration of this bill where I believe that the temper of this House is not such that we are likely to have reasoned legislation. Our friends over on the other side of the aisle, under patriotic and able leadership, are in a state of absolute glee this afternoon because they think that somebody will say that with their help committees and leaderships have been overthrown. We are badly split up, many amendments have been adopted in heat. We must vote on a great many of them, and it is my thought that if we took a few hours to cool off, if we had some conferences among ourselves and with some people in the administration that instead of appearing to be a hopelessly split majority we might come to some conclusion between now and next Tuesday. Let me say [laughter]—oh, I know, I know; you laugh on the Republican side, you do not like it, you do not want us to get together, you do not intend that we shall pass such legislation as the Government can most efficiently operate under, because you want to use this in 1938 and in 1940.

I never quote the President of the United States, but within the hour I have been in conversation with him. I believe that on these three major amendments that have been adopted—frankly, I am opposed to each and every one of them in their present form, and the form of each of them is unfortunate—I believe that within a few hours we can get together with the man who must administer this law and with the members of his own party in the Congress of the United States and adjust this whole thing so that we can all win a victory and not be defeated.

[Here the gavel fell.]

Mr. RAYBURN. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. ANDREWS. Mr. Chairman, will the gentleman yield?

Mr. RAYBURN. I would rather not yield, I will say to my friend. I do not think I would be helpful if I got into a controversy here with a minority Member.

Mr. COX. Mr. Chairman, will the gentleman yield to me?

Mr. RAYBURN. I have just said, I may say to my colleague, that I would not yield. He knows that if I yielded to anybody I would yield to him.

Mr. COX. Will not the gentleman yield to me to make just one brief observation?

Mr. RAYBURN. I am sorry, but I cannot yield.

The CHAIRMAN. The gentleman declines to yield.

Mr. RAYBURN. There are pending three conference reports, two of which are vitally important and involve laws that must be enacted before the 1st of June. I have made such promise as I could that there would be no business transacted in the House tomorrow. Of course, the House may do as it pleases when it meets tomorrow. We must meet tomorrow in order to adjourn over until Tuesday next, which will give us a much-needed rest.

I appeal to the cooler judgment of my colleagues, I appeal to what I know is their fairness, I appeal to their better judgment. When the gentleman from Virginia makes his motion that the Committee rise I hope the motion will be agreed to. I pledge you, for and against the amendments that have been adopted allotting this money, that between now and the time this bill is taken up for consideration again everything that is humanly possible to be done to bring about an adjustment fair to every man, to every section, and to every project in this country will be done by me. [Applause.]

[Here the gavel fell.]

Mr. WOODRUM. Mr. Chairman, I ask unanimous consent to proceed for 3 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. WOODRUM. Mr. Chairman, I believe my colleagues cannot say that there have been any unnecessary dilatory tactics used by the committee in presenting this bill. Unfortunately we have gotten into a difference of opinion and the legislation at the present moment is not in a wholesome condition.

May I say to the gentlemen who are so interested in P. W. A. that there is now pending before the Appropriations Committee legislation sent up by the administration to extend the life of the Public Works Administration and to permit them to go ahead for the next 2 years and complete the projects upon which they are already engaged.

The committee has held hearings upon this legislation and accorded to the distinguished gentleman from New York not only the opportunity to be heard but we gave him the added privilege of sitting in with the committee while hearing witnesses. That bill has not been brought upon the floor because the relief bill intervened.

The Public Works Administration already has $150,000,000 in that fund which they cannot use because of an Executive order. I cannot quote anybody because I have not talked to anybody, but personally I do not have any doubt in my own mind but what appropriate arrangements can be made to take off the limitation whereby the $150,000,000 may be used on projects and perhaps more added. I think we can reach an agreement on P. W. A. that will satisfy our friends who are interested in it, and I am as interested as any other Member in the P. W. A., but this is not the proper place to put the legislation.

The gentleman from New York knows that if this bill were law this minute they could not spend the money on account of an administrative order. It is a situation that calls for conference and consideration. We have worked hard on this bill, and no harm can be done by taking a little more time. There is not a Member of this body who is going to be swept off his feet by propaganda, and any legitimate situation that comes to us that might change our mind is proper for us to consider.

Mr. COX. Will the gentleman yield?

Mr. WOODRUM. I yield to the gentleman from Georgia.

Mr. COX. May I say, Mr. Chairman, that no majority of this House has had a kindlier leader than SAM RAYBURN, of Texas [applause], and I trust that the Committee will yield to the appeal which he has just made and which is so ably supported by the gentleman from Virginia.

Mr. BEITER. Will the gentleman yield?

Mr. WOODRUM. I yield to the gentleman from New York.

Mr. BEITER. The gentleman from Virginia has stated I appeared before the committee and received the courtesy of that committee, which I did. I appreciate that courtesy. But the bill that is pending before the committee and which will be reported for the extension of the P. W. A. does not carry one penny for even the administration of that division. The $10,000,000 that was set aside for the administration of the Public Works Administration was taken away from them in the second deficiency appropriation bill.

Mr. WOODRUM. The gentleman cannot say what bill is going to be reported, because we have not completed the bill as yet.

Mr. BEITER. A bill has been introduced, and there has been consideration. However, it carries no appropriation. There are only $131,000,000 in the revolving fund, and unless the administrative order is changed that money cannot be expended; neither can the $300,000,000 that has been earmarked in the present bill.

[Here the gavel fell.]

Mr. WOODRUM. Mr. Chairman, I move that the Committee do now rise.

The question was taken; and on a division (demanded by Mr. WOODRUM) there were—ayes 157, noes 85.

So the motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore having resumed the chair, Mr. O'CONNOR of New York, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the joint resolution (H. J. Res. 361) making appropriations for relief purposes, had come to no resolution thereon.

EXTENSION OF REMARKS

Mr. BEITER. Mr. Speaker, I ask unanimous consent that following my amendment which was adopted in Committee I may insert in the RECORD, following the amendment, my remarks explaining said amendment.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KRAMER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on the amendment I offered to the pending bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

(Mr. LYNDON JOHNSON asked and was given permission to extend his own remarks in the RECORD.)

Mr. WELCH. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD with reference to the Golden Gate Bridge, which was formally opened today by the President of the United States, and to include a poem written by our esteemed colleague, Hon. JOHN STEPHEN MCGROARTY, poet laureate of the State of California, for this occasion.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

(Mr. MICHENER, Mr. HOFFMAN, Mr. SACKS, and Mr. CARTWRIGHT asked and were given permission to revise and extend their own remarks in the RECORD.)

Mr. ANDREWS. Mr. Speaker, I move the House do now adjourn.

The motion was rejected.

SECOND DEFICIENCY APPROPRIATION BILL, 1937

Mr. WOODRUM. Mr. Speaker, I call up the conference report on the bill (H. R. 6730) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1937, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1937, and June 30, 1938, and for other purposes, and ask unanimous consent that the statement may be read in lieu of the report.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6730) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1937, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1937, and June 30, 1938, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 40, 45, 51, 53, and 59.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 8, 9, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 31, 32, 33, 36, 38, 39, 41, 42, 43, 44, 47, 48, 49, 52, 54, 55, 56, 57, 58, 60, and 61, and agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$100,000"; and the Senate agree to the same.

Amendment numbered 34: That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$6,000"; and the Senate agree to the same.

Amendment numbered 35: That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$60,000"; and the Senate agree to the same.

Amendment numbered 37: That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: "$750,000, of which not more than $100,000 shall be available for the payment of awards under such act of June 30, 1936"; and the Senate agree to the same.

Amendment numbered 50: That the House recede from its disagreement to the amendment of the Senate numbered 50, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

"FREEDMEN'S HOSPITAL

"For an additional amount for the maintenance and operation of Freedmen's Hospital, including the same objects specified under this head in the Department of the Interior Appropriation Act for the fiscal year 1937, $10,000, of which amount one-half shall be chargeable to the District of Columbia, and paid in like manner as other appropriations of the District of Columbia are paid."

And the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 6, 10, 30, 46, and 62.

C. A. WOODRUM,
JOHN J. BOYLAN,
CLARENCE CANNON,
JOHN TABER
(except as to no. 8),
ROBERT L. BACON
(except as to no. 8),
Managers on the part of the House.

ALVA B. ADAMS,
KENNETH MCKELLAR,
CARL HAYDEN,
FREDERICK HALE,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6730) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1937, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1937, and June 30, 1938, and for other purposes (second deficiency appropriation bill, fiscal year 1937), submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

On nos. 1, 2, 3, 4, and 5, relating to the Senate: Appropriates for salaries and expenses of the Senate in the amounts and in the manner proposed by the Senate amendments.

On no. 7: Appropriates $100,000, instead of $175,000, as proposed by the Senate, for the Great Lakes Exposition.

On nos. 8 and 9, relating to the Tennessee Valley Authority: Appropriates $40,166,270, as proposed by the Senate, instead of $44,166,270, as proposed by the House, and inserts the language,

proposed by the Senate, for commencement of construction of the dam at or near Gilbertsville, Ky., and for preliminary investigations of sites for dams at or near Watts Bar and at or near Coulter Shoals, both in Tennessee. In connection with the reduction of $4,000,000 in direct appropriation by Senate amendment no. 9, the managers on the part of the House report in disagreement Senate amendment no. 10, a contract authorization of $4,000,000 stricken from the bill in the House, in which concurrence will be recommended to replace the reduction of $4,000,000 of direct appropriation above referred to.

On nos. 11 to 29, inclusive, 31, 32, and 33, relating to the District of Columbia and payable from District revenues: The matters involved in these amendments were transmitted to the Senate after the bill had passed the House and involved items not presented to the House during the original consideration of the bill. The total amount involved by the Senate amendments to which the House agrees, $337,355.48; this amount is made up as follows: $74,855.48 is occasioned by judgments, refunds, audited claims, and amounts due other departments of the Federal Government for services rendered the District in fiscal years prior to the current fiscal year; $32,000 is due to fees of jurors and witnesses and other current expenses of the United States District Court for the District of Columbia; $80,500 is occasioned by additional maintenance costs and increased population for four District institutions; and $150,000 is required on account of construction costs for five school projects which cannot be built under the original plans and within the original appropriation due to rise in construction costs since the estimates were made.

On nos. 34 and 35, relating to the Bureau of Fisheries: Appropriates $60,000 for the removal and reestablishment of the Little White Salmon fish cultural station in the State of Washington, instead of $50,000 as proposed by the House and $65,000 as proposed by the Senate, and limits the amount to be expended for a site to $6,000, instead of $7,500 as proposed by the Senate and $4,000 as proposed by the House.

On nos. 36 and 37, relating to the War Minerals Relief Commission: Appropriates $750,000, as proposed by the House, instead of $550,000, as proposed by the Senate, and makes the amount available, as proposed by the Senate, for the payment of operations' claims as authorized by the act of June 30, 1936, as proposed by the Senate, but raises the amount which may be so used from $50,000 to $100,000.

On nos. 38 to 45, inclusive, 47, 48, and 49, relating to the Bureau of Indian Affairs: Appropriates as follows for items transmitted to the Senate after the bill had passed the House: $412.65 for the fiscal year 1935 for payment to Indians of Sioux Reservations; $7,500 for suppressing contagious diseases among livestock of Indians on the Mescalero Reservation, N. Mex.; $500 from tribal funds for operation and maintenance of the San Xavier irrigation project, Arizona; $6,500 for improvement and maintenance of the irrigation system, Colorado River Reservation, Ariz.; $80,000 for repairs to the Zuni Dam, Zuni Indian Pueblo, N. Mex.; $222.54, fiscal year 1931, for payment of balance due in connection with the construction of a new vessel for the Alaskan Indian Service; $9,000 from tribal funds for support of hospitals for the Chippewa Indians in Minnesota; and $40,000 for the Annette Islands, Alaska; and strikes out the following items: An increase from $65,000 to $75,000 in the amount for administrative expenses in connection with the revolving fund for loans to Indians and Indian corporations, 1937, and authority for a change in the act of June 7, 1935, relative to public schools in Glacier County, Mont.

On no. 50: Appropriates $10,000, instead of $13,000, as proposed by the Senate, for maintenance of Freedmen's Hospital.

On nos. 51, 52, and 53, relating to the Department of Justice: Appropriates $16,000, as proposed by the House, instead of $7,500, as proposed by the Senate, for departmental contingent expenses; inserts the appropriation of $33,000, as proposed by the Senate, for salaries, fees, and expenses of marshals; and strikes out the appropriation of $40,000, proposed by the Senate, for pay of special assistant attorneys for the fiscal year 1937.

On nos. 54 and 55: Appropriates $160,000, as proposed by the Senate, for continuation of improvement of the water front at the Naval Operating Base, Norfolk, Va.

On nos. 56, 57, and 58, relating to the Post Office Department: Appropriates $6,500,000, as proposed by the Senate, instead of $6,000,000, as proposed by the House, for clerks at first- and second-class post offices; appropriates $225,000, as proposed by the Senate, instead of $200,000, as proposed by the House, for clerks at third-class post offices; and appropriates $5,300,000, as proposed by the Senate, instead of $4,500,00, as proposed by the House, for railroad transportation of mail.

On no. 59: Strikes out the reappropriation, inserted by the Senate, for the Interparliamentary Union.

On no. 60: Appropriates $125,000, as proposed by the Senate, for collection of the customs revenues, fiscal year 1937.

On no. 61: Appropriates $50,000, as proposed by the Senate, for the Bureau of Narcotics, Treasury Department, fiscal year 1937.

The committee of conference report in disagreement the following amendments:

On no. 6: Appropriating $100,000 for books for the adult blind.

On no. 10: Granting the Tennessee Valley Authority a contract authorization of $4,000,000, in lieu of a direct appropriation of that amount.

On no. 30: Appropriating $95,748.91 for payment of a final judgment against the District of Columbia from the gasoline-tax fund of such District.

On no. 46: Appropriating $100,000 for the construction and equipment of a hospital for the Indian Service at Point Barrow, Alaska.

On no. 62: Continuing during the fiscal year 1938 the suspension of the reenlistment gratuity for enlisted personnel of the Army, Navy, Marine Corps, and Coast Guard.

C. A. WOODRUM.
JOHN J. BOYLAN.
CLARENCE CANNON.
JOHN TABER
(except as to no. 8).
ROBERT L. BACON
(except as to no. 8).

Mr. WOODRUM. Mr. Speaker, the conference report has been signed by all of the conferees. There are a number of different items in it which I will not take the time of the House to go into unless some Member is interested in something and wishes to ask about it. The gentleman from New York [Mr. TABER] wants a little time to speak about one of the items, and I yield 5 minutes to the gentleman.

Mr. RAMSPECK. Mr. Speaker, will the gentleman yield to me?

Mr. WOODRUM. Yes.

Mr. RAMSPECK. With reference tc amendment no. 37, if I understand correctly what has been done, according to the conference report we will appropriate $650,000 for the act of May 18, generally known as the amendment to the War Minerals Act, and $100,000 for the act of June 30, which was a later act.

Mr. WOODRUM. The gentleman is correct.

Mr. TABER. Before I take the floor, may I say that I understood amendment 62 was to be brought back for a separate vote, but the report does not so show.

Mr. WOODRUM. Yes; the last paragraph of the report reads as follows: "The committee of conference report in disagreement amendments nos. 6, 10, 30, 46, and 62."

Mr. CONNERY. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM. Yes.

Mr. CONNERY. I am in favor of the conference report, but I notice in all these appropriation bills which have come to my attention that the departments of the Government are using what I think they call lithographing and duplicating machines, whereas the law provides such material must be printed. In other words, they are doing away with hand printing and the work of the Printing Office, and using duplicating machines which are not authorized by law. This practice favors only concerns like Remington-Rand, a strike-breaking concern. I want to call this to the attention of the chairman and ask that he insist that the law be enforced, that where printing is used it be printing and not running the material through these lithographing and duplicating machines.

Mr. WOODRUM. I thank the gentleman.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM. Yes.

Mr. RICH. What is now the total amount of the second deficiency bill, as amended?

Mr. WOODRUM. Approximately $81,000,000.

Mr. RICH. How does this compare with the amount in the bill as it left the House?

Mr. WOODRUM. It is a small amount less than it was when it left the House.

Mr. RICH. I thank the gentleman.

Mr. BACON. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. BACON. I think one or two Members would like to have a few minutes to discuss amendment 62. I believe a separate vote will have to be had on this amendment.

Mr. WOODRUM. Is that the reenlistment pay amendment?

Mr. BACON. Yes.

Mr. WOODRUM. The gentleman is correct.

Mr. BACON. The gentleman from New York [Mr. WADSWORTH] would like to be heard on that amendment.

Mr. WOODRUM. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, the conference report is agreed on by all the conferees, with the exception of amendment no. 8, relating to the commencement of the Gilbertsville Dam on the Tennessee River. This is the only thing in the report about which there is any difference. This authorizes the

commencement of a dam which will cost over $100,000,000, and if the program the Tennessee Valley Authority wants to go through with is concurred in, is apt to cost $500,000,000 before it is finished, including a canal to the Cumberland River and a dam on the Ohio River.

Frankly I do not believe the House ought to authorize the construction of another dam at this time. There is a surplus of power now, at least 2 to 1. The only power they are able to sell in any quantity is second-grade power, which is sold to such outfits as the Aluminum Co. of America. I do not believe, in view of the statements Dr. Morgan has made to us, to the effect that they would not be able to go ahead with the project within the year, that the Congress should authorize the beginning of this $100,000,000 project. I think we should wait until there is a reason for it beyond sentiment.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Mississippi.

Mr. RANKIN. As a matter of fact, the dam across the Ohio River would not be under the jurisdiction of the Tennessee Valley Authority. If any dam is built across the Ohio River, it will have to be authorized by an act of Congress, and will probably come under some other authority instead of the T. V. A.

Mr. TABER. The gentleman is correct that it is not authorized in the organic act. It is a part of the scheme, however, of the three men who constitute the Tennessee Valley Authority at the present time, and it would encourage that program for a canal over the Cumberland and a dam in the Ohio if we authorize the starting of this dam now.

Mr. DEMUTH. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. DEMUTH. I wish to point out that this Gilbertsville Dam that is in this bill will cost $55 per 1,000 second-feet of flood water retained, whereas the dams proposed in the State of Pennsylvania by the Army engineers will cost only $38.25 per 1,000 second-feet of water retained, and we are willing to put up dollar for dollar. So why should we give $40,000,000 when this other group does not put up one penny, and we are building it for almost one-half less? I cannot see any logic in this proposition.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. TABER. I would yield if the gentleman would get me more time.

[Here the gavel fell.]

Mr. WOODRUM. Mr. Speaker, I yield the gentleman from New York 2 additional minutes.

Mr. TABER. It seems to me that in this situation, with the head of the Authority having told the House Committee that he was not ready to go ahead with it, and with the power situation in the shape it is, and there can be no material control of floods with this dam, because the flood-control proposition is entirely with the upper dam, the Norris Dam, and one of those dams up on the Hiawassee River, I believe. I am not a good Indian, and I cannot remember those names very well.

Mr. RANKIN. The Chickamauga?

Mr. TABER. No; Chickamauga is not a very big dam from the standpoint of a storage dam. The Norris and the Hiawassee are the only storage dams in the whole picture that amount to anything.

I do not believe there is any justification for the House embarking on a dam costing upward of $100,000,000 at this time with the picture presented to us by the authorities and with the picture presented to us by the gentleman from Pennsylvania, where the cost of the proposition is away out of line.

Mr. KNUTSON. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. KNUTSON. It is my information, and if I am wrong I wish the gentleman from Mississippi would correct me——

Mr. RANKIN. I should be glad to correct the gentleman.

Mr. KNUTSON. Contracts have recently been entered into whereby practically all the power generated in the Tennessee Valley is being sold to the Aluminum Co. of America and the Monsanto Chemical Co., of St. Louis, aggregating something like 50,000 kilowatts, and the price to be paid is less than cost of production.

[Here the gavel fell.]

Mr. WOODRUM. Mr. Speaker, I yield the gentleman from New York 1 additional minute.

Mr. KNUTSON. I want to know if Congress is justified in spending hundreds of millions of dollars in order to provide the Aluminum Co. of America and the Monsanto Chemical Co., of St. Louis, with power at less than 3 cents, or less than it costs to produce it. According to the T. V. A. annual report the sale price is considerably less than 3 cents. I am informed they have entered into contracts that permit of renewals every 10 years.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. TABER. I do not want to yield any further just now.

It is a fact they are selling a lot of power to the Aluminum Co. and to the Monsanto Chemical Co. and planning to sell a lot more at very low prices. They claim it is what they call second-grade junk power, which is not primary power. This is the excuse they give for it. Personally, insofar as I can figure it, it is the power for which they have not a regular market rather than secondary power.

[Here the gavel fell.]

Mr. WOODRUM. Mr. Speaker, I yield 5 minutes to the gentleman from Mississippi.

Mr. RANKIN. Mr. Speaker, in reply to the gentleman from New York [Mr. TABER] I desire to say that the Tennessee Valley Authority is not contemplating building a dam across the Ohio River for the simple reason that the Ohio River is not within the jurisdiction of the Tennessee Valley Authority. If any dam is built across the Ohio River, it will be built by some other authority or under some other agency of the Government.

Let me say to the gentleman from New York, with reference to the building of this Gilbertsville Dam, that this dam is absolutely necessary in order to develop navigation on the Tennessee River and to protect people along the lower Tennessee, the Ohio, and the lower Mississippi from the flood disasters they have experienced in recent years.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. For a question, yes.

Mr. TABER. It is a fact that the Chairman of the Authority told us that he had not pursued his investigations far enough to go ahead with it.

Mr. RANKIN. Yes; they have pursued their investigations far enough. I talked with a member of the Authority on yesterday and they are ready to proceed with the building of this dam.

Mr. SNELL. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the minority leader.

Mr. SNELL. Is this approved by the Bureau of the Budget, this expenditure of a hundred-and-some-odd million dollars?

Mr. RANKIN. But we are not spending a hundred-and-some-odd-million dollars. We are merely authorizing the T. V. A. to begin construction. The gentleman from Virginia can answer the question. The gentleman from New York [Mr. SNELL] asked whether this is approved by the Bureau of the Budget.

Mr. WOODRUM. There is no money in this bill for construction of Gilbertsville Dam. This does not affect the amount of money in the bill.

Mr. SNELL. Is it approved by the Budget that they should begin this at this time?

Mr. WOODRUM. We are spending some $700,000 in the bill for surveys and investigations of this project.

Mr. RANKIN. Let me proceed to answer the gentleman from New York [Mr. TABER].

Had it not been for the dams on the Tennessee River, the Wheeler Dam and the Norris Dam in particular, the city of Cairo would have been destroyed in the recent floods. You never can control floods on the Mississippi or the Ohio Rivers by building levees, by revetments, and pumping the mud out of the stream. The only way that you are ever going to control floods on these streams is by construction of these high dams to hold the water out of the streams, to keep them from synchronizing with the floods on the Missouri, the Ohio, and the upper Mississippi.

Mr. TABER. Is it not a fact that General Markham testified before one of the committees here that the Norris Dam had no effect on the Mississippi flood whatever?

Mr. RANKIN. I am not going to enter into a discussion of that intense jealousy which the Army engineers are manifesting toward the engineers of the Tennessee Valley Authority. As a matter of fact, everybody who is well informed and unprejudiced knows that the dams on the Tennessee River saved the city of Cairo in the recent floods.

It is necessary to build this dam. The gentleman from New York says that we have too much power now, that we have a surplus of power, when half of the American people get no power at all, and the ones who do use electricity today do not use on an average of one-half the amount necessary to enable them to really enjoy the use of electric current.

The SPEAKER pro tempore. The time of the gentleman from Mississippi has expired.

Mr. WOODRUM. Mr. Speaker, I yield the gentleman 3 minutes more.

Mr. KNUTSON. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. Yes.

Mr. KNUTSON. The gentleman is fair, and probably knows as much about this as anyone else. Will the gentleman state what percentage of power developed in the Tennessee Valley has been contracted to the Montsanto Chemical Co., of St. Louis?

Mr. RANKIN. No; I cannot answer that question, but I shall answer the other question the gentleman asked a few moments ago.

Mr. KNUTSON. The Montsanto Chemical Co., of St. Louis.

Mr. RANKIN. I do not know anything about that. I was not in favor of making those contracts. I want to see this power go to the people who need it. This surplus power is supposed to be flood power or secondary power.

Your administration, the Hoover administration, made a contract with the Commonwealth & Southern in 1931 to sell them primary power generated at Muscle Shoals. Last year they bought 560,000,000 kilowatt-hours under that contract at 1.50 mills per kilowatt-hour. The surplus power now being sold to the Aluminum Co. is being sold at 2.28 mills a kilowatt-hour.

At the time that your administration was selling that power to the power company at less than 1⅝ mills per kilowatt-hour they were selling it to the people around the dam at 10 cents, or a difference of 6,000 percent, and your administration would not even permit us to build a line into the dam to get power for our people to use.

The difference is that what you were doing was for the benefit of the Power Trust and what we are doing is not only protecting the people from floods but it is benefiting the consumers of electricity throughout the country. [Applause.]

As I stated the other day, in 1932, the year that Hoover went out by unanimous consent [laughter], we used in this country 62,000,000,000 kilowatt-hours of electricity, for which we paid $1,800,000,000. Last year we used 90,000,000,000 kilowatt-hours, for which we paid $2,074,000,000. If we had paid the same rate last year that we paid in 1932, it would have cost the American people $537,000,000 a year more—enough to build three or four dams like the one proposed at Gilbertsville.

This reduction of more than $500,000,000 a year in electric-light and power rates has been brought about as a result of the T. V. A. and the example of its yardstick showing the American people what electricity is really worth.

Mr. WOODRUM. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. BACON].

Mr. BACON. Mr. Speaker, I did not sign the conference report as far as it affects the Gilbertsville Dam, and I would like to have a few minutes to explain to the House my reason for disagreeing to that item.

First. I will willingly concede that, as far as the navigation of the Tennessee River is concerned, the Gilbertsville Dam, or some other dam, will be necessary. I will concede that it will eventually be built, and I am not speaking against the eventual building of the Gilbertsville Dam at this time.

When the Budget sent this bill to your committee there was included in the estimate an item of $750,000 to continue surveys for the Gilbertsville site and a site 6 miles below Gilbertsville. Dr. Morgan did not ask for anything more. Dr. Morgan was satisfied to receive $750,000 to continue his explorations, his soundings, his borings, and his engineering investigations for this site. We gave him $750,000. When the bill went to the Senate mandatory language was put into the bill to start the construction of Gilbertsville Dam.

This is what Dr. Morgan testified to before our committee. He was discussing the engineering investigations of this site:

Mr. WOODRUM. Will it be necessary to carry on your surveys through the fiscal year 1938?

Dr. MORGAN. Yes. We found a reasonably good site at Gilbertsville, but in order not to lose any possibilities we continued our explorations and we found another site a few miles from Gilbertsville which might save something in the cost of the dam. The estimates are on the Gilbertsville site.

That was the estimates to continue the survey.

Mr. TABER. And it will probably take you a year to work through the investigation?

Dr. MORGAN. Yes.

Mr. TABER. And maybe more, depending upon what you run into?

Dr. MORGAN. I think we will be ready in a year.

So he was perfectly satisfied with the $750,000 we gave him to continue his surveys. He asked for nothing more. The Budget submitted no other request to your committee, and yet when the bill went to the Senate this language was put into the bill to force, within the year, the starting of the Gilbertsville Dam.

I have stated that I am not opposed to the Gilbertsville Dam. I agree and concede that it eventually must be built, but I believe in all wisdom we should eliminate this compulsory start on the dam in this bill for the next fiscal year, and agree with Dr. Morgan that he should continue this survey for a year, for which we have already given him $750,000 to do so. For that reason only I am opposing this item.

Mr. WADSWORTH. Mr. Speaker, will the gentleman yield?

Mr. BACON. I yield.

Mr. WADSWORTH. Does this item to which the gentleman has been referring have anything to do with a deficit?

Mr. BACON. It will eventually.

Mr. WADSWORTH. This is a deficiency bill we are dealing with.

The SPEAKER pro tempore. The time of the gentleman from New York [Mr. BACON] has expired.

Mr. WOODRUM. Mr. Speaker, I yield the gentleman 2 additional minutes.

Mr. FITZPATRICK. Mr. Speaker, will the gentleman yield?

Mr. BACON. I yield.

Mr. FITZPATRICK. Assuming that language is left in the bill, will it be mandatory on the Commission to start the dam?

Mr. BACON. I think it will, and I think that was the purpose of the language of the Senate amendment. I believe we can well postpone the starting and agree with Dr. Morgan, and postpone this until the appropriation bill of next year.

[Here the gavel fell.]

Mr. WOODRUM. Mr. Speaker, as the gentleman from New York [Mr. BACON] has said, it is recognized by everyone, I think, that the ultimate construction of a dam at Gilbertsville is a part of the orderly program of the Tennessee Valley Authority and a necessary part of the program. In the bill last year we carried money for the preliminary investigations and surveys. In the bill this year the Budget sent up language for continuing those surveys. There seems to be some question as to the exact location of part of the dam, but there is no question in the mind of anybody about the fact of the ultimate construction of the dam.

Dr. Morgan gave the answers that the gentleman from New York indicated, but he did say that, while they would not care for any money for construction, if they had authority to begin construction, while they were making these

surveys there were certain highways and trails that could be provided and some preliminary work that were really a part of construction that could be done in this next fiscal year, and it would not entail any additional appropriation, but would carry them along that much further on the project when they finally came to it. The bill does not carry any money for the construction of Gilbertsville Dam. It merely gives them authority to use certain portions of money already appropriated for this work.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. RICH. If you know that eventually this will be a part of the program and the man who is making the survey knows it, you know and I know that if you put it in this bill during this session there will be Members of Congress that will be after ten or fifteen or twenty or thirty million dollars to get it started. If you are going to try to balance the Budget in 1938, which you know cannot be done unless you start to curb expenses, then why do you put this in a deficiency bill?

Mr. WOODRUM. This does not call for any money and there will not be any money asked for on account of this in 1938.

Mr. RICH. For how long a period?

Mr. WOODRUM. In 1938.

Mr. RICH. During this session of Congress?

Mr. WOODRUM. During this session of Congress.

Mr. RICH. We will keep our eye on that.

Mr. WOODRUM. All right, I will, too.

Mr. COLDEN. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. COLDEN. The gentleman states that this dam is necessary for purposes of navigation on the Tennessee River?

Mr. WOODRUM. Yes.

Mr. BACON. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. BACON. I agree, of course, with what the gentleman has stated, but I do not want any disagreement on the facts of this case. The fact is that these surveys may develop possibly other sites. It will be recalled that the first plan was to build a dam at Aurora. This was abandoned. The second plan was to build a dam at Gilbertsville. This is in the process of being abandoned. The third site is 6 miles below Gilbertsville. It may be that in the course of these surveys some more advantageous sites may finally be selected, but this bill commits the Congress to Gilbertsville.

Mr. WOODRUM. I do not so understand it. I understand that the Gilbertsville Dam will be built wherever they ultimately determine on its location.

Mr. TAYLOR of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. TAYLOR of Tennessee. The other two sites the gentleman referred to were Colter and Watts Bar. Gilbertsville belongs to part of the same scheme.

Mr. WOODRUM. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the adoption of the conference report.

The question was taken; and on a division (demanded by Mr. TABER) there were—ayes 91, noes 22.

Mr. TABER. Mr. Speaker, I object to the vote on the ground there is not a quorum present, and make the point of order that there is not a quorum present.

The SPEAKER pro tempore. Evidently there is not a quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 271, nays 63, not voting 98, as follows:

[Roll No. 70]

YEAS—271

Aleshire	Amlie	Barden	Bell
Allen, Del.	Anderson, Mo.	Barry	Bernard
Allen, La.	Arnold	Beam	Biermann
Allen, Pa.	Atkinson	Beiter	Bigelow
Binderup	Ferguson	Lanham	Phillips
Bland	Fitzgerald	Lanzetta	Rabaut
Bloom	Fitzpatrick	Larrabee	Ramsay
Boehne	Flannagan	Lea	Ramspeck
Bolleau	Flannery	Leavy	Randolph
Boland, Pa.	Fletcher	Lemke	Rankin
Boren	Forand	Lewis, Colo.	Rayburn
Boyer	Frey, Pa.	Lewis, Md.	Reece, Tenn.
Boykin	Fries, Ill.	Long	Reilly
Boylan, N. Y.	Fuller	Lucas	Richards
Bradley	Gambrill	Luckey, Nebr.	Rigney
Brewster	Garrett	Ludlow	Robinson, Utah
Brooks	Gasque	Luecke, Mich.	Rogers, Okla.
Brown	Gehrmann	McAndrews	Romjue
Buck	Gildea	McClellan	Sacks
Buckler, Minn.	Gingery	McCormack	Sanders
Bulwinkle	Goldsborough	McFarlane	Schaefer, Ill.
Burdick	Gray, Ind.	McGehee	Schneider, Wis.
Byrne	Green	McGranery	Schulte
Caldwell	Greenwood	McGrath	Scott
Cannon, Mo.	Gregory	McKeough	Scrugham
Cartwright	Griswold	McMillan	Secrest
Casey, Mass.	Haines	McReynolds	Shanley
Champion	Hamilton	Magnuson	Shannon
Chandler	Harlan	Mahon, S. C.	Smith, Conn.
Citron	Harrington	Mahon, Tex.	Smith, Va.
Clark, N. C.	Hart	Maloney	Snyder, Pa.
Cochran	Harter	Mansfield	Somers, N. Y.
Coffee, Nebr.	Havenner	Martin, Colo.	South
Coffee, Wash.	Healey	Massingale	Sparkman
Colden	Hendricks	Maverick	Spence
Cole, Md.	Hennings	May	Stack
Colmer	Higgins	Mead	Stefan
Cooley	Hildebrandt	Meeks	Sullivan
Cooper	Hill, Ala.	Merritt	Sweeney
Costello	Hill, Okla.	Mills	Swope
Cox	Hill, Wash.	Mitchell, Tenn.	Tarver
Cravens	Hobbs	Moser, Pa.	Taylor, Tenn.
Creal	Honeyman	Mosier, Ohio	Teigan
Crowe	Hook	Murdock, Ariz.	Terry
Cullen	Houston	Murdock, Utah	Thom
Curley	Imhoff	Nelson	Thomas, Tex.
Daly	Izac	Nichols	Thomason, Tex.
Deen	Jacobsen	Norton	Thompson, Ill.
Delaney	Jarman	O'Brien, Ill.	Tolan
DeRouen	Jenckes, Ind.	O'Brien, Mich.	Towey
Dickstein	Johnson, LutherA.	O'Connell, Mont.	Transue
Dies	Johnson, Lyndon	O'Connell, R. I.	Turner
Dingell	Johnson, Okla.	O'Connor, N. Y.	Umstead
Disney	Johnson, W. Va.	O'Day	Vinson, Fred M.
Dixon	Jones	O'Leary	Vinson, Ga.
Dockweiler	Kee	O'Malley	Voorhis
Dorsey	Kelly, Ill.	O'Neill, N. J.	Wallgren
Doughton	Kelly, N. Y.	O'Toole	Walter
Doxey	Kennedy, Md.	Oliver	Warren
Drew, Pa.	Kennedy, N. Y.	Owen	Wearin
Drewry, Va.	Kenney	Parsons	Wene
Dunn	Keogh	Patman	West
Eckert	Kerr	Patterson	Whelchel
Edmiston	Kitchens	Patton	Whittington
Eicher	Kleberg	Pearson	Williams
Ellenbogen	Kocialkowski	Peterson, Fla.	Woodrum
Evans	Kramer	Peterson, Ga.	Zimmerman
Faddis	Lamneck	Pfeifer	

NAYS—63

Allen, Ill.	Guyer	Luce	Simpson
Andrews	Gwynne	McLean	Smith, Maine
Arends	Halleck	Mapes	Snell
Ashbrook	Hancock, N. Y.	Michener	Taber
Bacon	Hartley	Millard	Thurston
Carlson	Hoffman	Mott	Tinkham
Church	Hope	Polk	Tobey
Clason	Hull	Powers	Treadway
Crawford	Jarrett	Reed, Ill.	Wadsworth
DeMuth	Jenkins, Ohio	Reed, N. Y.	Wigglesworth
Dirksen	Jenks, N. H.	Rees, Kans.	Withrow
Dondero	Kinzer	Rich	Wolcott
Douglas	Kniffin	Robertson	Wolfenden
Dowell	Knutson	Rogers, Mass.	Wolverton
Engel	Lambertson	Sauthoff	Woodruff
Gray, Pa.	Lambeth	Short	

NOT VOTING—98

Andresen, Minn.	Ditter	Holmes	Pace
Bates	Driver	Hunter	Palmisano
Buckley, N. Y.	Duncan	Johnson, Minn.	Patrick
Burch	Eaton	Keller	Pettengill
Cannon, Wis.	Eberharter	Kirwan	Peyser
Carter	Englebright	Kloeb	Pierce
Case, S. Dak.	Farley	Koppiemann	Plumley
Celler	Fernandez	Kvale	Poage
Chapman	Fish	Lesinski	Quinn
Clark, Idaho	Fieger	Lord	Robsion, Ky.
Claypool	Ford, Calif.	McGroarty	Rutherford
Cluett	Ford, Miss.	McLaughlin	Ryan
Cole, N. Y.	Fulmer	McSweeney	Sabath
Collins	Gavagan	Maas	Sadowski
Connery	Gearhart	Martin, Mass.	Schuetz
Crosby	Gifford	Mason	Seger
Crosser	Gilchrist	Miller	Shafer, Mich.
Crowther	Goodwin	Mitchell, Ill.	Sheppard
Culkin	Greever	Mouton	Sirovich
Cummings	Griffith	O'Connor, Mont.	Smith, Wash.
Dempsey	Hancock, N. C.	O'Neal, Ky.	Smith, W. Va.

Starnes	Taylor, Colo.	Weaver	Wilcox
Steagall	Taylor, S. C.	Welch	Wood
Sumners, Tex.	Thomas, N. J.	White, Idaho	
Sutphin	Vincent, B. M.	White, Ohio	

So the conference report was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. McLaughlin (for) with Mr. Martin of Massachusetts (against).
Mr. Kvale (for) with Mr. Cluett (against).
Mr. Fulmer (for) with Mr. Bates (against).
Mr. Chapman (for) with Mr. Gifford against).
Mr. McSweeney (for) with Mr. Eaton (against).
Mr. Schuetz (for) with Mr. Cole of New York (against).
Mr. Kloeb (for) with Mr. Holmes (against).
Mr. Ford of California (for) with Mr. Ditter (against).
Mr. Duncan (for) with Mr. Crowther (against).
Mr. Miller (for) with Mr. Mason (against).
Mr. Fernandez (for) with Mr. Robsion of Kentucky (against).
Mr. Greever (for) with Mr. Plumley (against).
Mr. Driver (for) with Mr. Rutherford (against).
Mr. Hancock of North Carolina (for) with Mr. Seger (against).
Mr. Steagall (for) with Mr. Andresen of Minnesota (against).

Until further notice:

Mr. Burch with Mr. Maas.
Mr. Dempsey with Mr. Carter.
Mr. Sumners of Texas with Mr. Gilchrist.
Mr. Wilcox with Mr. Lord.
Mr. Collins with Mr. Gearhart.
Mr. Pettengill with Mr. Culkin.
Mr. Taylor of Colorado with Mr. Smith of Maine.
Mr. Crosser with Mr. Welch.
Mr. Weaver with Mr. Case of South Dakota.
Mr. Smith of West Virginia with Mr. Fish.
Mr. Sabath with Mr. Johnson of Minnesota.
Mr. Sutphin with Mr. Goodwin.
Mr. Ford of Mississippi with Mr. White of Ohio.
Mr. Beverly M. Vincent with Mr. Thomas of New Jersey.
Mr. Starnes with Mr. Shafer of Michigan.
Mr. Connery with Mr. Englebright.
Mr. Keller with Mr. O'Connor of Montana.
Mr. Taylor of South Carolina with Mr. Wood.
Mr. Gavagan with Mr. Mitchell of Illinois.
Mr. Kirwin with Mr. Buckley of New York.
Mr. Peyser with Mr. Lesinski.
Mr. Eberharter with Mr. Patrick.
Mr. Clark of Idaho with Mr. Mouton.
Mr. Pierce with Mr. Quinn.
Mr. Griffith with Mr. Sheppard.
Mr. O'Neal of Kentucky with Mr. Cummings.
Mr. Pace with Mr. Hunter.
Mr. Smith of Washington with Mr. Ryan.
Mr. Palmisano with Mr. Fieger.
Mr. Farley with Mr. Poage.
Mr. Celler with Mr. Crosby.

Mr. ROBERTSON changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The doors were opened.

The SPEAKER pro tempore. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Amendment no. 6: Page 4, line 3:
"Books for adult blind: For an additional sum required to enable the Librarian of Congress to carry out the provisions of the act entitled 'An act to provide books for the adult blind', approved March 3, 1931 (U. S. C., title 2, sec. 135a), as amended, fiscal year 1938, $100,000: *Provided*, That a detailed statement of expenditures from this appropriation shall be reported to Congress in the annual Budget."

Mr. WOODRUM. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate and concur in the same with an amendment.

The Clerk read as follows:

Mr. WOODRUM moves that the House recede from its disagreement to the amendment of the Senate no. 6, and concur in the same with an amendment: In line 6 of the matter inserted by such amendment, strike out the word "detailed."

Mr. WOODRUM. Mr. Speaker, a great many Members have asked me for some information about the procedure for the rest of the short time that I hope we will be here this afternoon, and if I may have their attention I can give them the information and save myself answering 434 more questions.

There are two or three amendments that have to be voted on in this bill. Only one is controversial, and that is the one dealing with reenlistment pay for the Army and Navy. It will probably take 10, 15, or 20 minutes. Following that is the amendment for the Social Security Board and making the appropriation for the general payment for old-age benefits. Now, if you gentlemen will stay here and keep a quorum, I think we can get through here in 20 minutes; but unless we keep a quorum there will probably be two or three more roll calls.

Mr. Speaker, this particular amendment deals with the amendment of the Senate inserting $100,000 for books for the blind. I do not know of any objection to it.

Mr. Speaker, I move the previous question on the amendment.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Virginia to recede and concur with an amendment.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 10: Page 10, line 11: "*Provided further*, That in addition to the amount herein appropriated, the Tennessee Valley Authority is hereby authorized to incur obligations and enter into contracts for the procurement of equipment to be installed in dams and power-houses in an amount not in excess of $4,000,000, and this action shall be deemed a contractual obligation of the Tennessee Valley Authority and the United States for payment of the cost thereof."

Mr. WOODRUM. Mr. Speaker, there is no controversy about this amendment, but it had to be brought back for a separate vote in the House.

Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate no. 10 and concur in the same, and on that I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Virginia to recede and concur.

The motion was agreed to.

The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 30: Page 14, line 11:
"For the payment of final judgment, including costs, rendered against the District of Columbia, together with the further sum to pay the interest at not exceeding 4 percent per annum on such judgment, as provided by law, from the date the same became due until the date of payment, payable from the special fund created by section 1 of the act entitled 'An act to provide for a tax on motor-vehicle fuels sold within the District of Columbia, and for other purposes', approved April 23, 1924 (43 Stat. 106), and accretions by repayment of assessments, as follows."

Mr. WOODRUM. Mr. Speaker, I move to recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 46: Page 23:
"Construction and equipment, Point Barrow Hospital, Alaska: For the construction and equipment of a hospital at Point Barrow, Alaska, $100,000, to remain available until June 30, 1938: *Provided*, That any money received from insurance on the Point Barrow Hospital building destroyed by fire shall be covered into the Treasury to the credit of miscellaneous receipts."

Mr. WOODRUM. Mr. Speaker, I move to recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 62: Page 47, after line 15 insert:
"No part of any appropriation contained in this or any other act for the fiscal year ending June 30, 1938, shall be available for the payment of enlistment allowance to enlisted men for reenlistment within a period of 3 months from date of discharge as to reenlistments made during the fiscal year ending June 30, 1938, notwithstanding the applicable provisions of sections 9 and 10 of the act entitled 'An act to readjust the pay and allowances of the commissioned and enlisted personnel of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service' approved June 10, 1922 (U. S. C., title 37, secs. 13 and 16)."

Mr. WOODRUM. Mr. Speaker, I move to recede and concur in the Senate amendment, and yield 5 minutes to the gentleman from California [Mr. SCOTT].

Mr. SCOTT. Mr. Speaker, I want to make this clear, so that everybody understands just exactly what this amendment is. The Pay Act of 1922 for the enlisted personnel of the Army, Navy, Marine Corps, Coast and Geodetic Survey, and the Coast Guard provided that after a man had been in the service 3 years, was discharged at the end of his term of enlistment, and reenlisted within 30 days, he would receive what was known as an enlistment bonus or gratuity. The amount varied according to the pay scale. The first three or higher grades received up to $200 on each reenlistment. The lower four grades received up to $100, according to the length of time they had previously served.

The men considered since 1922 that was a part of their pay. In 1933 an amendment went into the Treasury-Post Office appropriation bill taking away or suspending this reenlistment bonus. That was a part of the economy move at the time. The provision was continued by inserting it in the Treasury-Post Office appropriation bill each year from 1933 until this year. It was in the Treasury-Post Office appropriation bill that was brought into the House for consideration this year. I raised a point of order against the provision on the ground it was legislation on an appropriation bill and that it did not come under the Holman rule. The Chairman of the Committee sustained the point of order.

The bill went to the Senate and the suspension was not placed in the bill. The second deficiency appropriation bill passed the House and went over to the Senate. This amendment was placed in there. It was clearly subject to a point of order in the Senate, but the point was not made against it.

It now comes back to the House for a separate vote as an amendment. If we vote for this amendment it means a further suspension of the reenlistment bonus to the enlisted personnel of the Army, Navy, Marine Corps, Coast and Geoedtic Survey, and Coast Guard. I think, since it was contained in the pay bill of 1922, the enlisted personnel is right and justified in considering that bonus as a part of its regular pay.

Mr. Speaker, that money is used for a variety of purposes. When a man enlists in any of these branches of the service it is up to the Government to provide him his clothing. When he reenlists they do not have to do that, but after serving 3 years the men have depleted their wardrobe to such an extent that they almost have to renew it. The reenlistment bonus most often is used for renewal of that wardrobe. If it is not used for that purpose, it is used to pay the expenses of a trip back home before going back into the service.

Mr. HOUSTON. Will the gentleman yield?

Mr. SCOTT. I yield to the gentleman from Kansas.

Mr. HOUSTON. Is it not a fact if this amendment is adopted there may be saved, say, $5,000,000. On the other hand, that amount is saved by getting experienced men who have been in the Army, Marine Corps, and what not to come back into the service, and we do not have to train these men over again. We get a better class of men.

Mr. SCOTT. I thank the gentleman.

[Here the gavel fell.]

Mr. WOODRUM. Mr. Speaker, I yield the gentleman 2 additional minutes.

Mr. SCOTT. Mr. Speaker, prior to the depression it was difficult to get men in the service, so they had to offer them this bonus for the purpose of getting good men to stay in the service. Then came the depression and a lot of people wanted to get into the Navy. They had a waiting list and could be choosey about their selection. They could pick out their men and it was not necessary to offer them a bonus to get them into the service. The depression is not over, but it is becoming increasingly difficult as men find employment elsewhere to get them to come into the service or to stay in the service. I have received letters from men who are now in the service asking if we were going to pay this reenlistment allowance. They said, "If you do, I will reenlist." The wives stated, "If you do, I will let my husband reenlist. If you do not, I am going to see that he gets employment some place else."

If we do not get experienced men to stay in the Navy, we have to spend at least 3 years educating them up to a position of ability that the men who reenlisted would have at the end of their 3-year period.

Mr. FLETCHER. Will the gentleman yield?

Mr. SCOTT. I yield to the gentleman from Ohio.

Mr. FLETCHER. What is the total amount involved?

Mr. SCOTT. There is no way of telling. That is the reason why it does not come under the Holman rule. In previous years the estimate was made that it was pretty close to $5,000,000 a year. That is as much as I know about it.

[Here the gavel fell.]

Mr. WOODRUM. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. WADSWORTH].

Mr. WADSWORTH. Mr. Speaker, the gentleman from California has stated the case correctly. I want to add my appeal to his that the House reject this Senate amendment. I make my appeal just as strong as I can on behalf of the enlisted men of the Army, Navy, Marine Corps, Coast and Geodetic Survey, and Coast Guard. The gentleman from California has stated correctly that for years and years the enlisted men of the military services have regarded this reenlistment allowance as a definite part of their pay.

This has been paid to the enlisted men of the Navy for 82 years. That is, it has been in the laws governing the pay of the Navy for 82 years, although it was suspended during the economy program of 1933. In the Army it has persisted for more than a generation. I cannot give you the exact period during which the enlisted men of the Army have had this advantage.

In 1933, as a part of the economy program, Members will recall that the salaries of Congressmen were cut 10 percent for a time and that the President was authorized to reduce the pay of all civil servants of the Government up to a gross amount of 15 percent.

The officers of the Army and Navy also suffered reductions; in fact, the entire Federal service suffered a reduction. The enlisted men were cut 10 percent in their base pay. We even cut down the private of the Army from $21 a month to $17.80 a month.

In the period which has elapsed since 1933 every single pay reduction in the Government of the United States has been restored except this. Only these enlisted men have failed to receive that decent treatment from the Congress of the United States. They alone continue to suffer under the so-called and long-abandoned economy program. This reenlistment allowance means a tremendous lot to these men.

The Senate put the amendment in as legislation in a deficiency appropriation conference report. It is an amazing way to continue to legislate to withhold pay from these men, who are the poorest paid of any in the Government service, and I say this without fear of contradiction. The soldiers and sailors receive the lowest pay, proportionately, of those in any branch of the service. Here we stand, after having suspended this reenlistment allowance for 4 long years, and it is proposed we shall do it for a fifth year, when no one else is being treated in the same way.

Mr. SCOTT. Mr. Speaker, will the gentleman yield?

Mr. WADSWORTH. I yield.

Mr. SCOTT. Those who would be in favor of giving the reenlistment bonus back to these men would vote "no" on a motion to recede and concur?

Mr. WADSWORTH. They certainly would.

The Secretary of the Navy, in his annual report to the President, has urged the restoration of this pay. I happen to know the War Department is exceedingly eager that these men receive good treatment, decent, generous treatment, in line with the treatment we have given everybody else in the matter of restoration. I hope the amendment will be rejected. [Applause.]

[Here the gavel fell.]

Mr. WOODRUM. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. IZAC].

Mr. IZAC. Mr. Speaker, I may be able to throw a little more light on this subject. It is true the total amount involved will probably be around $5,000,000—about $400,000 to the Coast Guard and $2,300,000 each to the Army and Navy. You may be laboring under the impression the Government is losing $5,000,000. Let me show you where that is wrong.

When you train a man at the naval training station, for instance, in just the first 3 months it costs the Government an average of $256.62 per man. If you keep on, the man who has experience, who has served a 4-year enlistment, or an 8-year or 12-year enlistment, does not have to be sent to the training station again, for you have an experienced man. This means permanency in the establishment, and I assure you such a man is a real asset to the Navy. This is true in all the other services. I wish I had time to read to you the record of the hearings, at which people from the War Department, from the Navy Department, and from the Coast Guard all begged during the last 4 years to please put this bonus back in the law. It is the basic law, as the preceding speakers have told you.

I believe this is an ill-concealed attempt to continue the evils of the Economy Act. I have no hesitancy in saying that it is pennywise and pound foolish to save $5,000,000 when the Government will get back a value of millions of dollars in its skilled men. The Navy, especially, today is not as it was in the olden days. We do not have deck swabbers now. We have radio men, engineers, internal-combustion experts, gunnery experts, and torpedo experts; and you cannot learn about a torpedo in 4 short years. This is the reason I believe we also would be foolish to continue to deprive these men and the Government of the service of skilled men.

Mr. TAYLOR of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. IZAC. I yield to the gentleman from Tennessee.

Mr. TAYLOR of Tennessee. This pay will not be retroactive?

Mr. IZAC. No; it is not intended that it shall be retroactive.

Mr. DORSEY. Mr. Speaker, will the gentleman yield?

Mr. IZAC. Yes.

Mr. DORSEY. We appropriate millions of dollars for national defense, but we oftentimes overlook the most vital factor, the human element. The restoration of this pay will build up the morale of the enlisted men.

Mr. IZAC. I believe that is a point we should not overlook, and I thank the gentleman for his contribution.

Mr. MURDOCK of Arizona. Mr. Speaker, will the gentleman yield?

Mr. IZAC. I yield to the gentleman from Arizona.

Mr. MURDOCK of Arizona. As an educator, I do not know of another brand of education or training which is so effective and economical as the line of education the gentleman has just indicated, considering the cost. If the Government can get trained men on payment of this small bonus, such impresses me as real economy.

[Here the gavel fell.]

Mr. WOODRUM. Mr. Speaker, I yield myself 7 minutes.

Mr. Speaker, I would like to clear up one or two points about this matter. In the first place, I wish to emphasize the fact that the language in the amendment only asks to continue this legislation for the fiscal year 1938. We justify that by the efforts that we hope we are making to balance the Budget, and I hope we are making a serious effort to balance the Budget.

We ask in this amendment that during the next fiscal year this reenlistment bonus be not allowed; and I may say, Mr. Speaker, this is not taking one solitary thing away from any enlisted man in the Army, Navy, or Marine Corps. He is getting exactly the pay that was promised him, and every member of the Army, the Navy, and the Marine Corps who enlisted during the last 3 years enlisted with the knowledge there was no reenlistment bonus going to be paid him if he did reenlist.

Mr. SNELL. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM. Yes.

Mr. SNELL. How much does this cost per year?

Mr. WOODRUM. Five million dollars.

Mr. SNELL. How do the reenlistments during the last 2 or 3 years, when we have not paid this bonus, compare with previous reenlistments?

Mr. WOODRUM. Seventy-three percent of the members of the Army, Navy, and Marine Corps who reenlisted during the last 3 years knew there was no reenlistment bonus offered anybody.

Mr. SHORT. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. SHORT. But the gentleman should bear in mind that it is really a depression reenlistment.

Mr. WOODRUM. Certainly.

Mr. SHORT. And with the return of recovery, and when money is spent by private industry to hire more people, the percentage of reenlistments will not be so high.

Mr. WOODRUM. I have no reason to think there will be any difference in the percentage in 1938 from what it was in 1937, when 82 percent of the Navy men reenlisted and were glad to reenlist in that year.

Mr. WADSWORTH. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM. I yield to the gentleman from New York.

Mr. WADSWORTH. The gentleman from Virginia has stated that these men, when they reenlisted during the last 3 years, or since this economy program started, knew there was no reenlistment allowance. What they knew was that temporarily the Congress had suspended it, and now it looks, after 5 years, as if their hopes are blasted.

Mr. WOODRUM. No; I would say to the gentleman from New York that they know now what they knew when they reenlisted, that the time has not yet come when the Congress can offer a bonus to people working for the Government.

I want to say to the gentlemen who are representing labor, who are representing men who toil, and to you men who are interested in W. P. A. and all such matters, you are giving here $5,000,000 as an extra bonus to men who have jobs and who have had jobs with the Government all through the depression. This will require another appropriation of $5,000,000 in 1938 if you vote it now.

There is not a Member of this House who has a higher regard for the fine enlisted personnel in our various services than I have, but I say there is no justification for this Congress, when we are scraping the bottom of the flour barrel to feed hungry people, to vote now to reinstate a bonus, and that is what it is. It is not pay; it is a bonus given to men on the theory that they need some inducement to have them reenlist in the service of their country, when 73 percent of them are reenlisting without any such bonus.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. MAY. I simply want to inquire of the gentleman from Virginia whether or not these reductions resulted from the administration of the Economy Act of 1933; and if they did, why it is the President, in his numerous regulations, restoring to veterans a dozen or more times benefits taken away under that act, has not taken care of this matter?

Mr. WOODRUM. These men are not veterans to begin with. They are employees of the Government.

Mr. MAY. I understand that.

Mr. WOODRUM. Their salaries were cut, just as our salaries were cut, and their salaries were restored, just as our own salaries were restored. This is a gratuity, a gratuity originally voted by the Congress as an inducement to get men in the Army and Navy to reenlist after their term of service was up, and nearly all the men who would now be benefited, when they enlisted in this service, knew there was no such gratuity to be offered them at the end of their term of enlistment.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. I would like to ask the gentleman from Virginia if the idea of this is a gratuity to get the men to reenlist, or is it due to the fact that, having had this experience, they are worth this much more to the Government?

Mr. WOODRUM. No; the idea was to get them to reenlist so that private industry would not take them out of

the armed forces. This was the basis on which it was originally put.

Mr. WADSWORTH. Was not that a part of a proper military policy?

Mr. WOODRUM. It was a part of a proper military policy.

Mr. WADSWORTH. And it is not simply for the purpose of giving them a gratuity?

Mr. WOODRUM. I think it would be highly proper, if and when we can afford to do it, to reinstate this, just as I hope some day to trade in my Ford car and get a better one, but I cannot do that now.

Mr. BRADLEY. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM. Yes; I yield.

Mr. BRADLEY. One Member here this afternoon said that for 82 years up to the time of the Economy Act the men of the United States Navy did get this bonus, and that it was a permanent Government policy for 82 years.

Mr. WOODRUM. That is correct.

Mr. FLETCHER. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM. Yes.

Mr. FLETCHER. Mr. Speaker, without this bonus what salary would these men receive?

Mr. WOODRUM. The regular salaries paid to the enlisted men of the Army and the Navy. This does not affect their salaries.

Mr. FLETCHER. They receive the same salary without the bonus?

Mr. WOODRUM. Of course they do. This does not affect their salaries. When a man's time of service expires, the Government says, "If you reenlist, we will make you a certain allowance, based on the time you have served and the salary you have drawn." That does not affect the rate of pay while in the service.

Mr. MAHON. And this would be in no way retroactive?

Mr. WOODRUM. No way at all. It is merely for one fiscal year.

Mr. IZAC. Does not the gentleman believe it is a rather poor type of economy which we must practice if we have to start on men getting from $20 to $21 a month?

Mr. WOODRUM. If you were to take anything away from them, yes; but it is a rather poor time to start increasing your deficit by $5,000,000 in order to pay men already in the service, when 73 percent of them like it so well that they are ready to enlist when their term is out.

Mr. SCOTT. The provision for the reenlistment bonus was paid up to the time of the act of 1932.

Mr. WOODRUM. Yes.

Mr. SCOTT. And is not a renewal of that provision, the reenlistment bonus as connected with the pay act, some indication of the fact that Congress at the time expected this to go as a part of their pay?

Mr. WOODRUM. It is not a part of their pay; it is an inducement to reenlist. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the motion to recede and concur.

The question was taken; and on a division (demanded by Mr. WOODRUM) there were—ayes 134, noes 101.

Mr. McFARLANE. Mr. Speaker, I demand tellers.

The SPEAKER pro tempore. The gentleman from Texas demands tellers. Those in favor of ordering tellers will rise and stand until counted. [After counting.] Thirty Members have risen, not a sufficient number, and tellers are refused.

So the motion to recede and concur was agreed to.

A motion to reconsider the vote by which the motion was agreed to was laid on the table.

INDEPENDENT OFFICES APPROPRIATION BILL, 1938

Mr. WOODRUM. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. WOODRUM. Mr. Speaker, the independent offices appropriation bill conference report is on the Speaker's table. If conditions were different, if time permitted, I would take an hour to consider that conference report. The bill is hung up on this controversial feature. An amendment was adopted in the Senate to the Social Security Act changing the basic law of the social security set-up, requiring that all appointments of attorneys and experts and everyone drawing salaries of over $5,000 should be made by the President and confirmed by the Senate. The House then agreed to that with an amendment providing a form of civil service for all of them. The Senate would not agree to that, and there we are. We are at an impasse on that. If time permitted, I would like to have a sort of round table consideration and see what Members think of it, but it does not permit. This situation exists. The Social Security Board is out of money to pay their grants to the States for old-age benefits on June 1.

There is no controversy about that. Instead of going into a long discussion over the conference report, I am going to ask unanimous consent for the present consideration of a joint resolution which will make available $18,000,000 for the fund appropriated in the independent offices appropriation bill in order that the Social Security Board may meet their obligations to the States for old-age benefits, and ask unanimous consent for the consideration of a concurrent resolution which will deduct from the independent offices appropriation bill, which is now in conference, the $18,000,000 which we now make available.

Mr. Speaker, I ask unanimous consent for the present consideration of House Joint Resolution 386, making an appropriation to enable the Social Security Board to make payments of grants to States for old-age assistance for the fiscal year 1937.

The Clerk read as follows:

House Joint Resolution 386

Resolved, etc., That there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $18,000,000, to continue available until June 30, 1938, to enable the Social Security Board to make payments of grants to States for old-age assistance, including the same objects specified under this head in the First Deficiency Appropriation Act, fiscal year 1936.

The SPEAKER pro tempore. Is there objection to the immediate consideration of the House joint resolution?

Mr. WIGGLESWORTH. Mr. Speaker, reserving the right to object—and I shall not object—I simply want to say that the proposal of the gentleman from Virginia is entirely satisfactory to this side, and I hope the House will concur in his suggestion.

Mr. RICH. Mr. Speaker, reserving the right to object, I would like to ask the gentleman from Virginia if he will take the Treasury statement issued May 24 and show me in that statement where there is any money that is not appropriated. When you look at the statement issued by the Treasury Department and see that on this very day we have lost $11,616,657, and every day it is the same, I would like to ask you where are you going to get the money? [Laughter and applause.]

The SPEAKER pro tempore. Is there objection to the immediate consideration of the House joint resolution?

There was no objection.

The House joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. WOODRUM. Mr. Speaker, I offer House Concurrent Resolution No. 14, affecting the enrollment of H. R. 4064, the Independent Offices Appropriation Act, 1938, and ask unanimous consent for its immediate consideration.

The Clerk read as follows:

House Concurrent Resolution 14

Resolved by the House of Representatives (the Senate concurring), That in the enrollment of the bill (H. R. 4064) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1938, and for other purposes, the Clerk of the House of Representatives is hereby authorized and directed to change the amount of "$150,000,000", in the third paragraph, under the heading "Social Security Board", to the sum of "$132,000,000" and to charge the total accordingly.

The SPEAKER pro tempore. Is there objection to the immediate consideration of the concurrent resolution?

Mr. McFARLANE. Mr. Speaker, reserving the right to object, and I shall not object, I want to ask this question: Our State legislature recently passed a resolution urging the Congress to hurry and pass this legislation in order that we might send money to Texas to help meet the State funds for the May payments. I wish the gentleman would say whether or not the May payments have been made.

Mr. WOODRUM. I have been informed, Mr. Speaker, that all payments have been made up to the present time, but that they do not have the funds to make the June payment.

Mr. SHORT. Mr. Speaker, reserving the right to object, can the distinguished gentleman from Virginia inform us when we shall have an opportunity to amend the Social Security Act itself in order to provide payment to cripples as well as to those who are suffering from the infirmities of age?

Mr. WOODRUM. The gentleman will have to ask the Ways and Means Committee about that, for that is a matter over which they have jurisdiction.

The SPEAKER pro tempore. Is there objection to the present consideration of the resolution?

There was no objection.

The resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. WOODRUM. Mr. Speaker, I ask unanimous consent that the Speaker pro tempore be authorized to sign the deficiency bill and these two resolutions notwithstanding the adjournment of the House, and that the Clerk may have authority to receive a message from the Senate if the House is not in session.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

EXTENSION OF REMARKS

Mr. STARNES and Mr. DORSEY asked and were given permission to revise and extend their own remarks in the RECORD.

SUGAR LEGISLATION

The SPEAKER pro tempore. Under the special order of the House the Delegate from Hawaii [Mr. KING] is recognized for 10 minutes.

Mr. KING. Mr. Speaker, on Thursday last reference was made to pending sugar legislation, and the speaker, the gentleman from Michigan [Mr. HOOK], took occasion to make some uncalled-for remarks about Hawaii, as well as about the three executive departments that have sponsored what they consider a well-rounded and equitable program for control of the sugar industry.

I am not called upon to defend these great Federal departments; they need no championship by me. But if their three Secretaries, three of the trusted advisers of the President, all of whom have publicly gone on record as supporting the program offered by the Department of Agriculture, are in the category of—I quote the gentleman from Michigan [Mr. HOOK]—"little $100- or $125-a-month clerks", that is indeed news to us all.

I have here the letter of Secretary Wallace addressed to the gentleman from Colorado [Mr. CUMMINGS], in which he says—I quote:

> In response to your request of March 29 with respect to the form of H. R. 5326, I am pleased to submit for your consideration the enclosed draft of the bill, which includes those changes recommended by the Department of Agriculture.

I have here the "Statement of the Honorable Cordell Hull, Secretary of State, before the House Committee on Agriculture Friday, April 30, 1937"; and finally here is the letter addressed by the Secretary of the Interior, Harold L. Ickes, to the chairman of the House Committee on Agriculture. Surely none of these gentlemen merit the description of $100-a-month clerks.

But I am called upon to speak for Hawaii, since there is no one else under obligation to do so but me. I have been contending on the floor of this House and in the committee having jurisdiction of this legislation for a fundamental principle, which resolves itself into the answer to a simple question, Is Hawaii a part of the United States of America or not? If it is, then as a matter of fairness and justice it should be treated on a basis of perfect equality with every other part of this Nation.

The gentleman from Michigan [Mr. HOOK] contends that as a Territory, as an "offshore area", Hawaii could be and should be treated differently from a State. I would be the last to question the power of Congress, since my very position here depends upon the sufferance of Congress, but I do ask, Would Congress have treated the former Territories, in national legislation, differently from their neighboring States, as a matter of equity if not of law?

Not being an attorney, as my colleague the gentleman from Michigan [Mr. HOOK] is, I cannot argue the constitutionality of discriminatory legislation, and the decisions are not clear-cut enough for a layman to interpret definitely. Many decisions can be advanced in favor of the principle for which I am contending. Dictum of the Supreme Court in cases not parallel to the point raised by this issue has been loosely applied to this question. No one can say beforehand what the decision would be on a specific question before the Supreme Court.

But as an organized and incorporated Territory, as a people overwhelmingly American citizens by nativity, as a community that bears every burden of citizenship, I submit that whatever may be the limitations of Congress, there is no fairness in any legislation that grants any part of the Nation a privilege at the expense of and to the detriment of Hawaii and its people.

The only justification advanced by the gentleman from Michigan [Mr. HOOK] for such discrimination is what purports to be quotations from a United States Department of Labor Report on Labor Conditions in the Territory of Hawaii 1929–30, that pretend to show how different we are from the States. The quotations are hardly pertinent to the subject under discussion, and much can be said as to labor conditions in general throughout the Union, especially in agricultural areas, which I shall not touch upon. These quotations are partly statements from another source entirely, which is not given by the gentleman from Michigan [Mr. HOOK]; and partly isolated sentences, completely removed from the text that accompanies them. Used in this manner, they are misleading, untrue, and grossly misrepresent conditions in Hawaii. A categorical reply to these quotations shows my statement to be true.

The supposed quotations, with the facts pertaining thereto, are as follows:

Quotation: "Americans do not work on plantations in Hawaii."

Facts in regard to quotation: The alleged quotation does not appear anywhere in Bulletin No. 534.

Quotation: "There was only one American adult on the pay rolls of the island of Hawaii in 1929."

Facts in regard to quotation: Pages 32 and 33 of Bulletin No. 534 deal with certain statistics of unskilled employees, mostly field workers. The employees are classified for purposes of these statistics by racial origin, not by citizenship or nationality. The classification of "American" by race covers a narrow range of racial descent. There were, nevertheless, 87 so recorded among the unskilled laborers on sugar plantations, only one of whom happened to be on the island of Hawaii—See table 16, page 33, Bulletin No. 534.

The sentence quoted was taken from a paragraph which explained the method of determining the percentage of unskilled employees who qualified for the attendance or "turnout" bonus which is paid in addition to basic earnings. The sentence, taken with its context, reads as follows:

> It (table 16) also shows for each * * * race the percent which, by attendance at work * * * qualified for or earned the attendance bonus of 10 percent * * *. There was only one American adult male on the pay rolls of the plantations on the island of Hawaii in May 1929. He did not work on as many as 23 days in the month, and therefore the percentage of Americans qualifying for bonus was 0.0. Forty-six, or 86.8 percent of the Americans on Maui * * *, etc. (See p. 32, Bulletin No. 534.)

There were in 1929–30 more than 7,000 American citizens, over 400 of them Hawaiians, among the employees. There are at present over 15,000 citizens employees.

Quotation: "Eighty-eight percent of all the employees on the sugar plantations are Filipinos and Japanese." (Reference, p. 3.)

Facts in regard to quotation: The sentence as quoted is not in the Bulletin.

The figure of 88 percent is obtained from table 3, page 3, of Bulletin No. 534. This table classifies employees as of the year 1929 by racial descent and not by citizenship. Over 20,000 Filipinos have left the Territory of Hawaii to return to the Philippine Islands since 1930.

Quotation: "The source of supply has largely been from the Philippines, from which labor has been imported to work on the Hawaiian plantations under labor contracts." (Reference to p. 14.)

Facts in regard to quotation: This purported quotation does not appear on page 14 or elsewhere in bulletin no. 534.

The applicable portion of pages 14 and 15 read as follows:

The source of labor supply for the sugarcane industry of the Territory of Hawaii has shifted many times, being originally the Hawaiian Islands, and subsequently China, Japan, Portugal, Spain, Puerto Rico, and Korea. The present (as of 1929) tendency is to depend almost entirely upon the Philippine Islands as the source of labor supply.

Hawaii entered the Union in 1898 as an incorporated Territory subject to all the immigration, labor, and other laws of the United States.

No Chinese laborers have entered Hawaii since 1898. No Japanese laborers have entered since 1908, when the Roosevelt-Ishii "gentlemen's agreement" was signed.

From 1912 to 1931 a number of Filipinos came to Hawaii, just as they came to other parts of the United States. This movement practically stopped in 1932, and since 1934 it has been prohibited by the provisions of the Tydings-McDuffie Philippine Independence Act.

The term "contract" is often applied to the piece-work method of payment for agricultural work where payment is at a rate per acre or per unit of work performed. This term is applied to such work in the beet fields of Michigan or the Western States, just as it is in the cane fields of Hawaii.

The sugar producers of Hawaii, through their agricultural cooperative, have also, at the request of the Philippine government, undertaken to pay for the return to the Philippine Islands of any Filipino who of his own free will elects to qualify therefor by working as an employee of any one or more of the sugar producers.

There is no contract or "bound" labor in Hawaii, and there could not be under the laws of the United States.

There is no foundation for the purported quotation.

Quotation: "The average wage is only $10.92 a week." (Reference, p. 11, Bulletin No. 534.)

Facts in regard to quotation: The average weekly wage of $10.92 a week, given in table 9, page 11, is for unskilled employees, mostly agricultural workers, and is explained in note no. 3, appended to table 9, as follows:

Not including perquisites (rental value of houses, value of fuel, water, medical and hospital service for sickness or accidental injury of any kind) furnished to employees by plantations without any charge to employees. The value was estimated at $28 a month (p. 11, Bulletin No. 534.)

Therefore, the real wage, including value of perquisites, was found to be over $75 a month for agricultural unskilled employees.

A table of typical earnings of skilled employees appears on page 31, Bulletin No. 534.

Quotation: "The only labor organization recognized is the barbers' union." (Reference to p. 14.)

Facts in regard to quotation: The sentence purported to be quoted does not appear on page 14, nor anywhere else in regard to sugar producers.

On page 117 the following, dealing with conditions in general, appears:

Labor organizations in the Hawaiian Islands are few in number, small in membership, and, with the exception of the barbers' union, have no agreements with the employers.

The trades or occupations that have organizations are machinists, molders, molders' helpers, and boilermakers in foundries and machine shops; hand compositors and linotype operators in book and job and newspaper printing and publishing; marine engineers in steam navigation; carpenters and joiners, plasterers and plumbers in building construction and repair * * * etc.

As a matter of fact, the full report, so unfairly misused, gave Hawaii a high rating in its labor conditions; and during the 7 to 8 years that have elapsed since it was made there have been further advances and improvements in the living conditions, hours, and wages of our working people.

The organic acts calls for a labor survey every 5 years, and I have tried and will continue to try to have the Department of Labor carry out the one that was due in 1935, so that Hawaii may present to this Congress the situation as it exists today and be given credit for the great progress that has taken place in the past few years.

In 1935 a subcommittee of the Committee on the Territories spent 16 days in making a thorough survey of Hawaii, visiting six of our eight islands for that purpose. I quote the following from the report of the subcommittee:

Your subcommittee found the Territory of Hawaii to be a modern unit of the American Commonwealth, with a political, social, and economic structure of the highest type. Its educational program is an advanced one, with a large portion of the tax dollar being spent for the training of its youth. Even during the period of the depression this program was neither relaxed nor reduced, and its school facilities compare favorably with those of the most advanced States. Hawaii's economic standards are high, with an industrial and agricultural development forming a sound base for the continued growth of the Territory.

First-hand information certainly should have preference over hearsay, and no doubt there are many other Members of this House whose knowledge of Hawaii gives the lie to the charges that such terrible conditions exist in Hawaii as has been represented.

I ask no man to support Hawaii's plea who is not convinced of its justice, or who feels that the interests of his district conflict with those of mine. If the membership of this House accords Hawaii the position to which it is entitled, I shall be most happy. If not, I shall feel that it has been my failure in presentation and not yours. Either I or my successor in office will continue the effort to secure equality the very next appropriate time.

We are a kindly people in Hawaii, who welcome the stranger to our land and live among ourselves in mutual tolerance and good will. We are a loyal people, complying with all the requirements of American democracy, and accepting the obligations of American institutions willingly. There is not, nor has there been since we came under the American flag, any other desire on the part of my people than to be good Americans. We have no nationalistic or independence group. Our politics and the whole tempo of our life is American. All these efforts to becloud the simple issue before this Congress are irrelevant propaganda of the worst sort. If there be some phase of our island life that is not up to standard, let that be corrected as a specific command from Congress. It is not necessary that our rights as American citizens be refused, our economic life destroyed, or our status as a part of this country denied. Nor is it necessary to call names. The retort in kind would be easy. But I have waged my fight for the right of Hawaii to be recognized as an integral part of this Nation without recourse to criticism of any other part of the United States and without injury to any other part of the country. If we are under the American flag—and I saw it hoisted over our islands nearly 40 years ago and have yet to see it hauled down—then treat us as Americans. If we are not Americans, then, indeed, we are a people without a country. It is for Congress to decide. I thank you.

Mr. HOFFMAN. Mr. Speaker, the gentleman referred in his speech to "the gentleman from Michigan." To which gentleman from Michigan does he refer?

Mr. KING. The gentleman from Michigan, Mr. HOOK.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. KING. I yield.

Mr. CRAWFORD. Is it not an actual fact that down through the years, with all the fight for protection of the domestic industry, that Hawaii has thrown its resources,

financial and otherwise, side by side and shoulder to shoulder, as the lips are to the teeth, along with the domestic beet and cane sugar industry of the continental United States?

Mr. KING. Absolutely. I may say to the gentleman from Michigan that when the Territory was taken over we were told that we would have to take the bitter with the sweet, and the people of Hawaii, largely of American descent, said they would come under the flag with that understanding. We are not asking for any favors or for any exemption. We are offering to go right down the line with American industry. They have done it, and they will continue to do it.

Mr. CRAWFORD. Is it not also reasonable to assume that such friends as Hawaii has in the Congress at any time, from the standpoint of military preparations and defense, would also stand with Hawaii with reference to cane sugar, and that, therefore, the continental industry, so-called, would have the support of those friends on any question that might come up in Congress?

Mr. KING. Absolutely.

Mr. MAHON of Texas. Mr. Speaker, will the gentleman yield?

Mr. KING. I yield.

Mr. MAHON of Texas. Is it not true that Hawaii was annexed to the United States at the request of the people of the island, and that those people are happy to be a part of the United States; that they consider themselves a part of the United States, and resent any inference that they are not a part of the United States, and only expect from the American people the same reciprocal feeling toward them?

Mr. KING. Absolutely.

[Here the gavel fell.]

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. GAVAGAN, for 2 weeks, on account of important business.

To Mr. MEAD, for balance of week, on account of illness.

To Mr. BEVERLY M. VINCENT (at the request of FRED M. VINSON), for 2 days, on account of important business.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 51. An act for the relief of the Fred G. Clark Co.; to the Committee on War Claims.

S. 1791. An act to provide for the acquisition of certain lands for and the addition thereof to the Yosemite National Park, in the State of California, and for other purposes; to the Committee on the Public Lands.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills and a joint resolution, of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 564. An act for the relief of Lon D. Worsham Co.;

H. R. 860. An act for the relief of Marion McGlothlin, the Baylor Hospital, Dr. F. M. Gilbert, and Dr. T. C. Gilbert;

H. R. 1280. An act for the relief of Horace Hutcheson, a minor;

H. R. 2469. An act for the relief of Hedwig Grassman Stehn;

H. R. 3268. An act for the relief of William Randolph Cason;

H. R. 3354. An act for the relief of the Great Northern Railway Co.;

H. R. 3473. An act to authorize the Secretary of State to sell, for a price, transfer, and convey the title, rights, and interest of this Government in a lot situated at Sin Lu T'ou Jetty, Kulangsu, Amoy, China;

H. R. 3926. An act for the relief of Eliza Boykin;

H. R. 4550. An act to extend the times for commencing and completing the construction of a bridge across the Ohio River between Rockport, Ind., and Owensboro, Ky.;

H. R. 4655. An act to accept the cession by the State of Arkansas of jurisdiction over all lands now or hereafter included within the Hot Springs National Park, Ark., and for other purposes;

H. R. 4794. An act to extend the times for commencing and completing the construction of a bridge across the Potomac River at or near Dahlgren, Va.;

H. R. 4870. An act for the relief of Miles C. Baxter, Anse Cockran, Sam Cornett, Mrs. Louie Hesterly, and Mrs. George Lovell;

H. R. 5177. An act to declare the Benton Harbor Canal at and above the west line of Ninth Street, Benton Harbor, Mich., a nonnavigable stream;

H. R. 5468. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near a point between Morgan and Wash Streets, in the city of St. Louis, Mo., and a point opposite thereto in the city of East St. Louis, Ill.;

H. R. 5579. An act granting the consent of Congress to the State of Mississippi to construct, maintain, and operate a free highway bridge across Pearl River at or near Jackson, in Hinds County, Miss.;

H. R. 5595. An act to extend the time for completing the construction of two bridges, one across a part of Lake Michigan at or near the entrance to the Chicago River, Ill., and the other across the Michigan Canal or Ogden Slip, in city of Chicago, Ill.;

H. R. 5694. An act to extend the times for commencing and completing the construction of certain bridges across the Monongahela, Allegheny, and Youghiogheny Rivers, in the county of Allegheny, Pa.;

H. R. 5722. An act to reenact and amend provisions of the Agricultural Adjustment Act, as amended, relating to marketing agreements and orders;

H. R. 6866. An act authorizing the obligation of funds for work at Government-owned establishments; and

H. J. Res. 193. Joint resolution to authorize an appropriation for the expenses of participation by the United States in the Eleventh International Dairy Congress, Berlin, Germany, in 1937.

BILL PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on Wednesday, May 26, 1937, present to the President, for his approval, a bill of the House of the following title:

H. R. 148. An act to repeal a proviso relating to teaching or advocating communism in the public schools of the District of Columbia, and appearing in the District of Columbia Appropriation Act for the fiscal year ending June 30, 1936.

ADJOURNMENT

Mr. RAYBURN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 4 minutes p. m.) the House adjourned until tomorrow, Friday, May 28, 1937, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE JUDICIARY

There will be a hearing before the Committee on the Judiciary, Tuesday, June 1, 1937, at 10 a. m., on H. R. 6439, a bill to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto; and to repeal section 76 thereof and all acts and parts of acts inconsistent therewith.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold a public hearing in room 219, House Office Building, Thursday, June 3, 1937, at 10 a. m., on H. R. 7017, known as the right of appeal for suspension of licenses and certificates of service bill.

COMMITTEE ON THE JUDICIARY

There will be a hearing before subcommittee no. III of the Committee on the Judiciary, Friday, June 4, 1937, at 10:30

a. m., on H. R. 4650, to amend section 40 of the United States Employees' Compensation Act, as amended (the term "physician" to include surgeons and osteopathic practitioners).

EXECUTIVE COMMUNICATIONS, ETC.

640. Under clause 2 of rule XXIV, a letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated May 26, 1937, submitting a report, together with accompanying papers, on a preliminary examination of, and review of reports on, Clearwater Harbor, Fla., including Big Pass and Little Pass, authorized by the River and Harbor Act approved August 30, 1935, and requested by resolution of the Committee on Commerce, United States Senate, adopted May 8, 1935, was taken from the Speaker's table and referred to the Committee on Rivers and Harbors.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. ROGERS of Oklahoma: Committee on Indian Affairs. H. R. 6914. A bill to authorize the acquisition by the United States of certain tribally owned lands of the Indians of the Shoshone or Wind River Indian Reservation, Wyo., for the Wind River irrigation project; without amendment (Rept. No. 895). Referred to the Committee of the Whole House on the state of the Union.

Mr. KELLER: Committee on the Library. House Joint Resolution 380. Joint resolution to provide for the publication and sale by the Northwest Territory Celebration Commission of certain historical and educational material; without amendment (Rept. No. 896). Referred to the Committee of the Whole House on the state of the Union.

Mr. KELLER: Committee on the Library. S. 1468. An act authorizing the erection in the District of Columbia of a suitable terminal marker for the Jefferson Davis National Highway; without amendment (Rept. No. 897). Referred to the Committee of the Whole House on the state of the Union.

Mr. MURDOCK of Arizona: Committee on Indian Affairs. S. 1806. An act to extend the boundaries of the Papago Indian Reservation in Arizona; without amendment (Rept. No. 898). Referred to the Committee of the Whole House on the state of the Union.

Mr. MURDOCK of Arizona: Committee on Indian Affairs. S. 2188. An act to amend section 3 of the act of June 18, 1934 (48 Stat. 984–988), relating to Indian lands in Arizona; with amendment (Rept. No. 899). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mrs. O'DAY: Committee on Immigration and Naturalization. H. R. 7249. A bill for the relief of sundry aliens; without amendment (Rept. No. 900). Referred to the Committee of the Whole House.

Mrs. O'DAY: Committee on Immigration and Naturalization. H. R. 7250. A bill for the relief of sundry aliens; without amendment (Rept. No. 901). Referred to the Committee of the Whole House.

Mrs. O'DAY: Committee on Immigration and Naturalization. H. R. 7251. A bill for the relief of sundry aliens; without amendment (Rept. No. 902). Referred to the Committee of the Whole House.

Mrs. O'DAY: Committee on Immigration and Naturalization. H. R. 7252. A bill for the relief of sundry aliens; without amendment (Rept. No. 903). Referred to the Committee of the Whole House.

Mrs. O'DAY: Committee on Immigration and Naturalization. H. R. 7253. A bill for the relief of sundry aliens; without amendment (Rept. No. 904). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BARRY: A bill (H. R. 7257) to provide for a census of persons unemployed and on relief; to the Committee on the Census.

By Mr. CLASON: A bill (H. R. 7258) for the allowance and payment of certain claims for wages for labor performed in excess of 8 hours per day in national armories and arsenals; to the Committee on Claims.

By Mr. DIMOND: A bill (H. R. 7259) to authorize the conveyance by the United States to the city of Ketchikan, Alaska, of a certain tract of land in the townsite of Ketchikan; to the Committee on the Territories.

By Mr. HILL of Oklahoma: A bill (H. R. 7260) to authorize in-service training in the Indian Service, and for other purposes; to the Committee on Indian Affairs.

By Mr. JENKINS of Ohio: A bill (H. R. 7261) to amend the act entitled "An act to amend certain administrative provisions of the Tariff Act of 1930, and for other purposes"; to the Committee on Ways and Means.

Also, a bill (H. R. 7262) to amend the act creating the Federal Trade Commission, to define its powers and duties, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. McMILLAN: A bill (H. R. 7263) to provide for the protection from fire of Government and private property on Sullivans Island, S. C.; to the Committee on Military Affairs.

By Mr. MURDOCK of Arizona: A bill (H. R. 7264) to revise the boundary of the Grand Canyon National Park in the State of Arizona; to abolish the Grand Canyon National Monument; to restore certain lands to the public domain; and for other purposes; to the Committee on the Public Lands.

By Mrs. NORTON (by request): A bill (H. R. 7265) to transfer the jurisdiction over District of Columbia credit unions from the Commissioners of the District of Columbia and the Comptroller of the Currency to the Farm Credit Administration; to the Committee on the District of Columbia.

By Mr. O'CONNELL of Rhode Island: A bill (H. R. 7266) authorizing the State of Rhode Island, acting by and through the Jamestown Bridge Commission as an agency of the State, to construct, maintain, and operate a toll bridge across the west passage of Narragansett Bay between the towns of Jamestown and North Kingstown; to the Committee on Interstate and Foreign Commerce.

By Mr. OLIVER: A bill (H. R. 7267) to provide that certain articles represented as "lobster" shall be deemed misbranded within the meaning of the Food and Drugs Act; to the Committee on Interstate and Foreign Commerce.

By Mr. SCHNEIDER of Wisconsin: A bill (H. R. 7268) to amend paragraph 717 of the Tariff Act of 1930; to the Committee on Ways and Means.

By Mr. SUMNERS of Texas: A bill (H. R. 7269) to amend the Criminal Code by providing punishment for impersonation of officers and employees of Government-owned and Government-controlled corporations; to the Committee on the Judiciary.

Also, a bill (H. R. 7270) to authorize certain officers and employees of Federal penal and correctional institutions to administer oaths; to the Committee on the Judiciary.

By Mr. BOREN: A bill (H. R. 7271) authorizing the District Court of the United States for the Eastern District of Oklahoma to hear and determine certain claims of the Seminole Nation or Tribe of Indians; to the Committee on Indian Affairs.

By Mr. HARTLEY: A bill (H. R. 7272) to provide for the licensing of persons engaged in interstate and foreign commerce and for the regulation and protection of such commerce, and for other purposes; to the Committee on the Judiciary.

By Mr. LEA: A bill (H. R. 7273) to amend the Interstate Commerce Act, as amended, by providing for the regulation of the transportation of passengers and property by

air carriers in interstate, overseas, and foreign commerce, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. FITZGERALD: A bill (H. R. 7274) to enable the Department of Labor to formulate and promote the furtherance of labor standards necessary to safeguard the welfare of apprentices and to cooperate with the States in the promotion of such standards; to the Committee on Labor.

By Mr. KENNEDY of Maryland: A bill (H. R. 7275) to provide for the construction by the Secretary of the Treasury of a Federal building for use as a Naval Reserve armory in Baltimore, Md.; to the Committee on Public Buildings and Grounds.

By Mr. IZAC: A bill (H. R. 7276) to increase the number of midshipmen allowed at the United States Naval Academy appointed at large; to the Committee on Naval Affairs.

By Mr. BOILEAU: A bill (H. R. 7277) to amend an act entitled "An act to refer the claim of the Menominee Tribe of Indians to the Court of Claims with the absolute right of appeal to the Supreme Court of the United States", approved September 3, 1935; to the Committee on Indian Affairs.

By Mr. WALLGREN: A bill (H. R. 7278) to authorize the Secretary of Commerce to grant and convey to the State of Washington fee title to certain lands of the United States in Jefferson County, Wash., for highway purposes; to the Committee on Merchant Marine and Fisheries.

Also, a bill (H. R. 7279) authorizing the Secretary of the Interior to locate, establish, construct, and operate a hospital at a site in the Tulalip Indian Agency in the State of Washington for the care of Indians of that and other jurisdictions; to the Committee on Indian Affairs.

By Mr. WENE: A bill (H. R. 7280) to amend the Judicial Code to provide two judicial districts for the State of New Jersey, and for other purposes; to the Committee on the Judiciary.

By Mr. KELLER: Resolution (H. Res. 222) authorizing the Clerk of the House of Representatives to transfer certain records not necessary in current business to the Archivist of the United States; to the Committee on the Library.

By Mr. KENNEY: Joint resolution (H. J. Res. 382) to create a commission to report on the promotion of civil aviation; to the Committee on Interstate and Foreign Commerce.

By Mr. GEARHART: Joint resolution (H. J. Res. 383) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. LUDLOW: Joint resolution (H. J. Res. 384) prohibiting the manufacture and sale of rum by any activity financed by funds from the United States Treasury; to the Committee on Ways and Means.

By Mr. THOMAS of Texas: Joint resolution (H. J. Res. 385) authorizing the President to invite the States of the Union and foreign countries to participate in the Oil World Exposition at Houston, Tex., to be held October 11 to 16, 1937, inclusive; to the Committee on Foreign Affairs.

By Mr. CANNON of Missouri: Joint resolution (H. J. Res. 387) to amend an act entitled "An act to provide revenue, equalize taxation, and for other purposes", approved June 22, 1936; to the Committee on Ways and Means.

By Mr. REED of Illinois: Joint resolution (H. J. Res. 388) to commemorate the invention of the first steel plow by John Lane in the winter of 1833–34 and to authorize the erection and placing of suitable memorials or memorial plaques; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON of Missouri: A bill (H. R. 7281) for the relief of Wilma Holthaus; to the Committee on Claims.

By Mr. CITRON (by request): A bill (H. R. 7282) granting a pension to Addie B. Clark; to the Committee on Invalid Pensions.

By Mr. COLLINS: A bill (H. R. 7283) for the relief of Luther B. Fete; to the Committee on the District of Columbia.

By Mr. CLASON: A bill (H. R. 7284) for the relief of Perley M. Silver; to the Committee on Military Affairs.

By Mr. DISNEY: A bill (H. R. 7285) for the relief of Silas B. Haddock; to the Committee on Claims.

By Mr. FULLER: A bill (H. R. 7286) for the relief of the Bank of Decatur, Decatur, Ark.; to the Committee on Claims.

By Mr. GAMBRILL: A bill (H. R. 7287) for the relief of Alva Ellsworth Porter; to the Committee on Naval Affairs.

By Mr. GILDEA: A bill (H. R. 7288) for the relief of Donato Forlin and Analia Gisella Forlin; to the Committee on Immigration and Naturalization.

By Mr. GUYER: A bill (H. R. 7289) granting an increase of pension to Emma R. Steel; to the Committee on Invalid Pensions.

By Mr. IZAC: A bill (H. R. 7290) to correct the military records of DeRosey C. Cabell, McFarland Cockrill, James N. Caperton, Junius H. Houghton, Otto F. Lange, Paul B. Parker, James deB. Walbach, and Victor W. B. Wales; to the Committee on Military Affairs.

By Mr. JOHNSON of West Virginia: A bill (H. R. 7291) granting a pension to Murl Little; to the Committee on Pensions.

By Mr. KERR: A bill (H. R. 7292) for the relief of R. Bruce Jordan; to the Committee on Claims.

Also, a bill (H. R. 7293) for the relief of the estate of John B. Brack; to the Committee on Claims.

By Mr. KENNEDY of New York: A bill (H. R. 7294) for the relief of Bartholemew Harrington; to the Committee on Immigration and Naturalization.

By Mr. LUDLOW: A bill (H. R. 7295) for the relief of Mary V. L. Sterling; to the Committee on War Claims.

By Mr. O'LEARY (by request): A bill (H. R. 7296) for the relief of Charles Macharko; to the Committee on Immigration and Naturalization.

By Mr. O'NEILL of New Jersey: A bill (H. R. 7297) for the relief of Gordon L. Cheasley; to the Committee on Immigration and Naturalization.

By Mr. PACE: A bill (H. R. 7298) for the relief of Mrs. Cliff Snider; to the Committee on Claims.

Also, a bill (H. R. 7299) for the relief of W. M. Jordan; to the Committee on Claims.

By Mr. REES of Kansas: A bill (H. R. 7300) granting a pension to Faye E. Gully; to the Committee on Pensions.

By Mr. SCHNEIDER of Wisconsin: A bill (H. R. 7301) for the relief of Ruth Eckhardt; to the Committee on Claims.

By Mr. SHANLEY: A bill (H. R. 7302) for the relief of Charles Henry Whitford; to the Committee on Claims.

Also, a bill (H. R. 7303) for the relief of David W. Morgan; to the Committee on Claims.

By Mr. SOMERS of New York: A bill (H. R. 7304) for the relief of Leon Sobel; to the Committee on Immigration and Naturalization.

By Mr. STACK: A bill (H. R. 7305) for the relief of Frederick W. Hall; to the Committee on Military Affairs.

By Mr. WOODRUM: A bill (H. R. 7306) for the relief of Nick G. Vafiadis; to the Committee on Immigration and Naturalization.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2425. By Mr. CITRON: Petition of Federation of Italian-American Democratic Clubs of Connecticut, endorsing President Roosevelt's plans for revision of the Supreme Court; to the Committee on the Judiciary.

2426. By Mr. COFFEE of Washington: Petition of the City Council of Tacoma, Wash., George A. Smitley, mayor, protesting against the present Public Works Administration Federal-grant plan and urging a return to the 45-percent-grant plan, which will enable municipalities to carry forward and complete projects applied for and initiated under the belief such grants could and would be obtained from the Federal Government; to the Committee on Appropriations.

2427. By Mr. COLDEN: Assembly Joint Resolution No. 47, adopted by the Legislature of the State of California, relative to memorializing the President of the United States to extend to the governments and dominions of the world invitations to participate in the Pacific Exposition and Mercado at Los Angeles in 1940; to the Committee on Foreign Affairs.

2428. Also, Senate Joint Resolution No. 22, adopted by the Legislature of the State of California, relative to memorializing the President and Congress of the United States to acquire the petrified redwood forest as a permanent national monument; to the Committee on Public Buildings and Grounds.

2429. By Mr. CREAL: Petition of 15 Dollar-an-Hour Club members of Cave Ridge, Ky., supporting the Burdick bill (H. R. 3297); to the Committee on Banking and Currency.

2430. By Mr. CURLEY: Petition of the Bronx Chamber of Commerce, Bronx, N. Y., urging that a public hearing be accorded House bill 5474, introduced by Congressman BARRY, to provide a city-wide rate of 2 cents on first-class mail within the corporate limits of a municipality; to the Committee on the Post Office and Post Roads.

2431. Also, petition of the Chamber of Commerce of the Borough of Queens, Long Island City, New York City, endorsing House bill 5474, to give city-wide 2-cent postage to New York City; to the Committee on the Post Office and Post Roads.

2432. Also, petition of the American Federation of Hosiery Workers, endorsing the Wagner-Steagall housing bill; to the Committee on Banking and Currency.

2433. By Mr. FORD of California: Resolution of the California Legislature, memorializing the President of the United States to extend to the governments and dominions of the world invitations to participate in the Pacific Exposition and Mercado at Los Angeles in 1940; to the Committee on Foreign Affairs.

2434. By Mr. GILDEA: Petition of the American Committee for Protection of Foreign Born, to maintain the right of asylum in the United States for political, racial, and religious refugees; to the Committee on Immigration and Naturalization.

2435. Also, resolution of the Pennsylvania Federation of Labor, calling for changes in the Social Security Act: (1) To liberalize the benefits of the act by raising levels of unemployment compensation and old-age assistance while keeping pay-roll and wage taxes down; (2) to reduce the time at which old-age payments are to start to 60 years and raise the age limit of children to 18, as beneficiaries of mother's pensions; (3) to have health insurance incorporated in the Federal act to bring medical aid within reach of those who must rely on aid outside their own means; and (4) to have experienced representatives of labor included in the set-up of boards and agencies; to the Committee on Ways and Means.

2436. Also, resolution of the United Polish Societies of Northumberland County, representing 32 organizations, that the proposed bill for the enlarging of the body known as the Supreme Court be wholeheartedly adopted; to the Committee on the Judiciary.

2437. By Mr. LUTHER A. JOHNSON: Petition of Oscar Hart and 31 others, of Coolidge, Tex., favoring House bill 2257; to the Committee on Ways and Means.

2438. By Mr. KENNEY: Petition of the American Legion, Department of New Jersey, endorsing Senate bill 716 and House bill 3490; to the Committee on Military Affairs.

2439. Also, petition of the American Legion, Department of New Jersey, endorsing a movement to request the Secretary of the Navy to name one of the battleships in construction or anticipated construction after the State of New Jersey; to the Committee on Naval Affairs.

2440. Also, petition of the Engineers' Club of Trenton, N J., proposing that a Department of Public Works be established; to the Committee on Rules.

2441. By Mr. KEOGH: Petition of American Machine & Metals, Inc., Trout Mining Division, New York City, concerning the reciprocal-trade agreement with Brazil; to the Committee on Foreign Affairs.

2442. Also, petition of Magnus, Mabee & Reynard, Inc., New York City, concerning the Boykin bill (H. R. 7052); to the Committee on Ways and Means.

2443. By Mr. PETERSON of Georgia: Petition of citizens of Emanuel and Chatham Counties, Ga., concerning old-age pension bill (H. R. 2257); to the Committee on Ways and Means.

2444. By Mr. PFEIFER: Telegram from the American Manufacturing Co., Brooklyn, N. Y., concerning the Connery amendment to section 14 of the relief appropriation bill; to the Committee on Appropriations.

2445. Also, petition of Magnus, Mabee & Reynard, Inc., New York City, concerning the Boykin bill (H. R. 7052); to the Committee on Ways and Means.

2446. Also, telegram from the Astor Place Council, Works Progress Administration Teachers Union, Local 453, New York, concerning the Woodrum amendment to the relief bill and the Boileau bill; to the Committee on Appropriations.

2447. Also, petition of American Machine & Metals, Inc., trout mining division, New York City, concerning the reciprocal-trade agreement with Brazil; to the Committee on Foreign Affairs.

2448. Also, telegram from the Works Progress Administration Teachers Union, Local 1453, A. F. of T., New York City, concerning the Woodrum amendment and the Boileau bill; to the Committee on Appropriations.

2449. Also, telegram from the Federation of Architects, Engineers, Chemists, and Technicians, New York City, concerning the Woodrum amendment and the Boileau bill; to the Committee on Appropriations.

2450. Also, telegram from the Oil Marketers Association of New York City, Inc., concerning the Dies bill; to the Committee on Interstate and Foreign Commerce.

2451. Also, telegram from Frederick Stuart Greene, superintendent of public works, Albany, N. Y., concerning the Cartwright amendments to the relief bill; to the Committee on Appropriations.

2452. Also, petition of the American Federation of Hosiery Workers, Buffalo, N. Y., endorsing the Wagner-Steagall housing bill; to the Committee on Banking and Currency.

2453. By Mr. SADOWSKI: Petition of the Oil and Gas Association of Michigan, endorsing the Connally "hot oil" bill; to the Committee on Interstate and Foreign Commerce.

2454. Also, petition of the Michigan State Federation of Democratic Women's Clubs, favoring repeal of section 213 of the Economy Act by adopting House bill 3408 and Senate bill 595; to the Committee on the Civil Service.

2455. By Mr. SHANLEY: Petition of the Common Council of the City of New Britain; to the Committee on Ways and Means.

2456. By Mr. SPARKMAN: Petition of Mrs. A. F. Roberson and various other citizens, of Lawrence County, Ala., urging the enactment of the old-age pension bill as embodied in House bill 2257, introduced by Representative WILL ROGERS, of Oklahoma; to the Committee on Ways and Means.

2457. Also, petition of W. W. Burrough and various other citizens of Madison County, Ala., urging the enactment of the old-age pension bill as embodied in House bill 2257, introduced by Representative WILL ROGERS, of Oklahoma; to the Committee on Ways and Means.

2458. Also, petition of Ira Bradford and various other citizens of Jackson County, Ala., urging the enactment of the old-age pension bill as embodied in House bill 2257, introduced by Representative WILL ROGERS, of Oklahoma; to the Committee on Ways and Means.

2459. Also, petition of Ryland Sledge and various other citizens of Colbert County, Ala., urging the enactment of the old-age pension bill as embodied in House bill 2257, introduced by Representative WILL ROGERS, of Oklahoma; to the Committee on Ways and Means.

2460. By the SPEAKER: Petition of Lebanon County Bar Association, Lebanon, Pa., concerning the additional Justices to the Supreme Court; to the Committee on the Judiciary.

2461. Also, petition of the Nebraska Home Owners' Association and the Women's Unemployed Council of Nebraska, urging the President and the Congress to restore cash relief at the level of the F. E. R. A. budget; to the Committee on Appropriations.

SENATE

FRIDAY, MAY 28, 1937

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

O God, who art the giver of all blessings to the souls of men, and throughout the ages hast hearkened unto the prayers of Thy children: Draw very near unto us in this moment of lowly supplication and grant us the benediction of Thy peace.

We have dwelt so long in the realm of external relationships and have gazed so fixedly on the pageantry of passing things that these have become our chief concern; but do Thou guide our minds when we think our thoughts are all our own, and hold us by the hand even when we choose to walk alone, that we may know that Thou hast a purpose in our lives and art leading us all the way.

The day is Thine, when shines the sun and all our path is fair; the night is Thine, when stars light up the vastness of Thy world; but we shall neither weary of the day nor fear what night may bring if our only hope, O Holy One, be in Thy willingness to dwell with us 'til we be fit to dwell with Thee.

We ask it in the name of Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. BYRNES, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, May 26, 1937, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Megill, one of its clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6730) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1937, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1937, and June 30, 1938, and for other purposes; that the House had receded from its disagreement to the amendments of the Senate nos. 10, 30, 46, and 62 to the bill and concurred therein, and that the House had receded from its disagreement to the amendment of the Senate no. 6 to the bill and concurred therein with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following joint and concurrent resolutions, in which it requested the concurrence of the Senate:

H. J. Res. 332. Joint resolution providing for the importation of articles free from tariff or customs duty for the purpose of exhibition at Great Lakes Exposition to be held at Cleveland, Ohio, beginning in May 1937, and for other purposes;

H. J. Res. 386. Joint resolution making an appropriation to enable the Social Security Board to make payments of grants to States for old-age assistance for the fiscal year 1937; and

H. Con. Res. 14. Concurrent resolution affecting the enrollment of (H. R. 4064) the Independent Offices Appropriation Act, 1938.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message further announced that the Speaker pro tempore had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Vice President:

H. R. 564. An act for the relief of Lon D. Worsham Co.;

H. R. 860. An act for the relief of Marion McGlothlin, the Baylor Hospital, Dr. F. M. Gilbert, and Dr. T. C. Gilbert;

H. R. 1280. An act for the relief of Horace Hutcheson, a minor;

H. R. 2469. An act for the relief of Hedwig Grassman Stehn;

H. R. 3268. An act for the relief of William Randolph Cason;

H. R. 3354. An act for the relief of the Great Northern Railway Co.;

H. R. 3473. An act to authorize the Secretary of State to sell, for a price, transfer, and convey the title, rights, and interest of this Government in a lot situated at Sin Lu T'ou Jetty, Kulangsu, Amoy, China;

H. R. 3926. An act for the relief of Eliza Boykin;

H. R. 4550. An act to extend the times for commencing the construction of a bridge across the Ohio River between Rockport, Ind., and Owensboro, Ky.;

H. R. 4655. An act to accept the cession by the State of Arkansas of jurisdiction over all lands now or hereafter included within the Hot Springs National Park, Ark., and for other purposes;

H. R. 4794. An act to extend the times for commencing and completing the construction of a bridge across the Potomac River at or near Dahlgren, Va.;

H. R. 4870. An act for the relief of Miles C. Baxter, Anse Cockran, Sam Cornett, Mrs. Louie Hesterly, and Mrs. George Lovell;

H. R. 5177. An act to declare the Benton Harbor Canal at and above the west line of Ninth Street, Benton Harbor, Mich., a nonnavigable stream;

H. R. 5468. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near a point between Morgan and Wash Streets, in the city of St. Louis, Mo., and a point opposite thereto in the city of East St. Louis, Ill.;

H. R. 5579. An act granting the consent of Congress to the State of Mississippi to construct, maintain, and operate a free highway bridge across Pearl River at or near Jackson, in Hinds County, Miss.;

H. R. 5595. An act to extend the time for completing the construction of two bridges, one across a part of Lake Michigan at or near the entrance to the Chicago River, Ill., and the other across the Michigan Canal or Ogden Slip, in the city of Chicago, Ill.;

H. R. 5694. An act to extend the times for commencing and completing the construction of certain bridges across the Monongahela, Allegheny, and Youghiogheny Rivers, in the county of Allegheny, Pa.;

H. R. 5722. An act to reenact and amend provisions of the Agricultural Adjustment Act, as amended, relating to marketing agreements and orders;

H. R. 6866. An act authorizing the obligation of funds for work at Government-owned establishments; and

H. J. Res. 193. Joint resolution to authorize an appropriation for the expenses of participation by the United States in the Eleventh International Dairy Congress, Berlin, Germany, in 1937.

LAWS OF MUNICIPAL COUNCILS IN THE VIRGIN ISLANDS

The VICE PRESIDENT laid before the Senate two letters from the Acting Secretary of the Interior, transmitting, pursuant to law, ordinances and resolutions adopted by the municipal councils of St. Croix, and of St. Thomas and St. John, in the Virgin Islands, which, with the accompanying papers, were referred to the Committee on Territories and Insular Affairs.

CLAIMS OF JOHN T. BRICKWOOD ET AL.

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of the Interior, transmitting a copy of Memorial No. 2 of the Legislature of the State of Arizona, praying for the enactment of necessary legislation to pay amounts awarded by the United States Court of Claims April 15, 1912, to John T. Brickwood et al., on account of the establishment of a 60-foot neutral strip along the boundary line between the United States and Mexico in the town of Nogales, Ariz., which, with the accompanying papers, was referred to the Committee on Claims.

CLAIMS OF INDIVIDUAL INDIANS AT SIOUX AGENCIES

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of the Interior, transmitting a draft of proposed legislation to authorize an appropriation to carry out the provisions of the act of May 3, 1928 (45 Stat. L.

484), and for other purposes, relating to the claims of individual Indians enrolled at the various Sioux agencies for loss of personal property and failure to receive allotments of land, etc., which, with the accompanying paper, was referred to the Committee on Indian Affairs.

SECOND DEFICIENCY APPROPRIATIONS

Mr. McKELLAR. Mr. President, the action of the House of Representatives on Senate amendment numbered 6 to the second deficiency bill has just come over from the House. The House has made one very slight amendment to the amendment of the Senate by striking out at one place the word "detailed." It is the only amendment remaining in disagreement.

I ask that the action of the House be laid before the Senate.

The VICE PRESIDENT laid before the Senate action of the House of Representatives to the amendment of the Senate numbered 6, which was read, as follows:

IN THE HOUSE OF REPRESENTATIVES, UNITED STATES,
May 27, 1937.

Resolved, That the House recede from its disagreement to the amendments of the Senate nos. 10, 30, 46, and 62 to the bill (H. R. 6730) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1937, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1937, and June 30, 1938, and for other purposes, and concur therein; and

That the House recede from its disagreement to the amendment of the Senate no. 6 to said bill and concur therein with the following amendment:

In line 6 of the said Senate engrossed amendment strike out "detailed."

Mr. McKELLAR. I move that the Senate agree to the amendment of the House to the amendment of the Senate no. 6.

The motion was agreed to.

TARIFF EXEMPTION FOR ARTICLES FOR GREAT LAKES EXPOSITION

The VICE PRESIDENT laid before the Senate the joint resolution (H. J. Res. 332) providing for the importation of articles free from tariff or customs duties for the purpose of exhibition at the Great Lakes Exposition to be held at Cleveland, Ohio, beginning in May 1937, and for other purposes, was read twice by its title and referred to the Committee on Finance.

Mr. BULKLEY. Mr. President, I am authorized by the Committee on Finance to report back favorably, without amendment, House Joint Resolution 332, which has just been laid before the Senate. Since the exposition opens tomorrow, I ask unanimous consent for the immediate consideration of the joint resolution.

Mr. McNARY. Mr. President, while the House joint resolution has just been messaged to the Senate, I am advised that the Senate Finance Committee, anticipating the action of the House, has acted favorably upon the joint resolution?

Mr. BULKLEY. That is correct.

Mr. McNARY. And the Senator from Ohio now asks unanimous consent for the consideration of the House joint resolution?

Mr. BULKLEY. That is correct.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

There being no objection, House Joint Resolution 332 was considered, ordered to a third reading, read the third time, and passed, as follows:

Resolved, etc., That all articles which shall be imported from foreign countries for the purpose of exhibition at the international exposition to be held at Cleveland, Ohio, beginning in May 1937, by Great Lakes Exposition, or for use in constructing, installing, or maintaining foreign buildings, or exhibits at the said exhibition, upon which articles there shall be a tariff or customs duty shall be admitted without payment of such tariff, customs duty, fees, or charges under such regulations as the Secretary of the Treasury shall prescribe; but it shall be lawful at any time during or within 3 months after the close of the said exposition to sell within the area of the exposition any articles provided for herein, subject to such regulations for the security of the revenue and for the collection of import duties as the Secretary of the Treasury shall prescribe: *Provided*, That all such articles, when withdrawn for consumption or use in the United States, shall be subject to the duties, if any, imposed upon such articles by the revenue laws in force at the date of their withdrawal; and on such articles which shall have suffered diminution or deterioration from incidental handling or exposure the duties, if payable, shall be assessed according to the appraised value at the time of withdrawal from entry hereunder for consumption or entry under the general tariff law: *Provided further*, That imported articles provided for herein shall not be subject to any marking requirements of the general tariff laws, except when such articles are withdrawn for consumption or use in the United States, in which case they shall not be released from customs custody until properly marked, but no additional duty shall be assessed because such articles were not sufficiently marked when imported into the United States: *Provided further*, That at any time during or within 3 months after the close of the exposition any article entered hereunder may be abandoned to the Government or destroyed under customs supervision, whereupon any duties on such article shall be remitted: *Provided further*, That articles which have been admitted without payment of duty for exhibition under any tariff law and which have remained in continuous customs custody or under a customs exhibition bond and imported articles in bonded warehouses under the general tariff law may be accorded the privilege of transfer to and entry for exhibition at the said exposition under such regulations as the Secretary of the Treasury shall prescribe: *And provided further*, That Great Lakes Exposition shall be deemed, for customs purposes only, to be the sole consignee of all merchandise imported under the provisions of this act, and that the actual and necessary customs charges for labor, services, and other expenses in connection with the entry, examination, appraisement, release, or custody, together with the necessary charges for salaries of customs officers and employees in connection with the supervision, custody of, and accounting for articles imported under the provisions of this act, shall be reimbursed by Great Lakes Exposition to the Government of the United States under regulations to be prescribed by the Secretary of the Treasury, and that receipts from such reimbursements shall be deposited as refunds to the appropriation from which paid, in the manner provided for in section 524, Tariff Act of 1930.

PAYMENTS TO STATES FOR OLD-AGE ASSISTANCE

The VICE PRESIDENT laid before the Senate the joint resolution (H. J. Res. 386) making an appropriation to enable the Social Security Board to make payments of grants to States for old-age assistance for the fiscal year 1937, which was read twice by its title and referred to the Committee on Appropriations.

Mr. McKELLAR. Mr. President, the joint resolution has been considered by the Committee on Appropriations, and I am authorized by the committee to report it back favorably without amendment. It proposes to appropriate $18,000,000 to enable the Social Security Board to make payments of grants to the States for old-age assistance for the fiscal year 1937. It is not a new appropriation; it does not appropriate any additional money at all; but it merely, together with another resolution, transfers from the independent offices appropriation bill $18,000,000 for the use of the Social Security Board for the purpose indicated. I ask unanimous consent for the immediate consideration of the joint resolution.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. VANDENBERG. Do the funds proposed to be appropriated come from the pay-roll tax or from general taxation?

Mr. McKELLAR. The funds come from general taxation, as I understand, there being a general appropriation in the independent offices bill for the purpose.

Mr. VANDENBERG. I understand that, but is there not an offset from the pay-roll taxes?

Mr. BYRNES. Mr. President, there is not. The money proposed to be appropriated represents one of the grants to the States in aid of old-age pensions. The money does not come from the pay-roll tax. The situation is that in the independent offices appropriation bill the total amount is made immediately available. The Social Security Board was relying upon the passage of that bill before this time. The bill, however, is still in conference. The effect of the passage of the joint resolution will be simply to make $18,000,000 appropriated in the independent offices bill now available. It has to be made available in order to comply with the commitments of the Federal Government to the States.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution (H. J. Res. 386) was considered, ordered to a third reading, read the third time, and passed, as follows:

Resolved, etc., That there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $18,000,000, to continue available until June 30, 1938, to enable the Social Security Board to make payments of grants to States for old-age assistance, including the same objects specified under this head in the First Deficiency Appropriation Act, fiscal year 1936.

CORRECTION OF ENROLLMENT OF INDEPENDENT OFFICES APPROPRIATION ACT, 1938

The VICE PRESIDENT laid before the Senate the concurrent resolution (H. Con. Res. 14) affecting the enrollment of H. R. 4064, the Independent Offices Appropriation Act, 1938, which was referred to the Committee on Appropriations.

Mr. McKELLAR. Mr. President, the Committee on Appropriations has already considered the concurrent resolution, and I am authorized by the committee to report it back favorably without amendment. It has to do with the same matter involved in the joint resolution which has just been passed. It simply takes the $18,000,000 from the $150,000,000 appropriated in the independent offices appropriation bill and reduces the amount appropriated in the independent offices bill to $132,000,000. So it is not a new appropriation at all, but simply allows the Social Security Board to use the money immediately. I ask unanimous consent for the immediate consideration of the concurrent resolution.

The VICE PRESIDENT. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the concurrent resolution was considered and agreed to, as follows:

Resolved, etc., That in the enrollment of the bill (H. R. 4064) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1938, and for other purposes, the Clerk of the House of Representatives is hereby authorized and directed to change the amount of "$150,000,000" in the third paragraph under the heading "Social Security Board" to the sum of "$132,000,000" and to change the total accordingly.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following joint resolution of the Legislature of the State of Wisconsin, which was referred to the Committee on the Judiciary:

Joint resolution memorializing the Congress of the United States to enact an amendment to the Constitution of the United States to submit a declaration of war to a referendum of the people

Whereas the enormous expenditures for army and navy purposes by the Governments of the United States and many of the European countries, point indisputably to the fact, that efforts to amicably adjust questions of international importance have been greatly hampered if not entirely frustrated by imperialistic ambitions of some of the countries, by the desire for commercial supremacy by others, and last but not least, by those who profit most, the manufacturers of munitions of war and war material; and

Whereas war and warfare since time immemorial have been primarily instituted by a comparatively few of the high and mighty in the political and financial structures of the countries of the world, for political aggrandizement and commercial advantages, and paid for with the lives, limbs and health of those in the trenches, and by untold misery and suffering by the great mass of lowly and ordinary people of all countries who were left behind; and

Whereas the great World War, into which the United States was precipitated against the better judgment of a vast majority of the American people, has unwittingly planted the seed, which may again involve this country in a serious conflict, in that all but one of the nations engaged in that catastrophe, have failed to meet their financial obligations with the United States, but are inclined to and may default entirely, unless severe pressure is brought to bear; and

Whereas, this presents another serious aspect of an already disastrous situation, in that the American people are confronted with the alternative of either engaging in another war to recover vast sums of moneys represented in interest and capital, or to permit cancellation of these war debts and shifting this burden onto those of our people unable to bear more; and

Whereas nationalization of the industries engaged in the manufacture and traffic of munitions of war and war material, advocated by many of the more humane-minded of the prominent men in public life, appears almost hopeless, in view of the influence and power of the war mongers and the militarists in the National Congress; and would not of necessity eliminate war or the danger of wars; and

Whereas it seems but fair, that those of the people of this United States who, in the last analysis are called upon to bear the financial burdens entailed by warfare generally, to endure the suffering and privation, sacrifice of health, wealth, life, and limb, should have the opportunity to determine the need or the desirability of future wars: Therefore be it

Resolved by the assembly (the senate concurring), That this legislature respectfully petitions the Congress of the United States to refrain from declaring war, before and until the question has been submitted to and decided by a popular referendum of the people of the United States, except that such referendum shall not be necessary in the case of invasion by foreign warring nations; be it further

Resolved, That properly attested copies of this resolution be sent to the President of the United States, to both houses of Congress, and to the Wisconsin Members thereof.

The VICE PRESIDENT also laid before the Senate a resolution adopted by the Board of Education for the School District of Rockford, Ill., favoring an appropriation of $14,483,000 for vocational education, which was referred to the Committee on Appropriations.

He also laid before the Senate resolutions adopted by the Lawrence F. Flick Forum of the American Catholic Historical Society and the West Philadelphia Christian Front Forum, both of Philadelphia, Pa., favoring the enactment of the so-called Gavagan antilynching bill, which were referred to the Committee on the Judiciary.

He also laid before the Senate a resolution adopted by the Lackawanna Municipal Housing Authority, of Lackawanna, N. Y., favoring the prompt enactment of pending low-cost housing legislation, which was referred to the Committee on Education and Labor.

He also laid before the Senate a resolution adopted by the American Physiological Society, of Chicago, Ill., favoring adequate annual appropriations for medical publications for the Army Medical Library, which was referred to the Committee on Military Affairs.

He also laid before the Senate a resolution adopted at a mass meeting of citizens of Peoria County, Ill., and adjacent communities, protesting against the enactment of legislation to enlarge the membership of the Supreme Court of the United States, which was ordered to lie on the table.

Mr. CAPPER presented a memorial of sundry citizens of Wellington, Kans., remonstrating against the enactment of the bill (S. 1270) to regulate barbers in the District of Columbia, and for other purposes, which was referred to the Committee on the District of Columbia.

Mr. SHEPPARD presented several memorials signed by 19 citizens of Jefferson, Tex., remonstrating against the enactment of the bill (S. 1270) to regulate barbers in the District of Columbia, and for other purposes, which were referred to the Committee on the District of Columbia.

Mr. LODGE presented sundry letters and telegrams in the nature of memorials from the president of the Massachusetts Society of the Sons of the American Revolution; the South Boston Women's Civic Club; the Margaret Brent Civic Guild, of Waltham; members of the State board of Massachusetts of the Ancient Order of Hibernians in America; numerous councils of the Knights of Columbus; the Massachusetts Catholic Order of Foresters, and also various courts of that order; the National Circle Daughters of Isabella of Massachusetts; the Catholic Alumni Sodality of Boston; and the grand regent of Court St. Ann, No. 897, Catholic Daughters of America, of Dorchester, all in the State of Massachusetts, remonstrating against the proposed entry of Basque children from Spain into the United States, which were referred to the Committee on Immigration.

REPORTS OF COMMITTEES

Mr. ELLENDER, from the Committee on Claims, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H. R. 3963. A bill for the relief of John Zarnick (Rept. No. 622); and

H. R. 4457. A bill for the relief of Naomi Lee Young (Rept. No. 623).

Mr. ELLENDER also, from the Committee on Claims, to which was referred the bill (H. R. 3634) for the relief of Noah

Spooner, reported it with an amendment and submitted a report (No. 624) thereon.

He also, from the same committee, to which was referred the bill (S. 2262) for the relief of Park B. Brandon and Robert G. Teer, reported it with amendments and submitted a report (No. 625) thereon.

He also, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 2147) to amend the Agricultural Adjustment Act, as amended, reported it with amendments and submitted a report (No. 626) thereon.

Mr. SCHWARTZ, from the Committee on Claims, to which was referred the bill (H. R. 856) for the relief of First Lt. R. G. Cuno, reported it without amendment and submitted a report (No. 627) thereon.

Mr. BAILEY, from the Committee on Claims, to which was referred the bill (S. 2399) for the relief of R. L. McLachlan, reported it without amendment and submitted a report (No. 628) thereon.

Mr. HUGHES, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 1792. A bill for the relief of John Kelley (Rept. No. 629);

H. R. 2223. A bill for the relief of Mr. and Mrs. Walter B. Johnson and Joy Johnson, a minor (Rept. No. 630);

H. R. 2554. A bill for the relief of Frank Cubero (Rept. No. 631); and

H. R. 5206. A bill for the relief of Jacob G. Ackerman (Rept. No. 632);

Mr. CAPPER, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 2374. A bill for the relief of F. A. Gross and others (Rept. No. 633);

H. R. 1232. A bill for the relief of John W. Bolin (Rept. No. 634);

H. R. 2360. A bill for the relief of Carter R. Young (Rept. No. 635); and

H. R. 3841. A bill for the relief of Col. J. P. Barney (Rept. No. 636).

Mr. SMATHERS, from the Committee on Claims, to which was referred the bill (H. R. 1759) for the relief of Minnie D. Hines, reported it without amendment and submitted a report (No. 637) thereon.

He also, from the same committee, to which was referred the bill (S. 2152) for the relief of Sue F. Melton, reported it with an amendment and submitted a report (No. 638) thereon.

Mr. LOGAN, from the Committee on Claims, to which was referred the bill (H. R. 2332) for the relief of William Sulem, reported it with an amendment and submitted a report (No. 639) thereon.

He also, from the same committee, to which was referred the bill (S. 2334) for the relief of certain disbursing officers of the Army of the United States and for the settlement of individual claims approved by the War Department, reported it without amendment and submitted a report (No. 640) thereon.

He also, from the same committee, to which were referred the following bills, reported them each with amendments and submitted reports thereon:

S. 1143. A bill for the relief of G. L. Tarlton (Rept. No. 641); and

S. 1144. A bill for the relief of the Frazier-Davis Construction Co. (Rept. No. 642).

Mr. BROWN of Michigan, from the Committee on Claims, to which was referred the bill (S. 703) for the relief of John T. Armstrong, reported it without amendment and submitted a report (No. 643) thereon.

He also, from the same committee, to which were referred the following bills, reported them each with an amendment and submitted reports thereon:

S. 1965. A bill for the relief of James A. Lyons (Rept. No. 644); and

H. R. 2565. A bill to confer jurisdiction on the Court of Claims to hear, determine, and enter judgment upon the claims of contractors for excess costs incurred while constructing navigation dams and locks on the Mississippi River and its tributaries (Rept. No. 645).

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. McCARRAN:

A bill (S. 2502) to adjust the salaries of rural letter carriers, and for other purposes; to the Committee on Post Offices and Post Roads.

By Mr. McADOO (by request):

A bill (S. 2503) to provide for the promotion of adult education; to provide for cooperation with the States in the promotion of such education; and to provide for cooperation with the States in the preparation of teachers of adults; to the Committee on Education and Labor.

By Mr. LONERGAN:

A bill (S. 2504) for the relief of James W. Gilson; to the Committee on Claims.

By Mr. SMATHERS:

A bill (S. 2505) for the relief of James J. Hogan; to the Committee on Claims.

By Mr. CAPPER:

A bill (S. 2506) to provide for the reincorporation of the National Woman's Relief Corps, Auxiliary to the Grand Army of the Republic; to the Committee on the Judiciary.

By Mr. NEELY:

A bill (S. 2507) granting a pension to William G. Camp; and

A bill (S. 2508) granting a pension to Henry B. Lyons; to the Committee on Pensions.

By Mr. BURKE:

A bill (S. 2509) to amend the act relating to the Omaha-Council Bluffs Missouri River Bridge Board of Trustees, approved June 10, 1930, and for other purposes; to the Committee on Commerce.

By Mr. McNARY:

A bill (S. 2510) authorizing the Secretary of the Navy to cooperate with the State of Oregon in the preservation and maintenance of the battleship *Oregon* as a national memorial; to the Committee on Naval Affairs.

By Mr. WHEELER:

A bill (S. 2511) relating to the conveyance of restricted land on the Crow Indian Reservation, in the State of Montana; and

(By request.) A bill (S. 2512) to amend section 2 of the act entitled "An act to provide for the allotment of lands of the Crow Tribe, for the distribution of tribal funds, and for other purposes, approved June 4, 1920; to the Committee on Indian Affairs.

By Mr. BYRD:

A bill (S. 2513) to provide for the operation of the recreational facilities within the Chopawamsic recreational demonstration project, near Dumfries, Va., by the Secretary of the Interior through the National Park Service, and for other purposes; to the Committee on Public Lands and Surveys.

By Mr. BYRD (for Mr. GLASS):

A bill (S. 2514) for the relief of Harry A. Garfield, Cyrus Garnsey, Jr., James H. Allport, and Frank E. Harkness; to the Committee on Claims.

A bill (S. 2515) to refund income and profits taxes overpaid and improperly withheld; to the Committee on Finance.

By Mr. McKELLAR:

A bill (S. 2516) providing for the transportation of the mails on certain commercially operated aircraft, and for other purposes; to the Committee on Post Offices and Post Roads.

By Mr. HAYDEN:

A joint resolution (S. J. Res. 151) to amend a joint resolution entitled "Joint resolution to authorize the President to extend an invitation to the World Power Conference to hold the Third World Power Conference in the United States", approved August 26, 1935; to the Committee on Printing.

By Mr. BYRD (for Mr. GLASS):

A joint resolution (S. J. Res. 152) for the relief of R. P. Clarke, trading as R. P. Clarke Co.; to the Committee on Claims.

LAWS RELATING TO EMPLOYEES OF LIGHTHOUSE SERVICE—AMENDMENTS

Mr. McNARY submitted amendments intended to be proposed by him to the bill (S. 168) to amend certain laws relating to employees of the Lighthouse Service, which were referred to the Committee on Commerce and ordered to be printed.

AMENDMENT TO INTERIOR DEPARTMENT APPROPRIATION BILL

Mr. WHEELER submitted an amendment intended to be proposed by him to the bill (H. R. 6958) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1938, and for other purposes, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

On page 97, after line 23, to insert the following:

"Fish hatchery for Glacier National Park: For acquisition, by the Secretary of the Interior, of such real propery and rights therein, in township 28 north, range 20 west, Montana meridian, as may be necessary for the establishment and operation of a fish hatchery for Glacier National Park, $16,500."

SAN FRANCISCO BAY EXPOSITION

Mr. JOHNSON of California. Mr. President, I ask unanimous consent for the immediate consideration of Calendar No. 538, being Senate Joint Resolution 88, which relates to the San Francisco Bay Exposition.

The VICE PRESIDENT. The Senator from California asks unanimous consent for the consideration of a joint resolution, which the clerk will read by title.

The LEGISLATIVE CLERK. A joint resolution (S. J. Res. 88) providing for the participation of the United States in the world's fair to be held by the San Francisco Bay Exposition, Inc., in the city of San Francisco during the year 1939, and for other purposes.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution, which had been reported from the Committee on Commerce with an amendment to strike out all after the enacting clause and insert:

That there is hereby established a Commission, to be known as the United States Golden Gate International Exposition Commission, and to be composed of the Secretary of State, the Secretary of Agriculture, the Secretary of Commerce, and the Secretary of Labor, which Commission shall serve without additional compensation and shall represent the United States in connection with the holding of a world's fair and celebration in the city of San Francisco during the year 1939.

SEC. 2. There shall be a United States Commissioner for the Golden Gate International Exposition, who shall be appointed by the President, and who shall receive compensation at the rate of $10,000 per annum, and one Assistant Commissioner for said Golden Gate International Exposition, who shall be appointed by the Commissioner with the advice and approval of the Commission herein designated and shall receive compensation not to exceed $7,500 per annum. The salary and expenses of the Commissioner, the Assistant Commissioner, and such staff as the Commission may require shall be paid out of the funds authorized to be appropriated by this joint resolution for such period prior to the opening of the Golden Gate International Exposition as the Commission may determine, for the duration of the Golden Gate International Exposition, and for not more than 6 months after the official closing thereof.

SEC. 3. The Commission shall prescribe the duties of the United States Commissioner and shall delegate such powers and functions to him as it shall deem advisable, in order that there may be exhibited at the Golden Gate International Exposition by the Government of the United States, its executive departments, independent offices, and establishments, such articles and materials and documents and papers as may relate to the growth and development of civilization on the American continents from the first arrival of man to the present day, and such as illustrate the function and administrative faculty of the Government in the advancement of industry, science, invention, agriculture, the arts, and peace, and demonstrating the historic growth and nature of American institutions, particularly as regards their adaptation to the needs of the people.

SEC. 4. In carrying out the purposes of this joint resolution, the Commission is authorized—

(a) To appoint, without regard to the civil-service laws and regulations and the Classification Act of 1923, as amended, such clerks, stenographers, and other assistants, and to engage by contract or otherwise such other services as may be necessary in connection with the performance of the functions of the Commission, including the preparation of exhibits plans.

(b) To erect such building or buildings or other structures, and to provide for the landscaping of the site or sites thereof: *Provided*, That in the construction of buildings and exhibits requiring skilled and unskilled labor, the prevailing rate of wages, as provided in the act of March 3, 1931 (46 Stat. 1494), shall be paid; to rent such space in the District of Columbia or elsewhere, without regard to section 322 of the act of June 30, 1932 (47 Stat. 412), as the Commission may deem necessary; and to provide for the decoration and maintenance of buildings, structures, sites, and grounds during the period deemed necessary by the Commission.

(c) To contract with the San Francisco Bay Exposition, Inc., without advertising, for the designing and erection of such building or buildings, structure or structures, the rental of such space, and for such other services as the Commission shall deem advisable to be contracted for in that manner.

(d) To use funds appropriated under authority of the joint resolution to pay salaries of employees of other Government agencies detailed or loaned for duty with the Commission at rates not in excess of the rates received in the agency from which detailed or loaned; to purchase books of reference, newspapers, and periodicals, payment for which, and for telephone service, rents, and similar items, may be made in advance; to purchase, hire, maintain, repair, and operate passenger-carrying vehicles for use of the Commissioner and Assistant Commissioner without regard to the statutory restrictions upon the price for new cars or the amounts which may be expended for maintenance, repair, and operation; to have printing and binding done elsewhere than at the Government Printing Office in the discretion of the Commission; to entertain distinguished guests; to provide for reimbursement of expenses of travel by airplane when deemed necessary notwithstanding the cost may exceed the cost by rail; to provide for insurance on privately owned exhibits loaned to the Commission; to purchase ice and drinking water for use in buildings and offices; to purchase uniforms for guards and attendants; and to incur such other expenses as may be deemed necessary to the fulfillment of the purposes of this joint resolution.

(e) To allot funds appropriated for the purposes of this resolution to any executive department, independent office, or establishment of the Government with the consent of the head thereof, for direct expenditure in executing the duties or functions delegated by the Commission.

(f) To delegate any of its powers and authority, in its discretion, and any power or authority vested in the Commissioner by this resolution or delegated to him may be delegated or subdelegated by him to the Assistant Commissioner or to any other person or persons in the employ of the Commission or detailed to it.

SEC. 5. The heads of the various executive departments and independent offices and establishments of the Government are authorized to cooperate with said Commissioner in the procurement, installation, and display of exhibits, and to lend to the Golden Gate International Exposition, with the knowledge and consent of said Commissioner, such articles, specimens, and exhibits as said Commissioner shall deem to be in the interest of the United States and in keeping with the purposes of such world's fair and celebration, to be placed with the science or other exhibits to be shown under the auspices of such Golden Gate International Exposition, to appoint without regard to civil-service laws and regulations and the Classification Act of 1923, as amended, such draftsmen and other assistants as may be necessary, to contract for labor or other services as shall be deemed necessary, and to designate officials or employees of their departments or independent offices and establishments to assist said Commissioner. At the close of the world's fair, or when the connection of the Government of the United States therewith ceases, said Commissioner shall cause all such property to be returned to the respective departments and independent offices and establishments concerned, and any expenses incident to the restoration, modification, and revision of such property to a condition which will permit its use at subsequent expositions and fairs, and for the continued employment of personnel necessary to close out the fiscal and other records and prepare the required reports of the participating organizations, may be paid from the appropriation authorized herein; and if the return of such property is not feasible, he may, with the consent of the Commission and the departments or independent offices and establishments concerned, make such disposition thereof as he may deem advisable and account therefor.

SEC. 6. The sum of $1,750,000 is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, for the purpose of this joint resolution, and shall remain available until expended; except that, upon the termination of the Commission, any unexpended or unobligated balances shall be covered back into the Treasury of the United States. And, subject to the provisions of this joint resolution, the Commission is authorized to erect such building or buildings, or other structures, for its own use, and such other buildings and structures as will further the trade and good will between the United States and the other nations of the world, and to provide for the landscaping of the site or sites thereof; to rent such space without regard to the provisions of section 322 of the act of June 30, 1932 (47 Stat. 412), as the Commission may deem adequate to carry out effectively the provisions of this joint resolution; to provide for the decorations of such buildings or structures, and for the proper maintenance of such buildings or structures, sites, and grounds during the period deemed necessary by the Commission: *Provided*, That the facilities

of the Public Buildings Branch, Procurement Division, Treasury Department, shall be utilized in the preparation of plans, drawings, designs, specifications, and estimates, the execution of contracts, and the supervision of construction in connection with any buildings or structures erected for Federal exhibits, and for other purposes: *Provided further,* That funds designated for the foregoing construction purposes shall be available for transfer to and expenditure by the Procurement Division, Treasury Department, to the extent and at such times as may be deemed necessary by the Director of Procurement to permit him to carry out the work herein designated. The Commission may contract with the San Francisco Bay Exposition, Inc., sponsors of the Golden Gate International Exposition, for improvement or improvements, the rental of such space and for other services as shall be deemed necessary and proper. The appropriation authorized by this joint resolution shall be available for the operation of the building or buildings, structure or structures, improvement or improvements, including light, heat, water, gas, maid, janitor, and other required services; for the rental of space in the District of Columbia or elsewhere; for the selection, purchase, preparation, assembling, transportation, installation, arrangement, repair, safekeeping, exhibition, demonstration, and return of such articles and materials as the Commission may decide shall be included in such Government exhibits and in the exhibits of the Golden Gate International Exposition; for the purchase of uniforms, for the compensation of said Commissioner, Assistant Commissioner, and other officers and employees of the Commission in the District of Columbia and elsewhere, for the payment of salaries of officers and employees of the Government employed by or detailed for duty with the Commission, for actual traveling expenses, including travel by air, water, and automobile, and for per diem in lieu of actual subsistence at not to exceed $5 per day: *Provided,* That no Government official or employee detailed for duty with the Commission shall receive a salary in excess of the rate which he has been receiving in the department or branch where regularly employed, plus such reasonable allowance to officers and enlisted men of the armed forces for additional uniforms and equipment required by participation in the Golden Gate International Exposition, including alteration, laundering, cleaning, and pressing thereof, as deemed proper by the Commissioner; for telephone service, purchase or rental of furniture and equipment, stationery and supplies, typewriting, adding, duplicating, and computing machines, their accessories and repairs, books of reference and periodicals, uniforms, maps, reports, documents, plans, specifications, manuscripts, newspapers, and all other appropriate publications, and ice and electric refrigeration and drinking water for office purposes: *Provided further,* That payment for telephone service, rents, subscriptions to newspapers and periodicals, and other similar purposes, may be made in advance; for the purchase and hire of passenger-carrying automobiles, their maintenance, repair, and operation, for the official use of said Commissioner and Assistant Commissioner in the District of Columbia or elsewhere as required; for printing and binding; for entertainment of distinguished visitors; and for all other expenses as may be deemed necessary by the Commission to fulfill properly the purposes of this joint resolution. All purchases, expenditures, and disbursements of any moneys made available by authority of this joint resolution shall be made under the direction of the Commissions: *Provided further,* That the Commission, without release of responsibility, as hereinbefore stipulated, may delegate these powers and functions: *Provided further,* That the Commission or its delegated representatives may allot funds appropriated herein to any executive department, independent office, or establishment of the Government with the consent of the heads thereof, for direct expenditure by such executive department, independent office, or establishment, for the purpose of defraying any proper expenditure which may be incurred by such executive department, independent office, or establishment in executing the duties and functions delegated by the Commission. All accounts and vouchers covering expenditures shall be approved by said Commissioner or by such assistants as the Commission may designate, except for such allotments as may be made to the various executive departments, independent offices, and establishments for direct expenditure; but these provisions shall not be construed to waive the submission of accounts and vouchers to the General Accounting Office for audit, and permit any obligations to be incurred in excess of the amount authorized to be appropriated herein: *And provided further,* That in the construction of buildings and exhibits requiring skilled and unskilled labor, the prevailing rate of wages, as provided in the act of March 3, 1931, as amended, shall be paid. Subject to the provisions of this joint resolution, the Commission is authorized to make any expenditures or allotments deemed necessary by it to fulfill properly the purposes of this joint resolution.

SEC. 7. The Commissioner, with the approval of the Commission, may receive contributions from any source to aid in carrying out the purposes of this joint resolution, but such contributions shall be expended and accounted for in the same manner as the funds authorized to be appropriated by this joint resolution. The Commissioner is also authorized to receive contributions of material, or to borrow material or exhibits, and to accept the services of any skilled and unskilled labor that may be available through State or Federal relief organizations, to aid in carrying out the general purposes of this joint resolution. At the close of the world's fair and celebration or when the connection of the Government of the United States therewith ceases, the Commissioner shall dispose of any such portion of the material contributed as may be unused, and return such borrowed property; and, under the direction of the Commission, dispose of any buildings or structures which may have been constructed and account therefor: *Provided,* That all disposition of materials, property, buildings, etc., shall be at public sale to the highest bidder, and the proceeds thereof shall be covered into the Treasury of the United States: *Provided further,* That the Commission may, if it deems it desirable and in the public interest, transfer without consideration the title to the Federal Exhibits Building erected or constructed to the city of San Francisco.

The Commissioner, with the approval of the Commission and in cooperation with the Secretary of the Interior, shall make provision for participation in the exposition by the Indian citizens of the United States. For this purpose the Commission is authorized to set aside from the appropriation herein authorized so much as may be necessary for the erection of buildings, the employment of supervisory and other personnel without regard to the civil-service laws and regulations and the Classification Act of 1923, as amended, and for all other expenses incident thereto, including the classes authorized under section 4 of this joint resolution.

SEC. 8. It shall be the duty of the Commission to transmit to Congress, within 6 months after the close of the world's fair, a detailed statement of all expenditures, and such other reports as may be deemed proper, which reports shall be prepared and arranged with a view to concise statement and convenient reference. Upon the transmission of such report to Congress the Commission established by and all appointments made under the authority of this joint resolution shall terminate.

Mr. JOHNSON of California. Mr. President, I have two amendments to offer to the amendment.

Mr. BYRNES. What are the amendments?

Mr. JOHNSON of California. One proposes to omit the Secretary of State as member of the Commission, and then I desire to suggest an amendment, which, I understand, has been agreed upon, proposing an appropriation of $1,500,000 instead of the sum proposed by the joint resolution. If the amount I shall propose shall not be satisfactory, I am willing, of course, to have the proceedings take such course as may be desired.

I now move in the committee amendment on page 11, line 3, to strike out the words "the Secretary of State." The amendment is offered upon the expressed desire of the Secretary of State.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from California to the amendment reported by the committee.

The amendment to the amendment was agreed to.

Mr. JOHNSON of California. Now, I move to strike out the amount proposed to be appropriated in section 6, page 16, line 12, and to insert in lieu thereof "$1,500,000."

Mr. McNARY. Mr. President, will the Senator yield?

Mr. JOHNSON of California. I yield.

Mr. McNARY. What is the amount provided by the joint resolution and what is the amount of the reduction under the amendment offered by the Senator from California?

Mr. JOHNSON of California. The amount provided by the joint resolution is $1,750,000. Under my amendment the reduction would be $250,000.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from California to the amendment reported by the committee.

The amendment to the amendment was agreed to.

The amendment of the committee as amended was agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

CROP INSURANCE FOR FRUITS AND VEGETABLES

The VICE PRESIDENT. The Chair lays before the Senate a resolution coming over from a previous day, which will be read.

The legislative clerk read the resolution (S. Res. 108), submitted by Mr. PEPPER March 21, 1937, as follows:

Resolved, That the Secretary of Agriculture is requested to transmit to the Senate, at the earliest practicable date, a plan and recommendations for the establishment of a system of crop insurance for fruits and vegetables, and to make such studies as may be necessary in connection therewith.

Mr. PEPPER. I ask that the resolution go over.

The VICE PRESIDENT. The resolution will go over.

FOREIGN TRADE WEEK—MESSAGE OF THE PRESIDENT AND ADDRESS BY SECRETARY HULL

[Mr. GEORGE (on behalf of Mr. KING) asked and obtained leave to have printed in the RECORD the message of the President on Maritime Day and Foreign Trade Week, and also a radio address delivered by Hon. Cordell Hull, Secretary of State, on the subject The Next Step for Trade and Peace, broadcast from Washington on May 22, 1937, which appear in the Appendix.]

FLOOD CONTROL—ADDRESS BY SENATOR CLARK

[Mr. HARRISON asked and obtained leave to have printed in the RECORD a radio address delivered May 27, 1937, by Senator CLARK on the subject Flood Control, which appears in the Appendix.]

THE STRUGGLE AGAINST MONOPOLY—ADDRESS BY ASSISTANT ATTORNEY GENERAL JACKSON

[Mr. GEORGE asked and obtained leave to have printed in the RECORD an address entitled "The Struggle Against Monopoly", delivered by Hon. Robert H. Jackson, Assistant Attorney General of the United States, at the annual meeting of the Georgia Bar Association, which appears in the Appendix.]

ENLARGEMENT OF SUPREME COURT—ADDRESS BY HON. HERMAN WRIGHT

[Mr. SHEPPARD asked and obtained leave to have printed in the RECORD an address on the proposed enlargement of the Supreme Court, delivered by Hon. Herman Wright before the American Legion post at Amarillo, Tex., on Mar. 16, 1937, which appears in the Appendix.]

DROUGHT CONDITIONS IN MONTANA

[Mr. MURRAY asked and obtained leave to have printed in the RECORD an article from the Missionary Herald, written by Rev. Gale Anderson, describing drought conditions in Montana, which appears in the Appendix.]

AGRICULTURAL AND BUSINESS STABILITY—ADDRESS BY H. R. TOLLEY

[Mr. MCGILL asked and obtained leave to have printed in the RECORD an address on the subject of Agricultural and Business Stability, delivered by H. R. Tolley, Administrator, Agricultural Adjustment Administration, which appears in the Appendix.]

ORDER OF BUSINESS

The VICE PRESIDENT. Morning business is closed. The calendar under rule VIII is in order.

Mr. BYRNES. Mr. President, the Senator from Arkansas [Mr. ROBINSON] is unavoidably absent from the Senate today. He stated to me that, in view of the fact that the calendar had been called last Monday, it was his thought, in line with the statement he made to the Senate last Wednesday, that further call of the calendar today should be dispensed with and that the Senate should adjourn until next Tuesday. It is my purpose to submit such a motion.

Mr. NORRIS. Mr. President, before the Senator makes the motion I desire to make a few comments on a statement issued yesterday by the Secretary of the Interior. I do not care when I do it. If the calendar is not going to be called, I shall make my statement now.

Mr. BYRNES. It is not the purpose to call the calendar today.

Mr. MCNARY. Mr. President, will the Senator ask unanimous consent to dispense with the call of the calendar?

Mr. BYRNES. Very well. I ask unanimous consent that the call of the calendar be dispensed with.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

AUTHORITY TO SIGN ENROLLED BILLS

Mr. BYRNES. Mr. President, I request unanimous consent that while the Senate is in recess or adjournment following today's session the Vice President be authorized to sign bills or resolutions which may be duly enrolled and presented by the Committee on Enrolled Bills.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

P. W. A. POWER LITIGATION

Mr. NORRIS. Mr. President, I wish to read into the RECORD a very short statement which was issued by the Secretary of the Interior to the press, and which, so far as I can understand, received very little attention:

Asked today—

That was yesterday—

Asked today what is the status of the P. W. A. municipal power-loan litigation, Public Works Administrator Ickes replied:

"That is a difficult question, and the Supreme Court may give you the answer next Tuesday.

"For 3 long years the utilities have held up these loans. They have lost 13 times in five different circuit courts of appeals, with jurisdiction in 22 States. And still the utilities continue their fight to keep the hands of the P. W. A. tied by injunctions for which not a circuit court of appeals in the land has found a legal basis."

Let me emphasize that statement. For 3 years injunctions in the lower courts have held up the carrying out of the statutes of the United States by the P. W. A. in its loan and grant proceedings, though not a circuit court of appeals has sustained any of the injunctions issued by the lower courts.

The Secretary continued:

The utilities have filed a petition for certiorari in the Supreme Court to hold up the decision in our favor by the Circuit Court of Appeals of the District involving allotments to cities in Iowa and Alabama. That brings the dispute back to the same status it had attained a year ago this month.

The Government is asking the Supreme Court to refuse to review the case on the ground that decisions from five different circuit courts of appeals is enough, particularly when the Social Security cases of Monday went much further than is needed to uphold the constitutionality of these power-plant loans.

Chief Justice Taft often said that justice delayed is justice denied; and whatever may be the abstract requirements of technical procedure, if there ever was a case illustrating Chief Justice Taft's dictum this is it.

Unless the Supreme Court both acts upon and rejects this new writ of certiorari prior to its summer recess, scheduled for June 2, the Government will remain restrained and be without determination of this question after several years of litigation, and its effort to secure final adjudication will be necessarily postponed until next winter.

A large number of cases—speaking from memory I believe it is 56—are held up awaiting the decision of the Supreme Court. They were held up first by the South Carolina case which was pending in the Supreme Court. The idea was to wait until that case was decided on its merits by the Supreme Court and that the other cases would follow that decision. However, the case was not decided on its merits by the Supreme Court and the question involved was not alluded to, but it was settled on a different point and went back for trial.

Mr. CONNALLY. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Texas?

Mr. NORRIS. Certainly.

Mr. CONNALLY. The Senator is aware that in cases involving the Interstate Commerce Commission the carriers cannot secure an injunction against the Commission unless they go before what is called a three-judge court, comprised of two district judges and one circuit judge. Does not the Senator think if that statute were broadened so that no act of Congress could be enjoined except by a three-judge court, it would obviate some of the difficulties he has in mind?

Mr. NORRIS. Yes, I think it would. I thank the Senator for his suggestion. As I have said repeatedly, in my opinion the greatest difficulty of all with our courts is the promiscuous way in which our lower courts, our district courts inferior to the circuit courts of appeal, issue temporary and permanent injunctions restraining the Government of the United States and the States from carrying out acts of Congress or of State legislatures. The fault is not with the circuit courts of appeal and not with the Supreme Court.

Mr. MCKELLAR. Mr. President, nearly all such cases are based on the alleged unconstitutionality of the act involved, are they not?

Mr. NORRIS. Yes; every one of them. I have had prepared a brief history of the legislation which I shall submit

in a few moments, but before doing so I desire to refer to the case to which the Secretary of the Interior referred, which was submitted to the Supreme Court on an application for writ of certiorari. It had been hoped the Supreme Court would act on it today, although no fault can be found with the Supreme Court if it does not act at all or if it allows the writ. I am not making any complaint about that.

The truth is that all these cases coming up from some 25 or 30 States, from various circuits of the United States, are involved in the one suit in which the power companies obtained an injunction. As the Secretary of the Interior said, for 3 years that case traveled its weary way through the courts and was held there awaiting action by the Supreme Court. When the Supreme Court did not act on the merits of the case, then the Secretary of the Interior gave orders to prosecute all the other cases. The case in the District of Columbia, involving a number of the suits, was pushed to trial in the United States District Court for the District of Columbia, the court of general jurisdiction here, decided in favor of the P. W. A. The case was taken to the Court of Appeals of the District of Columbia. That court by unanimous decision decided in favor of the P. W. A. In order to enable the power companies to get the case into the Supreme Court of the United States they had to get from that Court a writ of certiorari. They waited until the last day, or very nearly the last day, upon which, under the law, they could apply for a writ of certiorari, and then submitted their application to the Supreme Court.

Ordinarily I presume the P. W. A. would have applied for time in which to file a brief in opposition to the issuance of the writ of certiorari. The Government, however, was extremely anxious to have this matter determined and settled, in view of the fact that 50 or 60 other cases depended upon the decision of the South Carolina case; and meanwhile all the money was tied up, interfering with employment and the activities of the various municipalities and States and districts that are interested in the suit. So, as I understand, the Government attorneys prepared their brief in advance, so that after the power company's brief was served upon them under the rules the Government attorneys were ready the next day to file their brief, all because they desire to have the Supreme Court pass on the matter before it takes its summer recess. Even though the Government attorneys waived all the time to which they were entitled, and hurried as much as possible, with the other side using all the time they could, it was impossible to get the matter to the Supreme Court, as I understand, until last Saturday; and, of course, the Supreme Court has had but little time to consider it. I do not know whether or not the Court will pass on the matter today, but if not the case will necessarily go over until next October, and this weary waiting will continue until the case can be reached in the Supreme Court after the beginning of the October term.

Mr. BYRNES. Mr. President——

Mr. NORRIS. I yield.

Mr. BYRNES. I presume the case the Senator has in mind is the South Carolina case, known as the Buzzard Roost case.

Mr. NORRIS. Yes; the Buzzard Roost case.

Mr. BYRNES. I think the Senator will be interested to know that after the Supreme Court determined that it would not pass upon the constitutional issue presented, but did, by reason of some question of procedure involved in the case, send it back to the district judge, the district judge heard the case, and at the conclusion of the hearings 3 or 4 months ago announced that he would not render a decision until he heard some other case involving somewhat similar questions; and, as a result, the district judge has not yet rendered a decision in the case which was heard by him last February or March.

Mr. NORRIS. That is true, as I understand.

Mr. BYRNES. And the further result is that, of course, the case has not been brought to the Supreme Court, and cannot be heard until next fall.

Mr. NORRIS. That is true. I thank the Senator from South Carolina for interrupting me.

Mr. President, I now desire to read a short statement which has been prepared for me. It gives a very much condensed record of the P. W. A. and its experiences with injunctions issued by lower courts on the constitutionality of the act that ought to have been passed on a long, long time ago; but the litigation is still pending, and millions of people—if we count the citizens of the various municipalities directly affected by it—are concerned in it, to their damage and to their injury:

The nearest to a final ruling P. W. A. reached was last year, when in May the Supreme Court allowed a writ of certiorari sought by the Duke Power Co. appealing from a P. W. A. circuit-court victory on the same question. Subsequently the Supreme Court sent the Duke case back to lower courts without expressing opinion on the merits, but declaring:

"Delusive interests of haste should not be permitted to obscure substantial requirements of orderly procedure. There is no exigency here * * *."

The Duke case was reheard for the third time in the district court last February, but still no decision has been rendered—

As the Senator from South Carolina has already pointed out—

Fifty-six injunctions still block the efforts of the Federal Government to provide employment through the construction of power facilities as useful public works. Out of the 76 injunctions that have been granted by the courts against P. W. A. power projects, 21 cases have been tried by the district courts. Sixteen have been won and five lost in the district courts. Thirteen have been decided by five different circuit courts of appeals, and no one of these has decided against the Federal Government's right to make the loans and grants, although one case was lost on State issues. Twenty of the original 76 injunctions have been settled out of court, leaving 56 still pending and awaiting some final action on the part of the Supreme Court.

Two of the injunctions allow the Federal Government to advance funds for certain aspects of the contemplated construction on the Central Nebraska Public Power and Irrigation District and the Lower Colorado River Authority, both of which projects have other aspects than power.

In each of those cases irrigation was a very material part of the object of the project.

The rest of the injunctions are all-embracing in their prohibitions.

Sixteen of the pending injunctions are against the applicants, and 40 are against the Administrator of Public Works. The 54 projects which are being held up as the result of these injunctions have allotments of more than $51,000,000. These allotments should provide, according to figures worked out by the Bureau of Labor Statistics in the Department of Labor on the basis of six previously completed P. W. A. power projects, approximately 95,000,000 man-hours of employment, including employment on site and off site.

Box-score summary of P. W. A. power litigation

	District court		Court of appeals	
	Won	Lost	Won	Lost
Cases in which P. W. A. was a party defendant	6	3	5	----
Cases in which P. W. A. was not a party defendant	10	2	7	1

Twenty-two States and the District of Columbia are included in the five circuits within the jurisdiction of the five courts of appeals which have given decisions upholding the right of the Public Works Administration to make loans and grants to municipalities for power purposes.

Mr. President, many of these grants were made 3 years ago. The employment of millions of men who would have been employed on the works proper, and in the factories in making the necessary materials that would go into the projects, has been prevented during the great depression, all waiting for action on these injunctions that have been issued by the district courts of the United States, when there has been in effect no prospect of the power companies winning the suits in the end.

I think this matter presents to the country a consideration that we cannot avoid—that some method must be devised by which these useless injunctions, and I think many of them malicious injunctions, have been sought, with the knowledge that the suits will be lost in the end. In many cases it is profitable for the power companies to get the injunctions even if they know they are going to lose in the end, because

during all the litigation, which is dragged out for years, in most of the cases the companies themselves are supplying power to the municipalities and the projects where the injunction is secured; and the injunction permits them to continue to supply the electricity. Therefore, although the power companies lose the cases in the end, they make money even though they lose; and although the people may win in the end, they lose even though they win.

MESSAGE FROM THE HOUSE—ENROLLED BILL AND JOINT RESOLUTIONS SIGNED

A message from the House of Representatives, by Mr. Megill, one of its clerks, announced that the Speaker pro tempore had affixed his signature to the following enrolled bill and joint resolutions, and they were signed by the Vice President:

H. R. 6730. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1937, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1937, and June 30, 1938, and for other purposes;

H. J. Res. 332. Joint resolution providing for the importation of articles free from tariff or customs duty for the purpose of exhibition at Great Lakes Exposition to be held at Cleveland, Ohio, beginning in May 1937, and for other purposes; and

H. J. Res. 386. Joint resolution making an appropriation to enable the Social Security Board to make payments of grants to States for old-age assistance for the fiscal year 1937.

EXECUTIVE SESSION

Mr. BYRNES. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF COMMITTEES

Mr. WHITE, from the Committee on Foreign Relations, to which was referred Executive H (75th Cong., 1st sess.), being the amendment of annex II (6) (a) of the International Load Line Convention, signed at London, July 5, 1930, reported it favorably and submitted a report (Ex. Rept. No. 8) thereon.

Mr. HUGHES, from the Committee on the Judiciary, reported favorably the nomination of J. Cullen Ganey, of Pennsylvania, to be United States attorney for the eastern district of Pennsylvania, vice Mr. Guy K. Bard, resigned.

The VICE PRESIDENT. The reports will be placed on the Executive Calendar.

If there be no further reports of committees, the clerk will state the first business in order on the Executive Calendar.

TREATY OF ESTABLISHMENT BETWEEN UNITED STATES AND GREECE

The legislative clerk read as follows:

Executive C (75th Cong., 1st sess.), a treaty of establishment between the United States of America and the Kingdom of Greece, signed at Athens on November 21, 1936.

Mr. PITTMAN. Mr. President, that is simply a favored-nation treaty, one of the customary treaties. That is about all there is to it. I ask that it be considered and ratified.

The Senate, as in Committee of the Whole, proceeded to consider the treaty, which was read the second time, as follows:

TREATY OF ESTABLISHMENT BETWEEN THE UNITED STATES OF AMERICA AND THE KINGDOM OF GREECE

The United States of America and the Kingdom of Greece, being desirous of prescribing the conditions under which the nationals, corporations, and associations of each country may settle and carry on business in the territory of the other country have decided to conclude a treaty for that purpose and have appointed their plenipotentiaries;

The President of the United States of America, His Excellency Mr. Lincoln MacVeagh, Envoy Extraordinary and Minister Plenipotentiary at Athens;

His Majesty the King of the Hellenes, His Excellency Mr. Nicolas Mavroudis, Permanent Under Secretary of States for Foreign Affairs;

Who, having communicated to each other their respective full powers, found to be in good and due form, have agreed upon the following provisions:

ARTICLE I

The nationals, limited liability and other corporations and associations of the United States of America and Greece respectively, shall receive in the territories of the other country treatment with respect to entry, establishment, and residence which shall be, in all respects, no less favorable than the treatment which is or shall be accorded to nationals, corporations, or associations of the most favored third country.

Nothing in this Treaty shall be construed to affect existing statutes or regulations of either of the High Contracting Parties in relation to the immigration of aliens or the right of either Party to enact such statutes.

ARTICLE II

The present Treaty shall be ratified, and the ratifications thereof shall be exchanged at Athens as soon as possible.

It shall take effect on the day of the exchange of ratifications and shall remain in force for three years. After this date it shall remain in force until the expiration of twelve months from the day on which notice of its termination shall have been given by either High Contracting Party to the other Party.

In witness whereof, the respective Plenipotentiaries have signed the present Treaty and have affixed their seals thereto.

Done in duplicate in the English and Greek languages, both authentic, at Athens this 21st day of November one thousand nine hundred and thirty-six.

LINCOLN MACVEAGH. [SEAL]
N. MAVROUDIS. [SEAL]

The VICE PRESIDENT. If there be no amendment to be proposed, the treaty will be reported to the Senate.

The treaty was reported to the Senate without amendment.

The VICE PRESIDENT. The resolution of ratification will be read.

The legislative clerk read as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive C, Seventy-fifth Congress, first session, a treaty of establishment between the United States of America and the Kingdom of Greece, signed at Athens on November 21, 1936.

Mr. PITTMAN. I move the adoption of the resolution of ratification.

The VICE PRESIDENT. The question is on agreeing to the resolution of ratification. [Putting the question.] Two-thirds of the Senators present concurring therein, the resolution of ratification is agreed to, and the treaty is ratified.

AMENDMENT TO INTERNATIONAL CONVENTION FOR PROMOTING SAFETY OF LIFE AT SEA

The legislative clerk read as follows:

Executive I (75th Cong., 1st sess.), an amendment to the International Convention for Promoting Safety of Life at Sea, as recommended in a report of the Secretary of State and a memorandum of the British Board of Trade, concerning the unintentional omission from section (2) of regulation XIX of annex I of the regulations attached to the Convention for Promoting Safety of Life at Sea, signed at London on May 31, 1929.

Mr. PITTMAN. Mr. President, the Senator from Wisconsin [Mr. LA FOLLETTE] has examined this amendment to the International Convention. It simply proposes a minor administrative change in the existing treaty, and in no way affects it materially. I ask unanimous consent for the immediate consideration of the amendment.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the amendment to the International Convention for Promoting Safety of Life at Sea, which was read the second time, as follows:

Add after the end of the first paragraph of section (2) of regulation XIX of annex I of the Convention for Promoting Safety of Life at Sea, as a separate paragraph, the words:

"In all cases an additional independent power pump shall be fitted when the criterion numeral exceeds 30."

So that the said section (2) shall read as follows:

"(2) In addition to the ordinary bilge pump, worked by the main engines, or its equivalent engine-room pump, two independent power bilge pumps shall be provided, except that in ships less than 300 feet (91.5 meters) in length, having a criterion numeral less than 30, either two efficient hand pumps of the crank type fitted one forward and one aft, or a portable power pump, may be substituted for one of the additional independent power bilge pumps.

"In all cases an additional independent power pump shall be fitted when the criterion numeral exceeds 30.

"Sanitary, ballast, and general service pumps may be accepted as independent power bilge pumps if fitted with the necessary connections to the bilge pumping system."

The VICE PRESIDENT. If there be no amendment to be proposed, the amendment to the International Convention will be reported to the Senate.

The amendment to the International Convention was reported to the Senate without amendment.

The VICE PRESIDENT. The resolution of ratification will be read.

The legislative clerk read as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive I, Seventy-fifth Congress, first session, an amendment to the International Convention for Promoting Safety of Life at Sea, as recommended in a report of the Secretary of State and a memorandum of the British Board of Trade, concerning the unintentional omission from section 2 of regulation XIX of annex I of the regulations attached to the Convention for Promoting Safety of Life at Sea, signed at London on May 31, 1929.

Mr. PITTMAN. I move the adoption of the resolution of ratification.

The VICE PRESIDENT. The question is on agreeing to the resolution of ratification. [Putting the question.] Two-thirds of the Senators presenting concurring therein, the resolution of ratification is agreed to, and the amendment to the treaty is ratified.

UNITED STATES EMPLOYEES' COMPENSATION COMMISSION

The legislative clerk read the nomination of John J. Keegan, of Florida, to be a member of the United States Employees' Compensation Commission.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

DIPLOMATIC AND FOREIGN SERVICE

The legislative clerk read the nomination of Warden McK. Wilson, of Indiana, to be consul general.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

WORKS PROGRESS ADMINISTRATION

The legislative clerk read the nomination of Ron Stevens, of Oklahoma, to be State administrator for Oklahoma.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

That concludes the Executive Calendar.

ADJOURNMENT TO TUESDAY

Mr. BYRNES. I move that the Senate adjourn until Tuesday next at 12 o'clock noon.

The motion was agreed to; and (at 12 o'clock and 35 minutes p. m.) the Senate adjourned until Tuesday, June 1, 1937, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 28, 1937

UNITED STATES EMPLOYEES' COMPENSATION COMMISSION

John J. Keegan to be a member of the United States Employees' Compensation Commission.

CONSUL GENERAL

Warden McK. Wilson to be a consul general of the United States of America.

WORKS PROGRESS ADMINISTRATION

Ron Stevens to be State Administrator in the Works Progress Administration for Oklahoma.

HOUSE OF REPRESENTATIVES

FRIDAY, MAY 28, 1937

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Lord God of wisdom and truth, be with us today. Thine arm make bare and Thy righteous will be done. These moments, thus set apart, may we retire into the hushed depths of our own beings. Lead us to ponder Thy teaching and weigh the magnitude of our obligations as public servants. He hath showed thee, O man, what is good and what doth the Lord require of thee but to deal justly, love mercy, and walk humbly with Thy God. With our faces turned toward the light, may we be transfigured by the power of our great mission, believing that nothing can sully the standards of our high calling. Heavenly Father, in all our tasks we pray for Thy guidance. Stimulate us with great care and patience. With these virtues our labors can hardly prove vain. Blessed Lord, keep us in the love fold of the Good Shepherd. In His name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries.

PAY OF GOVERNMENT EMPLOYEES

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute to make an announcement.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. COCHRAN. Mr. Speaker, for some reason unknown to me certain individuals were extremely busy last evening calling Members of the House over the telephone stating that they were representatives of the New York Times and wanting information as to how I had cast my vote on the amendment offered by the gentleman from Kentucky [Mr. MAY] reducing the salary of Harry Hopkins, Administrator of the Works Progress Administration.

Had they taken the trouble to call me in the first instance and asked how I had voted, I would have told them immediately that I had voted against the amendment, as I am one Member of Congress who is always willing to let anyone know how I vote, whether it is a record vote or not.

Being personally acquainted with members of the Washington staff of the New York Times, I called the office and asked who it was that desired the information, but was informed that whoever had stated that they were members of the New York Times staff had done so without their permission.

As the Members who called me and advised me that they were asked the question stated that they were not asked how they voted, I could not understand why the information was desired. Probably it is because of my activity in trying to cooperate with the President in preventing the passage of bills containing new authorizations that will require large appropriations, or it might be that they could consider my vote upon the amendment as an indication of my views as to whether or not I was in favor of the reduction of salaries of Government officials and employees. Being chairman of the House Committee on Reorganization, I have been asked that question numerous times, but I have stated frankly that I was not in favor of a revision of salaries at this time, either increases or reductions.

If the amendment had provided for an increase in salary for Mr. Hopkins, I would have opposed it.

There are a lot of officials and employees in the Government service that are underpaid and there are likewise a lot of officials and employees in the Government service, in my opinion, that are overpaid, but whenever the Congress intends to increase salaries, so far as I am concerned personally, it will be those in the lower brackets who will receive first consideration from me.

I have received a large number of letters from persons throughout the country protesting the passage of any bills providing for the reorganization of the Government, many of them indicating that it would result in a reduction in salary. While the committee has been meeting in executive session and I have never made it a practice to discuss what happens behind closed doors, nevertheless I feel that I am justified in stating that that question has never been advanced at any time at any meeting that has been held, nor has the committee ever received any recommendation that calls in any way for a reduction in salary.

The meetings that have been held by the joint committee, with the exception of the meeting held Thursday, have been for the purpose of hearing the representatives of the President's committee as well as the representatives of the Brookings Institute, who explained their recommendation. Those hearings having been completed; in the interest of expediting legislation, it was decided that until further notice the House committee and the Senate committee would act individually. There has been absolutely no definite agreement of any kind as to the future policy of the House committee. Just as soon as Speaker BANKHEAD returns and Mr. WARREN, who has been acting in his place, is free, a meeting of the House committee will be held.

In closing, let me emphasize that our meetings with the Senate committee at all times, including the one held Thursday, were as peaceful as any legislative committee could hold. [Applause.]

PERMISSION TO ADDRESS THE HOUSE

Mr. SHANLEY. Mr. Speaker, I ask unanimous consent to proceed for 30 seconds.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. SHANLEY. Mr. Speaker, I ask unanimous consent to revise and extend my remarks at this point and include therein excerpts from resolutions and articles on aviation.

Mr. MAPES. Reserving the right to object, Mr. Speaker, the gentleman's request covers a broad territory when he asks permission to include articles without reservation.

Mr. O'CONNOR of New York. Mr. Speaker, may I say that the gentleman from Connecticut is the author of the bill which makes today National Aviation Day, and this is the purpose he has in mind in reference to the excerpts from resolutions. The gentleman from Connecticut introduced the resolution.

Mr. MAPES. Is there some limit to the excerpts which the gentleman proposes to insert?

Mr. SHANLEY. I shall not use any excerpts from newspapers. Out of consideration for the time of the House, I am just asking for 30 seconds at this time, and I am sure I will use the same consideration, modesty, and restraint in regard to the extension of my remarks which prompted me to ask for this slight indulgence.

Mr. MAPES. I have no objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. SHANLEY. Mr. Speaker and my colleagues, Edmund Spenser once said:

> And later times things more unknown shall show.
> Why then should witless man so much misween,
> That nothing is, but that which he hath seen?
> What if within the moon's fair shining sphere,
> What if in every other star unseen,
> Of other worlds he happily should hear?
> He wonder would much more; yet such to some appear.

Today we celebrate National Aviation Day. This House of Representatives and the Senate passed the resolution and the President of the United States issued the following proclamation:

PRESIDENT OF THE UNITED STATES

NATIONAL AVIATION DAY

By the President of the United States of America

A PROCLAMATION

Whereas the people of the United States may justly claim to have taken a leading part in the development of the science of aeronautics and to enjoy today an outstanding position among the nations of the world in the use of air transport; and

Whereas Public Resolution No. 32, Seventy-fifth Congress, first session, approved May 25, 1937, provides in part: "That the President of the United States is authorized to designate May 28, 1937, as National Aviation Day, and to issue a proclamation calling upon officials of the Government to display the flag of the United States on all Government buildings on that day, and inviting the people of the United States to observe the day with appropriate exercises to further and stimulate interest in aviation in the United States":

Now, therefore, I, Franklin D. Roosevelt, President of the United States of America, acting in accord with the purposes of the Congress to stimulate interest in aviation with a view to the further advancement of the science of aeronautics, do hereby call upon the people of the United States to observe May 28, 1937, as National Aviation Day with appropriate exercises, and do direct Government officials to display the flag on all Government buildings on that day.

In witness whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

Done at the city of Washington this 26th day of May, in the year of our Lord, nineteen hundred and thirty-seven, and of the Independence of the United States of America the one hundred and sixty-first.

FRANKLIN D. ROOSEVELT.

By the President:
[SEAL]

SUMNER WELLES,
Acting Secretary of State.

Stressing Spenser's magnificent feeling that all has not been discovered or learned may we not spend some time in speculating and reflecting upon the future of aviation?

Many and divers, indeed, are the groups that see in this celebration the projection of new, renewed, and sustained interests in aviation. Those whose prime concern is adequate national defense behold in this effort a chance to get before the American people the supreme importance of air possibilities. Their work is in many ways that of comparison and relatively a determination that the herculean endeavors of the men in the air will not be fossilized or embalmed in outmoded principles of war tactics and prejudices.

Another group deeply concerned with international culture, understanding, and all the avenues of good will are concerned to make sure that the quickened tempo of world-wide existence will profit from air innovations.

Other groups from industrial, commercial, or adventurous, or other understandable multilateral phases will help to render this day an adequate one in presenting to the American people this new arm of commercial and certainly military protection.

> Peace hath her victories
> Not less renowned than war: new foes arise,
> Threatening to bind our souls with secular chains.
> Help us to save free conscience from the paw
> Of hireling wolves, whose gospel is their maw.
> —*Milton.*

It is hoped that from this celebration of National Aviation Day, May 28, may come a quickening of realization and interest in the intrepidity of our flyers, the courage and initiative of our sustaining financial backers, and the heroic struggle that is being daily made for mastery of the trade routes in the air above. No more glamorous chapter is being written in courage, financial backing, patriotism, and often in blood than is being constantly pieced together in that battle for supremacy. On a world-wide scale our aviators are etching a mosaic masterpiece of valour and peaceful penetration.

What the Crusades in the Middle Ages did to stimulate a greater learning in geography and science and awaken Europe to a mental activity that foreshadowed the Renaissance, what they did to stimulate the Venetian Marco Polo, the maritime enterprise and adventure of Columbus, Vasco da Gama, and Magellan; what they did to stir the various growths, movements, commercial, social, political, intellectual, and geographical trends in European society, may well form the relative background for the future consequences of air adventure and enterprise.

Air lanes today present no piratical crafts scouring either to pillage and rob, as was done to the sea-surface merchants of the eleventh and twelfth centuries, nor does there seem to be any necessity for another Hanseatic League of the air to bolster trade.

In the terrors of the medieval imaginations which invested the unknown regions of the earth with diabolical creatures of darkness there were conjured up demons, dragons, and whirlpools in all those undiscovered portions of the earth's surface. Brave, indeed, therefore, were those who were inspired by Prince Henry, the navigator. Look at a fifteenth, sixteenth, or seventeenth century map and discover the trade routes of those days. Exploration, colonization policies of blood and iron, cruel rivalry all feature the struggles that followed the opening of the new Eldorado in the West. History was being made and trade moved in to reap its reward.

The same repetition occurs in the air with an increased tempo and more immediate results, for during the last 10 years in the air the history of 400 years on the seas has been again and again duplicated. Air distances, air achievements, air courage, have gone the gauntlet of conditions that once faced the Cabots and Drakes. Airplanes have annihilated distance. The choicest products of the animal and vegetable world of intellect and spirit are within reach of us all by plane. Air transportation offers unparalleled possibilities of freight carriage. Our mail history indicates another phase. Are we willing to appreciate this stirring drama of the air?

The newspaper of a future tomorrow morning printed on this side of the Atlantic may be read in the evening of that same future tomorrow on the other side of that vast oceanic stretch.

Another generation prior to ours saw a world war with vast cataclysmic upheavals, while a prior one to that began its imprint on time's history by withholding a smile at a contraption in the air. It had hardly accepted the achieved and accepted invention of automobiles before it stared in amazement toward the sky.

Even the generation of the World War did not see or could hope to predict the tremendous advance in air progress. One thing they did realize in the most vivid pictures of the day was the brilliant esprit de corps of aviators on both sides. Alfredian chivalry, Achillean courage, and amazing progress characterized the flying aces and their lesser-known brethren on both sides in that conflict.

The panorama of history unfolds before us the history of navies on the seas, the armies on the land, the merchant marine, the peaceful penetration of trades, all the plethora of international devices to promote friendship and trade and developments in man's progress throughout the ages.

But a force was at work without fanfare and without notice that would reshape the trade routes and the trade contents of the world. A new dynamo, as Henry Adams would say, entered the scene, or, we might say, glided into history. Twentieth century America struck out for the trade of the world with a weapon as powerful as the nineteenth century "iron horse." Morgan's house gave its blessing to an air armada across the Pacific that silently reached for new domains. An intrepid young man, Juan Terry Trippe, with the spirit of a conquistador, gathered around him the nucleus of a group which included the wealthiest young men about town in America—a Vanderbilt, a Whitney, and a Rockefeller.

Out of their brains and courage came Colonial Airways in 1926 connecting the "hub of the universe"—Boston—with the wheel of American finance—New York.

Then came Pan American development, blessed with Federal aid. A closed corporation saw Pan American moved Caribbean way, skirting the coasts of South American littorals and into the hinterlands. Today it has over 32,000 miles of air transportation, far in excess of all its competitors. It reached Alaskan shores, and even treated with China for concessions to operate over 3,000 miles in Chinese territory.

The wisest of all financial houses of age-old wealth were putting money and their youth into this new enterprise. It reached out across the north Pacific, and the titanic struggle of the generation finds this intrepid and kindred groups matching wits and money against the French, the British, Dutch, Soviets, Germans, and Japanese. Mighty air fleets equipped beyond man's imagination are pawns in an agonizing combat for world trade mastery. The most remarkable industrial and transportation development in history forms the background for these world-wide contests among the nationalistic armadas of the air.

Hitherto inaccessible mountaintops, miasmic swamps, jungle wilds never visited by man, all the outskirts of civilization form the background for the earth pattern which these modern-day clipper ships of the air see in their daily flights. Just recall that a decade is practically all that has elapsed since our first intercontinental attempt in the sky. Luxurious comforts, micromatic calculating instruments, measuring and calibrating to the *n*th degree of precision, characterize these fleets. Hovering above and permeating the policy, the objectives, and the morale is still the silent battle for world-wide monopoly.

America the laggard at first in South America is fast pulling up into first place. For formerly in speed, technical mastery, flight operation, and safety the outside world excelled us, but today we are sweeping forward with newer maps, better meteorological data, enlarged airports, and safety—in short, in everything but an American consciousness of the game that is going on, the plays, the players, and the prizes.

That is why in a humble way an American Aviation Day may help this last weakness. Already we are happy to say there has been a renewed interest in this portentous clash of winged air Mercuries. Perchance some writer will tell the story of these knights-errant of the air as they charted unknown courses, plotted newly discovered terrain, and by their deaths in a holocaust of a ribbed plane left to their successors new ideas and new conclusions.

Another gifted writer might take the progress and influence of man's intercourse with man, through war, conquest, nomad journeys, and inventions.

Writers might speculate on the importance of the first vehicle of animal-aid transportation, the introduction of the wheel, water progress, down through the vessels of steam, Diesel engines, and then the mechanical air giants. Man's devotion to a holy crusade once opened up the east to industry, relieved the excess of the feudal system, and taught the people of the Middle Ages that it was possible to live and prosper without dependence on feudal lords. Ships of the sea gave outlet, to the spirit of exploration, provided for religious escape, as the Puritans and Huguenots.

Adventure, the respect for courage, and native humor soon passed territorial lines, and man became more cosmopolitan. World-wide collective action became incipiently possible. What will be the effect of these Brobdingnagians of the air?

Today our effort to unify North and South America in the commonest bond of fellowship through unital action and trade adjustments are uppermost. Every phase of trade penetration, commercial circulation, neighborly agricultural intercourse, immigration, diplomatic negotiations in all its ramifications, and intellectual exchanges are wrapped up in part in the progress of aerial success.

Our diplomats, tuned to the advances of each country, know this, for witness the Inter-American Conference for the Maintenance of Peace at Buenos Aires December 1–23 of last year. The conference said:

Whereas the reduction in the cost of rates, fares, and freight charges would considerably increase the use of airplanes, which is at present one of the most effective means of communication and interchange of ideas between, and recognizing that the development of air transport contributes to a better knowledge and understanding among the American peoples, and aids in the maintenance of a lasting peace:

The Inter-American Conference for the Maintenance of Peace recommends:

1. That the American Government study and, insofar as possible, apply measures tending to a reduction in the cost of air transport and the simplification of present administrative formalities.

2. That, to the same end and with the intention that this matter be considered in the Conference on Aviation to be held in Lima in 1937.

Prior to that, in Montevideo, there were strong, significant efforts, as characterized by the following excerpts:

LXXXVII. MONUMENT TO AMERICAN PIONEERS IN AVIATION

The Seventh International Conference of American States at Montevideo resolves, That there be erected, in the name of America, a monument of homage to the American initiators of world aviation, Santos Dumont, Brazilian, and Wilbur and Orville Wright, North Americans.

That at the base of the monument there be engraved the names of the aviators of each country whom the corresponding governments may consider worthy of this homage.

That the monument be erected on the Cordillera of the Andes, at the aviation field of La Paz, the highest city in America and in the world.

It adds further, under the heading of "Commercial Aviation":

COMMERCIAL AVIATION

Each nation of this hemisphere is, of course, vitally interested in every aspect of aviation. No single agency is more productive of the very results which this conference and its predecessors are seeking and succeeding conferences will seek. Air transport makes

neighbors of peoples long isolated by the vast distances of space; it brings their thoughts and their products to the service of each other; it leads directly to closer cultural, economic, and social relations. It is a powerful agency for peace. The statesmen here assembled will recall how, at the height of the recent misunderstanding between Colombia and Peru, His Excellency Dr. Lopez, new president of the Colombian delegation to this conference, conceived the plan of casting normal diplomatic procedure to the winds and proceeding by first available plane to discuss with his friend and colleague of long standing, the President of Peru, the desirability of reaching a fair and satisfactory but peaceful agreement in the interests of both countries concerned, and of the nations of America indirectly involved. As is well known, this personal conference in an instant of crisis, made possible by air travel, was largely instrumental in the present satisfactory status of negotiations between these two countries * * *.

In starting the development of this air service which the peoples of America now enjoy, formidable obstacles of nature had to be overcome. The topography of our continents is an amazing mixture of lofty mountains, vast jungles, impenetrable swamps, ravines, glaciers, and other natural barriers tending to inhibit the free and natural exchange of goods and ideals between nations.

Aviation though but recent in its flowering is but the result of increments of knowledge piled high upon each other. Just as the scientific discoveries of Darwin owed much to prior scientists, so aeronautics, the roots of modern aeronautics might well begin with the established principles of Archimedes, the Greek mathematician, who lived several centuries before Christ. The mythological legend of Daedalus, the Hellenic sculptor, and his companion Icarus, whose ill-fated flight is known to all, but what is probably little known is that it was the former who fashioned the wings.

The hiatus of aerial progress to 1617 when Fasute Veranzio risked his life in jumping from a high tower in Venice with a primitive parachute of a framework covered with canvas seems to anticipate the death of the "bat man" in Paris but a fortnight ago. Fanciful, crude attempts on this fill the pages of history, but from them came the germ of reflection that air had a definite weight just as any liquid or solid, and that bodies lighter than air "would rise as would a chip of wood when released under the surface of the water." Eighteenth century experiments in Germany next developed the theories on the law of resistance. The way was being set for the first take-off.

Cavendish's discovery of hydrogen gas in 1776 proved that it was lighter than air. Then follow the Montgolfier brothers; Saint-Fond and Roberts brothers; De Rozier; Count Zambressi; the American, Dr. Jeffries; Charles Green; Henri Giffard; Professor Bergson; and all the linked progress in power and kite balloons, dirigibles, and the modern airplane.

The pedigree of any idea is apt to be irritating, so I therefore mention these great names of pioneers, but in my hasty dismissal of their doings I do not intend to minimize their outstanding contributions.

In the same way I pass over the studies of Wilbur and Orville Wright and their resultant glider which fitted with a light motor which they built, made those historic flights on December 17, 1903, for 12 to 59 seconds at Kitty Hawk, a place which is today so ably represented by our distinguished Speaker pro tempore, the Honorable LINDSAY WARREN, of North Carolina. That was, indeed, the birthplace of the airplane. The South American, Albert Santos-Dumont, made his flights in Brazil, flying 50 to 700 feet in a straight line. We next move on to Glenn H. Curtiss, who developed an effective type of plane—the *Dawn of Reality*.

It is an amazing and glamorous history which cannot be but touched in this rapid survey. From the first cross-channel flight of August 25, 1919, to the recent flight of Merrill and Lambie, there is bracketed aeons of time compressed into almost two decades. Gems of achievement are in the tiara of world air accomplishments—Lindbergh spanning the Atlantic, May 20, 1927, in a New York to Paris flight of 33½ hours; Chamberlin's flight to Germany 14 days later; the Schlee-Brock New York to Tokyo take-off in August of the same year; Amelia Earhart et al. across the Atlantic in 1928, all serve to show the increased tempo of daring successes.

Nineteen hundred and thirty-six closed in an epochal series of air deeds. September 29 F. R. D. Swain scaled heavenward to a new altitude record of 49,967 feet. October 6 the Swedish flyer Kurt Bjorkvall went from New York on a projected flight to Stockholm, but was forced down in Ireland to complete a "lone eagle" flight of 2,400 miles. Mrs. Beryl Markham, of England, on September 4 flew from Abingdon, England, on the western trip to land in New York, but only reached Nova Scotia. She had but 26 hours of gas in her plane—a daring undertaking. Richman and Merrill finished the first round-trip Atlantic flight. James Mollison was the first pilot to reach London nonstop from America, the first airman to fly the Atlantic three times and the third man to fly solo over the Atlantic and reach his predetermined landing place nonstop. The other two were Colonel Lindbergh and the late Wiley Post. Howard Hughes broke Colonel Turner's record flight for cross-country by doing the trip in 9 hours 26 minutes 10 seconds. Blind flying reached a new peak in the doings of Maj. Ira Baker's New York to Los Angeles jump. Two Russians—Sigismund Levanevsky and Victor Levchenko—flew 10,000 miles from Santa Monica, Calif., to Moscow, Russia.

Mr. Speaker and my colleagues, out of this pioneer effort to obtain national concentration and interest on the affairs of the air we hope we may see a fuller appreciation of the tremendous strides that are being made in scientific development in Europe, with their additional gains in mass production of military aircraft, their serious threat by research programs, and their official consciousness of the destiny of air mastery.

We ought to hope for increasing interest in our Army and Navy Air Corps, the developments in the Coast Guard, with a widening field of duties in weather warning aids, storm rescues, and mercy flights. We ought to understand what our Government is doing in departments where we might least suspect that aviation is a vital handmaid—Fisheries, Communications, Forest, Geological Survey, Standards, Public Health, and Tennessee Valley Authority.

So, too, our larger commercial expansion in larger transports, mail developments, G-men aids—all are worthy of our interest and study.

Today's issue of the New York Times, certainly a comprehensive country-wide collector of news, has aviation stories which include such widely different phases as a dispatch from Hanson V. Baldwin from London describing plane sales throughout Europe; the news of the second Soviet plane to reach the Pole; the shifting of the *Hindenburg* inquiry to New York City; a crash in Oslo, Norway; gifts to the Duke of Windsor by plane; a mercy flight of a surgeon to George F. Baker; another dispatch from Clarence K. Streit from Geneva on German bomber developments; weather data for planes; the usual stock quotations on air stock; Dr. Eckener's testimony on helium in Washington—all indicative of a single daily chart of air affairs.

This is the new frontier, inexhaustible in its infinity of space and possibilities, beckoning on the imagination of the entire world. Let us make the most of our chances.

AUTHORIZATION TO SIGN ENROLLED JOINT RESOLUTION

Mr. CROSSER. Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the House the Clerk of the House may be authorized to receive a message from the Senate, and the Speaker pro tempore may be authorized to sign the enrolled joint resolution (H. J. Res. 332) providing for the importation of articles free from tariff or customs duty for the purpose of exhibition at Great Lakes Exposition to be held at Cleveland, Ohio, beginning in May 1937, and for other purposes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

EXTENSION OF REMARKS

Mr. HOOK. Mr. Speaker, sometime ago a newspaper item appeared in a Honolulu paper which misquoted the RECORD of this Congress. Yesterday the Delegate from Hawaii saw fit to attack me on the floor of the House. I ask unanimous consent to revise and extend my remarks and

include therein a letter which I have received from Honolulu, Hawaii.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent that on Thursday next, after the reading of the Journal and the disposition of business on the Speaker's desk, and following the address of the gentleman from Pennsylvania [Mr. RICH], I may be permitted to address the House for 1 hour.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

ORDER OF BUSINESS

Mr. MAPES. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. MAPES. Mr. Speaker, inasmuch as the gentleman from Minnesota [Mr. KNUTSON] has just been granted permission to address the House for 1 hour on Thursday next, I would like to ask the majority leader if he is prepared to say what the program for next week will be, after the disposition of the relief bill on Tuesday? As the gentleman will recall, Friday has been set aside for special memorial services for the late Speaker Byrns. This leaves only 2 days of the week remaining.

Mr. RAYBURN. We hope to take up the "hot oil" bill on Thursday. I understand there will be only 2 hours of general debate on this bill, and I think we can complete the consideration of the bill on that day. There are also conference reports on the appropriation bills for the independent offices and for the State and Justice Departments, the judiciary, and the Commerce and Labor Departments. These conference reports will probably not take much time. I understand there is complete agreement on the State, Justice, Commerce, and Labor Departments appropriation bill, but there is not a complete agreement on the independent offices appropriation bill. If the business in order on Calendar Wednesday does not take a great length of time, one of these conference reports may come up.

There are also two noncontroverted bills from the Ways and Means Committee, as I understand it, one known as the marihuana bill, on which there is a unanimous report. The gentleman from North Carolina [Mr. DOUGHTON] is very anxious to have these two bills brought up some time next week. If we can sandwich them in without inconveniencing the House, we would like to do so.

Mr. MAPES. Is the gentleman prepared to say whether the House will take up Calendar Wednesday business on Wednesday or dispense with it?

Mr. RAYBURN. There has been no decision as yet to do away with Calendar Wednesday business.

Mr. McMILLAN. Mr. Speaker, may I inquire of the majority leader concerning the procedure on Tuesday? Will it be the purpose to continue the consideration of the relief bill on Tuesday, or to take up the Private Calendar, which is scheduled under the rules?

Mr. RAYBURN. Frankly, as we have called the Private Calendar so many times there may be an effort made to do away with the call of the Private Calendar on Tuesday. However, this has not been determined. I have not discussed it with anyone as yet.

Mr. McMILLAN. I may say to the majority leader there are a number of bills on the calendar, the session is getting along, and I am sure a great many of the Members are interested in these particular bills.

Mr. RAYBURN. I want to look at the calendar before I make an agreement with the gentleman, but we have usually been calling the Private Calendar in about 45 minutes.

Mr. McMILLAN. Yes.

Mr. RAYBURN. The number of bills on the calendar would indicate that we might call the calendar in that length of time, and if this can be done on Tuesday, I certainly would not object.

[Here the gavel fell.]

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate had passed without amendment joint resolutions and a concurrent resolution of the House of the following titles:

H. J. Res. 332. Joint resolution providing for the importation of articles free from tariff or customs duty for the purpose of exhibition at Great Lakes Exposition to be held at Cleveland, Ohio, beginning in May 1937, and for other purposes;

H. J. Res. 386. Joint resolution making an appropriation to enable the Social Security Board to make payments of grants to States for old-age assistance for the fiscal year 1937; and

H. Con. Res. 14. Concurrent resolution affecting the enrollment of H. R. 4064, the Independent Offices Appropriation Act, 1938.

The message also announced that the Senate agrees to the amendment of the House to the amendment of the Senate numbered 6 to the bill (H. R. 6730) entitled "An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1937, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1937, and June 30, 1938, and for other purposes."

EXTENSION OF REMARKS

Mr. LEA, Mr. MAVERICK, and Mr. DIRKSEN asked and were given permission to extend their own remarks in the RECORD.

Mr. SHANNON. Mr. Speaker, I ask unanimous consent to proceed for one-half minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. SHANNON. Mr. Speaker, the gentleman from Michigan [Mr. HOOK] a moment ago complained about a Honolulu newspaper misquoting a Member of Congress. Does not the gentleman realize that close association of editors from Honolulu with American editors would give them that liberty and privilege?

Mr. HOOK. Yes; and a close association with the Delegate from Hawaii, too.

Mr. SHANNON. That I know nothing about.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. HOOK, for 15 days, on account of important business.

To Mr. FORD of Mississippi, indefinitely, on account of illness.

To Mr. WILCOX, indefinitely, on account of illness.

VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—FIVE-YEAR LEVEL-PREMIUM TERM POLICIES

The SPEAKER pro tempore laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I return herewith, without my approval, H. R. 5478, an act to amend existing law to provide privilege of renewing expiring 5-year level-premium term policies for another 5-year period.

The War Risk Insurance Act, which authorized the writing of life insurance by the Government for the members of the military and naval forces, stated that "not later than 5 years after the termination of the war as declared by proclamation of the President of the United States, the

term insurance shall be converted", thus clearly manifesting the intent that term insurance was to be temporary in character and of limited duration. This pronouncement put all applicants on notice that within 5 years after the declared ending of the World War it was expected that, so far as Government life insurance was concerned, they were to have properly planned their permanent insurance program. By amendment to the law the 5-year period was extended for 1 year, so that on July 2, 1927, yearly renewable term insurance ceased except for a few types of cases.

The kind of insurance to which term insurance was to be converted was founded upon a mutual basis, the Government simply administering the system for the benefit of the policyholders. Premiums received on account of such insurance were for deposit in the Treasury in a trust account separated from and not commingled with the general funds of the United States.

When the last date fixed for converting term policies approached, it was argued that many veterans were not then able to do so, and the law was further amended authorizing for issuance a special 5-year term policy providing for automatic change to a converted form at the and of the 5-year period. Subsequently, in 1932, when many of these policies expired as term insurance, it was contended that the personal affairs of some veterans were still so unsettled as not to permit them to convert the term insurance they continued to carry, and again the law was amended granting another 5 years' grace. The bill before me would provide for a fourth postponement.

It is not believed that any further delay in the adoption of an insurance program is warranted or ultimately will prove profitable to the individuals concerned. The lower initial premium rates on term insurance policies are beguiling, and the holders thereof should realize that the time must ultimately come when such charges, which keep ever increasing, will become so great as to compel numbers of veterans to drop their insurance when it will probably be most needed.

Furthermore, enactment of this proposed legislation would constitute a breach of faith on the part of the Federal Government toward the large body of converted policyholders contributing to the Government life-insurance fund, and on two counts: (1) The small group of term insurance policyholders would continue to carry their life insurance at considerably lower premium rates than the great majority of converted policyholders are allowed; and (2) the reserves which have been built up almost entirely by the converted policyholders would continue to be drawn off to meet undue losses sustained in carrying the low-premium term policies.

It should be kept firmly in mind that the veterans of the World War expected that the Federal Government, in setting a limiting date for the conversion of term insurance into some permanent form of life insurance, would stand by its declaration. Consequently at the close of the 5-year period allowed to veterans within which to convert their term insurance, 423,557 had converted to some permanent form of insurance in a total sum of $1,773,075,664. In many cases, veterans made considerable sacrifices, either reducing the amount of insurance carried or paying the increased premiums required to maintain the original temporary war insurance on a permanent lifetime basis. When legislation was subsequently enacted and reenacted, permitting a relatively small preferred group who had not seen fit to make the same sacrifices as the converted policyholders have made, to extend their temporary insurance at the war-time low premium rates, an unwarranted disservice was rendered to the several hundred thousand who had placed their insurance on a permanent basis.

Of the present policyholders over 85 percent have converted their insurance to whole-life or endownment forms, while the reserve which the converted policyholders have been chiefly instrumental in creating is being used to supplement the inadequate premiums paid by term insurance policyholders in order to pay the extra losses on the policies of the latter group. It is pertinent here to observe that at level of the American Experience Table of Mortality according to which the premiums are computed, the most favorable year showing a loss ratio of 3.89 percent above that table, and in one year it went as high as 32.44 percent above the table. In other words, had the accounts of the term policyholders been kept separate from those of the converted policyholders their fund for the payment of losses would now be hopelessly insolvent. In contrast to the above loss experience on term policies, the highest loss ratio on converted no time has the loss ratio on term policies been down to the policies in any year was only 84.03 percent of the expected loss under the American Experience Table of Mortality, and in one year it got down to as low as 53.52 percent. In other words, the loss ratios on term policies range from 45 to over 100 percent higher than those on the converted forms.

There appears to be no justification whatever for continuing to burden the converted policyholders with the excess losses of the term-insurance policyholders who, under the present law, without physical examination are privileged to convert their policies to whole-life or endownment forms. It, therefore, should be obvious that the remaining less than 15 percent of the policyholders who continue to carry term insurance should now make provisions for the future by determining the amount which they can afford to pay as insurance premiums and plan accordingly.

For these reasons I am withholding my approval of this bill.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *May 28, 1937.*

The SPEAKER pro tempore. The objections of the President will be spread at large upon the Journal.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that the message may lay on the table until the House convenes on Tuesday.

Mrs. ROGERS of Massachusetts. Mr. Speaker, reserving the right to object, my understanding was that no business would be transacted today.

Mr. RANKIN. Of course, this business has already been transacted.

Mrs. ROGERS of Massachusetts. Yes; I had in mind that the gentleman could ask for a vote today.

Mr. RANKIN. Yes; but I prefer not to do that.

Mrs. ROGERS of Massachusetts. Yes; I think we agreed not to take up any business today, so it is not fair to the Members who will want to vote on this measure and who are not here to take up the bill today.

Mr. DOWELL. Reserving the right to object, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. DOWELL. Are we to have an opportunity to vote on this matter?

Mr. RANKIN. Yes; I see no escape from it. Any Member can force a vote. The members of the subcommittee held extensive hearings. The Committee on World War Veterans' Legislation has nothing new to offer on the subject. It was our deliberate judgment that this bill should pass. Now, it comes back with a veto, and the members of the subcommittee, and especially the chairman of the subcommittee, who is present, want the House to pass on it. So I am merely asking that it go over until Tuesday.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I withdraw my objection. I am very anxious for a vote on this bill, and I am very anxious to have the bill become law. Since the gentleman from Mississippi has made his statement, I am satisfied to have the bill go over until Tuesday.

The SPEAKER pro tempore. The gentleman from Mississippi asks unanimous consent that the message and bill lie on the table until Tuesday next. Is there objection?

There was no objection.

ENROLLED BILL AND JOINT RESOLUTIONS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill and joint resolutions of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 6730. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1937, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1937, and June 30, 1938, and for other purposes;

H. J. Res. 332. Joint resolution providing for the importation of articles free from tariff or customs duty for the purpose of exhibition at Great Lakes Exposition to be held at Cleveland, Ohio, beginning in May 1937, and for other purposes; and

H. J. Res. 386. Joint resolution making an appropriation to enable the Social Security Board to make payments of grants to States for old-age assistance for the fiscal year 1937.

BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills and joint resolutions of the House of the following titles:

H. R. 564. An act for the relief of Lon D. Worsham Co.;

H. R. 860. An act for the relief of Marion McGlothlin, the Baylor Hospital, Dr. F. M. Gilbert, and Dr. T. C. Gilbert;

H. R. 1280. An act for the relief of Horace Hutcheson, a minor;

H. R. 2469. An act for the relief of Hedwig Grassman Stehn;

H. R. 3268. An act for the relief of William Randolph Cason;

H. R. 3354. An act for the relief of the Great Northern Railway Co.;

H. R. 3473. An act to authorize the Secretary of State to sell, for a price, transfer, and convey the title, rights, and interest of this Government in a lot situated at Sin Lu T'ou Jetty, Kulangsu, Amoy, China;

H. R. 3926. An act for the relief of Eliza Boykin;

H. R. 4550. An act to extend the times for commencing and completing the construction of a bridge across the Ohio River between Rockport, Ind., and Owensboro, Ky.;

H. R. 4655. An act to accept the cession by the State of Arkansas of jurisdiction over all lands now or hereafter included within the Hot Springs National Park, Ark., and for other purposes;

H. R. 4794. An act to extend the times for commencing and completing the construction of a bridge across the Potomac River at or near Dahlgren, Va.;

H. R. 4870. An act for the relief of Miles C. Baxter, Anse Cockran, Sam Cornett, Mrs. Louie Hesterly, and Mrs. George Lovell;

H. R. 5177. An act to declare the Benton Harbor Canal at and above the west line of Ninth Street, Benton Harbor, Mich., a nonnavigable stream;

H. R. 5468. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near a point between Morgan and Wash Streets in the city of St. Louis, Mo., and a point opposite thereto in the city of East St. Louis, Ill.;

H. R. 5579. An act granting the consent of Congress to the State of Mississippi to construct, maintain, and operate a free highway bridge across Pearl River at or near Jackson, in Hinds County, Miss.;

H. R. 5595. An act to extend the time for completing the construction of two bridges, one across a part of Lake Michigan at or near the entrance to the Chicago River, Ill., and the other across the Michigan Canal or Ogden Slip, in city of Chicago, Ill.;

H. R. 5694. An act to extend the times for commencing and completing the construction of certain bridges across the Monongahela, Allegheny, and Youghiogheny Rivers in the county of Allegheny, Pa.;

H. R. 5722. An act to reenact and amend provisions of the Agricultural Adjustment Act, as amended, relating to marketing agreements and orders;

H. R. 6730. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1937, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1937, and June 30, 1938, and for other purposes;

H. R. 6866. An act authorizing the obligation of funds for work at Government-owned establishments;

H. J. Res. 193. Joint resolution to authorize an appropriation for the expenses of participation by the United States in the Eleventh International Dairy Congress, Berlin, Germany, in 1937;

H. J. Res. 332. Joint resolution providing for the importation of articles free from tariff or customs duty for the purpose of exhibition at Great Lakes Exposition to be held at Cleveland, Ohio, beginning in May 1937, and for other purposes; and

H. J. Res. 386. Joint resolution making an appropriation to enable the Social Security Board to make payments of grants to States for old-age assistance for the fiscal year 1937.

ADJOURNMENT

Mr. RAYBURN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 28 minutes p. m.), in accordance with its previous order, the House adjourned until Tuesday, June 1, 1937, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON FLOOD CONTROL

There will be a meeting of the Committee on Flood Control on Saturday, May 29, 1937, at 10:30 a. m., to provide for hearings on the President's recommendations for emergency flood-control projects in the lower Ohio Valley aggregating $25,000,000.

COMMITTEE ON THE JUDICIARY

There will be a hearing before the Committee on the Judiciary Tuesday, June 1, 1937, at 10 a. m., on H. R. 6439, a bill to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto, and to repeal section 76 thereof and all acts and parts of acts inconsistent therewith.

There will be a hearing before subcommittee no. III of the Committee on the Judiciary Friday, June 4, 1937, at 10:30 a. m., on H. R. 4650, to amend section 40 of the United States Employees' Compensation Act, as amended (the term "physician" to include surgeons and osteopathic practitioners).

COMMITTEE ON RIVERS AND HARBORS

The Committee on Rivers and Harbors will meet Wednesday, June 2, 1937, at 10:30 a. m., to consider the Bonneville power project.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold a public hearing in room 219, House Office Building, Thursday, June 3, 1937, at 10 a. m., on H. R. 7017, known as the right of appeal for suspension of licenses and certificates of service bill.

COMMITTEE ON THE POST OFFICE AND POST ROADS

A hearing will be conducted by Subcommittee No. IV (Air Mail) Thursday, June 3, 1937, at 10 a. m., on H. R. 6044 (experimental air-mail feeder routes for cities and towns not receiving direct air-mail service).

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

641. A letter from the Secretary of the Navy, transmitting a draft of a proposed bill to amend the act approved May 13, 1908 (35 Stat. 128; U. S. C., title 34, sec. 383), relative to retirement of officers of the United States Navy after 30 years' service; to the Committee on Naval Affairs.

642. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the legislative establishment, Architect of the Capitol, for the fiscal year 1937, in the sum of $850; to the Committee on Appropriations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. O'CONNELL of Montana: Committee on Interstate and Foreign Commerce. H. R. 6496. A bill granting the consent of Congress to the State of Montana, or the counties of Roosevelt, Richland, and McCone, singly or jointly, to construct, maintain, and operate a free highway bridge across the Missouri River, at or near Poplar, Mont.; without amendment (Rept. No. 905). Referred to the House Calendar.

Mr. EICHER: Committee on Interstate and Foreign Commerce. H. R. 6693. A bill to legalize a dike in the Missouri River 6.9 miles downstream from the South Dakota State highway bridge at Pierre, S. Dak.; without amendment (Rept. No. 906). Referred to the House Calendar.

Mr. HALLECK: Committee on Interstate and Foreign Commerce. H. R. 6636. A bill granting the consent of Congress to the county of Carroll, in the State of Indiana, to construct, maintain, and operate a free highway bridge across the Wabash River at or near Lockport, Ind.; without amendment (Rept. No. 907). Referred to the House Calendar.

Mr. HOLMES: Committee on Interstate and Foreign Commerce. H. R. 6920. A bill granting the consent of Congress to the Commonwealth of Massachusetts, Middlesex County, and the city of Lowell, Mass., or any two of them, or any one of them, to construct, maintain, and operate a free highway bridge across the Merrimack River at Lowell; without amendment (Rept. No. 908). Referred to the House Calendar.

Mr. JONES: Committee on Agriculture. S. 2439. An act to extend the time for purchase and distribution of surplus agricultural commodities for relief purposes and to continue the Federal Surplus Commodities Corporation; without amendment (Rept. No. 909). Referred to the Committee of the Whole House on the state of the Union.

Mr. KRAMER: Committee on Immigration and Naturalization. H. R. 6785. A bill for the admission to citizenship of aliens who came into this country prior to February 5, 1917; without amendment (Rept. No. 910). Referred to the House Calendar.

Mr. BULWINKLE: Committee on Interstate and Foreign Commerce. H. R. 7273. A bill to amend the Interstate Commerce Act, as amended, by providing for the regulation of the transportation of passengers and property by air carriers in interstate, overseas, and foreign commerce, and for other purposes; without amendment (Rept. No. 911). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. VINSON of Georgia: A bill (H. R. 7307) to provide for the assignment of officers of the Navy and Marine Corps to any civilian position under the United States Government, and for other purposes; to the Committee on Naval Affairs.

By Mr. THURSTON: A bill (H. R. 7308) to authorize a preliminary examination and survey of the Chariton River and the watershed thereof in the State of Iowa for flood control, for run-off and water-flow retardation, and for soil-erosion prevention; to the Committee on Flood Control.

By Mr. BLAND: A bill (H. R. 7309) to establish a Fishery Credit Corporation, to promote the cooperative production and merchandising of aquatic products in interstate and foreign commerce, and to provide for organizations within the Bureau of Fisheries of the Department of Commerce for services in connection therewith; to the Committee on Merchant Marine and Fisheries.

Also, a bill (H. R. 7310) to provide for recognizing the services rendered by civilian officers and employees in the construction and establishment of the Panama Canal and the Canal Zone; to the Committee on Merchant Marine and Fisheries.

By Mr. COLMER: A bill (H. R. 7311) authorizing the Commissioner of Lighthouses to mark a portion of the channel of the Pearl River with buoys; to the Committee on Merchant Marine and Fisheries.

By Mr. LEA: A bill (H. R. 7312) to amend sections 210 and 602 (b) of the Communications Act of 1934 with respect to the issuing of franks and rendering of free service, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. O'CONNELL of Montana: A bill (H. R. 7313) to authorize appropriations for the construction of the Gallatin Valley Dam in Gallatin County, Mont.; to the Committee on Irrigation and Reclamation.

By Mr. HOUSTON: Resolution (H. Res. 223) authorizing the Committee on the Judiciary to investigate certain judicial proceedings in the United States district court, district of Kansas, and in the United States circuit court of appeals, tenth circuit; to the Committee on Rules.

By Mr. WITHROW: Joint resolution (H. J. Res. 389) directing the Federal Trade Commission to investigate the policies employed by manufacturers in distributing motor vehicles and the policies of dealers in selling motor vehicles at retail, as these policies affect the public interest; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARDEN: A bill (H. R. 7314) for the relief of Harvey J. Rowe; to the Committee on Naval Affairs.

Also, a bill (H. R. 7315) for the relief of Jacob L. Hartsfield; to the Committee on Pensions.

By Mr. GAMBRILL: A bill (H. R. 7316) to extend the benefits of the United States Employees' Compensation Act of September 7, 1916, to Ethel Smith McDaniel; to the Committee on Claims.

By Mr. KOCIALKOWSKI: A bill (H. R. 7317) for the relief of John Herczyk; to the Committee on Immigration and Naturalization.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2462. By Mr. KRAMER: Resolution of the Assembly and Senate of the State of California, relative to urging the President to participate in the Pacific Exposition and Mercado of 1940; to the Committee on Foreign Affairs.

2463. Also, resolution of the Senate and the Assembly of the State of California, relative to memorializing the President and the Congress of the United States to acquire the Petrified Redwood Forest, in Sonoma County, as a permanent national monument; to the Committee on the Public Lands.

SENATE

TUESDAY, JUNE 1, 1937

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

O Thou whom the pure in heart alone can ever see: Be near us in our need, that we may feel Thy love trembling toward us and the sweet music of Thy pity stirring our very souls.

Look Thou upon our troubled world; and, though our feet ofttimes have sought the easy paths where the gladness of

the day of sin but ends in death, where the flowers of hope have faded and joy hath turned to dust, do Thou kindle again among the nations the lights that have flickered and failed; lift from us all the burdens too heavy to be borne, and fetch us anew into the way of love, wherefrom our feet too early and too long have wandered. We ask it in the name of Him of old, who, walking upon the troubled waters of human sin and sorrow, brought peace to anxious hearts, Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. ROBINSON, and by unanimous consent, the reading of the Journal of the proceedings of Friday, May 28, 1937, was dispensed with, and the Journal was approved.

ENROLLED BILL PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on May 25, 1937, that committee presented to the President of the United States the enrolled bill (S. 2049) to authorize the establishment of a naval air station on San Francisco Bay, Calif., and for other purposes.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries, who also announced that the President had approved and signed the following acts:

On May 24, 1937:

S. 1247. An act to amend the act of June 23, 1936, authorizing the Secretary of War to set apart as a national cemetery certain lands of the Fort Snelling Military Reservation, Minn.;

S. 1330. An act to authorize the attendance of the Marine Band at the United Confederate Veterans' 1937 Reunion at Jackson, Miss., June 9, 10, 11, and 12, 1937;

S. 1724. An act to authorize the transfer to the Attorney General of a portion of the Fort Reno Quartermaster Depot Military Reservation, Okla., as a permanent site of the United States Southwestern Reformatory;

S. 1904. An act declaring Park River, Hartford County, Conn., to be a nonnavigable waterway;

S. 2076. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Arrow Rock, Mo.; and

S. 2077. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near St. Charles, Mo.

On May 25, 1937:

S. 210. An act for the relief of soldiers who were discharged from the Army during the Spanish-American War, the Philippine Insurrection, and the Boxer Uprising because of minority or misrepresentation of age;

S. 1124. An act to authorize the Director of the Census to collect and publish statistics of red-cedar shingles;

S. 1189. An act to provide for the establishment of a Coast Guard station on the coast of Georgia at or near Tybee Island;

S. 1212. An act authorizing the conveyance to the State of Virginia, for highway purposes only, of portions of the Fort Myer Military Reservation, Va., and for other purposes;

S. 1586. An act to authorize the Secretary of War to sell to the General Motors Corporation a tract of land comprising part of Holabird Quartermaster Depot, Baltimore, Md.;

S. 1769. An act for the relief of the State of Maine; and

S. 1943. An act to amend an act entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved June 22, 1936.

On May 26, 1937:

S. 1973. An act to authorize the Secretary of War to transfer to the people of Puerto Rico certain real estate pertaining to the post of San Juan, San Juan, P. R., and for other purposes.

On May 27, 1937:

S. 2172. An act to prevent speculation in lands in the Columbia Basin prospectively irrigable by reason of the construction of the Grand Coulee Dam project and to aid actual settlers in securing such lands at the fair appraised value thereof as arid land, and for other purposes.

On May 28, 1937:

S. 2049. An act to authorize the establishment of a naval air station on San Francisco Bay, Calif., and for other purposes.

CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Caraway	Johnson, Calif.	Pittman
Andrews	Clark	Johnson, Colo.	Pope
Ashurst	Connally	La Follette	Radcliffe
Austin	Copeland	Lee	Reynolds
Bailey	Davis	Lewis	Robinson
Bankhead	Dieterich	Logan	Russell
Barkley	Donahey	Lonergan	Schwartz
Berry	Duffy	Lundeen	Schwellenbach
Bilbo	Ellender	McAdoo	Sheppard
Black	Frazier	McCarran	Stelwer
Bone	George	McGill	Thomas, Okla.
Borah	Gillette	McKellar	Thomas, Utah
Bridges	Green	McNary	Townsend
Brown, Mich.	Guffey	Minton	Truman
Brown, N. H.	Harrison	Moore	Tydings
Bulkley	Hatch	Murray	Vandenberg
Bulow	Hayden	Neely	Van Nuys
Burke	Herring	Norris	Wagner
Byrd	Hitchcock	Nye	Walsh
Byrnes	Holt	O'Mahoney	Wheeler
Capper	Hughes	Pepper	White

Mr. MINTON. I announce that the Senator from Virginia [Mr. GLASS] is detained from the Senate because of illness in his family; and the Senator from Utah [Mr. KING] is absent because of illness.

The Senator from New Mexico [Mr. CHAVEZ], the Senator from Connecticut [Mr. MALONEY], the Senator from Louisiana [Mr. OVERTON], the Senator from New Jersey [Mr. SMATHERS], and the Senator from South Carolina [Mr. SMITH] are detained on important public business.

Mr. AUSTIN. I announce that my colleague the junior Senator from Vermont [Mr. GIBSON] and the Senator from Minnesota [Mr. SHIPSTEAD] are necessarily absent.

The VICE PRESIDENT. Eighty-four Senators have answered to their names. A quorum is present.

OPERATIONS OF HOME OWNERS' LOAN CORPORATION IN CALIFORNIA

The VICE PRESIDENT laid before the Senate a letter from the Chairman of the Federal Home Loan Bank Board, reporting, in partial compliance with Senate Resolution 135 (submitted by Mr. McADOO and agreed to May 20, 1937), relative to home mortgages and other obligations acquired by the Home Owners' Loan Corporation in the State of California during the years 1934, 1935, and 1936, etc., which was ordered to lie on the table and to be printed.

CLASSIFICATION AND PAY OF LIGHTHOUSE KEEPERS

The VICE PRESIDENT laid before the Senate a letter from the Assistant Secretary of Commerce, transmitting a draft of proposed legislation to authorize the Secretary of Commerce to continue the existing system of classification and pay of positions of lighthouse keepers, which, with the accompanying papers, was referred to the Committee on Commerce.

DRAFTS OF PROPOSED LEGISLATION BY INTERIOR DEPARTMENT

The VICE PRESIDENT laid before the Senate several letters from the Acting Secretary of the Interior, transmitting drafts of proposed legislation pertaining to Indian matters, which, with the accompanying papers, were referred to the Committee on Indians Affairs, as follows:

A draft of legislation for the benefit of the Omaha and Winnebago Indians of Nebraska;

A draft of legislation to authorize the sale of part of the lands belonging to the Palm Springs or Agua Caliente Band of Mission Indians, and for other purposes; and

A draft of legislation providing for the sale of the two dormitory properties belonging to the Chickasaw Nation or Tribe of Indians, in the vicinity of the Murray State School of Agriculture at Tishomingo, Okla.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following joint resolution of the Legislature of the State of California, which was referred to the Committee on Finance:

Assembly joint resolution relative to memorializing the President and Congress of the United States to enact legislation to relieve California champagne makers from discriminatory regulations of the Federal Alcohol Administration

Whereas the Federal Alcohol Administration, under the requirement of regulations no. 4, relating to labeling and advertising of wine, has discriminated against California champagne, which derives its effervescense solely from the secondary fermentation of the wine within containers of greater than 1 gallon capacity; and

Whereas, by such regulations, California champagne, deriving its effervescense solely from the secondary fermentation of the wine in containers of greater than 1 gallon capacity, is denied interstate selling privileges; and

Whereas the California grape and wine industry is by said regulations denied the use of modern methods of making champagne; and

Whereas the State of California is denied by the Federal Alcohol Administration the right of continuing this important industry by this discrimination against the State of California: Now, therefore, be it

Resolved by the Assembly and Senate of the State of California (jointly), That the President and Congress of the United States are respectfully urged to enact legislation that would bring about a modification of regulations no. 4, Federal Alcohol Administration, so that California champagne, deriving its effervescence solely from the secondary fermentation of the wine within containers of greater than 1 gallon capacity will not be discriminated against in the territory of the United States outside of the State of California; and be it further

Resolved, That a copy of this resolution be transmitted to the President of the United States, and the President of the Senate and to the Speaker of the House of Representatives of the Congress of the United States, and to each of the Members from California of the Senate and House of Representatives of the United States.

The VICE PRESIDENT also laid before the Senate a resolution adopted by a mass meeting of representatives of numerous school boards and other local governing bodies, held at the State capitol, St. Paul, Minn., favoring continuance of the Public Works Administration for not less than 2 years from July 1, 1937, and the appropriation of necessary funds therefor, which was referred to the Committee on Appropriations.

He also laid before the Senate a resolution adopted by the executive committee of the National Association of Supervisors of State Banks, favoring determination by the several States of the extent to which branch banking, if any, should be permitted in the various States, which was referred to the Committee on Banking and Currency.

He also laid before the Senate a resolution adopted by the curators of the Georgia Historical Society, Savannah, Ga., favoring the enactment of pending legislation providing for the erection of a memorial to Gen. Zachary Taylor, twelfth President of the United States, which was referred to the Committee on the Library.

He also laid before the Senate a resolution adopted by the Economy Commission of the Legislature of Puerto Rico, favoring the enactment of the bill (H. R. 4006) for a survey and examination of Jobos Harbor, Guayama, P. R., which was referred to the Committee on Territories and Insular Affairs.

Mr. TYDINGS presented a resolution of the Silver Spring (Md.) Business Men's Association, protesting against the enactment of legislation providing daylight-saving time for the District of Columbia, which was referred to the Committee on the District of Columbia.

He also presented a resolution adopted by a mass meeting held in the Church of the Brethren, Westminster, Md., sponsored in joint executive session by the Carroll and Frederick Counties W. I. L., protesting against the enactment of the bill (S. 25) to prevent profiteering in time of war and to equalize the burdens of war and thus provide for the national defense, and promote peace, which was referred to the Committee on Military Affairs.

Mr. SCHWARTZ presented resolutions adopted by the Casper Trades Assembly and Local No. 230, International Association of Oil Field, Gas Well and Refinery Workers of America, both of Casper, Wyo., favoring the enactment of the so-called O'Mahoney bill, being the bill (S. 10) to regulate interstate and foreign commerce by prescribing the conditions under which corporations may engage or may be formed to engage in such commerce, to provide for and define additional powers and duties of the Federal Trade Commission, to assist the several States in improving labor conditions and enlarging purchasing power for goods sold in such commerce, and for other purposes, which were referred to the Committee on the Judiciary.

Mr. SCHWARTZ also presented the following joint memorial of the Legislature of the State of Wyoming, which was referred to the Committee on Public Lands and Surveys:

Senate joint memorial memorializing Congress to waive the right to impose certain terms of the land grant whereby certain lands were granted to the Territory and State of Wyoming

Whereas that heretofore the Congress of the United States of America passed an act whereby the Territory of Wyoming was admitted into the Union of States, which act was approved on the 10th day of July 1890; and

Whereas by the terms of said act said lands were granted to said State for the establishment and maintenance of an insane asylum in Uinta County, for the establishment and maintenance of a penal reformatory or educational institute in Carbon County, and for a penitentiary then situated in Albany County, and for a fish hatchery then situated in Albany County, and for the deaf, dumb, and blind asylum then situated in Laramie County, and for a miners' hospital, for a poor farm then situated in Fremont County, and for public buildings at the capital of the State in addition to other lands already granted for such purposes, and for State, charitable, educational, penal, and reformatory institutions; and

Whereas that theretofore on the 18th of February 1881, an act was passed by the said Congress whereby certain lands were granted to the Territory of Wyoming for university purposes, which lands were by the terms of an act of admission, July 10, 1890, vested in the State of Wyoming, and, such lands within such grants as had not been selected by said Territory were also vested in said State; and

Whereas by the terms of each and all of said grants there was fixed a minimum limit of $10 per acre for which said lands might be sold by said State; and

Whereas now after the lapse of 40 years and after due effort has been made to sell such granted lands within and subject to the terms of the grant aforesaid, i. e., at the sum of $10 per acre, time and experience have disclosed that the unsold portions of such granted lands are not worth the sum of $10 per acre and cannot be sold for such sum; and

Whereas the minimum limit of $10 per acre as the least price for which such remaining portions of said lands can be sold has proved to be and is now proving to be a hindrance and an obstruction to the sale of said lands and is retarding the disposal thereof, and the development of the State of Wyoming incidental to such disposal: Therefore be it

Resolved by the Senate of the Twenty-fourth Legislature of the State of Wyoming (the house of representatives concurring), That the Congress of the United States take such favorable, necessary, and prompt action as will result in the Government of the United States waiving its right to exact a compliance with the terms of such land grants which fixed the minimum limit of $10 per acre as the least price for which such granted lands may be sold, to the end that the people of the State of Wyoming may dispose of said lands under such laws and regulations as may be prescribed by the legislature of said State, and hereby be permitted to enjoy the benefits of the proceeds of the sale of the lands so as aforesaid granted.

ANTILYNCHING LEGISLATION

Mr. WAGNER presented a letter from the secretary of the College of Bishops, Colored Methodist Episcopal Church, Chicago, Ill., together with resolutions adopted by the College of Bishops and General Connectional Boards of that church, which were referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

CHICAGO, ILL., *May 19, 1937.*

The Honorable Senator ROBERT F. WAGNER,
United States Senate, Washington, D. C.

Honored Sir: Representing the College of Bishops and General Boards of the Colored Methodist Episcopal Church, I am herein presenting to you the enclosed resolutions and expressing to you the hearty appreciation of your valuable service to the loyal but too oft-forgotten minority group, the American Negro, in fostering the antilynching legislation with which your name is inseparably linked.

But surely this is not only a bill destined, when passed, to hearten the Negro group but will raise the ideals of all the American people.

We pray for divine aid to you and your allies in this great effort.

I have the honor to be, yours respectfully,

JAMES A. BRAY,
Secretary, College of Bishops,
Colored Methodist Episcopal Church.

P. S.—You will grant a valuable favor by sending me a copy of the antilynching legislation as it will be presented to the Senate.—J. A. B.

ANTILYNCHING RESOLUTIONS

The College of Bishops and the General Connectional Boards representing one of the largest church organizations among Negroes (400,000 communicants), passed unanimously at their regular annual session, held in the Connectional Publishing House rooms May 4–7, the following resolutions, urging wholehearted support of the Federal antilynching bill passed by the House of Representatives and now before the Senate.

The resolutions said:

"We deplore and brand lynching as a disgrace to our professed Christian ideals, an insult to our courts, a violation of the principles of orderly government, a repudiation of our claims for democratic government, a brutal denial of the constitutional rights pledged every citizen of our great Republic.

"The lynching of human beings in America, with all its attendant brutalities and inhumanities as exhibited in so many instances has awakened the American conscience to the danger of corrupting the American mind to a criminal bent. The records show that by far the Negro people, though constituting but one-tenth of the population of our Nation, furnishes the greater number of lynched victims, which fact leads to the impression that lynching is based most largely on race prejudice, race hatred, with economic rivalry and political agitation as contributing causes.

"In view of the fact that lynching continues and the States in which most lynchings occur do nothing to stop it, compels the idea that the National Government must do something to abolish this crime.

"That the House of Representatives of the United States passed by an overwhelming majority vote the Gavagan Federal antilynching bill lends hope for suppression of this brutal practice.

"Realizing the fact that the final passing of such a bill now rests with the Senate, also that in our Senate such antilynching legislation has been twice defeated, mostly through tactics peculiar to the United States Senate, denominated the filibuster:

"*Resolved*, That we the College of Bishops and the General Connectional Boards of the Colored Methodist Episcopal Church, herein endorse the Gavagan Federal antilynching bill and express our unstinted approval of this legislation.

"*Resolved further*, That we urge the Senate of the United States that they will give wholehearted support in bringing this bill to a vote in the Senate, preventing the usual filibuster, and that they will see the bill through.

"*Resolved*, That we appeal to Senators, north and south, to make this demonstration of their concern in the constitutional rights of every American citizen, and that no stone be left unturned in passing a Federal antilynching bill before the present Congress adjourns.

"We shall with profound interest await the fate of such antilynching bill in the Senate, and shall note with deep concern the earnest efforts of our friends, the enemies of lynching.

"*Resolved*, That we appeal to the President, His Excellency Franklin Delano Roosevelt, that he will use his personal influence in furthering the passage of this Federal antilynching legislation.

"*Resolved*, That copies of these resolutions be sent to the President of the United States, the Vice President, as the President of the Senate, Congressman GAVAGAN, Senators WAGNER and VAN NUYS, and the National Association for the Advancement of Colored People."

The bishops are Bishop E. Cottrell, Holly Springs, Miss.; Bishop C. H. Phillips, Cleveland, Ohio; Bishop R. A. Carter, Chicago, Ill.; Bishop J. C. Martin, Memphis, Tenn.; Bishop J. A. Hamlett, Kansas City, Kans.; Bishop J. W. McKinney, Sherman, Tex.; Bishop H. P. Porter, Jackson, Tenn; Bishop J. A. Bray, Chicago, Ill.; Bishop J. H. Moore, Little Rock, Ark.

The General Connectional Boards represent constituencies throughout the length and breadth of the Nation.

LOW-COST HOUSING

Mr. WAGNER presented various letters and resolutions, and an editorial from the New York Sunday News, pertaining to slum-clearance and low-cost housing, which were referred to the Committee on Education and Labor and ordered to be printed in the RECORD, as follows:

CITY OF NIAGARA FALLS, *May 18, 1937.*

Hon. ROBERT F. WAGNER,
Senate Chamber, Washington, D. C.

DEAR SIR: At a meeting of the City Council of the City of Niagara Falls, N. Y., held May 17, 1937, the council adopted a resolution memorializing the United States Senate to enact at the earliest possible date the United States Housing Act of 1937, being Senate bill 4424, and memorializing the House of Representatives to enact the identical measure, being H. R. 5033, and agreeable to said resolution I am enclosing herewith a certified copy of the same.

Yours respectfully,

GEO. J. RICKERT,
City Clerk.

I hereby certify that the following resolution was adopted at a meeting of the council held May 17, 1937:

"Whereas many persons in this community are unable to provide themselves and their families with decent, safe, and sanitary housing facilities without some degree of aid from Government; and

"Whereas the continued maintenance of our slum areas is not only socially undesirable but constitutes a great economic drain on the community and should, therefore be no longer tolerated; and

"Whereas there has been introduced in the Congress of the United States the United States Housing Act of 1937, being S. 1685 and H. R. 5033, which, if enacted, will make possible the continuation of the low-cost housing activities of this and other communities, and embodies the major provisions of the Housing Act passed by the Senate last year: Now, therefore, be it

"*Resolved*, That the United States Senate be, and it is hereby, memorialized to enact at the earliest possible date the United States Housing Act of 1937, being Senate bill 4424, and that the House of Representatives be, and it is hereby, memorialized to enact the identical measure, being H. R. 5033; be it further

"*Resolved*, That a copy of this resolution be sent to the President and Vice President of the United States, to the Speaker of the House of Representatives, to Senator HUGO BLACK, chairman of the Committee on Banking and Currency of the House of Representatives, to Senators ROBERT F. WAGNER and ROYAL S. COPELAND, and to Representative WALTER G. ANDREWS."

Witness my hand and seal this 18th day of May 1937.

GEO. J. RICKERT,
City Clerk.

Resolution passed by the South Florida District Sunday School and Baptist Young People's Union Conference on the Wagner-Steagall housing bill, Mount Gilboa Church, Bartow, Fla.

Whereas it has been proven that bad housing is detrimental to the health of the people in a community and that slums constitute an economic waste; and

Whereas it is an acknowledged fact that good housing for persons of low income cannot be provided through the ordinary channels of private enterprise; and

Whereas city, State, and National Governments have accepted the principles and acknowledged the obligation of governmental responsibility for the housing of persons who cannot be reached through private enterprise; and

Whereas it is necessary for the Government to bear a certain portion of the burden of financing the clearance of slums and the construction of low-rent housing: Therefore be it

Resolved, That the South Florida District Sunday School and Baptist Young People's Union endorses a bill introduced in the Senate by the Honorable ROBERT F. WAGNER, United States Senator from New York, and in the House of Representatives by the Honorable HENRY B. STEAGALL, Congressman from Pennsylvania, which reads as follows:

"A bill to provide financial assistance to the States and political subdivisions thereof for the elimination of unsafe and insanitary housing conditions, for the provision of decent, safe, and sanitary dwellings for families of low income, and for the reduction of unemployment and the stimulation of business activity, to create a United States Housing Authority, and for other purposes."

Be it further

Resolved, That a copy of this resolution be forwarded to Hon. C. O. ANDREWS and CLAUDE PEPPER, Senators from Florida, and the following Representatives: Hon. J. HARDIN PETERSON, Hon. WILLARD CALDWELL, Hon. MARK WILCOX, Hon. LEX GREEN, and Hon. JOSEPH HENDRICKS, from Florida.

Resolution passed by the Union Foreign District Sunday School and Baptist Young People's Union Convention on the Wagner-Steagall housing bill, assembled in Clearwater, May 21, 1937

Whereas it has been proven that bad housing is detrimental to the health of the people in a community and that slums constitute an economic waste; and

Whereas it is an acknowledged fact that good housing for persons of low income cannot be provided through the ordinary channels of private enterprise; and

Whereas city, State, and National governments have accepted the principles and acknowledged the obligation of governmental responsibility for the housing of persons who cannot be reached through private enterprise; and

Whereas it is necessary for the Government to bear a certain portion of the burden of financing the clearance of slums and the construction of low-rent housing: Therefore, be it

Resolved, That the Union Foreign Baptist Association endorses a bill introduced in the Senate by the Honorable ROBERT F. WAGNER, United States Senator from New York, and in the House of Representatives by the Honorable HENRY B. STEAGALL, Congressman from Pennsylvania, which reads as follows:

"A bill to provide financial assistance to the States and political subdivisions thereof for the elimination of unsafe and insanitary housing conditions, for the provision of decent, safe, and sanitary dwellings for families of low income, and for the reduction of unemployment and the stimulation of business activity, to create a United States Housing Authority, and for other purposes."

Be it further

Resolved, That a copy of this resolution be forwarded to Hon. C. O. ANDREWS and CLAUDE PEPPER, Senators from Florida, and the following Representatives: Hon. J. HARDIN PETERSON, Hon. WILLARD CALDWELL, Hon. MARK WILCOX, Hon. LEX GREEN, and Hon. JOSEPH HENDRICKS, from Florida.

CHICAGO HOUSING AUTHORITY,
Chicago, May 18, 1937.

Senator ROBERT F. WAGNER,
Washington, D. C.

DEAR SIR: I am enclosing a copy of the resolution adopted at their last meeting by the Chicago Housing Authority, endorsing the United States housing bill of 1937.

Our own belief in the importance of this bill is strengthened by the increasing tide of public opinion in Chicago favoring a permanent national housing program on these lines. Recent developments have brought forcibly to our attention the necessity of securing passage of the bill in this session of Congress.

Be assured of our strong support and of our willingness to do everything in our power to aid you in securing its enactment.

Very truly yours,

JOHN R. FUGARD, *Chairman.*

Whereas Chicago, in common with all large American cities, has had a serious shortage of decent, safe, and sanitary housing for families of low income;

Whereas the resulting living conditions have been proven to be detrimental to health and to normal family life, as well as expensive to the taxpayers of the city;

Whereas this situation has become aggravated in recent months, causing extensive doubling up of families in living quarters in many parts of the city;

Whereas these substandard housing conditions are in residential areas in which the families cannot afford to pay enough for housing to induce private enterprise to provide decent facilities for their use;

Whereas the Wagner-Steagall housing bill (S. 1685; H. R. 5033), now pending before Congress would provide financial aid from the Federal Government to local housing authorities and limited-profit housing agencies; and

Whereas the Wagner-Steagall bill recognizes the principles of local responsibility in housing and the limitation of public, subsidized housing to families who cannot get decent housing quarters through the normal workings of private enterprise: Therefore be it

Resolved, That the Chicago Housing Authority hereby heartily endorse the Wagner-Steagall bill now pending in Congress and urge its passage as soon as possible in the present session of Congress; be it further

Resolved, That copies of this resolution be sent to the President of the United States, Senator WAGNER and Congressman STEAGALL, to Senator BLACK, chairman of the Senate Committee on Education and Labor, to Senators LEWIS and DIETERICH, of Illinois, and to all Members of the House of Representatives from the Chicago metropolitan area.

ALUMINUM WORKERS UNION, No. 19256,
Massena, N. Y., May 25, 1937.

Senate bill 1685.

Mr. ROBERT F. WAGNER,
Senator, Senate Building, Washington, D. C.

DEAR MR. WAGNER:

Whereas we in Massena, N. Y., are urgently aware of the bad housing conditions here and elsewhere, of acute housing shortage now rapidly growing worse, of the inability of private enterprise or local initiative alone to remedy this situation, and of the suffering caused by chronic unemployment in the building trades; and

Whereas the Wagner-Steagall housing bill, if enacted, would provide the first concrete step toward solving this tremendous national problem: Be it therefore

Resolved, That Aluminum Workers Union, No. 19256, heartily endorses the Wagner-Steagall bill, and urges its immediate adoption by Congress; and be it further

Resolved, That we hereby petition Congress, in view of the alarming need for new low-rent housing, that the financial provisions be doubled, while the administrative set-up remains intact; and be it further

Resolved, That copies of this resolution be sent to the President, to the Senate Committee on Education and Labor and the House Committee on Banking and Currency, and to the Senators and Congressmen from this State.

Sincerely yours,

FRANK R. MEYERS, *Secretary.*

BIRMINGHAM SUNDAY SCHOOL COUNCIL
OF RELIGIOUS EDUCATION,
Birmingham, Ala., May 24, 1937.

Hon. ROBERT F. WAGNER,
United States Senator from New York,
Washington, D. C.

DEAR SENATOR WAGNER: As secretary of the Birmingham Pastors' Union, and as directed by that body, I am attaching hereto a copy of resolutions passed by them at their recent meeting.

Your careful consideration of their wishes will be very much appreciated.

Respectfully yours,

D. R. PRICE, *Secretary.*

Resolutions by the Pastors' Union of the City of Birmingham, Ala., adopted May 3, 1937, at the regular monthly meeting of that union.

Whereas a large part of our people live in dwellings and neighborhoods so inadequate and so deteriorated as to endanger their health, safety, and morals, and to interfere with their normal family life; and

Whereas the continuance of these conditions encourages the spread of disease, lowers the morale and vitality of the inhabitants, increases the hazards of fire and accidents, conduces to the spread of crime and radicalism, impairs productive efficiency, lowers the standard of living, and necessitates large expenditures of public funds; and

Whereas the continuance of these conditions is inimical to the general welfare of the Nation and calls for the employment of public funds and credit to alleviate and remedy the same; and

Whereas Senate bill 1685, now pending before the Committee on Education and Labor, and House bill 5033, now pending before the Committee on Banking and Currency, would, if enacted into law, provide financial assistance to the States and political subdivisions thereof for the elimination of unsafe and insanitary housing conditions, for the provision of decent, safe, and sanitary dwellings for families of low income who are unable to pay economic rent, and for the reduction of unemployment and the stimulation of business activity: Now, therefore, be it

Resolved by the Pastors' Union of the City of Birmingham, Ala.:

First. That this Pastors' Union urge upon Congress the prompt enactment into law of the legislation aforesaid.

Second. That the secretary of this Pastors' Union be, and he is hereby, directed to send a copy of these resolutions to each of our Representatives and Senators in the Congress and bespeak their support of these measures.

D. R. PRICE, *Secretary.*

THE METHODIST FEDERATION FOR SOCIAL SERVICE,
New York City, May 20, 1937.

Senator ROBERT F. WAGNER,
Senate Office Building, Washington, D. C.

DEAR SENATOR WAGNER: The New York east annual conference of Methodist ministers, a conference that has a membership of over 300 ministers, with churches located in Manhattan, Brooklyn, Queens, Long Island, Westchester County, and Connecticut, at its eighty-ninth session, held at the Central Methodist Episcopal Church, Brooklyn, N. Y., May 12–17, passed the following social-action resolutions by an overwhelming majority:

"4. THE WAGNER ACT

"Because all religious groups have repeatedly declared the right of labor to organize, and also the desirability of democracy in industry, we urge that workers and employers cooperate in the enforcement of the Wagner Act, especially that section which establishes the right of 51 percent or more of the workers to become the representatives of their fellow workers. Discharging of workers for voting their convictions or joining a union should be made a major crime in a democracy."

"2. HOUSING

"We join heartily with the New York Federation of Churches in endorsing Federal housing plans and urge that the providing of decent homes for the one-third of our population inadequately housed is both patriotic and Christian."

It is my understanding that our conference, in endorsing the Federal housing plan, was endorsing the bill that you now have before the United States Senate on the subject of housing.

At the Eighty-eighth Session of the New York East Annual Conference, held at the First Methodist Episcopal Church, Mount Vernon, N. Y., May 28–June 1, 1936, the ministers passed the following resolution:

"7. PUBLIC HOUSING

"Conservative economists are urging that a vast low-cost housing plan costing from five hundred million to one billion per year would provide homes for one-third of our people. It would employ millions now idle in the heavy industries and building trades. If we can spend over $1,000,000,000 annually for war, we cannot reasonably evade our responsibility to provide homes for our lower-income groups.

"Therefore we favor the creation of a permanent Federal public housing authority, which will have power to build decent living quarters for the low-income group in cooperation with local public agencies; and we request Congress and the President to enact legislation such as the Wagner housing bill (S. 4424) now before the Senate, which will establish a 'United States housing authority' for the execution of such low-rent housing and slum-clearance projects through the medium of loans and grants to public housing agencies."

I sincerely hope that our support of your housing bill will help enable you to secure its passage at the present session of Congress.

Sincerely yours,

CHARLES C. WEBBER.

[From the New York Sunday News]

BRITAIN'S 1,200,000 NEW HOUSES

We've all been hearing for years about the successes of Britain's slum clearance and low-rent housing programs that got going after the war, and scattered figures on these achievements have been published here and there. It remained for Langdon W. Post's New York City Housing Authority to write to Herbert Morrison, chairman of the London County Council, ask and get the essential facts from Morrison, and publish them in a valuable booklet just issued. It is called A Housing Tale of Two Cities—London and New York, and copies can be obtained free of charge from New York City Housing Authority, 10 East Fortieth Street, New York City.

The story of what England has done about slum clearance and low-rent housing with its limited national wealth is enough to bring a pretty blush to American cheeks. With our enormous resources, we have done nothing to compare with the British achievements. Yet 40,000,000 out of the 130,000,000 of us live in slum or blighted areas; and the housing shortage resulting from the depression's paralyzing effect on building activity is now pushing up the rents of even our shoddiest, dirtiest, and worst-equipped dwellings.

Since 1919 the United Kingdom has built more than 1,200,000 low-rent dwellings of modern construction. Its current program specifies that 266,000 more slum houses are to be rubbed out and 285,000 new houses built to accommodate 1,240,000 persons.

Students of low-rent housing problems agree that Government subsidy is necessary. This fact frightens economy-minded people, which may account for some of our slowness in clearing slums. Here is a table furnished by Mr. Morrison, showing the city of London's experience in the matter of subsidy:

Dwellings built since 1919	60,000
Number of persons housed	250,000
Capital expenditure	$250,000,000
Deficit subsidy to date	$45,000,000

The taxpayers, in other words, had to absorb a loss of about 20 percent on these projects improving the health, hopes, and, presumably, morals of 250,000 underprivileged people.

The biggest low-rent housing and slum-clearance plan now before this country is the Wagner-Steagall bill in Congress for a billion dollar bond issue spread over 4 years, to complete from 250,000 to 300,000 dwelling units in that period.

COST TO TAXPAYER

Subsidy comes in here, too. The Government under this bill would get back its capital outlay, paid over 60 years from the rents to be charged. It would make up the difference between what is called the economic rental, meaning a rental that will yield a profit, and the rents the low-income group can actually pay.

It is estimated that the taxpayers' bill under this program would be about 40 percent, as against the London taxpayers' bill of 20 percent. But costs are notoriously higher in this country than in England; and it seems reasonable to hope that as we gained some experience in actual large-scale housing projects we could cut down the subsidy costs to the taxpayer.

In any event, the benefits to the Nation would be tremendous; and we have no alternative to Government-financed housing programs if we hope to clean up our slums and blighted areas at all. Private enterprise can't make quick enough or sure enough profits out of such projects; landlords, though many of them hate it, make money by keeping slum property slummy.

Of course, any project of this kind in a democratic country runs the risk of what the other Senator from New York, Dr. COPELAND, is now trying to do to the Home Owners' Loan Corporation. The H. O. L. C. has financed about 1,000,000 people in modernizing or building homes, at 5 percent, the Government guaranteeing both principal and interest on the H. O. L. C. bonds. Out of these one million-odd contracts, the Government has foreclosed on a few; may foreclose on about 160,000 eventually. Senator COPELAND is now organizing a lobby to press Congress for interest cuts and mortgage moratoriums, which would force the H. O. L. C. to do business at a loss—a loss the taxpayers would stand.

But these raids on the taxpayers are always being attempted, and sometimes succeed. We hope Congress will take a chance on that and pass the Wagner-Steagall bill. In addition to forcing large-scale low-rent housing projects into existence, it would force employment of much labor at wages prevailing in each community—the best kind of relief, we believe.

REPORTS OF COMMITTEES

Mr. ADAMS, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 369) to allow credit to homestead settlers and entrymen for certain military service, reported it without amendment and submitted a report (No. 646) thereon.

Mr. SHEPPARD, from the Committee on Military Affairs, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 1210. A bill for the relief of James T. Moore (Rept. No. 647);

S. 2096. A bill for the relief of Roy Chandler (Rept. No. 648); and

S. 2401. A bill for the relief of sergeant-instructors, National Guard, and for other purposes (Rept. No. 649).

Mr. SHEPPARD also, from the Committee on Commerce, to which was referred the bill (S. 2156) to amend the act relating to the Omaha-Council Bluffs Missouri River Bridge Board of Trustees, approved June 10, 1930, and for other purposes, reported it with amendments and submitted a report (No. 652) thereon.

Mr. MINTON, from the Committee on Military Affairs, to which was referred the bill (S. 2097) providing for the advancement on the retired list of the Army of John E. Ketchum, reported it with an amendment and submitted a report (No. 650) thereon.

Mr. BURKE, from the Committee on the Judiciary, to which was referred the bill (H. R. 3411) to amend section 112 of the Judicial Code to provide for the inclusion of Whitman County, Wash., in the northern division of the eastern district of Washington, reported it without amendment and submitted a report (No. 651) thereon.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. DUFFY:

A bill (S. 2517) for the relief of Ruth Eckhardt; to the Committee on Claims.

By Mr. LOGAN:

A bill (S. 2518) to refund taxes collected under the Kerr-Smith Tobacco Act; and

A bill (S. 2519) to extend the benefits of the Employees' Compensation Act of September 7, 1916, to Florida R. Greer; to the Committee on Claims.

By Mr. ELLENDER:

A bill (S. 2520) declaring Bayou Savage, also styled Bayou Chantilly, in the city of New Orleans, La., a nonnavigable stream; to the Committee on Commerce.

By Mr. WALSH:

A bill (S. 2521) to authorize the assignment of officers of the line of the Marine Corps to staff duty only as assistant quartermasters and assistant paymasters, and for other purposes;

A bill (S. 2522) to amend the act approved May 13, 1908 (35 Stat. 128; U. S. C., title 34, sec. 383), relative to retirement of officers of the United States Navy after 30 years' service; and

A bill (S. 2523) to provide for the assignment of officers of the Army, Navy, Marine Corps, Coast Guard, Public Health Service, and Coast and Geodetic Survey, to include retired officers of such services for duty to any inferior civilian office or position under the United States Government or the municipal government of the District of Columbia or any Government owned or controlled corporation, and for other purposes; to the Committee on Naval Affairs.

By Mr. TYDINGS:

A bill (S. 2524) for the relief of Alva Ellsworth Porter; to the Committee on Naval Affairs.

By Mr. McNARY:

A bill (S. 2525) to reduce the rate of interest on loans made under section 32 of the Emergency Farm Mortgage Act of 1933, as amended, and for other purposes; to the Committee on Banking and Currency.

By Mr. THOMAS of Oklahoma:

A bill (S. 2526) to amend section 101 of the Judicial Code; to the Committee on the Judiciary.

By Mr. SCHWARTZ:

A bill (S. 2527) to amend section 11 of the act of Congress approved July 10, 1890 (28 Stat. 664), relating to the admission into the Union of the State of Wyoming; to the Committee on Public Lands and Surveys.

By Mr. BYRD:

A bill (S. 2528) relating to the taxation of securities hereafter issued by or under the authority of the United States and taxation of compensation of officers and employees of the United States; to the Committee on Finance.

A bill (S. 2529) to abolish the Reconstruction Finance Corporation, to provide for the more effective liquidation of loans made by certain other governmental agencies, to eliminate duplication of effort and administrative costs in connection therewith, and for other purposes; and

A bill (S. 2530) relating to the financial administration of the Federal Government; to the Special Committee to Investigate Executive Agencies of the Government (appointed under Senate Resolution 217, 74th Congress).

By Mr. SHEPPARD:

A bill (S. 2531) to authorize the transfer of certain military reservations to other agencies of the Government and

to the people of Puerto Rico, and for other purposes; to the Committee on Military Affairs.

By Mr. WHEELER:

A bill (S. 2532) for the relief of Mrs. G. R. Syth; to the Committee on Claims.

A bill (S. 2533) providing for the advancement on the retired list of the Army of Arthur Glenn; to the Committee on Military Affairs.

By Mr. BONE:

A bill (S. 2534) to authorize the purchase or condemnation of land and the removal thereto of the town of Marcus, Wash., which will be flooded by the Grand Coulee Dam project; to the Committee on Commerce.

By Mr. PEPPER:

A bill (S. 2535) for the relief of E. R. Lowe; to the Committee on Claims.

By Mr. RUSSELL:

A bill (S. 2536) for the relief of S. A. White; to the Committee on Claims.

A bill (S. 2537) to permit the sale of military supplies to organizations of veterans; to the Committee on Military Affairs.

By Mr. CLARK:

A joint resolution (S. J. Res. 153) providing for consideration of a recommendation for decoration of Sgt. Fred W. Stockham, deceased; to the Committee on Military Affairs.

By Mr. BYRD:

A joint resolution (S. J. Res. 154) proposing an amendment to the Constitution of the United States relative to taxes on certain securities and the income derived therefrom and on the compensation of officers and employees of the States and their political subdivisions; to the Committee on the Judiciary.

CHANGES OF REFERENCE

Mr. DUFFY. Mr. President, I ask unanimous consent that the Committee on Claims be discharged from the further consideration of the bill (S. 2419) for the relief of the Sheboygan Chair Co., heretofore introduced by me, and that the bill be referred to the Committee on Finance. The question has been taken up with the Committee on Claims, and they feel that the bill properly should be referred to the Committee on Finance.

The VICE PRESIDENT. Without objection, the change of reference will be made.

On motion by Mr. BLACK, the Committee on Education and Labor was discharged from the further consideration of the bill (S. 719) for the allowance of certain claims for extra labor above the legal day of 8 hours performed by engineers, firemen, laborers, and mechanics while employed in the care of public buildings of the United States outside the District of Columbia certified by the Court of Claims, and it was referred to the Committee on Claims.

AMENDMENTS TO INTERIOR DEPARTMENT APPROPRIATION BILL

Mr. WHEELER submitted amendments intended to be proposed by him to the bill (H. R. 6958) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1938, and for other purposes, which were referred to the Committee on Appropriations and ordered to be printed, as follows:

On page 35, after line 15, to insert the following new paragraph:

"For the rehabilitation and maintenance and operation of the irrigation system on the Blackfoot Indian Reservation, Mont., including the purchase of any necessary rights or property, $95,000, reimbursable."

On page 37, line 17, after the name "Flathead" and the comma, to strike out "$200,000" and in lieu thereof to insert "$300,000."

On page 37, line 18, after the word "reimbursable" and the semicolon, to insert "Crow, $200,000, reimbursable."

On page 71, after line 20, to insert the following new paragraph:

"Marias River, Mont.: For a survey to determine the feasibility of an irrigation project on the Marias River, Mont., $50,000."

DIRECTOR AND ASSISTANT DIRECTOR, BUREAU OF THE BUDGET

Mr. BYRD submitted the following concurrent resolution (S. Con. Res. 15), which was referred to the Special Committee to Investigate Executive Agencies of the Government (appointed under S. Res. 217, 74th Cong.):

Resolved by the Senate (the House of Representatives concurring), That, in order to improve the efficiency of the Bureau of the Budget, the President is requested to appoint a full-time Director and Assistant Director of such Bureau to carry out the powers and duties conferred and imposed upon it by law.

TEMPORARY CLERK TO COMMITTEE ON THE JUDICIARY

Mr. ASHURST submitted the following resolution (S. Res. 138), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That Resolution 116, agreed to April 22, 1937, authorizing the Committee on the Judiciary to employ an assistant clerk for 2 months to be paid from the contingent fund of the Senate at the rate of $120 per month, hereby is continued in full force and effect for an additional period of 2 months.

PRINTING OF PRAYERS OF THE CHAPLAIN

Mr. ROBINSON submitted the following resolution (S. Res. 139), which was referred to the Committee on Printing:

Resolved, That following the biennial adjournment of the present session of Congress the prayers offered by the Reverend ZeBarney T. Phillips, D. D., Chaplain of the Senate, at the opening of the daily sessions of the Senate from the beginning of the first session of the Seventieth Congress to the end of the first session of the Seventy-fifth Congress be printed as a Senate document.

CROP INSURANCE FOR FRUITS AND VEGETABLES

The VICE PRESIDENT. The Chair lays before the Senate a resolution coming over from a previous day, which will be read.

The legislative clerk read the resolution (S. Res. 108), submitted by Mr. PEPPER March 21, 1937, as follows:

Resolved, That the Secretary of Agriculture is requested to transmit to the Senate, at the earliest practicable date, a plan and recommendations for the establishment of a system of crop insurance for fruits and vegetables, and to make such studies as may be necessary in connection therewith.

Mr. McNARY. I ask that the resolution go over.

Mr. ROBINSON. Mr. President, I suggest that the resolution be transferred to the list of resolutions on the table, so that it may not be necessary to call it every day.

The VICE PRESIDENT. Without objection, it is so ordered.

ARLINGTON MEMORIAL ADDRESS BY SENATOR PEPPER

[Mr. ROBINSON asked and obtained leave to have printed in the RECORD a memorial address delivered by Senator PEPPER at Arlington National Cemetery in honor of Vincent B. Costello on May 23, 1937, which appears in the Appendix.]

CONSERVATION OF NATURAL RESOURCES—ADDRESS BY SENATOR SCHWELLENBACH

[Mr. HATCH asked and obtained leave to have printed in the RECORD a radio address on the subject of the Conservation of Natural Resources, delivered by Senator SCHWELLENBACH on May 31, 1937, which appears in the Appendix.]

PRESENT-DAY GOVERNMENTAL PROBLEMS—ADDRESS BY SENATOR BYRD

[Mr. BAILEY asked and obtained leave to have printed in the RECORD an address on the present-day problems of the Government, delivered by Senator BYRD at the University of Richmond, Richmond, Va., on May 28, 1937, which appears in the Appendix.]

RESPONSIBILITY OF GOVERNMENT TO THE PEOPLE—ADDRESS BY THE POSTMASTER GENERAL

[Mr. BARKLEY asked and obtained leave to have printed in the RECORD an address on the subject The Government and Its Responsibility to the People, delivered by Postmaster General Farley at the annual dinner of the Loyola University Alumni Association, at Chicago, Ill., May 24, 1937, which appears in the Appendix.]

TRADE WITH GREAT BRITAIN—ARTICLE BY WILLIAM M'BRIDE

[Mr. BORAH asked and obtained leave to have printed in the RECORD an article on the subject of Our Trade With Great Britain, written by William McBride, which appears in the Appendix.]

CONDITIONS IN PUERTO RICO

[Mr. TYDINGS asked and obtained leave to have printed in the RECORD an editorial from El Pais, of San Juan, P. R., of the issue of May 24, 1937, written by C. Leigh Stephenson.

and entitled "Whitewash by Any Other Name Is Whitewash", which appears in the Appendix.]

THE COURT REORGANIZATION BILL—ARTICLE BY RUBY M. HULEN

[Mr. CLARK asked and obtained leave to have printed in the RECORD an article by Ruby M. Hulen on the subject of the Proposed Reorganization of the Supreme Court, which appears in the Appendix.]

RECAPITULATION OF CONCLUSIONS OF NONPARTISAN SOCIAL SECURITY COMMISSION

[Mr. DAVIS asked and obtained leave to have printed in the RECORD a recapitulation of conclusions reached by the Nonpartisan Social Security Commission, which appears in the Appendix.]

POSITIVE GOVERNMENT FOR DEMOCRACY—ADDRESS BY JOSEPH CARR

[Mr. POPE asked and obtained leave to have printed in the RECORD an address on the subject Positive Government for Democracy, recently delivered by Mr. Joseph Carr, of Kellogg, Idaho, which appears in the Appendix.]

TERCENTENARY OF BIRTH OF PERE MARQUETTE

Mr. DUFFY. Mr. President, on May 28 of this year the President of the United States issued a proclamation requesting that this day, the 1st of June, be observed in honor of Father Marquette. I ask unanimous consent, as a part of my remarks, that the President's proclamation in full may appear in the RECORD.

There being no objection, the proclamation was ordered to be printed in the RECORD, as follows:

TERCENTENARY OF BIRTH OF PERE MARQUETTE

By the President of the United States of America

A PROCLAMATION

Whereas the premable to Public Resolution No. 33, Seventy-fifth Congress, first session, approved May 27, 1937, requesting the President to proclaim the tercentenary of the birth of Pere Jacques Marquette, recites:

"Whereas the 1st day of June 1937 marks the three hundredth anniversary of the birth of Pere Jacques Marquette, the first white man to explore the upper Mississippi Valley; and

"Whereas it is eminently fitting that the tercentenary of the birth of this zealous missionary and fearless explorer should be commemorated by suitable patriotic, religious, and public exercises during such year."

And whereas the text of the said public resolution provides: "That the President of the United States is authorized and requested to issue a proclamation calling upon all officials of the Government to display the flag of the United States on all Government buildings on June 1, 1937, and inviting all people of the United States to observe the day and the anniversary year in schools, churches, and other suitable places, with appropriate ceremonies commemorating the tercentenary of the birth of Pere Jacques Marquette": Now, therefore,

I, Franklin D. Roosevelt, President of the United States, do hereby direct all Government officials to display the flag of the United States on all Government buildings on the 1st day of June 1937, and I invite all people of the United States to observe that day and anniversary year in schools, churches, and other suitable places with appropriate ceremonies commemorating the tercentenary of the birth of Pere Jacques Marquette.

In witness whereof I have hereunto set my hand and caused the seal of the United States of America to be affixed.

Done at the city of Washington this 27th day of May, in the year of our Lord nineteen hundred and thirty-seven, and of the independence of the United States of America the one hundred and sixty-first.

[SEAL] FRANKLIN D. ROOSEVELT.

By the President:

CORDELL HULL,

Secretary of State.

Mr. DUFFY. Mr. President, in the northeastern part of France is located the city of Laon. It is the capital of the Department of Aisne. It is a very ancient town and has been prominent in history for many centuries. Christianity in this city goes back to the third century; and in the year 515 A. D. St. Remy, known as the Apostle to the Franks, constructed at Laon a very small and crude cathedral. From that time on down through the days of the World War, when Laon was occupied by enemy forces, this city has been the center of many historic occasions. But perhaps no event brought the name of Laon to this New World in the Western Hemisphere more than the fact that 300 years ago this date there was born in that city a boy who is honored today by localities and sections which were not on any map of the world at that time.

There has been some difference of opinion as to the date of Marquette's birth. However, later investigations show that June 1 is the correct date, so that today is the three hundredth anniversary of the birth of Father Marquette.

I may say, parenthetically, that until recently there has been some confusion as to the date of Marquette's birth. In a number of early works and writings the date of June 10 was given. However, the most authentic work is by R. G. Thwaites, editor of Jesuit Relations and Allied Documents, who, on page 401, says:

> Until quite recently the accepted date of his birthday was June 10, but a closer inspection of the records in France shows that 1° (die) Junii was mistaken for 10 Junii.

In other words, the contraction "1°" would make the figure appear "10" instead of "1." I think, since Thwaites' investigation, there is little doubt that today is the three hundredth anniversary of Marquette's birth.

In the Middle Ages Laon was known chiefly as a center of learning. A fine Gothic cathedral was constructed early in the twelfth century. For hundreds of years the Laon school was one of the best known in Europe. So many students came to the school that it is said they often exceeded the population of the city itself.

The Marquettes were prominent and well-to-do people in Laon. Jacques Marquette, the youngest son of Nicholas Marquette, is more commonly known in this country as Father Marquette or Pere Marquette.

Marquette grew to manhood under circumstances and surroundings that might have brought him a career of no personal hardship or suffering.

The financial condition of the family was such that many avenues were open to him whereby he could have lived a life of ease and comfort. However, history records that Marquette had, at a very early age, a clear idea of his life's work. It is apparent that he must have read with absorbing interest the reports and accounts received from the missions in New France and America.

On October 6, 1654, Marquette, who was then 17 years of age, entered the Jesuit college in the neighboring city of Nancy. Young Marquette made rapid progress in his studies.

In February 1659 Marquette applied to General Oliva, the head of the order, to be permitted to enter the foreign mission service. This request was denied because he had not yet finished his course in philosophy and theology. It was just at this time that the Jesuit missions in New France were attracting much interest throughout Europe and especially in France. The names of the various Indian tribes, such as Huron, Iroquois, Ottawa, and Algonquin, became familiar, especially to churchmen. As one missionary after another was either destroyed by the Indians or perished because of the hardships of living in the great forests, new recruits came eagerly forward.

Marquette made a second appeal on March 19, 1665, in which he asked to be sent out upon missionary work. On December 8 the necessary permission was given. Marquette stated to his superior:

> I only ask that you give me your blessing so that I may show myself a true son of the society and bring no disgrace upon so good a mother.

Of course, in those days a journey from the shores of France to the St. Lawrence River was in itself a great undertaking, but apparently the voyage was made without undue incident, and Marquette reached Quebec on September 20, 1666.

The first problem, of course, was that missionaries had to learn the language of the Indians, not one language but those of the several tribes that would be encountered. It can be realized that the Indian languages, with their idioms and intricacies, were quite difficult to master. However, Marquette made very rapid progress in mastering the Indian tongues.

Apparently he had arrived in New France at a very auspicious time, as the Governor, Marquis de Tracy, had defeated the Iroquois Indians, and the territory of the Great Lakes was thus opened up. A part of the Huron Indians,

which had gone west before the Iroquois, had now united with the Ottawas, and a settlement was formed on the south shore of Lake Superior, in what is now a part of the State of Wisconsin. In 1665 a mission had been started there by Father Allouez. Many of the several Indian tribes which had been driven out by the Iroquois sought contact with the white men at this place. While these settlements were known as Ottawa missions, they were not exclusively occupied by Indians of the Ottawa tribes but received the name from the Ottawa River, which had to be traversed in order to reach that area.

Miss Louise Phelps Kellogg, senior research associate of the State Historical Society of Wisconsin, has made some interesting researches with reference to the life of Father Marquette, and considerable new information has recently been discovered by her in the Jesuit archives at Rome.

From all the information we have on hand, we know that Father Marquette recognized the great difficuty that was before him when he received the appointment to the Ottawa Mission. "This mission", wrote Marquette, "is very rough. They are 500 leagues from here. There are 56 portages to make before you reach them. For 3 or 4 months you have nothing to eat among them but bits of bark."

The choice of Marquette for this mission was very fortunate indeed. He was well acquainted with the Algonquin language; he was in excellent health, but, most of all, his personality and his gentle ways caused the barbarian Indians to have great confidence in him.

We thus see this young man, who could have had all the reasonable luxuries in life, setting out upon a most difficult and exhausting journey. He had to pack luggage, help make camp, and do all the other duties that the others were required to do on such a voyage. The trip took a period of 10 weeks. There was a shorter path over the Great Lakes, but, because of hostility of the Iroquois, Father Marquette and his party found it necessary to follow the routes of the rivers.

Marquette had been appointed to the mission at Sault Ste. Marie. It had been planned to have a central mission there, in order to keep open the route through Lake Superior and to be the mother house for other missions to be established to the south and west.

The Chippewa Indians received Marquette with a great deal of enthusiasm and were very eager for his instructions. His days were filled with teaching and explaining the Christian mysteries to the tribesmen. He became proficient in six Indian dialects, and this, of course, was a great advantage.

A number of traders and explorers, seeking furs and mines, visited this mission house. In Marquette's first year there one of the visitors was Louis Jolliet, who later became so closely associated with him.

Father Allouez, who was at the La Pointe Mission, had become discouraged because he had not been able to interest sufficiently the Indians in that locality. However, at about that time one division of the Kiskakons decided to embrace Christianity. Likewise, there was a group of Christian Hurons at La Pointe, and, because Marquette had such splendid knowledge of both the Huron and Ottawa languages, he volunteered to go to La Pointe.

Different tribes visited Marquette and especially a number from the south, known as the Illinois. One of these bands left with him a young slave with whom he studied the Illinois language during the long, cold days of 1669 to 1670. These tribesmen often had spoken of a great river in the country where they lived, and Marquette soon formed the resolve that he would like to explore it, and, if possible, establish a mission in their country.

It is very difficult for us to realize the hazy ideas of geography that prevailed when the missionaries were laboring in the wilderness of mid-America. "When the Illinois come to La Pointe, they cross a great river, which is nearly a league in width", Marquette wrote. He described the river as flowing from the north to the south, but said that the Illinois Indians had never heard anyone speak of its mouth. Marquette believed that it emptied into the "South Sea", as the Pacific at that time was known.

It is an interesting coincidence that the Sioux Indians, sometimes called "the Iroquois of the North", who lived along the banks of the Mississippi, should have been the cause of Marquette abandoning the region of Lake Superior. The Ottawa and Hurons, fearing reprisals by roving bands of Sioux Indians, decided to desert their villages, and Father Marquette accompanied the Hurons to the Mission of St. Ignace.

Marquette made one more visit to Sault Ste. Marie, and there took his final vows of poverty, chastity, and obedience on the 2d day of July 1671.

While Marquette was at St. Ignace his great opportunity came to find the river of which the Indians had so often spoken. Count de Frontenac, the new Governor for New France, had arrived. He decided to enlarge the Empire of France in the New World. He selected Louis Jolliet, who had already visited the upper country, to have charge of the undertaking. Jolliet went to the Ottawa country in 1672, so as to be ready to start the journey in the spring of 1673. Marquette was still the youngest missionary in the West, and his place could be easily filled. During the winter Jolliet and Marquette made the plans for their trip. On May 17, 1673, a little flotilla of two bark canoes containing seven men set out from Mackinac Island.

Marquette drew a chart showing the south shore of Lake Superior and the west shore of Lake Michigan. He indicated the degrees of latitude as far south as Florida.

Marquette wrote that the only provisions were Indian corn and some smoked meat, and that he and Jolliet were fully resolved to do and suffer everything for so glorious an undertaking.

The voyagers went down the shores of Lake Michigan until they reached Green Bay. They then went into what is known as the lower Fox River to the Mission of St. Francis Xavier at what is now DePere, Wis. Thus far other Frenchmen, missionaries, and traders had been before them. Those at this mission attempted to dissuade Marquette from going farther, and tales were told of savage warriors and horrible marine monsters who devoured men and canoes. "I thanked them for their good advise that they gave me," Marquette wrote, "but told them I could not follow it, because the salvation of souls was at stake, for which I wou'd be delighted to give my life."

They then ascended the Fox River, and portages were made at what is known now as Kaukauna and Appleton, Wis. As Marquette wrote—

> They were very difficult of passage on account of both currents and the sharp rocks, which cut the canoes and the feet of those who were obliged to carry them.

But the going was somewhat easier as they approached Lake Winnebago, and in that lake they apparently went along the west shore, and then left Winnebago at the point where the city of Oshkosh is now located. This is a point that I can see from the front porch of my summer cottage on that lake.

As they went up the Fox River they came to the Mascouten village, where Father Allouez had established the St. Jacques Mission and erected a large cross. No white man had ever ventured beyond this village. Marquette, it is said, drank from the spring near this cross, and this is known even to this day as "Marquette's well." This village is undoubtedly near the present site of the cities of Berlin and Princeton, Wis.

About 8 miles above this village lay the portage to the Wisconsin River. At this point, after their canoes had been set into the Wisconsin River, the guides left for home, as Father Marquette expressed it, "leaving us alone in this unknown country in the hands of Providence." Father Marquette refers to this river as the "Meskousing", which was the earliest Indian name for Wisconsin.

On June 17, just a month from the time they left the Straits of Mackinac, the two canoes shot out from the mouth of the Wisconsin into the Mississippi River. Marquette wrote:

> At 42½° of latitude we safely entered the Mississippi on the 17th of June with a joy that I cannot express.

The party floated down the Mississippi, seeing nothing but deer, turkeys, and various kinds of game. On June 25 they discovered an Indian village and the tribesmen proved to be Illinois. They welcomed Marquette with great enthusiasm. They again set down the river as far as 34° of latitude, and it was there that they learned there were white men on the river below. It was apparent to Marquette that these men must be Spaniards, with whom the French were then at war. It became clear also that the river emptied into the Gulf of Mexico, and so they turned northward again.

Instead of retracing their steps, Marquette and Jolliet ascended the Illinois River and portaged to the Chicago River. They were the first white men to stand on the site of the great city of Chicago.

In September, after skirting the shores of Lake Michigan and Green Bay, Marquette and his party reached the St. Xavier Mission. Jolliet returned to Canada to report his discoveries. Before he reached Montreal, Jolliet's canoe overturned and he lost all his papers and maps. Thus it was that Marquette's journal is the only record of the expedition; and while most of the credit of the journey is usually given to Marquette, he generously and unselfishly gave this credit to Jolliet.

As the result of this voyage of exploration, Marquette suffered an ailment that defied all efforts to cure. During the winter of 1673–74, and the following summer, he was incapacitated by illness. He was not able until the following November to leave in company with two Frenchmen to establish his promised mission among the Illinois Indians.

The voyagers went down Lake Michigan, and by the time they reached the river of the Illinois the winter season had set in. On the present site of the city of Chicago a cabin was constructed; and although Marquette's health was in a perilous condition, he continued his work as a missionary.

On March 29 of the following year they resumed their journey. Eleven days later they arrived at the Illinois village. When Marquette arrived at this village he was received with the greatest enthusiasm, but as the warm weather came his condition of health became more precarious. He apparently had lost hope for his recovery, but decided that he would attempt to reach his beloved St. Ignace. Marquette's strength failed rapidly, and on May 17 they put ashore at the mouth of a little river, in what is now Michigan, ever since called by his name. On Saturday, May 18, on the site of the present city of Ludington, the dauntless spirit of Father Marquette left his disease-racked body under circumstances precisely as he had always desired.

In the spring of 1676 the Indians who made their home at Mackinac, returning from the winter's hunting, found Marquette's grave. They uncovered his body and, after cleaning and drying the bones according to their custom, set out in 30 canoes for St. Ignace. The remains were placed in a small vault in the church at that place. Fire destroyed this church in 1700, and not until 1877 were the remains of the great missionary again uncovered.

Marquette died at the age of 38, after only 9 years of labor in his chosen field as a missionary among the Indians. His name is revered wherever dauntless courage and unwavering faith are honored.

Marquette University in Milwaukee, one of the very fine and outstanding schools in this Nation and where at least some of his bones repose today, was named in his honor. At Prairie du Chien, Wis., where Marquette first saw the Mississippi River, there is a statue of him. The Wisconsin State Legislature selected Marquette as one of the two men to be honored by a statue in the Hall of Fame in this Capitol.

Overlooking Pere Marquette Lake near Ludington, Mich., a granite rock commemorates Pere Marquette's death. A simple stone, surmounted by a cross, marks his final resting place at Pointe St. Ignace. In 1884 a statue of Father Marquette was placed in the facade of the city hall in Detroit. At Portage, Wis., a stone monument establishes the site where Marquette entered the Wisconsin River. In 1895 a statue was unveiled in the city square of Marquette, Mich., and in the same year a Marquette monument was erected in the State of Illinois at Summit.

Mackinac Island dedicated a statue in 1909 in the center of Marquette Park. It is a copy of the statue located in the corridors of this building. A granite marker is located in Dewey State Park, at the mouth of the Wisconsin River, and commemorates the greatest explorative feat of the missionary. The new bridge near the mouth of the Chicago River is known as the Jolliet and Marquette Bridge.

There are numerous other memorials in many cities, and other political divisions are named in honor of Father Marquette; but the greatest memorial is that important portion of this Nation which was opened, due to his courage and zeal.

No State in the Union, as now designated, was more thoroughly covered in the travels of the famous missionary than my State of Wisconsin. In addition to going through the very center of the State on his trip up the Fox and down the Wisconsin Rivers, on his second voyage he passed by the present location of such thriving, prosperous Wisconsin cities as Sturgeon Bay, Algoma, Kewaunee, Two Rivers, Manitowoc, Sheboygan, Port Washington, Milwaukee, Racine, and Kenosha.

Of course it might be stated that if Marquette had not undertaken this journey, eventually someone else would have done so; but the fact remains that it was Marquette and Jolliet who went into this unknown wilderness and made these great discoveries. When their reports went back to the Old World they created a sensation. It was Marquette's journal that first brought to the attention of the world the knowledge of the invigorating climate, the fertile soil, and the transportation possibilities in the Mississippi Valley and the Great Lakes Basin.

Wisconsin is indeed happy, on this three hundredth anniversary of the birth of Father Marquette, to pay tribute to this brave, courageous, God-fearing man.

CONDITIONS IN PUERTO RICO

Mr. BORAH. Mr. President, I desire to ask a question of the chairman of the Committee on Territories and Insular Affairs.

This morning the Senator put in the RECORD an editorial with reference to the action of the independents in Puerto Rico. I am informed that within the past few days every effort has been made by the authorities in Puerto Rico to prevent anything in the nature of public meetings, or expressions on the part of the people in public meetings of their views as to independence, or as to Territorial government or as to statehood. What does the Senator from Maryland know in regard to that?

Mr. TYDINGS. Mr. President, I am not sufficiently well informed to give the Senator an accurate answer to his question. I think the Senator is referring to the disorders that broke out in the city of Ponce as the result of parading without a permit. Outside of that one occasion, I have no accurate knowledge of the situation to which the Senator refers.

Mr. BORAH. I am advised that the Governor of Puerto Rico has adopted something in the nature of an iron rule with reference to public meetings or demonstrations of any nature or kind relating to political questions. I have not introduced a resolution in regard to the matter because it was my purpose to call the Senator's attention to it; but if the statements which have been made to me are true, it is a subject about which we ought to take some action.

Mr. TYDINGS. Insofar as I know, outside of the incident to which I have alluded, there has been no effort by the administration in Puerto Rico to prevent assemblages about political matters. There may have been such efforts, but I have no knowledge of them.

Mr. BORAH. When I refer to the administration, of course, I mean the local administration. I am told that the Governor dashes around through the towns and cities like a Roman consul surrounded by guards. If the Senator from Maryland does not have some better way to ascertain the facts, I shall be glad to secure them through investigation; but I should prefer to have them come, if it is practicable to do so, through a report by the Governor in the first instance.

Mr. TYDINGS. If the Senator would like to have that information, and would like me to get it, I shall endeavor to get it both from the Governor and from other sources, so that, whether the accusation be well founded or not, the matter can be cleared up in the light of the facts so far as I am able to ascertain them. Of course, the Senator from Idaho can get the facts as easily as I; but if he would like to have me, as chairman of the committee, act in the matter, I shall be glad to do so.

Mr. BORAH. I thought the Senator, as chairman of the committee, would be better able to ascertain the facts.

PREVENTION OF INCOME-TAX EVASION

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States, which was read, referred to the Committee on Finance, and ordered to be printed, as follows:

To the Congress of the United States:

A condition has been developing during the past few months so serious to the Nation that the Congress and the people are entitled to information about it.

The Secretary of the Treasury has given me a report of a preliminary study of income-tax returns for the calendar year 1936. This report reveals efforts at avoidance and evasion of tax liability so widespread and so amazing, both in their boldness and their ingenuity, that further action without delay seems imperative.

We face a challenge to the power of the Government to collect uniformly, fairly, and without discrimination taxes based on statutes adopted by the Congress.

Mr. Justice Holmes said, "Taxes are what we pay for civilized society." Too many individuals, however, want the civilization at a discount.

Methods of escape or intended escape from tax liability are many. Some are instances of avoidance which appear to have the color of legality; others are on the border line of legality; others are plainly contrary even to the letter of the law.

All are alike in that they are definitely contrary to the spirit of the law. All are alike in that they represent a determined effort on the part of those who use them to dodge the payment of taxes which Congress based on ability to pay. All are alike in that failure to pay results in shifting the tax load to the shoulders of others less able to pay and in mulcting the Treasury of the Government's just due.

I commend to your attention the following letter from the Secretary of the Treasury:

THE SECRETARY OF THE TREASURY,
Washington, May 29, 1937.

MY DEAR MR. PRESIDENT: As you know, the Treasury was surprised and disturbed by the failure of the receipts from the income tax on March 15 to measure up to the Budget estimates. Therefore we undertook an immediate investigation. Only a preliminary report can be made at this time, because the complete investigation, covering all the income-tax returns filed, will require the balance of this year. Furthermore, since many of the returns of large manufacturing corporations have not yet been filed, the present report is confined almost wholly to data disclosed by the individual tax returns.

But even this preliminary report discloses conditions so serious that immediate action is called for. More than the usual examination and audit by the Treasury is needed. It seems clear that if tax evasion and tax avoidance can be promptly stopped through legislation and regulations resulting from a special investigation, a very large portion of the deficiency in revenues will be restored to the Treasury.

I herewith enumerate some of the principal devices now being employed by taxpayers with large incomes for the purpose of defeating the income taxes which would normally be payable by them. As we continue our preliminary examination other devices are being disclosed.

1. THE DEVICE OF EVADING TAXES BY SETTING UP FOREIGN PERSONAL HOLDING CORPORATIONS IN THE BAHAMAS, PANAMA, NEWFOUNDLAND, AND OTHER PLACES WHERE TAXES ARE LOW AND CORPORATION LAWS LAX

Americans have formed 64 such companies in the Bahamas alone in 1935 and 1936, and 22 more were organized by Americans in the Bahamas during the past 2 months. Panama and Newfoundland seem to be even more fertile territory since their corporation laws make it more difficult to ascertain who the actual stockholders are. Moreover, the stockholders have resorted to all manner of devices to prevent the acquisition of information regarding their companies. The companies are frequently organized through foreign lawyers, with dummy incorporators and dummy directors, so that the names of the real parties in interest do not appear.

One American citizen with a $3,000,000 Bahamas corporation has apparently attempted to prevent the Bureau of Internal Revenue from catching up with him by filing his individual tax returns in successive years from towns in New Brunswick, British Columbia, and Jamaica.

Another individual believes that he has been so successful in removing his assets from the United States to the Bahamas that he is defying the Treasury to collect a tax upon a $250,000 fee he has received; and by way of insult he has offered to compromise his admitted tax liability of $33,000 for past years by a payment of $1,700.

Still another individual showed a large net loss on his personal return for 1936. In considerable part the loss was due to the large deduction he claims for interest on a loan made to him by his personal holding company. But the man in question is no object of charity, for his personal holding company, organized in Canada, had an income of over $1,500,000 from American dividends in 1936, though it has not yet filed a return.

Perhaps the most flagrant case of this character is that of a retired American Army officer with a large income from valuable American securities which he desires to sell at a very large profit. To escape our income and inheritance tax laws he used the device of becoming a naturalized Canadian citizen, and 6 days later organized four Bahamas corporations to hold his securities. He and his lawyers apparently think that he can now sell his securities free from any taxes on his profits, since there are no income taxes in the Bahamas, and that he has adroitly escaped American taxes.

2. THE DEVICE OF FOREIGN INSURANCE COMPANIES

Two New York insurance agents have caused the organization of insurance companies in the Bahamas with a view to enabling taxpayers to secure spurious deductions for interest through an ingenious scheme for the issuance of life-insurance policies. Americans who went into the scheme purported to pay a large single premium for their policies, but immediately borrowed back practically the entire sum. Under the plan the so-called policyholders sought to obtain a large deduction for interest on this loan, although the fact was that no interest was really paid. By this means five prominent Americans sought to evade nearly $550,000 in income taxes in the years 1932 to 1936. This fraud was discovered by the Treasury's investigators and all of the taxpayers have now submitted offers to pay the full amount of taxes evaded, plus interest. Until our investigation is completed we do not know how many similar companies may have been organized in other countries and utilized by our citizens, nor do we yet know whether this newly invented type of fraud has other ramifications.

3. THE DEVICE OF DOMESTIC PERSONAL HOLDING COMPANIES

The rates of tax applicable to personal holding companies were reduced in 1936 at the time of the enactment of the undistributed profits tax. It was believed at that time that the combined rates of the two taxes would be sufficient to insure the distribution of the entire incomes of these companies, and the consequent imposition of surtaxes upon their owners. This expectation has not been realized.

Thus the single stockholder of one large personal holding company saved himself $322,000 by causing his company to distribute none of its income to him.

In another case a man and his wife saved $791,000 through the use of personal holding companies in 1936.

In a third case the personal holding company reported over $500,000 of net income, but the total taxes paid by the two stockholders, husband and wife, were less than $60,000, due principally to credits for payments on indebtedness the holding company prudently incurred in accumulating properties for its owners. If the personal holding company had not been in existence, the stockholders would have paid over $200,000 additional income taxes.

Another favorite device is to organize a considerable number of personal holding companies not only for the sake of reducing the tax but of increasing the Treasury's difficulties in auditing transactions between companies. At last accounts one man had caused to be set up some 96 companies scattered all over the country. Two other individuals were utilizing 23 personal holding companies.

4. THE DEVICE OF INCORPORATING YACHTS AND COUNTRY ESTATES

Many wealthy taxpayers today are dodging the express provisions of the law denying deductions for personal expenses by incorporating their yachts or their country estates, turning over to the yacht or to the estate securities yielding an income just sufficient to pay the entire expenses of operation. Hundreds of thousands of dollars in income taxes are annually avoided in this way.

Thus one man's yacht is owned by his personal holding company, along with $3,000,000 in securities. He rents the yacht from his company for a sum far less than the cost of upkeep, and the com-

pany uses its income from the securities to pay the wages of the captain and crew, the expenses of operating the yacht, and an annual depreciation allowance. None of these items would be deductible if this individual owned the yacht personally.

A great many wealthy taxpayers are utilizing a similar arrangement for the operation of their country places and town houses.

One man has placed his $5,000,000 city residence in such a corporation; another his racing stable, whose losses last year were nearly $200,000. The tax savings he thus sought to obtain through the use of the holding company were $140,000.

One wealthy woman has improved on the general plan of evasion by causing her personal holding company, which owns her country place, to employ her husband at a salary to manage it. She can thereby supply him with pocket money, and in effect claims a tax deduction for the expense of maintaining him.

5. THE DEVICE OF ARTIFICIAL DEDUCTIONS FOR INTEREST, LOSSES, ETC.

Taxpayers are seeking greatly to reduce their personal income taxes by claiming deductions for interest on loans to them by their personal holding companies, or on loans to them by their family trusts. These transactions normally have no business purpose, but are mainly an artificial means of shifting income from one member of the family subject to high surtax rates to another member of the family subject to lower rates.

Thus, one woman claims a large annual deduction for interest on a loan made to her by her husband as trustee of a trust which she created for their children. The mother thereby seeks to secure a deduction for her contribution to the children's support, and since the trust is revocable by her husband, the parents still have the desired control over the property and its income.

In the same category are losses deducted by taxpayers who claim that their racing stables or hobby farms were operated for profit, even though a profit is never realized. Thus a prominent manufacturer seeks a deduction of over $125,000 against his income from his business on account of his losses in operating a chicken farm.

6. THE DEVICE OF THE CREATION OF MULTIPLE TRUSTS FOR RELATIVES AND DEPENDENTS

Splitting income two ways, between husband and wife, reduces income taxes and leaves the family income intact. Splitting the family income many ways by means of many trusts, all for the same beneficiaries, may effect a much greater saving, while leaving the money actually in the same hands. For the creator of the trust often constitutes himself or his wife as trustee, and thus retains full control over the investment and disposition of the fund itself and of its income.

One thrifty taxpayer has formed 64 trusts for the benefit of four members of his immediate family and thereby claims to have saved them over $485,000 in 1 year in taxes.

Another thrifty pair have constituted 40 trusts for their relatives, and a prominent lawyer and his wife utilize 16 trusts for the same purpose. The first pair maintains numbered brokerage accounts, and only at the end of the year are the beneficial owners identified. In this way innumerable transactions are carried on, often between accounts, which do not actually affect the beneficial interests of their owners but which are designed solely to reduce tax liability.

7. THE DEVICE OF HUSBAND AND WIFE OR FATHER AND CHILDREN PARTNERSHIPS

The purpose of these partnerships, like the multiple trusts, is to split the family income artificially into two parts; or, if the children are taken in, into still smaller fractions.

There are many instances of this kind; but to illustrate the point, it is sufficient to cite the case of a New York brokerage firm which late in 1935 admitted into partnership the four minor children, two boys and two girls, of one of the partners. The tax saving he sought thereby in 1936 amounted to over $50,000.

8. THE DEVICE OF PENSION TRUSTS

For 10 years the revenue acts have sought to encourage pension trusts for aged employees by providing corporations with a special deduction on account of contributions thereto and exempting the trust itself from tax. Recently this exemption has been twisted into a means of tax avoidance by the creation of pension trusts which include as beneficiaries only small groups of officers and directors who are in the high-income brackets. In this fashion high-salaried officers seek to provide themselves with generous retiring allowances, while at the same time the corporation claims a deduction therefor, in the hope that the fund may accumulate income free from tax.

Thus in one case $43,000 is annually appropriated by the corporation to a pension trust for the benefit of its two chief owners. One of the co-owners will retire at the age of 65 with a monthly pension of $1,725, and the other will retire at 60 with a monthly pension of $1,425.

These types of tax avoidance are sufficient to show that there is a well-defined purpose and practice on the part of some taxpayers to defeat the intent of Congress to tax incomes in accordance with ability to pay. In some cases, the Bureau of Internal Revenue under existing law can establish a liability or indeed proceed on the ground of fraud; but many of these cases fall in the category of a legal though highly immoral avoidance of the intent of the law. It seems, therefore, that legislation should be passed at this session of the Congress in order to eliminate these loopholes which our preliminary investigation has proved; and that as a result of the further investigation this summer and autumn the next session of the Congress should finally close any further loopholes which may be discovered.

In addition to these cases of moral fraud, there are three other major instances in which the law itself permits individuals and corporations to avoid their equitable share of the tax burden.

I. PERCENTAGE DEPLETION

This is perhaps the most glaring loophole in our present revenue law. Since 1928 large oil and mining corporations have been entitled to deduct from 5 to 27½ percent of their gross income as an allowance for the depletion of their mines or wells, and the deduction may be taken even though the cost of the property has been completely recovered. Thus, in 1936, one mining company deducted nearly $3,000,000 under this provision, although it had already completely recovered the cost of its property. The amount of the deduction was a sheer gift from the United States to this taxpayer and its stockholders, and the revenue that we lost thereby was $818,000. Similar annual losses of revenue in the cases of a few other typical companies are $584,000, $557,000, $512,000, $272,000, $267,000, $202,000, and $152,000. The estimated annual loss of revenue due to this source alone is about $75,000,000. I recommended in 1933 that this provision be eliminated but nothing was done at that time; and it has since remained unchanged.

II. THE DIVISION OF INCOME BETWEEN HUSBAND AND WIFE IN THE EIGHT COMMUNITY PROPERTY STATES

This is another major cause of revenue loss, which is unjustifiable because obtained at the expense of taxpayers in the 40 States which do not have community property laws. A New York resident with a salary of $100,000 pays about $32,525 Federal income tax; a Californian with the same salary may cause one-half to be reported by his wife and the Federal income taxes payable by the two will be only $18,626. The total loss of revenue due to this unjustifiable discrimination against the residents of 40 States runs into the millions.

III. TAXATION OF NONRESIDENT ALIENS

The 1936 act eliminated the requirement that a nonresident alien (without United States office or business) should file a return; fixed the withholding rate for individuals at 10 percent; and freed the nonresident alien from taxation on American capital gains. Since the total Federal tax upon a citizen or resident amounts to 10 percent of his total net income at about $25,000 (in the case of a married individual with no dependents), the withholding rate has proved in practice to be too low as applied to wealthy nonresident alien individuals. There are a number of cases of nonresident aliens with large incomes from American trusts or with large American investments whose taxes have been cut to one-third or one-fifth of what they paid under the prior act.

Thus, one American woman who married an Englishman had an income from this country in 1935 of nearly $300,000. Her tax for 1936 will, therefore, be approximately $30,000 as against over $160,000 under the prior law.

Another American woman who married a Frenchman has an income of over $150,000 from American trusts, on which she paid a tax of about $55,000 in 1935. Her tax is reduced to about $15,000 by the 1936 law. Although the tightening of the withholding provisions in 1936 will tend to insure more revenue from nonresident aliens in the lower income brackets, the present taxing provisions are not satisfactory as applied to nonresident aliens with income in the higher brackets.

The problem of tax avoidance is not new. The Congress devoted particular attention to it in 1933 and 1934, and by legislation effectively put a stop to many evasive devices discovered then as having been in use. The practices outlined above can and should be stopped in the same way.

In conclusion, I have two observations to make from the evidence before me. In the first place, the instances I have given above are disclosed by a quick check of comparatively few individual returns. As I have said before, most of the large corporation returns have not yet been filed. The general audit of 1936 returns is just beginning. Nevertheless it is likely that the cases I have digested above are symptomatic of a large number of others, which will be disclosed by the usual careful audit.

In the second place, the ordinary salaried man and the small merchant does not resort to these or similar devices. The great bulk of our 5,500,000 returns are honestly made. Legalized avoidance or evasion by the so-called leaders of the business community is not only demoralizing to the revenues; it is demoralizing to those who practice it as well. It throws an additional burden of taxation upon the other members of the community who are less able to bear it and who are already cheerfully bearing their fair share. The success of our revenue system depends equally upon fair administration by the Treasury and upon completely honest returns by the taxpayer.

The disclosures are so serious that I recommend that authority be given to the Treasury Department, with an adequate appropriation, in order that a complete and immediate investigation may be conducted. The cost of such an investigation will be returned many times over to the Treasury of the United States.

Faithfully,

HENRY MORGENTHAU, JR.

The PRESIDENT,
The White House.

A feeling of indignation on reading this letter will, I am confident, be yours, as it was mine.

What the facts set forth mean to me is that we have reached another major difficulty in the maintenance of the normal processes of our Government. We are trying harder than ever before to relieve suffering and want, to protect the weak, to curb avarice, to prevent booms and depressions, and to balance the Budget. Taxation necessary to these ends is the foundation of sound governmental finance. When our legitimate revenues are attacked, the whole structure of our Government is attacked. "Clever little schemes" are not admirable when they undermine the foundations of society.

The three great branches of the Government have a joint concern in this situation. First, it is the duty of the Congress to remove new loopholes devised by attorneys for clients willing to take an unethical advantage of society and their own Government. Second, it is the duty of the executive branch of the Government to collect taxes, to investigate fully all questionable cases, to prosecute where wrong has been done, and to make recommendations for closing loopholes. Third, it is the duty of the courts to give full consideration to the intent of the Congress in passing tax laws and to give full consideration to all evidence which points to an objective of evasion on the part of the taxpayer.

Very definitely, the issue immediately before us is the single one relating to the evasion or unethical avoidance of existing laws. That should be kept clearly in mind by the Congress and the public. Already efforts to befog this issue appear. Already certain newspaper publishers are seeking to make it appear—first, that if an individual can devise unanticipated methods to avoid taxes which the Congress intended him to pay, he is doing nothing unpatriotic or unethical; and, second, that because certain individuals do not approve of high income tax brackets, or the undistributed earnings tax, or the capital gains tax, the first duty of the Congress should be the repeal or reduction of those taxes. In other words, not one but many red herrings are in preparation.

But it seems to me that the first duty of the Congress is to empower the Government to stop these evil practices, and that legislation to this end should not be confused with legislation to revise tax schedules. That is a wholly different subject.

In regard to that subject, I have already suggested to the Congress that at this session there should be no new taxes and no changes of rates. And I have indicated to the Congress that the Treasury will be prepared by next November to present to the appropriate committees information on the basis of which the Congress may, if it chooses, undertake revisions of the tax structure.

The long-term problem of tax policy is wholly separate from the immediate problem of glaring evasion and avoidance of existing law.

In this immediate problem the decency of American morals is involved.

The example of successful tax dodging by a minority of very rich individuals breeds efforts by other people to dodge other laws as well as tax laws.

It is also a matter of deep regret to know that lawyers of high standing at the bar not only have advised and are advising their clients to utilize tax avoidance devises, but are actively using these devises in their own personal affairs. We hear too often from lawyers, as well as from their clients, the sentiment, "It is all right to do it if you can get away with it."

I am confident that the Congress will wish to enact legislation at this session specifically and exclusively aimed at making the present tax structure evasion-proof.

I am confident also that the Congress will give to the Treasury all authority necessary to expand and complete the present preliminary investigation, including, of course, full authority to summon witnesses and compel their testimony. The ramifications and the geographical scope of a complete investigation make it necessary to utilize every power of government which can contribute to the end desired.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 1, 1937.*

Mr. HARRISON. Mr. President, the message of the President explains itself. Of course, both the Senate and the House heretofore, upon the advice of experts, have made every effort to plug every loophole that might be found in the tax laws; but these revelations are so startling that I am sure the sentiment of the Congress will be to set in motion the machinery to obtain the necessary information as soon as possible, and, after it has been acquired, then to endeavor to provide some plan, working with experts, that will plug the loopholes that may be found.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. HARRISON. I yield.

Mr. CONNALLY. When the Senator says "experts", he means experts furnished by the Treasury Department, does he?

Mr. HARRISON. Yes. We have, of course, acccepted opinions of experts outside the Treasury Department, but we have followed, for the most part, the experts of the Treasury Department and our own experts of the Joint Commite on Internal Revenue Taxation.

Mr. CONNALLY. Will the Senator yield further?

Mr. HARRISON. Yes.

Mr. CONNALLY. What the Senator from Texas meant to indicate was that the Senate Finance Committee, in the enactment of the last tax act, cooperated with and undertook to follow the advice and suggestions of experts outside the Treasury with reference to filling up the loopholes so far as it could find loopholes at that time.

Mr. HARRISON. The Senator is absolutely correct.

Mr. BARKLEY. Mr. President, will the Senator from Mississippi yield there?

Mr. HARRISON. I yield.

Mr. BARKLEY. The message of the President and the letter of the Secretary of the Treasury indicate that there are probably just as good experts outside the Treasury as there are inside.

Mr. HARRISON. Mr. President, the revelations of this message with reference to the creation of corporations by American citizens in foreign countries are, in my opinion, the most startling of any and show the extremes to which various wealthy people have gone in the creation of personal holding companies. So the whole situation ought to be investigated.

I now introduce a joint resolution, which I ask to have read to the Senate, after which I shall ask for its immediate consideration.

The PRESIDENT pro tempore. Without objection, the resolution will be received and read.

The joint resolution (S. J. Res. 155) to create a Joint Congressional Committee on Tax Evasion and Avoidance was read the first time by its title and the second time at length, as follows:

Resolved, etc., That (a) there is hereby established a joint congressional committee to be known as the Joint Committee on Tax Evasion and Avoidance (hereinafter referred to as the joint committee).

(b) The joint committee shall be composed of six Members of the Senate who are members of the Committee on Finance, appointed by the President of the Senate, and six members of the House of Representatives who are members of the Committee on Ways and Means, appointed by the Speaker of the House of Representatives. A vacancy in the joint committee shall not affect the power of the remaining members to execute the functions of the joint committee, and shall be filled in the same manner as the original selection.

SEC. 2. It shall be the duty of the joint committee to investigate the methods of evasion and avoidance of income, estate, and gift taxes, pointed out in the message of the President transmitted to Congress on June 1, 1937, and to report to the Senate and the House, at the earliest practicable date, and from time to time thereafter, but not later than January 5, 1938, its recommendations as to remedies for the evils disclosed by such investigation.

SEC. 3. (a) The joint committee, or any subcommittee thereof, shall have power to hold hearings and to sit and act at such

places and times, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, to have such printing and binding done, and to make such expenditures as it deems advisable. Subpenas shall be issued under the signature of the chairman of said joint committee, and shall be served by any person designated by him. Amounts appropriated for the expenses of the joint committee shall be disbursed one-half by the Secretary of the Senate and one-half by the Clerk of the House. The provisions of sections 101 and 102 of the Revised Statutes shall apply in case of any failure of any witness to comply with any subpena, or to testify when summoned, under authority of this joint resolution.

(b) (1) The Secretary of the Treasury and any officer or employee of the Treasury Department, upon request from the joint committee, shall furnish such committee with any data of any character contained in or shown by any return of income, estate, or gift tax.

(2) The joint committee shall have the right, acting directly as a committee, or by or through such examiners or agents as it may designate or appoint, to inspect any or all such returns at such times and in such manner as it may determine.

(3) The joint committee shall have the right to submit any relevant or useful information thus obtained to the Senate, the House of Representatives, the Committee on Ways and Means, or the Committee on Finance, and shall have the right to make public, in such cases and to such extent as it may deem advisable, any such information or any such returns. The Committee on Ways and Means or the Committee on Finance may submit such information to the House or to the Senate, or to both the House and the Senate, as the case may be.

SEC. 4. The joint committee shall have power to employ and fix the compensation of such officers, experts, and employees as it deems necessary for the performance of its duties, but the compensation so fixed shall not exceed the compensation fixed under the Classification Act of 1923, as amended, for comparable duties. The joint committee is authorized to utilize the services, information, facilities, and personnel of the departments and agencies in the executive branch of the Government and of the Joint Committee on Internal Revenue Taxation.

SEC. 5. The joint committee may authorize any one or more officers or employees of the Treasury Department to conduct any part of such investigation on behalf of the committee, and for such purpose any person so authorized may hold such hearings, and require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, administer such oaths, and take such testimony as the committee may authorize. In any such case subpenas shall be issued under the signature of the chairman of the joint committee and shall be served by any person designated by him.

SEC. 6. All authority conferred by this joint resolution shall expire on January 5, 1938.

Mr. HARRISON. Mr. President, I ask unanimous consent for immediate consideration of the joint resolution. I may say that a similar joint resolution is being introduced today in the other House.

Mr. McNARY. Mr. President, when the clerk read the message of the President I was impressed by the declaration that this authority was sought to be conferred upon the Secretary of the Treasury and that that was the wish of the President. However, I am very happy that we are retaining some powers in our own hands, and I very much prefer the plan now proposed by the able Senator from Mississippi, in that he desires to have appointed a joint committee consisting of members of the Finance Committee of the Senate and of the Ways and Means Committee of the House of Representatives; so that Congress will have control of the investigation. In view of the declaration and attitude of the chairman of the committee, and of my opinion that the plan that he proposes, is very much wiser, more wholesome and more to the point than that of the President, I have no objection to the immediate consideration of the joint resolution.

Mr. O'MAHONEY. Mr. President, at various times during almost 50 years there has been presented to this House and to the other House the proposal that corporations engaged in commerce among the States shall derive their powers from the Federal Government. In August, 1935, a bill was introduced having that purpose in view. The senior Senator from Idaho [Mr. BORAH] many years ago introduced a similar bill. The Committee on the Judiciary has been holding hearings upon the bill which is now pending. I rise merely to recommend to every Member of the Senate, including the members of the Committee on Finance, that copies of those hearings be procured and read, because it will be discovered that in those hearings it has been pointed out that taxes have been evaded by the use of the corporate device.

I have no hesitation in saying—and I do not intend to take more of the time of the Senate—that the problems which beset the Government will not begin to be solved until we seriously contemplate the possibility of solving them by enacting a law that all corporations affecting national matters shall receive their authority from the National Government.

Mr. CONNALLY obtained the floor.

Mr. ROBINSON. Mr. President——

Mr. CONNALLY. I yield to the Senator from Arkansas.

Mr. ROBINSON. That is very kind of the Senator from Texas. Only a few words will suffice for what I have to say at this time.

The message of the President, based on information supplied by the Treasury Department, reveals a shocking condition pertaining to evasions of the spirit of our income-tax laws. No doubt, as is stated in the message, there are numerous other instances that have not as yet come to light of the law either being violated or its spirit being evaded.

It is, of course, of primary importance that the laws shall be fairly and impartially observed and enforced. In order to do that it is necessary to have the investigating authority carried in the joint resolution introduced by the chairman of the Finance Committee. Under that resolution it is expected not only that facts will be assembled, but that the way to close the gaps which have been referred to in the President's message may be pointed out, to the end that legislation may be enacted as speedily as circumstances permit.

I think it appropriate to say in this connection that it will be necessary not only to carry on the investigation proposed by the resolution of the Senator from Mississippi, but that in due course a fund will be necessary for use by the Treasury Department in order that it may make its inquiries and assist in the very important investigations which must be carried on if we want the law to be properly enforced.

It is noted that the report of the committee may not be made under the terms of the resolution until the beginning of the next year.

Mr. HARRISON. Mr. President, will the Senator yield?

Mr. ROBINSON. I yield to the Senator from Mississippi.

Mr. HARRISON. The hearings must be closed and the committee must make its report by January 1, 1938. The committee must complete its labors by that time.

Mr. ROBINSON. Very well. I do not know that it will be possible to conclude the work intelligently even by the 5th day of January next. It is important that legislation be enacted just as speedily as possible to prevent the frauds and the evasions which are manifestly taking place under existing law. It would not be possible in a few weeks or even in a few months to devise plans which would prevent skilled and well-trained legal minds from working out processes designed to evade the statute, but it will be possible to take the violations and evasions which are known, which are readily discoverable, and to impose additional restrictions and penalties which in a measure will protect the public.

While I am speaking on the subject I wish to say a few words in regard to certain provisions of the measure mentioned by the Senator from Wyoming [Mr. O'MAHONEY]. The right of the United States to control the charters of corporations permitted to engage in interstate commerce is unlimited. The Government by appropriate legislation may not only require all corporations engaging in interstate commerce to procure their charters from the National Government, but it may also attach such conditions to the charters as will give real assurance that the creatures of the Government of the United States will not openly defy or violate or evade the laws enacted and the restrictions imposed by the Government upon such corporations.

One of the great difficulties which has arisen in the enforcement of antimonopoly and antitrust laws and in the protection of the public against abuses incident to monopoly

grows out of the definition which has been given to the word "person" as used in the fourteenth amendment to the Constitution. It seems to me that the word "person", as there used, really meant a living human being. When Congress referred in the fourteenth amendment to "persons born or naturalized" under the laws of the United States it did not embrace corporations. No one could contend that it did. When in the fourteenth amendment provision was made that no State "shall deprive any person of life, liberty, or property without due process of law", it appears to me that the most enlightened interpretation of that provision would be that the word "person" had been used in its ordinary, old-fashioned, dictionary sense.

In any event the United States Government, if it is willing to do so, can put into our antitrust laws and antimonopoly laws the life which was in a measure taken from them through what appears now to be strained constructions of the fourteenth amendment to the Constitution, by requiring all corporations which are to engage in interstate commerce to take out a charter from the Federal Government, and by attaching just and proper conditions to the charters so to be granted.

No corporation has the inherent right to engage in the commerce of the United States and at the same time to foster or promote monopoly. It may be compelled to observe reasonable rules and regulations. The legislation proposed by the Senator from Wyoming is well worthy of consideration in connection with the subject matter of the message of the President.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Arkansas yield to the Senator from Wyoming?

Mr. ROBINSON. Certainly.

Mr. O'MAHONEY. I am very grateful to the Senator from Arkansas for his remarks. As I said a moment ago, for almost 50 years Members of the House and the Senate have been rising in their places in the two bodies and fighting for the method of national incorporation as a solution of our difficulties. Today it is possible for anyone to go to the secretaries of state of certain States and obtain for his own purposes corporate charters in half a dozen names, so that he may bandy them about and thwart the very purposes which the Federal Government seeks to effectuate.

The history of corporation development, the investigations which have been conducted by the Committee on Interstate Commerce, particularly of railroad monopolies, have demonstrated over and over again that every law and every regulation which the Federal Government undertakes to impose for the benefit of the rank and file of the people of the United States is violated by those who use the corporate device for that purpose.

Here today we have the message of the President of the United States, in which he says, on page 2:

> The device of evading taxes by setting up foreign personal holding corporations in the Bahamas, Panama, Newfoundland, and other places—

Observe the words "other places." They mean "States of the United States"—

> where taxes are low and corporation laws are lax.

A few years ago Congress created the Communications Commission, empowering it with authority to rule the air, as it were. In the city of Washington are lawyers who practice before the Communications Commission who, with their stenographers and their messenger boys, go to this State and to that State and create corporations to evade the laws of the United States. We cannot begin to balance the Budget, we cannot begin to establish social justice, until we decide that Federal laws shall control the corporations which engage in Federal or interstate business.

Mr. ROBINSON. Mr. President, a few moments ago, during these remarks, I referred to what may be termed a strained construction or interpretation which has fastened itself on the fourteenth amendment in connection with the definition of the word "person." I do not wish at this time to enter into a prolonged discussion of that matter, but it seems appropriate to complete the statement by saying that the great difficulty which is encountered now in the enforcement of the antitrust laws grows out of the incorporation into the statute by the courts of the word "reasonable" in relation to restraints which were forbidden as to trade and commerce by the Sherman antitrust law and amendments to it.

I point out the fact that when the word "reasonable" was written into the statute by the courts, which is one way of stating the matter, the power to enforce the antitrust laws was greatly restricted for the reason that that interpretation made the judicial department of the Government the judge of when a restraint was reasonable or unreasonable, when a trust was "good" or when a trust was "bad", which made it morally impossible to have any uniformity in enforcement, for the reason that a district judge in Arkansas might take a very different view as to the reasonableness or unreasonableness of an admitted restraint of trade from that taken by a district judge in Pennsylvania, or in Ohio, or in Rhode Island, or in New York. Thus were established almost as many standards as there were courts, because it became a matter of pure discretion as to when a restraint was reasonable and when it was unreasonable.

In consequence of that, it has been very difficult to enforce antimonopoly laws, and it may be necessary to rewrite the statute, and again say that combinations, conspiracies, and pools in restraint of trade shall be unlawful. I do not know, however, of any way to prevent some judge, if he chooses to do so, from saying that Congress did not say what it meant, or did not mean what it said, or did not know what it said when it prohibited, or sought to prohibit, all restraints of commerce.

That, of course, is a much broader subject than the one which is raised by the pending joint resolution. Let me now express the hope that the Congress may take the occasion to study the related questions, and not only seek to correct the mistakes which are now shown to exist in connection with our revenue laws but fairly anticipate the probable recurrence of similar mistakes under new devices which the ingenuity of great legal minds that have nothing better to engage them may be able to devise.

Mr. McKELLAR. Mr. President, I desire to ask a question of the Senator from Mississippi [Mr. HARRISON].

If this joint resolution shall be passed, does it mean that the Finance Committee will not take up the subject of the President's address at this time?

Mr. HARRISON. It does not.

Mr. McKELLAR. I call the Senator's attention to the next to the last paragraph of the President's message:

> I am confident that the Congress will wish to enact legislation at this session specifically and exclusively aimed at making the present tax structure evasion-proof.

I am wondering if it will be the purpose of the proposed joint committee to go to work on that matter at once, and to report a bill at this session—and I hope it may be passed—making the tax structure proof against evasion, as the President has pointed out.

I notice that the Senator's joint resolution, in providing for the appointment of a joint committee, requires it to make an investigation, but it is not to report until the opening of the next session of Congress. I hope the legislation which the President recommends, and which the Secretary of the Treasury recommends, may be speedily enacted into law; and I take this occasion to commend the Secretary of the Treasury for his letter. I think it was a wise and a proper thing to communicate these facts to the President and to the Congress; and I entirely approve and heartily endorse the Secretary of the Treasury for his act in boldly coming out and giving the facts to the Congress and in writing this courageous letter to the President. He has done the Government and the country a notable service.

I think, however, that at this session of Congress the Finance Committee ought to consider the facts which the

President and the Secretary of the Treasury have so cogently pointed out, and report legislation at this session, and not wait until the next session for such legislation.

Mr. HARRISON. I will say to the Senator from Tennessee in answer to his question that that is exactly what we are trying to do. The Senator from Mississippi shares exactly the views of the Senator from Tennessee. There is nothing in the joint resolution which says that the joint committee shall not report until the 5th day of January of next year. We expect to make a report at the earliest possible moment.

Mr. McKELLAR. During the present session of Congress?

Mr. HARRISON. During the present session. We desire first to ascertain the facts, and when we have done so we shall report them to the Congress. We shall try to have legislation passed just as soon as possible; but the joint resolution does provide that the joint committee which is to be created shall not be a permanent one, and for that reason we wrote into the joint resolution the limitation to which reference has been made.

Mr. McKELLAR. I am very happy to hear the Senator say that the Finance Committee are going to take that course; in other words, that they are not going simply to refer the matter to a joint committee of the two Houses and then let it go over until next January.

These tax facts have been known to many persons for quite a while. The Senator may recall that more than 2 years ago I made a very elaborate speech on the subject on the floor of the Senate. I then expressed the hope that tax evasions would be corrected. I intensely believe that they should be corrected at this session, and I hope the Senator's committee will report a bill to that effect. Especially should these loopholes which the President and the Secretary point out be plugged. These evasions should be stopped without delay.

Mr. HARRISON. We hope it can be done.

Mr. NORRIS. Mr. President, before the Senator from Tennessee takes his seat I desire to ask him a question, if he will yield.

Mr. McKELLAR. I yield to the Senator from Nebraska.

Mr. NORRIS. I should like to suggest to the Senator from Tennessee and also to the Senator from Mississippi the advisability of fixing the time for the final report of the proposed joint committee at, say, February 1 instead of January 1, so that if it is found in the course of the joint committee's labors and investigations that the work of the joint committee cannot be completed within the time fixed, Congress will be in session and can extend the time.

Mr. HARRISON. I may say to the Senator from Nebraska that the limitation was inserted in the joint resolution this morning at my instance, because I did not want the impression to be created that we wished to create a permanent joint committee. I have, however, no objection to fixing any other date.

Mr. NORRIS. If the joint resolution is passed as it is presented, ending the work of the joint committee on the 1st of January, suppose—and I think it might very well happen; I believe it would happen—that the joint committee should be in the midst of investigations which it would be impossible to complete within the time fixed and more time should be needed. If the joint committee knew that before it had to make a final report the conditions could be explained to Congress, and an extension of the time could be made, if necessary, would not that be a great improvement and assist the joint committee in making a more systematic investigation?

Mr. HARRISON. That is exactly what will happen. If the joint resolution is passed as written, and we find that we need more time, we certainly will come here and ask for an extension of time; but we did not want to create the impression that we were trying to establish a permanent joint committee.

Mr. NORRIS. Oh, no; I do not think anybody would get that impression.

Mr. HARRISON. But there will be no objection to a change of date. If the Senate wishes to fix a later date, I shall not object. I thought fixing the date that was suggested might spur up the committee to do the work expeditiously.

Mr. NORRIS. I should suggest the 1st of February instead of the 1st of January, so that Congress would have time to act in case an extension should be desired.

Mr. VANDENBERG. Mr. President, may I ask the Senator from Mississippi a question?

Mr. HARRISON. Before the Senator from Michigan begins, let me say that there is no difference of opinion between the Senator from Tennessee and myself. If this joint resolution can be passed by the Senate, we hope it or a similar measure will be passed by the other House, in which case the joint committee will be appointed by the respective presiding officers and will immediately go to work. The first witness to be brought before the joint committee, I imagine, will be the Secretary of the Treasury, who will detail to us all the revelations outlined in the President's message.

The PRESIDING OFFICER (Mr. BARKLEY in the chair). The Chair will state to the Senators that the date fixed in the joint resolution is January 5 instead of January 1.

Mr. HARRISON. We put it a few days after the meeting of Congress.

Mr. VANDENBERG. Mr. President, may I ask the Senator from Mississippi a question?

Mr. HARRISON. Certainly.

Mr. VANDENBERG. Am I to understand that the special joint committee is to take exclusive jurisdiction of the subject, and that the Senate Finance Committee and the House Ways and Means Committee will be unrelated to it in the meantime?

Mr. HARRISON. We proposed to create the joint committee because it did not seem wise to have one committee in the House and another committee in the Senate working on the President's suggestions. So, after many conferences, we thought it would be wise to have a joint committee made up of Members of the House and Members of the Senate; but, whatever their recommendations are, they will come to Congress before legislation is passed, and the Ways and Means Committee of the House and the Finance Committee of the Senate will frame the bill and report it to their respective bodies.

Mr. VANDENBERG. Precisely; but there will be no activity in either the Ways and Means Committee or the Finance Committee pending the receipt of the report of the joint committee?

Mr. HARRISON. I should not say that. The Committee on Finance will have plenty of other work to do while this investigation is going on.

Mr. VANDENBERG. I am simply trying to ascertain where the jurisdiction will lie.

Mr. CONNALLY. Mr. President, the legislative jurisdiction of neither the House Ways and Means Committee nor the Senate Finance Committee is in anywise affected. This is merely an investigation which will be performed by members of the two committees.

Mr. VANDENBERG. Precisely.

Mr. CONNALLY. The Finance Committee may report bills whenever it gets jurisdiction of them, at any time, whether or not the joint committee shall have finished its labors.

Mr. VANDENBERG. Let me ask a practical question which will probably answer what I am trying to ascertain. Who gets the President's message by way of reference? Does the Senate Finance Committee get it?

Mr. HARRISON. It is referred to the Senate Finance Committee here, and the Ways and Means Committee in the other body; but the Senator will notice that the joint resolution reads:

> It shall be the duty of the joint committee to investigate the methods of evasion and avoidance of income, estate, and gift taxes, pointed out in the message of the President transmitted to Congress on June 1, 1937, and to report to the Senate and the House.

Mr. NORRIS. May I ask the Senator another question?

Mr. HARRISON. I yield.

Mr. NORRIS. Should we not enlarge the authority? The joint committee may get into court, and probably will, before it concludes its labors; it may have some injunctions served on it. It would have authority only to investigate those matters pointed out in the message of the President and the letter of the Secretary of the Treasury. They do not show on their face that only a partial investigation has been made. There are other fields still uninvestigated, and should not the authority be enlarged so that the joint committee could enter any field it saw fit to enter?

Mr. HARRISON. I may say to the Senator that it may be we will have to broaden the authority before we finish the work. As was suggested by the Senator from Arkansas, I think we are going to need an appropriation for the Treasury Department before the investigation is concluded, so that they can employ more investigators.

Mr. ROBINSON. I think the Senator from Mississippi would do well to modify his joint resolution now so as to give general authority to investigate methods of tax evasion.

Mr. NORRIS. That would be well.

Mr. ROBINSON. The investigation is limited in the joint resolution to the specific cases pointed out by the President, when the message itself shows there are numerous other cases expected to arise which might just as well receive attention.

Mr. NORRIS. The Senator might insert the words "and other methods of evasion."

Mr. HARRISON. I accept the amendment. What we wanted was to get under way the investigation of the things which have been reported by the President in his message. I am perfectly willing to have the resolution broadened. I think it is very appropriate, if the Senator desires to broaden it. I first ask for the immediate consideration of the joint resolution.

Mr. AUSTIN. Mr. President——

Mr. McNARY. I have no objection, but if the amendment is to be inserted, it should be done now. Has the Senator secured consent for consideration of the joint resolution?

Mr. HARRISON. Consent for its consideration has not as yet been obtained.

I ask unanimous consent for the immediate consideration of the joint resolution.

The VICE PRESIDENT. Is there objection to the request of the Senator from Mississippi for the immediate consideration of the joint resolution which he has introduced?

Mr. AUSTIN. Mr. President, in connection with the pending request, remarks have been made relating to a bill which is now before a subcommittee, and I think that those remarks deal with the most attractive features of the bill referred to and have relation to its least objectionable characteristics. I wish to take this earliest possible occasion to call attention to the fact that in that measure providing for national incorporation there is contained a scheme to control production, manufacturing, and mining, in effect, to control all the activities of the affairs of men which heretofore have been exclusively regulated by the several States. The definition of interstate commerce as set forth in the bill comprehends all such activities, and the project is not merely one to require that new corporations shall be chartered by the Federal Government, but it comprehends all corporations, however ancient their charters, and requires that they obtain from this powerful Central Government probably the most powerful central government on earth today, a license which shall be founded upon conditions of the greatest restrictive character, reaching inside the factories, mines, foundries, and to the farms, regulating hours, wages, conditions of employment, and prices; in fact, every feature of commerce. I welcome the suggestion that upon the request now pending the Senate should consider carefully the printed hearings thus far taken by the subcommittee, having in view these considerations which are mentioned, as well as the very desirable considerations which have been spoken of by the Senator from Wyoming [Mr. O'MAHONEY].

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. AUSTIN. I yield.

Mr. O'MAHONEY. I had stepped out of the Chamber for a moment. Does the Senator from Vermont suggest that the bill to which I referred earlier in the day undertakes to regulate prices?

Mr. AUSTIN. Inevitably it will have that effect.

Mr. O'MAHONEY. The Senator means that the inevitable trend of present activities leads to that end, does he not?

Mr. AUSTIN. I contend also that the program now being put into effect very swiftly by the present administration is bound to result in fixing prices and to create a monopoly of business. In other words, the slogan is, "We do not believe in prices being fixed by those who are engaged in the sale and purchase of goods, but we do believe in the fixation of prices by this all-powerful Central Government."

Mr. O'MAHONEY. Then the Senator is not referring to Senate bill 10, which is the bill to provide for Federal incorporation and Federal licensing.

Mr. AUSTIN. Yes; I think that is the number of the bill.

Mr. O'MAHONEY. The Senator will not say, will he, that there is anything in that bill which specifically deals with fixing prices?

Mr. AUSTIN. Oh, Mr. President, I say that every feature of that bill, if it shall go into effect, has that objective, and will accomplish that purpose. In my opinion, if that bill, as it is written today, should go into effect, with all of its control centered in Washington, there would be no more free trade between the citizens of this country.

Mr. MINTON. Mr. President, will the Senator yield to me?

Mr. AUSTIN. I yield.

Mr. MINTON. I merely wish to ask the Senator from Vermont a question to ascertain if I correctly understand the point at which he is driving. If the bill to which the Senator from Wyoming refers shall be enacted, corporations engaged in interstate commerce will be required to take out Federal licenses, or to incorporate under the Federal Government, the purpose being to put into the license or in the charter of a corporation certain restrictions and limitations which the corporation must live up to, and by that means and method the Federal Government would be controlling manufacturing, mining, and so forth, as the Senator said a while ago, and in that instance would be flying in the face of the decisions of the Supreme Court, which started, I think, with Hammer against Dagenhart.

Mr. AUSTIN. Mr. President, a more recent case to which I would refer is that in which the Supreme Court found the applause of the administration greeting it. That was the case which supported a statute of the State of Washington regulating those internal affairs to which I have referred. Having applauded that, having said "amen" to the doctrine that a State should regulate its domestic affairs, and that the Federal Government could not occupy the same field at the same time, what I say is that Senate bill 10, if that be its correct number, flies in the face of that principle. I have not thus far discussed the constitutional question; but I thought that while proceeding to act on the request for unanimous consent, which has provoked praise of Senate bill 10, we ought at the same time consider that what has been said relates to only the good part of the bill, and that the Senate should have in mind that there is this other feature of the bill, which further tends to suppress the State's opportunity, to wipe out the State's boundaries, and magnify the already too great power centered here in Washington.

Mr. O'MAHONEY. Mr. President, the Senator from Vermont is a very able and helpful member of the subcommittee which has been conducting hearings on the bill which has been mentioned, Senate bill 10. Because we have been so busy with the hearings the members of the subcommittee have not had an opportunity to sit down and study the bill. Consequently, I am afraid the Senator from Vermont is allowing himself to be governed by a conclusion with respect to the purposes of the measure which is not borne out by the measure itself.

I do not intend now to enter upon any lengthy discussion of the terms and purposes of the bill, except to say that as I have conceived the measure, it draws a distinction between the corporation and the natural person; and, far from creating a Federal agency which shall control the activities of natural persons, it will only create a system by which States which have neither the authority nor the desire to regulate commerce among the States shall be prevented from creating artificial corporations which evade every Federal law, and which, more than that, create the difficulties from which we are all trying to escape.

Mr. AUSTIN. In the Senator's view of this program, is there any difference in the effect upon our economy or upon our social relations whether the bread that we eat, the clothes that we wear, the shelter that we occupy are produced by a person who is an animate being, or by a person that has a purely artificial being?

Mr. O'MAHONEY. Oh, yes; a very great difference, and I shall be very glad to go into that subject with the Senator.

Mr. AUSTIN. Mr. President, I think that must be a vital point of difference between us in viewing this matter.

Mr. O'MAHONEY. I am sure that if the Senator and I had an opportunity to sit down and discuss this question, it would not be long before we would dissolve any differences between us.

I may say that a corporation is permitted to gather its capital from the four corners of the country. No natural person in his natural capacity is enabled to acquire the capital which enables him to do business on such an interstate scale as to cause any difficulty for the Federal Government.

Mr. President, I ask unanimous consent that I may have the opportunity of incorporating now, as a part of my remarks, a radio address which I made upon this subject just a few days ago.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Thomas Jefferson, who is universally regarded as one of the greatest of all American statesmen, on one occasion condensed his whole philosophy of government into this brief sentence: "That government is best which governs least."

Every American citizen understands just what Jefferson meant. It is that the individual should be as free as possible and that there should be no control over his activities save that which is necessary for the preservation of order and the maintenance of society.

This country of ours has been dedicated to this principle, and yet for a period of 50 years there has been a steady expansion of the powers of government over the individual, and to a greater and greater degree all classes of our people are turning to Washington for the control and direction of their affairs.

When Thomas Jefferson lived, when the Constitution of the United States was drafted, the Central Government exercised comparatively little influence upon the individual.

How does it happen that this great change has come about? The answer is that the business, trade, and commerce of the country are no longer carried on by natural persons but by corporations.

OTHER PEOPLE'S MONEY

The corporation was practically unknown as an instrumentality of business life when this Government was first established. It was so unusual that Adam Smith, founder of the modern science of economics, specifically declared in one of his books that the joint-stock corporation could never succeed in ordinary business affairs because, as he put it, no man could be expected to manage other people's money efficiently and honestly.

Today the bulk of the business of this country is carried on by corporations which, in many instances, have grown so great that they exceed in wealth and power most cities and many States. With both stockholders and employees numbering tens of thousands, with assets of far greater value than of most governing units, with properties and plants scattered all over the face of the continent, indeed sometimes all over the world, the modern corporation exercises a more direct, definite, and important effect upon the daily lives of all the people than most political States.

They are brought into existence by law. They have no existence outside of the law; they possess only those powers which the people, through the Government, see fit to give them. Yet they actually operate without public authority. The modern corporation is an economic state, a social agency greater than most governments, but totally unresponsive to any democratic impulses.

CONTROL OF INTERSTATE CORPORATIONS

The interstate corporations, the activities of which so intimately affect the economic lives of all of our people, are not controlled by their employees. That is very certain. They are not controlled by their stockholders. That also is very certain. The corporate employee comes and goes, working at a salary or at wages for a very uncertain period of time. The corporate stockholder also changes very rapidly, many of them holding their stock only for purposes of trade in the markets. Many others hold the stock in such small amounts that they make no effort to assert any degree of ownership. Indeed they could not assert any authority in the management of the affairs of the economic state of which they are, as it were, citizens.

The modern interstate corporation is controlled by a small management group which in turn is dominated by another and smaller financial group, the members of which, by virtue of the loose corporate laws of a few States, have found the means by which to wield complete control of these huge aggregations of capital, gathered in small amounts from innumerable investors scattered all over the land. Under the modern corporate system there has been a total separation of ownership and control with consequent effects of such far-reaching importance as to threaten the survival of democracy itself.

The trouble with America and with the world is that the political machinery and the economic machinery are not running in harmony. It is as though two parts of a huge engine which ought to work in unison had been disconnected while running at full speed, with the result that the whole machine is unable to function and is in constant danger of disastrous collapse.

The resources of the earth are amply sufficient to support all of the people of the earth in plenty and happiness. The corporation is a natural instrumentality for the development of these resources. Heretofore, however, it has not been used in the public interest. Public benefits have been only incidental. Monopoly has not been restrained and the result has been that while wealth has accumulated and the control of economic power has been concentrated, economic dependence of the masses has increased at the same time.

CONCENTRATION OF ECONOMIC POWER

The concentration of economic power has been the cause of concentration of political power. When men are unable themselves to cope with the institutions that control their bread and butter, they are driven to some form of united action—and their first recourse is naturally to the Government. If you seek the explanation of the expansion of the powers of the Central Government in Washington, if you seek the explanation of the rise of the authoritarian state in Europe, you will find it in the concentration of economic power through the modern corporation.

Fifty years ago, when it became apparent that the railroad corporations operating throughout the United States had become in effect a law unto themselves and were too great to be regulated in the public interest by the State governments, the people turned to Washington, and the Interstate Commerce Commission was created to regulate some phases of the railroad business. Through the law establishing this Commission we committed to the newly created body certain discretionary powers over the conduct of railroad corporations. From that day onward, as business corporations have grown, we have undertaken, after they have been created, to regulate them by official command from the Central Government.

To state it in another way, for 50 years we have been following the policy of trying to lock the stable door after the horse has been stolen instead of preventing the theft in the first place. Because we have permitted the States to create these modern economic giants without concern for the general public welfare, we have been unable to prevent abuses at the very beginning. No State since the establishment of this Government has been admitted to the Union until its constitution was approved by Congress. Yet we permit States which could not set up their own governments without the consent of Congress to create corporations which actually dominate, control, and regulate the entire commercial and industrial life of the country under charters which have never been submitted to any national authority for public approval. In other words, we allow the States from which the power to regulate interstate commerce was withdrawn by the Constitution to create agencies which now control the field of business, the regulation of which was committed to the Federal Government.

GOVERNMENTS CREATE CORPORATIONS

Let us get this thought clearly. A corporation arises only as a result of a contract between some government and the natural persons who desire to do their business in the corporate form. The only government in this country which has any jurisdiction over the field of interstate and foreign commerce is the Federal Government. It must be perfectly plain, therefore, that the Federal Government is the only public authority that should be permitted to make the contracts—that is to say, to issue the charters or licenses—by which interstate corporations are brought into existence.

If we take the simple precaution to write into the charters of these corporations rules which will enforce honesty and fairness in management, which will guarantee fair dealing with employees and which will prevent monopoly, it will be unnecessary to continue to expand the Federal bureaucracy for the purpose of regulating them after their operations have become a public problem.

Let me repeat, a corporation has no power except that which is granted in the charter. State governments now create corporations under blanket charters that allow the incorporators to do anything that they please. They may set up dummy directors; they may rob the stockholders; they may rob the public by the manipulation of stock and bonds and corporate assets; they may with the utmost impunity engage in all of the practices which experience teaches us are ruinous.

STATE CHARTERS HAVE NOT WORKED

We know that the old system of letting the States set up these social agencies to operate without public responsibility has not worked. That system was incompetent to protect itself from the forces that brought about the crash of 1929. When that disaster came we found no relief at the hands of the great corporate managers because there was no uniform rule, national in scope, upon which national recovery could be built without resort to the Federal Government. Because of that collapse it became necessary for Washington to assume tremendous powers which had never before been exercised, to spend sums so huge that they had never before been imagined, and, finally, to create a Government bureaucracy greater than any that had ever existed before upon the face of the globe.

The Federal Government did a splendid job in the emergency, but we must now devise the plan for permanent recovery. We cannot go back to the old system. Unless we are willing to resign ourselves to a system under which all our affairs shall be directed by some central authority, we must lay down a fundamental rule, a rule that will be national in its scope for the Government within themselves of the interstate corporations upon which our economic lives depend. Recognizing the modern corporation as a social unit, we must make it an instrument of democratic power in accordance with the fundamental ideals of America or else we shall continue to be at the mercy of concentrated power of some kind.

GOVERNMENT AND BUSINESS MUST WORK TOGETHER

Government and business must be made to work together. The task of finding the formula by which this may be accomplished is a challenge to the intelligence, patriotism, and good sense of the people of America and, for that matter, of the whole world.

Democracy everywhere is facing a crisis because the economic life of the world has changed, and we have not, as yet, adapted ourselves to the change.

For almost a generation statesmen, students, and economists have been urging the Federal Government to assert the power which it has to write the charter of every corporation that desires to engage in interstate or foreign commerce.

I have introduced in Congress a bill intended to make this principle effective. The measure is based upon principles which have been recognized by Presidents like Cleveland and Roosevelt, Taft and Wilson. Its purpose is not to increase the discretionary power of government over business but to make unnecessary the exercise of that power by depriving corporations and their managers of the corporate authority to do the things which have been the cause of most abuses.

For example, it would do away with the vicious practice by which some manipulators make their stenographers and office boys the officers and directors of their puppet corporations. It would prevent an officer or director of one corporation from milking it and its stockholders through another corporation formed for his own purposes. It would prevent officers and directors from voting themselves big salaries and bonuses. It would establish a system by which the rights of the small stockholder would be protected and by which he would be assured of disinterested representation at stockholders' meetings. It would make officers and directors trustees for their stockholders.

In short, a measure of this kind could be used to prevent the occurrence of the abuses which have caused such widespread losses instead of vainly trying to punish them after they had taken place.

Moreover, the measure would make possible the development of a national industrial system calculated to benefit all factors of the population. For example, it authorizes the Federal Trade Commission to call a national industrial conference in which employers, employees, the investing public, and consumers may be represented for the purpose of developing a general program for the coordination, stabilization, and orderly development of the basic industries of the country. The report of such a conference would then be submitted to Congress for its action in case additional legislation should be necessary.

LET US SET INDIVIDUALS FREE

One vitally significant feature of this plan is that it would apply only to corporations. It would thus set the natural person free. The great defect of most plans which have been tried heretofore is that they have applied to every citizen. The truth is that we don't need to establish Government regulation of the natural person. The man who operates on his own capital as an individual or in a partnership cannot control sufficient economic power to make his activities ordinarily a matter for national control.

Those commercial activities which do not directly or indirectly overflow State lines are not matters of national concern and should be left to the State. John Quincy Adams, when he was President, expressed the principle simply in these few words: "Whatever is of domestic concernment unconnected with other members of the Union or with foreign lands, belongs exclusively to the administration of the State governments."

Conversely, as John Marshall phrased it, whatever commercial activity affects more States than one is a matter for the National Government.

Our trouble has been that we have reversed these principles. We have allowed the States to create the interstate corporations that do affect all the States and all the people, but then, trying to cure the resulting evils we have attempted to regulate the natural person as well as the corporation.

By recognizing the difference between the flesh-and-blood man on the one hand and the artificial being we call the corporations on the other, we can restore the proper balance between the Government and the citizen.

By applying the Federal rule to interstate corporations, rather than to natural persons, we shall free the individual from the danger of regimentation. By making Federal regulation of corporations effective through Federal charters instead of through supervision by boards and commissions, clothed with discretionary authority, we shall free business from bureaucratic control.

This is the way to establish economic justice. Let no one forget that without economic freedom political liberty cannot endure.

Mr. NORRIS. Mr. President, the disclosures made by the President of the United States in his message, and through the letter written to him by the Secretary of the Treasury, must bring the blush of shame to the face of every patriotic American citizen. That such a condition could exist seems impossible in a country composed of patriotic men and women.

I am going to say only a word or two on this subject. I do not want to be in the attitude of one who says "I told you so"; yet I desire to say to the Congress and to the country that had the voices of a few men in the Senate and in the House been heeded, and had tax laws been passed in accordance with those suggestions, the terrible, disgraceful, dishonest, conditions exposed by the letter of the Secretary of the Treasury would not now confront us. Had such legislation been passed, we should not now have such a condition presented to us.

Mr. President, from the very time the income-tax law was passed until now a few Senators and Representatives have contended that there should be provision in the law for publicity with respect to tax returns. We have said over and over again, year after year, when we have advocated that kind of an amendment to the tax laws, that if we did not give publicity to tax returns the very condition which has now been disclosed would always exist. All that has been disclosed would have been avoided, as I see it, had there been publicity of tax returns.

Instead of keeping the tax returns secret and undisclosed, if every tax return made in the United States could have been examined by the public, we should have received, as we have often said, hundreds of millions of dollars really belonging to the Government of the United States, which these disclosures show we have not received. That money has been fraudulently and dishonestly kept out of the Treasury of the United States.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution (S. J. Res. 155) creating a joint Congressional Committee on Tax Evasion and Avoidance.

Mr. HARRISON. Mr. President, I offer several amendments to the joint resolution. I send them to the desk and ask that they be stated.

The VICE PRESIDENT. The amendments will be stated.

The LEGISLATIVE CLERK. In section 2, after the date "June 1, 1937", it is proposed to add "and other methods of tax evasion and avoidance."

In the same section it is proposed to strike out "January 5" and insert in lieu thereof "February 1."

In section 6, it is proposed to change the date from "January 5" to "February 1."

Mr. BORAH. Mr. President——

The VICE PRESIDENT. Does the Senator from Mississippi yield to the Senator from Idaho?

Mr. HARRISON. I yield to the Senator if he wishes to ask me a question.

Mr. BORAH. I desire to ask—because it has not been made clear to me as yet, though I may not have heard all that was said—whether it is proposed to proceed with legislation in regard to this matter within a reasonable time.

Mr. HARRISON. Yes, I imagine that the first thing the joint committee would do would be to have the Secretary of the Treasury come before it and lay before it the cases which

have already been disclosed, and other cases on which the Treasury authorities are now working, and as soon as the joint committee could recommend to the Congress some legislation which might plug the loopholes, the committee would propose legislation which would do so.

Mr. BORAH. It seems to me, from reading the message of the President and the letter from the Secretary of the Treasury which the President quotes, that a number of the loopholes are now revealed.

Mr. HARRISON. Yes.

Mr. BORAH. The authorities know what they are. There is no occasion for waiting for some tax-evasion committee to find out what they are.

Mr. HARRISON. I will say that the proposed joint committee will not wait one day longer than is necessary to propose the legislation that will stop any part of these tax evasions and avoidances.

The VICE PRESIDENT. The question is on agreeing to the amendments offered by the Senator from Mississippi.

The amendments were agreed to.

The joint resolution (S. J. Res. 155) was ordered to be engrossed for a third reading, read the third time, and passed.

CONSIDERATION OF UNOBJECTED-TO BILLS ON THE CALENDAR

Mr. ROBINSON. I ask unanimous consent that the Senate proceed to the consideration of unobjected bills on the calendar.

The VICE PRESIDENT. Is there objection to the unanimous-consent request of the Senator from Arkansas? The Chair hears none, and it is so ordered. The clerk will state the first business in order on the calendar.

DEBATE ON APPROPRIATION BILLS—DISPOSITION OF MEASURES OBJECTED TO

The resolution (S. Res. 8) limiting debate on general appropriation bills was announced as first in order.

Mr. VANDENBERG. I ask that the resolution go over.

The VICE PRESIDENT. The resolution will be passed over.

Mr. McNARY. Mr. President, I do not wish to make the request or motion now but as soon as the Senator from Virginia [Mr. GLASS] returns to the floor I shall move that the first order of business on the calendar be indefinitely postponed, unless it can be done by consent. I think that order of business ought not to remain on the calendar, in view of the opposition to it. Some disposition should be made of it, and I think it should be indefinitely postponed. However, I hesitate to make the motion in the absence of the Senator from Virginia.

Mr. ROBINSON. Mr. President, there are a number of bills on the calendar which have been repeatedly called, objections have been made to them, and the bills have gone over. It seems to me some way ought to be devised of taking action on them.

I now give notice that as to the bills which have been repeatedly called, it is my intention the next time the calendar is called to move to recommit them to the respective committees which reported them, so as to save the necessity of going over and over again matters that have not been acted upon. Of course any Senator has the right, when the order of business in the Senate permits it, to move the consideration of a bill that has been objected to; but manifestly at least a number of these bills will never be taken up on that order.

The VICE PRESIDENT. The Chair may suggest that bills repeatedly objected to could be referred to the table calendar, and then would not be called when the Senate has a call of the unobjected bills on the calendar.

Mr. ROBINSON. I will let the matter go over now, and suggest that the call of the calendar be proceeded with.

BILLS PASSED OVER

The VICE PRESIDENT. The clerk will state the next bill on the calendar.

The bill (S. 1435) to create a board of shorthand reporting, and for other purposes, was announced as next in order.

Mr. VANDENBERG. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 1436) providing for the employment of skilled shorthand reporting in the executive branch of the Government was announced as next in order.

Mr. VANDENBERG. I ask that the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 419) to promote the general welfare through the appropriation of funds to assist the States and Territories in providing more effective programs of public education was announced as next in order.

Mr. VANDENBERG. Let that bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 532) to promote the safety of employees and travelers on railroads by providing for the inspection and investigation of conditions prevailing in train-dispatching offices and train-dispatching service and for the promulgation of necessary rules and regulations governing the working conditions of train dispatchers was announced as next in order.

Mr. HOLT. I ask that that bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 847) to prevent the use of Federal official patronage in elections and to prohibit Federal officeholders from misuse of positions of public trust for private and partisan ends was announced as next in order.

Mr. BARKLEY. Let that bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 100) to amend the act entitled "An act to protect trade and commerce against unlawful restraints and monopolies", approved July 2, 1890, was announced as next in order.

Mr. ROBINSON. Let that bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 47) to authorize an appropriation for the construction of small reservoirs under the Federal reclamation laws, was announced as next in order.

Mr. ROBINSON. I ask that that bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 1261) to amend the Interstate Commerce Act, as amended, and for other purposes, was announced as next in order.

SEVERAL SENATORS. Over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 69) to amend an act entitled "An act to regulate commerce", approved February 4, 1887, as amended and supplemented, by limiting freight or other trains to 70 cars was announced as next in order.

SEVERAL SENATORS. Over.

The VICE PRESIDENT. The bill will be passed over.

RETIREMENT OF EMPLOYEES IN LEGISLATIVE BRANCH

The bill (H. R. 2901) to amend the act of May 29, 1930 (46 Stat. 349), for the retirement of employees in the classified civil service and in certain positions in the legislative branch of the Government to include all other employees in the legislative branch, was announced as next in order.

Mr. COPELAND. Mr. President, this bill was before the Senate the last time the calendar was called. It was agreed that the proposed amendments should be included in a reprint of the bill so as to be available to Senators. I hope the bill may be considered today. It has to do with the retirement of employees of the legislative branch who have been 15 years in the service and have made up the amount of money to the Government which should have been paid in had they started 15 years ago to make the payments.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Civil Service with an amendment, in section 1, page 1, line 3, after "46 Stat.", to strike out "349" and insert "468", so as to make the section read:

That the act of May 29, 1930 (46 Stat. 468), for the retirement of employees in the classified civil service and in certain positions in the legislative branch of the Government, is hereby amended to include all other employees in the legislative branch.

Mr. COPELAND. Mr. President, there are other amendments which have been suggested and which appear in the reprint of the bill.

The VICE PRESIDENT. The amendments heretofore proposed by the Senator from New York will be stated.

The CHIEF CLERK. In section 1, page 1, line 7, after the word "branch", it is proposed to insert "and all officers and employees of any of the courts of the United States who are not entitled to the benefits of any other retirement act."

Mr. COPELAND. Mr. President, there are two slight amendments the Civil Service Commission suggests. The first one is on page 2, at the end of line 2 following the amendment just stated, to add the words "whose tenure of employment is not intermittent nor of uncertain duration."

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from New York to the amendment.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The VICE PRESIDENT. The next amendment proposed by the Senator from New York and appearing in the reprint of the bill will be stated.

The next amendment heretofore proposed by Mr. COPELAND was, in section 2, at the beginning of line 8, after the word "be", to insert "and shall not be applicable to any officer or employee of any court of the United States who is brought within its scope by section 1 of this act until such officer or employee gives notice in writing to the disbursing officer by whom the salary of such officer or employee is paid", so as to read:

SEC. 2. The provisions of such act of May 29, 1930, shall not be applicable to any employee in the legislative branch who is brought within its scope by section 1 of this act until such employee gives notice in writing to the Secretary of the Senate or the Clerk of the House of Representatices, as the case may be, and shall not be applicable to any officer or employee of any court of the United States who is brought within its scope by section 1 of this act until such officer or employee gives notice in writing to the disbursing officer by whom the salary of such officer or employee is paid, that he or she desires to come under the provisions of such act of May 29, 1930. Such notice must be given, in the case of any such employee in the service on the effective date of this act, within 6 months from such effective date, and in the case of any such employee entering the service after the effective date of this act, within 6 months from the date of such entrance.

The amendment was agreed to.

The next amendment heretofore proposed by Mr. COPELAND was, in section 2, after line 19, to insert the following proviso:

Provided, That in the case of any such employee whose salary or any part thereof is paid by the disbursing officer of the Senate such notice may be given at any time, and such employee shall come under the provisions of such act of May 29, 1930, at the beginning of the sixth month after the giving of such notice.

The amendment was agreed to.

The next amendment proposed by Mr. COPELAND was, at the top of page 3, to insert the following:

No such employee whose salary or any part thereof is paid by the disbursing officer of the Senate shall make any deposit required by section 9, or any redeposit required by subsection (b) of section 12, of such act of May 29, 1930, and there shall not be deducted and withheld from the basic salary, pay, or compensation of any such employee the sum required to be deducted and withheld by section 10 of such act of May 29, 1930, unless and until such employee shall have completed 15 years of service: *Provided*, That before any such employee may derive any of the benefits provided by such act of May 29, 1930, he shall be required to deposit an amount equal to the following sums: (1) The sum which would have been deducted and withheld from his basic salary, pay, or compensation but for the foregoing provisions of this paragraph, together with interest on such sum computed at the rate of 4 percent per annum compounded on June 30 of each fiscal year; (2) any sum required to be deposited under the provisions of section 9 of such act of May 29, 1930; and (3) any sum required to be redeposited under the provisions of subsection (b) of section 12 of such act of May 29, 1930: *Provided further*, That should any such employee who shall have served for a total period of not less than 5 years become totally disabled for useful and efficient service, within the meaning of section 6 of such act of May 29, 1930, before completing 15 years of service, he shall be entitled to the benefits provided by such section 6, upon deposit of the amount required to be deposited under the preceding proviso.

The amendment was agreed to.

The next amendment heretofore proposed by Mr. COPELAND was, in section 3, line 8, after the word "any", to strike out "employee in the legislative branch" and insert "officer or employee", so as to make the section read:

SEC. 3. The provisions of section 2 of such act of May 29, 1930, and of section 204 of the Economy Act of June 30, 1932, and any Executive orders pursuant thereto, relating to automatic separation, shall not apply to any officer or employee to whom the provisions of such act are extended by this act.

The amendment was agreed to.

Mr. COPELAND. The second amendment suggested by the Civil Service Commission is in section 3, on page 4, after the word "act", at the end of line 10, to insert a comma and the words "nor hereafter to employees of the office of the Architect of the Capitol." I offer that amendment. The adoption of this amendment and the one suggested previously will make the bill conform to the ideas of the Civil Service Commission.

The VICE PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from New York.

The amendment was agreed to.

The VICE PRESIDENT. If there are no further amendments to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "An act to extend the benefits of the Civil Service Retirement Act of May 29, 1930, as amended, to certain employees in the legislative and judicial branches of the Government."

DISTRICT JUVENILE COURT

The bill (H. R. 4276) to amend an act entitled "An act to create a juvenile court in and for the District of Columbia, and for other purposes" was announced as next in order.

Mr. COPELAND. Mr. President, I ask that this bill go over without prejudice. I promised a Senator who is not present today that the bill would not be considered in his absence. So I hope the bill will not be deemed to be among those to be passed over at a future time.

The VICE PRESIDENT. The bill will be passed over.

STATUS OF OFFICERS OF WORLD WAR

The bill (S. 1040) placing provisional officers of the World War in the same status with emergency officers of the World War and extending to them the same benefits and/or privileges as are now or may hereafter be provided by law, orders, and/or regulations for said emergency officers, and for other purposes, was announced as next in order.

Mr. ROBINSON. Mr. President, I have indicated several times that a motion might be made to proceed to the consideration of this bill; but I do not think it should be acted on under the present order. I suggest that it go over.

The VICE PRESIDENT. The bill will be passed over.

NATIONAL CEMETERY FACILITIES, SAN FRANCISCO, CALIF.

The bill (H. R. 5136) to authorize the acquisition of land for cemeterial purposes in the vicinity of San Francisco, Calif., was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized to acquire by purchase, condemnation, or otherwise, such suitable lands in the vicinity of San Francisco, Calif., as in his judgment are required for the enlargement of existing national cemetery facilities, and the sum of $200,000, or so much thereof as may be necessary, is hereby authorized to be appropriated for this purpose from any funds in the Treasury not otherwise appropriated, which sum shall remain available until expended.

SALE OF SURPLUS WAR DEPARTMENT PROPERTY

The bill (S. 1279) to authorize the sale under the provisions of the act of March 12, 1926 (44 Stat. 203), of surplus War Department real property was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized to sell or cause to be sold, under the provisions of the act of March 12, 1926 (44 Stat. 203), the several tracts or parcels of real property hereinafter designated, or any portion thereof, upon determination by him that said tracts or parcels are no longer

needed for military purposes, and to execute and deliver in the name of the United States and in its behalf any and all contracts, conveyances, or other instruments necessary to effectuate such sale and conveyance.

Name of reservation, with approximate amount of land involved in each instance: Calf Island, including Little Calf Island, Mass., 18.05 acres; Great Brewster Island, Mass., 21.7 acres; Fort Ward, Wash., 320.33 acres; Boca Grande (Cayo Costa) Military Reservation, Fla., 37 acres (portion excepted and reserved by act of March 12, 1926): *Provided*, That the net proceeds from the sale of the above properties shall be deposited in the Treasury to the credit of "Miscellaneous receipts."

SEC. 2. That the Secretary of War be, and he is hereby, authorized and directed after due advertisement, to sell or cause to be sold, upon such terms and conditions as he deems advisable, but at not less than the appraised value, the remaining portion of Camp Taylor, Ky., approximately 30 acres, which was not sold under the act of February 20, 1931 (46 Stat. 1191), together with any other portion of Camp Taylor which was sold prior to the passage of the act of February 20, 1931, and title to which may revert to the United States because of default; and he is further authorized, if he deems it advisable, to have said land appraised again, the cost of each appraisal and all other expenses incident to the sale to be paid from the proceeds of sale and the net proceeds of such sale shall be deposited in the Treasury to the credit of "Miscellaneous receipts."

SIMPLIFICATION OF ARMY ACCOUNTING

The bill (S. 2400) to simplify accounting, and for other purposes, was considered, ordered to be engrossd for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the appropriation "Travel of the Army" current at the date of relief from duty station of personnel traveling under orders shall be charged with all expenses properly chargeable to such appropriation in connection with the travel enjoined, including travel expenses of dependents, regardless of the dates of arrival at destination of the persons so traveling.

INCREASE OF MEDICAL AND DENTAL OFFICERS OF THE ARMY

The bill (S. 2463) to authorize an additional number of medical and dental officers for the Army was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That on and after July 1, 1937, there shall be authorized 1,083 officers of the Medical Corps and 208 officers of the Dental Corps, notwithstanding the provisions of the act of June 30, 1922 (42 Stat. 721), and the authorized commissioned strength of the Army is hereby increased by 75 in order to provide for the increases herein authorized in the number of officers in the Medical and Dental Corps.

AMERICAN LEGION MUSEUM AT NEWPORT NEWS, VA.

The bill (H. R. 4809) to authorize the Works Progress Administration to lend or give World War relics and other property at Fort Eustis, Va., to the American Legion Museum at Newport News, Va., was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Administrator of the Works Progress Administration is hereby authorized, in his discretion, to lend or give any World War relics, museum pieces, quartermaster material, surgical, or medical equipment, or other material, now located at Fort Eustis, Va., which is of a character appropriate for display in a museum and which is no longer required for Government use as determined by the Director of Procurement, to the American Legion Museum at Newport News, Va. The Administrator of the Works Progress Administration shall furnish to the Director of Procurement a list of all property lent by him pursuant to the provisions hereof. The Director of Procurement shall have custody of any such property which may hereafter be returned by the American Legion Museum, with authority to deal therewith as in the case of other surplus personal property in his custody. The Government shall be at no expense in connection with any such loan or gift, and such loan or gift shall be made subject to such rules and regulations as the Administrator of the Works Progress Administration shall prescribe.

MISSISSIPPI RIVER BRIDGE AT ST. LOUIS, MO.

The bill (H. R. 5467) to extend the times for commencing and completing the construction of a bridge across the Mississippi River between St. Louis, Mo., and Stites, Ill., was considered, ordered to a third reading, read the third time, and passed.

BRIDGE AT CEDAR POINT, ALA.

The bill (H. R. 3874) to extend the times for commencing and completing the construction of a bridge and causeway across the water between the mainland, at or near Cedar Point and Dauphin Island, Ala., was considered, ordered to a third reading, read the third time, and passed.

POTOMAC RIVER BRIDGE AT POINT OF ROCKS

The bill (H. R. 4706) authorizing the State Roads Commission of the State of Maryland and the State Highway Department of the State of Virginia to construct, maintain, and operate a free highway bridge across the Potomac River at or near a point in the vicinity of Point of Rocks in Frederick County and a point near the south end of Loudoun County to take the place of a bridge destroyed by flood in 1936 was considered, ordered to a third reading, read the third time, and passed.

COLUMBIA RIVER BRIDGE, WASH.

The bill (H. R. 4801) authorizing the county of Wahkiakum, a legal political subdivision of the State of Washington, to construct, maintain, and operate a free highway bridge across the Columbia River between Puget Island and the mainland, Cathlamet, State of Washington, was considered, ordered to a third reading, read the third time, and passed.

WATERTOWN OIL, LAND & POWER CO., BUTTE, MONT.

The bill (S. 190) to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Waterton Oil, Land & Power Co., of Butte, Mont., against the United States was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred upon the Court of Claims to hear, determine, and render judgment upon the claim of the Waterton Oil, Land & Power Co., of Butte, Mont., against the United States for damages arising out of the breach of various contracts entered into in the years 1906, 1907, 1908, and 1909 for the cutting of timber by such company from certain lands in the Glacier National Park and the cancelation of certain mining claims of such company covering such land.

SEC. 2. Suit upon such claim may be instituted at any time within 1 year after the date of enactment of this act, notwithstanding the lapse of time or any statute of limitations. Proceedings for the determination of such claim, and appeals from and payment of any judgment thereon, shall be in the same manner as in the case of claims over which such court has jurisdiction under section 145 of the Judicial Code, as amended.

JAMES W. GROSE

The Senate proceeded to consider the bill (S. 1850) to provide for the appointment of James W. Grose as a sergeant, first class (master sergeant), United States Army, which had been reported from the Committee on Military Affairs with an amendment, in line 5, after the word "master", to strike out "sergeant, and he shall not be entitled to receive pay or allowances for the period during which he was not in the active service" and insert "sergeant: *Provided*, That the said James W. Grose shall not be entitled to any back pay or allowances by virtue of the passage of this act", so as to make the bill read:

Be it enacted, etc., That James W. Grose, a noncommissioned officer on the retired list of the Regular Army, be placed in the first grade as a master sergeant: *Provided*, That the said James W. Grose shall not be entitled to any back pay or allowances by virtue of the passage of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

PROTECTION OF FOREIGN EXHIBITORS AT NEW YORK WORLD'S FAIR

The joint resolution (H. J. Res. 334) to protect the copyrights and patents of foreign exhibitors at the New York World's Fair, to be held at New York City, N. Y., in 1939, was considered, ordered to a third reading, read the third time, and passed, as follows:

Resolved, etc., That the Librarian of Congress and the Commissioner of Patents are hereby authorized and directed to establish branch offices under the direction of the Register of Copyrights and the Commissioner of Patents, respectively, in suitable quarters on the grounds of the New York World's Fair, to be held at New York City, N. Y., under the direction of the New York World's Fair Corporation, Inc., a New York corporation, said quarters to be furnished free of charge by said corporation, said offices to be established at such time as may, upon 60 days' advance notice, in writing, to the Register of Copyrights and the Commissioner of Patents, respectively, be requested by said New York World's Fair Corporation, but not earlier than January 1, 1939, and to be maintained until the close to the general public of said exposition; and the

proprietor of any foreign copyright, or any certificate of trade-mark registration, or letters patent of invention, design, or utility model issued by any foreign government protecting any trade mark, apparatus, device, machine, process, method, composition of matter, design, or manufactured article imported for exhibition and exhibited at said fair may upon presentation of proof of such proprietorship satisfactory to the Register of Copyrights or the Commissioner of Patents, as the case may be, obtain without charge and without prior examination as to novelty, a certificate from such branch office, which shall be prima-facie evidence in the Federal courts of such proprietorship, the novelty of the subject matter covered by any such certificate to be determined by a Federal court in case an action or suit is brought based thereon; and said branch offices shall keep registers of all such certificates issued by them, which shall be open to public inspection.

At the close of said New York World's Fair the register of certificates of the copyright registrations aforesaid shall be deposited in the Copyright Office in the Library of Congress at Washington, D. C., and the register of all other certificates of registration aforesaid shall be deposited in the United States Patent Office at Washington, D. C., and there preserved for future reference. Certified copies of any such certificates shall, upon request, be furnished by the Register of Copyrights or the Commissioner of Patents, as the case may be, either during or after said exposition, and at the rates charged by such officials for certified copies of other matter; and any such certified copies shall be admissible in evidence in lieu of the original certificates in any Federal court.

SEC. 2. It shall be unlawful for any person without authority of the proprietor thereof to copy, republish, imitate, reproduce, or practice at any time during the period specified in section 6 hereof any subject matter protected by registration as aforesaid at either of the branch offices at said exposition which shall be imported for exhibition at said exposition, and there exhibited and which is substantially different in a copyright, trade mark, or patent sense, as the case may be, from anything publicly used, described in a printed publication or otherwise known in the United States of America prior to such registration at either of said branch offices as aforesaid; and any person who shall infringe upon the rights thus protected under this act shall be liable—

(a) To an injunction restraining such infringement issued by any Federal court having jurisdiction of the defendant;

(b) To pay to the proprietor such damages as the proprietor may have suffered due to such infringement, as well as all the profits which the infringer may have made by reason of such infringement, and in proving profits the plaintiff shall be required to prove sales only and the defendant shall be required to prove every element of cost which he claims, or in lieu of actual damages and profits such damages as to the court shall appear to be just;

(c) To deliver upon an oath, to be impounded during the pendency of the act, upon such terms and conditions as the court may prescribe, all articles found by the court after a preliminary hearing to infringe the rights herein protected; and

(d) To deliver upon an oath, for destruction, all articles found by the court at final hearings to infringe the rights herein protected.

SEC. 3. Any person who willfully and for profit shall infringe any right protected under this act, or who shall knowingly and willfully aid or abet such infringement, shall be deemed guilty of a misdemeanor and upon conviction thereof shall be punished by imprisonment for not exceeding 1 year or by a fine of not less than $100 nor more than $1,000, or both, in the discretion of the court.

SEC. 4. All the acts, regulations, and provisions which apply to protecting copyrights, trade marks, designs, and patents for inventions or discoveries not inconsistent with the provisions of this act shall apply to certificates issued pursuant to this act, but no notice of copyright on the work shall be required for protection hereunder.

SEC. 5. Nothing contained in this act shall bar or prevent the proprietor of the subject matter covered by any certificate issued pursuant to this act from obtaining protection for such subject matter under the provisions of the copyright, trade-mark, or patent laws of the United States of America, as the case may be, in force prior hereto, and upon making application and complying with the provisions prescribed by such laws; and nothing contained in this act shall prevent, lessen, impeach, or avoid any remedy at law or inequity under any certificate of copyright registration, certificate of trade-mark registration, or letters patent for inventions or discoveries or designs issued under the copyright, trade-mark, or patent laws of the United States of America, as the case may be, in force prior hereto, and which any owner thereof and of a certificate issued thereon persuant to this act might have had if this act had not been passed, but such owner shall not twice recover the damages he has sustained or the profit made by reason of any infringement thereof.

SEC. 6. The rights protected under the provisions of this act as to any copyright, trade mark, apparatus, device, machine, process, method, composition of matter, design, or manufactured article imported for exhibition at said New York World's Fair shall begin on the date the same is placed on exhibition at said exposition and shall continue for a period of 6 months from the date of the closing to the general public of said exposition.

SEC. 7. All necessary expenses incurred by the United States in carrying out the provisions of this act shall be reimbursed to the Government of the United States by the New York World's Fair, under regulations to be prescribed by the Librarian of Congress and the Commissioner of Patents, respectively; and receipts from such reimbursements shall be deposited as refunds to the appropriations from which such expenses were paid.

CADETS AT MILITARY ACADEMY FROM CANAL ZONE

The Senate proceeded to consider the bill (S. 2295) to amend the act approved June 7, 1935 (Public, No. 116, 74th Cong.; 49 Stat. 332), to provide for an additional number of cadets at the United States Military Academy, and for other purposes, which was read, as follows:

Be it enacted, etc., That the portion of the act approved June 7, 1935 (Public, No. 116, 74th Cong.; 49 Stat. 332), to provide for an additional number of cadets at the United States Military Academy, which reads as follows: "one to be selected by the Governor of the Panama Canal Zone, from among the sons of civilians of the Panama Canal Zone and the Panama Railroad, resident on the zone", is amended to read as follows: "one cadet to be selected by the Governor of the Panama Canal from among the sons of civilians residing in the Canal Zone and the sons of civilian personnel of the United States Government and the Panama Railroad Co. residing in the Republic of Panama."

Mr. ROBINSON. Mr. President, let me ask the Senator from Texas [Mr. SHEPPARD], in charge of the bill, what increase in the number of cadets does the bill contemplate?

Mr. SHEPPARD. The bill does not propose to increase the number of appointments to be made from the Panama Canal Zone but permits the Governor to appoint men residing across the line of the zone in Panama. Some of the civilian employees have moved across the line for various reasons, and under the language of the existing law their sons cannot be appointed.

Mr. ROBINSON. The title of the bill, then, is misleading.

Mr. SHEPPARD. It is misleading.

Mr. ROBINSON. The title of the bill reads, "To provide for an additional number of cadets." The Senator, as I understand him, says that the bill merely authorizes the appointment as cadets of young men who do not reside within the Canal Zone.

Mr. SHEPPARD. The bill is an amendment to the existing law, and it retains the old title. As a matter of fact, the title technically is misleading, but the bill is an amendment to a former act.

Mr. ROBINSON. Very well. I make no objection.

The PRESIDING OFFICER (Mr. BARKLEY in the chair). The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

JOHN E. SANDAGE

The bill (H. R. 1304) for the relief of John E. Sandage, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the United States Employees' Compensation Commission be, and is hereby, authorized to consider and determine, in the same manner and to the same extent as if application for the benefits of the Employees' Compensation Act had been made within the 1-year period required by sections 17 and 20 thereof, the claim of John E. Sandage on account of disability due to loss of an eye alleged to have been proximately caused by his employment in the service of the United States between September 8, 1929, and December 31, 1932: *Provided*, That no benefits shall accrue prior to the enactment of this act: *Provided further*, That claim hereunder shall be filed within 6 months after the approval of this act.

HATTIE TOLBERT

The Senate proceeded to consider the bill (S. 2154) for the relief of Hattie Tolbert, which had been reported from the Committee on Claims with an amendment at the end of the bill to add a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Hattie Tolbert, of Pensacola, Fla., the sum of $2,500 as full compensation for the death of her mother, Mary Goode, and her sister, Irma Dean, on March 1, 1921, on account of being struck by United States Navy (N–10) seaplane (A–2548) while piloted by John W. Alcorn, ensign, United States Navy: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

WILLARD COLLINS

The Senate proceeded to consider the bill (S. 1401) for the relief of Willard Collins, which had been reported from the Committee on Claims with amendments, on page 1, line 5, after the word "Treasury," to strike out "not otherwise appropriated" and insert "allocated by the President for the maintenance and operation of the Civilian Conservation Corps," and at the end of the bill to add a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury allocated by the President for the maintenance and operation of the Civilian Conservation Corps, to Willard Collins the sum of $10,000 in full and final settlement of any and all claims against the Government for the death of his wife and minor child, who were killed November 28, 1936, when the automobile in which they were riding was struck by a truck belonging to the Department of Agriculture, Forest Service, which was being operated by Joseph Yusba, a member of the Civilian Conservation Corps, Camp Rainbow, Florence County, Wis.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MRS. GUY A. M'CONOHA

The bill (S. 523) for the relief of Mrs. Guy A. McConoha, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Guy A. McConoha, of Poplar, Mont., the sum of $425.50 in full satisfaction of all claims of such Mrs. Guy A. McConoha against the United States resulting from the loss sustained by her when dispossessed by the Government of a certain Ford automobile purchased with a like sum by the said Mrs. Guy A. McConoha, such automobile, without her knowledge, having been previously forfeited to the United States under the internal-revenue laws and laws relating to the suppression of the traffic in intoxicating liquors among the Indians: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

JOSEPH M. CLAGETT, JR.

The Senate proceeded to consider the bill (H. R. 730) for the relief of Joseph M. Clagett, Jr., which had been reported from the Committee on Claims with amendments, on page 1, line 6, after the words "sum of", to strike out "$10,000" and insert "$1,000, and the additional sum of $40 per month during the remainder of his natural life"; on page 2, at the end of line 1, to insert "*Provided*, That the guardian of Joseph M. Clagett, Jr., shall file an annual report with the Secretary of the Treasury as to the physical condition of Joseph M. Clagett, Jr.: *Provided further*"; on the same page, line 6, after the word "act", to strike out "in excess of 10 percent thereof"; and in line 9, after the word "claim", to strike out "It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the guardian of Joseph M. Clagett, Jr., the sum of $1,000, and the additional sum of $40 per month during the remainder of his natural life, in full settlement of all claims against the United States for injuries sustained by him on December 27, 1934, caused by a fall down an open elevator shaft in a building in Philadelphia, Pa., owned by the United States Government and under the jurisdiction of the Treasury Department, Procurement Division: *Provided*, That the guardian of Joseph M. Clagett, Jr., shall file an annual report with the Secretary of the Treasury as to the physical condition of Joseph M. Clagett, Jr.: *Provided further*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

ANNIE MARY WILMUTH

The bill (S. 546) for the relief of Annie Mary Wilmuth, was considered, ordered to be engrossed for a third reading, read the third, and passed, as follows:

Be it enacted, etc., That the United States Employees' Compensation Commission be, and is hereby, authorized and directed to consider and determine, in the same manner and to the same extent as if application for the benefits of the United States Employees' Compensation Act had been made within the 1-year period required by sections 17 and 20 thereof, the claim of Annie Mary Wilmuth, on account of disability alleged to have been contracted while employed as a nurse at the United States Veterans' Administration Hospital, Algiers, La.: *Provided*, That no benefits shall accrue prior to the approval of this act.

BONDED INDEBTEDNESS OF ALASKA MUNICIPAL CORPORATIONS

The bill (H. R. 1502) to amend Public Law No. 626, Seventy-fourth Congress, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the first sentence of section 2 of Public Law No. 626, Seventy-fourth Congress, the same being an act entitled "An act to authorize municipal corporations in the Territory of Alaska to incur bonded indebtedness, and for other purposes", approved May 28, 1936, is amended to read as follows:

"No bonded indebtedness shall be incurred by any municipal corporation in the Territory of Alaska unless the proposal to incur such indebtedness be first submitted to the qualified electors of such municipal corporation whose names appear on the last tax-assessment roll or record of such municipality for purposes of municipal taxation, at an election called for such purpose, and not less than 65 percent of the votes cast at such election shall be in favor thereof."

AUXILIARY VESSELS FOR THE NAVY

The bill (S. 2193) to authorize the construction of certain auxiliary vessels for the Navy, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That for the purposes of furnishing or replacing auxiliary vessels urgently necessary for the proper maintenance and operation of the Navy, the President of the United States is hereby authorized to undertake the construction of about 36,050 tons (light displacement tonnage) of such auxiliary vessels as follows:

(a) One seaplane tender of about 8,300 tons;
(b) One destroyer tender of about 9,000 tons;
(c) One mine sweeper of about 600 tons;
(d) One submarine tender of about 9,000 tons;
(e) One fleet tug of about 1,150 tons; and
(f) One oiler of about 8,000 tons.

MR. AND MRS. EDWARD J. PRUETT

The bill (H. R. 3736) for the relief of Mr. and Mrs. Edward J. Pruett, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mr. and Mrs. Edward J. Pruett the sum of $5,000 in full settlement of all claims against the Government of the United States for the death of their son, Robert Edward Pruett, who was drowned in a swimming pool at Fort McClellan, Ala., on September 22, 1931: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of

this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

BILL PASSED OVER

The bill (S. 2106) for the allowance of certain claims not heretofore paid, for indemnity for spoliations by the French, prior to July 31, 1801, as reported by the Court of Claims, was announced as next in order.

Mr. BURKE. Let that bill go over.

The PRESIDING OFFICER. The bill will be passed over.

HOWARD HEFNER

The Senate proceeded to consider the bill (H. R. 2673) for the relief of Howard Hefner.

Mr. McKELLAR. Mr. President, I inquire if this bill has been recommended by the Department?

Mr. RUSSELL. Mr. President, I may say that this bill has not been recommended by the Department, but very full and complete evidence relating to the bill was presented to the Senate Committee on Claims. At the last session of the Congress a bill passed the Senate providing an allowance of $5,000. The pending bill is a House measure, and only provides an allowance of $2,000. My investigation of this case and the evidence presented convinced me that it is a very meritorious measure, except that I consider that the bill does not provide adequate compensation for the injuries sustained.

The PRESIDING OFFICER. The question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury allocated by the President for the maintenance and operation of the Civilian Conservation Corps, to Howard Hefner the sum of $2,000 in full settlement of all damages sustained by him as the result of permanent personal injuries inflicted upon him when, on May 26, 1935, the car which he, Howard Hefner, was driving on State Highway No. 11 was struck by a United States Forestry truck driven by one Grady Helton at a point on said highway about 1 mile north of Cleveland, Ga., and near a place known as "Skeet's Place" on a deep curve on said highway, the said Howard Hefner being on his side of the road when the accident occurred: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

BILL PASSED OVER

The bill (S. 885) for the relief of H. G. Harmon was announced as next in order.

Mr. GILLETTE. I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

SUIT OF JOHN H. OWENS

The Senate proceeded to consider the bill (S. 1274) authorizing John H. Owens to bring suit in the District Court of the United States for the District of Nebraska, Omaha division, against the United States of America for damages sustained by reason of being injured by an automobile operated by an employee of the United States engaged in Government business which had been reported from the Committee on Claims with an amendment to strike out all after the enacting clause and insert:

That jurisdiction is hereby conferred upon the United States District Court for the District of Nebraska to hear, determine, and render judgment upon, notwithstanding the lapse of time or any provision of law to the contrary, the claim against the United States of John H. Owens, Omaha, Nebr., for damages on account of personal injuries sustained by the said John H. Owens when he was struck on September 23, 1931, in Omaha, Nebr., by an automobile operated by an employee of the Department of Agriculture while such employee was engaged in Government business: *Provided*, That the judgment, if any, shall not exceed the sum of $3,000. Such suit shall be brought within 4 months from the date of enactment of this act.

SEC. 2. The United States district attorney for the district of Nebraska is hereby charged with the duty of defending the United States in any suit instituted under the authority of section 1 of this act.

SEC. 3. There is authorized to be appropriated such sum as may be necessary to pay any judgment rendered by such court in such suit.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to confer jurisdiction upon the United States District Court for the District of Nebraska to determine the claim of John H. Owens."

SOCIAL AND ECONOMIC NEEDS OF MIGRATING LABORERS

The joint resolution (S. J. Res. 85) authorizing an appropriation for an investigation of the social and economic needs of laborers migrating across State lines was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That to enable the Secretary of Labor to carry out the purposes of S. Res. 298, to investigate the social and economic needs of laborers migrating across State lines, agreed to June 18, 1936, there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $20,000.

NATIONAL UNEMPLOYMENT AND RELIEF COMMISSION

The joint resolution (S. J. Res. 68) providing for the appointment of a National Unemployment and Relief Commission was announced as next in order.

Mr. McKELLAR. Mr. President, may we have an explanation of the joint resolution?

Mr. HATCH. Mr. President, I will be glad to explain the measure. It merely provides for the appointment of a commission to consist of not less than 5 nor more than 15 members to make a thorough and comprehensive study of unemployment and relief. It provides for no appropriation, but authorizes the expenses to be paid out of the relief appropriation. Are there any other questions?

Mr. AUSTIN. Mr. President, will the Senator yield for a question?

Mr. HATCH. Certainly.

Mr. AUSTIN. Does this resolution include any provision for the taking of a census of unemployed?

Mr. HATCH. It does not include any such provision. It merely provides for a complete study of the subject of unemployment and relief.

Mr. McKELLAR. I see that, instead of providing an appropriation, it is based on an allotment by the President. Is that the idea?

Mr. HATCH. That is correct.

Mr. O'MAHONEY. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Wyoming?

Mr. HATCH. I yield.

Mr. O'MAHONEY. I observe the bill provides for the creation of a new commission.

Mr. HATCH. That is correct.

Mr. O'MAHONEY. May I ask the Senator whether it would not serve the purpose just as well if, indeed, not a little better, if this work should be undertaken by the Bureau of Labor Statistics of the Department of Labor? Every time we create a new commission it becomes necessary for such commission to establish a new bureaucratic machine.

The Bureau of Labor Statistics has done very excellent work. It is accustomed to gathering such statistics. I really feel that the purposes of the joint resolution would be better served and it would be possible to obtain more immediate action if, instead of creating a new commission, the Department of Labor were required to do the work.

Mr. McKELLAR. Mr. President, may I say to the Senator——

Mr. HATCH. Of course, I can answer but one question at a time. Does the Senator from Tennessee desire to speak along the same line as did the Senator from Wyoming?

Mr. McKELLAR. No.

Mr. HATCH. Then, let me say in response to the Senator from Wyoming that I quite agree with all he has said about the establishment of new commissions and especially commissions which tend to create further and additional bureaus. However, this particular commission could not and would not create a new bureau. It is a fact-finding

commission that is proposed. Undoubtedly it would and it must employ all the agencies of the Government in the Department of Labor, but that is only one small part of the problem involved. The statistics compiled and which are available in the Department of Labor will be very beneficial in this study, but also it must include a review and a consideration and a study of all the statistics in the Works Progress Administration, the Public Works Administration, and all the other emergency agencies which have had to do in any way with the subject of unemployment or relief. There is at present no single agency which can undertake this study.

Mr. McKELLAR. It is that to which I wish to invite the attention of the Senator. The bill making appropriations for the Department of Labor carried a large sum of money to that department for the purpose of securing this exact information. The two would be paralleling each other, if I am correct about it. I shall let the Senator know in a moment after I have examined the appropriation bill to which I have just referred.

Mr. HATCH. I am quite sure they would not be paralleling each other's work. Another resolution is pending before a committee of this body which would in a sense provide for paralleling the work of the proposed commission. That is a resolution which I introduced calling for the appointment of a special senatorial committee to study the particular subject of unemployment and relief. I hope that resolution will be reported and that the Senate will make its own study of the subject.

Mr. BYRNES. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from South Carolina?

Mr. HATCH. I yield.

Mr. BYRNES. I am familiar with the resolution to which the Senator has just referred. I agree that there may be justification for such an investigation as would be authorized by the Senate resolution submitted by the Senator from New Mexico. I think there is no justification for the investigation provided by the pending joint resolution for the reason that, in my long experience in the House and Senate, I do not recall any investigation made by commissions composed of persons outside of Congress that ever succeeded in bringing about the enactment of legislation by the Congress.

I think any investigation made of the subject should be made by a committee of the House or a committee of the Senate. Then, whatever report is filed, there will be somebody in the Congress to fight for the adoption of the report and for the enactment of legislation recommended by the committee; but when an outside commission is appointed, as proposed in the pending joint resolution, we do not get such results. Looking back through the years, we know, based on our past experience, that such a commission would meet and have experts and hold hearings and eventually file a report, and in due time someone would move that the report be printed as a public document, but no Member of the Senate or the House would ever read it. It would be buried in the document room.

The Senator has pending a resolution which I think contains real merit. I have talked with the Senator about it and believe that at the proper time it should be adopted. It would provide for a comprehensive investigation of the entire subject. By following that plan I believe results would be obtained. I do not believe we will get any such results under the joint resolution now pending.

Mr. HATCH. Mr. President, I quite appreciate what the Senator from South Carolina has said about my resolution, which is now pending before a Senate committee. I hope that resolution will be reported soon and will be considered by the Senate and that under it a committee will be appointed to study the subject for the purpose of recommending legislation. However, I know that things do not always work out the way we want them to. The particular resolution to which the Senator has referred was introduced in the Senate during the last session by the Senator from Montana [Mr. MURRAY]. It is really his thought, and it is a good one. That resolution passed the Senate but died in the House of Representatives.

The other resolution to which the Senator from South Carolina referred was also introduced in the Senate during the last session, but it died on the calendar and was not passed. Neither resolution was passed at the last session.

I should like to have the Senate permit the pending joint resolution to be passed today in order that it may go to the other House.

Mr. BYRNES. Mr. President, will the Senator yield?

Mr. HATCH. Certainly.

Mr. BYRNES. May I ask the Senator if he will not say, as to the Senate resolution which he introduced, that he came before the committee of which I happen to be chairman and said that he did not want his resolution considered and reported until the joint resolution which we are now discussing had been disposed of?

Mr. HATCH. That is quite correct. I have been holding back my Senate resolution hoping that the Senator from South Carolina would join with me in reporting it and having it adopted if by any chance the pending joint resolution should be defeated.

Mr. BYRNES. I assure the Senator that I intended to join with him because I believe that is the way the thing should be done. I think we should wait until after we have passed upon the bill which provides funds for relief, because during the consideration of that measure in committee and on the floor of the Senate questions may arise which the Senator would want to have fully covered by his resolution of investigation. I assure him, as I have heretofore, that I agree with him in the objective he is seeking. I am in favor of the adoption of a resolution along the lines of the one he has submitted providing for a Senate investigation, and I hope it will be a thorough one and that as a result of such an investigation much-needed legislation may be enacted.

Mr. HATCH. Then, the Senator from South Carolina agrees with me that the question of unemployment and relief is the most important question before the people of the United States at this time?

Mr. BYRNES. I certainly agree with the Senator, and because I agree with him I sincerely hope that he and the Senator from Montana [Mr. MURRAY], who is also deeply interested in the matter, will not have the investigation conducted by a commission to be appointed by the President, because in years past we have considered that course to be the graveyard of legislation. Whenever we reached a deadlock and could not move, we would adopt a resolution providing for the appointment of a commission to investigate and report at some future time.

I think the resolution should be adopted providing a Senate investigation. Then there would be a report under it on the date of the convening of the next session of Congress in January 1938, and action could be had at the next session if action is deemed necessary and wise.

Mr. HATCH. We are not divided at all in our thought about the matter. May I complete the question to the Senator which I intended to propound? If unemployment and relief constitute the most important question confronting us, why should not the Congress conduct its own investigation under the other resolution which we have been discussing, and at the same time have the executive department, which has a heavy responsibility with this problem, conduct its investigation through such commission as that provided in the pending joint resolution?

Mr. BYRNES. The executive department must necessarily rely upon the investigations and the reports made by the officials of the executive department who are daily engrossed with this problem. Being engrossed with it every day, they know a thousand times more about it than some persons who would be appointed to serve temporarily upon such commission as is provided by the pending joint resolution. If such a commission were appointed, it would call in the directors and the officials of the existing bureaus for their recommendations. I think those officials should be

required to come before a congressional committee instead of before a commission, when we know, judging from the history of such investigations, that the Members of Congress would never read the report of a commission composed of persons outside of the Congress. That is my fear. I may be wrong but that is my opinion.

Mr. HATCH. I think there is much merit in the commission plan, and much good might come from the study it would make. I hardly think, under the present order of business, that I should continue at length, as I should like to do, to discuss the pending joint resolution. I do not know whether objection has been made to its present consideration.

Mr. McKELLAR. Mr. President, I have not made an objection; but I find that we have already appropriated $784,000 to gather statistics which include reports of unemployment. I have the hearings here; but, while I have not found the place, my recollection is that under that appropriation the Department of Labor prepares and furnishes bulletins on unemployment. I do not think another organization ought to be employed to do the very same thing. I may be mistaken about it.

Mr. HATCH. Mr. President, the Senator is mistaken in the purpose of the joint resolution.

Mr. McKELLAR. I hope the Senator from New Mexico will let the resolution go over until the next time the calendar is called. Meantime I shall look into it, and shall be glad to take up the matter on its merits.

Mr. HATCH. Of course, the Senator from Montana [Mr. MURRAY] is equally interested.

Mr. MURRAY. Mr. President, before introducing a similar joint resolution at the last session I went into the subject very carefully. It was my feeling at that time that it would be impossible for a Senate committee to devote the necessary time to an investigation of this character; that is would take such a long period of time, and require such close attention and study of the subject, that it would be imposing too much upon a Senate committee. Therefore, I have provided for the appointment of a commission. It seems to me that in a matter of this kind the President should appoint an impartial commission of outstanding citizens of the country who would give their time to the subject, and give it thorough study, and not permit it to be slurred over by a careless examination and investigation of the subject.

Mr. McKELLAR. The Senator knows that the Department of Labor makes a very careful study of unemployment, and submits reports regularly in reference to the number of unemployed in the country.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. MURRAY. I yield.

Mr. CLARK. I am sure the Senator from Tennessee and the Senator from Montana and all other Senators will readily recall the very great dispute that has existed over the figures of the employment of labor.

Mr. McKELLAR. Yes; that is true.

Mr. CLARK. They will also recall the almost weekly conflicts that existed during the last unfortunate Republican administration when Mr. Doak was Secretary of Labor, and the present Secretary of Labor, Miss Perkins, was Labor Commissioner of New York, or was holding an office of equivalent title. Almost weekly the United States Department of Labor would give out a statement as to the number of unemployed in the United States; and the same day or the next day the New York State Department of Labor, under the direction of Miss Perkins, would give out a statement saying that the United States Department of Labor did not know what it was talking about, or else was deliberately falsifying the facts, and give out an entirely different figure.

I understand that the purpose of the joint resolution of the Senator from Montana and the Senator from New Mexico is to have the President of the United States set up a commission armed with sufficient authority over all agencies concerned, both National and State, to arrive at the facts as correctly as they are humanly ascertainable. Therefore, in view of the constant dispute as to this matter which in the past has gone on between the Department of Labor of the United States and various other agencies, both State and National, it seems to me it is not a valid objection to the joint resolution introduced by the Senators from Montana and New Mexico that statistics on the subject have been gathered by Government agencies.

Mr. HATCH. Mr. President, if the Senator from Montana will yield——

Mr. MURRAY. Certainly, I yield.

Mr. HATCH. Let me say to the Senator from Tennessee that this joint resolution contemplates a study of the types of relief. On the one hand we have advocates of work relief. On the other hand, there are many persons in the United States who contend that work relief should be stopped. Some insist on a long-range public-works program. Others contend for strictly a dole system. Mr. Hopkins says that more than 7,000,000 persons must now be provided for by relief. Other agencies dispute that number. Will the statistics from the Labor Department settle those questions, or any part of them? The purpose of this proposed study is to go into the whole subject and try to find out what is the best and most workable plan of handling the question of unemployment and relief.

Mr. BYRNES. Mr. President, I have stated my view. I simply desire to reiterate it.

The Senator from New Mexico [Mr. HATCH] and I have the same views on this subject. We differ as to method. I do not believe any headway would be made by passing a joint resolution authorizing the President to appoint a commission to make an investigation of this kind. I do not believe Congress would read the report of the commission. I think from 6 months to a year would elapse before we would receive a report from them. I want a Senate investigation. I desire to have a resolution adopted by the Senate providing for the consideration of all matters connected with the subject. Before this session of Congress adjourns I intend to have reported from my committee, if I have any influence with the committee, a resolution providing for an investigation in which all the questions involved will be considered.

The Senator from New Mexico says he does not believe the joint resolution would be passed by the House.

Mr. HATCH. I said it might not be.

Mr. BYRNES. I think the Senator could say more than that. Even if it should be, I think the Senator will agree that a committee of the Senate would have greater power than would a commission; and I cannot agree with him that any commission appointed by the President would devote more time to the investigation than would a Senate committee.

Mr. MURRAY. Mr. President, will the Senator yield?

Mr. BYRNES. In one second.

Committees of the Senate charged with the duty of investigating questions of this kind have invariably performed that duty in a splendid manner. Whenever the President appoints a commission, he must take the members of the commission from men who are engaged in business. We have no reason to believe they would leave their business. I think they might ask the directors of the various organizations to suggest men who would make the investigation for them. I do not want it made by them. I want the investigation made by the Senate, or by men who are appointed by a Senate committee. The Members of the Senate represent those who hold the views suggested by the Senator as to work relief, and those who hold different views. We represent all views, and we can give an opportunity to persons having all views to come before the committee.

Because of those facts, Mr. President, I shall object to the consideration of the joint resolution.

Mr. CLARK. Mr. President, before the Senator objects, will he yield to me for just one question?

Mr. BYRNES. Certainly; I yield.

Mr. CLARK. I desire to ask a question in all good faith, and without any argumentative tendency in the question, because the discussion of the subject this afternoon has been

a very interesting one. There is pending before the Commerce Committee a bill introduced by the junior Senator from Connecticut [Mr. MALONEY], approaching this subject from a slightly different angle. I should be very glad to have the opinion of the Senator from South Carolina [Mr. BYRNES] as to the efficacy of this manner of approach, because it is coming before a subcommittee of which I am the acting chairman.

The Senator from Connecticut proposes to take a census of unemployment in this country in what would seem to be a relatively simple manner, and without very much expense to the Government. He proposes to do it in a manner analogous to the registration for the draft during the World War, by using the agencies already established—the employment and reemployment services—for registration purposes. It may be objected to such a method of approach that a great many persons are not registered; but the Senator from Connecticut attaches to his bill a proviso that no one who is out of employment, and who shall not have registered in the manner provided by the bill, shall be entitled to any relief, or shall be given any Government employment.

Since two or three plans have already been presented here, I should be glad to have the expression of the Senator from South Carolina on the efficacy of such a plan as that.

Mr. BYRNES. Mr. President, I am not familiar with the bill to which reference has been made. I certainly agree, however, that no one has yet suggested anything which I think is worthy of serious consideration as to why we should not have a census of the unemployed. We have estimates reaching all the way from 4,000,000 to 9,000,000. I cannot conceive of any sound reason for saying that a definition cannot be reached as to who should be classified among the unemployed.

We can reach a definition; and while I am not familiar with the bill referred to, it could be enacted and the investigation could be made without interfering in any way with what the Senator from New Mexico has in mind, as to what should be done with the big question as to direct relief or work relief in the years to come. The director of W. P. A. says relief is to be permanent. I think it is for the Congress to say whether or not it is to be permanent; and in order to say it we should have every opportunity to consider the question of relief in its various phases. I am not willing to say that it must be permanent; and until I am convinced of it I am willing to join any committee of the Senate in making an investigation to determine the facts of the matter.

Mr. CLARK. Mr. President, if the Senator will yield for just a moment more, I am certain he agrees with me that before Congress can properly and intelligently determine the course which it desires to pursue it must know the number who are out of employment and employable at any time.

Mr. BYRNES. I do.

Mr. CLARK. That number does not rest on estimates from any Government official. It should rest on facts. Does not the Senator believe that such a plan as that suggested by the Senator from Connecticut [Mr. MALONEY] would certainly at least result in ascertaining the number of persons who are out of employment and who desire to be employed? If it be assumed that some persons would not register, it can also be assumed that they do not desire employment.

Mr. BYRNES. I will say it is the only plan suggested which ever has appealed to me. If any other plan were resorted to, by the time the statistics were assembled the whole situation would have changed. If we resort to the plan suggested by the Senator from Missouri, we shall know within a few weeks exactly the number of unemployed. No department of the Government is now making such an investigation. It is the unofficial advisers of the Government who are telling us the number of the unemployed, and we are acting upon their statements.

Mr. HATCH. Mr. President, before the objection is made may I say one word?

Mr. BYRNES. I withhold the objection.

Mr. HATCH. I desire to say to the Senator from Missouri that I am somewhat familiar with the bill introduced by the Senator from Connecticut [Mr. MALONEY], and I expect to attend the hearings on the bill and see what develops.

There are several other bills which have been suggested, and, as the Senator from Missouri knows, many plans have been proposed here and there. Everybody has a remedy for this disease, as we may call it, for it is a disease.

The purpose of the investigation, whether by a commission or by a committee of the Senate, is to arrive at the best possible plan, and let Congress lay down the pattern for the executive department to cut its cloth to fit.

The Senator from South Carolina has very graciously said today that he will report the other resolution, and I am confident that we will have some sort of an investigation ordered before this session of the Congress shall be adjourned. That is what I want. I should like to have the resolution the Senator from Montana and I have proposed adopted, if it could be done, but I am very grateful for the sentiment that has been expressed here today.

The PRESIDING OFFICER. Objection is heard, and the resolution will be passed over.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Megill, one of its clerks, announced that the House, having proceeded to reconsider the bill (H. R. 5478) to amend existing law to provide privilege of renewing expiring 5-year level-premium term policies for another 5-year period, returned by the President of the United States with his objections, to the House of Representatives, in which it originated, it was

Resolved, That the said bill pass, two-thirds of the House of Representatives agreeing to pass the same.

RENEWAL OF GOVERNMENT TERM POLICIES—VETO MESSAGE

Mr. GEORGE. Mr. President, at this time I call up the veto message of the President on House bill 5478, an act to amend existing law to provide privilege of renewing expiring 5-year level-premium term policies for another 5-year period. The veto message was acted upon by the House of Representatives today.

Mr. CLARK. Mr. President, will the Senator yield to me to suggest the absence of a quorum?

Mr. GEORGE. I was about to suggest the absence of a quorum, before the message is read.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Clark	King	Radcliffe
Andrews	Connally	La Follette	Reynolds
Ashurst	Copeland	Lee	Robinson
Austin	Davis	Lewis	Russell
Bailey	Dieterich	Logan	Schwartz
Bankhead	Donahey	Lonergan	Schwellenbach
Barkley	Duffy	Lundeen	Sheppard
Berry	Ellender	McAdoo	Steiwer
Bilbo	Frazier	McCarran	Thomas, Okla.
Black	George	McGill	Thomas, Utah
Bone	Gillette	McKellar	Townsend
Borah	Green	McNary	Truman
Bridges	Guffey	Minton	Tydings
Brown, Mich.	Harrison	Moore	Vandenberg
Brown, N. H.	Hatch	Murray	Van Nuys
Bulkley	Hayden	Neely	Wagner
Bulow	Herring	Norris	Walsh
Burke	Hitchcock	Nye	Wheeler
Byrd	Holt	O'Mahoney	White
Byrnes	Hughes	Pepper	
Capper	Johnson, Calif.	Pittman	
Caraway	Johnson, Colo.	Pope	

Mr. MINTON. Mr. President, I desire to reannounce the absence of Senators as announced earlier in the day.

The PRESIDING OFFICER. Eighty-five Senators having answered to their names, a quorum is present.

The Chair lays before the Senate a veto message from the President of the United States, which will be read.

The Chief Clerk read as follows:

To the House of Representatives:

I return herewith, without my approval, H. R. 5478, an act to amend existing law to provide privilege of renewing expiring 5-year level-premium term policies for another 5-year period.

The War Risk Insurance Act, which authorized the writing of life insurance by the Government for the members of

the military and naval forces, stated that "not later than 5 years after the termination of the war as declared by proclamation of the President of the United States, the term insurance shall be converted", thus clearly manifesting the intent that term insurance was to be temporary in character and of limited duration. This pronouncement put all applicants on notice that within 5 years after the declared ending of the World War it was expected that, so far as Government life insurance was concerned, they were to have properly planned their permanent insurance program. By amendment to the law the 5-year period was extended for 1 year, so that on July 2, 1927, yearly renewable term insurance ceased except for a few types of cases.

The kind of insurance to which term insurance was to be converted was founded upon a mutual basis, the Government simply administering the system for the benefit of the policyholders. Premiums received on account of such insurance were for deposit in the Treasury in a trust account separated from and not commingled with the general funds of the United States.

When the last date fixed for converting term policies approached, it was argued that many veterans were not then able to do so, and the law was further amended authorizing for issuance a special 5-year term policy providing for automatic change to a converted form at the end of the 5-year period. Subsequently, in 1932, when many of these policies expired as term insurance, it was contended that the personal affairs of some veterans were still so unsettled as not to permit them to convert the term insurance they continued to carry, and again the law was amended granting another 5 years' grace. The bill before me would provide for a fourth postponement.

It is not believed that any further delay in the adoption of an insurance program is warranted or ultimately will prove profitable to the individuals concerned. The lower initial premium rates on term-insurance policies are beguiling, and the holders thereof should realize that the time must ultimately come when such charges, which keep ever increasing, will become so great as to compel numbers of veterans to drop their insurance when it will probably be most needed.

Furthermore, enactment of this proposed legislation would constitute a breach of faith on the part of the Federal Government toward the large body of converted policyholders contributing to the Government life-insurance fund, and on two counts: (1) the small group of term-insurance policyholders would continue to carry their life insurance at considerably lower premium rates than the great majority of converted policyholders are allowed; and (2) the reserves which have been built up almost entirely by the converted policyholders would continue to be drawn off to meet undue losses sustained in carrying the low-premium term policies.

It should be kept firmly in mind that the veterans of the World War expected that the Federal Government, in setting a limiting date for the conversion of term insurance into some permanent form of life insurance, would stand by its declaration. Consequently at the close of the 5-year period allowed to veterans within which to convert their term insurance, 423,557 had converted to some permanent form of insurance in a total sum of $1,773,075,664. In many cases, veterans made considerable sacrifices, either reducing the amount of insurance carried or paying the increased premiums required to maintain the original temporary war insurance on a permanent lifetime basis. When legislation was subsequently enacted and reenacted, permitting a relatively small preferred group who had not seen fit to make the same sacrifices as the converted policyholders have made, to extend their temporary insurance at the wartime low premium rates, an unwarranted disservice was rendered to the several hundred thousand who had placed their insurance on a permanent basis.

Of the present policyholders over 85 percent have converted their insurance to whole life or endowment forms, while the reserve which the converted policyholders have been chiefly instrumental in creating is being used to supplement the inadequate premiums paid by term-insurance policyholders in order to pay the extra losses on the policies of the latter group. It is pertinent here to observe that at no time has the loss ratio on term policies been down to the level of the American Experience Table of Mortality according to which the premiums are computed, the most favorable year showing a loss ratio of 3.89 percent above that table, and in one year it went as high as 32.44 percent above the table. In other words, had the accounts of the term policyholders been kept separate from those of the converted policyholders their fund for the payment of losses would now be hopelessly insolvent. In contrast to the above loss experience on term policies, the highest loss ratio on converted policies in any year was only 84.03 percent of the expected loss under the American Experience Table of Mortality, and in one year it got down to as low as 53.52 percent. In other words, the loss ratios on term policies range from 45 to over 100 percent higher than those on the converted forms.

There appears to be no justification whatever for continuing to burden the converted policyholders with the excess losses of the term-insurance policyholders who, under the present law, without physical examination are privileged to convert their policies to whole life or endowment forms. It, therefore, should be obvious that the remaining less than 15 percent of the policyholders who continue to carry term insurance should now make provisions for the future by determining the amount which they can afford to pay as insurance premiums and plan accordingly.

For these reasons I am withholding my approval of this bill.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *May 28, 1937.*

The PRESIDING OFFICER. The question is, Shall the bill pass, the objections of the President of the United States to the contrary notwithstanding?

Mr. GEORGE. Mr. President, I wish to make a brief statement concerning the President's veto of this bill.

The legislation, of course, is not new, as the President points out, and this particular bill, which was introduced both in the House and in the Senate, passing in the House bill form, simply extends for a second or third period of 5 years the 5-year term insurance carried by certain veterans of the World War.

There are about 23,000 of these veterans. Perhaps not quite 23,000 veterans now hold unconverted term insurance which they have carried during the successive periods of one or two 5-year extensions. A great part of that insurance expires today, June 1, or at least a considerable number of the policies will expire with the end of this day. More than 85 percent of the veterans of the World War who had life insurance have converted their 5-year term policies into regular or other forms of Government insurance. None of the insurance is payable out of the Treasury. No form of Government life insurance is a charge on the Treasury. There is set up in the Treasury a United States Government life-insurance fund. The holders of the 5-year term-insurance policies constitute simply a group or subdivision of the holders of policies who are entitled to share in this fund.

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. AUSTIN. Can the Senator state what part of the fund represents the term-insurance policies now in force?

Mr. GEORGE. In the hearings there is a statement from the Veterans' Administration tending to show what part represents the amounts paid in by the holders of 5-year term insurance.

Mr. AUSTIN. Will the Senator yield for another question?

Mr. GEORGE. I yield; yes.

Mr. AUSTIN. Whatever that amount may be, whether it be great or small, if permission is not given to extend these term-insurance policies, all of that which has been paid in under the term-insurance policies will be forfeited to the Government of the United States, will it not?

Mr. GEORGE. It will be, unless it shall go to the other policyholders, and I am coming to that now.

The President, of course, raises certain questions in his veto message with respect to the desirability of a term-insurance policy or contract. So far as that is concerned, it is not a practical matter. The fact is that less than 15 percent of the veterans of the World War who had the 5-year term-insurance contracts have converted their policies into other forms of contracts. But less than 15 percent of them still have the 5-year term policy. Many of those policies, as I have already said, will expire today unless this bill be passed.

The Senator from Vermont [Mr. AUSTIN] correctly points out what ought to be a conclusive answer to the President's argument in his veto message, which I think the President himself would recognize if it were brought to his attention. If these veterans, now advanced in age for the most part, many of them seriously disabled, were to be deprived of the benefit of this legislation by virtue of the President's veto, every dollar which they paid into the fund would go to the veterans who hold another form of contract or to the Treasury. Yet the principal argument advanced by the President is that to allow the renewal of these 5-year term policies will give a certain advantage to these disabled veterans, 23,000 of them in number, because, forsooth, the benefits coming to holders of other forms of Government insurance may be slightly reduced.

Beyond that, Mr. President, every veterans' organization, the holders of the 5-year term policies, and the holders of every form of insurance into which policies have been converted have appeared before the committees of the Senate and the House, and, without a dissent, have asked us to pass this legislation. So the veterans are not complaining. But the President points out the possible injustice which may result from the payments provided by the bill to these remaining 5-year term policyholders, now greatly reduced in number; he points out the possible injustice that may result, in that they will receive slightly more than they have paid into the insurance fund, which thereby will reduce the amount that holders of other forms of insurance policies may receive.

In any case the amount involved would be negligible, but to strike down this bill passed by the House and Senate is to take every penny that those veterans, who hold the 5-year term insurance policies, have paid into the fund, and that money will go either to the Government of the United States or to other policyholders.

Mr. President, the proposed legislation makes no charge on the Treasury. There is no complaint against this bill by any of the veterans who hold the converted insurance. As I have said, their representatives have appeared before the committees of Congress and have asked for such a law. The bill provides for a mere extension, it is true. It cannot be said that it will be greatly beneficial to those veterans now included within the 23,000 who are robust and who perhaps will live a great number of years. But everyone who has studied the facts knows that those 23,000 represent in large number seriously disabled veterans, and that their number is fast vanishing. To deny them the privilege of renewing their insurance is to do one of two things: Take away the only protection which they and their families have, or else force them greatly to reduce the amount of their insurance, because the evidence is unmistakable that they are not able to take the same amount of insurance in the converted form, which carries, of course, a higher rate.

Mr. MINTON. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. MINTON. Do not these policies carry a disability provision? That is to say, if a veteran becomes disabled he no longer has to pay his premium, and he becomes entitled to the benefits under the disability provision?

Mr. GEORGE. Certainly; if he is totally and permanently disabled, and some of them are.

Mr. MINTON. He does not necessarily have to be totally and permanently disabled.

Mr. GEORGE. Some of them are totally and permanently disabled and they no longer have to pay their premiums. In other words, their policies have matured.

Mr. MINTON. If the veterans the Senator is referring to are totally and permanently disabled, as he represents, then they are no longer liable to pay even the premiums, but they draw benefits under their policies.

Mr. GEORGE. Mr. President, I did not represent that they were totally and permanently disabled, but I said that many of them are seriously disabled, and many of them, of course, are not insurable.

Mr. President, I now call attention to another fact. This bill provides for the renewal of the insurance for a period of 5 years, not, however, at the old rate, but at the rate applicable to the advanced age of the veteran.

There would seem to be no valid reason why this bill should not pass, notwithstanding the President's veto, which, of course, we respectfully recognize.

Mr. ROBINSON. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from Arkansas?

Mr. GEORGE. I yield.

Mr. ROBINSON. Why, time after time, extend the period in which the veterans may convert their insurance? If, as a matter of right and propriety, they should have the privilege of converting it at any time, why not repeal any limitation whatever? The message states that four times there have been extensions made.

Mr. GEORGE. I presume the Senator has probably voted for all the other extensions?

Mr. ROBINSON. Yes; I presume I did.

Mr. GEORGE. And I presume the Senator ought to be able to answer his own argument.

Mr. ROBINSON. I presume I voted for this bill when it passed; but I am asking the Senator now about the consistency of the proposal to override a veto that is based apparently on sound reasons.

Mr. GEORGE. I think I will be able to explain it. After it was found advisable to convert the 5-year term-insurance policies, provision was made for their conversion. The United States life-insurance fund was created, into which all premiums were paid, and, under the plan pursued by the Government, more than 85 percent of the term-insurance policyholders have converted. So the problem has been constantly solving itself, to some extent, of course, by death and to some extent by veterans becoming permanently and totally disabled, and by that process maturing the policies.

When the first period during which the veterans were allowed to convert their policies expired it was deemed wise by the Congress to grant another extension, and so on down until now, when the number has reached the comparatively small figure of less than 23,000 veterans. Necessarily, they are the veterans who are the least able to make any conversion and who if they make any conversion at all must take a very greatly reduced policy; otherwise, they will not be able to carry it; and they thereby diminish the security which they have and the protection which their families have.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. GEORGE. I yield to the Senator from Missouri.

Mr. CLARK. The Senator from Georgia, as chairman of the subcommittee on Veterans Affairs of the Finance Committee, has given very great study and attention to all veterans' questions. I should like to ask the Senator from Georgia if he recalls in any of the hearings or at any time during the consideration of this bill or similar bills any protests which have been made by the veterans who have converted their insurance or by any representatives of the veterans who have converted their policies along the lines of the President's veto message?

Mr. GEORGE. I will say to the Senator from Missouri that not only has no protest been made to the committee of the Senate, but during all the years when these term policies have been extended no protest has reached the committee or any member of the committee, so far as I have ever been advised, from any veteran who has converted his

insurance from the term form to the other form of insurance.

Mr. CLARK. The Senator, of course, is familiar, if he will permit me a moment further, with the fact that, so far as the great veterans' organizations of the United States are concerned, they are certainly not within the control or influence of the veterans who still have term insurance and who are affected by this bill and any benefits it may confer, because such veterans represent a very small group who have held on from year to year by the skin of their teeth, so to speak, and who for the most part are unable to avail themselves of the privileges of the great veterans' organizations because they have not the money with which to pay the dues. So in that regard at least the veterans' organizations of the United States are not speaking for any special interest, but they are speaking for those whom they feel bound by their own constitutions to attempt to protect, namely, the veterans who are unable to protect themselves.

Mr. GEORGE. The Senator from Missouri is entirely correct.

Mr. ROBINSON. Mr. President, will the Senator yield for a question?

Mr. GEORGE. Yes; I am glad to yield to the Senator.

Mr. ROBINSON. Is it correct to assume that those who carry term insurance pay a smaller premium than those who convert their policies into regular life insurance?

Mr. GEORGE. Yes; that is correct.

Mr. ROBINSON. That is the reason, it may be assumed, that the right to convert has not been availed of, because the term insurance is cheaper?

Mr. GEORGE. No; I think the Senator is wrong there. The right has been availed of in more than 85 percent of the cases.

Mr. ROBINSON. I understand that, but there are 15 percent——

Mr. GEORGE. Less than 15 percent who have not been able to take advantage of the opportunity afforded.

Mr. ROBINSON. There are 15 percent who, while the right has been existing and has been extended from time to time, have not availed themselves of the privilege of converting their insurance.

Mr. GEORGE. That is true.

Mr. ROBINSON. The reason for it, I assume, is that it has been less expensive to carry term insurance.

Mr. GEORGE. That is entirely correct.

Mr. ROBINSON. I wish to follow that with another question as determining my own attitude on the passage of this bill over the President's veto. Is the fund sufficient to meet the obligations that are imposed upon it by all classes of insurance?

Mr. GEORGE. According to my information, the fund is sufficient, I will say to the Senator from Arkansas, but the benefits, over and beyond the principal, which may be payable to the other type of insurance policyholders may be slightly diminished.

Mr. ROBINSON. To the extent that the premiums paid by those holding term insurance are less than the premiums paid by those who own converted policies, there may be a reduction of the dividends to be paid to the policyholders of the converted insurance.

Mr. GEORGE. That is true; that is the contention, at least.

Mr. ROBINSON. But in no event is any portion of the premiums or dividends to be taken from the Treasury.

Mr. GEORGE. In no event.

Mr. ROBINSON. And the Senator has stated, as I understand him, that the organizations representing the converted policyholders, representing all the veterans, have not only made no protest but have advocated the legislation.

Mr. GEORGE. The Senator is quite correct.

Mr. ADAMS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from Colorado?

Mr. GEORGE. I will yield to the Senator in a moment. While, of course, the rate on the ordinary term policy, whether carried by an old-line insurance company or by the Government, as in this case, is less than the rate on ordinary life insurance, the benefits under the latter are correspondingly greater. The term policyholder receives nothing except the naked protection during the 5 years the policy exists.

Mr. ROBINSON. Just one other statement. During the course of the discussion remarks have been made that indicate there is something unfair in receiving term-insurance permiums and then permitting the policies to expire at the end of the term. The object, of course, of the term insurance is to limit the premiums, and those who take that form of insurance understand from the beginning that their policies will expire at the end of the term.

Mr. GEORGE. That is quite true; but the point is that if the bill be not passed the holders of the term insurance, to the extent that they have added something to the insurance fund, will lose entirely.

Mr. ROBINSON. That is not quite correct, for, under the same theory, one who takes term insurance for 10 years and pays a premium based on the proper tables cannot complain if he happens to live beyond the 10 years that his beneficiaries are unable to collect the insurance and he has not secured anything by it. He has merely had the insurance during that time.

Mr. GEORGE. Exactly; he has had naked insurance.

Mr. ROBINSON. Of course, the Government could not provide term insurance, take the premiums for the term, pay those who died in the meantime on the basis of their term insurance, and then reimburse those who happen to be fortunate enough to live beyond the term. No insurance plan based on such a policy could ever survive anywhere at any time.

Mr. ADAMS. Mr. President——

Mr. GEORGE. I now yield to the Senator from Colorado.

Mr. ADAMS. I wish to make an inquiry of the Senator from Georgia. The veteran who converted his original term policy received a contract, did he not, from the Government to the effect that there would go into the reserve for his policy all of the earnings of the insurance organization. What we are doing, if we pass this bill over the President's veto, is to take money out of the fund to which the man with a converted policy has a right under his contract to look, and to give it to someone who had a definite term insurance expiring at a certain time. So, while we are not taking anything from the Government, we are taking it from men who have converted their insurance in accordance with the rules of the Government and who had a right to look to the fund thereby created.

Mr. GEORGE. The Senator from Colorado has not an entirely correct understanding of it. All Government insurance is now supported by the insurance fund and every policy represented or having any interest in it is in effect a mutual insurance policy. It has not the rigidity the Senator presupposes which ordinarily obtains in the case of the old line life insurance fund.

Mr. President, if I may be permitted to conclude——

Mr. MINTON. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from Indiana?

Mr. GEORGE. I yield.

Mr. MINTON. There is no question of mutual insurance features entering into a term policy, because there is nothing to give there except insurance.

Mr. GEORGE. The term "policyholders" simply constitute a subdivision in this general insurance fund, and the whole scheme partakes largely of mutual insurance.

Mr. MINTON. But they pay a premium based only upon naked insurance.

Mr. GEORGE. Yes; I understand that. I suppose the Senator is opposed to the bill.

Mr. MINTON. I do not know whether I am or not. I am one of the veterans who converted his insurance in the beginning, and instead of paying $50 a year, as I would

have been called upon to pay under a term policy, I pay $180 a year. I understood when I was converting my insurance that I was getting that kind of a contract; and I understood if I did not convert it I would keep a term insurance contract and when the term expired my insurance would expire, and I was allowed a short time in order to convert that kind of insurance.

Mr. GEORGE. That is exactly true.

Mr. President, I want to make clear to the Senator from Arkansas [Mr. ROBINSON] the situation as I understand it. The President has advanced two reasons for the veto: First, that the insurance is carried by the term policyholders at a lower cost, which is true, and that they have only naked insurance unless Congress should renew it for 5 years and perhaps again for 5 years; secondly, that the amount paid in by the holders of the 5-year term insurance will not take care of the losses under the 5-year policies. Granting that to be true, it would work some reduction in the benefits which would ultimately be received by holders of the converted insurance.

It is quite true, as the Senator from Arkansas has pointed out, that when one takes a 5-year policy and lives out the 5-year period, and at the end thereof has not passed away, he has no further interest in the premiums paid. Exactly; and every dime of the premium paid by holders of the 5-year term insurance will inure to the benefit of the distinguished Senator from Indiana [Mr. MINTON] and others who have taken the converted form of insurance. I say as a matter of argument that one stands almost on a parity with the other.

Mr. ROBINSON. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. ROBINSON. What has the Senator to say about the question raised by the Senator from Colorado [Mr. ADAMS], namely, that the Government entered into a contract with the holders of the insurance policies? What has the Senator to say about the right of the contractors to ignore the contracts?

Mr. GEORGE. I have stated to the Senator that Government insurance is a type of mutual insurance, and these policyholders are simply one division in that mutual scheme, as I understand it.

I might answer the Senator in another way. Let us suppose these 23,000 helpless veterans obtain an extension of their insurance, and let us suppose that at the end of the 5-year extension it would require $100,000 to make whole those who hold their converted insurance, to put them in the same position they would have been otherwise, is there a Senator who would not gladly say, "We will stand for that appropriation out of the Treasury of the United States"?

Those who hold converted insurance—

Mr. ROBINSON. Mr. President, will the Senator yield further?

Mr. GEORGE. Very well.

Mr. ROBINSON. I do not think that is an answer. I have been listening with great interest to the Senator's argument. He is making very clear his position. But what he says now in effect is that, admitting the legislation breaches the contract which the Government entered into, at some future time the Congress will undo the breach which is now made, by making an appropriation to reimburse those who lose. Why not do that now? Why does not this bill do it?

Mr. GEORGE. The Senator misapprehends my position. I said I would do it and I apprehend that any future Congress would do the same thing. I simply repeat that I would do it. I wish to say to the Senator from Arkansas again that there is no breach of contract in any moral sense, in in any actual sense. Here is an insurance fund, and every policy or contract standing against it is in its nature a mutual policy. Here is one group represented in the fund whose technical legal rights are expiring. They are expiring today. But it is within the power of Congress to say, "We recognize the moral right that these disabled men, who, if they take any insurance whatsoever, must take a greatly reduced amount of insurance, and, so believing and so concluding, we will enact a law to extend the insurance for 5 years."

Mr. WHEELER. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from Montana?

Mr. GEORGE. I yield.

Mr. WHEELER. Am I to understand the Senator to say that representatives of the other groups had appeared before the committee asking that such a law be enacted?

Mr. GEORGE. Representatives of all veterans' organizations.

Mr. WHEELER. So that representatives of all the groups which have an interest in this fund appeared asking that the legislation be enacted?

Mr. GEORGE. The Senator correctly understood me; and, so far as I know, there has been no protest by any veterans' organization.

Mr. WHEELER. Then, there could be no violation of the contract if the representatives of those holding the contract have come in and asked that it be changed in this respect and the other groups who are a part of the contract insurance system want it done.

Mr. GEORGE. The Senator is correct.

Mr. MINTON. But half the veterans of the country do not belong to a veterans' organization; so they could not have been represented.

Mr. GEORGE. I suppose the organizations are representative of the veterans.

Mr. President, I have just one further statement to make. The House, by the significant vote of 368 to 13, overrode the veto. I respectfully submit that the veto message should be overridden, because the justice and fairness of the situation are in behalf of the veterans.

The PRESIDING OFFICER. The question is, Shall the bill pass, the objections of the President of the United States to the contrary notwithstanding? The Constitution requires a yea-and-nay vote. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. LOGAN (when his name was called). I have a general pair with the senior Senator from Pennsylvania [Mr. DAVIS], who is absent. If present, he would vote "yea." Since I myself wish to vote that way, I feel at liberty to vote. I vote "yea."

The roll call was concluded.

Mr. AUSTIN. I announce that on this question the Senator from Maine [Mr. HALE] and the Senator from Vermont [Mr. GIBSON] are paired with the Senator from Utah [Mr. KING]. If present, the Senators from Maine and Vermont would vote "yea", and the Senator from Utah would vote "nay."

The Senator from Minnesota [Mr. SHIPSTEAD] is necessarily absent. I am not advised how he would vote on this question, if present.

Mr. WHITE. I announce the unavoidable absence of my colleague [Mr. HALE]. If present, he would vote as indicated by the Senator from Vermont.

Mr. MINTON. I announce that the Senator from South Carolina [Mr. SMITH] and the Senator from Massachusetts [Mr. LODGE] are paired on this question with the Senator from New Jersey [Mr. SMATHERS]. If present, the Senators from South Carolina and Massachusetts would vote "yea", and the Senator from New Jersey would vote "nay."

The Senator from Utah [Mr. KING] is detained because of illness. If present, he would vote "nay."

The Senator from Illinois [Mr. LEWIS] and the Senator from South Carolina [Mr. SMITH] are detained on important public business.

The Senator from New Jersey [Mr. SMATHERS] is detained on important public business, and, if present, would vote "nay."

The Senator from New Mexico [Mr. CHAVEZ], the Senator from Connecticut [Mr. MALONEY], and the Senator from Louisiana [Mr. OVERTON] are detained from the Senate on official business. If present and voting, these Senators would vote "yea."

The Senator from Virginia [Mr. GLASS] is detained because of illness in his family.

The Senator from Rhode Island [Mr. GERRY] is unavoidably detained. If present, he would vote "yea."

The roll call resulted—yeas 69, nays 12, as follows:

YEAS—69

Andrews	Connally	La Follette	Russell
Ashurst	Copeland	Lee	Schwellenbach
Austin	Dieterich	Logan	Sheppard
Barkley	Donahey	Lonergan	Steiwer
Berry	Duffy	Lundeen	Thomas, Okla.
Bilbo	Ellender	McAdoo	Thomas, Utah
Black	Frazier	McCarran	Townsend
Bone	George	McGill	Truman
Bridges	Gillette	McKellar	Tydings
Brown, Mich.	Green	McNary	Vandenberg
Bulkley	Harrison	Moore	Van Nuys
Bulow	Hatch	Murray	Wagner
Burke	Hayden	Neely	Walsh
Byrd	Herring	Norris	Wheeler
Byrnes	Hitchcock	Nye	White
Capper	Holt	Pepper	
Caraway	Johnson, Calif.	Pope	
Clark	Johnson, Colo.	Reynolds	

NAYS—12

Adams	Borah	Hughes	Radcliffe
Bailey	Brown, N. H.	Minton	Robinson
Bankhead	Guffey	O'Mahoney	Schwartz

NOT VOTING—15

Chavez	Glass	Lodge	Shipstead
Davis	Hale	Maloney	Smathers
Gerry	King	Overton	Smith
Gibson	Lewis	Pittman	

The PRESIDING OFFICER. On this question the yeas are 69, the nays are 12. More than two-thirds of the Senators present having voted therefor, the bill is passed, the objections of the President of the United States to the contrary notwithstanding.

The clerk will proceed with the call of the calendar.

JOHN ZARNICK

The bill (H. R. 3963) for the relief of John Zarnick was considered, ordered to a third reading, read the third time, and passed.

NAOMI LEE YOUNG

The bill (H. R. 4457) for the relief of Naomi Lee Young was considered, ordered to a third reading, read the third time, and passed.

Mr. MINTON subsequently said: Mr. President, may we revert to House bill 4457, Calendar No. 638? That bill was passed before I could interpose an objection. I ask unanimous consent to revert to it and reconsider the action of the Senate upon it.

The PRESIDING OFFICER. The Senator from Indiana asks unanimous consent to recur to Calendar No. 638, House bill 4457, and asks unanimous consent to reconsider the votes by which the bill was ordered to a third reading and passed. Is there objection? The Chair hears none, and the votes are reconsidered.

Mr. MINTON. I object to the consideration of the bill.

The PRESIDING OFFICER. The bill will be passed over.

NOAH SPOONER

The Senate proceeded to consider the bill (H. R. 3634) for the relief of Noah Spooner, which had been reported from the Committee on Claims with an amendment, on page 1, line 7, after the words "sum of", to strike out "$250" and insert "$150", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury allocated by the President for the maintenance and operation of the Civilian Conservation Corps, to Noah Spooner, of Quincy, Fla., the sum of $150 in full satisfaction of his claim against the United States for damages on account of personal injuries suffered by him when the car in which he was riding was struck by a Forest Service truck operated in connection with the Civilian Conservation Corps near Wilma, Fla., on May 27, 1935: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

BILL PASSED OVER

The bill (S. 2262) for the relief of Park B. Brandon and Robert G. Teer was announced as next in order.

Mr. MINTON. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

FIRST LT. R. G. CUNO

The bill (H. R. 856) for the relief of First Lt. R. G. Cuno was considered, ordered to a third reading, read the third time, and passed.

R. L. M'LACHLAN

The bill (S. 2399) for the relief of R. L. McLachlan was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to R. L. McLachlan, of Estill, Mo., the sum of $75 in full settlement of all claims against the United States for damages to him caused by the death of one purebred cow and one grade cow, known as abortion reactors, in connection with the Government's efforts to eradicate this disease from the dairy herds of Howard County, Mo.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

BILL PASSED OVER

The bill (H. R. 2223) for the relief of Mr. and Mrs. Walter B. Johnson and Joy Johnson, a minor, was announced as next in order.

Mr. MINTON. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

JACOB G. ACKERMAN

The bill (H. R. 5206) for the relief of Jacob G. Ackerman was considered, ordered to a third reading, read the third time, and passed.

FRANK CUBERO

The bill (H. R. 2554) for the relief of Frank Cubero was considered, ordered to a third reading, read the third time, and passed.

F. A. GROSS AND OTHERS

The bill (S. 2374) for the relief of F. A. Gross and others was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to allow credit in the accounts of F. A. Gross, Superintendent of the Fort Hall Indian Agency; Donald H. Biery, Superintendent of the Sherman Institute; Lem A. Towers, Superintendent of the Southern Pueblos Indian Agency; and G. F. Allen, Chief Disbursing Officer of the Treasury Department, for expenditures made for travel expense and per diem of certain Indian employees of the Indian Service while attending the fourth seminar in education at Yale University during the fiscal year 1936, under authorities issued by the Commissioner of Indian Affairs.

JOHN W. BOLIN

The bill (H. R. 1232) for the relief of John W. Bolin was considered, ordered to a third reading, read the third time, and passed.

CARTER R. YOUNG

The bill (H. R. 2360) for the relief of Carter R. Young was considered, ordered to a third reading, read the third time, and passed.

COL. J. P. BARNEY

The bill (H. R. 3841) for the relief of Col. J. P. Barney was considered, ordered to a third reading, read the third time, and passed.

MINNIE D. HINES

The bill (H. R. 1759) for the relief of Minnie D. Hines was considered, ordered to a third reading, read the third time, and passed.

SUE F. MELTON

The Senate proceeded to consider the bill (S. 2152) for the relief of Sue F. Melton, which had been reported from the Committee on Claims with an amendment, on page 2, line 4, after the word "act", to strike out the period, insert a colon and the words "*Provided*, That no benefits shall accrue prior to the approval of this act", so as to make the bill read:

Be it enacted, etc., That notwithstanding the provisions and limitations of sections 15 to 20, both inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 7, 1916, as amended, the United States Employees' Compensation Commission be, and the same is hereby, authorized and directed to receive and consider, when filed, the claim of Sue F. Melton on account of the death of her daughter, Mattie Ruth Melton, on March 10, 1934, as a result of personal injuries sustained while in the performance of her official duties as district home-demonstration agent of the United States Department of Agriculture, and to determine said claim upon its merits under the provisions of the said act: *Provided*, That no benefits shall accrue prior to the approval of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

JOHN KELLEY

The bill (H. R. 1792) for the relief of John Kelley was considered, ordered to a third reading, read the third time, and passed.

WILLIAM SULEM

The Senate proceeded to consider the bill (H. R. 2332) for the relief of William Sulem, which had been reported from the Committee on Claims with an amendment, on page 1, line 7, after the words "sum of", to strike out "$1,482" and to insert "$232", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to William Sulem, of the township of Franklin, county of Somerset, and State of New Jersey, the sum of $232, in full settlement of all claims against the Government of the United States for injuries received by and damages to property of the said William Sulem while operating his automobile on the public highway in New Brunswick, N. J., by the negligent operation of a United States Government mail truck, no. 9920, on said highway in said city while said truck was in the care and custody of and being driven by an operative of the United States Post Office Department under the orders of the postmaster in the United States Postal Service at New Brunswick, N. J.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

RELIEF OF ARMY DISBURSING OFFICERS

The bill (S. 2334) for the relief of certain disbursing officers of the Army of the United States and for the settlement of individual claims approved by the War Department was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of the following disbursing officers of the Army of the United States the amounts set opposite their names: Maj. E. T. Comegys, Finance Department, $80.54; Capt. J. H. Dickie, Finance Department, $13.30; Maj. E. F. Ely, Finance Department, $51.40; Maj. H. G. Foster, Finance Department, $36.86; and Lt. Col. F. M. Holmes, Finance Department, $39, said amounts being public funds for which they are accountable and which comprise minor errors in computation of pay and allowances due former members of the Civilian Conservation Corps, Reserve Officers' Training Corps, and the Regular Army who are no longer in the service of the United States, and which amounts have been disallowed by the Comptroller General of the United States: *Provided*, That no part of the amounts so credited shall be later charged against any individual other than the various payees.

SEC. 2. That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of Maj. H. G. Foster, Finance Department, $38, representing overpayment to a Civilian Conservation Corps enrollee for the months of August and September 1934: *Provided*, That there be refunded to Capt. William C. Carne, Fourth Regiment United States Infantry, $9.50 on account of payment made by him on this account: *Provided further*, That no charge shall be raised against any individual other than the payee.

SEC. 3. That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of the disbursing officer of the Army making payment therefor the cost of shipment by rail of household goods and personal property belonging to Lt. Col. (then Maj.) Clarence M. McMurray, Infantry, on permanent change of station from Fort Lewis, Wash., to Newport, Ky., in December 1933 in a sum not exceeding $188.29.

SEC. 4. That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of First Lt. W. J. Matteson, Corps of Engineers, $27,044, representing the amount paid by him for the construction of two additions to the Munitions Building under contracts with Birchett & Atkins, Inc., and the Charles H. Tompkins Co., and approved by the Secretary of War, which amount has been disallowed by the Comptroller General of the United States on the grounds that the appropriation expended was not available for construction in the District of Columbia: *Provided*, That any amounts collected from either of the contractors on account of these payments prior to the passage of this act shall be refunded to them.

SEC. 5. That in all cases where suit has been instituted in the courts against any disbursing officer covering items subsequently cleared by the action of the Congress or otherwise, such clearance of the principal amount shall be considered and construed as precluding the recovery of any interest charges from the disbursing officer arising from any items so cleared.

G. L. TARLTON

The Senate proceeded to consider the bill (S. 1143) for the relief of G. L. Tarlton, which had been reported from the Committee on Claims with amendments, on page 1, line 6, after the words "sum of", to strike out "$24,068.90" and to insert "$22,007.34", and to insert a proviso at the end of the bill, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to G. L. Tarlton the sum of $22,007.34 in full settlement of his claim for increased cost of labor and material incurred in complying on and after August 10, 1933, with the President's Reemployment Agreement and/or the applicable approved code in the performance of his contract with the War Department dated February 15, 1933, for the construction of a lock at lock and dam no. 1, Barren River, Ky., and other work connected therewith: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. McKELLAR. I desire to call the attention of the Senator from Texas to Senate bill 1143 and Senate bill 1144. It seems that the figures which were authorized and approved by the War Department in each case were accepted by the committee. Is that correct?

Mr. SHEPPARD. That is correct.

Mr. McKELLAR. The amounts represent what the War Department says these claimants are entitled to?

Mr. SHEPPARD. That is quite true.

The PRESIDING OFFICER. The question is on agreeing to the amendments.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

FRAZIER-DAVIS CONSTRUCTION CO.

The Senate proceeded to consider the bill (S. 1144) for the relief of the Frazier-Davis Construction Co., which had been reported from the Committee on Claims with amendments, on page 1, line 6, after the words "sum of", to strike out

"$34,814" and to insert "$25,144.76", and to add a proviso at the end of the bill, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Frazier-Davis Construction Co. the sum of $25,144.76 in full settlement of the claim of said company for increased cost of labor and material incurred in complying on and after August 10, 1933, with the President's Reemployment Agreement and/or the applicable approved code in the performance of its contract with the War Department dated January 19, 1933, for the construction of lock and dam no. 5, Green River, Ky.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

JOHN T. ARMSTRONG

The bill (S. 703) for the relief of John T. Armstrong was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That notwithstanding the provisions and limitations of sections 15 and 20, both inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 7, 1916, as amended, the United States Employees' Compensation Commission be, and the same is hereby, authorized and directed to receive and consider, when filed, the claim of John T. Armstrong, of Havre de Grace, Md., for disability alleged to have been incurred by him during June 1930 while in the employment of the Chemical Warfare Service, Edgewood Arsenal, and to determine said claim upon its merits under the provisions of said act: *Provided*, That no benefits shall accrue prior to the enactment of this act.

JAMES A. LYONS

The Senate proceeded to consider the bill (S. 1965) for the relief of James A. Lyons, which had been reported from the Committee on Claims with an amendment to add a proviso at the end of the bill, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay out of any money in the Treasury not otherwise appropriated, to James A. Lyons the sum of $2,000, said sum representing the unpaid amount of a judgment for $6,000 ($4,000 of which has been paid by Safety Motor Transit Corporation), entered on January 25, 1936, in the District Court of the United States for the Western District of Virginia, at Roanoke, Va., in the case of "James A. Lyons against Thomas Bailey and Safety Motor Transit Corporation", against Thomas Bailey and Safety Motor Transit Corporation, for and on account of injuries alleged to have been sustained by him on the 21st day of June 1934 while a passenger on a public passenger-transportation vehicle, to wit, a bus of the said Safety Motor Transit Corporation when the said bus collided with an automobile driven by Thomas Bailey, investigator, Alcohol Tax Unit, Bureau of Internal Revenue, Treasury Department, the said Thomas Bailey at the time of the collision being then and there engaged in the performance of his official duties as an internal-revenue officer, to wit, engaged in the pursuit of Leo C. Mays, otherwise known as Gummy Coleman, a known violator of the internal-revenue laws, who was then and there operating an automobile containing 120 gallons of un-tax-paid distilled spirits then and there being removed with intent to defraud the United States of the tax due thereon, which said removal was in violation of the internal-revenue laws of the United States: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CLAIMS OF CONTRACTORS FOR DAMS AND LOCKS ON MISSISSIPPI RIVER

The Senate proceeded to consider the bill (H. R. 2565) conferring jurisdiction on the Court of Claims to hear, determine, and enter judgment upon the claims of contractors for excess costs incurred while constructing navigation dams and locks on the Mississippi River and its tributaries, which had been reported from the Committee on Claims with an amendment to strike out all after the enacting clause and to insert the following:

That jurisdiction is hereby conferred upon the Court of Claims to hear, determine, and enter judgments against the United States upon the claims of the several contractors for alleged excess costs incurred in the execution of their respective contracts, entered into since June 16, 1933, for the construction of locks and dams for the improvement of navigation on the Mississippi River and its tributaries, by reason of the Government having promulgated and enforced, as alleged, due, as alleged, to the national emergency and subsequent to the dates of the several contracts, rules, and regulations referred to in the several contracts and misinterpreted and wrongfully enforced or disregarded, as alleged, and rules and regulations not referred to in and inconsistent with the respective contracts, as alleged, which rules and regulations, the enforcement or disregard thereof, deprived the contractors of normal control of their personnel, as alleged, and further by reason of the Government having failed, as alleged, to supply qualified labor under the labor clauses of the respective contracts, resulting in excess costs, including general overhead and depreciation, to the said several contractors on their respective contracts, as alleged; the said judgment or decrees, if any, to be allowed notwithstanding the bars or defenses of any alleged settlement or adjustment heretofore made, res adjudicata, laches, or any provision of law to the contrary.

This act shall not be interpreted as raising any presumption or conclusion of fact or law but shall be held solely to provide for trial upon facts as may be alleged.

Review of such judgment may be had by either party in the same manner as is provided by law in other cases in such court.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

RELIEF OF BEEKEEPERS

The Senate proceeded to consider the bill (S. 2147) to amend the Agricultural Adjustment Act, as amended, which had been reported from the Committee on Agriculture and Forestry with an amendment to strike out all after the enacting clause and to insert the following:

That section 2 of the Agricultural Marketing Agreement Act of 1937 is amended by adding at the end thereof the following new subsections:

"(k) Section 8c (2) is amended by inserting after the words 'except the products of naval stores' the words 'and the products of honeybees' and after 'soybeans' the following: ', honeybees'."

"(l) Section 8c (6) is amended by inserting after 'soybeans and their products', the following: 'honeybees'."

Mr. MOORE. Mr. President, this bill is merely an amendment of the law to enable bee raisers to enter into a marketing agreement and thus enjoy the same privilege accorded others. The provision was inadvertently omitted from the bill passed a few days ago amending the Agricultural Adjustment Act.

Mr. ELLENDER. Mr. President, when the Senate was considering the bill to which the Senator from New Jersey has referred, there were two amendments which had been reported by the Committee on Agriculture and Forestry.

One of the amendments had to do with permitting beekeepers to enter into marketing agreements, the other had reference to the canning of fruits and vegetables.

The amendments were objected to on the ground that they would result in delaying the enactment of the bill then pending, and would probably cause unnecessary delay in relieving the milk producers of the Nation. I stated at that time that I would introduce a bill to amend the law so as to incorporate a clause providing that beekeepers should have the right to enter into agreements if they saw fit to do so. I called up before the Committee on Agriculture and Forestry the bill of the Senator from New Jersey and had it amended so as to take care of the beekeepers.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to amend provisions of the Agricultural Marketing Agreement Act of 1937."

The PRESIDING OFFICER. That completes the consideration of unobjected-to bills on the calendar.

OMAHA-COUNCIL BLUFFS MISSOURI RIVER BOARD OF TRUSTEES

Mr. BURKE. Mr. President, I ask unanimous consent for the immediate consideration of Senate bill 2156, to amend the act relating to the Omaha-Council Bluffs Missouri River Bridge Board of Trustees, approved June 10, 1930, and for other purposes. The bill was reported favorably from the Committee on Commerce earlier in the day. It is a local bill, an amendment to a bridge bill reported unanimously by the Committee on Commerce for a bridge between Omaha, Nebr., and Council Bluffs, Iowa. The Senators from both Iowa and Nebraska are unanimously in favor of the bill.

Mr. ROBINSON. The bill is not on the calendar, having been reported since the calendar was printed?

Mr. BURKE. It was reported today, unanimously.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Nebraska?

Mr. AUSTIN. Mr. President, I should like to ask the Senator from Nebraska whether the War Department has approved the bill?

Mr. BURKE. The War Department approves the bill, and it is approved also by the Bureau of Public Roards of the Department of Agriculture.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Commerce with amendments.

The first amendment was, in section 1, page 1, line 3, after the word "bridge", to insert "at or near Farnum Street, authorized"; on page 1, line 4, to strike out "which is hereby recognized as having been already commenced"; on page 1, line 10, after "1938", to insert: "It is hereby recognized that construction has been heretofore commenced under the provisions of section 3 of said act as extended, and said bridge may be constructed at any point at or near Farnum Street, irrespective of the site of the commencement hereby recognized, subject to the approval of the War Department and the approval of either of the highway departments of the States of Iowa or Nebraska, all in accordance with and subject to the provisions of said act approved June 10, 1930, as extended, and as amended by this act", so as to make the section read:

Be it enacted, etc., That the time for completing the construction of the bridge at or near Farnam Street, authorized under the provisions of section 3 of the act entitled "An act to authorize the construction of certain bridges and to extend the times for commencing and completing the construction of other bridges over the navigable waters of the United States", approved June 10, 1930, as extended, is hereby further extended 1 year from June 10, 1938.

It is hereby recognized that construction has been heretofore commenced under the provisions of section 3 of said act as extended, and said bridge may be constructed at any point at or near Farnam Street, irrespective of the site of the commencement hereby recognized, subject to the approval of the War Department and the approval of either of the highway departments of the States of Iowa or Nebraska, all in accordance with and subject to the provisions of said act approved June 10, 1930, as extended, and as amended by this act.

The amendment was agreed to.

The next amendment was in section 2, page 2, on line 1, to strike out "the Omaha-Council Bluffs Missouri River Bridge Board of Trustees, created by section 3 of said act of 1930, and any", and insert the word "Any"; on line 4, after the words "operated by" to strike out "said board" and insert "The Omaha-Council Bluffs Missouri River Bridge Board of Trustees", so as to make the secton read:

SEC. 2. Any bridge constructed or to be constructed or owned and operated by The Omaha-Council Bluffs Missouri River Bridge Board of Trustees under said act of 1930, as herein amended, shall be deemed a Federal instrumentality for facilitating interstate commerce, improving the postal service, and providing for military and other governmental purposes.

The amendment was agreed to.

The next amendment was in section 3, page 2, line 25, after the word "indebtedness", to strike out the words "and the" and insert a period and the word "The"; on page 3, line 16, after the word "bridge", to strike out the comma and the word "and", and insert a colon and "*Provided further*, That the power granted in this section with respect to acquisition and purchase of any such bridge shall have been approved by the highway departments of the States of Iowa Bridge Board of Trustees until the amount to be paid for the acquisition and purchase of any such bridge shall have been approved by the highway departments of the States of Iowa and Nebraska"; and on line 20, after the word "thereof", to strike out the period and insert a colon and "*Provided further*, That the rates of toll to be charged for transit over bridges operated by said board shall at all times be subject to regulation by the Secretary of War under the authority contained in the act of March 23, 1906", so as to make the section read:

SEC. 3. That in addition to the powers granted by said act of 1930, said The Omaha-Council Bluffs Missouri River Bridge Board of Trustees may acquire and purchase and thereafter operate any other bridge or bridges (including approaches) over the Missouri River within 1 mile of the site of the bridge to be constructed by said board at or near Farnam Street, Omaha, Nebr., as referred to in said act of 1930, all in the manner provided by this act and said act of 1930, it being contemplated that all bridges owned and operated by said board will be so financed that the obligations incurred will be amortized and the travel over such bridge or bridges will be made free of tolls at the same time. It shall be obligatory upon said board that all toll revenues after paying the reasonable and proper charges of operation and maintenance and the accruing interest on the outstanding indebtedness be applied to the retirement of such indebtedness. The rate or rates of toll for crossing any bridge now or hereafter constructed which abuts upon or enters into the corporate limits of both the cities of Omaha, Nebr., and Council Bluffs, Iowa, shall not be reduced below the rate or rates now in effect on existing bridges so long as any indebtedness of said board for the account of any bridge or bridges shall be outstanding and unpaid. To pay the cost of any such bridge or bridges so purchased the board may either separately, or in conjunction with the financing of any other bridge, issue bonds as provided in said act of 1930 as herein amended: *Provided*, That said board shall operate each of the bridges under its control and charge and collect such rates of toll for transit over same as will not reflect upon or impair the earnings of any other bridge to such extent as to adversely affect any outstanding bonds which said board may have issued for account of such other bridge: *Provided further*, That the power granted in this section with respect to acquisition and purchase of any other bridge shall not be exercised by said The Omaha-Council Bluffs Missouri River Bridge Board of Trustees until the amount to be paid for the acquisition and purchase of any such bridge shall have been approved by the highway departments of the States of Iowa and Nebraska. The construction of no competing bridge shall hereafter be authorized, the operation of which will adversely affect such outstanding bonds, unless provision is otherwise made for the payment thereof: *Provided further*, That the rates of toll to be charged for transit over bridges operated by said board shall at all times be subject to regulation by the Secretary of War under the authority contained in the act of March 23, 1906.

The amendment was agreed to.

The next amendment was, on page 4, after line 15, insert a new section, as follows:

SEC. 5. That in addition to the powers granted by said act of 1930, as extended, the said Omaha-Council Bluffs Missouri River Bridge board of trustees, its legal representatives and assigns, are hereby granted power and authority to acquire, condemn, occupy, and possess and use real estate and other property acquired for or devoted to a public use for park or other purposes for the State of Nebraska, for the State of Iowa, or any governmental or political subdivision thereof, or any person or corporation which real estate or other property may be acquired for the location, construction, operation, and maintenance of such bridge and its approaches and highways leading thereto, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in condemnation or expropriation of property for public purposes in such State.

The amendment was agreed to.

The next amendment was, on page 4, line 16, to renumber the section, so as to read:

SEC. 6. The right to alter, amend, or repeal this act is hereby expressly reserved.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AID FOR SCHOOLS IN HAZARDOUS CONDITION

Mr. SCHWELLENBACH. Mr. President, I move that the Senate proceed to the consideration of Senate Concurrent

Resolution 11, a measure whose purpose is to ameliorate or eliminate conditions hazardous to the lives of students.

The motion was agreed to; and the Senate proceeded to consider the concurrent resolution (S. Con. Res. 11), submitted by Mr. SCHWELLENBACH on May 3, 1937, which was read, as follows:

Whereas, in response to Senate Resolution 97, the Administrator of Public Works has filed with the Senate the list of pending non-Federal projects for the construction of schools to ameliorate or eliminate conditions which are hazardous to the lives of the students; and

Whereas there remains in the Public Works Administration revolving fund an ample sum, without further appropriation, to make the necessary loans and grants involved in such application: Be it

Resolved by the Senate (the House of Representatives concurring), That the President of the United States and the Administrator of Public Works be requested to grant such of the applications above described as may meet the engineering and financial requirements of the Public Works Administration, without requiring that the applicant have on hand prior to the granting of the application all of the funds necessary for the completion of the project, and without requiring that the sum or sums granted to the applicant be expended exclusively for relief labor.

Mr. ROBINSON. Mr. President, if the Senator from Washington will yield for that purpose, it is my intention to ask the Senate to transact some further business, and then to move to take a recess until Thursday.

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Arkansas?

Mr. SCHWELLENBACH. I yield.

PROOF OF PERMANENT ECONOMIC PROGRESS

Mr. ROBINSON. Mr. President, it is gratifying to note from numerous press reports, editorials, and other information that there is steady progress toward prosperity in the economic affairs of the country. I have before me a number of editorials and news reports which I shall ask to have printed in the RECORD as a part of my remarks.

The recovery in the prices of agricultural products has been phenomenal. One of the headlines of the New York Herald Tribune of Sunday, May 23, 1937, reads:

Corn reaches 12-year peak.

The New York Herald Tribune of May 28, 1937, quotes cash prices for corn (no. 2, yellow) in the primary markets at $1.57⅞ per bushel. We can easily recall that the price of corn during the depression, when it could be sold instead of being burned for fuel, was approximately 18 cents per bushel.

In the New York Herald Tribune of Sunday, May 23, we find, under Minneapolis prices of wheat, May wheat quoted at $1.41 a bushel, as compared with a price of 31 cents a bushel in 1932. Wheat in recent months has sold as high as $1.60 a bushel.

I ask that a number of press clippings and editorials be printed in the RECORD as a part of my remarks.

There being no objection, the clippings and editorials were ordered to be printed in the RECORD.

[From the Davenport (Iowa) Times of May 17, 1937]

BUSINESS BOOMS IN IOWA

An impressive record of business recovery in Iowa is contained in the annual report on sales-tax receipts as made public by Chairman Louis Roddewig, of the State tax commission. Collections through the 2-percent transactions levy for the 12-month period ending April 1 indicated gross business of $730,000,000, an increase of $58,000,000 over the previous year.

State income from this source increased from $11,480,121 in 1935 to $14,606,929 for the year ending April 1, 1937. The largest sum came from the group handling food, which includes restaurants and groceries, the revenue being $2,573,998; while general merchandise yielded $2,495,000.

While the greatly enlarged receipts record higher prices for many commodities, they reveal also an impressive gain in the volume of trade arising from increased farm income, expanded pay rolls, and a higher level of wages and salaries.

While comparative figures for the boom years of 1928 and 1929 are lacking, a business turn-over of $730,000,000 indicates that recovery has been general in Iowa. It primarily reflects the greatly improved status of agriculture, since this is the basic source of wealth in a large part of Iowa.

With farm surpluses removed and crop curtailment sharply modified, a continuation of prosperity is promised "the State where the tall corn grows", with bumper crops at high prices in prospect.

[From the Winston-Salem (N. C.) Journal of May 13, 1937]

BACK TO TOP

Orchids to Winston-Salem! According to Forbes Magazine this city is listed as "tops" in the United States for concentrating sales activities, for collections, and other promotion operations of business. It is cited as the center of the "very best" high-spot territory in the United States.

This district is reported further ahead of last year in business than in any other territory containing 1,000,000 or more population. The median gain for this territory, which includes Winston-Salem, over last year recently stood at 34.5 percent.

It is good to know that actual figures bear us out in our feeling of optimism about local conditions. There is nothing deceptive about the appearances of progress which are seen on every hand. They are not a mirage as the result of wishful thinking, but are substantial evidences of recovery.

[From the St. Louis (Mo.) Globe-Democrat of May 13, 1937]

THE BANKERS ARE CHEERFUL

Missouri bankers, arriving here for their annual convention, bring unusually optimistic reports on business and crops over the State. Barring accidents of nature, such as drought and flood and perhaps a few grasshoppers, the year of 1937 should be recorded as one of our best. All signs point in that direction and the men who handle our money are downright cheerful.

Winter wheat, because of a moist spring, is the best in years. Corn planting is late due to rain but there is still ample time to get it in the ground and raise a bumper crop before frost comes. From the Ozarks we receive the happy news that the strawberry crop promises to be a record breaker and southeast Missouri reports that, despite much replanting of cotton because of wet weather, a prosperous year is predicted because of a 15-percent increase in acreage and a market that now stands at 13 cents a pound with prospects of 16 cents when the crop is harvested. So much for agriculture.

Business is humming in the Lead Belt, reports a banker from Bonne Terre. Eighty percent of the mines are operating and wages have passed the peak of 1929. The miners are making money and are spending it with the merchants. Mine owners are happy, too, because with lead selling for $5.85 per 100 pounds they, too, can make money. From Joplin, center of the zinc industry, a similar optimistic report is heard. Most of the old zinc and lead mines have been reopened and are working full shifts.

All in all the bankers paint a bright picture in which their own fortunes are naturally better because of improved business generally. As the bearers of glad tidings they have made themselves unusually welcome.

[From the Reno (Nev.) Journal of May 11, 1937]

1937 BUSINESS SHOWS STEADY ADVANCE TO DATE

Optimism continues to feature the business situation as a whole, according to reports compiled from all areas of the country.

A review in the current issue of Business Week shows that first-quarter earnings of 270 industrial corporations indicate a net profit of $352,375,000, a gain of 53 percent over the first quarter of 1936. This means an annual rate of return on net worth of nearly 12 percent against 7.9 percent the first 3 months last year. The biggest gains were recorded in steel, paper, merchandising, building materials, and railway equipment.

Railroads by a spurt in March ended the first quarter with a substantial profit, compared with a loss for the same period in 1936. Carloadings are expected to expand more or less steadily until the fall peak.

When the final April records are available home building probably will be found to have led construction activities. Reports for the first 3 weeks from 37 States east of the Rockies indicate residential construction out in front of all type of building in volume, eclipsing last year.

Residential construction is showing equipment and furnishings industrial divisions, for it is the rule when new homes are going up so do furnishings sales.

Steel mills continue to forge ahead at the best pace in 8 years.

[From the New York Sun, May 21, 1937]

FINDS WESTERN OUTLOOK BRIGHT—T. M. SCHUMACHER COMMENTS ON RAIL PROSPECTS

Conditions in Colorado, Utah, Nevada, and California look exceedingly favorable, T. M. Schumacher, chairman of the board of the Denver, Rio Grande & Western Railroad and chairman of the executive committee of the Western Pacific Railroad, stated yesterday after returning from an extensive trip over both roads. "The beet crop in Utah is one of the heaviest in recent years and the wool crop promises to be exceptionally good. Ore and coal movement is picking up and despite the unseasonal frosts in California, fresh-fruit loadings have held up well, with shippers getting better prices for goods", Mr. Schumacher said.

The railroad executive, who made daylight inspections of the road through to San Francisco and covering all branches over a period of 5 days, said that both roads are a little ahead of schedule on the $16,000,000 rehabilitation program that is to extend over 3 years. This maintenance expenditure will be made on improvements to track and roadbed and existing equipment, but will not include expenditures for new equipment and motive power. It is estimated that about $6,000,000 will be spent by the two roads for new equip-

ment, including 26 locomotives and about 500 cars. Deferred maintenance of both roads has been practically brought up to date.

[From the Washington Star of May 26, 1937]

FORD SURPLUS IN 1936 CLIMBS TO $602,666,000—BAY STATE REPORTS ASSETS THIRTY-FIVE MILLIONS AHEAD OF 1935

BOSTON, May 26.—The Ford Motor Co. in 1936 increased its surplus account by $19,689,000, bringing the total surplus to $602,666,000, according to the annual report filed at the Massachusetts statehouse today.

Assets of the company were listed at $717,359,000, an increase of approximately $35,000,000 over the 1935 figure of $681,549,000.

The statement was filed with the Massachusetts commissioner of corporations and taxation. Massachusetts is one of the few States to require an annual statement of condition from the company.

The reserve account was increased from $10,961,000 in 1935 to $17,699,000 in 1936.

The capital stock of the company was carried both years at $17,264,500.

The company had an indicated net profit in 1936 of $26,426,698, equal to $7.65 a share on the company's capital stock, the statement revealed.

The profit was estimated on the basis of reported increase in profit and loss account and reserves. For 1935 indicated profit was $3,565,617, equal to $1.03 a share.

The company, privately owned by Henry Ford and members of his family, files annually a balance sheet in Massachusetts, in compliance with a State law, but these have never disclosed earnings in detail.

In 1934 indicated profit was $6,860,462, or $1.98 a share, while in 1933 there was an indicated loss of $3,480,331.

Prior to 1934 the stock had a $100 par value. It now consists of 3,452,900 shares of $5 par, having been readjusted by issuance of 20 shares for each $100 par share.

[From the Atlanta (Ga.) Journal of May 10, 1937]

GOOD TIMES, GOOD REPORTS

It is to be learned from the News and Farmer that for the first time in its history Louisville (Georgia, not Kentucky) is beginning to have its parking problems. For years we have felt secure in the knowledge that our main street was so wide, with ample room for double parking, that never on any "just ordinary" day would car owners have to drive around and around the whole length of the street in a vain attempt to find a parking place. Yet that very thing is happening.

"Were all our money going into automobiles", the editor continues, "we would feel that our prosperity is a bubble, and a sort of undesirable bubble at that. But ride down any road in Jefferson County and see the dozens of country as well as town homes that have been improved. New barns, new roofs, new fences, are everywhere in evidence. * * * There is not a dilapidated, antiquated schoolhouse in the length and breadth of Jefferson County. Even during the depression our citizens bent every energy toward having good school buildings to the end that the 'little red schoolhouses' all over the country are fine brick buildings with every modern convenience. When fine schoolhouses were built, Jefferson County people were putting 'first things first.' "

It is to be learned from the Tifton Gazette that "Tifton continues building new homes, but the demand for places in which to live continues as insistent as ever."

It is to be learned from the Quitman Free Press that "it is difficult to drive a block in any direction in Quitman without seeing either a new house or a newly painted house. The carpenter and painter now know that prosperity is at hand."

[From the Wall Street Journal, New York, May 18, 1937]

GENERAL ELECTRIC NEW ORDERS SEEN AT QUARTER PEAK—RATE OF INCOMING BUSINESS INDICATES AROUND $131,000,000 FOR CURRENT 3 MONTHS—RUNNING ABOUT 70 PERCENT ABOVE 1936

Unless an unexpectedly sharp setback occurs during the remainder of the second quarter, General Electric Co. for the 3 months ended June 30, 1937, will show the greatest volume of new orders it has ever booked in any 3 months' period. Incoming business thus far in the second quarter has run about 70 percent ahead of the new orders taken in the quarter ended June 30, 1936.

Should the 70-percent rate of gain be maintained for the entire second quarter, it would mean an increase of, roughly, $54,000,000 over last year's second quarter bookings of $77,398,718, and would bring the total for the second quarter to approximately $131,000,000.

[From the New York World-Telegram of May 14, 1937]

NEW INSURANCE UP 12 PERCENT IN APRIL—LIFE COMPANIES WRITE TOTAL OF $832,373,000 DURING LATEST MONTH

New life insurance in April was up 12.3 percent, and for the first 4 months of 1937 up 9.7 percent over last year, the Association of Life Insurance Presidents reported today.

The report pertains to new paid-for business of 40 companies having 83 percent of the total life insurance outstanding in all United States legal reserve companies.

Total new business written in April amounted to $832,373,000. New ordinary insurance aggregated $528,762,000, an increase of 15 percent over a year ago. Group insurance was $57,022,000 against $37,213,000, a jump of 53 percent.

For the first 4 months of 1937 the total new business was $3,132,254,000, while new ordinary insurance aggregated 11.5 percent higher at $2,002,666,000. Industrial insurance was $912,312,000, up 1.8 percent. Group insurance gained 32 percent above its 1936 comparative to a new total of $164,905,000.

[From the Holyoke (Mass.) Transcript-Telegram, May 13, 1937]

FARR'S APRIL SALES HEAVIEST OF ANY MONTH IN 15 YEARS—WALTER H. DIETZE, OF NEW YORK, GENERAL SALES MANAGER, SAYS THEY ARE FIVE TIMES GREATER THAN A YEAR AGO

The Farr Alpaca Co. reports the heaviest sales in April of any month for the company in the past 15 years. The sales now are running approximately five times greater than a year ago.

[From the Nashville (Tenn.) Banner of May 11, 1937]

RECOVERY AND RELIEF

Striking proof of the steady and even rapid advance of the Nation toward recovery is shown in a survey by the National Industrial Conference Board. In brief, it was found that employment in March in manufacturing, agriculture, the service industries, trade, distribution, and finance combined was higher than in 1929.

These industries, the Conference Board points out, normally afford employment to from 80 percent to 85 percent of the total number of the country's workers. The number of workers employed in these activities in March totaled 38,984,000, which compared with a 1929 average of 38,116,000. The increase over 1929 was 868,000 workers, or nearly 2.3 percent.

The greatest gain, as compared with 1929, has taken place in manufacturing. In this field the number of workers increased from 11,073,000 in 1929 to 11,678,000 in March 1937, an advance of almost 5.5 percent. In agriculture the number of workers rose from 10,650,000 in 1929 to 10,766,000 in March, or a little over 1 percent; in the service industries employment advanced from 9,070,000 workers in 1929 to 9,131,000 in March, or 1 percent; and in trade, distribution, and finance the number of workers increased from 7,323,000 to 7,409,000, or a little over 1 percent.

[From the Cleveland (Ohio) Plain Dealer of May 12, 1937]

BOOMING RIVALS

All the shiny new cars are not on the highways. Thousands of them are on the railroad tracks. One of the most eye-arresting signs of recovery is the splash of color in the freight trains—the bright new paint of new rolling stock which now is busily rolling.

While 1937 has been setting new records in auto production and sales, it has also seen more freight-car buying than any year since 1929. From the matter-of-fact records of the American Iron & Steel Institute comes the news that material for some 40,705 freight cars was ordered in the first 4 months of this year, compared with 14,009 in the same period last year. So there will be even more bright spots in the freight trains as the year grows older and more of these new cars go to work.

It is interesting that freight-car building is booming at the same time that a record output of auto trucks has helped to push automotive registration to a new high. The truck is looked upon as the freight car's rival. But in these busy times there is plenty for both to do.

[From the Boston (Mass.) Post of May 13, 1937]

MAKING PROGRESS

Apparently the General Motors Corporation is looking forward to a big year next year. William S. Knudsen, new president of that organization, has announced that a $40,000,000 expansion program has been worked out and approved for 1938. It will be directed toward increasing the production of subsidiaries, improvements in factories, and facilitating manufacture of new models. Throughout the depression the automobile industry did everything possible to improve its product, and led the country out of the despond of the depression. That same spirit is to be continued by automobile manufacturers, and this expansion program is an illustration of it.

[From the Charleston (S. C.) Post of May 13, 1937]

JEWELRY IN DEMAND

When times are good, Americans, like other peoples, buy more furniture and automobiles, better clothes and food, build more residences, or rent more expensive homes. And they buy more and better jewelry. That is what is going on now.

[From the Kansas City (Mo.) Star of May 12, 1937]

THE BANKERS SEE PROSPERITY

Missouri bankers in convention in St. Louis are optimistic over the prospects for the year in this State. Lead and zinc prices are up, and the mines are running at a good profit, with wages above the 1929 level. Dairying and fruit appear to be headed for a comfortable margin in the black; and, while the wet spring has somewhat retarded the planting of corn, there is an exceptionally favorable outlook for winter wheat. Livestock is staging a comeback, too, and the mules for which Missouri is justly celebrated are bringing higher prices than in years.

The fact that bankers, traditionally conservative in their outlook, should be making these roseate reports lends added color to the prospect. And the varied industries in which they cite improvement are also noteworthy. Fortunate is a State whose crops, natural resources, and business are so diversified that they form a measure of insurance against complete prostration when any one of them fails. Missouri has a number of industrial centers, but she still depends largely, and probably always will so depend, upon her agriculture and her mining for the backbone of her prosperity.

When all these factors pull together up the road toward good times, as they seem to be doing this year, there is reason for an unusual tinge of satisfaction in Missouri's view of the future.

[From the New York Times of May 21, 1937]

GENERAL REALTY HAS $39,248 NET—INCOME REPORTED FOR 3 MONTHS CONTRASTS WITH $18,226 LOSS A YEAR BEFORE—LEFCOURT UNIT EXCLUDED—RESULTS OF OPERATIONS REVEALED BY OTHER CORPORATIONS, WITH COMPARATIVE FIGURES

The General Realty & Utilities Corporation and subsidiaries, exclusive of the Lefcourt Realty Corporation, showed a profit of $135,671 after interest, Federal income taxes, and other charges but before depreciation, according to the statement for the first 3 months of 1937, published yesterday. In the corresponding period of last year the profit on the same basis was $79,403.

After depreciation charges of $96,423, the net income for the 1937 period was $39,248. This contrasted with a net loss of $18,226 after depreciation of $97,629 in the quarter ended on March 31, 1936.

[From the New York Times of May 21, 1937]

ENGINEERING AWARDS ROSE 53 PERCENT FOR WEEK—343 PERCENT INCREASE IN PRIVATE WORK AS COMPARED WITH NATION'S REPORT FOR 1936 PERIOD

The past week's total of engineering awards, according to the Engineering News-Record, reached $55,244,000, representing a gain of 53 percent over the figures for the corresponding week of 1936, when the total amounted to $36,173,000.

Of the 1937 figure, $38,617,000 represented contracts for private work, making an increase in this category of 343 percent over last year's figure of $8,715,000. A large part of the gain was accounted for by the award of a $20,000,000 contract for a wide-strip mill for the Carnegie-Illinois Steel Co., in Clairton, Pa. Public awards, totaling $16,627,000, showed a loss of 40 percent from the corresponding week of 1936, when the figure was $27,458,000.

[From the World-Telegram, of New York, May 20, 1937]

LOEW'S ORDERS EXTRA DIVIDEND—MOTORS PRODUCTS CORPORATION ALSO VOTES SPECIAL—OTHER PAYMENTS NOTED

Two leaders in their respective fields today voted extra disbursements to stockholders in addition to the regular due payments.

Loew's Inc., declared an extra dividend of $1.50 a share on the common along with the usual quarterly of 50 cents a share, both payable June 30 to holders of record June 12.

An extra of 25 cents and the usual quarterly of 50 cents was voted by Texas Gulf Sulphur Co. on the common, both payments being due June 15 to holders of record June 1.

Motor Products Corporation voted a $1 payment on the junior issue—twice the amount paid in the preceding quarter. Payment is due June 30 to holders of record June 19.

Vulcan Detinning Co. declared an interim dividend of $3 a share of common, payable June 21 to holders of record June 10. The company paid a special of $4 each January 20 and December 21 last year.

Adams Express Co. voted a dividend of 30 cents on the common, payable June 25 to holders of record June 15. Company paid 35 cents a share on December 23 last.

United Gas & Electric Corporation voted a dividend of 50 cents a share on the common, payable June 10 to holders of record June 1. Company resumed dividends on common with payment of 60 cents in the third quarter last year and paid 90 cents a share in December.

[From the New York Herald Tribune of May 22, 1937]

RISE IN CANDY SALES FOR 4 MONTHS SHOWN

WASHINGTON, May 21.—The Department of Commerce reported today that sales of confectionery and competitive chocolate products thus far this year totaled $84,500,000, compared with $76,500,000 in the corresponding 4-month period of last year.

At the same time it was reported that manufacturing confectioners who sell their products through wholesale channels had sales of about $67,000,000, compared with $57,000,000 during the corresponding period of last year, a gain of 17 percent.

[From the Fargo (N. Dak.) Forum of May 14, 1937]

FARGO'S TRADE GAINS IN APRIL

The Fargo area was one of 22 in the United States whose April business indexes gained 5 percent or more over March.

The calculation is by the research division of Brooke, Smith & French, Inc., Detroit and New York advertising concern, which also reports the index of national business, which advanced 7 percent and attained 100 percent in March, remained at that point—normal—in April.

[From the Greenville (S. C.) News of May 14, 1937]

OUR BUSINESS INDEX HIGH

Unbiased surveys of business conditions in various parts of the country continue to show that in this immediate vicinity business activity has maintained an improvement much better than the average for the country.

The latest of a series of surveys by the national advertising concern of Brooke, Smith, Frence & Dorrance, Inc., of New York and Detroit, shows that Greenville was one of a group of 22 cities in which business showed an improvement of 5 percent or more in April over March. Business in Greenville at the end of April stood at 5 percent above normal, while the national business index remained at normal, a level attained in March for the first time since 1929.

* * * * * * *

Both industrial and agricultural conditions during the last year in this vicinity have shown an unusual recovery, thus providing the foundation for this marked and better-than-average general business improvement here. And present prospects are that the remainder of the year will show further betterment in these two fundamentals of commercial activity.

[From the Albany (N. Y.) News of May 15, 1937]

GROWING UP

"Albany has grown considerably in the last 2 years," says W. Harry Cooling, field superintendent for Sampson & Murdock Co., which has begun the annual task of compiling the city directory, a work it has conducted since 1857.

Of course Albany has grown. That is apparent, but directory publishers have means of computing growth, and the new directory no doubt will show an appreciable increase in population. Evidences of growth are everywhere. We have many new houses, we have more telephones listed, we have new industries and shops which have brought in more employees, and post-office and other barometers show this ancient city is growing up.

[From the Cincinnati (Ohio) Enquirer of May 20, 1937]

BUSINESS REACHES 86.9 PERCENT OF 1929 AVERAGE IN CINCINNATI, REVIEW SHOWS—GAINS IN APRIL ARE SHARP

Cincinnati business stood at 86.9 percent of the 1929 average at the close of April, according to the statistical review of the Chamber of Commerce last night.

This showed a gain of 1.5 percent over the business standing of March and 9.9 over the business status of April 1936.

The survey showed that the general level of business reached a new high for the post-depression period. Manufacturing employment continued well above the 1929 levels.

[From the New York Herald Tribune of May 18, 1937]

SYNTHETIC SALES 73.09 PERCENT ABOVE 1929–30 AVERAGE—TAFFETAS MOVED IN HEAVY VOLUME DURING WEEK AS PRICE RISES ONE-HALF CENT A YARD

Trade in synthetic and silk greige goods markets during last week was 73.09 percent above the 1929–30 average, with spot business representing 79.26 percent of total sales, Nickel, Barrett, Lieberman & Quinn, Inc., textile brokers, said yesterday.

[From the Wall Street Journal, New York, May 21, 1937]

REYNOLDS METALS UNITS OPERATE AT CAPACITY AS ORDERS SET RECORD

LOUISVILLE.—The two Louisville plants of the Reynolds Metals Co. are operating at capacity, a rate exceeding even that of 1929, and backlog of unfilled orders exceeds 2 months' operations at that level, according to A. P. Cochran, vice president.

Attributing the rush of orders to "general business", Mr. Cochran said that never before in history of the company had it experienced such demand.

The plant, at which the company manufactures aluminum powder for paints, is operating on a 24-hour schedule.

"Our first-quarter business, which is normally the poorest period of the year, ran far ahead of 1936 despite the fact that the two Louisville plants were completely shut down for nearly 2 months during the high water", Mr. Cochran declared. He forecast that second-quarter business and earnings would probably set a new record.

[From the Baltimore (Md.) News and Post of May 20, 1937]

LOCAL CLEARINGS—TOTAL FOR WEEK SHOWS GAIN OF 18.2 PERCENT OVER 1936 PERIOD

By Pinkney McLean, financial editor

Baltimore bank clearings for the week ended yesterday totaled $73,490,000, an increase of 18.2 percent as compared with the like week last year.

In the preceding week clearings here aggregated $66,701,000, a gain of 17.4 percent over the corresponding period a year ago.

SHOW GAIN

For the country as a whole clearings also were higher than in the previous week and above a year ago.

Total for the 22 leading cities as reported to Dun & Bradstreet, Inc., for the week ended yesterday was $5,685,044,000, as compared with $5,275,135,000 in the like week last year, a rise of 7.8 percent.

This contrasted with a percentage increase of 3.4 percent in a similar comparison a week earlier.

[From the Wall Street Journal, New York, May 22, 1937]

FREIGHT LOADINGS' GAIN LAST WEEK ABOVE SEASONAL—ADVANCE TO 773,669 CARS, COMPARED WITH 767,481 IN PRIOR PERIOD—FIVE COMMODITIES DECLINE

Cars of revenue freight loaded by the railroads last week showed a slightly more than seasonal increase, advancing to 773,669 cars, compared with 767,481 cars in the immediately preceding week, as reported by the Association of American Railroads.

Total of 773,669 cars loaded last week produces a Dow-Jones loadings index of 93.6, compared with 93.4 the week before. Last week's total is the second highest reported this year, exceeded only by the total of 782,423 cars loaded in the week ended May 1. It is an increase of 13.5 percent over the total of 681,408 cars reported for the like week of 1936, and of 32.7 percent over the 582,950 cars loaded in the like week of 1935.

[From the Waterbury (Conn.) Democrat of May 14, 1937]

LOCAL BRASS COMPANIES ANNOUNCE WAGE INCREASE

An official notice posted today in the plants of the Chase Brass & Copper Co., Inc., announced a 5-cent-an-hour increase in the pay of day workers, effective May 14, which is today. All piece work will be adjusted equitably.

In addition to the 5-cent-an-hour increase, it was officially stated that a premium equivalent to 5 percent of the day's pay will be given to workers assigned to night work or between the hours of 8 p. m. and 6 a. m.

The increases and the premium affects not only the Chase Rolling Mills, the Chase Metal Works, and the Waterbury Manufacturing Co., but the Cleveland plants of the firm as well.

The American Brass Co. and the Scovill Manufacturing Co. were also reported as having granted similar wage increases to their employees, effective today.

[From the Sacramento (Calif.) Bee of May 11, 1937]

THE RAILROADS ARE ONCE MORE IN THE BLACK INK

The wisdom of the rail rate cuts ordered by the Interstate Commerce Commission last year is demonstrated in new reports of earnings by the roads.

The magazine Business Week reports a gain of 27 percent in passenger traffic of the eastern roads in the last 7 months.

[From the Chicago News of May 15, 1937]

STEEL OUTPUT HERE RISES TO 86 PERCENT

The steel output for the Chicago area this week was at 86 percent of capacity, up 1 point from last week. Carnegie-Illinois Steel Corporation placed in operation its no. 5 blast furnace, down since November 8, 1936, bringing the number in operation at the south works to nine.

Steel-works operations in the Pittsburgh district next week will go to a new recovery high as the Carnegie-Illinois plants step up to 100 percent of capacity, mill managers said today. The district's rate will be at 95½ percent of capacity. Jones & Laughlin plants will remain at 89 percent of capacity. The Carnegie-Illinois plants in all districts, including Pittsburgh and the West, will be at 88 percent of capacity, a new high for the recovery.

[From the Butte (Mont.) Standard of May 11, 1937]

MINING BOOMING IN WHITEHALL DISTRICT—OUTPUT INCREASING

"The mining industry, particularly in the Whitehall district and in the Coeur d'Alene, is up and coming", says H. H. Ellsworth, of Helena, assistant general freight and passenger agent of the N. P., who passed through Butte yesterday, where he was joined by W. B. Elliott, Butte general agent, in a trip to Whitehall to inspect a new loading platform for ores that has just been completed. Mr. Ellsworth is returning from a visit to the Wallace, Idaho, country.

"Whitehall is much elated", he said, "at the showing that is being made by several mines of that district. The mines, which are steadily increasing their output, are shipping to Anaconda and Helena.

"In the Coeur d'Alene", Mr. Ellsworth said, "every mine, every prospect hole, is showing renewed signs of life. Mines already developed, but which have been shut down for years, are getting back into shape for production. Development work is going on in prospect holes. Lots of men are either employed or are employing themselves."

He found conditions equally encouraging over in the Bitter Root, the Frenchtown, and the Flathead districts, he said.

"There is a slight gain in wheat acreage and a splendid gain in forage-crop acreage", he said. "There is a splendid feeling among the ranchers. The weather has helped conditions a lot. What we need to make the picture perfect", they state, "is a good fall of rain and some nice warm weather to stimulate growing."

[From the New York Herald Tribune of May 18, 1937]

MARCH AND APRIL RETAILING IN UNITED STATES $892,900,000—GENERAL MERCHANDISING IN 1936 PERIOD $787,900,000

The American public spent $892,900,000 for general merchandise in department stores, mail-order organizations, variety stores, and dry-goods stores in March and April this year, as compared with $787,900,000 in the corresponding period a year ago, or an increase of 13.3 percent, according to a report yesterday by A. W. Zelomek, economist of the International Statistical Bureau, Inc.

The amount spent during the 2 months, representing the peak of spring business, was the highest for any corresponding period since 1931. The marked increase above a year ago was recorded despite the earlier Easter this year, the widespread strikes, and the somewhat restricted buying in New York in particular, Mr. Zelomek said. Despite the fact that April last year represented the Easter business, total sales this year, based on the bureau's index, were still 5.5 percent above a year ago.

[From the Davenport (Iowa) Times, of May 13, 1937]

THE RAILWAY REVIVAL

Railway purchases from the manufacturing industry for the first quarter of 1937 were larger than at any time since 1930. Railway Age computes them at $253,000,000, almost twice the expenditure during the same quarter last year. It is an increase of 200 percent over that spent during the first 3 months of 1935.

Over $80,000,000 went into new equipment. The railroads are preparing to handle the heaviest volume of freight in years during the coming fall. The expenditures entailed in bringing rolling stock back to predepression standards has boomed many industries. Davenport is hopeful that eventually the Bettendorf Co. will share in these orders.

[From the Minneapolis (Minn.) Tribune of May 17, 1937]

MINNESOTA INCOMES RISE

Individual incomes in Minnesota, according to a study made by the National Industrial Conference Board, are rising rapidly toward the levels established in 1929. The total of individual incomes in Minnesota in 1935 was $1,092,000,000, which amounted to 77.1 percent of the 1929 figure. This represented a gain over 1933 of almost $300,000,000. Minnesota ranked thirteenth in the volume of income and eighteenth in population in 1935, and received 2 percent of the total national income in that year.

The fact that Minnesota has risen toward the 1929 level more quickly than the Nation as a whole undoubtedly owes a great deal to the progress toward recovery in agriculture in this State, which has run ahead of the percentage gain for the rest of the country. Minnesota's production income in 1935 was $973,000,000 and 17.5 percent, or $171,000,000 of this total, was agricultural income. Farm income was larger than that furnished by either trade or manufacturing in Minnesota, while wages and salaries, by contributing $625,000,000 to production income, accounted for the largest share. Not only is this break-down in the sources of Minnesota income further evidence of the significance of agriculture in the economic life of Minnesota but it suggests the important part that it plays in the State's progress toward a normal recovery.

[From the Memphis (Tenn.) Press-Scimitar of May 12, 1937]

AHEAD TOGETHER

Memphis and 16 other smaller cities make up what is known in trade circles as the Memphis territory.

Forbes Magazine finds that business in this area, which contains approximately 1,000,000 persons, is 38 percent ahead of last year, and that its prosperity is exceeded by only one such area in the United States.

Memphis is the capital of a rich and growing territory, and a major influence in their prosperity is the fact that Memphis and the various cities and communities constituting the territory realize their dependence upon one another.

Cooperatively we can go a long way—but we must make progress together.

[From the San Francisco News of May 11, 1937]

CHEERFUL FACTS

The San Francisco Chamber of Commerce tells us, through its reliable research department, that—

We have 1,800,441 people in the bay area.

Their purchasing power is equal to that of 3,081,145 average Americans.

San Francisco's one-tax city and county tax assessment is the lowest of any large city in the Nation.

San Francisco ranks second in water-borne commerce of all ports in the United States.

And, finally, 400,000 families living tributary to the bay area will, in effect, soon be placed some 30 to 50 miles closer to San Francisco by reason of bridge construction and highway improvements.

These, combined with the sunshine and the wild flowers and the fruit now setting on a million trees, are cheerful facts.

[From the Dayton (Ohio) Journal of May 17, 1937]

RIVALS FORGE AHEAD

To a casual observer it would seem that the tremendous output of trucks by the automotive industry this year would mean dismal times for the manufacturers of railroad equipment. On the contrary, the Railway Age points out that the railways' purchases from the manufacturing industry during the first quarter of 1937 were the largest for the first quarter of any year since 1930.

"Total purchases of equipment and materials from manufacturers", says the magazine, "amounted to $253,117,000. The comparable figure for the first quarter of 1936 was $125,725,000, and for the first quarter of 1935 was $85,657,000. Therefore, the increase

over 1936 exceeded 100 percent, and over 1935 was 200 percent." Such statements are in line with an announcement from the American Iron & Steel Institute that material for 40,705 freight cars was ordered during the first quarter of the current year, compared with material for 14,000 during the corresponding period of last year.

This unusual revival in the heavy-goods industries is explainable largely on the grounds that railway equipment was badly neglected during the depression. Not only did the railroads have an economic crisis to deal with but also the problems resulting from the advance of their new competitors—the trucks and the privately owned automobiles. Now, reviving industry is demanding service from lines that find themselves inadequately equipped. Although the roads have effected economies and increased efficiency to a considerable degree during the last few years, they still need freight cars and locomotives to meet the demands of the shippers. But perhaps the most unusual phase of the current situation lies in the fact that both the railroads and their competitors—the highway trucks—are buying new equipment. No doubt they believe that there will be plenty of work for both of them.

[From the Indianapolis Star of May 19, 1937]

KOKOMO'S INDUSTRIAL GAIN

Announcement that the Chrysler Corporation will engage in the production of automotive parts at Kokomo marks another forward step by the city that has set a flattering record of industrial growth in recent years. A sentimental interest exists in the corporation's purchase of a unit of the old Haynes Co., pioneer in the automotive field.

The plant will produce transmissions and axle shafts and will employ from eight hundred to a thousand skilled workers. The building will be reconditioned and machinery installed as rapidly as possible. Production is expected to begin by September 1, according to announcement of Chrysler officials and the Kokomo Chamber of Commerce.

Full operation of the plant, it is believed, will raise employment in the city above the peak of 1929. Achievement of this enviable condition has been due to a rare degree of courage, initiative, and cooperation among the businessmen and citizens of the community. During the worst days of the depression the residents of Kokomo had sufficient faith to plunge into the task of rehabilitation. The city had suffered a series of industrial reverses which made the almost phenomenal recovery all the more creditable.

The people dug down into their savings to produce funds for the attraction of new industrial enterprises. The success of the campaign must have surprised even its most enthusiastic sponsors. One by one companies moved into reconditioned units of factory structures. The rest of the State marveled at the initiative displayed at a time when widespread pessimism had chilled some business leaders elsewhere. Kokomo now approaches the point where work is available for labor that wants a job. The city's record entitles it to the warmest congratulations of Hoosierdom.

[From the Phoenix (Ariz.) Republic of May 18, 1937]

POSTAL RECEIPTS GAIN 32 PERCENT

Phoenix trade is soaring.

Cash registers ring a ragtime beat.

Year by year sales-volume statistics show the unmistakable gains the city is making.

Go down to the office of George H. Todd, postmaster, and look at the postal-receipts records, these receipts being regarded as one of the best of business barometers.

Here's what they show:

Nineteen thirty-three receipts totaled only $452,676. The next year the figure was up to $487,521. In 1935 receipts totaled $542,251.

Last year receipts totaled $597,255, a 32-percent gain over 1933.

Every indication, say post-office officials, points to a 1937 revenue much greater than that even of 1936.

Various indexes are in agreement from the standpoint that Phoenix is making rapid progress; they differ only in degree.

[From the Shreveport (La.) Times of May 13, 1937]

CONTROLS IN A GROWING CITY

All signs indicate that Shreveport is entering a period in which construction of all kinds will be active. In the downtown district many buildings will be renovated or replaced. Streets will be torn up to install essential services.

[From the Wall Street Journal, New York, May 22, 1937]

FREIGHT-CAR ORDERS ON MAY 1 HIGHEST FOR DATE SINCE 1926—86 NEW STEAM LOCOMOTIVES PUT IN SERVICE FIRST 4 MONTHS THIS YEAR—UNION PACIFIC PURCHASE DETAILS

Class I railroads on May 1, this year, had more new freight cars on order than on any corresponding date since 1926, the Association of American Railroads announced yesterday.

The number on order on May 1, this year, was 47,290. On May 1, 1926, there were 48,762. On May 1, last year, 18,467 cars were on order, and on the same day 2 years ago there were 1,449.

New freight cars on order on May 1, this year, included the following: 23,236 coal cars; 19,412 boxcars, including both plain and automobile; 2,093 refrigerator cars; 1,374 flatcars; 800 stock cars; and 375 miscellaneous cars.

Class I railroads had 345 new steam locomotives on order on May 1, this year, the largest number for any corresponding date since 1930, at which time there were 362 on order. On the same day last year 52 new steam locomotives were on order, while 2 years ago there was only 1.

New freight cars installed in service in the first 4 months of 1937 totaled 20,946, the greatest number of installations in any corresponding period since 1930, when there were 35,037. Class I railroads in the first 4 months last year installed 5,916 new freight cars, and in the corresponding period in 1935, 755 were installed.

UNION PACIFIC FREIGHT-CAR ORDERS

Details of the construction and purchase of 4,088 freight cars, involving the expenditure of approximately $14,000,000, were announced by Union Pacific Railroad. Two thousand and eighty-eight new boxcars will be built in the Omaha and Portland shops of the Union Pacific and 700 automobile cars at the Grand Island shops, the work providing employment for several hundred additional men. The 1,000 ballast and coal cars will be built by the American Car & Foundry Co., as previously announced, and the 200 tank cars by the General American Transportation Corporation. The remaining 100 special boxcars either will be contracted or built at company shops.

[From the Paterson (N. J.) Call, May 18, 1937]

POSTAL RECEIPTS IN CITY FOR 1936 AT HIGHEST PEAK—YEAR'S BUSINESS TOTALED $718,670, POSTMASTER KELLY SHOWS

Postal receipts, which are regarded as one of those fundamental signs of business, were higher in Paterson last year than in any year in the history of the local post office, according to an announcement by Thomas L. Kelly, postmaster. Total receipts for the year were $718,670.48.

[From the Wall Street Journal, New York, May 22, 1937]

CLEVELAND TRACTOR SALES PACE POINTS TO EARNINGS GAIN—NET FOR YEAR TO SEPTEMBER 30 MAY BE BEST SINCE 1930—DELIVERIES UP 50 PERCENT—DIVIDEND CONSIDERATION LIKELY

CLEVELAND.—With agricultural, industrial, and export sales all showing substantial increases over last year, present indications are that the Cleveland Tractor Co. will report better earnings in the fiscal year ending September 30 than for any other year since 1930.

Last year earnings dropped to $30,292, or 13 cents a share on 220,000 shares of common stock, from $289,445, or $1.31 a share, in 1935, which was the company's best year since the recovery movement started.

In line with other firms in the industry the company is experiencing the largest volume of business in many years, sales to date being somewhat better than 50 percent above the corresponding period last year. This rising activity began in earnest with announcement of new streamlined models early last fall and with more aggressive sales work in the farm field.

[From the Manchester (N. H.) Union of May 18, 1937]

NEW ALL-TIME HIGH REACHED IN 1936 LIABILITY BUSINESS—FIRE-INSURANCE FIRM ALSO SHOWS LARGE INCREASES

KEENE, May 17.—The National Grange Mutual Liability Co. of this city set up a new all-time high in 1936 in business done, number of policyholders, and in surplus assets, officers of the company reported at the fourteenth annual meeting, held here today and attended by Grange leaders from many States in the Union, headed by the national master of the order, Louis J. Taber, of Columbus, Ohio.

James C. Farmer, executive vice president and agency director of the company, reported a jump in premium volume from $854,695 in 1935 to $1,148,225 in 1936 on insurance carried by more than 40,000 policyholders. The goal set for 1937 is 50,000 policyholders and $1,500,000 premium volume.

Richard C. Carrick, company secretary, reported the company showed increases over the previous year of $293,302 in net premiums written, $286,927 in assets, and a surplus gain of $157,797, not including a contingency reserve of $50,000.

FIRE-INSURANCE GAINS

Today also featured the second annual meeting of the newly formed National Grange Fire Insurance Co. The company is already doing business in nine States, Mr. Farmer, executive vice president and agency director, reported, with the first 4 months of 1937 showing volume of business totaling $16,859, over a 75-percent gain over the first few months the previous year in fire coverages. Fire and theft policies for 1936 totaled 4,935, with 2,782 policies written the first 4 months of this year, he added.

[From the New York Herald Tribune of May 21, 1937]

SALES OF LIFE INSURANCE IN APRIL BEST SINCE 1931—ALL SECTIONS OF COUNTRY REPORT UPTURN FOR MONTH

New life-insurance sales in the United States last month were the largest for that month since April 1931, according to the Life Insurance Sales Research Bureau, Hartford, Conn. April sales were 16 percent ahead of those for the same month a year ago and totaled $692,062,000.

Every section of the country was represented in the increase in life-insurance business in April, with the East South Central States leading the Nation in a gain of 21 percent over April 1936. Forty-five States and the District of Columbia reported increased life-insurance sales in April, gains ranging from 1 to 33 percent over April 1936. Nebraska sales were unchanged, while West Virginia reported a decline of 2 percent.

[From the Little Rock (Ark.) Gazette of May 18, 1937]

GIGANTIC PAPER INDUSTRY IN THE SOUTH FORESEEN—ALREADY UNDER WAY, PUBLISHERS HEAR

HOT SPRINGS, May 17.—Predictions of a new industrial era for the South through use of southern pine in newsprint and allied products were made by James G. Stahlman, publisher of the Nashville Banner, and Dr. Charles H. Herty, of Savannah, Ga., scientist, before the Southern Newspaper Publishers' Association here today.

Mr. Stahlman is chairman of the association's newsprint committee and recently was elected president of the American Newspaper Publishers' Association. Dr. Herty's research work laid the foundation for the proposed new southern industry.

Mr. Stahlman predicted that a billion-dollar industrial development would be built around southern pine within the next 15 years. He said that a mill will be in operation in east Texas in 1938 and will be in full production in 1939.

He said that newsprint markets of South and Central America are open for the southern product. He said that not only has the entire newsprint industry taken cognizance of the fight to establish in the South a newsprint mill, "but it has stimulated the investment of capital in many kraft mills in the South within the past few months. Since January 1936 more than $60,000,000 has been invested in kraft units to utilize southern pine."

EXECUTIVE SESSION

Mr. ROBINSON. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. BARKLEY in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

REPORT OF COMMITTEE ON POST OFFICES AND POST ROADS

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nomination of L. Elizabeth Dunn to be postmaster at Conchas Dam, N. Mex., which was ordered to be placed on the Executive Calendar.

ARMY NOMINATIONS

Mr. SHEPPARD. Mr. President, from the Committee on Military Affairs I report favorably several hundred routine Army nominations. To print these in the calendar would require the expenditure of about $90, and they would cover about 20 or 21 pages, a useless expense, since these names have to be published in the RECORD a little later. Therefore I ask unanimous consent that these nominations be confirmed without being printed in the calendar, and that the President be notified.

The PRESIDING OFFICER. Without objection, the nominations are confirmed, and, without objection, the President will be notified.

If there be no further reports of committees, the clerk will state the nomination on the calendar.

THE JUDICIARY

The legislative clerk read the nomination of J. Cullen Ganey to be United States attorney, eastern district of Pennsylvania.

Mr. GUFFEY. Mr. President, I ask that the nomination of J. Cullen Ganey to be district attorney in Philadelphia be confirmed, and that the President be notified.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the nomination is confirmed, and, without objection, the President will be notified.

RECESS TO THURSDAY

Mr. ROBINSON. I move that the Senate take a recess until 12 o'clock noon on Thursday next.

The motion was agreed to; and (at 3 o'clock and 48 minutes p. m.) the Senate took a recess until Thursday, June 3, 1937, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 1, 1937

UNITED STATES TARIFF COMMISSION

Raymond B. Stevens, of New Hampshire, to be a member of the United States Tariff Commission for the term expiring June 16, 1943, vice William J. Sears.

NATIONAL EMERGENCY COUNCIL

Ernest L. Bailey, of West Virginia, to be State director, National Emergency Council, for West Virginia.

UNITED STATES ATTORNEY

Francis T. McDonald, of Sault Ste. Marie, Mich., to be United States attorney for the western district of Michigan, vice Joseph M. Donnelly, resigned.

APPOINTMENT, BY TRANSFER, IN THE REGULAR ARMY

TO COAST ARTILLERY CORPS

Capt. John Foxhall Sturman, Jr., Field Artillery, with rank from August 1, 1935.

PROMOTION IN THE NAVY

MARINE CORPS

Midshipman Wayne M. Brown to be a second lieutenant in the Marine Corps, revocable for 2 years, from the 3d day of June 1937.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 1, 1937

UNITED STATES ATTORNEY

J. Cullen Ganey to be United States attorney, eastern district of Pennsylvania.

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY

To Adjutant General's Department

Maj. Jess Garnett Boykin.

To Quartermaster Corps

Maj. Thomas Ernest Campbell.

PROMOTIONS IN THE REGULAR ARMY

MEDICAL CORPS

To be lieutenant colonels

Andrew William Smith
James Wesley Duckworth
Henry Edgar Keely
Ralph Hayward Simmons
Walter Franz von Zelinski
James Brent Anderson
Jarrett Matthew Huddleston
Albert Bowen
Louis Archie Milne
John Pierce Beeson
James Monroe Troutt
Howard Tilghman Wickert
Nelson Allen Myll
James Vincent Falisi
Harold Paine Sawyer
Frank Ernest Winter
William George McKay
Frederic Hamilton Thorne
James Roy Hudnall
Elton Lacroix Titus
Reginald Ducat
Henry Shedd Beckford
John Andrews Rogers
Guy Blair Denit
Charles Rice Lanahan
Read Benedict Harding
Lowyd Whitcombe Ballantyne
Seymour Crandall Schwartz

To be major

Frank Bolles Wakeman

To be captains

Wayne Ross Weaver
William John Long Porcher
Albert Alfred Biederman
Thomas William Mattingly
William Hugh Latimer Westbrook, Jr.
William Fred Patient
Alfred August Grebe
Joseph Frank Peters
Donald Davis Flickinger
Albert Marion Richmond
Edward Morris DeYoung

DENTAL CORPS

To be lieutenant colonel

Beverley Morrison Epes

VETERINARY CORPS

To be lieutenant colonels

Kenneth Earl Buffin
William Roy Wolfe

CHAPLAIN

Henry Nathan Blanchard to be chaplain with the rank of lieutenant colonel.

PROMOTIONS IN THE REGULAR ARMY

TO BE CAPTAINS

Hans William Holmer, Corps of Engineers.
Harold Albert Kurstedt, Corps of Engineers.
Edward Grow Daly, Corps of Engineers.
Donald Chamberlin Hawkins, Corps of Engineers.
Theodore Addison Weyher, Corps of Engineers.
Robert Hammiell Naylor, Corps of Engineers.
Paul Dunn Charles Berrigan, Corps of Engineers.
Henry Gordon Douglas, Corps of Engineers.
Joseph Winston Cox, Jr., Corps of Engineers.
George Townsend Derby, Corps of Engineers.
Max Sherred Johnson, Corps of Engineers.
Lee Bird Washbourne, Corps of Engineers.
John Robert Crume, Jr., Corps of Engineers.
George Woodburne McGregor, Air Corps.
John Leonard Hines, Jr., Cavalry.
Charles Albert Harrington, Air Corps.
Charles H. McNutt, Corps of Engineers.
Herman Walter Schull, Jr., Corps of Engineers.
Elmer Blair Garland, Signal Corps.
Loren Davis Pegg, Cavalry.
Garrison Holt Davidson, Corps of Engineers.
Woodbury Megrew Burgess, Cavalry.
Manuel José Asensio, Corps of Engineers.
Cecil Winfield Land, Field Artillery.
Frederick Everett Day, Coast Artillery Corps.
Frederic Joseph Brown, Field Artillery.
Edwin William Chamberlain, Coast Artillery Corps.
Alvin Louis Pachynski, Signal Corps.
Harry Oliver Paxson, Corps of Engineers.
Henry Joseph Hoeffer, Corps of Engineers.
Maurice Francis Daly, Air Corps.
Fred Wallace Kunesh, Signal Corps.
Alexander Macomb Miller, 3d, Cavalry.
Gerald Francis Lillard, Field Artillery.
George Fenton Peirce, Coast Artillery Corps.
William Hamilton Hunter, Cavalry.
Francis Cecil Foster, Field Artillery.
James Wilson Green, Jr., Signal Corps.
Parmer Wiley Edwards, Coast Artillery Corps.
Francis Elliot Howard, Infantry.
Laurence Sherman Kuter, Air Corps.
William Perry Pence, Signal Corps.
Thomas Morgan Watlington, Jr., Field Artillery.
William Lewis McNamee, Coast Artillery Corps.
Thomas John Hall Trapnell, Cavalry.
John Raymond Lovell, Coast Artillery Corps.
Raymond Wiley Curtis, Cavalry.
Kenneth Earl Thiebaud, Infantry.
Reynolds Condon, Field Artillery.
Charles Brundy Brown, Signal Corps.
Edward Gilbert Farrand, Field Artillery.
Mason Fred Stober, Field Artillery.
Willard Burton Carlock, Infantry.
George McCoy, Jr., Air Corps.
George Lucien Richon, Signal Corps.
Charles Richard Hutchison, Field Artillery.
Stanley Burton Bonner, Field Artillery.
Edward Pont Mechling, Ordnance Department.
Julius Theodore Flock, Air Corps.
Robert Graham Lowe, Cavalry.
Charles Everett Dunham, Coast Artillery Corps.
George Edward Martin, Infantry.
John Milton Burdge, Jr., Field Artillery.
Bertram Arthur Holtzworth, Field Artillery.
Frederick Andrew Granholm, Field Artillery.
Charles Pennoyer Bixel, Cavalry.
Robert Griffith Turner, Infantry.
Alex Norwood Williams, Jr., Field Artillery.
Jeremiah Paul Holland, Field Artillery.
John Mills Sterling, Air Corps.
Edward James Francis Glavin, Infantry.
Mark Kincaid Lewis, Jr., Air Corps.
Joseph Howard Gilbreth, Infantry.
James Francis Collins, Field Artillery.
Horace Alvord Quinn, Ordnance Department.
Lee Roy Williams, Infantry.
James Virgil Thompson, Infantry.
Henri Anthony Luebbermann, Cavalry.
Harold James Coyle, Field Artillery.
Paul Edwin Meredith, Quartermaster Corps.
Olaf Helgesen Kyster, Jr., Coast Artillery Corps.
Orrin Leigh Grover, Air Corps.
Harry Forrest Townsend, Coast Artillery Corps.
Francis Scoon Gardner, Field Artillery.
Forester Hampton Sinclair, Field Artillery.
Walter Morris Johnson, Infantry.
Harold Stanley Isaacson, Field Artillery.
Willis Webb Whelchel, Field Artillery.
Albert Harvey Dickerson, Infantry.
Leander LaChance Doan, Cavalry.
Arthur Edwin Solem, Field Artillery.
Theodore Kalakuka, Cavalry.
Charlie Wesner, Field Artillery.
Henry Magruder Zeller, Cavalry.
Orville Melvin Hewitt, Infantry.
Arthur Layton Cobb, Field Artillery.
Meredith Donald Masters, Field Artillery, subject to examination required by law.
Lewis Hinchman Ham, Field Artillery.
Virgil Miles Kimm, Coast Artillery Corps.
Milton Merrill Towner, Air Corps.
Robert Curtis White, Field Artillery.
William Jordan Verbeck, Infantry.
Aloysius Joseph Lepping, Coast Artillery Corps.
Joseph Ganahl, Field Artillery.
Fay Roscoe Upthegrove, Air Corps.
John Marion Moore, Quartermaster Corps.
Stuart Wood, Field Artillery.
Lawrence Edward Shaw, Coast Artillery Corps.
Matthew Kemp Deichelmann, Coast Artillery Corps.
Nathan Alton McLamb, Coast Artillery Corps.
William Jefferson Glasgow, Jr., Infantry.
Charles Bertody Stone, 3d, Air Corps.
Frank Thomas Ostenberg, Coast Artillery Corps.
John Harold Kochevar, Coast Artillery Corps.
Ernest Benjamin Gray, Infantry.
Douglas Campbell, Infantry.
William Joseph Phelan, Infantry.
Joy Thomas Wrean, Coast Artillery Corps.
John Joseph Holst, Coast Artillery Corps.
Arthur Roth, Coast Artillery Corps.
Carl Sherman Graybeal, Infantry.
Ralph Wise Zwicker, Infantry.
Woodson Finch Hocker, Infantry, subject to examination required by law.
Cyril Edward Williams, Infantry.
Vachel Davis Whatley, Jr., Infantry.
Harry Ellery McKinney, Infantry.
Carl Elliott Lundquist, Infantry.
Antulio Segarra, Infantry.
Guy Stanley Meloy, Jr., Infantry.
George Van Horn Moseley, Jr., Infantry.
Roy William Axup, Infantry.
John Walker Kirby, Air Corps.
Forrest Anthony Hornisher, Infantry.
Raymond Earle Bell, Infantry.

Dudley George Strickler, Infantry.
Dana Powers McGown, Infantry.
Charles Boal Ewing, Infantry.
Felix Alex Todd, Jr., Infantry.
Barney Avant Daughtry, Infantry.
Philip DeWitt Ginder, Infantry.
Ralph Edwin Doty, Infantry.
Howell Hopson Jordan, Infantry.
Robert Frederick Sink, Infantry.
Elmer Matthew Webb, Quartermaster Corps.
John Prame Kaylor, Infantry.
Christian Gotthard Nelson, Field Artillery.
Gilbert McKee Allen, Jr., Infantry.
Calvin Louis Whittle, Infantry.
George Emericus Bender, Infantry, subject to examination required by law.
Jack Henry Griffith, Infantry.
Robert Campbell Aloe, Infantry.
Montgomery McKee, Infantry.
Nelson Irving Fooks, Infantry.
Lawton Butler, Infantry.
Marion Huggins, Air Corps.
Martin Moses, Infantry.
Robert John West, Jr., Field Artillery.
Edgar Daniel Stark, Infantry.
David Drew Hedekin, Infantry.
James William Smyly, Jr., Infantry.
Raymund Gregory Stanton, Infantry.
Neil Bosworth Harding, Air Corps.
Jesse Floyd Dressler, Infantry.
Willis Small Matthews, Infantry.
Robert Lewis Easton, Air Corps.
Henry Malone Bailey, Air Corps.
Fred Leroy Thorpe, Infantry.
William Rapier Francis Bleakney, Infantry.
Harold Henry Hunt, Field Artillery.
Joseph Lawrence Dark, Infantry.
Walter William Gross, Air Corps.
Joseph George Felber, Infantry.
Otto Clyde George, Air Corps.
John N. Jones, Air Corps.
Morris Miller Bauer, Corps of Engineers.
Frank Alfred Lightfoot, Field Artillery.
John Richmond Pitman, Jr., Field Artillery.
George Selman, Infantry.
Earl Clarence Bergquist, Infantry.
Richard Chase, Infantry.
Albert Neil Hickey, Infantry.
Ronald Irving Pride, Field Artillery.
Royce Alison Drake, Cavalry.
Paul Alfred Disney, Cavalry.
Leo William De Rosier, Air Corps.
Gordon Philip Saville, Air Corps.
Charles Bernard Overacker, Jr., Air Corps.
George Henry Macnair, Air Corps.
Louis Howard Foote, Corps of Engineers.
James Arthur Ellison, Air Corps.
Hoyt Leroy Prindle, Air Corps.
James Franklin Walsh, Air Corps.
George Richard Geer, Air Corps.
Martin Joseph Morin, Infantry.
Donald Wright Benner, Air Corps.
Lawrence Henry Douthit, Air Corps.
George Robert Acheson, Air Corps.
Frank Hamlet Robinson, Air Corps.
Waldine Winston Messmore, Air Corps.
Herbert Melvin Newstrom, Air Corps.
Allen Ralph Springer, Air Corps.
Franklin Calhoun Wolfe, Air Corps.
Ford Larimore Fair, Air Corps.
Ivan Maurice Palmer, Air Corps.
Joseph Gerard Hopkins, Air Corps.

TO BE FIRST LIEUTENANTS

Charles Francis Tank, Corps of Engineers.
Thomas DeForth Rogers, Corps of Engineers.
John Burroughs Cary, Air Corps.
James Fuller Miller, Jr., Infantry.
Robert Erlenkotter, Corps of Engineers.
John Heughes Donoghue, Corps of Engineers.
Staunton Lindsley Brown, Corps of Engineers.
Richard Moser Sieg, Corps of Engineers.
Joseph Lemual Johnson, Corps of Engineers.
Ferdinand Julian Tate, Corps of Engineers.
Burton Blodgett Bruce, Corps of Engineers.
Robert George MacDonnell, Corps of Engineers.
Paul Carter Ashworth, Air Corps.
Charles Leon Andrews, Coast Artillery Corps.
Walter Jackson Renfroe, Jr., Infantry.
William Jcslin Himes, Corps of Engineers.
Robert Beauchamp Miller, Signal Corps.
Charles Francis Fell, Signal Corps.
Charles Rea Revie, Field Artillery.
Paul Douglas Wood, Infantry.
Joseph Ochsenschlager Killian, Corps of Engineers.
Thomas Heber Lipscomb, Corps of Engineers.
James Edward Walsh, Corps of Engineers.
Austin Wortham Betts, Corps of Engineers.
John Page Buehler, Corps of Engineers.
Paul Henry Berkowitz, Corps of Engineers.
Edward Walter Moore, Coast Artillery Corps.
Seymour Irving Gilman, Coast Artillery Corps.
Curtis Delano Sluman, Air Corps.
Byron Elias Brugge, Air Corps.
Robert Butler Warren, Corps of Engineers.
Thompson Brooke Maury, 3d, Field Artillery.
Wilford Edward Harry Voehl, Coast Artillery Corps.
John Jacob Stark, Coast Artillery Corps.
William Sebastian Stone, Air Corps.
Jonathan Owen Seaman, Field Artillery.
Kermit LeVelle Davis, Field Artillery.
Ellis Oakes Davis, Corps of Engineers.
William Loveland Rogers, Corps of Engineers.
George Bernard Dany, Air Corps.
Harvey Julius Jablonsky, Coast Artillery Corps.
Urquhart Pullen Williams, Field Artillery.
Peter Samuel Peca, Coast Artillery Corps.
Lawson S. Moseley, Jr., Air Corps.
Richard Ringo Moorman, Coast Artillery Corps.
Jean Paul Craig, Field Artillery.
James Oscar Baker, Coast Artillery Corps.
Lewis Kaspar Beazley, Coast Artillery Corps.
John Hicks Anderson, Corps of Engineers.
Severin Richard Beyma, Coast Artillery Corps.
Thomas Leslie Crystal, Jr., Field Artillery.
Frederic Wood Barnes, Cavalry.
William Beehler Bunker, Corps of Engineers.
Theodore Frelinghuysen Hoffman, Coast Artillery Corps.
Miles Birkett Chatfield, Field Artillery.
Howard Marshall Batson, Jr., Field Artillery.
Charles Henry White, Jr., Field Artillery.
William Jack Holzapfel, Jr., Air Corps.
Mathew Valois Pothier, Field Artillery.
Joseph Sylvester Piram, Coast Artillery Corps.
George Edward Adams, Field Artillery.
Almon White Manlove, Infantry.
John DuVal Stevens, Coast Artillery Corps.
Yale Harold Wolfe, Coast Artillery Corps.
John Farnsworth Smoller, Field Artillery.
Craig Smyser, Corps of Engineers.
Franklin Kemble, Jr., Coast Artillery Corps.
Henry Richardson Hester, Infantry.
Gersen Leo Kushner, Coast Artillery Corps.
Richard Edward Weber, Jr., Field Artillery.
Robert Waight Fuller, 3d, Cavalry.
James Alexander Costain, Field Artillery.
Charles Warren Schnabel, Corps of Engineers.
Harold Charles Davall, Infantry.
Carl Delbert Womack, Cavalry.
Robert Gardner Baker, Field Artillery.
Ronald LeVerne Martin, Field Artillery.

George Julius Weitzel, Coast Artillery Corps.
Charles Wadsworth Hill, Coast Artillery Corps.
Gene Huggins Tibbets, Air Corps.
Donald Oliver Vars, Cavalry.
George Francis Wells, Infantry.
Henry William Ebel, Coast Artillery Corps.
Paul Tompkins Hanley, Air Corps.
Jack Edward Shuck, Air Corps.
David Belmont Routh, Coast Artillery Corps.
Leroy Carl Miller, Infantry.
Travis Ludwell Petty, Cavalry.
Peter James Kopcsak, Field Artillery.
Robert Griffith Finkenaur, Coast Artillery Corps.
William Scott Penn, Jr., Field Artillery.
John dePeyster Townsend Hills, Air Corps.
Frank Willoughby Moorman, Infantry.
Horace Lake Sanders, Field Artillery.
Merlin Louis DeGuire, Infantry.
Alexander James Stuart, Jr., Coast Artillery Corps.
Harrison Francis Turner, Coast Artillery Corps.
Percy Thomas Hennigar, Field Artillery.
William Monte Canterbury, Air Corps.
Kenneth Riffel Kenerick, Coast Artillery Corps.
Richard Lee McKee, Field Artillery.
Jerome Edward Blair, 2d, Air Corps.
Stacy William Gooch, Field Artillery.
Clark Lynn, Jr., Field Artillery.
Edward Flanick, Air Corps.
Leo William Henry Shaughnessey, Infantry.
Harry Jenkins Hubbard, Field Artillery.
Samuel Knox Yarbrough, Jr., Field Artillery.
Joe Free Surratt, Field Artillery.
Charles John Bondley, Jr., Coast Artillery Corps.
William Milton Gross, Air Corps.
Claude Morris Howard, Infantry.
Dale Orville Smith, Air Corps.
Gordon Graham Warner, Field Artillery.
Hudson Hutton Upham, Air Corps.
Albert Patterson Mossman, Infantry.
Robert Carl Bahr, Field Artillery.
Frank Carter Norvell, Air Corps.
John Walker Darrah, Jr., Cavalry.
Robert Hawkins Adams, Field Artillery.
Donald Glover McLennan, Field Artillery.
John Francis Franklin, Jr., Cavalry.
Theodore Gilmore Bilbo, Jr., Field Artillery.
Perry Bruce Griffith, Cavalry.
Berton Everett Spivy, Jr., Field Artillery.
Stilson Hilton Smith, Jr., Infantry.
Kenneth Alonzo Cunin, Field Artillery.
Lawrence Kent Meade, Field Artillery.
Thomas Eugene Wood, Field Artillery.
Fredric Carson Cook, Infantry.
Lloyd Elmer Fellenz, Infantry.
Joseph Michael Cummins, Jr., Infantry.
Percival Stanley Brown, Infantry.
Thomas Clary Foote, Field Artillery.
John Huber Squier, Field Artillery.
Charles Bernadou Elliott, Jr., Field Artillery.
James Richard Winn, Field Artillery.
Louis Lee Ingram, Coast Artillery Corps.
Daniel Henry Heyne, Field Artillery.
Harry Evans Lardin, Cavalry.
Paul Burlingame, Jr., Air Corps.
Wilson Hawkes Neal, Air Corps.
Elvin Seth Ligon, Jr., Air Corps.
Charles Herbert Wood, Infantry.
John Wentworth Merrill, Infantry.
Charles Burton Winkle, Air Corps.
Herbert Marvin Baker, Jr., Air Corps.
George Rolfe Walton, Infantry.
Theodore Fiquet Hurt, Jr., Cavalry.
Thew Joseph Ice, Jr., Infantry.
Dana Watterson Johnston, Jr., Cavalry.
Daniel Murray Cheston, 3d, Infantry.
John Monroe Hutchison, Air Corps.
Edmund Waller Wilkes, Infantry.
Daniel Edward Still, Cavalry.
Clifford Guldlin Simenson, Infantry.
Richard Albert Smith, Cavalry.
Arno Herman Luehman, Air Corps.
Paul Lawrence Barton, Infantry.
Frank Joseph Caufield, Infantry.
James William Snee, Cavalry.
Floyd Felice Forte, Infantry.
James Dudley Wilmeth, Infantry.
Joseph Aloysius Cleary, Cavalry.
Stanley Holmes, Infantry.
William Starr Van Nostrand, Cavalry.
Raymond Judson Reeves, Air Corps.
Harry Lester Hillyard, Infantry.
Robert Hugh Bennett, Infantry.
William Hutcheson Craig, Infantry.
William Harvey Wise, Air Corps.
Richard Andrew Legg, Air Corps.
Ralph Doak McKinney, Infantry.
Gerald Joseph Higgins, Infantry.
Harvey Thompson Alness, Air Corps.
Charles Edward Johnson, Infantry.
Robert Carson Kyser, Infantry.
John Dixon Lawlor, Infantry.
Russell William Volckmann, Infantry.
Donald Linscott Durfee, Infantry.
Victor Charles Huffsmith, Infantry.
Sidney Thompson Telford, Infantry.
Hallett Daniel Edson, Infantry.
Edwin Rusteberg, Infantry.
Albert Theodore Wilson, Jr., Air Corps.
Karl Trueheart Gould, Cavalry.
Harold Webb Browning, Infantry.
Herbert Hadley Andrae, Infantry.
William Frederick Northam, Infantry.
George Lowe Eatman, Infantry.
John Berchman Stanley, Infantry.
John William White, Air Corps.
Charles Edward Brown, Infantry.
Nathaniel Plummer Ward, 3d, Infantry.
James Buchanan Wells, Infantry.
Donald Adams McPheron, Infantry.
Thomas Hogan Hayes, Infantry.
Robert Herbert Sanders, Infantry.
Paul Lee Turner, Jr., Infantry.
Arthur Lafayette Inman, Infantry.
Stanley Joseph Donovan, Air Corps.
Harold Conly Brookhart, Infantry.
Edward Messmore O'Connell, Infantry.
Russell Walker Jenna, Infantry.
Gerhard Leroy Bolland, Infantry.
William Bentley Kern, Infantry.
Louis Alfred Walsh, Jr., Infantry.
George Horner Gerhart, Infantry.
Thomas Andrew McCrary, Infantry.
John George Benner, Field Artillery.
Eugene Harrington Cloud, Infantry.
Dale Emerson Huber, Infantry.
Travis Tabor Brown, Infantry.
Edwin Gantt Hickman, Field Artillery.
John Elwood Mead, Infantry.
David Lyon Hollingsworth, Cavalry.
William Alexander Cunningham, 3d, Infantry.
Edward Ernest Bruno Weber, Infantry.
Meade Julian Dugas, Infantry.
Thomas Almon O'Neil, Infantry.
Emory Alexander Lewis, Infantry.
Samuel Alfred Luttrell, Infantry.
William Joseph Mullen, Jr., Infantry.
William Hammond Waugh, Jr., Infantry.
Henry Neilson, Infantry.
William Graham Barnwell, Jr., Infantry.
Robert Hector McKinnon, Infantry.
Oliver Prescott Robinson, Jr., Field Artillery.
Dennis John McMahon, Infantry.

James O'Hara, Infantry.
Robert Nabors Tyson, Field Artillery.
Joseph Edward Barzynski, Jr., Infantry.
John Buchanan Richardson, Jr., Infantry.

PROMOTION IN THE PHILIPPINE SCOUTS

TO BE CAPTAIN

Bienvenido Mobo Alba, Philippine Scouts.

HOUSE OF REPRESENTATIVES

TUESDAY, JUNE 1, 1937

The House was called to order by the Speaker pro tempore, Mr. WARREN, at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Father in Heaven, we pray Thee to verify Thy promise unto us: They that wait upon the Lord shall renew their strength. Give us renewed minds and hearts; create within us a right spirit; lead us beside still waters. Let Thy peace flood the depths of our thoughts where no fear can come. Almighty God, every corner of the earth is feeling the throb of the world's strife. Its treasure is being poured into the tragic hands of war and into the ragged laps of poverty. Lord God of Hosts, allow not the lights of heaven to be extinguished until there shall be none to rekindle them; the ritual of hate and magnified national selfishness mean inevitable doom. Teach men, O God, that the world is not to be saved by institutions but by the compelling desire of men whose souls have been quickened by the spirit of the Savior of the world; may they have an overflow of light, justice, and brotherhood. Gracious Lord, be with our President, his official family, our Speaker, and every Member of the Congress. Especially be with our most distinguished Secretary of State. Hear our humble prayer for the dear Redeemer's sake. Amen.

The Journal of the proceedings of Friday, May 28, 1937, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and joint resolutions of the House of the following titles:

On May 27, 1936:

H. R. 1092. An act for the relief of May Howard Bloedorn;

H. R. 1254. An act for the relief of William A. McMahan;

H. R. 5171. An act to reimpose a trust on certain lands allotted on the Yakima Indian Reservation; and

H. J. Res. 359. Joint resolution authorizing the President to proclaim the tercentenary of the birth of Pere Jacques Marquette.

On May 28, 1937:

H. J. Res. 251. Joint resolution to extend the lending authority of the Disaster Loan Corporation to apply to flood disasters in the year 1936;

H. J. Res. 292. Joint resolution to protect the copyrights and patents of foreign exhibitors at the Golden Gate International Exposition, to be held at San Francisco, Calif., in 1939;

H. R. 148. An act to repeal a proviso relating to teaching or advocating communism in the public schools of the District of Columbia, and appearing in the District of Columbia Appropriation Act for the fiscal year ending June 30, 1936;

H. R. 5416. An act to amend the act entitled "An act to enable the Legislature of the Territory of Hawaii to authorize the issuance of certain bonds, and for other purposes", approved August 3, 1935;

H. J. Res. 332. Joint resolution providing for the importation of articles free from tariff or customs duty for the purpose of exhibition at Great Lakes Exposition to be held at Cleveland, Ohio, beginning in May 1937, and for other purposes;

H. J. Res. 386. Joint resolution making an appropriation to enable the Social Security Board to make payments of grants to States for old-age assistance for the fiscal year 1937;

H. R. 6249. An act to reserve certain lands in the State of Utah for the Kanosh Band of Paiute Indians;

H. R. 6250. An act to reserve certain lands in the State of Utah for the Shivwitz Band of Paiute Indians;

H. R. 6252. An act to reserve certain lands in the State of Utah for the Koosharem Band of Paiute Indians; and

H. R. 6730. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1937, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1937, and June 30, 1938, and for other purposes.

On May 29, 1937:

H. R. 4794. An act to extend the times for commencing and completing the construction of a bridge across the Potomac River at or near Dahlgren, Va.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Frazier, its legislative clerk, announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S. J. Res. 88. Joint resolution providing for the participation of the United States in the world's fair to be held by the San Francisco Bay Exposition, Inc., in the city of San Francisco during the year 1939, and for other purposes.

PERMISSION TO ADDRESS THE HOUSE

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that on next Thursday, immediately after the conclusion of the address by the gentleman from Minnesota [Mr. KNUTSON], I may be permitted to address the House for 25 minutes.

The SPEAKER pro tempore. Is there objection?

Mr. SNELL. Mr. Speaker, I reserve the right to object to ask the majority leader what is the program for the next few days?

Mr. RAYBURN. Mr. Speaker, today we are going to endeavor to dispose of the relief bill which we have had up for some time.

Mr. SNELL. Is the gentleman really going to do that, or are we going to wait for some more propaganda? I have received over 70 telegrams this morning, and I think it is about time that Congress took it upon itself to act.

Mr. RAYBURN. I hope the gentleman from New York will cooperate with me in getting rid of the bill today. I shall cooperate 100 percent, as far as I am concerned, in an effort to dispose of the bill finally. Tomorrow is Calendar Wednesday. Thursday we will take up the "hot oil" bill, probably, and perhaps a conference report.

Mr. SNELL. What about tomorrow?

Mr. RAYBURN. Mr. Speaker, the call rests with the Committee on Post Offices and Post Roads. The gentleman from New York [Mr. MEAD] could answer better than I can. I have not yet been informed what bill he intends to call up.

Mr. SNELL. And today we are going to consider the Private Calendar?

Mr. RAYBURN. Yes.

Mr. SNELL. Before the relief bill or after?

Mr. RAYBURN. Before. I don't think it will take more than 20 or 25 minutes to run through the Private Calendar.

Mr. SNELL. That is all. I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. GOLDSBOROUGH. Mr. Speaker, I had been granted 1 hour, allotted to me for this morning. I have talked with the floor leader, and it seems better not to take up the time this morning. I therefore ask unanimous consent that on Tuesday next, after the disposal of matters on the Speaker's desk, I may be permitted to address the House for 1 hour.

The SPEAKER pro tempore. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. CELLER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on the subject of the Federal Theater, and also on patent law, and include a statement of Judge Galston, of New York.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BLOOM. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD?

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD?

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. MAVERICK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a memorial address which I delivered on Sunday last.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. WHITTINGTON. I ask unanimous consent, Mr. Speaker, to extend my own remarks in the RECORD and to include therein an address I delivered on the policy of national flood control before the American Forest Association.

The SPEAKER pro tempore. Is there objection?

There was no objection.

LEAVE TO SIT DURING THE SESSIONS OF THE HOUSE

Mr. CONNERY. Mr. Speaker, I ask unanimous consent that the Committee on Labor of the House be permitted to meet during the sessions of the House with the Senate Committee on Labor during the next 3 days.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. CELLER. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary be permitted to continue hearings on the bankruptcy bill while the House is in session tomorrow, Wednesday, and Thursday.

The SPEAKER pro tempore. Is there objection?

There was no objection.

EXTENSION OF EXPIRING 5-YEAR LEVEL-PREMIUM TERM POLICIES

Mr. RANKIN. Mr. Speaker, I call up the veto message of the President of the bill H. R. 5478.

The SPEAKER pro tempore. The Chair will state the question. The unfinished business is the further consideration by the House of the veto message of the President of the bill (H. R. 5478) to amend existing law to provide privilege of renewing expiring 5-year level-premium term policies for another 5-year period. The question is, Will the House on reconsideration agree to pass the bill, the objections of the President to the contrary notwithstanding? The gentleman from Mississippi is recognized for 1 hour.

Mr. O'MALLEY. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER pro tempore. The gentleman from Wisconsin makes the point of order that there is no quorum present. The Chair will count. [After counting.] One hundred and eighty-eight Members present, not a quorum.

Mr. RAYBURN. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 71]

Andresen, Minn.	Gildea	McGranery	Secrest
Ashbrook	Gingery	Maas	Shafer, Mich.
Bradley	Goodwin	Miller, Ark.	Smith, W. Va.
Buck	Green	Mosier, Ohio	Taylor, Colo.
Buckley, N. Y.	Gwynne	Peyser	Taylor, Tenn.
Byrne	Hancock, N. C.	Phillips	Terry
Clark, Idaho	Hill, Wash.	Pierce	Thom
Clark, N. C.	Hobbs	Plumley	Vincent, B. M.
Collins	Hook	Poage, Tex.	Wearin
Dempsey	Kloeb	Ramsay	West
Fernandez	Kvale	Reilly	Whelchel
Ford, Miss.	Lanham, Tex.	Robsion, Ky.	Wood
Fulmer	Lanzetta	Sadowski	
Gavagan	Lord	Schneider, Wis.	
Gilchrist	McGehee	Schuetz	

The SPEAKER pro tempore. Three hundred and seventy-five Members have answered to their names. A quorum is present.

On motion by Mr. RAYBURN, further proceedings under the call were dispensed with.

The SPEAKER pro tempore. The gentleman from Mississippi [Mr. RANKIN] is recognized for 1 hour.

Mr. RANKIN. Mr. Speaker, I regret very much that I am unable to vote to sustain the President's veto of this bill. I believe the measure has been vetoed under a misapprehension. I believe if the President had called in the members of the Committee on World War Veterans' Legislation and consulted with them, the bill would have been signed.

As chairman of the Committee on World War Veterans' Legislation I have a rather difficult position. I have endeavored for the last 7 years to do justice to the veterans and, at the same time, to save the Congress and the administration as much embarrassment as possible. I owe a duty, as every Member of Congress owes a duty, to the World War veterans of this country. In this instance I feel it my duty to those men who have tried to carry on and to carry this insurance and try to help themselves, to vote to override this veto.

During the World War veterans were induced to take out this insurance. Many of them dropped it. Out of probably 4,000,000 or more, all but about 600,000 dropped their insurance as the years went by. The old-line insurance companies began to bring pressure to force conversion of those policies, and pressure also began to come from the Veterans' Administration to that effect. Large numbers were induced to convert their policies, but many of them have not converted.

Five years ago, when I first became chairman of this committee, these term-insurance policies expired. I appointed a subcommittee headed by the distinguished gentleman from Tennessee [Mr. COOPER] to consider another extension. That committee held hearings and reported a bill to extend those policies for 5 years. That bill was passed and became a law.

That 5 years expires today. A bill was introduced to extend this period for 5 more years. I again appointed a subcommittee, headed by the distinguished gentleman from Indiana [Mr. GRISWOLD]. That committee held hearings on the bill and representatives of every one of the three leading veterans' organizations came before them and urged this extension. It was reported by the unanimous vote of the subcommittee. It was reported out of the full committee unanimously, and it passed the House without a dissenting vote. It went to the Senate and passed the Senate unanimously.

Now, let us see what are the facts. There are only 23,000 of these men. If they are forced to convert their policies they cannot take out old-line insurance, because many of them are not physically able to stand an examination. If they are forced to convert their policies it means they pay three or four times as much as they are paying now, and they write me that they are not financially able to do that. So it simply means that if this veto is sustained about 20,000 of those men go off the insurance rolls entirely.

The argument is made that the passage of this bill will be to the detriment of the men who have converted. I deny that. A man who has converted is building up a reserve, and in a few years he can quit paying altogether. These men must pay as long as they live if we extend this time, which I am in favor of doing. [Applause.]

Another thing, all this money that these 4,000,000 men paid in went into this fund, and those men who have converted and the ones who have not converted have received the benefit of it and are receiving the benefit of it now. But somebody says the Government may have to make up the deficit. Suppose the Government does have to pay something. We are appropriating for the relief of millions who are in this country unlawfully, who never have become American citizens and who never will become American citizens. So why should we worry if in the course of years it should become necessary for the Congress to put up a small amount to make up such deficit as may occur in this insurance fund?

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. Yes; I yield for a question.

Mr. MAY. I just want to call the gentleman's attention to the fact that in the administration of relief in the past veterans have been discriminated against, regardless of their disability.

Mr. RANKIN. I am not sure of that; I am not arguing that point. The veterans of this country know my attitude. I am not worried about them, and I am not trying to make my position as chairman of this committee a sounding board for my own aggrandizement, nor have I permitted any other Congressman to use it for that purpose. This committee has tried to work for the benefit of the veterans and the protection of the Government, and we had that in view when we went through this hearing and reported this bill.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. DONDERO. Could the gentleman give the House any definite idea as to what it would cost the Government of the United States if this veto is overridden?

Mr. RANKIN. It will not cost the Government anything. I thought I had explained that. This fund will be sufficient. I just said that in case it did not, in case we had made a mistake and ultimately the Government would have to put up a small amount, I would be willing to help do so. But, as it is, it will not cost the Government anything.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield.

Mrs. ROGERS of Massachusetts. I talked with officials of the Veterans' Administration over the telephone today, and they said, off the record, that they felt very sure that the fund would not be much affected by the passage of this bill.

Mr. RANKIN. A question was asked during the hearings before the committee regarding these men who have been paying this term insurance, whether their premiums increased from year to year. Listen to this colloquy between the gentleman from Indiana [Mr. HALLECK] and Mr. Breining, of the Veterans' Administration. The gentleman from Indiana [Mr. HALLECK] asked him this question:

> Now, then, let me ask this further question: possibly you can answer it: What would be the comparative figure on the premiums, per thousand, between the 5-year term, if it should be renewable, and regular insurance?
>
> Mr. BREINING. That would be dependent, based on the premiums that they would have to pay on the type of policy which they chose to take out; that is, whether it be the ordinary life, 20-payment, 30-payment life, and so on.
>
> Mr. HALLECK. Suppose it was ordinary life?
>
> Mr. BREINING. I have an example here that I think very graphically picturizes that situation: Take the man at the age of 45; that is the average age of the veterans at the present time; and the premium that he would have to pay on a $10,000 5-year term contract would be $116.90. For the ordinary life contract it would be $287.10. But that premium of $116.90 would, with each 5-year period, increase, so that at the age of 65, for instance, he would be paying $467.80 a year, and at the age of 75, $1,111.60 a year—

In other words, these premiums that these men are paying on term insurance increase from year to year. They are now asking that they be given this additional 5 years, at which time it will just about reach the premiums of these men who are building up the reserve, so how can they be hurt by the passage of this bill? Then he goes on to say—

> whereas, if he took $10,000 ordinary life policy on a level premium, $287.10 would remain static over the whole period.
>
> Mr. HALLECK. What succeeding term of 5 years would he reach in his premium of $287, what age?
>
> Mr. BREINING. Well, that would be about the age of 57 or 58. Of course, at the age of 45 he would never reach that. At 55 his premium would be $207.90, and at the age of 60 it would jump to $306. So he would never have any premium approximating that for a man that is 45.

All they are asking is that they be permitted to carry on as they are carrying on now for the next 5 years for the reason that many of them are literally on the brink of the grave. I have my pocket full of letters and telegrams from these men asking that they be not shut off at this time because it means a loss of their insurance to them entirely. For this reason I shall vote to override the veto.

Mr. MARTIN of Colorado. Mr. Speaker, will the gentleman yield for a question?

Mr. RANKIN. Certainly.

Mr. MARTIN of Colorado. The gentleman said there were 22,000——

Mr. RANKIN. Twenty-three thousand.

Mr. MARTIN of Colorado. I understood there were 72,000 outstanding.

Mr. RANKIN. No; the number has been decreasing all the time.

Mr. EDMISTON. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. EDMISTON. Is it not also a fact that these men have had this insurance in vogue ever since the World War?

Mr. RANKIN. Oh, yes; they have been making these payments ever since they entered the service.

They have paid them for about 20 years.

Mr. JOHNSON of Oklahoma. Will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Oklahoma.

Mr. JOHNSON of Oklahoma. Is it not also true, in case this bill does not become a law, a great many or a majority of these veterans will lose their insurance?

Mr. RANKIN. Absolutely! They will lose their insurance altogether.

Mr. DIES. Will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Texas.

Mr. DIES. In case this is extended for 5 years and Congress should then refuse to continue the extension, what would happen to these veterans?

Mr. RANKIN. I may say to the gentleman from Texas that many of them will die and collect the insurance. That is one thing. They will have protection during those 5 years, and probably their condition will improve so that they can then convert. If the gentleman wants to know my attitude, at the end of 5 years, if they want it extended at the end of 5 years, I am for extending it if I am a Member of Congress.

Mr. DIES. If they have not been able up to this time to convert, will they be any more able after 5 years than they have been in the past?

Mr. RANKIN. Some of them will be, I may say to the gentleman from Texas. We hope the depression is now over, and that their economic conditions may improve to where they can convert.

Mr. DIES. And some of them will be in worse condition?

Mr. RANKIN. They may be. I am sure some of them will be in better condition.

Mr. DIES. If we do not intend to extend this indefinitely in the future, there is no necesisty to extend it for 5 years?

Mr. RANKIN. There certainly is. We will at least give them protection for the next 5 years and give them an opportunity to convert if they want to do so. It will protect the veterans and their families. They are dying by the hundreds. Of the 23,000 involved here, probably thousands of them will die in the next 5 years.

Mrs. ROGERS of Massachusetts. Will the gentleman yield?

Mr. RANKIN. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. I talked with many ill veterans on Sunday and Monday and their plea was: "We pray that Congress will extend our time. We do not expect to live very long. If we die without the insurance, our families will be put on relief. We cannot possibly pay the added amount." Other veterans said they could not pay the increased premiums and they would have to lose their insurance.

Mr. EDMISTON. Will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from West Virginia?

Mr. EDMISTON. During the past 20 years the veterans have paid premiums. It has not been the same premium, though?

Mr. RANKIN. It has increased from year to year, and will continue to increase.

Mr. FITZPATRICK. Will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from New York.

Mr. FITZPATRICK. I understand if this bill is passed it will not cost the Government or the taxpayers a penny?

Mr. RANKIN. No; it will not.

Mr. CONNERY. Will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Massachusetts.

Mr. CONNERY. In answer to the gentleman from Texas, may I say the veterans have gone through the worst of the depression. In the next 5 years the chances are 9 out of 10 they will be in a much better position. We will protect the policies of these 23,000 veterans during the next 5 years?

Mr. RANKIN. The gentleman is correct.

Mr. NICHOLS. Will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Oklahoma.

Mr. NICHOLS. In the event we extend the term for 5 years, in that time if any veteran wants to convert his policy of Government insurance, he can do it without the necessity of undergoing an examination?

Mr. RANKIN. Yes.

Mr. NICHOLS. If he were compelled to convert it to an old-line company, he would be required to take an examination and probably would be barred from insurance?

Mr. RANKIN. He would be barred, because he could not stand the physical examination.

Mr. NICHOLS. Not only that, but if the President's veto in this instance is not overridden, it means that all of the money these veterans have invested during the past 15 or 20 years will be lost to them, and they will derive no benefit in the future?

Mr. RANKIN. The gentleman is correct.

Mr. GRISWOLD. Will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Indiana.

Mr. GRISWOLD. This also has to be taken into consideration: If the President's veto is not overridden, these men cannot convert from now on. The time has passed. We have stalled this thing along until they are through. The term level insurance has expired.

Mr. KELLER. Will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Illinois.

Mr. KELLER. If this bill does not become law, these men will lose their insurance, as I understand the matter?

Mr. RANKIN. Unless they convert today, more than 2,000 of them will go off the insurance roll tonight.

Mr. KELLER. As a result, would it not cost the Government a great deal of money to keep those families on relief, which would go on relief on the death of the veteran?

Mr. RANKIN. They would not only go on relief, I may say to the gentleman from Illinois, but a pension bill would sweep this House if the pending measure is killed. That is, a compensation measure.

Mr. KELLER. Did the gentleman's committee find any reason why this should not become law?

Mr. RANKIN. We did not find any reason at all why this bill should not become a law.

Mr. VOORHIS. Will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from California.

Mr. VOORHIS. In further answer to the gentleman from Texas, is it not true the average age of the children of veterans now is about 19 or 20. Five years from now those children will be in a very much different position from what some of them are now. In other words a lot of them will be grown and the difficulty which the veteran faces right now will be much less at the end of 5 years than it is at the present time?

Mr. RANKIN. The gentleman is correct.

Mr. DOWELL. Will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Iowa.

Mr. DOWELL. Is it not true if this bill is not passed a great many of the 23,000 mentioned by the gentleman will necessarily lose their insurance?

Mr. RANKIN. The gentleman is correct; some of them will go off the roll tonight.

Mr. DOWELL. And the responsibility will be upon the Government to take care of those who may be dependent upon this insurance?

Mr. RANKIN. The gentleman from Iowa is correct.

Mr. O'CONNOR of Montana. Will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Montana.

Mr. O'CONNOR of Montana. I think the gentleman from Mississippi has already stated in a general way the reasons motivating the President in vetoing this bill.

I would like to have the gentleman from Mississippi restate in boiled-down language just why the President vetoed this bill, as briefly as the gentleman can.

Mr. RANKIN. The President was under the impression, as I understood his message—and I heard it and read it very carefully—he seems to be under the impression that it would impair this insurance reserve to the detriment of the men who have converted. We think, and the veterans' organizations think, that is a mistake; that it will not injure them.

Mr. IZAC. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. Yes; I yield to the gentleman from California.

Mr. IZAC. Has there been any complaint on the part of those of us who have converted that we are bearing a little bit more on our shoulders?

Mr. RANKIN. No. I may say to the gentleman from California that the veterans throughout the country of all classes that I know anything about are supporting this measure.

Mr. MARTIN of Colorado. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Colorado.

Mr. MARTIN of Colorado. Did I understand the gentleman from Mississippi to say that all these 5-year term policies would expire today?

Mr. RANKIN. It is my understanding that about 2,000 will expire today.

Mr. SIROVICH. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from New York.

Mr. SIROVICH. Has any veterans' organization appeared before the gentleman's committee in opposition to this bill?

Mr. RANKIN. No. All three appeared for it.

Mr. O'MALLEY. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. Yes; I yield to the gentleman from Wisconsin.

Mr. O'MALLEY. The gentleman from Indiana made a point which I think the House ought to understand thoroughly—that unless this veto is overridden these 23,000 veterans cannot even convert, because the time has expired.

Mr. RANKIN. The time expires today on 2,000 of them. The rest of them expire shortly.

Mr. O'MALLEY. Then they lose the investment of 20 years.

Mr. RANKIN. Yes.

Mr. WHITE of Ohio. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Ohio.

Mr. WHITE of Ohio. Here is something for which veterans are paying.

Mr. RANKIN. Yes.

Mr. WHITE of Ohio. We have a lot of people coming here for things, and they are not paying in return for what they get. Was there anything in the hearings from the Veterans' Administration to indicate that in paying for this term insurance these veterans were not paying every penny of the cost entailed to the Government?

Mr. RANKIN. I did not attend the hearings. The gentleman from Indiana [Mr. GRISWOLD], chairman of the subcommittee, can answer the question. The gentleman from Ohio [Mr. WHITE] asks whether or not there was anything said by the Veterans' Administration in the hearings before the committee to indicate that these men who are carrying this term insurance are not paying for everything they are getting.

Mr. GRISWOLD. They are paying for everything they are getting except the administrative cost.

Mr. WHITE of Ohio. That is true of the other policies also, is it not?

Mr. GRISWOLD. That is true.

Mr. RANKIN. I have here a letter from a man of whom I never heard before in my life, who writes me from Yonkers, N. Y. He outlines their position as clearly as I have found it stated. He says:

As a holder of an $8,000 policy under the terms of this act, I am amazed and much disappointed to read of its veto.

I, probably in common with other holders of this term insurance, appreciate that rates continue to increase with each 5-year renewal. Still, for a man of modest or moderate income who desires maximum protection for his wife and children until latter are grown, can best obtain this protection through term insurance. I have carefully weighed the relative advantages of buying maximum protection under a term policy or taking a smaller protection at a considerably higher rate under ordinary life policy. It is true that you do build a cash reserve and surrender value with the ordinary life policy. In my case felt it better to buy protection now and build reserve in other form of savings. In another 5 to 10 years my children will be grown and will not need protection I can now only obtain in term insurance.

I disagree seriously with the statement to the effect that continuance of this term insurance is a breach of faith on part of Federal Government toward large body of converted-policy holders. When rates were originally established for all forms of coverage under the War Risk Insurance Act, including term insurance, they were held to be actuarially sound and taken from recognized mortality tables. We holders of term insurance are paying for what we get in way of protection. The additional payments being made by holders of ordinary life and other forms of coverage go to build up their cash reserve and surrender values.

After all, were I a man of sufficiently large income to buy ordinary life in amount of $8,000, which I consider minimum protection I should provide for my family, I would gladly do so. If this veto stands, I will be forced to take substantially less protection in an ordinary life policy. When President and Congress have made so many moves in an effort to better the condition of persons of small incomes I fail to understand reason for denying to us the privilege of continuing to provide against emergency so far as we are able.

I cannot feel that any preferential treatment has been or would be accorded me through term insurance. We holders of same get what we pay for, nothing more or less.

This man in a crude way explains just what this proposition means. [Applause.]

Mr. Speaker, I reserve the balance of my time, and yield 4 minutes to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Speaker, it seems to me there is another angle to this legislation which has not been adequately presented this morning. It seems to be this legislation is due very largely to the depression. Most of us Members of Congress had trouble ourselves during the depression. I know I had to give up some of my insurance with the regular life-insurance companies, due to the fact I could not carry the amount of insurance which I carried before the economic collapse of 1929.

The purpose of this legislation was to make it possible for the veterans who did not have sufficient money to pay for regular life policies during the period of depression to carry term policies. The term policies are the ones for which you pay the least and have no dividend payments. This was the purpose of the original legislation. We may be divided on the question of whether we have come out of the depression or not, or whether we have emerged from the emergency. Actually, we have not. We still have 10,000,000 people unemployed and 20,000,000 on relief. Therefore, I say, in behalf of these 23,000 veterans who do not have sufficient money to convert their term insurance into ordinary life-insurance policies in view of the fact that the emergency and the depression is still with us, we ought to continue these term policies for 5 years to enable 23,000 veterans to continue to get the cheapest possible protection for themselves and for their families until we emerge to better and more prosperous times. It is not a question in my mind whether these veterans are going to die or not in the next 5 years. Nobody knows that or can make any reliable predictions. As an emergency proposition, growing out of the depression, there is still need for this legislation, and I hope the House will pass it over the veto regardless of partisanship. [Applause.]

Mr. RANKIN. Mr. Speaker, I yield 5 minutes to the gentleman from Indiana [Mr. GRISWOLD].

Mr. GRISWOLD. Mr. Speaker, the main argument advanced by the Veterans' Bureau against this bill before the committee was that it was unfair to the man who was carrying the term-level insurance, because if we continued this term-level insurance the rates on the holder of the term-level policy would constantly mount until they would reach the place where the man carrying a term-level policy could not afford to carry the insurance.

This may be true because the rates on these term-level policies will continuously mount. Each year the amount of the premium will increase until in a few years it will reach staggering proportions. It will cost much more than the premiums on the converted policy. We were told all over the country yesterday and the day before by Memorial Day orators that wars are old now and the memories of men grow dim with the mist of the years. Our memory grows dim about this insurance. You forget that when this term insurance was put out these men were not told about its being term insurance. They were not told any of the details. When they walked you down to the desk when you enlisted they insisted that you must take out $10,000 worth of insurance if you were a married man, whether you wanted it or not. If you were single you could take a less amount, but you were forced to take some. They never told you it was an insurance that was going to become obsolete or be abolished in 5 years. All the salesmanship or all the pressure put on that soldier was put on to make him take the insurance. They did not tell him these details they are telling you now. They told the soldier to sign on the dotted line, and a dazed soldier, new to war and fearsome of officers with shining boots, obeyed.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield a moment?

Mr. GRISWOLD. I yield.

Mrs. ROGERS of Massachusetts. And is it not true that some of them did not get their notices telling them they should convert?

Mr. GRISWOLD. Some of them did not, I believe.

Mr. CONNERY. Mr. Speaker, will the gentleman yield?

Mr. GRISWOLD. I yield to the gentleman from Massachusetts.

Mr. CONNERY. The gentleman speaks about the pressure that was brought to bear. They practically lined up the companies and if you did not take your insurance you were put on kitchen police or something else.

Mr. GRISWOLD. If you did not take your insurance, you were ostracized in your outfit. The administration wanted a hundred percent record, and the generals rode the colonels and they in turn rode the company commanders and the private signed.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. GRISWOLD. I yield.

Mr. RANKIN. The gentleman from Massachusetts [Mr. CONNERY] and all the others will recall that the boys had a saying that they got $30 a month "deducting $29", and out of that $29 was taken the money to pay this insurance It was a greater burden on them than it would have been on the man on the outside who was getting $5 or $10 a day.

Mr. LUCAS. Mr. Speaker, will the gentleman yield?

Mr. GRISWOLD. I yield.

Mr. LUCAS. I simply want to make this observation: I had charge of the insurance department at Fort Scriven, Ga., for several months during the war. We sold 300 policies of $10,000 each in a couple of days' time before there was a break in the maximum chain, and the veterans never knew the type of insurance they were getting. They were practically told they had to take a policy and were more or less indifferent as to the type or kind.

Mr. GRISWOLD. I thank my colleague for his statement. That is an instance of what happened. Our colleague in charge of insurance at Fort Scriven states that in 2 days' time they sold three hundred $10,000 policies, and not a man knew what kind of insurance he was getting.

Mr. PETTENGILL. Mr. Speaker, will the gentleman yield?

Mr. GRISWOLD. I yield.

Mr. PETTENGILL. What position did the Veterans' Administration take before your subcommittee on this bill?

Mr. GRISWOLD. Well, I will be real honest with the gentleman. If you can read the hearings and tell whether they were fish or fowl, I would like to know. They were positively against the bill but agreed that it would work a hardship on the term-level policyholder if the bill did not pass. However, the President's message states that 15 percent of the veterans are now carrying this term-level insurance. Compare your 15 percent with those on relief. You are passing or considering a relief bill of one thousand five hundred million this afternoon to take care of people. What percentage are on relief in this Nation? We have not been told. We can presume it is close to 15 percent. These veterans are on relief and you are going to take their relief money and ask them, if the time has not already expired, to pay these increased rates now.

[Here the gavel fell.]

Mr. RANKIN. Mr. Speaker, I yield the gentleman 1 additional minute.

Mr. GRISWOLD. There is one more thing I want to bring to the attention of the House with respect to the testimony of Mr. Breining, that if these men could convert or if they had the money to convert now, the man who is carrying a $10,000 policy at the the new rates would be able to carry a $4,000 policy only.

The President's message says it would create a hardship on those carrying converted insurance. I think the President has been misinformed. It does not affect them except that it does not increase the reserve. If these men are now denied insurance after paying the premium for 20 years, then the reserve will be increased to that extent. Those who carry converted policies will profit by many millions of dollars that these men have paid and for which they have received no return because they did not die before today. The veterans' organizations do not represent the great majority of these term-level policyholders. The veterans' organizations represent the majority of those with converted policies and yet all the veterans' organizations ask that this bill be passed. It is just a proposition of common justice. The veto should be overridden. "The memories of men should not grow dim with the mists of the years."

Mr. RANKIN. Mr. Speaker, I yield 2 minutes to the gentleman from Oklahoma [Mr. JOHNSON].

WOULD OVERRIDE PRESIDENT'S VETO

Mr. JOHNSON of Oklahoma. Mr. Speaker, certainly it is unnecessary to prolong this discussion on the pending motion to override the President's veto on the bill to extend the time for a period of 5 years for term insurance of veterans of the World War. This House approved this legislation a few days ago without a single objection. It was brought to this body after extensive hearings by the Committee on World War Veterans' Legislation and with a unanimous report from that committee.

The only real objection made by the President in his veto message is that this bill, if it become a law, will be unfair to other veterans who have Government insurance. The President says we must keep faith with such veterans. The fact is that the American Legion, Veterans of Foreign Wars, and every other veterans' organization in the country is enthusiastically supporting this legislation, and no veteran, or veterans' organization, appeared before the committee and protested against the further extension of time for these 23,000 veterans who have been unable financially to convert their Government insurance into life policies. Many of them lie in hospitals today and no doubt will pass to their rewards before another 5 years have expired.

When they entered the service they were practically forced to take this Government insurance, and the premiums were deducted from their monthly pay of $30 a month. If this bill fails, many will lose all they have paid during all these years. It occurs to me that this Congress should be more interested in keeping faith with these unfortunate veterans, many of whom could not secure old-line insurance, than in worrying about those of us who have been able to convert our policies. The former service men are not so selfish that they would deny this consideration to their buddies in arms.

I yield to no one in my loyalty to the President of the United States. I have not hesitated to vote with him and for him when I believed him to be right, nor have I hesitated to vote against the wishes of the President when I felt that he was wrong. Frankly, I think the House will demonstrate by an overwhelming vote within a few minutes that in its judgment, the President, in this instance, acting upon the poor advice of General Hines, is wrong. [Applause.]

If I remember correctly, Mr. Speaker, it was upon the same advice of the same gentlemen that the President asked Congress to pass the so-called Economy Act and many Members in good faith followed the President's wishes at that time on the assurance that no worthy veteran would suffer. I shall not discuss that at this time further than to say that I have been surprised, chagrined, and humiliated to know that many worthy veterans did suffer because of that law and the unsympathetic and inhuman manner in which that law was administered. I am glad that Congress has finally repealed many objectionable features of the Economy Act [applause], notwithstanding the fact that it was sponsored and rushed through Congress with the enthusiastic endorsement of the head of the Veterans' Administration.

Mr. Speaker, I expect to vote again in a few moments for this bill to extend term insurance for another 5 years to these 23,000 World War veterans, notwithstanding the objections of the President, and thus keep faith with the men who kept faith with us in the dark hour of our country's peril. They did not forsake their duty to their country then and I shall not forsake my solemn duty to them now. [Applause.]

Mr. RANKIN. Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts [Mr. MCCORMACK].

Mr. MCCORMACK. Mr. Speaker, I am very much interested in this bill, because at the request of the Veterans of Foreign Wars, I introduced the original bill which is the subject of debate today. I have read the hearings before the committee presided over with such ability by our distinguished friend from Mississippi [Mr. RANKIN] and I am convinced that it is my duty to vote to pass this bill. Not only is such action merited upon the evidence, but it is also merited from the angle of humanity and just consideration. We are now in a very peculiar position. If this veto is sustained, none of the men who are affected will be able to change their form of insurance. It is too late now. Furthermore, this condition has existed for about 20 years and it seems to me that this Congress in its wisdom can and should extend the present conditions for another 5 years. As the Member who introduced the original bill, who subscribed to the action of the committee, the chairman of the subcommittee conferring with me before the bill was reported and as one who concurred in the action of the committee, and in the exercise of my individual judgment, I am satisfied, weighing the veto message, that the evidence is overwhelmingly in favor of the bill, and I personally, as I urge my colleagues also to do, am going to vote for the passage of this bill.

Mr. RANKIN. Mr. Speaker, I yield 1 minute to the gentleman from Ohio [Mr. JENKINS].

Mr. JENKINS of Ohio. Mr. Speaker, I take this time to state that I expect to vote to override the veto of the President. Also, I call attention of the House to this profound fact, that nobody has risen on this floor today to defend the President in his action. This is another illustration of the fact that finally the Congress has shaken itself loose from the spell of fear that the Members have been showing toward the orders of the Executive. Last week this Congress showed a spirit of independence that promised well for the future. The country complimented Congress on its independence. The country wants the President to stay in his place, and it wants Congress to demand its rights. The people want Congress to legislate and it wants the President to execute. I repeat that it is passing strange that not a

single individual has risen to defend him in his veto action today. Where are those hundreds who were elected upon the President's coattail? Where are those who have stood here day after day and proclaimed the infallibility of the President? Where are they who have received so many favors at the hands of this the most extravagant administration in the history of the country? It is a most significant fact that not one single person will rise to support the President when he needs them. What will Jim Farley say? I hope you will show this same spirit of independence when the leaders crack their whips to compel you to change the vote that you cast last week earmarking $500,000,000 of the relief bill. The people will support you in your show of independence. [Applause.]

Mr. RANKIN. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. VOORHIS].

Mr. VOORHIS. Mr. Speaker, I think enough has been said and probably not much more should be said, for I believe the House is ready to vote. I call attention to the letter that I believe all of you received from the Veterans of Foreign Wars. If there were time, I should like to read a very forceful letter received this morning by me from Mr. Millard W. Rice, the legislative representative of the V. F. W., urging that this bill be passed. I point out to the House this further fact. It stands to reason, because of the kind of insurance this is, because it is insurance expiring in 5 years, and because in the course of time it will become very expensive, that the kind of men who are asking us to pass this bill are men who, in many instances, are disabled, who are veterans whose expectation of life is short, and who desire to maintain the maximum possible protection for their families in the last few years they may have to live. It seems to me it is but a matter of simple justice to permit these 22,000 veterans to renew their term insurance for another 5 years; and I believe in the great majority of cases those who do renew will be veterans who are mighty hard pressed, most of them disabled, and who would suffer seriously if we did not extend this privilege to them.

Mr. RANKIN. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. DUNN].

Mr. DUNN. Mr. Speaker, I am going to vote in the affirmative on the measure which is now being considered by the House, because, according to information I have received, if this legislation is not enacted into law it will work a hardship on many thousands of our ex-service men.

It will always be my intention to support legislation which will benefit the World War veterans, Spanish-American War veterans, and veterans of other wars, because they are entitled to a great deal more consideration than they have received and are receiving at the present time.

I have received a number of communications from veterans' organizations protesting against the President's proposal pertaining to the Supreme Court. I want the veterans' organizations of the country to know that it is my intention to vote for the President's court measures, and every other legislative measure which, in my opinion, is constructive, progressive, and humane.

Mr. RANKIN. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is, Will the House on reconsideration agree to pass the bill, the objections of the President to the contrary notwithstanding? As many as are in favor of passing the bill, the objections of the President to the contrary notwithstanding, will, as their names are called, vote "aye", those opposed "no". The Clerk will call the roll.

The question was taken; and there were—yeas 372, nays 13, answered "present" 1, not voting 46, as follows:

[Roll No. 72]

YEAS—372

Aleshire	Andrews	Bates	Binderup
Allen, Del.	Arends	Beam	Bland
Allen, Ill.	Arnold	Beiter	Bloom
Allen, La.	Atkinson	Bell	Boehne
Allen, Pa.	Bacon	Bernard	Boileau
Amlie	Barden	Biermann	Boren
Anderson, Mo.	Barry	Bigelow	Boyer
Boykin	Fitzgerald	Leavy	Reed, N. Y.
Boylan, N. Y.	Fitzpatrick	Lemke	Rees, Kans.
Bradley	Flannagan	Lesinski	Reilly
Brewster	Flannery	Lewis, Colo.	Rich
Brooks	Fletcher	Long	Richards
Brown	Forand	Lucas	Rigney
Buck	Frey, Pa.	Luce	Robertson
Buckler, Minn.	Fries, Ill.	Luckey, Nebr.	Robinson, Utah
Burch	Fuller	Ludlow	Rogers, Mass.
Burdick	Gambrill	Luecke, Mich.	Rogers, Okla.
Caldwell	Garrett	McAndrews	Romjue
Cannon, Mo.	Gasque	McClellan	Rutherford
Cannon, Wis.	Gearhart	McCormack	Sacks
Carlson	Gehrmann	McFarlane	Sanders
Carter	Gifford	McGrath	Sauthoff
Cartwright	Gildea	McGroarty	Schaefer, Ill.
Case, S. Dak.	Gingery	McKeough	Schneider, Wis.
Casey, Mass.	Goldsborough	McLaughlin	Schulte
Celler	Gray, Ind.	McLean	Scott
Champion	Gray, Pa.	McMillan	Scrugham
Chandler	Greenwood	McReynolds	Seger
Chapman	Greever	McSweeney	Shanley
Church	Gregory	Magnuson	Shannon
Citron	Griffith	Mahon, S. C.	Sheppard
Clark, Idaho	Griswold	Mahon, Tex.	Short
Clason	Guyer	Maloney	Simpson
Claypool	Gwynne	Mansfield	Sirovich
Cluett	Haines	Mapes	Smith, Conn.
Cochran	Halleck	Martin, Colo.	Smith, Maine
Coffee, Nebr.	Hamilton	Martin, Mass.	Smith, Va.
Coffee, Wash.	Hancock, N. C.	Mason	Smith, Wash.
Colden	Hancock, N. Y.	Massingale	Snell
Cole, Md.	Harlan	Maverick	Snyder, Pa.
Cole, N. Y.	Harrington	May	Somers, N. Y.
Colmer	Hart	Mead	South
Connery	Harter	Meeks	Sparkman
Cooley	Hartley	Merritt	Spence
Cooper	Havenner	Michener	Stack
Costello	Healey	Millard	Starnes
Cravens	Hendricks	Mills	Steagall
Crawford	Hennings	Mitchell, Ill.	Stefan
Creal	Higgins	Mitchell, Tenn.	Sullivan
Crosby	Hildebrandt	Moser, Pa.	Sumners, Tex.
Crosser	Hill, Okla.	Mosier, Ohio	Sutphin
Crowe	Hobbs	Mott	Sweeney
Crowther	Hoffman	Mouton	Swope
Cullen	Holmes	Murdock, Ariz.	Taber
Cummings	Honeyman	Murdock, Utah	Tarver
Curley	Hope	Nelson	Taylor, S. C.
Daly	Houston	Nichols	Teigan
Deen	Hull	Norton	Thomas, N. J.
Delaney	Hunter	O'Brien, Ill.	Thomas, Tex.
DeMuth	Imhoff	O'Brien, Mich.	Thomason, Tex.
DeRouen	Izac	O'Connell, Mont.	Thompson, Ill.
Dickstein	Jacobsen	O'Connell, R. I.	Thurston
Dies	Jarman	O'Connor, Mont.	Tinkham
Dingell	Jarrett	O'Leary	Tobey
Dirksen	Jenckes, Ind.	Oliver	Tolan
Disney	Jenkins, Ohio	O'Malley	Towey
Ditter	Jenks, N. H.	O'Neal, Ky.	Transue
Dixon	Johnson, Minn.	O'Neill, N. J.	Treadway
Dockweiler	Johnson, Okla.	O'Toole	Turner
Dondero	Johnson, W. Va.	Owen	Umstead
Dorsey	Jones	Pace	Vinson, Fred M.
Doughton	Kee	Palmisano	Vinson, Ga.
Douglas	Keller	Parsons	Voorhis
Dowell	Kelly, Ill.	Patman	Wallgren
Doxey	Kelly, N. Y.	Patrick	Walter
Drew, Pa.	Kennedy, Md.	Patterson	Warren
Drewry, Va.	Kennedy, N. Y.	Patton	Weaver
Driver	Kenney	Pearson	Welch
Duncan	Keogh	Peterson, Fla.	Wene
Dunn	Kerr	Peterson, Ga.	White, Idaho
Eaton	Kinzer	Pettengill	White, Ohio
Eberharter	Kirwan	Pfeifer	Whittington
Eckert	Kitchens	Phillips	Wigglesworth
Edmiston	Kleberg	Polk	Wilcox
Eicher	Kniffin	Powers	Williams
Ellenbogen	Kopplemann	Quinn	Withrow
Engel	Kramer	Rabaut	Wolcott
Englebright	Lambertson	Ramsay	Wolfenden
Evans	Lambeth	Ramspeck	Wolverton
Faddis	Lamneck	Randolph	Wood
Farley	Lanzetta	Rankin	Woodruff
Ferguson	Larrabee	Reece, Tenn.	Woodrum
Fish	Lea	Reed, Ill.	Zimmerman

NAYS—13

Boland, Pa.	Ford, Calif.	O'Connor, N. Y.	Ryan
Bulwinkle	Johnson, Lyndon	O'Day	Sabath
Cox	Kocialkowski	Rayburn	Wadsworth
Culkin			

ANSWERED "PRESENT"—1

Knutson

NOT VOTING—46

Andresen, Minn.	Fleger	Hill, Wash.	McGehee
Ashbrook	Ford, Miss.	Hook	McGranery
Buckley, N. Y.	Fulmer	Johnson, Luther A.	Maas
Byrne	Gavagan	Kloeb	Miller
Clark, N. C.	Gilchrist	Kvale	Peyser
Collins	Goodwin	Lanham	Pierce
Dempsey	Green	Lewis, Md.	Plumley
Fernandez	Hill, Ala.	Lord	Poage

Robsion, Ky.	Shafer, Mich.	Terry	West
Sadowski	Smith, W. Va.	Thom	Whelchel
Schuetz	Taylor, Colo.	Vincent, B. M.	
Secrest	Taylor, Tenn.	Wearin	

So (two-thirds having voted in favor thereof) the bill was passed, the objections of the President to the contrary notwithstanding.

The Clerk announced the following pairs:

General pairs:

Mr. Lanham with Mr. Plumley.
Mr. Taylor of Colorado with Mr. Andresen of Minnesota.
Mr. Collins with Mr. Robsion of Kentucky.
Mr. Fernandez with Mr. Lord.
Mr. Fulmer with Mr. Shafer of Michigan.
Mr. Luther A. Johnson with Mr. Guyer.
Mr. Miller with Mr. Taylor of Tennessee.
Mr. Terry with Mr. Maas.
Mr. Dempsey with Mr. Gilchrist.
Mr. Smith of West Virginia with Mr. Goodwin.
Mr. Wearin with Mr. Thom.
Mr. Green with Mr. Pierce.
Mr. Ashbrook with Mr. Hill of Alabama.
Mr. Schuetz with Mr. McGehee.
Mr. Kloeb with Mr. West.
Mr. Ford of Mississippi with Mr. Casey of Massachusetts.
Mr. Hook with Mr. Beverly M. Vincent.
Mr. Clark of North Carolina with Mr. Gavagan.
Mr. Whelchel with Mr. Secrest.
Mr. Poage with Mr. Fieger.
Mr. Byrne with Mr. Hill of Washington.
Mr. Kocialkowski with Mr. Lewis of Maryland.
Mr. Sadowski with Mr. Kvale.
Mr. McGranery with Mr. Peyser.

The result of the vote was announced as above recorded.

EXTENSION OF REMARKS

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that all Members of the House may have 5 legislative days within which to extend their own remarks on the measure just passed.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. ENGLEBRIGHT. Mr. Speaker, I ask unanimous consent to extend my own remarks to include a memorial address delivered by the gentleman from New York [Mr. FITZPATRICK].

The SPEAKER. Is there objection?

There was no objection.

TAX EVASION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, together with the accompanying papers, referred to the Committee on Ways and Means, and ordered printed:

To the Congress of the United States:

A condition has been developing during the past few months so serious to the Nation that the Congress and the people are entitled to information about it.

The Secretary of the Treasury has given me a report of a preliminary study of income-tax returns for the calendar year 1936. This report reveals efforts at avoidance and evasion of tax liability, so widespread and so amazing both in their boldness and their ingenuity that further action without delay seems imperative.

We face a challenge to the power of the Government to collect uniformly, fairly, and without discrimination taxes based on statutes adopted by the Congress.

Mr. Justice Holmes said: "Taxes are what we pay for civilized society." Too many individuals, however, want the civilization at a discount.

Methods of escape or intended escape from tax liability are many. Some are instances of avoidance which appear to have the color of legality; others are on the borderline of legality; others are plainly contrary even to the letter of the law.

All are alike in that they are definitely contrary to the spirit of the law. All are alike in that they represent a determined effort on the part of those who use them to dodge the payment of taxes which Congress based on ability to pay. All are alike in that failure to pay results in shifting the tax load to the shoulders of others less able to pay, and in mulcting the Treasury of the Government's just due.

I commend to your attention the following letter from the Secretary of the Treasury:

THE SECRETARY OF THE TREASURY,
Washington, May 29, 1937.

MY DEAR MR. PRESIDENT: As you know, the Treasury was surprised and disturbed by the failure of the receipts from the income tax on March 15 to measure up to the Budget estimates. Therefore we undertook an immediate investigation. Only a preliminary report can be made at this time because the complete investigation covering all the income-tax returns filed will require the balance of this year. Furthermore, since many of the returns of large manufacturing corporations have not yet been filed, the present report is confined almost wholly to data disclosed by the individual tax returns.

But even this preliminary report discloses conditions so serious that immediate action is called for. More than the usual examination and audit by the Treasury is needed. It seems clear that if tax evasion and tax avoidance can be promptly stopped through legislation and regulations resulting from a special investigation a very large portion of the deficiency in revenues will be restored to the Treasury.

I herewith enumerate some of the principal devices now being employed by taxpayers with large incomes for the purpose of defeating the income taxes which would normally be payable by them. As we continue our preliminary examination, other devices are being disclosed.

1. THE DEVICE OF EVADING TAXES BY SETTING UP FOREIGN PERSONAL HOLDING CORPORATIONS IN THE BAHAMAS, PANAMA, NEWFOUNDLAND, AND OTHER PLACES WHERE TAXES ARE LOW AND CORPORATION LAWS LAX

Americans have formed 64 such companies in the Bahamas alone in 1935 and 1936, and 22 more were organized by Americans in the Bahamas during the past 2 months. Panama and Newfoundland seem to be even more fertile territory, since their corporation laws make it more difficult to ascertain who the actual stockholders are. Moreover, the stockholders have resorted to all manner of devices to prevent the acquisition of information regarding their companies. The companies are frequently organized through foreign lawyers, with dummy incorporators and dummy directors, so that the names of the real parties in interest do not appear.

One American citizen with a $3,000,000 Bahamas corporation has apparently attempted to prevent the Bureau of Internal Revenue from catching up with him by filing his individual tax returns in successive years from towns in New Brunswick, British Columbia, and Jamaica.

Another individual believes that he has been so successful in removing his assets from the United States to the Bahamas that he is defying the Treasury to collect a tax upon a $250,000 fee he has received; and, by way of insult, he has offered to compromise his admitted tax liability of $33,000 for past years by a payment of $1,700.

Still another individual showed a large net loss on his personal return for 1936. In considerable part the loss was due to the large deduction he claims for interest on a loan made to him by his personal holding company. But the man in question is no object of charity, for his personal holding company, organized in Canada, had an income of over $1,500,000 from American dividends in 1936, though it has not yet filed a return.

Perhaps the most flagrant case of this character is that of a retired American Army officer with a large income from valuable American securities which he desires to sell at a very large profit. To escape our income and inheritance tax laws, he used the device of becoming a naturalized Canadian citizen, and 6 days later organized four Bahamas corporations to hold his securities. He and his lawyers apparently think that he can now sell his securities free from any taxes on his profits, since there are no income taxes in the Bahamas and that he has adroitly escaped American taxes.

2. THE DEVICE OF FOREIGN INSURANCE COMPANIES

Two New York insurance agents have caused the organization of insurance companies in the Bahamas with a view to enabling taxpayers to secure spurious deductions for interest through an ingenious scheme for the issuance of life-insurance policies. Americans who went into the scheme purported to pay a large single premium for their policies, but immediately borrowed back practically the entire sum. Under the plan the so-called policyholders sought to obtain a large deduction for interest on this loan, although the fact was that no interest was really paid. By this means five prominent Americans sought to evade nearly $550,000 in income taxes in the years 1932 to 1936. This fraud was discovered by the Treasury's investigators and all of the taxpayers have now submitted offers to pay the full amount of taxes evaded, plus interest. Until our investigation is completed we do not know how many similar companies may have been organized in other countries and utilized by our citizens; nor do we yet know whether this newly invented type of fraud has other ramifications.

3. THE DEVICE OF DOMESTIC PERSONAL HOLDING COMPANIES

The rates of tax applicable to personal holding companies were reduced in 1936 at the time of the enactment of the undistributed-profits tax. It was believed at that time that the combined rates of

the two taxes would be sufficient to insure the distribution of the entire incomes of these companies and the consequent imposition of surtaxes upon their owners. This expectation has not been realized.

Thus the single stockholder of one large personal holding company saved himself $322,000 by causing his company to distribute none of its income to him.

In another case a man and his wife saved $791,000 through the use of personal holding companies in 1936.

In a third case the personal holding company reported over $500,000 of net income, but the total taxes paid by the two stockholders, husband and wife, were less than $60,000, due principally to credits for payments on indebtedness the holding company prudently incurred in accumulating properties for its owners. If the personal holding company had not been in existence, the stockholders would have paid over $200,000 additional income taxes.

Another favorite device is to organize a considerable number of personal holding companies not only for the sake of reducing the tax but of increasing the Treasury's difficulties in auditing transactions between companies. At last accounts one man had caused to be set up some 96 companies scattered all over the country. Two other individuals were utilizing 23 personal holding companies.

4. THE DEVICE OF INCORPORATING YACHTS AND COUNTRY ESTATES

Many wealthy taxpayers today are dodging the express provisions of the law denying deductions for personal expenses by incorporating their yachts or their country estates, turning over to the yacht or to the estate securities yielding an income just sufficient to pay the entire expenses of operation. Hundreds of thousands of dollars in income taxes are annually avoided in this way.

Thus one man's yacht is owned by his personal holding company, along with $3,000,000 in securities. He rents the yacht from his company for a sum far less than the cost of upkeep, and the company uses its income from the securities to pay the wages of the captain and crew, the expenses of operating the yacht, and an annual depreciation allowance. None of these items would be deductible if this individual owned the yacht personally.

A great many wealthy taxpayers are utilizing a similar arrangement for the operation of their country places and town houses.

One man has placed his $5,000,000 city residence in such a corporation; another his racing stable, whose losses last year were nearly $200,000. The tax savings he thus sought to obtain through the use of the holding company were $140,000.

One wealthy woman has improved on the general plan of evasion by causing her personal holding company, which owns her country place, to employ her husband at a salary to manage it. She can thereby supply him with pocket money, and in effect claims a tax deduction for the expense of maintaining him.

5. THE DEVICE OF ARTIFICIAL DEDUCTIONS FOR INTEREST LOSSES, ETC.

Taxpayers are seeking greatly to reduce their personal income taxes by claiming deductions for interest on loans to them by their personal holding companies, or on loans to them by their family trusts. These transactions normally have no business purpose, but are merely an artificial means of shifting income from one member of the family subject to high surtax rates to another member of the family subject to lower rates.

Thus, one woman claims a large annual deduction for interest on a loan made to her by her husband as trustee of a trust which she created for their children. The mother thereby seeks to secure a deduction for her contribution to the children's support, and since the trust is revocable by her husband, the parents still have the desired control over the property and its income.

In the same category are losses deducted by taxpayers who claim that their racing stables or hobby farms were operated for profit, even though a profit is never realized. Thus, a prominent manufacturer seeks a deduction of over $125,000 against his income from his business, on account of his losses in operating a chicken farm.

6. THE DEVICE OF THE CREATION OF MULTIPLE TRUSTS FOR RELATIVES AND DEPENDENTS

Splitting income two ways, between husband and wife, reduces income taxes and leaves the family income intact. Splitting the family income many ways by means of many trusts, all for the same beneficiaries, may effect a much greater saving, while leaving the money actually in the same hands. For the creator of the trust often constitutes himself or his wife as trustee, and thus retains full control over the investment and disposition of the fund itself and of is income.

One thrifty taxpayer has formed 64 trusts for the benefit of four members of his immediate family, and thereby claims to have saved them over $485,000 in 1 year in taxes.

Another thrifty pair have constituted 40 trusts for their relatives, and a prominent lawyer and his wife utilize 16 trusts for the same purpose. The first pair maintains numbered brokerage accounts, and only at the end of the year are the beneficial owners identified. In this way innumerable transactions are carried on, often between accounts, which do not actually affect the beneficial interests of their owners, but which are designed solely to reduce tax liability.

7. THE DEVICE OF HUSBAND AND WIFE OR FATHER AND CHILDREN PARTNERSHIPS

The purpose of these partnerships, like the multiple trusts, is to split the family income artificially into two parts; or, if the children are taken in, into still smaller fractions.

There are many instances of this kind, but to illustrate the point it is sufficient to cite the case of a New York brokerage firm which late in 1935 admitted into partnership the four minor children, two boys and two girls, of one of the partners. The tax saving he sought thereby in 1936 amounted to over $50,000.

8. THE DEVICE OF PENSION TRUSTS

For 10 years the revenue acts have sought to encourage pension trusts for aged employees by providing corporations with a special deduction on account of contributions thereto, and exempting the trust itself from tax. Recently this exemption has been twisted into a means of tax avoidance by the creation of pension trusts which include as beneficiaries only small groups of officers and directors who are in the high-income brackets. In this fashion high-salaried officers seek to provide themselves with generous retiring allowances, while at the same time the corporation claims a deduction therefor, in the hope that the fund may accumulate income free from tax.

Thus in one case $43,000 is annually appropriated by the corporation to a pension trust for the benefit of its two chief owners. One of the co-owners will retire at the age of 65 with a monthly pension of $1,725 and the other will retire at 60 with a monthly pension of $1,425.

These eight types of tax avoidance are sufficient to show that there is a well-defined purpose and practice on the part of some taxpayers to defeat the intent of Congress to tax incomes in accordance with ability to pay. In some cases, the Bureau of Internal Revenue under existing law can establish a liability or, indeed, proceed on the ground of fraud; but many of these cases fall in the category of a legal though highly immoral avoidance of the intent of the law. It seems, therefore, that legislation should be passed at this session of the Congress in order to eliminate these loopholes which our preliminary investigation has proved; and that as a result of the further investigation this summer and autumn the next session of the Congress should finally close any further loopholes which may be discovered.

In addition to these cases of moral fraud, there are three other major instances in which the law itself permits individuals and corporations to avoid their equitable share of the tax burden.

I. PERCENTAGE DEPLETION

This is perhaps the most glaring loophole in our present revenue law. Since 1928 large oil and mining corporations have been entitled to deduct from 5 to 27½ percent of their gross income as an allowance for the depletion of their mines or wells, and the deduction may be taken even though the cost of the property has been completely recovered. Thus, in 1936, one mining company deducted nearly $3,000,000 under this provision, although it had already completely recovered the cost of its property. The amount of the deduction was a sheer gift from the United States to this taxpayer and its stockholders, and the revenue that we lost thereby was $818,000. Similar annual losses of revenue in the cases of a few other typical companies are $584,000, $557,000, $512,000, $272,000, $267,000, $202,000, and $152,000. The estimated annual loss of revenue due to this source alone is about $75,000,000. I recommended in 1933 that this provision be eliminated but nothing was done at that time, and it has since remained unchanged.

II. THE DIVISION OF INCOME BETWEEN HUSBAND AND WIFE IN THE EIGHT COMMUNITY PROPERTY STATES

This is another major cause of revenue loss, which is unjustifiable because obtained at the expense of taxpayers in the 40 States which do not have community property laws. A New York resident with a salary of $100,000 pays about $32,525 Federal income tax; a Californian with the same salary may cause one-half to be reported by his wife and the Federal income taxes payable by the two will be only $18,626. The total loss of revenue due to this unjustifiable discrimination against the residents of 40 States runs into the millions.

III. TAXATION OF NONRESIDENT ALIENS

The 1936 act eliminated the requirement that a nonresident alien (without United States office or business) should file a return; fixed the withholding rate for individuals at 10 percent; and freed the nonresident alien from taxation on American capital gains. Since the total Federal tax upon a citizen or resident amounts to 10 percent of his total net income at about $25,000 (in the case of a married individual with no dependents), the withholding rate has proved in practice to be too low as applied to wealthy nonresident alien individuals. There are a number of cases of nonresident aliens with large incomes from American trusts or with large American investments whose taxes have been cut to one-third or one-fifth of what they paid under the prior act.

Thus one American woman who married an Englishman had an income from this country in 1935 of nearly $300,000. Her tax for 1936 will, therefore, be approximately $30,000 as against over $160,000 under the prior law.

Another American woman who married a Frenchman has an income of over $150,000 from American trusts, on which she paid a tax of about $55,000 in 1935. Her tax is reduced to about $15,000 by the 1936 law. Although the tightening of the withholding provisions in 1936 will tend to insure more revenue from nonresident aliens in the lower income brackets, the present taxing provisions are not satisfactory as applied to nonresident aliens with incomes in the higher brackets.

The problem of tax avoidance is not new. The Congress devoted particular attention to it in 1933 and 1934, and by legislation effectively put a stop to many evasive devices discovered then as having been in use. The practices outlined above can and should be stopped in the same way.

In conclusion, I have two observations to make from the evidence before me. In the first place, the instances I have given above are disclosed by a quick check of comparatively few individual returns. As I have said before, most of the large corporation returns have not yet been filed. The general audit of 1936 returns is just beginning. Nevertheless, it is likely that the cases I have digested above are symptomatic of a large number of others, which will be disclosed by the usual careful audit.

In the second place, the ordinary salaried man and the small merchant do not resort to these or similar devices. The great bulk of our 5,500,000 returns are honestly made. Legalized avoidance or evasion by the so-called leaders of the business community is not only demoralizing to the revenues, it is demoralizing to those who practice it as well. It throws an additional burden of taxation upon the other members of the community who are less able to bear it, and who are already cheerfully bearing their fair share. The success of our revenue system depends equally upon fair administration by the Treasury and upon completely honest returns by the taxpayer.

The disclosures are so serious that I recommend that authority be given to the Treasury Department with, an adequate appropriation, in order that a complete and immediate investigation may be conducted. The cost of such an investigation will be returned many times over to the Treasury of the United States.

Faithfully,

HENRY MORGENTHAU, JR.

The PRESIDENT,
The White House.

A feeling of indignation on reading this letter will, I am confident, be yours, as it was mine.

What the facts set forth mean to me is that we have reached another major difficulty in the maintenance of the normal processes of our Government. We are trying harder than ever before to relieve suffering and want, to protect the weak, to curb avarice, to prevent booms and depressions—and to balance the Budget. Taxation necessary to these ends is the foundation of sound governmental finance. When our legitimate revenues are attacked, the whole structure of our Government is attacked. "Clever little schemes" are not admirable when they undermine the foundations of society.

The three great branches of the Government have a joint concern in this situation. First, it is the duty of the Congress to remove new loopholes devised by attorneys for clients willing to take an unethical advantage of society and their own Government. Second, it is the duty of the executive branch of the Government to collect taxes, to investigate fully all questionable cases, to prosecute where wrong has been done, and to make recommendations for closing loopholes. Third, it is the duty of the courts to give full consideration to the intent of the Congress in passing tax laws and to give full consideration to all evidence which points to an objective of evasion on the part of the taxpayer.

Very definitely, the issue immediately before us is the single one relating to the evasion or unethical avoidance of existing laws. That should be kept clearly in mind by the Congress and the public. Already efforts to befog this issue appear. Already certain newspaper publishers are seeking to make it appear—first, that if an individual can devise unanticipated methods to avoid taxes which the Congress intended him to pay, he is doing nothing unpatriotic or unethical; and, second, that because certain individuals do not approve of high income-tax brackets, or the undistributed earnings tax, or the capital gains tax, the first duty of the Congress should be the repeal or reduction of those taxes. In other words, not one but many red herrings are in preparation.

But it seems to me that the first duty of the Congress is to empower the Government to stop these evil practices, and that legislation to this end should not be confused with legislation to revise tax schedules. That is a wholly different subject.

In regard to that subject, I have already suggested to the Congress that at this session there should be no new taxes and no changes of rates. And I have indicated to the Congress that the Treasury will be prepared by next November to present to the appropriate committees information on the basis of which the Congress may, if it chooses, undertake revisions of the tax structure.

The long-term problem of tax policy is wholly separate from the immediate problem of glaring evasion and avoidance of existing law.

In this immediate problem the decency of American morals is involved.

The example of successful tax dodging by a minority of very rich individuals breeds efforts by other people to dodge other laws as well as tax laws.

It is also a matter of deep regret to know that lawyers of high standing at the bar not only have advised and are advising their clients to utilize tax-avoidance devices but are actively using these devices in their own personal affairs. We hear too often from lawyers, as well as from their clients, the sentiment, "It is all right to do it if you can get away with it."

I am confident that the Congress will wish to enact legislation at this session specifically and exclusively aimed at making the present tax structure evasion proof.

I am confident also that the Congress will give to the Treasury all authority necessary to expand and complete the present preliminary investigation, including, of course, full authority to summon witnesses and compel their testimony. The ramifications and the geographical scope of a complete investigation make it necessary to utilize every power of Government which can contribute to the end desired.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 1, 1937.*

MR. WARREN, OF NORTH CAROLINA

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. COCHRAN. Mr. Speaker, the demonstration just accorded you clearly indicates how much we love you and how happy we are to see you return to us, much refreshed by your brief vacation.

I want to take this opportunity, Mr. Speaker, and I am sure every Member of the House joins me, in personally thanking the gentleman from North Carolina [Mr. WARREN] for the fair and efficient manner in which he has presided over the House and discharged your duties during your absence. [Applause.]

COMMITTEE ON IMMIGRATION AND NATURALIZATION

Mrs. O'DAY. Mr. Speaker, I ask unanimous consent that the Committee on Immigration and Naturalization be allowed to sit in hearings during the session of the House tomorrow.

The SPEAKER. Is there objection?

There was no objection.

WILLIAM A. DEVINE

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent that the Committee on Civil Service be discharged from further consideration of the bill S. 1548, for the relief of William A. Devine, and that the same be referred to the Committee on Claims.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS

By unanimous consent, Mr. BATES, Mr. MERRITT, Mr. QUINN, and Mr. GRAY of Pennsylvania, were granted permission to extend their own remarks in the RECORD.

PERMISSION TO ADDRESS THE HOUSE

The SPEAKER. Under previous order of the House the gentleman from Maryland [Mr. GOLDSBOROUGH] was granted permission to address the House for 1 hour. The Chair has been informed that the gentleman from Maryland does not care to exercise that privilege at this time.

Under previous order of the House the gentleman from Michigan [Mr. HOFFMAN] is recognized for 30 minutes.

COMMITTEE FOR INDUSTRIAL ORGANIZATION

ANOTHER CRISIS—NOT A SHAM ONE, BUT A REAL ONE—CONFRONTS US

Mr. HOFFMAN. Mr. Speaker, from the President's message it is gathered that he is again of the opinion that either another emergency or a crisis has come upon us, requiring his intervention.

The most amazing thing is that so many have been able to escape the dragnet put out by his legal experts to soak the rich. The query comes: Would he be so solicitous, were the income he desired to reach the property of an organization with millions of members—great potential voting power?

In this connection occurs the thought that his message makes no reference to the income of the C. I. O., which, if its present claim of membership be accurate, has 3,000,000 members. With dues of $1 a month, to say nothing of special assessments, that means $36,000,000 a year, all taken from the pocket of the worker.

This message seems to be another—to use the President's words—"red herring", drawn across the trail to distract public attention from the administration's attack upon the integrity of the Supreme Court and from its failure to enforce the laws for the protection of the citizen.

There is no doubt but that we are confronted by a crisis, but it exists not because of tax dodging, the evils of which can and will be eliminated by the Treasury Department, the Department of Justice, and additional legislation by Congress, if that be needed.

The real danger which confronts us—and it is a serious one—is the danger of civil strife, of revolution, because of the failure of the administration to protect the worker in his job, to protect the owner of home and factory in his right to peaceably occupy his own property; because of the failure of the Federal Government to protect either "property rights" or "human rights."

It is not intervention on the part of the President that is so much needed. It is the performance of his duty to enforce the provisions of the Constitution which guarantee the rights of the citizen; the performance of his duty to enforce the laws we already have.

Let a description of the existing situation be given by disclosing the facts.

REVOLUTION IS HERE—LOSS OF OUR LIBERTIES WILL FOLLOW UNLESS WE AWAKEN AND ACT

Rebellion is organized resistance to lawful authority. It may bring confusion, disorder, lawlessness, riot, insurrection, anarchy, and finally disintegration.

All of these were brought to Michigan, and now to the country, by C. I. O. and as a result of the sit-down strike.

Rebellion successful is revolution. Revolution can exist only when it has destroyed the previous form of government—in our case, democracy. It is always followed, when brought about from above, by that form of government which the successful leaders choose to give.

Proof is found in the governments of Stalin, Hitler, and Mussolini. There, free assembly, free speech, political freedom—the foundation upon which rests liberty of the citizen—are all denied, and any who seek a change in government are promptly shot or beheaded.

Today, if ability to draw followers to their banners, to bend people to their will, to command obedience to their wishes, be the measures of greatness, our country has two great leaders—Franklin Delano Roosevelt, now President of the United States, and John L. Lewis, self-appointed guiding power of the Committee for Industrial Organization. Their purposes, their objectives, appear to be much the same.

THE C. I. O.

Reports as late as today show that the Committee for Industrial Organization, the C. I. O., is neither a corporation, a partnership, nor a legal entity of any kind, although it now assumes to issue charters.

John L. Lewis was its father and its mother, and it is his child, and to date, although it has grown to a claimed membership of more than 3,000,000, exercises the power of life and death over many industrial plants, can and does determine who shall and who shall not work, seeks to declare that no industry shall operate until it deducts from the pay roll of its employees and pays the C. I. O. fees assessed by Lewis and his associates, it is still the child, subject in every way to the will and control of Lewis.

During the days when we were considering the authorization to spend $1,500,000,000 of the taxpayers' money for relief and to give work; while men were endangering their health by swimming the river at Warren, Ohio, in an attempt to evade picket lines and get to the jobs they already had; while Lewis' organizer, Hugh Thompson, was announcing that 3,000 men would swell the picket lines at Buffalo; while Chicago police were engaged in an attempt to turn back a thousand marching men who sought to deprive the workers in that district of their jobs; while another thousand C. I. O. members were marching from Indiana Harbor to assist in that effort, Lewis directs another hundred thousand men employed by the independent steel companies to cease work—all this, while the worker's money is being used to create jobs, by Lewis' direction hundreds of thousands of men are ceasing work—and all because three independent steel companies will not sign a written agreement giving Lewis control over the men who work in their plants.

BLOODSHED FOLLOWS THE C. I. O.

A dictator has come to America and, as under all dictators, blood is being shed.

When a day set apart for the worship of the One who gave us life was drawing to a close the C. I. O. brought death to Chicago. On the western shore of Lake Michigan men who wanted to work were toiling at the tasks which enabled them to provide for their families. Nearby, members of the C. I. O. resolved to force these workers from their tasks, to close the plant, compel the employer to submit to a written agreement, to be followed by the closed shop and the check-off.

They armed themselves with knives, pieces of pipe, clubs, bricks, stones, some say with firearms, and more than a thousand set out on their fourth massed attempt to accomplish their purpose, even though blood be shed, lives be taken. Using "red" tactics, they put their women in the forefront and hid behind their skirts.

Finding Chicago police in their way, they refused to halt when commanded, and charged the police. Lawless force and violence met legal force, and in a few moments four lay dead and more than a hundred were seriously wounded.

These men died—they were led to their death—and others were maimed and injured because of the false teachings of John L. Lewis and his "red" agitators.

These men died—they were led to their death—because John L. Lewis gave them reason to believe the sit-down strike was justifiable. These men died—they were led to their death—because John L. Lewis convinced them that if they drove other workers from their jobs and took possession of the plant by force, officers would not interfere.

These men died because they followed the methods and procedure laid down and sanctioned by John L. Lewis, which he must have known would result in the death of someone.

These men died because John L. Lewis, by his action, endorses the policy of Earl Browder, who said:

We industrial unionists are going to take over the industries some day for three very good reasons:
1. Because we need them.
2. Because we want them.
3. Because we have the power to get them.

These men died because John L. Lewis insists upon having his own way. Their blood is upon his hands. His doctrines, his organizers, led them to their death.

Streets and factories will run red with blood unless he changes his tactics or Federal authority asserts itself.

WORKERS SACRIFICED TO AMBITION

These men are among the first to be sacrificed upon the altar of Lewis' personal ambition. Unless protection be given to peaceful citizens, to workers who desire to follow their occupation, they will not be the last, for Lewis it is who employs and uses as his organizers "red" Communists, who follow the advice of Walter and Victor Reuther to "carry on the fight for a soviet America."

C. I. O. is a committee formed in November 1935 by the presidents of eight international labor unions, opposed to the democratic, self-governing features of the American Federation of Labor—

To encourage and promote organization of the workers in the mass production and unorganized industries of the Nation.

Since then, other unions have joined and their presidents have thereupon become members of this committee.

It does not operate under a constitution and bylaws. There are no articles of agreement between C. I. O. and its union members.

It has been its practice, whenever there is a drive for membership in any industry, to enter into an agreement, if there be a union in that industry, with that union for the appointment by the C. I. O. of an organizing committee. This organizing committee is granted full authority to bargain with employers, to administer the affairs of the union, to carry on the work of the organization, to fix the initiation fees and dues, to suspend dues, and to control all funds; and the agreement provides that such committee "shall have complete power and authority" to control the destiny of the newly formed organization.

Lewis and the presidents of these unions, never elected by the membership of the unions to the positions which they hold in the C. I. O., are the only "bosses" of the C. I. O.

MINORITY RULE

There is another group, consisting of the workers in the various industries. These men sign a membership card; they may or they may not originally pay an initiation fee; they are subject to monthly dues, in the determination of the amount of which they have no voice; they have no right to vote on whether a strike shall or shall not be declared; they have no voice in the expenditure of the fees, dues, or special assessments which they may have paid; they have no right to demand an accounting from anyone.

Over them the committee assumes the power to inflict fines, to expel them from membership, and to determine whether they shall or shall not work.

They are taxed, but they are not represented, except by self-chosen leaders.

The principles of democracy, as enunciated and employed by the American Federation of Labor and its organization and activities, are entirely disregarded by the C. I. O., where there is no majority rule, but a rule of militant minorities over the majority.

In the recent series of strikes there are many, many illustrations of this. Just one will be cited and that at Toledo, in a plant which employed 220 workers, 202 of whom were affiliates of the Metal Polishers and Buffers' Union, which was affiliated with the Metal Trades Department of the A. F. of L. The remaining 18 employees, members of the United Automobile Workers, were hired as common laborers and, immediately upon being given employment, notified the management that unless they were recognized as the exclusive agency for collective bargaining a sit-down would be declared.

The sit-down did not occur, because the 202 of the A. F. of L. had the courage to refuse to permit the 18 to interfere with the operation of the plant.

POLITICAL SUPPORT

At Lewis' bidding, the Civil Liberties Committee, with the power of the Federal Government behind it, springs into activity. So far, it has failed to present other than one side of any picture.

Lewis, in his drive for an industrial dictatorship, meets with no interference from Roosevelt, the President. Through the President's Governor Murphy, C. I. O. received active and invaluable assistance. Unhampered by the exercise of Federal authority, it is permitted to exert unlawful pressure to force workers into the union. Its acts of violence are uncriticized.

When Ford workers, on private property, asserted their right to repel invaders and lawful force and violence met lawless force and violence and conquered, the organization demanded the enforcement of the law which it has consistently violated.

Lewis claims to be acting in behalf of the worker. He, those supporting him, and Madam Perkins prate about "human rights", as distinguished from "property rights", yet Lewis, with the sanction of Madam Perkins, who attempted to justify his sit-down tactics, with his "flying squadrons", who, were they acting in behalf of employers, would be termed "thugs", dispossessed 126,000 workers of their jobs, withheld those jobs for more than 40 days. Hypocrisy more flagrant was never uttered.

Nor does the C. I. O., in its drive for members, hesitate to use the name of the present administration and of the Federal Government.

Workers are told that President Roosevelt wants them to join the union.

On occasions, C. I. O. organizers are accompanied by special investigators from Washington, with banners draped over the hood of their automobiles, carrying the statement:

United States Senate car, La Follette Civil Liberties Committee, Investigators.

C. I. O.'s newspaper boasts of the "heat" put on by the Civil Liberties Committee of the Senate at the turning point of the Flint strike.

The uneducated worker is led to believe that the drive is under Presidential authority; that the Government itself is organizing the workers, and that the Senate of the United States acts as a committee which is supporting this campaign for membership.

ACTIONS, NOT WORDS, ARE THE MEASURE OF A MAN'S SINCERITY

In Senate Document No. 14 of the Sixty-eighth Congress, first session, compiled under the direction of John L. Lewis, then president of the United Mine Workers of America, to lay bare the attempt by Communists to seize the American labor movement and to destroy our Government, we find on page 1 these statements:

Imported revolution is knocking at the door of the United Mine Workers of America and of the American people. The seizure of this union is being attempted as the first step in the realization of a thoroughly organized program of the agencies and forces behind the Communist International at Moscow for the conquest of the American continent.

The overthrow and destruction of this Government, with the establishment of an absolute and arbitrary dictatorship, and the elimination of all forms of popular voice in governmental affairs, is being attempted on a more gigantic scale, with more resolute purpose, and with more crafty design than at any time in the history of this Nation.

These statements were no hasty, ill-considered utterances of a man forced to speak at once and without deliberation. They were the result of a prolonged, painstaking, and thorough investigation made under the direction of John L. Lewis and may be accepted as true.

John L. Lewis, before his viewpoint had been warped by his consuming personal ambition, speaking of a similar movement, accurately described his own present organization and its purpose in these words:

The movement is aimed not only at the labor unions but at the entire industrial, social, and political structure of the country, and with the single aim of eventually establishing a soviet dictatorship in the United States.

If now it can be shown that those who he then said were behind that movement to overthrow and destroy this Government of ours are now behind and in active control of the policies and the activities of the C. I. O., and if their methods be the same as those which he then denounced, it then follows, the laws of cause and effect remaining always constant, that the C. I. O. is today engaged in an attempt to overthrow and destroy both the American Federation of Labor and the Government of the United States.

"RED" COMMUNISTS OF 1924 BECOME LEADERS OF C. I. O., WHICH ADOPTS THEIR METHODS

Let us review the history of that time and call to mind the men who were behind that movement, their political affiliations, their avowed purposes, and the methods which they used, as stated by them, and compare the facts disclosed with the record which has recently been unrolled by the C. I. O. From that comparison, honest, sincere believers in the theory that this Government was formed to render secure life, liberty, and the pursuit of happiness should be able to form accurate and guiding convictions and so chart a patriotic course for their own conduct.

Let me call the roll, in part at least, of those who, in 1922 and 1924, according to the report prepared by the

United Mine Workers of America, of which Mr. Lewis was president, brought "imported revolution" to and stood "knocking at the door of the United Mine Workers and of the American people", and who sought "the overthrow and destruction of this Government", and give you his description of those men and their activities.

One of the principal organizations named as engaged in the attempt to overthrow and destroy the labor organizations and our Government was the Communist Party of America. Of that organization it was said—I quote:

It is purely a revolutionary organization and makes no pretense at legality. * * * This party has at its head the supreme executive revolutionary committee in America, responsible only to * * * officials of the Communist International.

On the surface and working partly in the open is another revolutionary organization, known as the Workers Party of America. * * *—

With a mission—

fundamentally the same as that of the Communist Party of America, i. e., to overthrow the Government of the United States.

Continuing to quote:

Joined with these two revolutionary parties * * * is the Trade Union Educational League, headed by William Z. Foster. * * * This league is * * * the direct instrumentality * * * of the Communist International.

Then was named the "American Civil Liberties Union" at New York as another of the groups engaged in the then effort to overthrow American government.

Other groups were likewise designated as having the same objective, looking toward the same end, and, quoting again:

They are fused into united effort, giving mutual support to each other in their numerous activities.

Through this interlocking arrangement—quoting again:

These Communist groups interlock also with the Communist International and the Red Trade Labor Union International at Moscow, so that the revolutionary movement in America is the direct offspring and agency of the Communist regime in Russia, for the purpose of seizing and possessing themselves of the American continent through the mediumship of revolution inspired and conducted from the stronghold of bolshevism on the other side of the Atlantic.

Today these same groups, with like inspiration, acting together, are behind, and acting with the C. I. O. in its present war on industry and the American Federation of Labor.

Lewis then named Earl Browder as Foster's right-hand man. Browder, one time general secretary of the Communist Party, its candidate for President in 1936, then so roundly condemned by Lewis, today is an ardent supporter of the C. I. O. and its methods.

Powers Hapgood, John Brophy, and Adolph Germer, all in that movement, were later described by Lewis as:

Fakirs, repudiated leaders, traitors to the unions, opportunists, and purveyors of every falsehood, slander, and deception.

Brophy and Hapgood were described as agents of the Communists and one of them at least, Lewis intimated, was paid direct from Moscow.

Lewis' United Mine Workers Journal, on May 1, 1928, made the statement that the leadership of Brophy, Patrick Toohey, and Hapgood and a few others had been—

Doing its dirtiest to capture the United Mine Workers and to transform this splendid union into a Communist organization.

Powers Hapgood is now field representative for the C. I. O.

John Brophy, then characterized as a traitor to the unions, the purveyor of every falsehood, slander, and deception, is now directed to supervise the administration of the C. I. O.

Adolph Germer, as stated, was roundly denounced by Lewis in 1930. For years he was a Socialist agitator. Today he is an organizer for C. I. O., his work second only to that of Hapgood and Brophy.

Patrick Toohey, a leader in the movement which was "doing its dirtiest to capture the United Mine Workers and to transform" it "into a Communist organization", and who is now in charge of Communist activity in Philadelphia, is the man who saved the day for the C. I. O. in the R. C. A. strike in Camden, N. J.

Sidney Hillman, one of the original seven who formed the C. I. O., president of the Amalgamated Clothing Workers of America—which made 1936 campaign contributions of $82,281.89, principally to Labor's Nonpartisan League and the American Labor Party, and including $4,350 to the Minnesota Farmer-Labor Party—is one of those who in 1922 organized the Russian-American Industrial Corporation to raise a million dollars among the workers of America to bring about the "rehabilitation of Russia." He was active on the I. W. W. defense committee and an honorary president of the Ultra Red National Religion and Labor Foundation.

David Dubinsky, president of the International Ladies' Garment Workers Union—which made campaign contributions in 1936 of $61,385.85 to the American Labor Party, Labor's Nonpartisan League, and the Minnesota Farmer-Labor Party—was the man who undertook to raise $100,000 from the American radical unionists for the support of the Communist "red" front in Spain.

Clinton S. Golden was for several years business manager and field director of Brookwood Labor College at Katonah, N. Y., a school for labor students, prospective organizers, and strike leaders. He was a member of the board of counselors of Commonwealth College at Mena, Ark., where, according to a legislative inquiry in 1935, free love practices prevailed and communism and atheism were taught.

While Golden and Hillman were directors of the Garland fund, money was allocated from that fund to the Ferrier group, whose publication then stated:

We are anarchists because we see in the State an enemy of liberty and human progress; and we are Communists because we conceive communism as the most rational and just economic theory yet proposed. * * * As anarchists, we seek the abolition of the State.

This group then said:

The all-important thing is that industry be controlled at the point of production.

Which is what the C. I. O. accomplished at Flint, Detroit, and other places.

Other C. I. O. organizers, and ardent supporters who have been listed as Communists, can be named. Among them are:

Alfredo Abillo, a member of the Communist Party at South Chicago and a paid Steel Workers' Organizing Committee organizer among Mexicans in that section.

John W. Anderson, a C. I. O. organizer, who was the Communist candidate for Governor of Michigan in 1934.

Merlin D. Bishop, graduate and former member of the staff of the Brookwood Labor College, and who is on the pay roll as "educational director" for the C. I. O.

Peter Chapa, who for years was a Communist organizer, is now a full-time organizer for the Steel Workers' Organizing Committee at Gary.

Ruth Chapa, wife of Peter Chapa, who is paid by the Steel Workers' Organizing Committee, the S. W. O. C., to do missionary work in the homes of Spanish steel workers.

Joe Cook, a member of the Communist Party, and who is a part-time organizer for the S. W. O. C. in South Chicago.

Margaret Cowl, Communist writer and agitator, who is on the C. I. O. pay roll and was active in promoting the women's activities in the strike at Flint, Mich.

Dave Doran, Pittsburgh district organizer for the Young Communist League, who is on the S. W. O. C. pay roll and who is a close associate of William Z. Foster, and confers frequently with Philip Murray, director of C. I. O.'s steel organization drive.

James W. Ford, colored, Communist candidate for Vice President in 1936. He attended a conference of Negro leaders, called by Philip Murray at Pittsburgh on February 6.

William K. Gebert, associate of William Z. Foster and member of the central committee of the Communist Party, is now a C. I. O. organizer, and confers frequently with Philip Murray.

Paul Glaser, attorney for the section committee of the Communist Party, is a full salaried member of the S. W. O. C. staff.

Doyle Glormer, reporter for the Communist People's Press, is on the pay roll of the S. W. O. C.

Jess Gonzales, Mexican, member of the Communist Party and a full-time salaried man on the S. W. O. C. in Pittsburgh.

Francis J. Gorman, president of the United Textile Workers, just recently became a member of the advisory board of communistic Commonwealth College at Mena, Ark.

Hansen, first name unknown, member of the Communist Party at Chicago Heights and a full-time organizer for the S. W. O. C.

Charles Henry, member of the Communist Party and part-time organizer for the S. W. O. C. in South Chicago.

Mary Hillyer, leader in the left-wing League for Industrial Democracy, who has been assisting Comrade Margaret Cowl, who was active in promoting women's activities in the Flint, Mich., strike.

Clarence Irwin, district organizer for the Communist Party and on the S. W. O. C. pay roll in Pittsburgh.

Genora Johnson, member of the Socialist Party and leader of the women's brigade at Flint.

Leo Krzycki, vice president of the Amalgamated Clothing Workers, a member of the national executive committee of the Socialist Party, and a member of the advisory board of the C. I. O.

Louis Majors, member of the Communist Party, and on the pay roll of the S. W. O. C. in Pittsburgh.

Homer S. Martin, former Baptist minister, who has been a left-wing orator for years, is president of the United Automobile Workers and Lewis' right-hand man in Michigan.

Leonides McDonald, Negro, Communist leader, on the pay roll of the S. W. O. C. at Indiana Harbor.

Mike Ostroski, member of the Communist Party, and on the pay roll of the S. W. O. C. in Gary.

Blain Owen, alias Boris Israel, and whose real name is Isreal Brestein, and who formerly represented Amtorg, the Soviet trading agency on the Pacific, at present is working with William K. Gebert in the Pittsburgh district.

George A. Patterson, member of the Communist Party, and on the pay roll of the S. W. O. C. in South Chicago.

Rose Pesotta, veteran anarchist leader, who was an intimate of Emma Goldman, is an active C. I. O. organizer in the rubber and automobile industries.

George Powers, alias Morris Powers, former district organizer of the Communist Party in South Carolina, is now a district director of the S. W. O. C. of the C. I. O. in Pittsburgh, at a large salary.

Lee Pressman, radical lawyer, C. I. O.'s general counsel.

Walter Reuther, Victor Reuther, Roy Reuther, long-time agitators for left-wing causes and now C. I. O. organizers. Victor and Walter are graduates of the Communist Brookwood Labor College at Katonah, N. Y., a training school for black and white agitators.

Eleanor Rye, colored, an organizer for the National Negro Congress, a Communist organization, and on the private pay roll of Van A. Bittner, Chicago regional director of the C. I. O.

John Schmies, former assistant to William Z. Foster and one time organizer of the Auto Workers' Union, a Communist organization, which was active until a few years ago. He is the Detroit representative of the fraternal-orders committee, organized by the C. I. O. to line up fraternal organizations.

Tom Shane, member of the Communist Party and a full-time C. I. O. organizer on the steel workers' pay roll in Pittsburgh.

Tucker P. Smith, president-director of Brookwood College, who writes for the auto workers' C. I. O. organ and who assisted the C. I. O. in founding a training school at Saugatuck, Mich., last summer, for the training of agitators for the sit-down strikes.

Jack Stachel, member of the central committee of the Communist Party, who is a director of C. I. O. pay-roll organizers in Pennsylvania and who wrote the foreword to one of Foster's propaganda pamphlets distributed by C. I. O. organizers.

Maurice Sugar, radical lawyer, who was the Communist candidate for the office of recorder's judge in the city of Detroit in 1936, and who is on the pay roll of the C. I. O.

Mary Heaton Vorse, well-known Communist author, who has been directing the organization of C. I. O. women's auxiliaries.

William Weinstone, secretary of the Michigan district of the Communist Party, who has been directing Communist activities in the Flint and Detroit strikes, and who is the author of the pamphlet, The Great Sit-Down Strike.

In addition to the long list of Communists and supporters, whose names I have recited as being moving spirits in the Committee for Industrial Organization, we have numbered, among those giving it active or tacit aid, the National Labor Relations Board; the Secretary of Labor, Madam Perkins; the Governor of the State of Michigan, Frank Murphy; the President of the United States.

Small wonder then that, with the hope of higher wages, with its preaching of class hatred so often and so effectively used by the President himself, and by the use of force, which so far has proven to be irresistible, the C. I. O. is enlisting and drafting into its army the workmen of the Nation.

As Lewis, in 1924, charged many of these men with being Communists, bent upon the destruction of the American Federation of Labor and of the Government, so today he is, by the American Federation of Labor, characterized as a Communist, described as being "in bed with Communists", and charged with an attempt to destroy the American Federation of Labor and our democratic form of government.

Working with these men, through them, using their organizations and their methods, he cannot now escape responsibility for their acts or the result of his own actions.

His present purpose is the same as that which he attributed to the organizers of the industrial union when, in 1924, he said their purpose was:

> The overthrow and destruction of this Government, with the establishment of an absolute and arbitrary dictatorship, and the elimination of all forms of popular voice in governmental affairs.

If the fact that those who, in 1924, were described by Lewis as Communists, having shown no change of thought or of method, are now all united with him in this C. I. O. drive against industry and the American Federation of Labor, and the statement of William Z. Foster that—

> The C. I. O. organizers of today have a great advantage • • • in the fact that today there is in existence a strong Communist Party to lend its active assistance—

does not prove that the present move is communistic, let us compare the methods which they recommend and those which the C. I. O. is using.

If the guiding, controlling actors be Communists; if their methods be those of Communists; if their purpose be control and regimentation of labor and of industry; and if those who follow their banner gain, in the end, no material advantage, the movement is wholly dangerous and unworthy of support.

William Z. Foster, America's Communist No. 1, national chairman of the Communist Party in America, outlined the plan and prescribed the methods of procedure for unionizing steel, the methods which have been followed in the C. I. O. drive and strikes.

First. Foster recommended that supporting committees be formed among fraternal organizations. Within a month Philip Murray and three full-fledged Communists spoke at a fraternal orders' conference in Pittsburgh. Lewis sent his blessings, and a fraternal orders' committee was formed, with Bill K. Gebert, recently district organizer for the Communist Party in Chicago, as its national chairman. This organization took an active part in the Detroit strike.

Second. Foster suggested that support should be extended to the building up of the Workers' Alliance. As everyone knows, the Workers' Alliance, as now constituted, is a combination of three "red" organizations, and not long ago, when a State-wide meeting of that organization was held at Harrisburg, Pa., Clinton Golden, the C. I. O. regional director, thanked the alliance for the support it had given and pledged the support of the C. I. O. to the alliance.

Third. Foster suggested that prominent speakers of the National Negro Congress, organized by Communists, should be brought into the steel districts. In February Philip Mur-

ray met in conference with James W. Ford, ranking Negro Communist, candidate for Vice President on that ticket; John P. Davis, of the National Negro Congress; and Thyra Edwards, not long returned from Soviet Russia.

Fourth. "The women relatives of the steel workers are a vital factor in the steel industry", said Foster, and directed that they "be organized into ladies' auxiliaries." The C. I. O. immediately adopted the idea.

On the pay roll of the C. I. O., into Flint went Margaret Cowl, leading Communist organizer and writer. There the women's auxiliaries, with their red arm bands and red berets, under Mary Hillyer, leader in the League for Industrial Democracy, and Mary Heaton Vorse, Communist author, marched in the streets assisting the pickets and the sit-downers in the factories.

May 26, at Detroit, these women's auxiliaries marched on the Ford plants in Dearborn.

Fifth. The sit-down strikes no more than began when Foster issued further recommendations dealing with anticipated strike problems. These were distributed through Communist and C. I. O. channels. One of these recommendations was this:

> Prominent liberals and others should be brought into the strike areas. A national citizens' committee, comprising such liberal strike sympathizers, including educators, writers, artists, etc., should be set up.

Within a few days from New York into Flint and Detroit went the American Civil Liberties Union, and a national citizens' committee to support the strikers was formed.

Sixth. Foster advised:

> Not only should all the strikers be mobilized for picketing, but their women and children as well.

We have been accustomed to picketing by women, but in Flint, children were bedecked with the signs and slogans so characteristic of "red" meetings.

Seventh. Foster recommended a legal department and said:

> Here the International Labor Defense can also play an important part.

Onto the stage and representing the strikers came Maurice Sugar, Detroit representative of the Communist International Labor Defense.

ALIENS UNLAWFULLY IN THIS COUNTRY LEAD A SIT-DOWN STRIKE

Eighth. Foster stated:

> Especially vigorous campaigns must be made against all attempts at deportation of foreign-born workers. This emphasizes the need to build up the I. L. D. in the strike centers.

Three of the C. I. O. organizers who assisted in taking possession of the Parke-Davis plant at Detroit—John Dolphin, Solomon Fine, and Anthony Probe—are aliens who are illegally in the United States. Anthony Probe is a candidate for vice president of the U. A. W. A.

C. I. O. DEFIES COURT

Ninth. Foster, the "red" leader, advised:

> When injunctions are issued the strikers should follow the • • • policy of ignoring such court orders.

When Judge Gadola, at Flint, issued injunctions against the continued possession of General Motors plants by the C. I. O. strikers, those injunctions were ignored, and Gov. Frank Murphy, executive officer of the State of Michigan, called in the National Guard and prevented the enforcement of those orders.

THE ATTITUDE OF THE GOVERNMENT

Of late C. I. O. has been proceeding under the Wagner Act, asking for elections in those plants where it was sure it had a majority of the workers. Where it did not have a majority it refused to ask for an election, as, for example, at Flint, where its membership was but a fraction of the total number of workers.

The history of the Flint strike is well told in a pamphlet by William Weinstone, secretary of the Michigan district of the Communist Party. He lists the causes of the victory. Reference is made to but a few.

He gives first place to the sit-down tactics.

Second, he gives credit to workers in Detroit, Cleveland, Toledo, Norwood, and Flint, who—

> Operated as a single unit, as an army which responded to every critical situation and to every danger. Toledo and Norwood workers came to Flint in the first days of the strike and greatly strengthened the fighting lines.

COMMUNIST ACTIVE IN C. I. O. BOASTS OF GOVERNMENT ASSISTANCE

He further says:

> Of first-rate importance among the reasons for the victory must be considered the attitude of the Government. By the Government I mean in this case the attitude of the Governor of the State of Michigan and of President Roosevelt.

He states that the C. I. O.—

> Called upon and secured the aid of the La Follette Committee on Civil Rights.

Let us glance for a moment at the "attitude of the Government", to which Weinstone referred.

There has been a long-continued and thorough investigation of the activities of the mine operators in what is termed "bloody Harlan County." If but a fraction of the testimony taken in that investigation be true, the guilty should be brought to justice and measures adopted to prevent a recurrence of any such happenings. If there be truth in the testimony brought out by the Civil Liberties Committee, a reign of terror has existed for many years in Harlan County.

Under the Federal Constitution and a Federal statute, it was the duty of the National Government to protect the citizen. For more than 4 years this administration has had full power to remedy this condition, to prevent this injustice. Yet little was done until assistance to C. I. O.'s organizing efforts was needed.

Unfortunately no investigation of the activities of the C. I. O. in that county has been undertaken. No investigation of the intimidation, of the brutality exercised by the organizers of the C. I. O. has been made.

It is undisputed that in Flint the civil liberties of the citizens of that city were taken from them, but no committee attempted to learn who was responsible.

ARMED INVASION OF STATE

It is undisputed that hundreds of armed men invaded the State of Michigan and the cities of that State during the Flint and the Detroit strikes and, by show of force, intimidated and terrorized peaceful citizens seeking work. No investigation has been made; no steps have been taken to punish those guilty or to prevent a recurrence.

On the contrary, the Governor of the State of Michigan, who was in communication and talked with the Secretary of Labor and with the President, actively prevented protection being given to either property or person. No Communist, no anarchist, no ultra "red" could desire more effective cooperation.

In the motor industry, Ford alone has refused to yield to the demands of the C. I. O. On the 26th of May organizers invaded his plant and were thrown out and beaten by workers.

Immediately a hue and cry went up to the National Labor Relations Board, to the Civil Liberties Committee, to the Governor of Michigan, and to the President for protection.

Protection from what? To protect these organizers in their invasion of private rights; to protect these organizers in their efforts to throw men out of their jobs, to force them to join the C. I. O., to force them to pay dues, to place the C. I. O. in a position where if a man desires to work he must first sign on the dotted line and then pay such assessments as the officers of that organization might demand?

WILL EXECUTIVE OFFICERS PERFORM THEIR DUTIES?

It remains to be seen whether the Governor of the State of Michigan or whether the President of these United States will perform their duties, will abide by the oaths which they took when they assumed office; whether they will permit invaders, armed, to go into a plant, go to the worker's home when he departs from the factory and, by show of force, by intimidation of his wife and children, take from him his liberty, his right to work.

Will those who throughout our land and in these various plants desire to work be protected by State and National Government in that desire?

Let us have an equal and just enforcement of the law—law which will protect not only the organizer, the striker, but law which will protect the man who wishes to remain at his job.

WHAT IS THE C. I. O. AND WHAT IS ITS PURPOSE?

Organization

Briefly let me restate that the Committee for Industrial Organization, commonly referred to as the C. I. O., is not a corporation; it is not an unincorporated association; it is not a partnership. It is a self-selected committee, John L. Lewis being its self-appointed head and the other members being chosen by him and by themselves.

Its letterhead lists Lewis as chairman, Howard as secretary, and Brophy as director. It does not name a treasurer.

The United Mine Workers imposed upon its members assessments which netted, in 1 year, $1,205,617.

C. I. O. claimed a membership of 1,125,000. With dues of $1 a month and with special assessments, some idea of the incalculable amount of money available can be gathered. Minimum dues from the then C. I. O. membership alone amounted to over $16,000,000 per year. With a claimed membership of more than 3,000,000, the income from dues alone would amount to over $36,000,000 a year.

Lewis' United Mine Workers, during the last 6 months of 1936, loaned the C. I. O. $355,000; they contributed $452,418 to Roosevelt's reelection campaign, and they ended the year with $2,754,982 on hand.

With the workers in coal, in steel, in motor production, organized, with workers in the other industries organized, as they are now organized, it is plain to be seen that, at a dollar a month, there are almost unbelievable funds available for the war chest. The Labor World, a Pittsburgh union newspaper, estimates this sum will be in excess of $500,000,000. Half a billion dollars is too much money to have in the hands of unprincipled leaders, such as are found in the C. I. O. organization.

With these millions of dollars at its command, why does not the C. I. O. establish a model plant, with a living wage, proper hours, suitable working conditions, and demonstrate just how manufacturing should be done?

There are no rules or regulations governing the expenditure of this money except those adopted by this committee. There is no accounting of funds available to the public or to the membership. There is no provision of law which prevents the use of these millions for campaign purposes, for lobbying, for the purchase of munitions, for the transportation of armed men, for the feeding and maintenance of that army while engaged in stopping production of industries at the source of production.

When the C. I. O. army moved on Flint it took over that town, and it was financed, fed, and housed by the sums collected from other workers in other industries.

This is one of the activities which exists with the approval of the President of the United States, with the approval of this House and of the Senate. It is the monster which will destroy us all unless we take action.

The purpose of the C. I. O.

The announced purpose of the C. I. O. was—

To encourage and promote organization of the workers in the mass production and unorganized industries of the Nation.

Experience shows that its real, its ultimate, purpose is the control of labor; that it seeks, by depriving industry of the ability to employ labor, to force industry to come to the C. I. O. leadership in order to operate.

It seeks control not only of the employer but of the individual worker. Its purpose is to force all workers into the C. I. O., where they can be charged an initiation fee and monthly dues.

Its first outstanding demand is the right to act as sole bargaining agency for all employed in any particular industry, or, in the case of the larger industries, as motor, in the entire industry.

Its invariable demand, when it once obtains a foothold, is a closed shop and the check-off, which, being interpreted, means that no one other than members of the C. I. O. who pay its initiation fees and its dues can be employed where this system exists and that, where its exists, the employer must deduct from the pay check of the worker all fines, fees, and dues which have been assessed against the individual worker.

It is its ultimate purpose and ambition to control the workers of coal, iron, steel, the motor industry, public utilities, and, incidentally, all industries; to extend its activities among office workers and farm laborers.

When this it has done, it will be in a position where one of its principal supporters, the Communist candidate for President, Earl Browder, will have accomplished his purpose, which, we repeat, he stated to be:

We industrial unionists are going to take over the industries some day for three very good reasons:
1. Because we need them.
2. Because we want them.
3. Because we have the power to get them.

What has the C. I. O. accomplished for its workers

So far it has obtained various increases in the hourly or daily wage rate, and it has, in some instances, obtained shorter hours and no doubt better working conditions.

UNIONS SHOULD BE ENCOURAGED—RACKETEERS OUSTED

Practically everyone realizes there should be unions and collective bargaining. Many believe that a union should be governed by its members; that no one should have arbitrary or absolute authority except by the consent of the members. Many believe that the union should, as it assumes power, assume responsibility for its acts, the acts of its officers, the acts of its members. Unless this course be followed, it can attain no great permanent success.

The cost of the present procedure, not only to the workers but to the public at large, has been so great and the acts of those responsible so unlawful, so arbitrary, that public sentiment quickly crystallized against the C. I. O. strike. Public opinion will, in the end, although perhaps more slowly, be as strong and as effective against the massed picket strike, which deprives the individual of his right to work.

It should not be forgotten that those who strike, prevent men from working, stop production, and inflict harm upon a large body of the citizens are, after all, but a fraction of the total population, and that when aroused, the farmers of this country, who may rightly be termed its bone, muscle, and sinew, have it in their power, because of their control of the production of the necessities of life as distinguished from the luxuries, to decide the fate of the city strikers.

LOSSES DUE TO STRIKES

In the General Motors strike at Flint, which ran for 44 days, there was a loss in wages alone of more than a million dollars per day. The loss to the stockholders of the corporation, to the many dealers, garage owners, and workers in garages throughout the country amounted to other hundreds of millions.

That strike deprived something like a hundred thousand men of their jobs for more than 40 days. That strike inflicted upon businessmen enormous losses which they could ill afford to sustain. It deprived men of the money which they needed to make payment upon their current obligations.

In the Chrysler strike at Detroit the loss was more than $10,000,000 in wages, the loss to retail merchants of Detroit and vicinity $6,000,000, the loss to wholesalers $7,750,000.

In the Packard strike the wage increase was 3 cents per hour, and when an organizer was asked why he did not insist upon the men's demand for a 10-cent increase he replied, "We could not get it," an indication that in the end there will be a limit to the amount of the increases.

Its price to industry for the favor of permitting it to employ the members who join will be as high as the gross income of the business will warrant.

More and more the tendency will be to raise wages, to shorten the hours of employment, to lessen the profits of

stockholders and all owners of business, and the only limit to its demands will be the ability of industry to pay.

If those in control of C. I. O. overestimate this ability, as they already have on several occasions, the result will be the closing of the industry, the loss of their jobs to the workers.

To prove this citation need only be made to the strikes on the west coast, which resulted in the loss of a large part of the Chinese market, worth millions of dollars a year, and which we had held for more than a hundred years. Here is a striking illustration of one of the evils of this system.

JOBS PERMANENTLY LOST

Attention might also be called to the Yale-Towne Lock Co. in Detroit and of another concern there which simply closed their plants and went out of business.

Another point which should not be lost to sight is the certainty that if a State or a city, as Michigan, Detroit, or Flint, fails to give protection to employers, they will sooner or later, regardless of their desires, be forced to seek another site for their operations. The knowledge of this result undoubtedly influenced Premier Hepburn in refusing to permit Lewis and his C. I. O. to gain a foothold in Canada.

SIT-DOWN EXTENDED TO RESIDENCES

More recently, the C. I. O. has extended its claim of right to hold possession of private property to include private residences which have been rented to its members, and now, in Pontiac, Mich., it makes the demand that unless rents be reduced to a figure fixed by it, none will be paid, and it defies the authorities to expel the members from the houses they are renting.

If successful in this, there is no reason to suppose that it will not make a like demand upon merchants who sell food and clothing if its leadership deems prices excessive. In fact, in one of the hotel strikes at Detroit, the sit-downers were told by an organizer to occupy any of the rooms in the hotel that they might desire, to help themselves to food, to the liquors in the bar—a true "red" Russian procedure.

The C. I. O. has established the supremacy of Lewis and his lieutenants as dictators of labor. Today, because of their activities, they stand in a position where industrial leaders can no longer deal with the individual worker or with groups of workers. Industry today, if it desires labor, must bargain with Lewis or his lieutenants.

Today, for the first time in our history—thanks to the Wagner labor law and to the National Labor Relations Board and to Lewis—labor, work, the toil of a human being, is a commodity on the market, to be bought and to be sold, not in accord with the demand or the need of the individual worker or with that of a group of workers but by and through Lewis, who now has a monopoly of labor.

Communists speak and write of the "slaves of industry." They stir up envy, passion, and hatred on the part of the worker by calling attention to the smallness of the amount received by the worker when compared with the profits of the "boss."

LEWIS LIVES WELL

Attention of the worker who now receives 75 cents or $1 an hour can now be called to the figure of John L. Lewis, stopping at first-class hotels, riding in his 12-cylinder, chauffeured car, drawing his $12,000 a year, unaccountable to anyone, with an unsupervised expense account of somewhere between ten and twenty million dollars per year taken from the pocket of the man who earns his bread by the sweat of his body and who receives in return therefor the right to work.

The worker has but changed bosses and, for the man who was interested in his welfare to at least the extent of seeing that he was well fed, clothed, and housed and measurably content, he has now substituted one who bargains and sells the toil of workers, to promote his own lust for power.

What of truth there was in the statement of Henry Ford that the worker has put an iron collar around his neck the future will disclose.

LEWIS SANCTIONS COMMUNISTIC UTTERANCES, COMMUNISTIC ACTS

It may be that John L. Lewis is not a Communist, but he is following the methods of those whom he denounced as Communists in 1924.

Not long ago he said:

> As a purely political philosophy, I have no quarrel with communism.

He associates with Communists. Lewis uses Communists as his tools and as his organizers. Lewis follows Communist methods. Lewis preaches Communist doctrine. Lewis practices the Communist doctrine of control of industry "at the point of production."

Lewis permitted without rebuke the statement of his organizer, Thompson, to the Canadian General Motors Corporation that it must recognize his union and "sign an agreement before it builds another motorcar in Canada."

Lewis by his silence sanctioned the statement of Thompson that he had assurances from Detroit that "not a car will be built in any General Motors plant in the United States, if an attempt is made to break this (Oshawa) strike."

He sanctioned the statement by Thompson that—

> The American union has told General Motors there that "as soon as you send one car across the line to Canada to help break the Oshawa strike, you'll never make another car in the United States."

His chief organizer in Detroit, Richard Frankensteen, on April 8, 1937, referring to Ford, said:

> Henry will either recognize the union or he won't build automobiles.

John L. Lewis never has denied this statement of his agent and organizer that such was the policy of the C. I. O.

May 26, when Frankensteen, with Reuther, a "red" with photographers and reporters, went on to the private property of Ford, insulted and called the working men names and were unceremoniously thrown off, Lewis was vehement in his complaints to Federal authorities, forgetting for the moment that thousands of acts of violence were brought about by him; that his own armed raid was made across the Indiana State line toward Anderson, where he was turned back by the orders of a patriotic governor.

It may be that Lewis is not a Communist, but, as American Federation of Labor officials charge, he "is in bed with Communists" and the land of the red flag recognizes him as such, for, on the Communist "honor roll" for 1937, in the following order, appears:

> Stalin—presented new Soviet constitution.
> Earl Browder—fights for Farmer-Labor Party.
> Largo Caballero—head of People's Front in Spain.
> John L. Lewis—heads the C. I. O.

DETROIT RENAMED LEWISTOWN

Proudly displayed in the Moscow Museum of Revolution is a map of the United States, and on that map the city of Detroit is renamed "Lewistown."

PRESIDENT MAKES PROPHECY

The President seems to have been something of a prophet. Governor Murphy, on his return from the Philippines, quoted the President as saying:

> If communism breaks in America, it will be in the Detroit area, where it will first manifest itself.

Did John L. Lewis tell him about the coming sit-down strikes?

Later, discussing the effect of the sit-down strikes, Murphy said:

> Communism is not coming. It is here. The only thing now needed is for them to begin confiscating property.

And do not forget that Governor Murphy did his part to aid in doing that very thing, and it was under the protecting wing of Governor Murphy that the visit was made the other day to the Ford plant.

It may be a coincidence that when the strikes came at Flint, when court orders were issued to oust those who unlawfully held possession, it was Governor Murphy who prevented the sheriff of Genesee County from carrying out those orders. Perhaps it was only a coincidence that the President prophesied that communism, if it broke, would break in the Detroit area, and that the man he brought back from the Philippines to make Governor of Michigan was on hand to give encouragement to those who practiced anarchy and defied the law.

Nor should it be forgotten that it was Governor Murphy who, as mayor of Detroit, furnished the police escort for those who marched to the Dearborn line in their attempt to take the Ford plant in 1932. Death followed—five men died as a result of that Communist riot.

WHERE ARE THE FRIENDS OF THE AMERICAN FEDERATION OF LABOR?

Where are those of this body who in years gone by, in hard-fought and vital battles, have received the support of the American Federation of Labor?

Today that organization—for years labor's loyal and ever-faithful spokesman—is being attacked from within. Its betrayal has been planned, its existence threatened; it has been assailed on all fronts; and in this Congress not one single voice has been raised in its defense or support.

On April 22 of this year it described the action of Lewis and his associates. It issued a statement, in which it said:

> By their bold and continuous defiance of every law of the American Federation of Labor, by their constant violation of every obligation entered into with affiliated national and international unions, by their interference with collective agreements entered into with employers by affiliated unions, and by their complete disregard for every rule of honor and decency they have made evident and clear and beyond peradventure of doubt their utter contempt for the American Federation of Labor.

On May 22, 1937, the president of that federation described this organization as being communistic, and called on all true friends of labor to support the A. F. of L.

Has memory been obliterated? When repudiation is the fashion, are all obligations ignored? Does gratitude no longer exist? Is a new king to be crowned before the old has ceased to breathe?

To my knowledge, never have I received political support from the American Federation of Labor, but silence shall never be my part, be political fortune what it may, when the rights of the worker are assailed.

LEWIS' EXIT

Let me make one prediction: When the C. I. O. has continued its brazen course until it has completely organized labor, prostrated industry and disclosed that it is but an instrumentality of the Communists and on the horizon appears the dark cloud of adverse public opinion, then we may find the gentleman in the White House withdrawing favor from Lewis and his cohorts and turning for aid to William Green or whoever may then be the representative of responsible labor.

Then we may find the Secretary of Labor or her successor, not making a trip across the sea, as she did last summer, to act as the go-between for John L. Lewis in London and Myron Taylor in Austria, but consulting here with the head of the responsible American labor organizations.

Then she may attempt to arrange a conference, not between Lewis and the head of the Industrial Relations Council in New York but between the head of the American Federation of Labor and the representatives of such organization.

Uneasy lies the head that wears the crown, and short indeed is the shift of he who basks in Presidential favor. "Cracking-down" Gen. Hugh Johnson, Donald R. Richberg, Rexford Guy Tugwell, Raymond Moley, George N. Peek, Dr. Stanley High, and a long, long list of others who have been charmed by a smile may be followed into the discard by John L. Lewis, when he has served his purpose.

It may be that some fine morning the President will awaken to discover that the worker, having been organized, is being exploited not this time by "economic royalists" but by those who now claim to be working in his interest. Then will the President arise in his righteous wrath, call in the reporters, and in scorching words point out to the public his purpose to exert to the utmost, if need be, his power, even to the calling upon the Army and the Navy to save to the workingman his job, to prevent the closing of factories, the burdening of interstate commerce by armed "flying squadrons."

He may even send a message to the Congress asking it to reenact the present statutes so that he may enforce the provisions of the Constitution, if we then have one, which guarantee to the citizen his "horse and buggy" right to life, liberty, and the pursuit of happiness.

He may even call upon the Supreme Court, if we have one, or upon his Court, if he has it, to hold that a man has the right to work and may be protected in that work, a matter which, in view of the majority decision in the Senn case last week, may be in some doubt. Thus may he overcome the great emergency or crisis which will then exist.

He may even see a vision that, having then once again saved the people, he will be entitled to wear a crown.

THE DUTY OF THE ADMINISTRATION

The duty to enforce local laws is upon State authorities. When there is an interference with interstate commerce; when citizens are deprived of the equal protection of the laws, of their civil rights; when there is armed insurrection, upon us rests the responsibility of making good the constitutional guaranty for the protection of the citizen.

When a citizen is attacked in a foreign land, when he is denied protection when engaged in business or when visiting beyond the seas, the whole country is aroused and the officials of our State Department rush to his aid.

When thousands of citizens in the State of Michigan are by force driven from their usual places of employment by armed invaders from other cities and other States, it is the duty of Congress to ascertain the cause; to remedy that cause, if possible; to enact, if there be no law, Federal laws which will bring relief which will assure them of their civil rights.

If there be laws and the officials of the State refuse to insure protection, in case of insurrection or domestic violence which obstructs or hinders the execution of the laws thereof or of the United States so as to deprive any portion of the people of such State of any of the rights, privileges, or immunities named in the Constitution, it is the sworn duty of the President—

> To take such measures, by the employment of the militia or the land and naval forces of the United States * * * as he may deem necessary, for the suppression of such insurrection or domestic violence (sec. 5299, Revised Statutes of the United States; sec. 203, ch. 13, title 50, U. S. Code).

If the executive officers of our Nation refuse to perform their duties under the Constitution and the law of the land, to honor the oath which was taken when office was assumed, then it is our duty as a Congress to call their attention to the situation, and if they still willfully refuse, it is our duty to impeach them.

Months ago on this floor the attention of this House was called to the fact that until this issue was settled, and settled right, there could be no permanent settlement. At that time and since this "red" controlled organization has had its way, has worked its will on both capital and on labor.

The prediction was then made that the settlement of the Flint strike would settle nothing; that the policy of the Governor of Michigan of permitting, because he wished to avoid bloodshed, a group of determined, violent men to proceed unlawfully to take and to hold that which did not belong to them, to kidnap and to hold to ransom industrial plants, would in the end breed violence and bloodshed. That prediction has been verified and the end is not yet.

The Governor either did not recognize or willfully ignored the fact that the C. I. O., which controlled the strike situation, had as its fundamental policy the creation of disorder, the incitement to violence, and the bringing on of bloodshed, staging physical combats for the purpose of inciting sympathy. All know that wherever you find "reds" you find either submission to their demands or violence and bloodshed.

That there has been so little violence is doubtless due to the fact that some Government officials and some of those in high places have not only countenanced but lent their active support to this campaign of coercion and intimidation.

C. I. O. IS MOVING ON ALL FRONTS

Once more your attention is called to the danger to your home folks if you sit idly by and permit this movement to continue on its course.

Your industrial plants in Maine have been closed. On down through New England to the Central Atlantic States the tide of intimidation, organization, and violence has flowed. In New York it extends even into the ranks of those

who are receiving relief from the Government. Down into Washington it has swept. It is rolling on downward into the southernmost States.

WORKERS APPEAL FOR PROTECTION

From Gadsden, Ala., on May 27, came a petition, representing 3,000 employees of the Republic Gulfsteel plant, asking for protection against this movement and stating:

We have no thoughts or ideas of discontinuing work at this time.

And asking:

The cooperation of the business, professional, and farming people of this community in an effort to keep out of our midst the foreign and out-of-work agitators who are harassing us and our families at every opportunity.

Dated May 29, from a Ford worker at Detroit, comes this plea:

I am writing to ask you to protect us from having the U. A. W. forced upon us by our Government.

Call off the Government backing and we will soon throw the troublemakers out of the Ford plant with our hands.

This is but one of many, many letters which have come from workers in struck factories.

You Representatives of the southland, who soon may see your crops rotting in the fields because of strikes, of picketing, have reason to listen to this appeal.

The Pacific coast has long been the scene of disorder and of violence. Not only was one of the great canning plants in California closed, but, on the waterfront, you have a bitter battle between unions working under A. F. of L. charters and those affiliated with the C. I. O.

Harry Bridges, the alien "red" leader of one faction, boldly announced that it was a class struggle. When we have a class struggle we have civil war, brother against brother, father against son, and no greater horror can come to any land.

The lumbering industry in the far Northwest has experienced its troubles. Sweeping back, down through the central part of our country and the Northwest, this scourge has come, incited and carried on by aliens, by Communists, those who would destroy our form of government; who would do away with those who have property, who provide the jobs, they would enslave, not free, the workingman; they would establish themselves as dictators of labor.

DEMOCRATS BETRAYED

The Democrats of the North, of the South, may have thought themselves secure under the wing of the New Deal, but they have discovered that the thoughts of the New Deal, the ways of the New Deal, are not their thoughts, their ways. At the last election they were betrayed in Minnesota, in Wisconsin, and in other places. They were sacrificed for the friends of the New Deal—no matter how named.

When the businessmen, the farmers, the landowners of the South, finally awaken and discover that a government in Washington is prescribing the wage they shall pay, the hours men shall work, the crops which shall be planted and marketed, the competition that is forced upon them by the products of cheap foreign labor, it may be too late to assert themselves.

When the iron collar of the red Communists has finally been fastened firmly on the neck of southern labor, the real motives and purposes of the dictator will be disclosed.

NEW DEALERS SITTING ON VOLCANO

New Dealers may fancy they are riding the crest of the wave; but soon it will break on the concealed rocks of natural law, and they will discover themselves tossed up on the rock-bound coast of a hard, cruel land which is without law, justice, or charity.

New Dealers may imagine themselves the foundation of a new government; they are but the superstructure. They may consider themselves the vast, powerful, heaving bosom of a great political movement; they are but the spume of its wind-whipped surface; they are but as the whirling leaves before an October gale.

They are like grass which groweth up. In the morning it flourisheth and groweth up; in the evening it is cut down and withereth.

They have taken into their heart and their arms the C. I. O., which has adopted the "red" Communists; and in the end, when C. I. O. repays the Communists, who assisted them in establishing, as they are now advised to do, the Farm-Labor Party, the foundation for the people's front in America, all too late they will discover themselves to be the tool rather than the master.

They will find themselves at the mercy of the "red" Communists, with those heads, which devised so many and varied schemes in violation of Nature's laws, ever in danger of parting from those bodies which carried them so long.

OUR DUTY—OUR RESPONSIBILITY

Let us use the common sense which God gave us. Let us use our powers of reasoning. Let us use our eyes to see and our ears to hear. Let us with deliberation and with patriotism pass judgment on this thing which confronts us.

Let us, if necessary, sacrifice our personal political futures for the good of our country and let us meet this thing here and now, not counting the votes, not anticipating the future at the next election, but having in mind only the present and the future of our country.

No one could, if he would, and few would, stop the drive to organize labor. Labor should, and it will, be protected, not only from those who in the past may have exploited it but from those who in the future would use it for their own selfish purposes.

Our task and the task of business is not to attempt to prevent unionization of labor, not to prevent organization, not to prevent collective bargaining—but do our mightiest to assist in seeing that the union, the organization, is a union, an organization, of, by, and for the workers, democratic in its principles, responsible for its actions, cognizant of the rights of others.

Unionization of industry and of consumer may well be the companion of unionization of labor. If those engaged in industry and in commerce and those who furnish the purchasing power have not already, they soon will realize the necessity of a unity of purpose among themselves. Unless they wish to be at the mercy of labor dictators, to be utterly destroyed, they must at once and with no hesitancy proceed to form a union of their own, so that industry throughout the country, when forced to deal with one great labor union, will not find itself fighting on a thousand battlefields, but all will be able to join and meet with representatives of labor, where each, realizing the power of the other, will be willing to meet all reasonable and possible demands of the other. Then may come industrial peace without bloodshed.

Well might we without delay amend the Wagner Act, so as to define unfair labor practices; so as to make unions as responsible as is industry; so as to limit them in the same respect that industry is limited.

If politicians, seeking only votes, think for one moment that they can enact such legislation, and only such legislation, as is demanded and approved by labor, they are due for a rude awakening, for when industry once realizes the drive that is being made to destroy it and organizes, as has labor, the battle will be titanic.

Let us insist upon the enforcement of the present laws; enact and enforce others, if need be, which will protect all men alike; which will put upon labor a responsibility equal to the power permitted it.

If this we do, we have fulfilled our mission here. If we fail so to do, we shall merit the contempt of those who sent us here.

One bold, intelligent stroke, doing justice to all, insisting upon respect for law from all will save the day. Less will but encourage disaster. [Applause.]

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 3 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, there is legislation pend-in the House and in the Senate—in the House the bill introduced by the gentleman from Missouri [Mr. COCHRAN], and

in the Senate the bill introduced by Senator SHEPPARD—relating to the Federal credit unions.

As a result of a ruling made sometime ago by the Comptroller General, it was ruled that Federal credit unions, which had been allocated quarters in Federal buildings to carry on their fine activities, could not use such quarters in the absence of legislation. The time was extended to June 1, and today is the dead line. However, I understand that in the exercise of a reasonable discretion the quarters at present used can be retained pending legislative action during this session of Congress. I hope the Post Office Department and other Federal departments in whose buildings these credit unions throughout the country now have quarters will not insist upon the unions moving today, or within a few days. I have talked with one of the officials of the Comptroller General's office within the last few days, and have been assured that they would have no objection, there being evidence of an intention on the part of Congress to legislate during this session, to the time being extended without the necessity of any formal action being taken by any department of the Government or by the Comptroller General.

The creation of the Postal Credit Unions began in 1923 when Henry L. Dennison, of the Dennison Manufacturing Co. in Framingham, Mass., interested as he was in the credit-union movement, and at that time Director of the Service Relations Department of the Postmaster General's office, recommended the establishment of credit unions for postal employees. Many of the public-spirited persons, as well as officials of the Federal Government, have rendered valuable assistance in the establishment and successful operation of credit unions for Federal employees.

The first credit union of this type was established in Brockton, Mass., January 17, 1923, with eight members and $18.50 in assets. From this humble beginning postal group credit unions have been established in almost every large post office, serving the employees with a very fine opportunity to save money in small amounts, and to borrow money for provident and productive purposes. This was accomplished largely through the efforts of Mr. Louis Brehm, assistant to Mr. Dennison, in the Service Relations Department of the office of the Postmaster General.

It is interesting to note the progress made during the years of development. The latest available figures from the office of the Assistant Postmaster General show, as of December 31, 1932, that there are 298 of these postal and Federal group credit unions in the United States, with a membership of well over 58,000; total assets well in excess of $6,000,000; and that 248,125 loans for provident purposes were made to members of these credit unions, which involved an amount in excess of $29,000,000. These figures have been considerably increased since the last published statement.

State-chartered credit unions (those organized under a State charter—are supervised by the State banking department, and the books of these credit unions are examined yearly by the State bank examiners, the same as any other bank. All persons handling money are bonded, and these credit unions have enjoyed a very enviable reputation for efficiency and honest management.

Because of the favorable experience with postal and Federal group credit unions, and also because there were 10 States in which there was no enabling credit-union laws making it possible to organize these credit unions, a Federal bill was enacted in 1934 which permits the organization of credit unions of Federal employees anywhere in the United States. The Government thought so well of this fine service that it placed the supervision of these Federal credit unions under the direction of the Farm Credit Administration Department; and there is now established a Credit Union Section of this Department.

The credit union requires but little space for its operation, and as the group which is served by it is composed of those persons already occupied within a Federal building, the operation of the credit union works no hardship and the clerical work is done almost always after hours in the spare time of those who are in charge of it.

Too much cannot be said of the vast amount of good and the untold assistance which these credit unions have been able to render Federal and postal employees. It would seem too bad that after so many years of successful operation and progress anything should be done to break down this fine piece of social service for the employees of the United States Government.

However, through an order from the office of the Comptroller General in Washington the following rulings were made:

[Postal Bulletin, Washington, D. C., Dec. 7, 1936]

OFFICE OF THE POSTMASTER GENERAL,
Washington, D. C.

CREDIT UNIONS

The Comptroller General of the United States in a recent decision has held that Federal Employee Credit Unions are private enterprises and as such the Department is not permitted under the law to provide space in Federal buildings.

Likewise, postmasters may not provide any clerical assistance on Government time to these credit unions or private enterprises of the employees.

The Post Office Department has no discretion in these matters and it will therefore be necessary for postmasters to govern themselves accordingly.

W. W. HOWES,
Acting Postmaster General.

[Postal Bulletin, Washington, D. C., Jan. 8, 1937]

OFFICE OF THE POSTMASTER GENERAL,
Washington, D. C., January 7, 1937.

CREDIT UNIONS

Reference is made to the order appearing in the Postal Bulletin of December 7, relative to space provided in Federal buildings for Federal Employee Credit Unions.

In view of the exigencies of the situation as created by the order, postmasters are advised that the effective date to comply therewith is extended to June 1, 1937.

W. W HOWES,
Acting Postmaster General.

If such a ruling persists it will mean doing away with a very fine piece of constructive service for the members of the Postal and Federal group credit unions, as they rely on subsidy, so far as office space, light, and rent are concerned, and these associations could not successfully operate outside of Federal buildings. The reason for this is that the credit union serves as a depository for the funds of the members, without subjecting them to any inconvenience, making it possible for them to deposit their money right on the premises, and in turn brings to these same members an opportunity to borrow money for provident purposes, at a moderate rate of interest, in a respectable and dignified manner. One of the primary purposes of the credit union plan is to defeat the so-called loan shark, or high-rate money lender from preying on victims who are forced to seek their aid and then are subjected to exorbitant interest rates, and, in many instances, unbearable humiliation.

The passage of Senate bill 1306 will permit these worthwhile credit unions to continue their splendid work of assisting their fellow men. I hope that immediate action will be taken on pending legislation to meet the ruling of the Office of the Comptroller General.

I rise to make these remarks in the hope that the various departments will not take any action pending the enactment of legislation. I understand the House Committee on Public Buildings and Grounds has ordered a bill reported and that the bill will, undoubtedly, be reported the latter part of this week.

PRIVATE CALENDAR

The SPEAKER. This is Private Calendar day. The Clerk will call the first bill on the Private Calendar.

DAVID J. MAHONEY

The Clerk called the first bill on the Private Calendar, H. R. 2657, authorizing the Secretary of the Navy to advance on the retired list of the Navy David J. Mahoney, retired, to chief boilermaker, retired.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Navy is hereby authorized to advance on the retired list of the Navy David J.

Mahoney, boilermaker, retired, to the rating of chief boilermaker (permanent appointment), retired, with pay and allowances of that rating: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

Mr. COSTELLO. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: Page 1, line 5, strike out the word "boilermaker" and insert "and David Bolger, Cleve B. Farran, James Johnson, and Hans Terkelsen, boilermakers"; and insert in the title after the word "Mahoney", "David Bolger, Cleve B. Farran, James Johnson, and Hans Terkelsen."

Mr. COSTELLO. Mr. Speaker, the amendment which I have offered simply includes four other boilermakers of the Navy who are in the same category as the one who is listed in this particular bill, namely, David J. Mahoney. All five of them are in identically the same situation. They have all served in the Navy over a long period of time, and in view of the fact the Navy Department has reported favorably on this bill, and the committee has acted favorably on its report, it was my opinion that all of these people should be treated in the same way. For this reason I have secured the names of these four men and have added them to this bill so that all five of them may have identically the same treatment.

Mr. HANCOCK of New York. Mr. Speaker, will the gentleman yield?

Mr. COSTELLO. I yield.

Mr. HANCOCK of New York. Are there private bills pending for the other beneficiaries?

Mr. COSTELLO. I understand there are no private bills pending for the other beneficiaries, and that is the reason I have offered the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended.

JOHN W. THOMASON

The Clerk called the next bill, S. 1112, awarding a Navy Cross to John W. Thomason.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That John W. Thomason, major, United States Marine Corps, be awarded, and he is hereby authorized to receive, a Navy Cross, to be prepared under the direction of the Secretary of the Navy, for extraordinary heroism in the battle of Soissons on July 18, 1918, in destroying a machine-gun nest and capturing two machine guns.

Mr. COSTELLO. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: Page 1, line 4, after the word "Corps", insert "and Robert Slover, gunnery sergeant, United States Marine Corps"; line 4, strike out the words "he is" and insert "they are"; and amend the title.

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended.

GIRL SCOUTS, INC.

The Clerk called the next bill, H. R. 5194, granting a renewal of patent no. 60731, relating to the badge of the Girl Scouts, Inc.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That a certain design patent issued by the United States Patent Office of date of March 28, 1922, being patent no. 60731, is hereby renewed and extended for a period of 14 years from and after the date of approval of this act, with all the rights and privileges pertaining to the same, being generally known as the badge of the Girl Scouts, Inc.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TIMOTHY JOSEPH M'CARTHY

The Clerk called the next bill, H. R. 3002, for the relief of Timothy Joseph McCarthy.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Timothy Joseph McCarthy, late of the United States Navy, shall hereafter be held and considered to have been honorably discharged from the naval service: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

With the following committee amendment:

In line 5, strike out the words "honorably discharged from the naval service" and insert in lieu thereof the words "discharged under honorable conditions from the naval service on February 13, 1919."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JAMES PHILIP COYLE

The Clerk called the next bill, H. R. 2404, for the relief of James Philip Coyle.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged sailors James Philip Coyle, who enlisted in the United States Navy on June 16, 1898, as a fireman, second-class, serving on the U. S. S. *Franklin* (service no. 122-95-98), shall hereafter be held and considered to have been honorably discharged from the naval service of the United States on September 21, 1922: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VINCENT CHICCO

The Clerk called the bill (H. R. 3217) for the relief of Vincent Chicco.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Vincent Chicco, Charleston, S. C., is hereby relieved of all liability as surety on the bond in the sum of $5,000, filed in the United States District Court for the Eastern District of South Carolina, for the appearance of one Morris Grossman for trial on a charge of conspiracy to violate the National Prohibition Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MAX WEINRIB

The Clerk called the bill (H. R. 3275) for the relief of Max Weinrib.

Mr. COSTELLO and Mr. HANCOCK of New York objected, and the bill was recommitted to the Committee on Immigration and Naturalization.

THEODORE FIELDBRAVE

The Clerk called the bill (H. R. 4256) conferring jurisdiction on the United States District Court for the Northern District of California to hear, determine and render judgment upon the suit in equity of Theodore Fieldbrave against the United States.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred upon the United States District Court for the Northern District of California to hear, determine, and render judgment upon any suit in equity brought by Theodore Fieldbrave against the United States for the purpose of setting aside the default decree of the United States District Court for the Southern District of California rendered August 9, 1924, canceling the certificate of naturalization of such Theodore Fieldbrave.

SEC. 2. Such suit in equity may be instituted at any time within 6 months after the enactment of this act, notwithstanding the lapse of time or any statute of limitations. Proceedings for the determination of any such suit shall be had and appeals from any judgment or decree entered therein shall be taken in the same manner as in the case of suits in equity over which such court has jurisdiction under paragraph (1) of section 24 of the Judicial Code, as amended.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

W. B. GREELEY

The Clerk called the bill (S. 556) for the relief of W. B. Greeley.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury allocated by the President for the maintenance and operation of the Civilian Conservation Corps, to W. B. Greeley, of Seattle, Wash., the sum of $908.50, in full satisfaction of his claim against the United States for damages for personal injuries sustained by him on February 1, 1935, near the Fourth Avenue Bridge, Olympia, Wash., when he was struck by a Civilian Conservation Corps motortruck driven by Owen E. Cole, an employee of the Civilian Conservation Corps, Camp Matlock, Wash.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

EDITH LEWIS WHITE

The Clerk called the bill (S. 609) for the relief of Edith Lewis White.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Edith Lewis White, of San Francisco, Calif., the sum of $1,012.50, being the amount of 6 months' gratuity pay due her on account of the death of her son, Edwin Dean White, Jr., late a second lieutenant, Air Corps Reserve, United States Army: *Provided*, That Edith Lewis White's dependency upon her son Edwin Dean White shall be established to the satisfaction of the Secretary of War: *Provided further*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary not withstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

ASA J. HUNTER

The Clerk called the bill (S. 1067) for the relief of Asa J. Hunter.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Asa J. Hunter the sum of $455. Such sum shall be in full satisfaction of all claims against the United States for damages resulting from the serious injury of the said Asa J. Hunter, who, on October 6, 1930, suffered serious injuries and was run down and struck by a United States post-office truck on October 6, 1930, in the city of Minneapolis, Minn.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 6, strike out "$455" and insert "$250."

Page 1, strike out all of lines 8 and 9 and insert "personal injuries sustained by him when his automobile was."

The committee amendments were agreed to, and the bill, as amended, was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

JORDAN ROBERTS

The Clerk called the bill (S. 1471) for the relief of Jordan Roberts.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury allocated by the President for the maintenance and operation of the Civilian Conservation Corps, to Jordan Roberts, of Murfreesboro, Ark., the sum of $300 in full satisfaction of his claim for damages arising out of personal injuries sustained by him when the truck upon which he was riding was struck by a Civilian Conservation Corps truck, driven by an enrollee of the Civilian Conservation Corps, on Highway No. 26, near Murfreesboro, Ark., on December 14, 1933: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

CHARLES WHITE

The Clerk called the bill (S. 1479) for the relief of the estate of Charles White.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury allocated by the President for the maintenance and operation of the Civilian Conservation Corps, the sum of $250 to the estate of Charles White, late of Gonzalez, Fla., in full satisfaction of all claims of such estate against the United States for damages for losses resulting from the destruction by members of the Seven Hundred and Fifty-seventh Civilian Conservation Corps Company of approximately 100 trees growing on property owned by the said Charles White and occupied by such company under a lease dated October 3, 1933: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

JAMES A. FOX

The Clerk called the bill (S. 1753) for the relief of James A. Fox.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $328 to James A. Fox, of West Plains, Mo., in full satisfaction of all his claims against the United States for damages sustained by him as the result of personal injuries received on July 27, 1936, when a dynamite explosion on Works Progress Administration project no. 976 blew a large segment of stump through the top of the automobile in which he was riding: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

ESTATE OF ELMER W. LAUB

The Clerk called the bill (S. 1936) for the relief of the estate of Elmer W. Laub, deceased.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit the account of Elmer W. Laub, deceased, former postmaster at Belfast, Pa., with $96.75, being the total amount retained from postal receipts by G. A. Laub and Roy S. Kostenbader as compensation for their voluntary services in acting as postmaster at that post office from January 29, 1935, to March 31, 1935, and from April 1, 1935, to April 15, 1935, respectively.

SEC. 2. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the said Roy S. Kostenbader a sum equal to the total sum of any amounts paid by him to the United States in settlement of such charges.

With the following committee amendment:

Page 2, strike out all of section 2.

The committee amendment was agreed to; and the bill as amended was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

LILLIAN M. LANPHEAR

The Clerk called the bill (H. R. 432) for the relief of Lillian M. Lanphear.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Lillian M. Lanphear, the sum of $5,000, in full settlement of all claims against the Government resulting from the death of her husband, Milton E. Lanphear, who was killed when struck by a United States War Department motor vehicle: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 5, after the word "Lanphear", insert "of Pitcairn, N. Y."

Page 1, line 9, strike out "when struck by a United States War Department motor vehicle" and insert "on July 7, 1933, near Harrisville, N. Y., when the automobile he was driving was struck by an Army truck being delivered to a Civilian Conservation Corps camp at Ithica, N. Y."

The committee amendments were agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

IDA A. GUNDERSON

The Clerk called the bill (H. R. 841) for the relief of Ida A. Gunderson and her three minor daughters.

Mr. COSTELLO and Mr. HALLECK objected.

Mr. WHITE of Idaho. Mr. Speaker, will the gentlemen withhold their objections? I would like to explain this bill.

The SPEAKER. The Chair regrets to say that, under the rule, reservations of objections cannot be considered on this call.

The bill was recommitted to the Committee on Claims.

HARRY W. DUBISKE

The Clerk called the next bill, H. R. 849, for the relief of Harry W. Dubiske.

The SPEAKER. Is there objection?

Mr. COSTELLO and Mr. RUTHERFORD objected, and the bill, under the rule, was recommitted to the Committee on Claims.

ADELAIDE GUERINI

The Clerk called the next bill, H. R. 991, for the relief of Adelaide Guerini.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury, for and on behalf of the United States of America, be, and he is hereby, authorized and directed to execute to Adelaide Guerini, of Memphis, Tenn., a quitclaim deed conveying any right, title, and interest of the United States of America in the following-described real estate lying and being in the city of Memphis, Shelby County, Tenn.

Lot no. 20, block 5, Horn Brothers Galloway Park subdivision, as shown on plat in plat book 6, page 91, of the register's office, Shelby County, Tenn.: Beginning at a point in the north line of North Parkway 313 feet west of the west line of Ayers Street; thence westwardly with the north line of North Parkway 50 feet; thence northwardly, parallel with Ayers Street, 144 feet to an alley; thence eastwardly with south line of said alley 50 feet; thence southwardly 144 feet to the beginning point. Said property consists of a house and lot located at 872 North Parkway, Memphis, Shelby County, Tenn., and is the same property conveyed to the United States of America by Arthur Rogers, United States marshal, by instrument dated April 29, 1933, and of record in book 738, page 421, in the office of the register of Shelby County, Tenn.

SEC. 2. That the clerk of the United States District Court for the Western District of Tennessee, at Memphis, is hereby authorized and directed to satisfy of record the judgment obtained by the United States of America against Adelaide Guerini, as surety on the forfeited bail bond of W. R. McDade, who was charged with violation of the National Prohibition Act and who failed to appear as required by law but who subsequently was delivered to the United States marshal of said court at the instance of the said Adelaide Guerini and without expenses to the United States Government.

With the following committee amendments:

Page 2, line 22, after the word "but", strike out the balance of line 22, all of lines 23 and 24, and the word "Government", in line 25, and insert "against whom such charge was dismissed on May 7, 1925, for want of sufficient evidence."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

NORTHWESTERN OHIO MUTUAL RODDED LIFE INSURANCE CO.

The Clerk called the next bill, H. R. 3565, for the relief of the Northwestern Ohio Mutual Rodded Fire Insurance Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Northwestern Ohio Mutual Rodded Fire Insurance Co. the sum of $559.69. Such sum represents the amount due such company on certain postal money orders presented for payment at the post office at West Unity, Ohio, in January and February 1934. The representative of such company surrendered such postal money orders in exchange for receipts from the postmaster in lieu of payment because of alleged lack of cash on hand to make payment at such time.

With the following committee amendment:

Page 1, line 7, strike out the word "represents" and insert "shall be in full satisfaction of its claim against the United States for." Page 2, after line 4, insert a colon and the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CERTAIN FORMER DISBURSING OFFICERS OF VETERANS' ADMINISTRATION AND OTHERS

The Clerk called the next bill, H. R. 6230, for the relief of certain former disbursing officers of the Veterans' Administration and of the Bureau of War Risk Insurance, Federal Board for Vocational Education, and the United States Veterans' Bureau (now Veterans' Administration).

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc, That the Comptroller General of the United States is hereby authorized and directed in the settlement of accounts of the following-named former disbursing officers of the Veterans' Administration and of the Bureau of War Risk Insurance, Federal Board for Vocational Education, and the United States Veterans' Bureau (now Veterans' Administration), to allow credit in the sums herein stated now standing as disallowances in said accounts on the books of the General Accounting Office: *Provided*, That this act shall not be interpreted to waive collections by the United States Government of loans on adjusted-service certificates and interest thereon:

1. Miles E. Bailey, former disbursing officer, Bureau of War Risk Insurance (now Veterans' Administration), Washington, D. C., in the sums of $61.75 and $2,733.50, which amounts he expended during the period from December 1917 to January 1919 (symbols 11003 and 11234).

2. Chester C. Vargas, former disbursing officer, Bureau of War Risk Insurance (now Veterans' Administration), Washington,

D. C., in the sums of $63.05 and $330.70, which amounts he expended during the period from February 1919 to August 1919 (symbols 11005 and 11555).

3. Richard W. Lamb, former distributing officer United States Veterans' Bureau (now Veterans' Administration), Atlanta, Ga., in the sum of $16.32 which amount he expended during the period from February 1923 to January 1925 (symbol 11255).

4. J. B. Schommer, former disbursing officer, Veterans' Administration, Washington, D. C., in the sums of $57.64, $58.45, $3,472.69, and $250.48, which amounts he expended during the periods from May 1, 1931, to August 31, 1931; July 1, 1932, to October 31, 1933; January 1, 1932, to October 31, 1933; and July 1, 1933, to April 30, 1934 (symbols 99220, 11500, 11501, and 11666).

5. C. A. Wood, former disbursing officer at Veterans' Administration regional office, Atlanta, Ga., in the sum of $88.50 (symbol 99102), which amount he expended during the period from September 1, 1932, to September 30, 1932.

6. W. A. Birmingham, former disbursing officer at Veterans' Administration regional office, Buffalo, N. Y., in the sum of $303.43 (symbol 99107), which amount he expended during the period from April 1, 1931, to April 30, 1931.

7. Nina B. Harrison, former disbursing officer at Veterans' Administration facility, Los Angeles, Calif., in the sum of $403 (symbol 99129), which amount she expended during the period from June 1, 1933, to June 30, 1933.

SEC. 2. That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to William H. Holmes, former disbursing officer, United States Veterans' Bureau (now Veterans' Administration), District of Columbia, the sum of $222.10, of which amount $172.10 was paid by him on September 22, 1932, and $50 in November 1932 by personal checks delivered to the Department of Justice (symbol 11006).

SEC. 3. That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Ursula H. Miller, former disbursing officer, United States Veterans' Bureau (now Veterans' Administration), Pittsburgh, Pa., the sum of $72.50, which amount was deducted from her salary as a Federal employee because of the disallowance by the General Accounting Office of that amount expended by her in June 1925 (symbol 11410).

SEC. 4. That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Harry M. Moeller, former disbursing officer, United States Veterans' Bureau (now Veterans' Administration), Cleveland, Ohio, the sum of $149.68, which amount was deducted from his salary as a Federal employee because of the disallowance by the General Accounting Office of that amount expended by him in May 1925 (symbol 11398).

SEC. 5. That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Henry F. Dolan, former disbursing officer, Federal Board for Vocational Education (now Veterans' Administration), Washington, D. C., the sum of $45.38, which amount was deducted from his salary as a Federal employee because of the disallowance by the General Accounting Office of that amount expended by him during the period from April 1919 to December 1920 (symbol 92065).

SEC. 6. That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Peter J. Carney, former disbursing officer, United States Veterans' Bureau (now Veterans' Administration), Philadelphia, Pa., the sum of $72.50, which amount he refunded to the United States because of the disallowance by the General Accounting Office of that amount expended by him in September 1923 (symbol 11253).

SEC. 7. That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Robert L. Putman, former disbursing officer, United States Veterans' Bureau (now Veterans' Administration), Cincinnati, Ohio, the sum of $7.35, which amount was deducted from his salary as a Federal employee because of the disallowance by the General Accounting Office of that amount expended by him in February 1924 (11309).

SEC. 8. No part of the amounts appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with these claims, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CARRIE M. CLEMENTS AND OTHERS

The Clerk called the next bill, H. R. 858, for the relief of Carrie M. Clements, widow, and Margie P. Clements, James D. Clements, and Elieza V. Ball, children of Dr. David Oscar Clements, deceased.

The SPEAKER. Is there objection?

Mr. HALLECK and Mr. HANCOCK of New York objected, and the bill, under the rule, was recommitted to the Committee on Claims.

EUGENE NICHOLAS

The Clerk called the next bill, H. R. 2429, for the relief of Eugene Nicholas.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Eugene Nicholas the sum of $1,000 as full compensation for injuries received when he was run over by a Post Office Department vehicle in Fall River, Mass., on April 17, 1934.

With the following committee amendments:

Page 1, line 5, after the word "to", insert "the legal guardian of"; page 1, line 6, after the word "of", strike out "$1,000 as full compensation" and insert "$415.50 in full settlement of all claims against the United States"; page 1, line 10, after the figures, insert a colon and the following: *"Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SACHS MERCANTILE CO., INC.

The Clerk called the next bill, H. R. 3115, for the relief of the Sachs Mercantile Co., Inc.

The SPEAKER. Is there objection?

Mr. COSTELLO and Mr. BARDEN objected, and the bill, under the rule, was recommitted to the Committee on Claims.

PERKINS-CAMPBELL CO.

The Clerk called the next bill, H. R. 3189, for the relief of the Perkins-Campbell Co.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COSTELLO and Mr. HALLECK objected, and the bill, under the rule, was recommitted to the Committee on Claims.

LETTIE LEVERETT

The Clerk called the next bill, H. R. 3958, for the relief of Lettie Leverett.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Lettie Leverett, of Elgin, Okla., the widow and legal representative of the late Silas Leverett, the sum of $5,000 in full settlement of all claims against the United States arising out of the death of Silas Leverett on August 22, 1930, while engaged in fighting fire on the Fort Sill Military Reservation, Okla., in obedience to, and under the supervision of, officers of the National Guard of Oklahoma. The deceased was burned to death through the negligence of such officers in ordering and bringing the deceased into a position of extreme danger to life without due precaution for the safety of the deceased, and through the negligent operation of a Government truck on which the deceased was riding, and which was being operated by an enlisted man of the United States Army under orders of such officers: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JACK STUCKEY

The Clerk called the next bill, H. R. 3959, for the relief of Jack Stuckey.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the

Treasury not otherwise appropriated, to Jack Stuckey the sum of $6,000 as compensation in full for medical expenses and injuries received October 29, 1934, when an automobile he was driving was struck in a collision by a truck operated for the Federal Emergency Relief Administration by D. C. Oldham.

With the following committee amendments:

Page 1, line 6, after the word "of", strike out "$6,000 as compensation in full" and insert "$3,500 in full settlement of all claims against the United States"; page 1, line 11, after the word "Oldham", insert a colon and the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANNA CAPORASO

The Clerk called the next bill, H. R. 5308, for the relief of Anna Caporaso.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $1,000 to Anna Caporaso in full settlement of all claims against the United States for injuries sustained as a result of being struck by a Government-owned truck of the Post Office Department, New York City, N. Y., on October 29, 1928: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARTHA B. ROGERS

The Clerk called the next bill, S. 1507, authorizing the return of the commission of John Baptiste Ashe as a major in the Continental Army to Martha B. Rogers, nee Ashe.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General is authorized and directed to deliver to Martha B. Rogers, nee Ashe, great-granddaughter of the late John Baptiste Ashe, formerly a lieutenant colonel in the Continental Army, the commission of the said John Baptiste Ashe as a major in such Continental Army, signed by John Jay, President of the Congress, in 1779, which commission is now a part of the permanent records of the General Accounting Office.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FRANK FISHER

The Clerk called the next bill, S. 1572, for the relief of Frank Fisher.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers, Frank Fisher, who was a member of Troop E, Second Regiment United States Cavalry, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a member of that organization on the 19th day of June 1884: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this Act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUSTIN H. CLARK AND ELLSWORTH P. KILLIP

The Clerk called the next bill, H. R. 6157, to authorize Austin H. Clark and Ellsworth P. Killip, of the United States National Museum, to accept certain decorations respectively from the Danish and French Governments.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent to substitute for the House bill, Senate bill 2059, an identical Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That Austin H. Clark, of the United States National Museum, be authorized to accept the Cross of Chevalier of the Order of Dannebrog tendered him by the Danish Government in recognition of his scientific work; and that Ellsworth P. Killip, of the United States National Museum, be authorized to accept the Cross of the Chevalier of the Legion of Honor tendered him by the French Government in recognition of his scientific work, and further that the Department of State be authorized to deliver said decorations respectively to the said Austin H. Clark and Ellsworth P. Killip.

Mr. CANNON of Missouri. Mr. Speaker, this is a bill to authorize recognition by the Danish and French Governments of the distinguished services of Austin H. Clark and Ellsworth P. Killip, American scientists and members of the staff of the Smithsonian Institution, who have, respectively, made noteworthy contributions to science, Dr. Ellsworth in the field of marine invertebrates and Dr. Killip in studies of the flora of South America.

The recognition carries with it no emolument and is a well-deserved tribute not only to the men themselves but to American scholarship and advancement in scientific knowledge.

The bill S. 2059 has already passed the Senate and is identical with the House bill, and I trust its approval will be unanimous.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider and a House bill (H. R. 6157) were laid on the table.

JACKSON CASKET & MANUFACTURING CO.

The Clerk called the next bill, H. R. 5258, for the relief of the Jackson Casket & Manufacturing Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That (a) notwithstanding the declaration of adjusted declared value in its capital-stock-tax return for the year ending June 30, 1936, the original declared value of the Jackson Casket & Manufacturing Co., of Jackson, Miss., in determining its capital-stock tax under section 105 of the Revenue Act of 1935, as amended, for the year ending June 30, 1937, and subsequent years, shall be a value computed on the basis of $125 per share of its capital stock.

(b) The provisions of subsection (a) shall apply only if the taxpayer within 30 days after the date of the enactment of this act files with the collector of internal revenue for its district a statement under oath, recomputing its original declared value in accordance with the provisions of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZATION FOR ACCEPTANCE OF FOREIGN DECORATIONS

The Clerk called the joint resolution (H. J. Res. 349) authorizing certain retired officers or employees of the United States to accept such decorations, orders, medals, or presents as have been tendered them by foreign governments.

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That the following-named retired officers or employees of the United States are hereby authorized to accept such decorations, orders, medals, or presents as have been tendered them by foreign governments:

Department of State: Edwin Cunningham, Carl F. Deichman, Stillman W. Eells, P. S. Heintzlemen, David B. Macgowan, Robert P. Skinner, and Merritt Swift.

Department of War: Preston Brown, William H. Brown, Marion L. Elliott, Milton A. Elliott, Richard T. Ellis, LaVergne L. Gregg, Francis J. Heraty, Jefferson Kean, James F. McKinley, Alexander

J. McNab, Jr., A. Kenny C. Palmer, Frederick D. Sharp, and Louis J. Van Schaick.

Department of the Navy: William H. Standley and Rufus F. Zogbaum.

Department of Agriculture: James H. Kimball and Charles F. Marvin.

Department of Commerce: George R. Putnam.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BERTRAM LEE SCHOONMAKER

The Clerk called the next bill, H. R. 418, for the relief of Bertram Lee Schoonmaker.

Mr. COSTELLO. Mr. Speaker, I object.

There being no further objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Bertram Lee Schoonmaker the sum of $10,000. Said sum shall be in full satisfaction of all claims of the said Bertram Lee Schoonmaker against the United States on account of a disability resulting from freezing his right hand on February 5, 1918, while returning to his residence after reporting to the local draft board at Tarrytown, Westchester County, N. Y., pursuant to an order of the board requiring him to appear for physical examination. Such examination was not made on such date, and upon examination by the board on March 5, 1918, he was rejected as unfit for military service because of the condition of his right hand. On May 3, 1918, the thumb and fingers of the right hand were amputated by reason of their necrotic condition resulting from being frozen.

With the following committee amendments:

Strike out the figures "$10,000" in line 6 after the word "of" and insert in lieu thereof the figures "$1,000"; and insert on line 6, page 2, after the word "frozen", a colon and the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FRANK BURGESS BRUCE

The Clerk called the next bill, H. R. 2171, for the relief of Frank Burgess Bruce.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COSTELLO and Mr. HANCOCK of New York objected, and, under the rules, the bill was recommitted to the Committee on War Claims.

CLARK DREDGING CO.

The Clerk called the next bill, H. R. 5880, to amend Private Act No. 210, approved August 13, 1935, by substituting as payee therein the Clark Dredging Co. in lieu of the Bowers Southern Dredging Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Private Act No. 210, approved August 13, 1935, for the relief of the Bowers Southern Dredging Co., be, and the same is hereby, amended by substituting as payee therein the Clark Dredging Co. as transferee or assignee of said Bowers Southern Dredging Co.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONFIRMING CERTAIN MINERAL PATENTS

The Clerk called the next bill, H. R. 7021, validating and confirming certain mineral patents issued for lands situated in township 5 south, range 15 east, Montana principal meridian, in the State of Montana.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That those certain mineral patents heretofore issued by the President of the United States, under the mineral law of the United States, upon the quartz-lodes, placer-mining, and mill-site claim described as follows: The Minneapolis placer no. 1, survey no. 64, except that part thereof within and conflicting with the southwest quarter, section 15, township 5 south, range 15 east, Montana principal meridian; the Millsite, survey no. 63–F; the Stillwater placer no. 1, survey no. 71, except as to that portion thereof within and conflicting with the west half southwest quarter, section 28, and the northeast quarter northeast quarter, section 32, township 5 south, range 15 east, Montana principal meridian; Rough Rock, survey no. 63–B; Stillwater, survey no. 63–E; Something, survey no. 72–B; Mountain View, survey no. 63–A; Red Bird, survey no. 63–C; Big Thing, survey no. 63–D; Rough Rock no. 2, survey no. 72–A; Brooklyn, survey no. 69–A; Avalanche, survey no. 69–B; Bald Eagle, survey no. 69–D; Cataract, survey no. 69–C; New Wabelisky, survey no. 68–B; Sumit, survey no. 68–A; Perseverance, Emerald, Blue Jay, Copper Bottom, and Ridge Lode mining and mill-site claims, designated by the Surveyor General as lots nos. 70–A, 70–B, 70–C, 70–D, 70–E, and 70–F, respectively, in the Stillwater mining district, township 5 south, range 15 east, Montana principal meridian, in the counties of Stillwater and Sweet Grass, State of Montana, which lands were, at the time the said patents were issued, described as or assumed to be situate in township 7 south, range 16 east, Montana principal meridian, then unsurveyed, but were in fact situate in township 5 south, range 15 east, Montana principal meridian, be, and the said mineral patents and the titles conveyed thereby are, hereby validated and confirmed.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

E. W. GARRISON

The Clerk called the next bill, H. R. 563, for the relief of E. W. Garrison.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $157.17 to E. W. Garrison, in full settlement of all claims against the United States because of damage to his automobile in a collision with a Government automobile operated in connection with the Civilian Conservation Corps near Coopers Creek, Blue Ridge, Ga., on August 6, 1934.

With the following committee amendments:

In line 5 strike out the words "not otherwise appropriated" and insert "allocated by the President for the maintenance and operation of the Civilian Conservation Corps."

In line 6, after the name "Garrison", insert "of Marietta, Ga." At the end of the bill add: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DOROTHY M'COURT

The Clerk called the next bill, H. R. 607, for the relief of Dorothy McCourt.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Dorothy McCourt the sum of $2,654.76. Such sum shall be in full settlement of all claims against the United States for damages sustained by the said Dorothy McCourt on account of injuries sustained by herself on May 4, 1934, on Pine Canyon Road, in the county of Los Angeles, State of California, in a collision involving the car in which she was a passenger and a Government vehicle in the service of the Civilian Conservation Corps: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 5, strike out "not otherwise appropriated" and insert in lieu thereof "allocated by the President for the maintenance and operation of the Civilian Conservation Corps."

Page 1, line 7, after the word "McCourt", insert "at Los Angeles, Calif."

Page 1, line 8, strike out "$2,654.76" and insert in lieu thereof "$1,371."

Page 1, line 11, strike out "sustained" and insert in lieu thereof "suffered."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REIMBURSEMENT OF JOHN BRENNAN

The Clerk called the next bill, H. R. 1235, authorizing and directing the Secretary of the Treasury to reimburse John Brennan for the losses sustained by him by reason of the negligence of an employee of the United States Forest Service.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to John Brennan, of Foster, Oreg., the sum of $1,166.50 in full satisfaction of his claim against the United States for damages for personal injuries suffered on January 12, 1936, on the Quartzville-Foster Road, in Linn County, Oreg., when run down by a motortruck owned by the United States Forest Service, bearing license no. DA-8089, and driven by Edwin D. Bacon, of Company 2907-C. C. C., Cascadia, Oreg.

With the following committee amendments:

Page 1, line 5, strike out "otherwise appropriated" and insert in lieu thereof "allocated by the President for the maintenance and operation of the Civilian Conservation Corps."

Page 1, line 8, strike out "$1,166.50" and insert in lieu thereof "$500."

Page 2, line 6, after the word "Oregon", insert the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, and was read the third time, and a motion to reconsider was laid on the table.

The title was amended to read as follows: "A bill for the relief of John Brennan."

CLIFFORD R. GEORGE AND MABEL D. GEORGE

The Clerk called the next bill, H. R. 1310, for the relief of Clifford R. George and Mabel D. George.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Clifford R. George and Mabel D. George, of Chunchula, Ala., the sum of $3,585.15, in full settlement of all claims against the United States Government for damage to their automobile and for bodily injuries sustained by them on July 11, 1936, when the automobile in which they were riding collided with a Government vehicle operated in connection with the Civilian Conservation Corps on United States Highway No. 45, near the crossroad at Gulfcrest, Ala.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 5, strike out "not otherwise appropriated" and insert in lieu thereof "allocated by the President for the maintenance and operation of the Civilian Conservation Corps."

Page 1, line 8, strike out "sum of $3,585.15" and insert in lieu thereof "sums of $50 and $1,000, respectively."

Page 1, line 10, strike out "damage to their automobile and for bodily injuries" and insert in lieu thereof "personal injuries and property damage."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FRANK S. WALKER

The Clerk called the next bill, H. R. 1406, for the relief of Frank S. Walker.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any funds in the Treasury not otherwise appropriated, to Frank S. Walker, of Orange, Va., the sum of $200. The payment of such sum shall be in full settlement of all claims against the United States on account of the slaughter of four registered Holstein diseased cows owned by the said Frank S. Walker, the said cows having been slaughtered under the direction of the Bureau of Animal Industry of the Department of Agriculture.

With the following committee amendments:

Page 1, line 4, strike out "funds" and insert in lieu thereof "money."

Page 2, line 1, after the word "agriculture", insert the following: "in its mastitis elimination project but not in strict accordance with the regulations covering same: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PAUL J. FRANCIS

The Clerk called the next bill, H. R. 1761, for the relief of Paul J. Francis.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $500 to Paul J. Francis, of Graymoor, Garrison, N. Y., being refund on account of the forfeiture of a Liberty bond deposited by Paul J. Francis in the case of Beniamino Ottorino.

With the following committee amendments:

Page 1, line 6, strike out "being refund on account of the forfeiture of a Liberty bond deposited by Paul J. Francis in the case of Beniamino Ottorino" and insert the following: "in full satisfaction of his claim against the United States for a refund of the value of a Liberty bond deposited to secure the deportation of an alien, Beniamino Ottorino, and forfeited October 3, 1925, for noncompliance with said condition, as the alien had departed and failed to notify either the Government or the surety thereof: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SCHMIDT, GARDEN & MARTIN

The Clerk called the next bill, H. R. 1861, for the relief of the firm of Schmidt, Garden & Martin, architects, of Chicago, Ill.

Mr. MOTT and Mr. HANCOCK of New York objected and, under the rule, the bill was recommitted to the Committee on Claims.

ELEANORA S. RICHARDSON

The Clerk called the next bill, H. R. 2080, for the relief of Eleanora S. Richardson.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Eleanora S. Richardson, of Sumter, S. C., the sum of $67.50 in full settlement of

all claims against the Government of the United States for loss sustained by the said Eleanora S. Richardson in the cashing of War Department allotment check numbered 804988 in favor of J. B. Brown as allottee of Richard Brown.

With the following committee amendment:

Page 1, line 11, after the word "Brown", insert "an enrollee of the Civilian Conservation Corps: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CAPT. GUY L. HARTMAN

The Clerk called the next bill, H. R. 2149, for the relief of Capt. Guy L. Hartman.

Mr. COSTELLO and Mr. HANCOCK of New York objected, and, under the rule, the bill was recommitted to the Committee on Claims.

LONNIE O. LEDFORD

The Clerk called the next bill, H. R. 2482, for the relief of Lonnie O. Ledford.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Lonnie O. Ledford the sum of $2,500 in full settlement of all claims against the Government on account of personal injuries sustained in the collision of the automobile in which he was riding with a truck of the Civilian Conservation Corps, near Ranger, N. C., on or about the 18th day of January 1936.

With the following committee amendments:

Page 1, line 5, strike out "not otherwise appropriated" and insert the following in lieu thereof: "allocated by the President for the maintenance and operation of the Civilian Conservation Corps."

Page 1, line 7, after the word "Ledford", insert "of Dalton, Ga."

Page 1, line 8 strike out "$2500" and insert in lieu thereof "$750."

Page 1 line 9, strike out "Government on account of" and insert in lieu thereof, "United States for."

Page 1, line 10, strike out "of the" and insert in lieu thereof "between."

Page 2, line 2, after "1936", insert the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

MR. AND MRS. DAVID STOPPEL

The Clerk called the next bill, H. R. 2562, for the relief of Mr. and Mrs. David Stoppel.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mr. and Mrs. David Stoppel, father and mother of David Stoppel, Jr., the sum of $10,000 in full settlement of all claims against the United States for the death of said David Stoppel, Jr., who was killed when run over and crushed by a tractor owned by the Department of the Interior and in use by enrollees of the Civilian Conservation Corps, near Nisland, S. Dak., on the 11th day of September 1936.

With the following committee amendments:

Page 1, line 6, after the word "Stoppel", strike out "father and mother of David Stoppel, Jr." and insert "of Butte County, S. Dak."

Line 7, strike out "$10,000" and insert "$5,000."

Line 9, after the word "of", strike out the remainder of the line and all of lines 10 and 11, and on page 2 all of lines 1 and 2, and insert "their minor son, David Stoppel, Jr., who was killed on September 11, 1936, when run over and crushed by a tractor owned by the Emergency Conservation Works and assigned to the Civilian Conservation Corps camp near Fruitdale, S. Dak., which camp is operated by the Bureau of Reclamation of the Department of the Interior: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN STEVENS

The Clerk called the next bill, H. R. 2641, for the relief of John Stevens.

Mr. COSTELLO. Mr. Speaker, I object.

There being no further objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to John Stevens, of Missoula, Montana, the sum of $5,000; such sum shall be in full settlement of all claims against the United States on account of damages sustained by the said John Stevens as a result of injuries sustained on July 17, 1933, when he was struck by a truck operated in the service of the Civilian Conservation Corps.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

"That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury allocated by the President for the maintenance and operation of the Civilian Conservation Corps, to John Stevens, of Missoula County, Montana, the sum of $2,500, and to the administrator of the estate of Fred Hausauer, Junior, deceased, formerly of Missoula County, Montana, the sum of $4,000, in full satisfaction of all claims against the United States for personal injuries sustained by the said John Stevens and for the death of said Fred Hausauer, Junior, when they were struck by a Forest Service truck operated by an enrollee of the Civilian Conservation Corps, in Missoula, Montana, on July 7, 1933: *Provided*, That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with these claims, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of John Stevens and the estate of Fred Hausauer, Jr."

LAURA E. ALEXANDER

The Clerk called the next bill, H. R. 3259, for the relief of Laura E. Alexander.

Mr. COSTELLO. Mr. Speaker, I object.

There being no further objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $6,349 to Laura E. Alexander, widow of Samuel H. Alexander, who died from injuries received in the performance of his duties as assistant postmaster in the post office at Emma, N. C., in defending the property of the United States and resisting an attempt to rob said post office, the said sum herein appropriated being in recognition of the injuries and personal bravery and fidelity of Samuel H. Alexander, to his official trust, and in compensation for his service in defending the property of the United States, and for his expenses in his effort to recover his strength and in securing the conviction, sentencing, and execution of his assailants: *Provided*, That no part of the money herein appropriated shall be liable to attachment, levy, or seizure under any legal or equitable process whatever, but shall inure wholly to the benefit of said Laura E. Alexander: *Provided further*, That no agent, attorney, firm of attorneys, or any other persons engaged heretofore or hereafter in preparing, presenting, or prosecuting this claim shall directly or indirectly receive or retain for such services in preparing, presenting, or prose-

cuting such claim, or for any act whatsoever in connection with this claim, any fee or compensation whatsoever.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

"That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Laura E. Alexander, of Asheville, N. C., the sum of $6,349, in full settlement of all claims against the United States for personal injuries, expenses incident thereto, and the subsequent death of her husband, Samuel H. Alexander, who was shot and permanently disabled February 8, 1901, while acting as assistant postmaster at Emma, N. C., in defending the post office against attempted robbery by armed bandits, and who died January 5, 1920, as a result of said disability: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN H. WYKLE

The Clerk called the next bill, H. R. 3262, for the relief of John H. Wykle.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to John H. Wykle, the sum of $2,500 for injuries sustained while acting at the request and upon the summons of a United States prohibition officer, on December 11, 1930, in making a raid for the purpose of apprehending persons violating the laws of the United States.

With the following committee amendments:

Page 1, line 5, after the word "Wykle" insert "of Bryson City, N. C."

Page 1, line 6, after the word "of" strike out "$2,500" and insert in lieu thereof "$750, in full satisfaction of his claim against the United States."

Page 2, line 1, after the word "States" insert the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALLIE RANKINS

The Clerk called the next bill, H. R. 3339, for the relief of Allie Rankins.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $5,000 to Allie Rankins, of Route No. 2, Wheelersburg, Ohio, the same to be in full satisfaction of a claim that she has against the Government of the United States of America for damages from permanent injuries caused to her in Scioto County, Ohio, on January 3, 1936, and for medical and hospital expenses incurred by her as a result of said injuries; which said injuries were caused by the careless and negligent construction and location of a certain sanitary unit by the Works Progress Administration of the said United States which was so carelessly and negligently constructed and located that the cement slab of said unit, which was used as a floor when the said Allie Rankins entered, gave way, with the result that she fell and was thrown through the floor during very cold weather into a cesspool full of icy water and filth beneath said floor, where she was compelled to stay for several hours before rescued. Said fall caused her serious permanent pelvic injuries which required and still require medical and hospital treatment, and said exposure caused her to contract tuberculosis from which she has not recovered and all of which took from her her health and the capacity to render to her family of a husband and five children, including a six-month-old baby, the love, care, and affection which she was wont to render as a wife and mother, and have caused her to become a confirmed invalid and cripple, all without any negligence or carelessness on her part: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 6, after the word "Allie", strike out the word "Rankins" and insert "Rankin."

Page 1, line 7, after the word "Ohio", strike out the remainder of the line and all of lines 8, 9, 10, and 11, and on page 2 down to and including line 20, and insert in lieu thereof the following: "in full satisfaction of her claim against the United States for personal injuries and disease contracted by her when she fell through the floor of a sanitary unit, on January 3, 1936, which unit had been negligently constructed in Scioto County, Ohio, by employees of the Works Progress Administration: *Provided*,"

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Amend the title so as to read: "A bill for the relief of Allie Rankin."

H. E. WINGARD

The Clerk called the next bill, H. R. 3809, for the relief of H. E. Wingard.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That H. E. Wingard, of Augusta, Ga., is hereby relieved of all liability as surety on the bond in the sum of $500 filed in the United States District Court for the Southern District of Georgia, Augusta division, for the appearance of one Stoy Lamar for trial. The said H. E. Wingard expended the sum of $207 in apprehending the said Stoy Lamar, who has been tried and given a probationary sentence.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

"That the clerk of the United States District Court for the Southern District of Georgia is hereby authorized and directed to satisfy, of record, the judgment obtained by the United States in April 1935 against H. E. Wingard, of Augusta, Ga., who is hereby relieved of all liability to the United States for the payment of said judgment, which was entered against him as surety on the recognizance bond of Stoy Lamar, who failed to appear for trial on a charge of violation of the Harrison Narcotic Act, but who was subsequently apprehended through the efforts and at the expense of said H. E. Wingard in December 1935."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A. R. NETTERVILLE, SR.

The Clerk called the next bill, H. R. 4575, for the relief of A. R. Netterville, Sr.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to A. R. Netterville, Sr., of McComb, Miss., out of any money in the Treasury not otherwise appropriated, the sum of $130 in full satisfaction of his claim for work done and money paid out for labor in the part construction of a home at the McComb, Miss., homesteads project in 1934: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 7, after the word "claim", insert "against the United States."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

C. O. EASTMAN

The Clerk called the next bill, H. R. 4623, for the relief of C. O. Eastman.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States is authorized and directed to credit the money-order account of C. O. Eastman, former postmaster at Wauseon, Ohio, with $4,272.07, or so much thereof as is necessary, to relieve him for the alleged loss of paid money orders in a fire in the post office at Wauseon, Ohio, on June 11, 1934, disallowed in the audit of his accounts due to his failure to record the particulars of the said money orders.

With the following committee amendment:

Page 1, line 3, after the word "is", insert the word "hereby."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

W. R. FUCHS

The Clerk called the next bill, H. R. 4682, for the relief of W. R. Fuchs.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States is hereby authorized and directed to credit the accounts of W. R. Fuchs, former disbursing clerk, Department of Agriculture, with any amount which he has disallowed, or may disallow, arising from erroneous payments of salary at $1,620 per annum, to Kathryn M. Tobin, former employee of the Agricultural Adjustment Administration, for the period from August 4, 1933, to November 8, 1933, both inclusive.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. D. O. BENSON

The Clerk called the next bill, H. R. 4830, for the relief of Mrs. D. O. Benson.

Mr. COSTELLO and Mr. HALLECK objected and, under the rule, the bill was recommitted to the Committee on Claims.

A. L. MALLERY

The Clerk called the next bill, H. R. 4942, for the relief of A. L. Mallery.

Mr. COSTELLO. Mr. Speaker, I object.

There being no further objection, the Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Alfred L. Mallery the sum of $364.73. Such sum shall be in full settlement of all claims against the United States on account of the burglary of the Lakeville, Minn., post office on January 6, 1933.

With the following committee amendment:

Strike out all after the enacting clause and insert:

"That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Alfred L. Mallery, former postmaster at Lakeville, Minn., the sum of $364.73 in full satisfaction of his claim against the United States for the amount of postal and money-order funds and postage stamps lost by burglary of that post office on January 6, 1933, and paid by the said former postmaster to the United States: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended to read: "For the relief of Alfred L. Mallery."

CHARLES W. LANGRIDGE

The Clerk called the next bill, H. R. 5113, for the relief of Charles W. Langridge.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Charles W. Langridge the sum of $281.75 in full settlement against the Government as compensation for injuries sustained by a fall over a cliff from a bench belonging to the Government, placed near the Forest Service lookout station on Mount Elwell, within the Plumas National Forest, Calif.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 6, after the name "Langridge" insert "of Berkeley, Calif.,".

Page 1, line 6, also after the word "settlement" insert "of all claims".

Page 1, line 7, strike out the words as compensation".

Page 1, line 7, also, after the word injuries" insert a comma and the words "and expenses incident thereto,".

Page 1, line 10, after the word "California" insert "on August 25, 1928:".

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

G. F. FLANDERS

The Clerk called the next bill, H. R. 5195, for the relief of G. F. Flanders.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to credit the account of G. F. Flanders, former United States marshal for the southern district of Georgia, in the amount of $87.50, being the amount paid by him to J. W. Talbert for stenographic service in reporting the testimony in the case of United States against Frank Debbs Ware in July 1933.

With the following committee amendments:

Page 1, line 3, strike out "Secretary of the Treasury" and insert "Comptroller General of the United States."

Page 1, line 10, after the figures "1933", insert "said sum having been disallowed as compensation in excess of the amount allowed by the act of March 10, 1916 (39 Stat. 120)."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended to read: "A bill for the relief of G. F. Flanders and J. W. Talbert."

PREMIER CARPET & LINOLEUM CO., LTD.

The Clerk called the next bill, H. R. 5200, for the relief of the Premier Carpet & Linoleum Co., Ltd.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Premier Carpet & Linoleum Co., Ltd., Los Angeles, Calif., the sum of $1,050.20. Such sum represents the rental charge made by the said Premier Carpet & Linoleum Co., Ltd., for the use of floor coverings rented to the Los Angeles office of the Federal Civil Works Administration for California during the period November 25, 1933, to March 10, 1934. The Comptroller General of the United States has disallowed the claim of such company for such sum on the ground that the rental of such floor coverings was not in accordance with law, and, therefore, the claim does not represent a legal obligation of the United States.

With the following committee amendments:

Page 1, line 7, after the word "sum", strike out the word "represents" and insert "shall be in full settlement of all claims against the United States for."

Page 2, line 6, after the word "States", insert a colon and the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHARLES B. MURPHY

The Clerk called the bill (H. R. 5337) for the relief of Charles B. Murphy.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Charles B. Murphy, of Elmira, N. Y., the sum of $27 in full satisfaction of his claim against the United States for compensation for damages caused by a United States mail truck: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 7, strike out "compensation for damages caused by a United States mail truck" and insert "the cost of repairing a plate glass window at 314 State Street, Elmira, N. Y., which was broken on May 6, 1935, when a United States mail truck hurled a stone against it."

The committee amendment was agreed to, and the bill as amended was ordered to be engrossed and read a third time; was read the third time and passed, and a motion to reconsider laid on the table.

ANNE E. FELIX

The Clerk called the bill (H. R. 5495) for the relief of Anne E. Felix.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Anne E. Felix, of Pittsburgh, Pa., the sum of $2,000 in reimbursement for expenses incurred as contestant in connection with preparation and prosecution of the election-contest case of *Anne E. Felix* v. *Michael J. Muldowney* for the seat from the Thirty-second Congressional District of the State of Pennsylvania in the Seventy-third Congress, as authorized by the act of March 3, 1879 (U. S. C., title 2, sec. 226), a full and detailed account of such expenses having been properly filed with the clerk of the Committee on Elections No. 2, in accordance with the provisions of the act hereinbefore recited.

With the following committee amendments:

Page 1, line 6, strike out the word "reimbursement" and insert "full satisfaction of her claim against the United States."

Page 2, line 6, strike out the period, insert a colon and the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to; and the bill, as amended, was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

JOSEPH N. WENGER

The Clerk called the bill (S. 274) for the relief of Joseph N. Wenger, lieutenant, United States Navy, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to settle and adjust the claim of Joseph N. Wenger, lieutenant, United States Navy, as provided in section 12 of the act of May 18, 1920 (41 Stat. 604; U. S. C., title 10, sec. 756), for $494.57 as reimbursement of the cost of commercial transportation of his wife from Washington, D. C., to Manila, P. I., pursuant to change-of-station orders dated April 19, 1933, there not being reasonably available Government transportation for his wife between said stations. There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, a sum not exceeding $494.57 for payment of the claim: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 8, strike out "as reimbursement of" and insert "in full satisfaction against the United States for."

Page 2, line 1, strike out the figures "1933" and insert "1932."

The committee amendments were agreed to, and the bill, as amended, was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

The title was amended to read: "An act for the relief of Lt. Joseph N. Wenger, United States Navy."

ELMER E. MILLER

The Clerk called the bill (S. 430) conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of Elmer E. Miller.

The SPEAKER. Is there objection?

Mr. COSTELLO. Mr. Speaker, I object.

The SPEAKER. But one objection is heard, and the Clerk will report the bill.

The Clerk read the bill as follows:

Be it enacted, etc., That jurisdiction is hereby conferred upon the Court of Claims to hear, determine, and render judgment upon the claim of Elmer E. Miller, former disbursing clerk in the Bureau of Pensions, against the United States for the recovery of any unpaid part of his salary as such clerk, as fixed by law, for the fiscal years ending June 30, 1922, June 30, 1923, and June 30, 1924, respectively.

SEC. 2. Such claim may be instituted at any time within 1 year after the enactment of this act, notwithstanding the lapse of time or any statute of limitations. Proceeding for the determination of such claim, and appeals from, and payment of, any judgment thereon shall be in the same manner as in the case of claims over which such court has jurisdiction under section 145 of the Judicial Code, as amended.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

FARLEY J. HOLLOMAN

The Clerk called the bill (S. 451) for the relief of Farley J. Holloman.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the United States Employees' Compensation Commission be, and is hereby, authorized and directed to consider the claim of Farley J. Holloman, of Ada, Okla., a former employee of the Civil Works Administration, for injuries received on or about March 3, 1934, while working on a C. W. A. project at the Smith gravel pit located about 8 miles east of Ada, Okla., under the provisions of an act entitled "An act making an additional appropriation to carry out the purposes of the Federal Emergency Relief Act of 1933, for continuation of the Civil Works program, and for other purposes", approved February 15, 1934, notwithstanding the lapse of more than 1 year in filing such claim: *Provided*, That no benefits shall accrue prior to the approval of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

J. R. COLLIE AND ELEANOR Y. COLLIE

The Clerk called the bill (S. 455) for the relief of J. R. Collie and Eleanor Y. Collie.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to J. R. Collie and Eleanor Y. Collie, father and mother of J. R. Collie, Jr., deceased, out of any money in the Treasury not otherwise appropriated, the sum of $5,000 in full compensation for the death of said J. R. Collie, Jr., a civilian employee, who was killed while in the employment of the United States Motor Transport Corps by an Army truck, no. 225, at the Army supply base, Norfolk, Va., on August 15, 1919: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 5, after the word "Collie", insert "of Raleigh, N. C."

Page 1, line 7, strike out "$5,000 in full compensation" and insert "$1,000 in full compensation of their claims against the United States."

The committee amendments were agreed to, and the bill as amended was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOSEPH M. CACACE AND OTHERS

The Clerk called the bill (S. 470) for the relief of Joseph M. Cacace, Charles M. Cacace, and Mary E. Clibourne.

There being no objection, the Clerk read the bill, as follows:

Whereas in the District Court of the United States for the Eastern District of Virginia, on the 20th day of November 1934, John T. Cacace was convicted of an offense and was thereupon admitted to bail in the penalty of $10,000 pending his motion for a new trial, and executed a recognizance for said sum with Joseph M. Cacace, Charles M. Cacace, and Mary E. Clibourne, his brothers and sister, as sureties; and

Whereas on the 23d of November 1934, said John T. Cacace, without the knowledge, consent, or connivance of said sureties, willfully defaulted by leaving the jurisdiction and failed to appear on November 26, the time appointed for the hearing of his motion for a new trial, whereupon he was declared in default, and on motion of the United States, by its attorney, a scire facias issued on said date returnable on November 30, on which last-named date the court declined to give the sureties on said bond additional time for the purpose of attempting to produce said convict but forfeited said bond and entered judgment against the stipulators for the sum of $10,000 and costs; and

Whereas, on December 6, 1934, the said John T. Cacace voluntarily surrendered himself to the marshal of the district and was thereafter sentenced and is now serving his term in a penitentiary designated by the court; and

Whereas the sureties on said recognizance filed their petition in said court on December 8, 1934, praying that said judgment might be set aside and the forfeiture remitted, which prayer has been refused by the court upon the ground that under the statute in such case made and provided it had no discretion where the default was willful; and

Whereas by the voluntary appearance and the sentencing of said convict the ends of justice have been accomplished without additional expense to the Government so that nothing further is to be gained by the enforcement of said judgment, which enforcement will cause said stipulators to lose their homes by foreclosure under execution: Now, therefore,

Be it enacted, etc., That said Joseph M. Cacace, Charles M. Cacace, and Mary E. Clibourne be, and are hereby, relieved from liability for the payment of said judgment so entered in the District Court of the United States for the Eastern District of Virginia, at Norfolk; that said judgment be, and is hereby, canceled; and that the United States attorney for the Eastern District of Virginia be, and is hereby, authorized and directed to so mark said judgment canceled of record.

With the following committee amendment:

Strike out the preamble and all after the enacting clause and insert:

"That the clerk of the United States District Court for the Eastern District of Virginia, at Norfolk, is hereby authorized and directed to satisfy, of record, the judgment obtained by the United States on November 30, 1934, against Joseph M. Cacace, Charles M. Cacace, and Mary E. Clibourne, who are hereby relieved of all liability to the United States for the payment of said judgment, which was entered against them as sureties on the criminal bail bond executed in behalf of John T. Cacace, the latter having failed to appear after he had willfully departed from the jurisdiction without the knowledge, consent, or connivance of said sureties. Said John T. Cacace subsequently voluntarily appeared on December 6, 1934, without cost to the Government, and was sentenced to imprisonment for conspiracy to violate the National Motor Vehicle Theft Act in accordance with his previous conviction on November 24, 1934."

The committee amendment was agreed to, and the bill, as amended, was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

R. R. PURCELL

The Clerk called the bill (S. 522) for the relief of R. R. Purcell.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to R. R. Purcell, of Helena, Mont., the sum of $86.06 in full satisfaction of his claim against the United States for expenses incurred in traveling from Breckenridge, Minn., to Fort Harrison, Mont., and return, pursuant to his appointment, on August 8, 1933, as a member of a special board of review of the Veterans' Administration at Fort Harrison, Mont, such R. R. Purcell being ineligible to serve thereon because of his appointment, prior thereto and unknown to him, as director of the National Reemployment Service in Montana: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

EVERETT P. SHERIDAN

The Clerk called the bill (S. 665) to credit the account of Everett P. Sheridan.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the final settlement of the accounts of Everett P. Sheridan, deceased, former postmaster at Warren, Mass., credit is hereby authorized in the sum of $37.74, being the difference between the amount of war-savings funds on deposit to his official credit in the First National Bank of Warren, Mass., when said bank closed in 1923, and the aggregate amount thereafter received by the Government as dividends in the liquidation of the bank's affairs.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

The title was amended to read: "An act for the relief of the estate of Everett P. Sheridan."

S. T. DICKINSON

The Clerk called the next bill, S. 673, for the relief of S. T. Dickinson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to S. T. Dickinson the sum of $312.30, said sum to be in full settlement of any and all claims against the Government for medical care, hospitalization, and incidental expenses incurred as a result of injuries received on June 3, 1931, while in the performance of his official duties as an employee of the Naval Supply Depot, Brooklyn, N. Y.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, strike out all of lines 3, 4, and 5, and insert "That the Employees' Compensation Commission is hereby authorized and directed to pay, from the employees' compensation fund, to S. T. Dickinson, of Richmond, Va."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ROBERT A. WATSON

The Clerk called the next bill, S. 733, conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment on the claim of Robert A. Watson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred upon the Court of Claims to hear, determine, and render judgment upon the claim of Robert A. Watson, of New York, N. Y., against the United States for damages arising out of his purchase of 3,500 tons of sugar in the Argentine Republic in June 1920, and his importation of such sugar into the United States subject to the direction of the Department of Justice.

SEC. 2. In the proceedings upon such claim before the Court of Claims the United States shall not avail itself of the defense that the Department of Justice acted without legal authority in issuing directions or fixing restrictions with regard to the importation of such sugar.

SEC. 3. Suit upon such claim may be instituted at any time within 1 year after the date of enactment of this act, notwithstanding the lapse of time or any statute of limitations. Proceedings for the determination of such claim and appeals from, and payment of, any judgment thereon shall be in the same manner as in the case of claims over which such court has jurisdiction under section 145 of the Judicial Code, as amended.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

H. G. CARRIERE, CHARLES E. LIVINGSTON, AND JOHN LATHAM

The Clerk called the next bill, S. 1081, for the relief of H. G. Carriere, Charles E. Livingston, and John Latham.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $75 to H. G. Carriere, the sum of $40 to Charles E. Livingston, and the sum of $125 to John Latham, all of Camp Crook, S. Dak., in full satisfaction of their claims against the United States for damages arising out of the loss by each of them of a horse, which horses were killed in 1934, while being worked, under contract with the owners, by employees of the Forest Service, United States Department of Agriculture, in connection with emergency conservation work: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

W. F. LUEDERS

The Clerk called the next bill, S. 1307, for the relief of W. F. Lueders.

The SPEAKER. Is there objection?

Mr. MOTT and Mr. COSTELLO objected, and the bill, under the rule, was recommitted to the Committee on Claims.

FRANK W. CARPENTER

The Clerk called the next bill, S. 1699, granting an annuity to Frank W. Carpenter.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in recognition of the many years of distinguished and conspicuous service of Frank W. Carpenter to the United States in the Philippine Islands, including the negotiation of a treaty in 1915 with the Sultan of Sulu making it possible for the United States to hold the islands throughout the World War without the utilization of its armed forces, at the same time removing a fundamental obstacle to Philippine independence, and if further recognition of the fact that such years of service resulted in his permanent and total disability, the Secretary of the Treasury is authorized and directed to pay to the said Frank W. Carpenter, former Governor of the Moro Province and of the Department of Mindanao and Sulu, Philippine Islands, an annuity at the rate of $1,800 per annum, in monthly installments, the first installment to be due and payable on the 1st day of the month during which this act is enacted.

With the following committee amendments:

Page 2, line 1, after the word "pay", insert "out of any money in the Treasury not otherwise appropriated."

Page 2, line 7, after the word "month", strike out the word "during" and insert the word "after."

Page 2, line 7, after the word "enacted", insert a colon and the following: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

OLMEDO ALFARO

The Clerk called the next business, House Joint Resolution 335, authorizing the Secretary of War to receive for instruction at the United States Military Academy at West Point, Olmedo Alfaro, a citizen of Ecuador.

There being no objection, the Clerk read the House joint resolution, as follows:

Resolved, etc., That the Secretary of War be, and he is hereby, authorized to permit Olmedo Alfaro, a citizen of Ecuador, to receive instruction at the United States Military Academy at West Point: *Provided*, That no expense shall be caused to the United States thereby, and the said Olmedo Alfaro shall agree to comply with all regulations for the police and discipline of the academy, to be studious, and to give his utmost efforts to accomplish the courses in the various departments of instruction, and that he shall not be admitted to the academy until he shall have passed the mental and physical examinations prescribed for candidates from the United States, and that he shall be immediately withdrawn if deficient in studies or in conduct and so recommended by the academic board: *Provided further*, That in the case of said Olmedo Alfaro the provisions of sections 1320 and 1321 of the Revised Statutes shall be suspended.

The House joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GEORGE E. IJAMS

The Clerk called the next business, House Joint Resolution 339, granting permission to George E. Ijams, civilian employee of the Veterans' Administration, to accept and wear the decoration bestowed upon him by the Republic of France.

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That George E. Ijams, civilian employee of the Veterans' Administration, be authorized to accept and wear the decoration of the Order of the French Legion of Honor (Chevalier), bestowed by the Republic of France, and the State Department is hereby authorized and permitted to deliver the above-mentioned decoration to the said George E. Ijams.

The House joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. This concludes the call of the Private Calendar of bills eligible for consideration.

Without objection, the further call of the calendar will be dispensed with.

There was no objection.

EXPLANATION OF VOTE

Mr. BYRNE. Mr. Speaker, I ask unanimous consent to proceed for one-half minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. BYRNE. Mr. Speaker, I was out of the city over the week end and did not get back to the House until after the vote was taken on H. R. 5478, an act to amend existing law to provide the privilege of renewing expiring 5-year level-premium term policies for another 5-year period. Had I been here when the vote was taken I would have voted to override the President's veto.

STAR-ROUTE CONTRACTS—CONFERENCE REPORT

Mr. HAINES submitted a conference report on the bill (H. R. 4408) to provide for the renewal of star-route contracts at 4-year intervals, and for other purposes.

EXTENSION OF REMARKS

Mr. HIGGINS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Without objection it is so ordered.

There was no objection.

DEVELOPMENT OF HYDROELECTRIC POWER PROJECT AT CABINET GORGE ON CLARK FORK OF THE COLUMBIA RIVER

Mr. WHITE of Idaho. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 114) to provide for studies and plans for the development of a hydroelectric power project at Cabinet Gorge, on the Clark Fork of the Columbia River, for irrigation, pumping, or other uses, and for other purposes, with a Senate amendment, and agree to the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 6, strike out "in the reclamation fund" and insert "not otherwise appropriated."

The SPEAKER. Is there objection to the request of the gentleman from Idaho?

This bill was passed by the House. The Senate amended it slightly in the matter of the source of the funds.

Mr. MARTIN of Massachusetts. What does the Senate amendment do?

Mr. WHITE of Idaho. All it does is to substitute "not otherwise appropriated."

Mr. TABER. Yes. The bill as it passed the House provided that the payments should be made out of the reclamation fund. The Senate amendment makes the money payable out of the general funds of the Treasury. It is entirely different. I shall object, Mr. Speaker.

The SPEAKER. Objection is heard.

EXTENSION OF REMARKS

Mr. JENKINS of Ohio and Mr. MILLARD asked and were given permission to revise and extend their remarks in the RECORD.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Crockett, its Chief Clerk, announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S. J. Res. 155. Joint resolution to create a Joint Congressional Committee on Tax Evasion and Avoidance.

The message also announced that the Senate having proceeded, in pursuance of the Constitution, to reconsider the bill (H. R. 5478) entitled "An act to amend existing law to provide privilege of renewing expiring 5-year level-premium term policies for another 5-year period", returned to the House of Representatives by the President of the United States, with his objections, and sent by the House to the Senate with the message of the President returning the bill, *Resolved*, That the bill do pass, two-thirds of the Senate agreeing to pass the same.

EMERGENCY RELIEF APPROPRIATION

Mr. WOODRUM. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the joint resolution (H. J. Res. 361) making appropriations for relief purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the joint resolution (H. J. Res. 361) making appropriations for relief purposes, with Mr. O'CONNOR of New York in the chair.

The Clerk read the title of the joint resolution.

The CHAIRMAN. Section 5 has been read, and the committee amendments to that section are now pending.

Mr. RAYBURN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, on last Thursday I asked the Committee to rise in order that we might have some conversations to see if we could not arrive at an amicable settlement of the differences that were dividing us. I had a talk with the gentleman from New York [Mr. BEITER], the gentleman from Alabama [Mr. STARNES], and the gentleman from Oklahoma [Mr. CARTWRIGHT], and with various other Members of the House. It was decided that I should go to the President, which I did.

The first matter discussed was the so-called Beiter amendment. I had said to the gentleman from New York and some of those who stood with him that I thought that if we could get a reasonable understanding about some matters which the Members of the House from practically every district in the country felt that the Government was morally obligated to undertake that we would be getting somewhere; that while the amendment of the gentleman from New York, if adopted, would earmark $300,000,000 and would keep it from being spent for anything except the purposes named in his amendment, it would not insure that the money would be spent. The President readily agreed, and I am authorized to say that he thought that where communities had voted bond issues, many of them had sold the bonds and the money was lying idle and the community was paying interest on it; that he thought each and every one of those projects that were sound and in proper form ought to be taken care of, and that he would do that.

The next matter discussed was schoolhouses. This is a matter that is very near to the hearts of a great many Members. He said that where it was proven that a schoolhouse was a fire hazard and that the community was not financially able to carry on that he would see that the schoolhouses were built.

He said further that he would revoke his Executive order with reference to the P. W. A. funds and that he would like to see the Congress pass a bill extending P. W. A. for a time long enough to complete this work. I reported this back to these gentlemen and to many of their supporters, believing then as I do now that with that agreement we are getting somewhere; and I trust that the gentleman from New York [Mr. BEITER] feels justified in making a statement as to how he individually and his group feel about it.

Then we came to the matter of flood control, or the amendment of the gentleman from Alabama [Mr. STARNES]. The President remarked that there were about $63,000,000 to spend on flood control: $22,500,000 authorized for the lower Mississippi, $30,000,000 under a bill pending in the Appropriations Committee at this time, and that under a bill that it is contemplated will be reported by the Flood Control Committee dealing with flood control for the next year there will be another $11,500,000, making in all about $64,000,000; and if the gentleman from Mississippi [Mr. WHITTINGTON] is here and I am wrong, I wish he would correct me.

[Here the gavel fell.]

Mr. RAYBURN. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. RAYBURN. I called the President's attention to the fact that that money could be used only on authorized projects, whereas the flood of this past spring had wrought terrific havoc in some places, and that Congress had not had the opportunity, or the time, or the disposition—whatever it may be—to pass legislation authorizing those projects and I thought that some concession ought to be made somewhere with reference to unauthorized projects. He said that he would work on all of these emergency matters and in the flood-control areas every available man on relief would be put on this work. I think those who are sponsoring the amendment of the gentleman from Alabama, together with the gentleman from Alabama, have about determined that this would probably call for the expenditure of at least as much and probably more than is called for in his amendment; and I hope that the gentleman from Alabama, Mr. STARNES, who is the head of that group, will make a statement to the House.

Mr. PARSONS. Mr. Chairman, will the gentleman yield?

Mr. RAYBURN. I yield.

Mr. PARSONS. And this money would be spent upon what are now unauthorized flood-control projects to be allocated by the President?

Mr. RAYBURN. The exact language I asked the President to agree to was "authorized and unauthorized projects."

Mr. PARSONS. It would include the unauthorized projects.

Mr. RAYBURN. Absolutely.

Mr. McCLELLAN. Will the gentleman yield?

Mr. RAYBURN. I yield to the gentleman from Arkansas.

Mr. McCLELLAN. May I ask the gentleman if under the provisions of this relief bill the President does not have that authority anyhow? He may make allocations to unauthorized projects or to anything he wishes.

Mr. RAYBURN. He said he would do that.

Mr. McCLELLAN. He has that authority under this bill anyhow, whether anything was said about flood control or not.

Mr. RAYBURN. Yes. He did say he would. He did not have to say that. He can spend this money as he pleases.

Mr. McCLELLAN. I agree with the gentleman he would not have to.

Mr. RAYBURN. Mr. Chairman, I come now to the roads amendment offered by the gentleman from Oklahoma [Mr. CARTWRIGHT]. The thought is if $150,000,000 is earmarked according to the amendment offered by the gentleman from Oklahoma, it would freeze $150,000,000 of this money so that it could not be used in all probability for the construction of these so-called farm-to-market roads. As we know, and as we were told the other day by the gentleman from Missouri [Mr. CANNON], this money would be expended by the Department of Roads in Washington and by the highway commissions of the various States. It is my understanding, backed by the statement of the gentleman from Missouri, that the Road Department will not authorize or endorse the expenditure of one dollar for any sort of a road that is not the type and character that will cost at least $7,500 per mile. We can very easily see where we would get in building farm-to-market roads at a cost of $7,500 a mile. We would not get very far.

Furthermore, this being a work and relief bill, and due to the fact it is known that practically every State in the Union builds roads by contract, the thought was that 80 percent of the money that went into the construction of roads in the various States might be spent for material and about 20 percent for labor. Those who are in authority in the Administration are very anxious that about 80 percent of this money be spent for work and about 20 percent for material.

Mr. MOTT. Will the gentleman yield?

Mr. RAYBURN. In a moment I will, if the gentleman will pardon me at this time. It was thought, therefore, it would be better to expend this money in another way.

There were $75,000,000 earmarked in the Cartwright amendment to be spent on State- and Federal-aid highways. This money, if divided between the 48 States, would leave very little for any particular State. Accordingly, it was thought that the highway commission of a State might determine to spend every dollar of the money on one State highway and not touch one-tenth of the counties in that State. It was thought that it would be better for this money to go direct to the State set-up and that allotments be made to the governing boards of the various counties. In my State it is the county judge and four commissioners, which constitute the commissioners' court. These authorities know the labor problems in their own localities and it was thought this money could be better expended under their direction, allowing them to spend it on State highways, farm-to-market roads, or lateral roads, or in any other way they might desire to expend it in order to take care of the labor situation and do the best work they could for the county involved.

[Here the gavel fell.]

Mr. RAYBURN. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. RAYBURN. I yield to the gentleman from Oregon [Mr. MOTT].

Mr. MOTT. Mr. Chairman, I want to inquire about the gentleman's statement to the effect that only 20 percent of the cost of construction of a State highway goes to labor. If the gentleman's statement is correct, it is contrary to testimony that has been presented to the Committee on Roads of the House for the last 4 years. The testimony shows it is between 80 and 85 percent.

Mr. RAYBURN. I made the statement it was stated that in all probability 80 percent of it would be spent on material.

Mr. MOTT. I call the gentleman's attention to the fact that all of the testimony before the Roads Committee of the House for the last 5 years is to the effect that between 80 and 87 percent of all the money expended on roads goes to labor.

Mr. RAYBURN. That may be true, but I never heard it before.

Mr. MICHENER. Will the gentleman yield?

Mr. RAYBURN. I yield to the gentleman from Michigan.

Mr. MICHENER. If the amendments that were placed on the bill the other day earmarking specific amounts, as I understand, are voted down, arrangement has been made with the President whereby the work provided for by those amendments will in substance be taken care of?

Mr. RAYBURN. Well, just to the extent I remarked. I think in all probability there will be more money expended on these projects that the amendments covered than is involved in the amendments, to be frank with the gentleman.

Mr. MICHENER. That is what I want to get at. The arrangement with the White House is that these projects will be taken care of, but they will not be taken care of with this relief money but through additional appropriations and by additional spending on the part of the Government to carry out the programs, provided the earmarking amendments are cut out of the relief bill?

Mr. RAYBURN. No; that is not the understanding at all. It is supposed to be spent out of the $1,500,000,000, because the President has that much money at his disposal.

Mr. MICHENER. Where does the money come from?

Mr. RAYBURN. It comes out of this one and one-half billion dollars.

Mr. MICHENER. If we appropriate one and a half billion dollars and allow the President to do with it as he may see fit, the gentleman says he will then do the things which the earmarking amendments provide for.

Mr. RAYBURN. No; I do not say that.

Mr. MICHENER. If this is the case, then there is a distinction without a difference.

Mr. RAYBURN. I was simply trying to report to the House the matter I was authorized to report, believing myself it is a much better method.

Mr. MICHENER. The gentleman said these projects would get more money.

Mr. RAYBURN. I did not say they would get more money. I said, so far as the flood-control matter is concerned, if they employed all the people on relief in these flood districts it would probably amount to more than that. I have not stated that any specific amount would be spent on anything.

Mr. McCORMACK. Will the gentleman yield?

Mr. RAYBURN. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. It is my understanding that instead of any agreement or arrangement, the President informed the gentleman from Texas what he intended to do without action of the House?

Mr. RAYBURN. That is it exactly.

Mr. McCORMACK. In other words, the gentleman from Michigan is trying to impute an agreement and an understanding, whereas the gentleman is reporting back to the

House the result of his conversation in which the President reported what he would probably do, anyway.

Mr. RAYBURN. That is what I understand the President intends to do.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield to me for two questions?

Mr. RAYBURN. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. I think it is true that in 1936 only eleven millions were devoted to flood control. I know I was able to secure $600,000 for my district, and we needed much more.

Also, I remember a letter that came down from the President before the passage of the economy bill. I feel very sure that bill would not have been passed if it had not been for that letter regarding cuts to veterans in their compensation. I knew, and I know the Members of the House knew, as did the veterans, that this agreement was not carried out, and that cuts in compensation were made in spite of the promise in that letter.

Mr. RAYBURN. The gentlewoman is not asking me a question.

Mrs. ROGERS of Massachusetts. I ask it in the form of a question, then.

Mr. RAYBURN. If there was not enough money in 1936, is the lady voting for the billion and a half or the billion this time?

Mrs. ROGERS of Massachusetts. I expect to vote for earmarking the billion and a half; but that does not answer my question.

[Here the gavel fell.]

Mr. RAYBURN. Mr. Chairman, I ask unanimous consent to proceed for 1 additional minute in order to answer the question of my colleague, the gentleman from Texas [Mr. JONES], who has been on his feet for some time.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. JONES. I understand it is the agreement that more than the amount stipulated in the amendment which I offered will be spent for ponds, lakes, and other water-conservation projects in the Plains area?

Mr. RAYBURN. I may say to the gentleman there was no agreement whatever. Those in charge of this expenditure for the purposes contained in the amendment of the gentleman from Texas thought his amendment might be a limitation upon them. It was their opinion that in all probability they could well spend more than the $10,000,000 called for by the gentleman's amendment in the Dust Bowl and in the drought section.

Mr. JONES. The amendment states not less than that amount. I had assurance from both Mr. Hopkins and Mr. Aubrey Williams that they expected to spend much more than this amount for those particular purposes. I hoped the gentleman would identify it for the RECORD. They stated it to me. If they did not mean it, I would like to know it.

Mr. RAYBURN. I do not know what they meant when they talked to my colleague.

[Here the gavel fell.]

Mr. SNELL. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 3 additional minutes. I would like to ask the gentleman some questions.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. JONES. I think it is perfectly all right. However, the amendment itself states "not less than $10,000,000", and how that can be a limitation is more than I can understand.

Mr. RAYBURN. I may say to the gentleman I am reporting conversations I have had. No one connected with the Administration said to me he knew they would spend more than that much.

Mr. JONES. Did they say that much would be available?

Mr. RAYBURN. They said to me they thought they would spend much more in the drought section than called for in the amendment of the gentleman.

Mr. JONES. I may say to the gentleman—and the reason I have been insistent upon this is that I understand they claim they have spent it heretofore—that not one dime has ever been spent on this kind of work in the area which I represent, which is in the heart of the worst distressed section. It may be the fault of the State authorities, but the money has not been spent. I had assurance from both these gentlemen that more than that much would be spent. I wanted it made a matter of record. If the gentleman did not hear them state it, I may say I heard them state it, and I expect to stand on that. However, I would like to have the gentleman's assurance that he will try to help us get some money allocated for this purpose.

Mr. RAYBURN. I have told the gentleman that all the time. The gentleman knows my position very well. If they were going to earmark money, I thought they ought to earmark money for the project about which the gentleman is talking.

Mr. JONES. I understand that under the terms of this bill it would be possible for farmers and others who are in need and who are not technically on relief to have their services utilized in carrying out these projects.

Mr. RAYBURN. That is my understanding.

Mr. SNELL. Mr. Chairman, will the gentleman yield?

Mr. RAYBURN. I yield to the minority leader.

Mr. SNELL. It seems to me, after listening to the statement of the gentleman, that the final analysis of this whole proposition is the President agrees he will spend, or is willing to spend, practically the same amount of money as the Members have decided they want to spend for the same purposes. If this is true, and to a certain extent it seems to me from the statement of the gentleman it is true, why does the President object to Congress earmarking the money and insist on reserving to himself the right to earmark it?

Mr. RAYBURN. I may say to the gentleman I did not state it would take all the money mentioned in the Beiter amendment to carry out what we think is the obligation of the Government. I do not know whether it would be $50,000,000, $100,000,000, or $200,000,000.

[Here the gavel fell.]

Mr. SNELL. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. SNELL. I appreciate the fact the statement of the gentleman has been very general this afternoon. Nearly anything could be done under it and still comply with the remarks of the gentleman.

Mr. RAYBURN. Oh, no.

Mr. SNELL. Well, pretty nearly.

Mr. RAYBURN. Oh, no.

Mr. SNELL. It seems to me it is the fundamental right and duty of Congress to say how this money shall be spent. Does the gentleman agree with me to that extent? Does the gentleman agree with me on that?

Mr. RAYBURN. How it is to be spent?

Mr. SNELL. Yes.

Mr. RAYBURN. Under the law; yes.

Mr. SNELL. It is the fundamental duty of Congress to say whether it is to be $100,000,000 for the Navy, or some other amount for another purpose or department.

Mr. RAYBURN. How it is to be spent, that it is not to be wasted, that it must be used on necessary projects, and all that sort of thing, but I do not think it is the business of the Members of the House of Representatives, if they are going into this relief business, to say they know with how many people on relief the work in a given locality can be done.

Mr. SNELL. I did not say that, but I think it is the fundamental right and duty of the Congress to say this Government shall spend so much money this year for public buildings or for the Army or for the Navy or for good roads.

Mr. RAYBURN. We do that in our regular appropriation bills. Every dollar of it is earmarked.

Mr. SNELL. I know, but if we are going to spend a billion and a half, is it not the fundamental right of this Congress to say they want to spend $300,000,000 of that billion and a half for good roads? Of course, these are general figures.

Mr. RAYBURN. If this were a permanent thing like appropriating for the departments of the Government; yes.

Mr. SNELL. These things have become very nearly permanent at the present time.

Mr. RAYBURN. And I may say to the gentleman that I do trust that when we come here next year we will not have to pass a billion-and-a-half bill.

Mr. SNELL. If it was right last week to earmark these various appropriations, and a huge majority of the majority believed it was, let me tell the gentleman that it is right today, and if this Congress has any backbone, it will stand up and do what it thinks is right and perform the duty devolving upon it.

Mr. RAYBURN. We are going to do that over on this side of the aisle this afternoon, I will say to the gentleman.

Mr. FERGUSON. Mr. Chairman, will the gentleman yield?

Mr. RAYBURN. I yield.

Mr. FERGUSON. I understood from the gentleman's statement in regard to flood control that the President intimated that eleven and one-half million dollars, or some such figure, was to be used in the distressed or flood areas, bringing the total for flood control up to some $63,000,000. Is that the limit on expenditures for flood control? If it is, it would mean that none of the money at present earmarked in the relief bill would be used.

Mr. RAYBURN. I will say to the gentleman, again, that the President stated he would use part of this relief money on unauthorized flood-control projects.

Mr. FERGUSON. That, definitely, then, is saying that the earmarking proposition that the House adopted, which includes the $25,000,000 of the omnibus bill and $20,000,000 of the Overton bill, is taken out because they are both authorized projects.

Mr. RAYBURN. Certainly, and they are going to stand.

Mr. FRED M. VINSON. Mr. Chairman, will the gentleman yield?

Mr. RAYBURN. I yield to the gentleman from Kentucky.

Mr. FRED M. VINSON. The eleven and a half million dollars to which the gentleman from Oklahoma refers is not all the money that is to be used on flood-control projects. There is twenty-two and a half million dollars for the lower Mississippi, $30,000,000 under the Overton bill, and eleven and a half million dollars under the bill contemplated to be brought in, and then these other millions of dollars in the bill for relief, which includes authorized and unauthorized projects.

Mr. RAYBURN. Whatever amount the President determines can be used in connection with relief labor, he is going to use in the flood-control areas.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. RAYBURN. I yield to the gentleman from Michigan.

Mr. DINGELL. Mr. Chairman, I would like to ask the gentleman a question with regard to the slum-clearance projects in Detroit. We have two of them started, the Brewster and Chandler Court. The foundations are in, the slums have been cleared, and there is approximately $10,000,000 or $12,000,000 involved, and what I would like to know is whether these slum-clearance projects are going to be finished.

Mr. RAYBURN. Under what fund were they started?

Mr. DINGELL. They were started under P. W. A.

Mr. RAYBURN. P. W. A.? Has there been a bond issue or a commitment of money?

Mr. DINGELL. There has been a commitment on the part of the Government, as I understand.

Mr. RAYBURN. What about the city of Detroit? What commitment has been made on its account?

Mr. DINGELL. The city of Detroit has not been involved in the matter at all.

Mr. RAYBURN. I will simply go far enough to say that my understanding is that wherever with reference to buildings the moral obligation has been created on the part of the Government, the President intends to carry it out.

[Here the gavel fell.]

Mr. RAYBURN. Mr. Chairman, I ask unanimous consent to proceed for 1 additional minute, and then I am not going to ask for any further time.

Mr. ANDERSON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. RAYBURN. I yield to the gentleman from Missouri.

Mr. ANDERSON of Missouri. Did the President state whether this order no. 197 would be rescinded so they could get to work on these projects?

Mr. RAYBURN. It must be rescinded at once if the work is to be done.

[Here the gavel fell.]

Mr. WARREN. Mr. Chairman, I rise in opposition to the pro-forma amendment and ask unanimous consent to proceed for 8 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. WARREN. Mr. Chairman, I think the majority leader, the gentleman from Texas [Mr. RAYBURN], is entitled to the full thanks of the House of Representatives for bringing in here a proposition and an agreement that certainly must prove satisfactory to those who are advocating the earmarking of this bill for P. W. A. and flood control. I am only a private in the ranks. This is my seventh term, but I have never known of a leadership composed of the Speaker of the House and the majority leader that has been more solicitious of the rights of the individual Members of this House than the two men who now hold these positions. [Applause.]

I was one of those last week, Mr. Chairman, who voted to reduce this appropriation to $1,000,000,000. I want to see the time come when we can end this [applause] without doing violence to those who are in need. I believe that if some day we do not finally end it, then it is going to sap and undermine the morale of the American people. But those of us who voted to reduce were defeated, and I then took the position that as it was urged that this was the minimum needed for purposes of relief, I would not vote to earmark the bill for any other purpose.

Much has been said in this debate about Mr. Harry Hopkins.

He is a legitimate target for criticism, both constructive and destructive. His job has been to spend. I do not agree with many of his views, or many of his theories, but I can say this for him. He is the soul of honor and integrity, and he will look you in the face and tell you the truth. [Applause.] That is the highest compliment I can pay anyone. I think we, in a spirit of madness, in a spirit perhaps of dislike, of passion and prejudice, voted to snipe at him by cutting his salary, and I think when we get back in the House again we ought to undo that injustice to that man. [Applause.]

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. WARREN. Not now. I took the floor, Mr. Chairman, to discuss one proposition where there has been no agreement. The most indefensible item that has been put in this bill, and personally it would mean more to me than any other item that has been put in, is the amendment to earmark $150,000,000 for roads. Bear with me, my friends, and let me tell you what we have done for roads. Just a month ago we passed an appropriation bill for $165,000,000 for roads, and for next year we have authorized $214,000,000, the very highest amount that has ever been authorized by any Congress for that purpose. Let me ask you this. In view of what we have already done for roads, is there a man in this House, were a relief bill not being considered, who would now come in and say that in addition to all we have given them for roads, we would now give them $150,000,000 more? That item, my friends, ought to go out of this bill.

I am not telling committee secrets. I know the injunction that is always laid on things that transpire in a committee, but it has been said here previously on the floor that the Committee on Roads was unanimously backing this proposition. In view of that it is only fair to tell the House that this very morning that committee voted 7 to 7 on the question of coming in here and asking that that particular amendment be withdrawn.

Mr. CARTWRIGHT and Mr. MOTT rose.

Mr. WARREN. Not now. On the matter of roads we have treated the States generously, and the appreciation that the States have is that they are collecting this money for road purposes and diverting it for every other thing they can possibly think of. Do gentlemen know that the States of the Union last year diverted $200,000,000 that was collected in those States for roads, and that the estimate this year is $300,000,000 that will be diverted? For instance, do gentlemen know that the State of New Jersey within the last 6 years has diverted $72,000,000 that was placed on the taxpayers of that State for road purposes, and that in the same period the State of Pennsylvania diverted $23,000,000—all this while they are coming to us and asking us to increase our appropriations and authorizations each year for highways. And they have never had a better friend than I have been in this House, for I handled on the floor the first two road bills that were ever passed that required no matching on the part of the States. While they are asking for more funds from us they spend the money levied for that purpose for everything they can think of.

Mr. CARTWRIGHT. Largely for relief.

Mr. WARREN. And I appeal to this House, when we go back into the House for consideration of this bill in the House, that we strike out of the bill that most indefensible of all items that have been placed in it. [Applause.]

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. CARTWRIGHT. Mr. Chairman, I move to strike out the last word. I do not talk very much on this floor, but I am one who votes the way he talks. I do not march up the hill one day and down the next. [Applause.]

There is nothing new or novel about this amendment. In 1933 when we were looking around for ways to relieve the depression, in the National Industrial Recovery Act we earmarked $400,000,000 for emergency road construction, which was apportioned in the same manner as provided in the amendment agreed to here last week. In 1935 in a relief bill we earmarked not to exceed $800,000,000 for roads, but only $400,000,000 of that was made available, divided $200,000,000 for grade crossings and the other $200,000,000 for highway construction. If it was a good thing then, what is so bad about it now?

I should like to see us win, lose, or draw on this amendment. This House put the amendments into the bill by a vote of more than 3 to 1. I do not have the right or the desire to withdraw it. You spoke, and it is up to you to speak again if you want the amendment out.

Something has been said about employment furnished by highway construction. Official reports show that from the beginning of the public-works program, authorized by the National Industrial Recovery Act, to October 1934 highway expenditures from the Federal Treasury accounted for only 43 percent of the total spent yet highways furnished 57 percent of the total employed for the whole period. That report is typical of the results of highway construction programs from the standpoint of aiding and creating employment.

Public roads construction created employment and put money into circulation faster than any other type of Federal project.

Says a report on operation of the Works program in 1933 and 1934 which adds:

Road construction was not held up by legal difficulties and projects.

Beyond question, therefore—

The Department report says—

the work of highway improvement must be continued indefinitely and at a faster pace. As the demands of traffic have become more exacting there has been a steady trend toward substituting State and National control for local control, and this trend must inevitably continue, the Federal Government taking an increasing part.

The gentleman from Missouri [Mr. CANNON], said that the Bureau of Public Roads would not approve a proposal for a road costing less than $7,500 per mile. The gentleman has projects in his district approved by the Bureau on which the cost is considerably less—on one it is as low as $1,577 per mile.

We should consider the value of projects in terms of public use and benefit. When thousands of miles of our most important roads are unimproved or only partly improved, there is no better way to spend a part of this huge work-relief fund. Who is better prepared to pass on projects than the highway commissions?

Many projects have already been passed on and are approved. It does not take a lot of time to go ahead with them. When the money is apportioned to the various States, they can go right ahead.

Mr. CANNON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. CARTWRIGHT. I yield.

Mr. CANNON of Missouri. The gentleman is aware of the fact that Mr. MacDonald, head of the Bureau of Roads, made the statement before the Committee on Appropriations, Subcommittee on Agriculture, that he would not consider the expenditure of any money on any road on which the cost was less than $7,500 per mile?

Mr. CARTWRIGHT. Of course, he may have made that statement; if he did, I am sure he has changed his mind, like many other people. Cheaper roads have been built in the gentleman's own district.

Mr. CANNON of Missouri. But it was done under a plan which we now propose, as used in the bill, without earmarking. It was not done by the State highway commission.

Mr. HANCOCK of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. CARTWRIGHT. I yield.

Mr. HANCOCK of North Carolina. Is it not a fact that notwithstanding the fact that $150,000,000 was earmarked by the House last week, not one single cent of it can be spent except under rules and regulations prescribed by the President of the United States?

Mr. CARTWRIGHT. I am very glad the gentleman brought that out. The last sentence in that amendment says that the President shall prescribe the rules and regulations, and he may require the use of all the relief labor possible. Not only can much skilled and unskilled labor be used from relief rolls but also a good deal of employment will be provided indirectly, as an analysis of any road construction project will show. Work is badly needed in every State on the connected road systems where the roads serve the most people.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. CARTWRIGHT. Mr. Chairman, I ask unanimous consent to revise and extend my own remarks at this point.

The CHAIRMAN. Without objection it is so ordered.

There was no objection.

Mr. JONES. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I realize the difficulties under which these gentlemen have labored and I realize the fine efforts of my colleague from Texas [Mr. RAYBURN], for whom I have the highest regard. I cannot believe the gentleman meant to leave the impression as to the drought areas, that his words left with me. I think he must not have meant to put it that way.

Mr. RAYBURN. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield.

Mr. RAYBURN. If there is any misunderstanding about my meaning, I would be glad to clear it up.

Mr. JONES. The gentleman stated that he had no promise or assurance whatever insofar as the drought area was concerned. Now, the gentleman did give assurance as to the

flood in the Ohio Valley and the Mississippi Valley, where the situation was bad, and I agree with that; but I want to say that intimately linked with the proposition is water conservation in the great plains area that flows into and complicates this problem. I had a telephone conservation with Mr. Hopkins and also one with Mr. Williams, and they stated they expected to spend more than the amount stipulated in the amendment. I wanted to know if the gentleman did not remember something of that character being stated?

Mr. RAYBURN. I stated in reply to the gentleman a moment ago that those in charge, meaning Mr. Hopkins and Mr. Williams, said they felt sure they would spend much more than the $10,000,000 called for in the gentleman's amendment.

Mr. JONES. Well, that is more certain; but I understood the gentleman to state a while ago that he did not have any assurance nor any promise of expending any amount.

Mr. RAYBURN. I did not have any promise.

Mr. JONES. That is what I understood. If I misunderstood the gentleman, I will be glad to stand corrected.

Mr. RAYBURN. They did not make any promise because I asked them for none. They did say what I said a moment ago in reply to the gentleman's question, that they felt sure they would spend three times the $10,000,000 on the very projects which the gentleman had in his amendment; but they did not make any promise that they would spend any definite amount.

Mr. JONES. Did they make any promise of any amount?

Mr. RAYBURN. Hopkins and Williams?

Mr. JONES. Yes.

Mr. RAYBURN. No.

Mr. JONES. They did not make any promise of any minimum?

Mr. RAYBURN. I did not ask for any promise.

Mr. JONES. My sole effort is to get a definite understanding. I am wondering if someone else in this House has not talked to Mr. Hopkins or to Mr. Williams on this proposition or heard a statement.

Mr. FRED M. VINSON. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield to the gentleman from Kentucky.

Mr. FRED M. VINSON. I heard Mr. Aubrey Williams say that the $10,000,000 embraced in the amendment would be considered a limitation, that probably $30,000,000 or more would be expended for that purpose.

Mr. JONES. Did he say they expected to spend that much, or was that just the contingency that they might spend it?

Mr. FRED M. VINSON. I do not think I would construe it as a contingency that it might be spent when a man said that if the amendment were adopted finally it would be a limitation upon their power to expend. I got the idea that they would spend more than the $10,000,000 on that proposition.

Mr. JONES. That statement is one thing that gives me pause, for the amendment states "not less than $10,000,000." How that can be construed to be a limitation, I do not know.

[Here the gavel fell.]

Mr. JONES. Mr. Chairman, I ask unanimous consent to proceed for 1 additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. JONES. I am not trying to stir up an argument, I am trying to arrive at a conclusion. We have had a desperate situation in the plains area, and I am trying to get something definite. We have had many suggestions and many might-be promises, but I would like to have it just as clear as possible, and that is what I am trying to get at now. With this disclosure, I feel that it is in much better shape than it was, or at least better than my impression was. I do not think the gentleman from Texas meant to leave the impression that he certainly did with me and five or six others with whom I have talked on the matter.

Mr. FERGUSON. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield.

Mr. FERGUSON. I may say that the gentleman's district and my district adjoin. We have heard about all the money they have spent for ponds and dams in the past, but there has never been a pond or a dam built in this area yet.

Mr. JONES. No. A desperate situation exists in that area and something ought to be done as soon as possible. I may have misunderstood my colleague. I wanted this cleared up.

Mr. NICHOLS. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield.

Mr. NICHOLS. Is the gentleman satisfied now?

Mr. JONES. I am satisfied that I have got about all the information that I can, and I think that we are in much better shape than we were when the first statement was made.

Mr. NICHOLS. But the gentleman did not answer my question.

[Here the gavel fell.]

Mr. NICHOLS. Mr. Chairman, I ask unanimous consent that the gentleman may have one additional minute to permit me to ask him a question.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. NICHOLS. As I understand it an amendment has been adopted by the committee providing that not less than $10,000,000 shall be expended in the Plains area on ponds, dams, and so forth. Is the gentleman now satisfied after the various conferences that we have heard discussed here now to agree that this $10,000,000 earmarking amendment be taken out of this bill?

Mr. JONES. The gentleman realizes that it is an amendment to another amendment on which those interested in flood control had agreed. I do not think we have much choice at this time, and I will state this, that while the earmarking will provide that the money shall be available for this purpose if it finally passes, yet it must be expended by these gentlemen, and after all they must administer the whole act. They gave me the assurance that they expected to spend much more than this amount. They have told some others that they expect to spend much more than this amount and I think that is the best that we can do.

[Here the gavel fell.]

Mr. WOODRUM. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. WOODRUM. May I inquire if there are any amendments on the Clerk's desk pending to this section 5 which we are now debating?

The CHAIRMAN. There is a committee amendment now pending.

Mr. WOODRUM. I would like, if possible, to fix the time for debate on this section.

The CHAIRMAN. There are two other amendments pending to this section at the Clerk's desk.

Mr. WOODRUM. Two amendments besides the committee amendment?

The CHAIRMAN. Yes.

Mr. WOODRUM. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in 20 minutes.

Mr. NICHOLS. Mr. Chairman, reserving the right to object, I have an amendment at the desk, and I know there is another amendment at the desk. This would allow but 10 minutes on each amendment. If the amendments are worth anything, they are certainly worth more than 10 minutes.

Mr. WOODRUM. Mr. Chairman, I modify my request and change the time to 30 minutes.

The CHAIRMAN. The Chair may state that there are now four amendments pending to this section.

The gentleman from Virginia asks unanimous consent that all debate on this section and all amendments thereto close in 30 minutes. Is there objection?

Mr. MOTT. Mr. Chairman, reserving the right to object, does the gentleman from Virginia intend that this 30 minutes shall take care of those opposed to the amendments?

Mr. WOODRUM. Mr. Chairman, I may state to the gentleman from Oregon in justification of the effort to close debate that we have been debating this section for an hour now.

Mr. MOTT. There are many people interested in this section who would like to have some time.

As a member of the Roads Committee who is very much interested in the roads amendment, I would like to have an assurance I may be given 5 minutes.

Mr. WOODRUM. There is no road amendment in this section. We passed that long ago. All this discussion is on a pro-forma amendment. There is no road amendment in this section.

Mr. MOTT. It is all going to be taken care of in the 30 minutes, I imagine.

Mr. WOODRUM. I should like to see the debate for the 30 minutes confined to this section and amendments thereto. We have been talking for an hour on everything but this section.

Mr. MOTT. I want about 5 minutes on the road-ear-marking amendment.

Mr. WOODRUM. If the gentleman does not get in on this section, there is another section.

Mr. MOTT. I would rather get it on this section.

Mr. WOODRUM. I would suggest the gentleman slip up and speak to the Chairman.

The CHAIRMAN. The Chair may say that 12 Members or more have asked for recognition, which would leave 2½ minutes apiece under the unanimous-consent request.

Is there objection to the request of the gentleman from Virginia [Mr. WOODRUM]?

Mr. NICHOLS. Mr. Chairman, reserving the right to object, as I understand, there is a committee amendment pending at the present time?

The CHAIRMAN. There is.

Mr. NICHOLS. May I ask the gentleman from Virginia how much of the 30 minutes will be consumed in debate on the committee amendment?

Mr. WOODRUM. I would like to have 2 or 3 minutes. The gentleman can have the rest of the time.

Mr. NICHOLS. It seems to me that the gentleman from Virginia, being chairman of the committee, should limit the time beyond the debate on the committee amendment, because members of the committee are entitled to recognition ahead of everyone else. The time could be used by them and none left for any other amendment.

Mr. MOTT. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MOTT. Mr. Chairman, I ask unanimous consent that the Clerk may read the committee amendment. I do not think anyone knows what that amendment is.

Mr. WOODRUM. Mr. Chairman, it is printed right in the bill.

The regular order was demanded.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia [Mr. WOODRUM]?

There was no objection.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

Mr. NICHOLS. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. NICHOLS: Page 6, line 1, after the word "State", insert "or county"; page 6, line 2, after the word "State", insert the words "or county."

Mr. NICHOLS. Mr. Chairman, the bill by section 5 provides as follows:

Appointments to Federal positions of an administrative or advisory capacity in the foregoing appropriation in any State shall be made from among the bona-fide residents of that State so far as not inconsistent with efficient administration.

My amendment simply adds the words "or county" after the word "State."

There is not a project in any county in the district of any of you gentlemen but that there are competent men in the county or within the district to carry on the administrative or advisory work for that project. If it is good to limit employment to the State, then I say it should be limited to the county if for no other than the following reason: It will stop the practice of State and district administrators using their own little political cliques to further their own political ambitions and transporting their pet men all over the State to be supervisors and foremen on the various projects that they have no connection with and very little knowledge of. It always incites and incenses the people of the county to have someone from a little political clique from another county sent out to a rural community to take charge of the farmer boys who are constructing a farm-to-market road or any other project.

I think my amendment should be adopted. It would guarantee to the people of a particular county that when there is a project going on in that county the people living in the county will be employed on the project and it will not be run by someone imported from another part of the State.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma [Mr. NICHOLS].

The amendment was agreed to.

Mr. MAY. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. MAY moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken out.

Mr. MAY. Mr. Chairman, my only object in offering the motion at the present time is for the purpose of responding to some of the remarks of the gentleman from North Carolina made with reference to the amendment I offered last week, which amendment was adopted by the Committee.

Personally I have nothing whatever against Mr. Harry Hopkins. I met him personally one time, and then for only a few minutes.

Mr. Chairman, my amendment is based on the idea that if there are any efforts to be made toward economy and aiding the President in balancing the Budget we ought to start at the top instead of at the bottom. My amendment is in defense of the men down in the ditches who are working for $1.56 per day in my district and other districts. My amendment is in the interest of the hungry women and children all over America who are on the relief rolls.

I say to you the man who sponsors the opposition to this amendment is taking a stand flat-footed and four-square against the interests of the people who are on relief and for whose benefit this measure is to be enacted.

I stated last week, and I repeat the statement now, I have seen something happen in the House of Representatives this afternoon which I never expected to see. In the 7 years I have been a Member of this House I have never seen such an event as the Members of the House of Representatives of the United States going into a round-table discussion to try to determine whether they will run downtown and ask some bureaucrat whether they can spend money for some particular purpose, whether or not the appropriating body of the people, the body which alone has power to appropriate, shall ask somebody in a department whether they will spend it for roads or bridges or whether they will spend it for relief.

The President, in his annual message, urged that the Congress curtail expenditures in every possible way. He emphasized the all important fact that all Treasury estimates of income in revenue, had been extremely disappointing in that it had fallen far short of all estimates of the Treasury. He has this day sent here a lengthy message again emphasizing further shortages in revenue and that message has today been read to this body. Are we so deaf to our duties that we cannot contemplate the seriousness of the fiscal affairs of our country? Are we going to refuse the admonitions of our chief? Must we continue to incur colossal

deficits and continue to disregard our leadership? As for me I think it time to call a halt. Some of us have sought to earmark portions of the funds appropriated in this resolution and we are charged with sponsoring "pork barrel" appropriations because we want only a third of this stupendous fund to be used in construction of such worthy projects as highways, bridges, railroad crossings, and better and more modern schoolhouses.

If that is "pork" I am guilty of "pork barrel" activities and have no apology to offer for it.

Last year during the first session of the Seventy-fourth Congress when certain business interests sought to express opposition to certain legislation by telegram, they were held up as corrupt lobbyists, and yet today we find a situation here in Washington 10 times more infamous than anything that has yet happened. As soon as we, as representatives of the people, attempted to secure some substantial improvements from this fund, a chain of telegrams and telephone messages flowed out of Washington to every State director of W. P. A. And here come telegrams by the thousands from every section of this country. From my home town came a telegram signed by the mayor of that city and every county officer in the county, imploring me to change my attitude. At that very moment the mayor of my city was sitting in my office at my desk in the House Office Building in Washington in conference with me. Similar telegrams were received by scores of Members. That is Washington bureaucracy.

[Here the gavel fell.]

Mr. CONNERY. Mr. Chairman, I rise in opposition to the preferential motion.

Mr. Chairman, I have listened to the discussion with reference to Harry Hopkins' salary.

In the first place, taking $2,000 from Harry Hopkins' salary does not amount to anything as far as economy in the United States Government is concerned. [Applause.]

Second, with respect to the argument I have heard about our getting only $10,000, well, that is our fault. We should have been getting $15,000, 10 years ago. [Applause.] When we raised the salary of Members of Congress from $7,500 to $10,000, I sat alongside two Members who said, "Billy, are you going to vote for this?" I said, "Yes." "On a roll call?" "Yes." They said, "We will vote for it if there is not a roll call; but back in our districts $10,000 is like $10,000,000."

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. CONNERY. I am sorry; not just at this point. I will yield later.

Let me say that any corporation in the United States, United States Steel or any big corporation, which could get a man of the caliber of Harry Hopkins, who could put 4,000,000 men to work in 38 days at union wages, would be glad to pay him at least $25,000 a year, and probably from $50,000 to $100,000 a year.

It seems to me this kind of economy is not worth while, and it is not protecting the gentleman to whom reference has been made, the low-paid worker on W. P. A. The best friend the poor worker on W. P. A. has in the United States of America today is Harry Hopkins.

Mr. SNELL. Mr. Chairman, will the gentleman yield?

Mr. CONNERY. I yield to the gentleman from New York.

Mr. SNELL. Will the gentleman tell me what Harry Hopkins was doing before he came with the Government and how much he was earning?

Mr. CONNERY. Yes. He was a welfare worker.

Mr. SNELL. This is the best job he ever had.

Mr. CONNERY. Whatever he got, he was worth 10 times as much, because any man who fights for the poor and the weak is not going to get any great wages in the United States today. [Applause.]

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. CONNERY. Yes.

Mr. MAY. If the gentleman's statement is correct, that Mr. Hopkins could command a salary of $25,000 a year immediately from some great steel corporation, since the steel corporations are now more active than they have been for years and are wanting men, why is it Mr. Hopkins does not go to such a job instead of holding onto a $12,000 job?

Mr. CONNERY. Because he is doing a more important job. He is taking care of the poor of the United States, which is much more important.

Mr. Chairman, if no one else acts in the matter, I will ask that a separate vote be had on that amendment, and I hope we will put the amount back where it belongs.

[Here the gavel fell.]

Mr. MAY. Mr. Chairman, I ask unanimous consent to withdraw my preferential motion.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. ALLEN of Pennsylvania. Mr. Chairman, I ask unanimous consent to offer an amendment to the committee amendment.

Mr. WOODRUM. Mr. Chairman, I must reserve the right to object until I can see what the amendment is.

Mr. ALLEN of Pennsylvania. On line 11, page 6, to include the words "W. P. A. district" instead of "State or Territory", so that the officials in the district must be residents of that district.

Mr. WOODRUM. Mr. Chairman, I must object to that. I may state in objecting that the committee amendment was agreed to while the gentleman was speaking to me awhile ago. When we get in the House I am going to have to ask the House to strike out the committee amendment, because it is absolutely unworkable. I am forced to object to the gentleman's request.

The CHAIRMAN. The Clerk will report the next amendment on the desk.

The Clerk read as follows:

Amendment offered by Mr. FADDIS: Page 6, line 3, after the word "Administration", strike out the period and insert the following: "*Provided*, That hereafter all appointments of persons to the Federal service for employment within the District of Columbia under the provisions of this act, whether such appointments be within the classified civil service or otherwise, shall be apportioned among the several States and the District of Columbia upon the basis of population as ascertained at the last preceding census. In making separations from the Federal service or furloughs without pay to last as long as 3 months of persons employed within the District of Columbia under the provisions of this act, the appointing power shall give preference in retention to appointees from States that have not received their share of appointments according to population: *Provided, however*, That soldiers, sailors, and marines, the widows of such or the wives of injured soldiers, sailors, and marines who themselves are not qualified but whose wives are qualified to hold a position in the Government service shall be given preference in retention in their several grades and classes where their ratings are good or better."

Mr. WOODRUM. Mr. Chairman, I reserve a point of order against the amendment.

Mr. FADDIS. Mr. Chairman, this is an amendment which I believe is entirely fair in every respect. It is an amendment which provides that appointments in the District of Columbia shall be apportioned among the various States according to population.

Mr. SIROVICH. Mr. Chairman, will the gentleman yield?

Mr. FADDIS. I yield.

Mr. SIROVICH. Would the gentleman be willing to accept an amendment to his amendment that no supervisor or engineer in any county shall be appointed without the consent of the sitting Member of Congress. [Laughter and applause.]

Mr. FADDIS. I believe it would be a good amendment, and I believe our friends over on the other side would accept that amendment.

Mr. SIROVICH. Would the gentleman accept the amendment?

Mr. FADDIS. I do not believe it would be germane to my amendment.

Mr. Chairman, the amendment I offer is one to prevent families like the McQueens from appropriating all the jobs given out in the city of Washington, D. C.; and I believe the amendment is germane to the bill, and certainly it is in

conformity with the principles of apportionment with respect to appointments under the civil service. It is an amendment which will give the various States throughout the United States representation in the various departments according to their population, and it is an amendment which I intend to offer to every bill to which it may be germane during the remainder of this session of Congress.

I hope the distinguished gentleman from Virginia will not insist upon his point of order, and I hope the Committee will adopt this amendment.

[Here the gavel fell.]

Mr. WOODRUM. Mr. Chairman, I make the point of order against the amendment that it is not germane.

The CHAIRMAN (Mr. O'CONNOR of New York). The Chair is ready to rule.

The section in question pertains to appointments of an administrative or advisory character under this bill. The amendment of the gentleman from Pennsylvania provides that all appointments of persons under the provisions of this act shall be apportioned among the States and then proceeds to grant certain preferences. The Chair feels that while the gentleman's amendment might be germane as a separate section, it is not germane to this particular section which pertains only to positions of an administrative or advisory character, and the Chair therefore sustains the point of order.

Mr. SIROVICH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SIROVICH: At the end of line 3, after the word "administration", insert: "No supervisor or engineer in any county shall be appointed without the consent of the sitting Member of Congress."

Mr. WOODRUM. Mr. Chairman, I reserve a point of order against the amendment.

Mr. SIROVICH. Mr. Chairman, the amendment that I have just proposed requires that no supervisor or engineer under the jurisdiction of this bill shall be appointed in any county without the consent of the sitting Member of Congress from the district in which the county is located. I have introduced this amendment because for the past 11 years that I have been a Member of the House I have persistently and uniformly fought for the merit system. I have battled to protect the civil-service regulations and requirements of all men and women who took examinations under civil service.

People today are being appointed without regard to civil-service rules and regulations. Many complaints have come to me and countless other Members of Congress that people are being appointed to various positions as engineers and inspectors in the W. P. A. who are not qualified for the positions they fill. In view of these tremendous complaints around the Nation, I am taking the opportunity to at least get the consent of Members of the House, just the same as the consent of Members of the Senate is secured for higher positions, so that we may approve the qualifications, character, and experience and virtues of those who will be called upon to look after those who are in hunger, penury, and want.

The civil service of our country must not be defiled by the development within it of a bureaucratic organization that will disregard the rights, privileges, and prerogatives of those who take examinations for important positions.

Mr. TABER. Mr. Chairman, will the gentleman yield for a question?

Mr. SIROVICH. I yield.

Mr. TABER. I just wanted to ask, Did they have civil service in the days of the Roman Empire?

Mr. SIROVICH. They had the civil service even under your Republican organization and you played it and abused it as the Romans did of old. [Laughter.] However, in order to play fair with the sitting Member on the Republican side, the progressives and the liberals, this amendment would provide that no W. P. A. supervisor or engineer could be named in any congressional district without the consent of the sitting Member of Congress. [Applause.]

Mr. WOODRUM. Mr. Chairman, I make the point of order against the amendment that it is not germane.

The CHAIRMAN. The Chair is ready to rule.

As the Chair recently stated, this section deals with administrative or advisory officials. The Chair is unable to know, of its own knowledge, whether an engineer or a supervisor is such an administrative or advisory official or not. Furthermore, the section pertains to residence in the States, which seems to be the crux of the section, and for this reason the amendment offered by the gentleman from New York is not germane to the section.

Mr. SIROVICH. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. SIROVICH. Will the Chairman be good enough to let me know to what part of this bill this amendment would be germane?

The CHAIRMAN. The Chair is not a parliamentary counsel for the Members.

Mr. SIROVICH. But the Chairman is a very good parliamentarian.

The CHAIRMAN. The Chair sustains the point of order.

Mr. RANDOLPH. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. RANDOLPH. I want to know if it is the purpose of the Committee to go ahead with the bill to completion tonight?

The CHAIRMAN. Again the Chair does not have that information available. The Clerk will read.

Mr. ANDREWS. Mr. Chairman, inasmuch as complete orders from the White House have not arrived as yet, I move that the Committee do now rise.

The CHAIRMAN. The question is on the motion of the gentleman from New York that the Committee do now rise.

The question was taken, and the motion was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 6. No part of the foregoing appropriation shall be used to pay the salary or expenses of any person who is a candidate for any State, district, county, or municipal office (such office requiring full time of such person and to which office a salary attaches), in any primary, general, or special election, or who is serving as a campaign manager or assistant thereto for any such candidate.

With the following committee amendments:

Page 6, line 16, after the figure "6", insert "(a)."

Page 6, after line 22, insert:

"(b) No part of the sums appropriated by this joint resolution shall be available to pay the compensation of any officer or employee of the United States who holds an administrative, executive, or supervisory position under this joint resolution if such person receives or earns compensation for personal services (rendered during the period when he holds such position) from any other source."

The CHAIRMAN. The question is on the first committee amendment.

The committee amendment was agreed to.

Mr. GRAY of Pennsylvania. I offer the following amendment to the committee amendment on page 7, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment offered by Mr. GRAY of Pennsylvania to the committee amendment on page 7: Page 7, line 2, after the word "compensation", insert "in excess of $1,000 per annum."

Mr. GRAY of Pennsylvania. Mr. Chairman, the purpose of this amendment, and I think the Committee might agree to it, is this: Under the reading of the committee amendment, without my amendment, any man who earns anything for personal services cannot be a foreman, a general foreman, or hold a supervisory position on a project. For instance, if a farmer, who is skilled as a road supervisor, were earning by farming $1 or $10 in a year, he would be excluded from holding a foremanship on a project. He could not be a foreman on a road project and raise a bushel of potatoes himself and sell them. If a woman had a garden and was a foreman on a sewing project, she could not raise and sell a nickel's worth of onions. She would be excluded entirely.

Take it from the standpoint of an engineer. Suppose an engineer is in a supervisory capacity in a district, and he were called out by a neighbor some day to lay a grade or to lay out a lot in town. He would either have to do that work for nothing or, if he charged anything for it, he would be thrown off his job, and he might be necessary to the work of the whole district. Any worker who has any supervisory, executive, or administrative job of any kind, according to the reading of this amendment, without the addition of the amendment that I have offered, could not earn 5 cents. If a lawyer were the foreman of a county assessment indexing project, he could not go before a justice of the peace or a magistrate some evening to defend some fellow, or appear for someone for a $10 fee. If the chairman of the subcommittee, the distinguished gentleman from Virginia [Mr. WOODRUM] will give me his ear for a moment, I would ask if he will agree to the amendment that I have proposed?

Mr. WOODRUM. Mr. Chairman, I do not know the attitude of the committee, and there has been no meeting of the Appropriations Committee, but this language, beginning on line 23, page 6, down to line 4 on page 7, is an amendment adopted in the full committee just as we were adjourning, without debate, and those in charge of this work program say it is administratively almost impossible to put it into operation.

Mr. GRAY of Pennsylvania. Then there could be no damage done if this amount, $1,000 per annum, were inserted in the bill.

Mr. WOODRUM. If any of it is to go in, I have no objection to the thousand dollars going in, but I am against the whole amendment.

Mr. DALY. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Pennsylvania. While it is true that this amendment was adopted at the closing hours of a committee meeting, I am not prepared to admit nor will I ever admit that the Committee on Appropriations passes any regulations or amendments without knowing what it is doing.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. DALY. Certainly, I yield.

Mr. TABER. The design of this amendment is to prevent someone from getting two salaries, is it not?

Mr. DALY. Absolutely.

Mr. TABER. And that is a laudable purpose.

Mr. DALY. The gentleman from New York has placed his hand on the meat of what this amendment stands for. I doubt if there is a Member of this House who does not know people in his own district who are getting a salary from the P. W. A., who also have lucrative sources of income otherwise.

If there is any excuse for relief at all it is to take care of people who have nothing and who need help. It is certainly not to grease fat hogs. In the State of Pennsylvania where I come from—not in Philadelphia—so I have no personal ax to grind—there was a man holding a $4,500 job in an administrative office under W. P. A. and getting $30,000 a year as receiver of a bank. I am opposed to that. [Applause.] I think it violates everything this bill stands for. If the amendment suggested by my colleague from Pennsylvania [Mr. GRAY], limits it to $1,000, I am unalterably opposed to it for this reason: If I am making $1,000 in the practice of law or anything else and my neighbor is in want, making nothing at all, I do not think I ought to get a job, if I am making $1,000, when somebody else is making nothing. [Applause.]

If you place any restrictions upon this amendment as it is written in the bill, you will defeat the very purpose of it. You will open the door for men to get dual salaries and hold dual jobs.

I was asked in the W. P. A. to withdraw the amendment because of this fact, that it would interfere with one man who had a job here as a teacher in one of the large universities in Washington, receiving $5,000 a year. He is employed on W. P. A. projects. I was told it would interfere with him. I frankly said, "I do not give a damn whether it interferes with him or not." [Laughter and applause.] I said, "That is the kind of a bird I am after." [Laughter.] That does not mean relief. If that man is getting that salary to which he is not entitled in addition to another salary when there are men and women in this country in want.

Therefore I ask you to vote against putting any restrictions on this amendment, which would permit men making $1,000 a year to get a remunerative job on W. P. A., when his neighbor is receiving nothing and is in want. [Applause.]

[Here the gavel fell.]

Mr. TARVER. Mr. Chairman, I move to strike out the last word.

I rise, Mr. Chairman, simply for the purpose of saying that I think the amendment which was incorporated in this bill by the full committee, and which the gentleman from Virginia, chairman of the subcommittee, having control of the bill, has indicated he is now willing to abandon and desires to eliminate from the bill, received as careful consideration by the full committee as any other portion of the bill, and was adopted by the full committee by an overwhelming majority, and, in my judgment, still represents the views of an overwhelming majority of the Committee on Appropriations. Certainly we are making this matter farcical if we are not willing to provide that these funds, presumably provide for relief of unemployment, shall not be paid out to men who already have positions. It does not occur to me that any logical objection can be urged to the language which was included by the full committee, after careful consideration, upon motion of the gentleman from Pennsylvania [Mr. DALY]. I certainly hope that the Committee of the Whole will approve the action of the full committee rather than approve the position of the gentleman from Virginia [Mr. WOODRUM], who now indicates his desire that the committee amendment should be abandoned.

[Here the gavel fell.]

Mr. WOODRUM. Mr. Chairman, I ask unanimous consent that all debate on the committee amendment and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. EBERHARTER. Mr. Chairman, there have been quite a few amendments made to this bill so far, but I do not think there is any amendment that has more merit than the amendment that has been presented by my colleague from Pennsylvania [Mr. DALY], as a committee amendment. Why should any person who is gaining a livelihood otherwise be permitted to get a supervisory position on W. P. A. when there are thousands and thousands of unemployed who absolutely need this money? So I congratulate the gentleman from Pennsylvania [Mr. DALY] on having this amendment approved by the Committee on Appropriations.

I just want to refer a moment or two to a statement made this afternoon by the gentleman from Missouri. He stated that the Commonwealth of Pennsylvania has diverted $23,000,000 of money paid by the taxpayers for highway purposes. I want to inform that gentleman and the members of the committee that every cent of the money diverted by Pennsylvania from the highway fund to other purposes will be paid back into the highway fund within the next 6 months so that in actual effect there will have been no diversion whatever of highway funds in the State of Pennsylvania.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. EBERHARTER. I yield.

Mr. WHITTINGTON. May I ask the gentleman why the money was diverted from the fund in the first instance?

Mr. EBERHARTER. For the purpose of furnishing relief to those in absolute want.

Mr. Chairman, the county of Allegheny, in the great State of Pennsylvania, according to the 1930 census, with a population of 1,374,310, outranks 16 States.

By comparison, Allegheny County has a population over 15 times that of Nevada; over 6 times that of Wyoming; over 5 times that of Delaware; over 3 times that of New Mexico, Arizona, Idaho, or Vermont; over 2 times that of New Hampshire, Utah, Montana, or North Dakota; more than that of Rhode Island, South Dakota, Maine, Oregon, or Colorado.

A study shows that Allegheny County's population is equal to, first, the combined population of Nevada, Wyoming, Delaware, Vermont, and New Mexico; and, second, the combined population of North and South Dakota.

ASSESSED REALTY VALUATION

The 1936 assessed realty valuation of Allegheny County amounts to $1,795,000,000. This is exceeded only by 15 States, other than Pennsylvania, as follows: California, Connecticut, Iowa, Indiana, Illinois, Massachusetts, Michigan, Missouri, Maryland, New York, New Jersey, North Carolina, Ohio, Texas, and Wisconsin.

Allegheny County has an assessed realty valuation over 29 times that of New Mexico; over 11 times that of Nevada; over 7 times that of Vermont or Idaho; over 6 times that of Delaware, Wyoming, or Arkansas; over 5 times that of Arizona; over 4 times that of South Carolina or Florida; over 3 times that of Utah, Mississippi, or New Hampshire; over 2 times that of Montana, Maine, North Dakota, Colorado, South Dakota, Georgia, or Oklahoma; more than that of Oregon, Rhode Island, Alabama, Washington, Tennessee, Virginia, Minnesota, Kentucky, Louisiana, West Virginia, Nebraska, or Kansas.

FEDERAL INCOME TAXES

Based on published Government 1933 reports, the county of Allegheny paid not less than $24,000,000 and not more than $27,000,000 in income taxes to the Federal Government.

The county of Allegheny, assuming the minimum figure, pays more income taxes to the United States Government than any State in the Union, excepting California, Illinois, Michigan, Massachusetts, Missouri, New Jersey, New York, Ohio, and Pennsylvania, of which it is a part.

According to the above figures, Allegheny County paid in 1933: 102 times the amount paid by North Dakota; 75 times the amount paid by New Mexico or Wyoming; 60 times the amount paid by South Dakota; 30 times the amount paid by Arizona, Mississippi, Montana, or Vermont; 25 times the amount paid by Arkansas; 10 times the amount paid by Oregon; 6 times the amount paid by Georgia or Maine; 5 times the amount paid by Colorado, Florida, Idaho, Washington, or West Virginia; 4 times the amount paid by Iowa, Kansas, Kentucky, Louisiana, Rhode Island, or Tennessee; 2 times the amount paid by Indiana, Minnesota, North Carolina, Oklahoma, or Virginia; 1½ times the amount paid by Texas or Wisconsin.

This great county is governed by a board of commissioners consisting of three men who have complete control of both its legislative and executive functions. The chairman of that board is Mr. John J. Kane, whose grasp of governmental functions is so exceptional that it is acknowledged by all without question. Another member of the board of three, George Rankin, Jr., until a few years ago engaged in finance, is also recognized as an able and exceptionally capable public servant. Being in control of such a vast government as is constituted by this county, this board of commissioners with their experience are naturally competent to judge of the merits and advantages and disadvantages of any contemplated public improvement or work, insofar as both the financing and the general benefit is concerned.

Last week, on May 27, 1937, this board of commissioners passed a resolution in which attention was called to the fact that under the new regulations of the Public Works Administration, Federal grants on four large improvements, namely, Hemlock Drive $150,000, Browne Hill Road $145,000, Glenwood Bridge $256,000, and Rankin Bridge $175,000, would be on the basis of an amount equal to the actual amount of wages paid to relief labor plus 15 percent. It was further stated in the resolution that grants on such a basis would not in most cases, exceed 20 percent of the total cost of such projects, and in the resolution it called on the Congressmen and the Senator from Pennsylvania to endeavor to have the P. W. A. adopt reasonable regulations so that this activity of the Federal Government would be of some assistance and further called attention in the resolution to the arbitrary administrative red tape which the county had encountered in P. W. A. directed projects.

Mr. Chairman, in addition to the four projects mentioned, there has been prepared plans and specifications for the construction of a new road leading to and from the city of Pittsburgh, which will be known as the Banksville Road, the cost of which will be $1,000,000. Negotiations have been in progress to obtain a grant of $200,000, one-fifth of the cost, from the P. W. A., but, gentlemen, it appears likely that this great county of Allegheny will reject a P. W. A. grant on grounds which I personally believe well founded. The Congress of the United States is on this very day considering legislation to establish minimum wages and has approved the right of labor to collective bargaining. But what does this P. W. A. agency of the United States Government attempt to force upon Allegheny County? The prevailing and union wage scale in this county is from $1.43 to $1.50 an hour for skilled workmen, but this P. W. A. agency insists that no more than $1.20 an hour shall be paid for skilled workmen on this particular project. The prevailing wage rate for laborers in this county is 62½ to 65 cents an hour, but what does the P. W. A. insist upon. It insists that the grant shall be made on the basis of 50 cents an hour for laborers. P. W. A. is trying to force an unfair wage scale upon Allegheny County. Much as these public improvements are needed, this board will never agree to chisel on the workingman.

For nearly 6 months a program for public improvements has been in the hands of P. W. A. officials, complete in every detail with regard to specifications and all other matters. These public improvements are sorely needed but today almost 6 months have elapsed and, in spite of the fact that officials of the county made repeated trips to Washington and expended large sums of money for the preparation of plans and specifications, no definite answer has been received. And, more than that, no reason has been advanced by P. W. A. officials as to why some answer cannot be given or has not been given. So much red tape has developed in this agency, through multitudinous and picayunish regulations and rules, that on every project an enormous amount of extra detail work must be done, the cost of all of which must be borne by the municipality receiving the grant; so much that by the time the project is completed the municipality does not receive any benefit from the grant. The minutest change in the specifications requires, under P. W. A. regulations, a legal ordinance or resolution of the municipality before it will be approved. For instance, if the specifications call for white paint and the county desires to have buff paint applied instead, it would require the legal adoption of a separate ordinance or resolution. It requires an expert to draft such a resolution in the first place. Then five certified copies of such resolution must be forwarded to the P. W. A. officials here in Washington, and, after interminable delays, perhaps such a minor change would be approved. In one case award of a contract in the sum of $120,000 was made by the Commissioners of Allegheny County. This was only done after previous bids had been rejected because it was felt that the bid was rather high. The county commissioners of Allegheny County are thoroughly familiar with the cost of this kind of work in their county and previous bids were rejected on the insistence of P. W. A. officials sitting here in Washington, who probably know nothing about conditions outside of Washington. They were repeatedly informed that no contractor would bid a lower amount; and each successive bid submitted was higher than the previous one. And what did the P. W. A. officials here in Washington do? In violation of the spirit of the agreement which had been entered into, they arbitrarily said that they would allow only $80,000, instead of the sum of $120,000, which was the lowest bid. Such high-handed and arbitrary action by peo-

ple here in Washington certainly does not entitle P. W. A. to consideration at the hands of Congress. I doubt if there is a P. W. A. official anywhere in the country who will dispute the assertion that P. W. A. restrictions regarding labor slow up progress and increase the cost of construction work, and it a fairly well-established fact that contractors have advanced as much as 10 percent to their usual contract price on account of the many regulations which must be met by them in the prosecution of the work.

This county also has an airport with the largest paved area of any airport in the world. It has been contemplated to further improve this wonderful airport, and for a while it was expected that P. W. A. funds would be utilized. It has now been practically decided that P. W. A. money would in nowise be of assistance in such a project because of the red-tape restrictions and regulations.

When the P. W. A. was first established it seemed to have the approval of the majority of the people of the country and for a while after its inception it seemed to operate with dispatch and judgment. From day to day, however, new regulations were imposed and this has continued until one gets the impression that each official of this agency is striving to erect barriers and obstructions. One cannot help but feel that it is becoming an ever-growing bureaucracy entangled in such multitudinous restrictions so as to make it an example of inefficiency.

In short, Mr. Chairman, the statement of Works Director John F. Laboon, of Allegheny County, that Federal grants offered for bridge and highway improvements are insufficient to warrant the inconvenience and red tape of P. W. A. directed projects, is true and absolutely borne out by experience.

And if Executive Order No. 197, providing that all skilled labor must be taken from the relief rolls, is kept in force and effect, it is my conclusion that the sooner the Congress of the United States dissolves the P. W. A. the better it will be for the country, economically and otherwise.

Mr. Chairman, earmarking any sum whatsoever to go to P. W. A. out of the funds appropriated for relief would be a sad mistake and would deprive hundreds of thousands of deserving people of work.

Let me urge you with all the earnestness at my command not to earmark one cent out of this bill so that it will go to P. W. A.

Mr. WOODRUM. Mr. Chairman, the amendment being discussed undoubtedly has a meritorious objective, but the Works Progress Administration, which will have charge of the administration of part of this fund, says that it is absolutely unworkable when it comes down to practical operation. For instance, they say that in many places it is in the interest of economy to employ a private architect to render a small supervisory service in connection with the project, yet under this language they would have to get a full-time architect working for the Government. Under this language you could not employ anybody to do anything on any works project if he gets on penny of compensation from any other source. Mr. Chairman, that is unworkable. I want to say to our friends from Pennsylvania that if they have any such situation as that in their State relief set-up, men who are chiseling by drawing salaries from other sources, they should get them out of their set-up, because they have full control of that. We do not have anything like that in my part of the country.

Mr. Chairman, of course nobody wants to see relief money dissipated, but it is going mighty far to say that not one penny of this money may be spent for employing one who may draw a salary from another source. It puts the Administration in the position they have to employ full-time men to do a small job in a community or on a project where maybe they might need an engineer to go out and lay out a plat of land. They could employ him for $5, but under this amendment they would have to get one sent from headquarters at considerable more expense. The object is all right, but the language is too restrictive. It defeats its own purpose.

Mr. Chairman, I ask that the amendment be defeated. It was adopted by the full committee practically without debate; and, as my good friend the gentleman from Georgia knows, it was adopted after members of the committee were preparing to leave the committee room.

Mr. DITTER. Mr. Chairman, I offer a motion which I send to the Clerk's desk.

The Clerk read as follows:

Mr. DITTER moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken out.

Mr. WOODRUM. Mr. Chairman, I make the point of order that motion has already been offered and passed upon.

Mr. DITTER. Mr. Chairman, I contend that business has been transacted since the motion was made and that my motion is therefore in order.

The CHAIRMAN. The other preferential motion was withdrawn and a vote not taken on it.

Mr. DITTER. Mr. Chairman, I offered this motion because of the conflict that exists among my Democratic brethren from the State of Pennsylvania. I am exceedingly disturbed as I find my distinguished friend from Philadelphia taking one position and some of his brethren taking another position. As I contemplate this conflict, there comes to my mind the possibility that they might advise me with respect to a similar conflict in reference to some telegrams that have been brought to our attention. It has not been many months since a great hue and cry went up about the matter of telegrams coming in here with respect to a utilities bill. I find now that many of us received recently a telegram from the chief engineer of the Pennsylvania Department of Highways. I assume my Democratic brethren received the same telegram. That telegram reads as follows:

Strongly urge your support of House Road Committee's resolution, Cartwright amendment, to earmark relief bill funds for roads.

I assumed, of course, Mr. Temple was speaking with authority when that telegram came through. However, I was further disturbed and embarrassed, Mr. Chairman, and am particularly disturbed now, as my Democratic brethren from Philadelphia seem much concerned now that the light of day is brought to bear upon this matter of telegrams.

I find one of my own constituents has wired here. You know, I have the honor of representing His Excellency the Governor of Pennsylvania. I read now from a telegram from His Excellency the Governor of Pennsylvania that seems to be in direct conflict with the one from the chief engineer. The chief engineer expressed his views before any pressure was brought. Of course, I assumed that the chief engineer of the highway department would know the needs of Pennsylvania. He should know. I want to read now from an original telegram from His Excellency George H. Earle:

Many of you Members are preparing to earmark President Roosevelt's one-and-one-half-billion-dollar relief program for various projects, many requiring little relief labor, thereby defeating purpose of President to provide maximum unemployment relief. Stop.

Such action will add greatly to relief burden of all States.

Stop. I say to you Pennsylvania Democrats, stop!

I urge you, in the interest of our State, to support the President's plan, and if you wish special projects to appropriate additional funds. Stop.

The majority leader was not certain a bit ago when we interrogated him as to whether there were to be additional funds. That is the answer. There are to be additional funds. More spending is the order of the Governor.

I sincerely hope you will stand by the President on this vital issue.

Stop again.

Now, all my brethren on the Democratic side, from Virginia, from Kentucky, from Oregon, from Washington, yea, from Michigan, because I remember last week a question was raised as to whether the Governor of Michigan was doing this, should give heed. Listen to the last sentence. I do not know whether this is a threat or promise. I have a great regard for the Governor; he is my constituent. Mark this last sentence:

I am asking all Democratic Governors to make a similar request of their Congressmen.

I am just wondering as I read this state paper—and I ask my friends from Pennsylvania on the Democratic side, is this last sentence intended as the opening gun of the George H. Earle for President in 1940? [Applause.]

My sympathy goes out to the Democratic Members from Pennsylvania. They are in a difficult position. They received the straightforward, nonpolitical, professional opinion of the chief engineer of the highway department urging that the bill be earmarked for the needs of the Commonwealth which they represented. Many of them were favorable to this earmarking last week. They depended upon the recommendation of the engineer of the State. They realized then their duty to the Commonwealth. They accepted and were persuaded by professional opinion. Political influence had not been exerted. That was before orders were issued. Politics were out of the picture. They were free agents then, free to voice and vote their convictions. The engineer's opinion was worth something then. Courageously they could vote and go to their people and declare that their position was predicated upon the professional advice of an authority on highway construction and who knew the needs of Pennsylvania.

Then something happened. The Democratic majority here was divided. An attitude of freedom of thought took possession. Many were encouraged to think that the House of Representatives was assuming again its prerogatives to think and act as in its judgment would be to the best interests of the people. It seemed that the rubber-stamp characteristic was being discarded and that the shackles of political serfdom were being broken. The administration's program was threatened. Then the second telegram came—a telegram not from the chief engineer of Pennsylvania, whose duty it is to know, but a telegram from the Governor, who declares by his telegram that they must disregard the professional opinion of the State engineer and accept his dictation.

Naturally, my Democratic friends from Pennsylvania are distressed. They are torn between two choices.

They can be positive and maintain the position which they took last week, and thereby incur the displeasure of the Governor, or they can reverse the position which they took before, cast to the winds the advice and recommendation of the engineer, and thereby receive the approval of the Governor. This is a difficult position for them. It calls for our sympathy. We extend it to them.

We have hope in their spirit of independence. We believe that they resent the odium which attaches to the characterization "rubber stamps." They realize, of course, that obedience to orders means the inevitable label "rubber stamps." They know the difference between independence of thought and the humiliation of following orders. They can make a choice between professional opinion and political pressure. They can be free men, acting as they believe the best interests of their districts and State require, or they cay be "yes men", doing as they are bidden by political bosses, irrespective of the interests which they represent. It is a choice between being rubber stamps or being real Representatives.

The Democratic Members from Pennsylvania have an opportunity today to exemplify the best traditions of Pennsylvania and to prove their worth as representatives of the people. Whom do you represent, I ask you today? To whom are you responsive? Do you accept orders or do you vote your convictions? Is an engineer's professional opinion worth more than a political order? Your vote today will be the answer. You will stand firm by your convictions or you may do a political flip-flop. You have the choice of being a representative of the people or a political trapeze artist. Vote your convictions today and go home to your people unembarrassed and unashamed, satisfied that you have not been mere political puppets and pawns.

[Here the gavel fell.]

Mr. DALY. Mr. Chairman, I rise in opposition to the motion.

May I say in reply to my friend, and an old friend of many years standing from a neighboring county [Mr. DITTER], on the other side, that he read with great care two telegrams. I do not know where he got them. But, if he had gone further to the source where he procured those, he would also have received a copy of a telegram from the secretary of highways of Pennsylvania, Warren Van Dyke, repudiating the telegram that the engineer sent and repudiating the engineer. Why did not the gentleman from Montgomery County, Pa., read that telegram? Why was he not fair enough to read that telegram? Or did he not want to read it?

Did he only want to make a speech about the distinguished constituent which he says he represents? He does represent the most distinguished citizen of Pennsylvania. That is, he represents the district in which that citizen resides, but I doubt very much that he represents that distinguished citizen of Pennsylvania. [Laughter and applause.] I do not know whether he really represents anybody in the district. [Laughter and applause.]

The gentleman from Pennsylvania on the Republican side spoke about the fact this might be a boom for George H. Earle for president. God knows, they (the Republicans) wanted Earle. He was with them for awhile. He could not stomach them and left them. [Laughter and applause.]

He came out in the open to support the real people of Pennsylvania. When you are looking for Presidential timber in the next election year, when you are looking at the record of this man from Pennsylvania who has driven out all the rats who had occupied every office in the State for as long as I have lived, and that is a long time, and has made the best Governor Pennsylvania ever had, you will find you could go much farther and fare worse than to take the constituent whom the gentleman from Pennsylvania does not represent. [Laughter and applause.]

The CHAIRMAN. The question is on the motion of the gentleman from Pennsylvania [Mr. DITTER], to strike out the enacting clause.

The motion was rejected.

The CHAIRMAN. The question now recurs on the amendment of the gentleman from Pennsylvania [Mr. GRAY] to the committee amendment.

Mr. GRAY of Pennsylvania. Mr. Chairman, I ask unanimous consent that the amendment may be again read.

The Clerk again read the amendment to the committee amendment.

The CHAIRMAN. The question now recurs on the amendment to the committee amendment.

The amendment to the committee amendment was rejected.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

Mr. BEITER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. SNELL. Mr. Chairman, reserving the right to object, I would like to ask if it is intended to stay here tonight until the consideration of the bill is completed?

Mr. WOODRUM. I think we might work a little bit longer, to satisfy the gentleman. It is 25 minutes after 5.

Mr. RAYBURN. In answer to the gentleman's inquiry, I may say I have asked everyone to stay to finish the consideration of this bill tonight. If the Committee rises, it will be over the protest of the gentleman in charge of this bill.

Mr. SNELL. Then, I object to any extension of time.

Mr. BEITER. Mr. Chairman, the newspapers for the past 2 days have been carrying various statements relative to so-called compromise proposals in connection with the plan to earmark a portion of this bill for worth-while public-works projects.

These press reports refer to a "revolt" in the House and state that the proponents of the earmarking plans have now backed down on the issue. This is not in any way a

revolt so far as I am concerned, and there has been no backing down.

It is true that some compromise proposal has been discussed in regard to the public-works plan, and, for the information of the House, I did submit a 10-point program which was presented to the President. Of these 10 requests the President has indicated he is willing to go along on 6 of them.

The distinguished gentleman from Texas [Mr. RAYBURN], our floor leader, made a statement to the Membership of the House which I do not believe was very clear in the minds of the Members, and I desire at this time to clarify the concessions that have been obtained, if I can.

The first of these provides for continuation of the authority of the Public Works Administration for 2 years, or until June 30, 1939. The second would permit the use of the uncommitted balance in the revolving fund of P. W. A. which is still available for grants. This amounts to $95,000,000 and is not committed in any way.

The third request would involve rescision by the President of his administrative order 197 so that projects for which bonds have been voted or funds otherwise secured on a 45 to 55 percent basis may be financed as originally recommended. This the President has agreed to do.

The fourth request is one which is of particular interest to me. This would provide funds for the construction of 1,178 schools which are hazardous to the lives of students and have been condemned by local inspection agents. The funds necessary for this program would amount to a little over $91,000,000.

The fifth request would make it possible to provide funds for the construction of non-Federal P. W. A. projects for which appropriations have been made by State legislatures. Thus, all of those projects for which bonds have been voted, or funds otherwise secured by local municipalities, would be taken care of.

The sixth item would provide a sufficient fund for administrative expenses to carry on the Public Works Administration.

I am interested in this public-works program, not from any selfish standpoint, but because I believe implicitly that private business must be stimulated if it is to assist in the unemployment problem.

I have obtained assurances from the President, through our distinguished majority leader, that the group for which I am spokesman in this matter can be assured of having the public-works agency continued and certain funds made available to construct 1,178 schools and all projects on which bonds have been voted or funds otherwise secured by local municipalities. Thus, we will be enabled to keep faith with our local communities. I might add here that I do not have one P. W. A. project pending in my district and my interests are, therefore, purely altruistic.

I am introducing today a bill to provide for the extension of authority of the P. W. A. until June 30, 1939, containing certain provisions outlining the basis on which loans and grants will be made. Since we have assurances of administration support on this it is believed the committee will promptly report it. I hope it will have the support of every Member. I might add, for the information of the House, that the provisions of the bill have been written after conferences with Members making up the so-called P. W. A. bloc, and I believe it is acceptable to all interested.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. BEITER. I yield.

Mr. DINGELL. I would like to ask the question I asked our distinguished floor leader about the slum-clearance projects in Detroit. Two of them have been authorized. The foundations are in. The slums are cleared. About $10,000,000 was originally allotted, or possibly somewhat more. What I am interested in is to know whether those projects are going to be completed, or some assurance given that the job will be completed.

Mr. BEITER. It is my understanding all projects which have been started will be completed.

Mr. RANDOLPH. Mr. Chairman, will the gentleman yield?

Mr. BEITER. Yes.

Mr. RANDOLPH. Can the gentleman give the Committee the assurance that where a sponsor has had final approval of a project and work is ready to begin, and the sponsor has placed the money on deposit, regardless of whether a bond issue has been called, the work will start?

Mr. BEITER. It is my understanding wherever there is a moral obligation on the part of the Government the project will be completed. In this case I would say there was a moral obligation, since funds have certainly been secured and set aside for that specific purpose by the municipality. In other words, whether bonds have been issued or whether State legislatures have created authorities with the right to issue revenue bonds and such authorities have been established and applications submitted and approved, or whether other means have been obtained to secure the necessary funds, all municipalities having found and established a method to share the financing of such projects will be eligible under this concession.

[Here the gavel fell.]

Mr. STARNES. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 3 additional minutes.

Mr. LAMNECK. I object, Mr. Chairman.

Mr. MOTT. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, although during the last 2 hours we have debated a number of different amendments, everyone realizes the fact, I think, that all of this debate is pointed toward the separate votes which will be taken on the three earmarking amendments which were adopted by the House last week. The general opinion is that the House is going to reverse itself on the action taken last week, and that, it seems to me, is a very, very unfortunate situation for the House to find itself in.

I would like to talk to you particularly on the road earmarking amendment, but first I want to touch upon the other two amendments in passing. The flood-control amendment and the P. W. A. amendment are said to have been sponsored by blocs. Perhaps that is true. The road amendment, on the other hand, is not, and it is therefore in a different category than the other two.

I admit there may possibly be some question as to whether it is wise to take relief money and use it for the purpose of flood control and the construction of P. W. A. projects, because on those two classes of work it is, of course, not possible to employ quite so many people as it is on some other kinds of work.

Mr. FERGUSON. Mr. Chairman, will the gentleman yield?

Mr. MOTT. I will, if I may complete my statement. My time is very limited. I say that as to the flood control and P. W. A. earmarking there is room for honest difference of opinion. In this regard let me remind you that the House considered this matter very, very carefully when the amendments were offered and debated last week.

All of the objections which could possibly be offered to the P. W. A. and the flood-control amendments were advanced, and the House thought these two amendments were meritorious and adopted them by a vote of nearly 2 to 1.

The House understood the situation then, as it understands it now, and I say to you if it was proper last week to earmark a part of this relief money for flood control and for P. W. A. projects, it is proper to continue that earmarking now and, for one, I intend to vote the same way upon the earmarking as I did last week. I intend to vote to earmark funds for flood control, P. W. A. projects, and roads.

Mr. RANDOLPH. Mr. Chairman, will the gentleman yield?

Mr. MOTT. I am sorry, but I cannot yield at this point. Let me call your attention to the fact that nothing has been said here on the floor today that would give any Member any reason whatever for changing his vote in this regard. All we have heard is a statement from the

gentleman from Texas [Mr. RAYBURN], who said he went to see the President and had a conversation with him. He said no agreement was made with the President and we have no assurance from anybody that any money at all from the relief appropriation will be spent for flood control or P. W. A. projects, unless we retain the amendments earmarking funds for those purposes, which we adopted last week.

Now, it is evident the House is not going to do that. It is evident now that when a separate vote on these amendments and on the road amendment is demanded by the majority leaders this afternoon the majority Members of the House are going to reverse themselves and repudiate the vote by which they expressed their considered judgment on the subject last week.

Why? Simply because since the vote on these amendments was taken last week the President has said he wanted the vote reversed. To most of the majority Members, who voted overwhelmingly last week to earmark these funds, the order of the President was sufficient. They intend willingly to obey him. They intend upon the roll call to repudiate not only their own votes but to repudiate what they declared upon the floor last week to be their own independent and considered judgment as legislators. They have once more forcefully demonstrated the fact that they are in Congress not to legislate but simply to obey the commands of the Chief Executive.

[Here the gavel fell.]

Mr. MOTT. Mr. Chairman, I ask unanimous consent to proceed for 1 additional minute.

Mr. SWEENEY. I object, Mr. Chairman.

Mr. WOODRUM. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in 5 minutes.

The CHAIRMAN. The Chair will state that there have been pending at the desk for 1 hour six amendments to this section.

Mr. WOODRUM. Then, Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in 20 minutes.

Mr. MASSINGALE. I object, Mr. Chairman.

Mr. WOODRUM. Mr. Chairman, I move that all debate on this section and all amendments thereto close in 20 minutes.

The motion was agreed to.

The CHAIRMAN. The Chair will recognize first gentlemen with pending amendments.

The gentleman from Pennsylvania offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. ALLEN of Pennsylvania: On page 6, line 22, after the period, add the following: "*And provided further*, That no part of the foregoing appropriation shall be available to pay the compensation of W. P. A. district officials unless such officials are bona fide residents of the W. P. A. district in which the office is situated."

Mr. ALLEN of Pennsylvania. Mr. Chairman, the purpose of this amendment is so obvious that it will not take me very long to explain it. I feel that the executive officers or the administrative officers of any W. P. A. district—and I am referring to the district alone—should be bona-fide residents of that district. We have heard a great deal lately about returning relief to local authorities. This is a good step in that direction. There is nobody who knows the relief situation in any given locality as well as the local citizens themselves. The whole W. P. A. procedure has been reduced to a form where it is a routine matter. I do not believe there is any W. P. A. district in the country that cannot produce reliable, efficient, and honest officials who can handle the work in that district. I do not believe it is fair to any district to have outsiders brought in to administer its affairs when local people are available who could do the job just as well. This is the purpose of the amendment and I sincerely hope it will pass. [Applause.]

The CHAIRMAN. The question is on the amendment of the gentleman from Pennsylvania.

The amendment was agreed to.

Mr. O'MALLEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. O'MALLEY: On page 6, line 22, after the word "candidate", insert "nor of any person holding an elective or appointive office in any State, district, county, or municipality, whether or not any salary, fee, or emolument attaches to such elective or appointive office."

Mr. O'MALLEY. Mr. Chairman, my amendment merely adds to this section 6 that, in addition to candidates for office, that no holder of an elective or appointive office in any State, district, or municipality shall be the recipient of any portion of these funds intended for relief.

It is my opinion that section 6 was designed by the committee to take politics out of W. P. A. If we want to take politics out of W. P. A. and keep it out, in addition to barring candidates from public office from working on W. P. A. pay rolls, we ought to bar holders of elective offices, many of them holders of small offices in small communities, that pay fees and require political activity to keep, from working as supervisors or as administrative workers. Certainly, the holder of an elective office cannot help but engage in politics and engage in politics among the workers he may supervise if he expects to keep his office, and relief should be as free from politics as we can keep it.

This is all I have to say about my amendment, and I hope the Committee will adopt it, because it simply carries out the intention of section 6 more completely.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin.

The amendment was agreed to.

Mr. MASSINGALE. Mr. Chairman, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. MASSINGALE: Page 7, after line 4, add a new paragraph as follows:

"(c) No part of the sums appropriated by this joint resolution shall be available for use in the Army and Navy Departments of the Government of the United States."

Mr. WOODRUM. Mr. Chairman, I make the point of order against the amendment. It is not germane to this portion of the bill or to the bill itself.

Mr. MASSINGALE. I ask the gentleman to withhold that for a little bit.

Mr. WOODRUM. Mr. Chairman, I reserve the point of order.

The CHAIRMAN. The gentleman from Oklahoma is recognized for 3 minutes.

Mr. MASSINGALE. Mr. Chairman, this amendment will prevent any transfer of the funds provided for in this act so that no part of this appropriation may be used by war agencies of the Government. The amendment was suggested when hearings were being had on the Army and Navy appropriation bills. At these hearings it was disclosed that during the years 1933, 1934, 1935, and 1936 there was taken from the relief appropriations exactly $942,761,048.10 for use for Army and Navy purposes. True, there was nothing secretive in taking this huge sum of money intended for relief of the distressed and applying it to uses of the Army and Navy, but in the minds of the public, this amount of money stands charged against relief to the destitute of the land, and to that extent has often been used as an argument that relief is too expensive and that because of the high cost of relief, the Government is unable to stand the burden of it. This charge of extravagant, lavish, and foolish spending on our poor, so often heard on the floor of the House, should have a credit of near one billion dollars, and the military branches of the Government should be debited with this billion during the same period. The mercy side of Uncle Sam's ledger is a billion dollars short of what it is due according to the judgment of the Congress making the appropriations for relief work. I mention this because the public ought to be kept informed on what is happening. This is important enough to at least help keep the records straight.

The distinguished chairman of the subcommittee of the Navy appropriations bill for the coming year, Mr. UMSTEAD

of North Carolina, very frankly stated in answer to a question by me, that in his opinion the Navy did not contemplate the use of any relief money for the year 1938 for purposes provided for in the naval appropriation bill. I am sure this is correct, and I hope that the Army is disposed to take a like view of the matter, for I am certain that the American people will approve such an attitude on the part of the Army and Navy. My amendment forbids the use of any of this appropriation for either the Army or the Navy. The diversion of this near one billion dollars for relief purposes might have been disastrous and in all likelihood must have meant real deprivation and suffering in those areas known as the Great Plains drought States—10 States in the area.

The billion dollars taken away from relief in the 4 years would have provided 1,000,000 distressed families with $1,000 each for 1 year; it would have provided 2,000,000 distressed families with $500 each for 1 year; it would have provided 4,000,000 distressed families with $250 to each family for 1 year. I can see that if we had had the use of Oklahoma's part of this billion dollars to use for relief purposes, much suffering in that area would have been avoided, and many persons who went hungry and cold need not have done so. No one will ever know how many human beings in America suffered because this money did not reach its intended use. But it is definitely known that during these 4 years, some people have died of starvation or malnutrition and many have suffered for food, fuel, and clothing.

I cannot picture the situation, as it appears in the Midwest, better than by quoting a paragraph from a letter received from a young lady of my district on the social aspect of relief. It is as follows:

> Perhaps my one criticism is that the sight of miserable people hurts me. Like D. H. Lawrence, "I am wounded in my fundamental societal impulses." I can never get used to tent towns and ragged children. I can never stand the sight of the hollow, empty faces of some of the men. It is the fact of their resignation that incenses me. If they would show some resentment, I would feel some hopes for them. But no! They accept a pittance without a murmur. It is like the old Roman populace taking bread tossed in the streets by the nobles. There isn't a shred of manhood left in many of them. And that hurts—and it hurts deeply—as it should hurt those of us who claim to have any humanitarian feelings for the masses of unwanted and unloved people.

The impressions of this young lady have been burned into her soul by things that she knows and sees and that are all about her.

To my mind, the most tragic era in America has been the trail of the depression. The old and the weak have been hurried on. Babies have died for lack of proper nourishment, and children have been stunted in the development of body and mind, though our Government has been generous to an extent heretofore unknown to modern governments.

No need here to discuss the cause or contributing causes that brought about the miserable condition of so many people. The truth is that some 8 or 12 million of our people must have more or less assistance in order that they may be assured of some little income from work that will enable them to subsist until their economic situation is improved. The need for this appropriation varies according to the degree of recovery in the various areas. Members from some districts have said there is no need for Government assistance to their unemployed, and we have heard statements that in some of the States every man willing to work can find a job. I take such statements at their face value. But I fail to see in them any real argument that relief appropriations are unnecessary. I grant that relief money may not be necessary in some communities, but I have failed to hear any Member make the request that his State or district should be excluded from participation in the relief fund. The mere fact that such large numbers of unemployed are found makes it self-evident that assistance is needed or that the morale in America has broken completely down.

It must be remembered that our needy people are not chronic ne'er-do-wells. Many of them up to 5 or 6 years ago never knew want. They are largely the victims of bad economic conditions for which we as a Nation are responsible. If Congress will batter down economic barriers to the point where every man can find a job at a living wage, we will then be finished with unemployment. The unemployed, in asking this opportunity of their Government, are not unreasonable, for it surely is little enough to justify the existence of the Government to have it said about the Government that it is so operated that any man in it may find work, if he wants to work. Millions of men are endeavoring day after day to find work and cannot find it because it does not exist.

The difference in opinion as to the specific purposes for which this money should be used, "earmarking it", should not interfere with the passage of the bill. In some communities where men can get work and the various divisions of the Government are able financially to make such contributions as are required for public improvements, then "earmarking" for P. W. A. might be feasible. In the Midwest where municipalities are unable to match grants by the Federal Government and men cannot get work, if you earmark any of this money, it would be the equivalent of taking bread and meat from hungry mouths and giving the money to cement factories and steel mills to supply materials for public improvements in large cities that are able to meet the requirement for grants.

I believe that I am safe in stating that the situation in Oklahoma is such that earmarking of these funds might result in depriving some hungry people of food, and I am not giving my vote to earmarking. It is true that there are many P. W. A. projects in my State that need to be finished, and if the one-hundred-and-fifty-odd million dollars now on hand will not complete these projects, and if it requires $300,000,000 more to complete them, then I would gladly support such an additional appropriation. But I cannot give my consent that this $300,000,000 should be diverted from the appropriation for relief of our most distressed population and made available almost wholly for the benefit of contractors and material men. The ordinary day laborer who is in the greatest distress would get very little of the $300,000,000 asked to be taken from this appropriation for P. W. A. purposes, for most of it would go to skilled labor, cement mills, and the steel industry.

No person knows how many unemployed there are in America, for it seems that no census has been taken of them; but the estimate of the number as gathered from the Department of Labor and Mr. Hopkins' official knowledge of them is that there must be somewhere between eight and twelve million of them. I am sure that the President and Mr. Hopkins want to make sure that no family in all of this large group shall suffer for the necessities of life, and when they have recommended a minimum of $1,500,000,000 to accomplish this purpose, I have no difficulty whatever in going along with them 100 percent.

The significant fact is that until this administration came upon the scene, the distressed of America received nothing outside of donations from private charitable organizations. So great was the distress that such agencies could not cope with it, and it seemed to require men of the type of the President and Mr. Hopkins to intelligently undertake the great task of so organizing the relief agencies of the country as to make it reasonably certain that people were not going to suffer to any extent for the things necessary to sustain human life.

I know of no man who ought to be a better judge of the needs of the great throng of needy people than Harry Hopkins. I have had a number of talks with him, and he impressed me with his understanding of this great social problem and with his sincerity of purpose in wanting to assist the unemployed. I am sure that by going among these people and receiving letters similar to the one from which I quoted, he made his recommendation; and I believe he made his recommendation for $1,500,000,000 because his conscience would not permit his recommending an appropriation for a less amount of money than the minimum, in his judgment, necessary to prevent hunger and hardships.

I believe Mr. Hopkins is right in his prophecy that America had as well face the fact of a permanent policy of relief. This does not at all imply that the unemployed are not willing to work, but it does show that the soul of Hopkins has been touched by personal contacts with these millions of people, and that he has the courage to speak out in open meeting in their behalf. It is not a pleasing thought to the country to be advised of such an obligation, but Hopkins is the more to be admired for having served notice on us respecting the actual condition among the more unfortunate people of our land. His statement emphasizes the fact that recovery has come in a large part to those that have and only in a small way to those in need.

Instead of being condemned, I think Harry Hopkins deserves a high tribute at the hands of the American people, and I believe that the common, hard-working, unfortunate day laborer feels that in Hopkins he has perhaps the most sympathetic friend in America aside from the President himself. It seems to me that instead of wanting to punish Mr. Hopkins because perhaps some of this money may have been spent not according to our individual wishes is not meeting the requirements of the Congress. If too much money were appropriated to take care of these distressed, it would be an easy matter to turn it back into the Treasury, but the great danger comes in not appropriating enough, or if when it is appropriated, it be diverted to some other less humane cause.

To the end that this relief money shall not be used for any other purpose and that it shall be conserved for the purpose of carrying the necessities of life to our more unfortunate people, I have offered this amendment.

Mr. WOODRUM. Mr. Chairman, I make the point of order.

The CHAIRMAN. The Chair is ready to rule. The amendment offered by the gentleman from Oklahoma is merely a limitation on the use of funds appropriated under the act. In this particular section there are already two limitations, and the Chair overrules the point of order.

The question is on the amendment offered by the gentleman from Oklahoma.

The question was taken, and on a division, demanded by Mr. WOODRUM, there were—ayes, 75; noes, 80.

Mr. MASSINGALE. Mr. Chairman, I demand tellers.

Tellers were ordered and the Chair appointed Mr. MASSINGALE and Mr. WOODRUM to act as tellers.

The Committee again divided and the tellers reported—ayes, 88; noes, 108.

So the amendment was rejected.

Mr. CRAWFORD. Mr. Chairman, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. CRAWFORD: Page 6, line 18, after the word "any" insert the word "Federal" and a comma following it.

Mr. CRAWFORD. Mr. Chairman, I offer this amendment because I do not believe that any person running for a Federal office should, in any way, directly or indirectly, participate in the benefit of any of these funds under this bill. We should amend the bill so the man who votes for it cannot participate in the funds appropriated.

The verbal pyrotechnics whose glare a few days ago threatened like a fluoroscope to show the country that after all the Congress has a spine and a determination to say where and how the money of the taxpayers should be spent and by what method the part of that one-third ill-nourished, ill-clad, and ill-housed now on or in need of relief should be cared for, has now faded—cooled and almost is extinguished by the means of a recess. Today the rubber stamp has been dusted off and Congress will be asked to put its mark of approval on another billion-and-a-half-dollar spending program severing its own strings of control.

Whether it is a "pig in the poke" or the "pork in the barrel" we seem to be going into this new relief program without anything very concrete upon which to work. In the Life and Letters of Charles Darwin is the quotation:

As for a future life, every man must judge for himself between conflicting vague probabilities.

That is about the circumstance here today. This body is asked to choose between the vague probabilities of what is going to be needed in the way of relief.

The administration has turned its back upon the only effective way of ascertaining how much money will be necessary to assist the ill-nourished, ill-clad, and ill-housed for another year. I refer to an unemployment census. While we are putting government in business, we should also put some business in government and take an inventory once in a while.

But, instead of a current inventory, the Works Progress Administrator, who is proving himself to be publisher extraordinary and plenipotentiary, sends Members of Congress a finely bound and gold-leaf labeled book, bulging with unemployment figures obtained in May 1934. Aside from its value in the archives of the United States and for study in combating future eras of unemployment, what good will come at this time from the distribution of this out-of-date publication, which, I understand, was not even printed in the Government Printing Office.

We recently had a fine example of this "pig in the poke" method of legislation being forced upon Congress without a somewhat definite survey when we were considering the C. C. C. extension. At that time we were asked to provide for 350,000 boys in the C. C. C. camps of the country while at the very moment C. C. C. enrollments were falling short of that mark by the thousands, apparently because of the young men returning to private industry. In my own State, as well as in other States, camps are being closed because of a lack of sufficient men to man them economically. I am advised that the April 1 enrollment fell 30,000 men short of the authorized quota. Some sixty-odd camps are now being closed, 14 of these being in Michigan.

I am certainly pleased to note that in at least one branch of this emergency program there is one official who agrees with me that it is a happy day in the life of this Nation to see these men returning to private industry. A few days ago a Government official, in answering my inquiry relative to the C. C. C., said:

While from one standpoint we all regret the closing of any of the camps, there is very distinct encouragement in the indication that economic conditions have apparently so improved that more of the young men are receiving employment in private industry and are not therefore applicants for enrollment in the C. C. C.

We are here asked to appropriate a sum of money similar in amount to that we were asked to grant last year. Has there been no improvement in the economic conditions of this Nation since we last debated relief appropriations? Has the C. C. C. program been a failure to such an extent that 30,000 boys went on a sit-down strike against returning to its fold April 1? Such a supposition is naturally an absurdity. There is a shortage in enrollees because private industry is absorbing these young men. Despite the fact that we are asked to appropriate approximately the same amount as last year in another of the elaborate publications of the Works Progress Administrator—his voluminous report of October 1936 showed that at its peak in February 1936 the works program provided jobs for 3,800,000 people (including C. C. C.) and that by the end of August this roll had been diminished by 400,000 people. Mr. Hopkins' own report of the date I have mentioned says that this reduction was "due to the curtailment of the program in response to improved conditions in private industry and seasonal employment in agriculture." Must a billion and a half dollars again be authorized in spite of diminishing rolls?

If 400,000 people left the works-relief rolls from February to September, last year, when we had not heard a lot about increased industrial activity, then how many have left the rolls since that time, now that industry has picked up?

In an address at Indianapolis, last Thursday evening, Mr. Hopkins said:

To get a clear picture of what we are up against we have to break down the unemployment problem into its various compo-

nent parts. We cannot think intelligently on unemployment at large. We have to think in terms of types of unemployment and of groups of unemployed.

WHY DELAY A CENSUS?

If we are to believe this statement—and I do agree with the Administrator on that point—then why do we shy at an unemployment census? Let us break down the unemployment situation today. Let us think in terms of types and groups of unemployed in the summer of 1937 and not in a gilded book of statistics just released giving a May 1934 survey.

On January 23, 1935, I said on this floor that no one man living is powerful enough, without staggering waste and inefficiency, to go out and plan and put into operation the works necessary for the consumption of four and a half billion dollars. Some people may hail among its accomplishments a so-called mandate of the people last November, but the pages of the RECORDS of Congress since my prediction was made, bear out the significance of my thoughts at that time.

Today I hold the same feeling toward this grant of one and a half billion dollars in which Congress is again requested to toss the purse strings to that amount to the four winds and let the money be spent irrespective of what portion of those on the works rolls return to pay rolls of private business.

Congress will be in session again in 7 months. The summer is ahead of us, and the works rolls will have their seasonal reduction. Why not adopt a short-time program providing adequate aid for those who will not be absorbed by the pick-up in factories and on farms, and in the meantime take an unemployment census?

Administrator Hopkins told the Conference of Mayors here last winter that—

> One major obstacle in the path of meeting the problem of unemployment has been the absence of really adequate unemployment figures.

He further said:

> I am convinced we ought to find out by taking an unemployment census. A census will give us a pretty exact picture of our present unemployment problem—a much better picture than we have now.

NEED GUIDE TO POLICY

I previously stated we are dealing with vague probabilities. Mr. Hopkins stated in that November address that data of an unemployment census—

> Would be a guide to policy. It would eliminate much of the popular confusion arising out of the widely divergent estimates—both good and bad—we find at the present time.

Those words were uttered over 6 months ago, yet confusion as to the situation continues to be popular and we still have no guide to policy.

We have heard considerable in recent months about "horse and buggy" days and the three-horse team. It appears that two of the horses are shying at a piece of paper containing facts on unemployment based on an up-to-date unemployment census.

President Roosevelt's own Council for Industrial Progress has taken cognizance of the fact that unemployment statistics are conspicuous by their absence. Meeting in Washington in December of last year the council adopted a report on this subject in which it said:

> There is no question of the great need for accurate information in this field. Indeed, it seems incredible that the Nation has been collecting facts and figures in almost every field of interest excepting only this one. * * * What we do not know is how many people there are, to what extent they are employed or unemployed, what they do, or how they make their living. How they make their living is the most important problem in the world to them and to the Congress which must legislate in their behalf.

But the President and Congress apparently differ with the opinion of this council, and we go on and on with these programs without the benefit of the facts such a census would afford.

It begins to appear to me that this administration fears the outcome of an unemployment census. Such a census might even cause the President to revise and reduce his oft-repeated phrase of the one-third and the three ills. Such a census might also cause the next session of Congress to curtail some of these make-ready spending programs in the face of diminishing unemployment. As private enterprise expands there will be less need for these "made" projects. If the people want them at that time they will pay for them through their own local funds and not by siphoning them from their own pocketbook through the hidden-tax pipe line that now runs into the Federal Treasury. Eventually every one of our citizens will realize this is what has been happening.

The current pick-up in private industry is proving a bogeyman to the administration at this time. With an unemployment census revealing such a hobgoblin of men returning to work throughout the land, it would take longer than a 4-day recess to persuade Congress to rubber-stamp these billion-dollar programs.

DEPARTMENTS VOCIFERATE

The President says that the majority of the Nation has little patience with "those who vociferate today that prosperity has returned, that wages are good, that crop prices are high, and that Government should take a holiday."

While the President speaks in this manner about those whose hearts beat faster with the thought of diminishing relief rolls and increasing factory pay rolls, his own unprecedented beehives of press agentry engage in some boisterous vociferating of their own in a pell-mell rush to get the word to the Nation that "conditions are improving."

The President talks about the little patience with those vociferating about higher crop prices and on the next day his Department of Agriculture headlines press release no. 1601 with Farmers' Income at New Recovery Peak, and states "The highest April farm income in 7 years was reported today by the Bureau of Agricultural Economics."

The Department of Labor publicizes the fact that not only weekly earnings of workers in its five selected durable-goods industries are greater than last year but the report for March shows a gain in weekly earnings of workers over February of this year.

It appears while we strum the fiddle to the tune of another one and one-half billion dollars others are giving credit to private enterprise for improved conditions. Eventually the people back home will pay for our fiddling. In its latest report the United States Employment Service says:

> A striking upward movement in private-placement activity during the month of February is reported. Despite the short month 158,013 placements were made. This volume represents a gain of 138.5 percent above the number reported in February 1936.

IS EARMARKING A DISGRACE?

This administration has thrown the earmarking of the taxpayers' money into the category of disgrace. Much concern has been felt recently over delegation of power in Federal Government, but Congress has not lost any sleep over delegation of the tax box of the citizens whenever a request labeled "must" comes up here from the White House.

Records show that at one time over 35 percent of all of those employed by the Works Progress Administration were assigned to projects on highways and roads. The popularity of this type of project has stood head and shoulders above works in the program of other types. The report of the Administrator shows other types of projects consumed groups totaling respectively downward from 10 percent.

In our State of Michigan we have a highway system of which we are justly proud. It has taken years to build up such a system. If we are determined to appropriate one and a half billion dollars under this program, Congress is certainly entitled to say how at least a part of this money should be spent, and we are all interested in improved highways, whether they be cross-country arteries or farm-to-market roads.

Of this type of work Mr. Hopkins in his own report says:

> The most important among the activities carried out under the W. P. A. program is the work being done to improve the country's thoroughfares.

He recognizes this as one of the choice plans of giving work to the greatest number of men. At one time over a

million men were employed on highway and road projects, which account for well over a third of the W. P. A. program.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. CRAWFORD].

The amendment was rejected.

Mr. SIROVICH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SIROVICH: On page 7, line 4, after the word "source", insert a new paragraph, to be known as section 7, as follows:

"No supervisor or engineer appointed under this act in any county shall be appointed without the consent of the sitting Member of Congress."

Mr. SIROVICH. Mr. Chairman, about an hour ago when I proposed this amendment, it was declared not germane to the section then under discussion. Since it is germane to the present section, I desire to call the attention of the membership of this House to the fact that this amendment which I have just offered provides that no supervisor or engineer under the jurisdiction of this bill shall be appointed in any county without the consent of the sitting Member of Congress. Every Senator has the right to pass upon the qualifications, character, and virtues of the people in his State. Why should not every sitting Member of Congress, Republican, Progressive, Farmer-Labor, Democrat, at least pass upon the character qualifications and experience of the men who are going to enforce this law, so as to have a humane, just, and fair interpretation? We are not recommending the names but are just approving of the men who will be authorized to enforce the rules and regulations provided in this humane relief bill that will help millions of men and women who are the tragic victims of our economic depression and are floating around as economic derelicts and driftwood on the ocean of unemployment. [Applause.]

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. WOODRUM. Mr. Chairman, I ask recognition in opposition to the amendment.

I think it would be very unfortunate for the House of Representatives to go on record here, unblushingly, to make this a political measure instead of a relief measure.

Mr. SIROVICH. The other way, it is a political measure. [Laughter and applause.]

Mr. WOODRUM. Mr. Chairman, I think we ought to hesitate before we make the appointment of positions under this subject to the approval or disapproval of any Member of Congress, I do not care who he is.

I hope very much that the Committee will not adopt this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. SIROVICH].

The question was taken; and on a division there were ayes 94 and noes 114.

Mr. SIROVICH. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chair appointed Mr. SIROVICH and Mr. WOODRUM to act as tellers.

The Committee again divided; and the tellers reported there were ayes 68 and noes 135.

So the amendment was rejected.

Mr. FADDIS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FADDIS: Page 7, between lines 4 and 5, insert a new section, to be known as section 6 (a), to read as follows:

"Hereafter all appointments of persons to the Federal service for employment within the District of Columbia under the provisions of this act, whether such appointments be within the classified civil service or otherwise, shall be apportioned among the several States and the District of Columbia upon the basis of population as ascertained at the last preceding census. In making separations from the Federal service or furloughs without pay to last as long as 3 months of persons employed within the District of Columbia under the provisions of this act, the appointing power shall give preference in retention to appointees from States that have not received their share of appointments according to population: *Provided, however*, That soldiers, sailors, and marines, the widows of such or the wives of injured soldiers, sailors, and marines who themselves are not qualified but whose wives are qualified to hold a position in the Government service, shall be given preference in retention in their several grades and classes where their ratings are good or better."

Mr. WOODRUM. Mr. Chairman, I make a point of order that the amendment is not germane under the section where it is offered.

The CHAIRMAN. The Chair is ready to rule.

The pending amendment is offered as a new section to the bill. It pertains to the appointment of persons to carry out the purposes of the bill.

The Chair holds the amendment germane to the bill and overrules the point of order.

The gentleman from Pennsylvania is recognized for 3 minutes.

Mr. FADDIS. Mr. Chairman, this amendment, I believe, is in every manner fair. I believe its provisions should be a part of every piece of legislation that passes this House which provides for any appointment in the city of Washington, D. C. I do not see where there can be any valid objection against the amendment or to its being included in any piece of legislation. I intend to introduce it to every piece of legislation to which it may be germane.

I hope the Committee will adopt it.

Mr. WOODRUM. Mr. Chairman, I ask for recognition on the amendment.

The CHAIRMAN. How much time does the gentleman desire?

Mr. WOODRUM. Has time been fixed on this amendment?

The CHAIRMAN. Time has been fixed on this section. Four minutes remain, and the Chair promised to recognize the gentleman from Tennessee to offer an amendment.

Mr. WOODRUM. Then, Mr. Chairman, I shall not take any time on this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania.

The question was taken; and on a division (demanded by Mr. WOODRUM) there were—ayes 133, noes 67.

So the amendment was agreed to.

Mr. MITCHELL of Tennessee. Mr. Chairman, I offer an amendment.

The Clerk read, as follows:

Amendment offered by Mr. MITCHELL of Tennessee: Page 7, after line 4, add a new subsection to be known as subsection (c) to read as follows:

"No part of the foregoing appropriation shall be used to pay the salary or expenses of any person who is related to the State administrator, district manager, or county supervisor, or the appointing power within the third degree by blood or marriage."

The CHAIRMAN. The gentleman from Tennessee is recognized for 3 minutes.

Mr. MITCHELL of Tennessee. Mr. Chairman, I do not care to take the 3 minutes. This amendment explains itself.

Mr. Chairman, at best it is never easy to administer relief or charity. A great deal of criticism has arisen because in certain local jurisdictions those in authority, the county supervisors, and frequently the State administrators and district managers have appointed their next of kin to responsible positions. I hope the Committee will agree to this amendment. I do not believe there is any Member who would not agree that this amendment would improve the bill. Certainly those in authority should not be permitted to appoint their next of kin if they are inclined to do it, but they should be prevented absolutely from doing so by the adoption of this amendment.

Mr. TOBEY. Mr. Chairman, will the gentleman yield?

Mr. MITCHELL of Tennessee. I yield.

Mr. TOBEY. I have frequently heard the gentleman from Tennessee arraign nepotism, so-called. I ask him now whether the same statements he has made in fighting nepotism apply to the action of President Franklin D. Roosevelt in employing his own son as his secretary and paying him from Government funds?

Mr. MITCHELL of Tennessee. Answering the gentleman from New Hampshire, Mr. Chairman, I may say that I certainly find no fault with the President for appointing his son to the position he holds. I make this statement for the

reason that even if there were a general statute to prevent the practice of nepotism, there is none of us but who would gladly permit the President under the circumstances that obtain to appoint his son. I know the gentleman well enough to know that he himself would not object to it. At least I know he should not.

This bill, and particularly the administration of relief, puts a serious responsibility on those chargeable with its administration. If on this important work they appoint their next of kin, immediately there is just and proper criticism in the county, in the district, and in the State. I hope that this amendment will be agreed to and will be adopted by the House.

Mr. SHANNON. What is more, this is a sacred trust.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Tennessee.

The amendment was agreed to.

Mr. KNUTSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KNUTSON: On page 7, after line 4, insert a new subsection, as follows:

"Subsection (c). No part of the sums appropriated by this joint resolution shall be available to pay the compensation of any architect, engineer, superintendent, or foreman who has been actively engaged in the promotion of any project constructed in whole or in part with funds appropriated by this joint resolution.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota.

The amendment was rejected.

The Clerk read as follows:

SEC. 7. The provisions of the act of February 15, 1934 (48 Stat. 351), relating to disability or death compensation and benefits shall apply to persons (except administrative employees qualifying as civil employees of the United States) receiving compensation from the foregoing appropriation for services rendered as employees of the United States and to persons receiving assistance in the form of payments from the United States for services rendered under the National Youth Administration created by Executive order of June 26, 1935: *Provided*, That hereafter the monthly compensation in any individual case heretofore or hereafter coming within the purview of said act of February 15, 1934, shall not exceed the rate of $30, exclusive of medical costs: *Provided further*, That so much of the foregoing appropriation as the United States Employees' Compensation Commisison, with the approval of the Director of the Bureau of the Budget, estimates and certifies to the Secretary of the Treasury will be necessary for the payment of such compensation and administrative expenses shall be set aside in a special fund to be administered by the Commission for such purposes; and after June 30, 1938, such special fund shall be available for such purposes annually in such amounts as may be specified therefor in the annual appropriation acts: *Provided further*, That this section shall not apply in any case coming within the purview of the workmen's compensation law of any State or Territory, or in which the claimant has received or is entitled to receive similar benefits for injury or death.

Mr. STARNES. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I feel it is my duty to make a statement with reference to the flood-control amendment which was adopted by the House during the past week. I have the positive assurance from high and unimpeachable sources that all relief labor available in the flood-control districts will be used on flood-control projects. On this day I have been furnished a letter which, with the permission of the House, I shall insert in the RECORD at the proper time as a portion of my remarks. This letter will give definite and concrete information as to the number of people on relief rolls who are available in these districts. Time forbids me giving the information now. Suffice it to say that the number available will cause the monetary provision to exceed the amount which my amendment called for by approximately $5,000,000. Later I shall offer an amendment which will enable a great amount of flood-control work to be carried on in connection with so-called unauthorized projects to take care of the situation at Louisville, Cincinnati, and points on the Ohio River. I am told by the chairman handling this bill and the majority leader there will be no objection to this amendment.

Mr. DUNN. At Pittsburgh, too?

Mr. STARNES. Mr. Chairman, I think the debate on this measure has opened the eyes of the country to the need of a careful and deliberate study by the Congress of the United States on the subject of relief. [Applause.] I am perfectly willing to admit that the Members of this House do not have sufficient knowledge in their possession which would enable them to intelligently earmark definitely all the funds provided herein. If they had this knowledge, I would be willing to stand and fight until the last ditch to earmark every dollar of it, but I am sensible of the fact the President and Mr. Hopkins have knowledge about relief that we do not have. I say that the principle we have raised here that Congress should resume control over the expenditures of this Nation is of paramount importance and we must carry on until that fight is won. [Applause.]

Much power has been delegated to the administrative branches in the past few years under the guise of an emergency, and I offer no criticism, because I voted for it myself. I think it is wise and advisable in war or in peace when a great emergency confronts our country to delegate power to executive and administrative officers which it would be unwise to delegate when an emergency does not exist. But when the emergency is past, if our democracy is to survive, the Congress must resume and exercise the power assigned to it by the people under our system of government.

Mr. Chairman, in my humble judgment, before another dollar is appropriated for relief in this country, a congressional committee should be appointed to make a study of the relief question. We want to know ourselves how many unemployed there are in this Nation. We want to know, and it is our duty to ascertain, how many men and women of this country are in need of relief before we appropriate another dollar of the taxpayers' money, either by blank-check provision or otherwise.

Mr. Chairman, I hope the Congress will take such action before we are requested to vote another dollar for relief, and that before we vote for additional funds for relief the Congress will definitely and positively earmark every dollar that is to be expended and for which we have to tax the people of this Nation. [Applause.]

Those of us who have fought for earmarking or giving definite directions to the expenditure of a certain amount of the funds provided under the work-relief bill have done so without any feeling of unfriendliness or rancor toward the President or the leadership of the House. We felt that protection and relief should be given to people and their property in areas which are subjected to floods. This protection and relief has been positively assured us by the President. Mr. Hopkins has this date furnished me with a letter giving in detail the number of men on relief rolls who are available for work on authorized flood-control projects under the Overton Act and under the Copeland Act. The letter is inserted herewith:

WORKS PROGRESS ADMINISTRATION,
Washington, D. C., June 1, 1937.

The Honorable JOE STARNES,
Member of Congress, Washington, D. C.

MY DEAR MR. STARNES: The following is in response to your inquiry regarding the possibility during the fiscal year 1938 of furnishing relief labor for work on flood-control projects which have been authorized by the Congress for the lower Mississippi Valley (Overton Act) and in the omnibus flood control bill (Copeland Act). The projects mentioned in this letter are those which are listed for prosecution in the first and second years of the program outlined in the statement which has been furnished to you by the Chief of Engineers, United States Army, entitled "Tentative Priority of Construction by Stream Basins on Assurances Received or Reasonably Anticipated From Data on Hand That Local Cooperation Will Be Forthcoming Promptly."

The approximate amounts of relief labor which it is believed could be supplied on projects in the lower Mississippi Valley are as follows:

St. Francis River Basin	6,667
West Atchafalaya Floodway	5,000
Eudora and Morganza Floodways	8,333
Levees:	
Memphis	3,333
Vicksburg	3,000
Yazoo River	3,000
New Orleans	5,833
Total	35,166

The approximate amounts of relief labor which it is believed could be supplied on projects authorized by the omnibus Flood Control Act are as follows:

Merrimack Basin	1,050
Connecticut Basin	1,315
Southern New York	1,670
Susquehanna River	555
Potomac River	528
Tar River	68
Rome, Ga.	275
Buffalo River	29
Red River	1,170
Ouachita River	512
Arkansas River Reservoir	2,090
Arkansas River levees	2,500
White River Basin	1,250
Upper Missouri and Illinois	1,875
Reservoirs—Pittsburgh	2,775
Wabash River	505
Cumberland—Middlesboro, Ky.	290
Kansas River (Topeka)	528
Los Angeles and San Gabriel	6,315
Santa Ana, Calif.	1,580
Columbia River	2,000
Willamette River	670
Puyallup, Wash.	1,000
Umatilla, Wash. Lewis, Wash. Stillaquimah, Oreg. Cowlitz, Wash.	390
Total	30,940

You will note that no projects for construction of flood walls in the Ohio River Valley are included in the above tabulations. This is for the reason that no such projects have yet been authorized by the Congress. Should such authorizations be made during the present session of the Congress, very considerable amounts of relief labor could be furnished for such work.

You will, of course, realize that it is not possible at this juncture to give accurately and in complete detail definite amounts of relief labor that can be supplied on specific projects. Therefore, the above program would be subject to such adjustments as might be necessary in view of local conditions, particularly in view of complications which may arise in obtaining rights-of-way. Furthermore, the use of this relief labor on flood-control projects would be dependent upon the provision of regularly appropriated funds for the Corps of Engineers, in order that that agency would be in a position to provide the necessary materials and equipment and to absorb the expenses of supervision on this work.

Very sincerely yours,

HARRY L. HOPKINS,
Administrator.

It will be noted from this letter of Mr. Hopkins that approximately 35,166 men can be supplied for work on projects in the lower Mississippi Valley. The monetary expenditures involved will approximate $26,374,500.

Approximately 30,940 men will be available from relief rolls to work on projects under the terms of the Copeland Act. Approximately $23,205,000 will be spent on these projects. The total amount of money which will be expended on all authorized projects using relief labor will amount to approximately $49,579,500, or almost $5,000,000 more than the amount provided for under my amendment to the bill. With my amendment, which the House adopted today, which would authorize work on flood-control projects in the Ohio Valley adjacent to Louisville, Cincinnati, and other points on the lower Ohio many thousand more relief workers will be available for duty.

We can safely estimate that if my amendment offered today and adopted by the House is retained by the Senate on the final passage of the bill at least sixty to seventy million dollars of the funds provided herein can be used for flood-control purposes alone.

In connection with the remarks made by my distinguished colleague, Mr. JONES, chairman of the Committee on Agriculture, I, too, have been given definite assurance that several times the amount provided for in his amendment to my amendment for water conservation in the drought area and in the great Dust Bowl will be made available.

According to our majority leader, who speaks with full authority, the President has definitely stated that he recognized a moral obligation on the part of the Federal Government to release grants and loans to thousands of counties and communities throughout the country on approved P. W. A. projects where elections have been held authorizing the issuance of bonds, or where bonds have been issued and sold or where money is on deposit to comply with the terms submitted by P. W. A., and on school buildings where there exists a fire hazard or a menace to public health. He has definitely stated he would approve an extension of P. W. A. for a sufficient period of time to enable these projects to be completed. He has also definitely agreed to rescind Executive Order No. 197 so that these projects may be completed on the basis of a 45-percent grant and under a contract basis as originally approved. I feel that the House has won a clean-cut victory in this fight. It will now be possible to build 1,178 schoolhouses; construct numerous sanitary sewer systems and waterworks projects to promote the public health; and, finally, to construct many other worth-while public-work projects of a lasting social and economic benefit to every section of this country of ours.

I think the House should be congratulated on the fight it has made to reassert its prerogatives, and that the President's gracious offer to compromise and settle this issue on the above and foregoing terms should be accepted by the House in good faith. Such action will preserve unity and harmony and promote the best interests of the country. It will enable us to carry on a fine, constructive public-works program and will discharge in full the moral obligation our Government owes to these communities, which but for this fight would not have been discharged. We have kept the faith with our people. [Applause.]

Mr. TABER. Mr. Chairman, I rise in opposition to the pro-forma amendment.

Mr. Chairman, this bill was full of "pork" when it came out of the White House. It was full of "pork" when it came out of the committee and it is full of "pork" now. All the "pork" that was put in it on the floor you have been given assurances from the White House will be delivered. There has not been the slightest attempt on the part of the White House to solve the relief problem. This is not a relief bill, and every one of you know it is not a relief bill.

Are we ever going to get to the point where the Congress will have the courage to refuse to put up money to be allocated by someone who has not the constitutional authority to do it? Are we ever going to get to the point where we will try to meet the relief problem as a problem, and meet it honestly and try to solve it? Are we ever going to get to the point where we will cease to temporize with this problem and not attempt to fasten a crowd of professional reliefers on the throats of the taxpayers like leeches, and deprive the workingman of a chance to make himself self-supporting? Are we ever going to get to the point where we will cease this ridiculous kind of employment, which is destroying the morale of our people?

Let us have courage enough, manhood enough, and patriotism enough to try to solve this problem. There has been but one suggestion made toward solving it, and that is the suggestion made by the gentleman from New York [Mr. BACON], who attempted to allocate this proposition to the States to take care of relief and not use it for the continuation of the promotion of political purposes and rackets. I hope when the amendment is offered you will vote for it when the roll call comes.

Mr. HOUSTON. Will the gentleman yield?

Mr. TABER. I yield to the gentleman from Kansas.

Mr. HOUSTON. Would the gentleman want us to go back to the rugged individualism of Hoover?

Mr. TABER. I would let you go back to honesty.

Mr. HOUSTON. And let them starve. That would satisfy the gentleman?

Mr. TABER. No; I would not let them starve. They did not starve, and the gentleman knows it.

Mr. HOUSTON. They came pretty close to it.

Mr. TABER. The gentleman does not want to solve it. He wants to have continuous relief.

Mr. HOUSTON. If we had waited for the gentleman's administration to act, we would have starved.

Mr. TABER. You do not want to give the workingman and the honest fellow a chance to get away from the relief problem.

Mr. HOUSTON. The gentleman wants to let them starve.

Mr. TABER. No. You would destroy him by destroying the country's financial position so that the poor man would starve. That is the gentleman's position.

[Here the gavel fell.]

Mr. WOODRUM. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in 10 minutes.

Mr. McCORMACK. Is it the intention of the gentleman from Virginia to conclude the consideration of this bill tonight?

Mr. WOODRUM. It is the intention of the gentleman from Virginia to conclude the consideration of the bill if the Members are willing to stay here and do so, and I certainly hope they will. [Applause.]

Mr. McCORMACK. How long does the gentleman think its consideration will take?

Mr. WOODRUM. It depends on whether the committee votes with me to close debate or not.

Mr. McCORMACK. It is reasonable to expect we will have three roll calls, is it not?

Mr. WOODRUM. I should imagine there would be three or four roll calls.

Mr. McCORMACK. Yes. Then there is an amendment which the gentleman from Massachusetts [Mr. CONNERY] is going to offer, which will probably take an hour.

Mr. WOODRUM. I do not know what the gentleman is going to offer or how long it may take.

The CHAIRMAN. The gentleman from Virginia asks unanimous consent that all debate on this section and all amendments thereto close in 10 minutes. Is there objection?

There was no objection.

Mr. McCLELLAN. Mr. Chairman, a few days ago when we had this measure up for consideration, and at a time and at a stage in the proceedings when we had adopted amendments earmarking some of these funds, the leadership of this House, realizing the fact that these amendments were going to be adopted over the protest of the chief of the department that is going to administer these funds, asked for time in which we might go through a cooling-off process. I say to the membership of this House that since adjournment on that day, instead of going through a cooling-off process, those gentlemen have been trying to "turn on the heat" in order to force the membership of this House to retreat. They may force somebody to retreat. They may force my good friend, the gentleman from Alabama [Mr. STARNES], and others, to wait until the next time to start, but as for me, there will be no retreat. I am ready to settle the issue now. [Applause.]

What I did and said last week when this measure was up, I repeat today. I choose not to retract or apologize for voting the way I did. I shall vote the same way today.

From what are you retreating? There is a fundamental issue here that strikes right at the core of this Government. That is, Mr. Chairman, whether legislation is going to be adopted down here in some department and served up to us, or whether we are going to do the legislating and serve it up to them. As far as I am concerned, we are going to do it here. [Applause.] It was so intended. It is not only our prerogative but is our solemn duty to do some thinking for ourselves and vote our own sentiments. In cases of extreme emergency it may be all right to delegate these powers, but when and how are you going to get them back? The time to get them back is now. You have adopted these amendments and you have not a thing in the world to justify or warrant you in taking them out, except somebody talking about what he intends to do. You have been trying to find out all afternoon whether you had a promise. Have you got one? You do not have a promise now, and you are acting on the flimsiest protext to take out these amendments, unless you want to make a surrender.

Yes, I am loyal. I am loyal to the President, I am loyal to my party, and I propose to be loyal to the leadership of this House. However, loyalty, according to my interpretation, does not mean surrender, it does not mean abdication, and I do not propose to abdicate or surrender. I am willing to go back to my people and say, "I stood up there on the floor of the House and undertook to have something to say as to where and for what some of your money would be spent, instead of turning it over to somebody else to do with as they might choose without any restraint or directions." It is wrong to do it in this fashion.

Some of you want to control floods. One of the streams on which you want to control the floods runs through my district. Last summer an old Negro was out there fishing, sitting on a log hanging over the stream. He was about half asleep, batting at the mosquitos and gnats. A big catfish got on the end of the line, gave a big splash, and jerked the Negro off the log into the river. He swam back to the bank and crawled out, turned and looked around, scratched his head, and said, "I don't know whether this "nigger" was afishing, or that catfish was "aniggering." [Laughter.]

We have reached a stage here where we do not know now whether we are legislating or being legislated. Let us settle this issue. Let us start legislating. They say, "You can earmark it 2 years from now." You can earmark it today, and you should earmark this $150,000,000 for roads.

I want to take up one statement made here by a gentleman who attended the meeting of the Committee on Roads this morning for the first time in 2 years, I understand. He came down there for a purpose—in order to make it a tie vote, I guess. That is his prerogative and his duty. I am glad to see him there once.

When we voted over there the other day before this cooling-off process began and before the "heat was turned on", so we could exercise our own independent judgment, out of 14 members present there was not a dissenting vote. And the statement that this roads amendment is indefensible is an indefensible statement. This Congress earmarked funds for roads in the National Recovery Act of 1933. We earmarked funds for roads in the $4,800,000,000 relief bill in 1935. It was good legislation then. Now someone wants to call it "indefensible." The emergency was far more severe then than now. Secretary Wallace says it is the best way next to C. C. C. camps to put men to work who are on relief. Why the objection? Just simply that bureaucracy wants not only to administer the law and spend the money but it wants to dictate the terms and provisions of legislation we shall enact.

I have no quarrel with Mr. Hopkins. Possibly he has made mistakes. Anyone in his position would have made some. My disagreement with him and the President is on the issue of the right of Congress to have a voice in determining the class of projects some of the relief money shall be spent on.

Mr. Chairman and Members, we can stand by our position, retain these earmarking amendments, and still leave $1,000,000,000 which the President may expend as he chooses. Is not that enough? We are giving him two-thirds and we are allocating only one-third. Who can criticize that? What are we allocating it for? Roads, flood control, school buildings, and other public buildings that local people have voted bond issues to construct.

The President, Harry Hopkins, or no one else can find more worthy projects for relief labor to work on.

Mr. Chairman, I shall retain my official integrity and vote my own sentiments and convictions on this issue, free from coercion or pressure and in the interests of my constituents and the Government I represent. I hope a majority of my colleagues will join me in this effort to have Congress accept and perform its duty. [Applause.]

Mr. VOORHIS. Mr. Chairman, I rise in opposition to the pro-forma amendment.

Mr. Chairman, there was a time, about 4 or 5 years ago, when the morale of the American people was being destroyed because of the inability of people to find jobs in private industry. It was not destroyed because of the setting up of the W. P. A. It was not destroyed because there came into the White House a President who said that as a principle of government unemployment must be regarded as a national problem and that the Government had a responsibility to the millions of people who were out of work to see that they not only had support but likewise had a

chance to work and support their families by constructive employment. This did not destroy the morale of the American people. It was too little of this kind of thing that had destroyed the morale of the American people. It was the refusal of people of like mind with some here today to do anything about the failure of industry to provide work for the people that destroyed, or nearly destroyed, our Nation's hope.

I am in entire and hearty accord with what the gentleman from Alabama [Mr. STARNES] said this afternoon. I believe it is entirely proper that Congress should say all it wants to about how money should be spent, provided it has the facts upon which to act. In connection with this bill, however, I believe we not only do not have such facts but I believe we are trying to shy away from the facts we do have.

It has been said over and over again that we do not want to believe Harry Hopkins when he tells us we are going to have the problem of unemployment for a long time to come. But the trouble is he is undoubtedly correct. The trouble is there is not a great industrial nation in this world that has got rid of that problem. The fact is we have got to get down to business and decide what we are going to do, and if we turn our backs on the Roosevelt plan of carrying on public works for the useful employment of these people, we have got to find some other way. We cannot solve the problem by turning these people out in the streets and telling them to find a job in private employment, because, as has already been said by two or three Members on the Republican side, as well as many on the Democratic, there are 10,000,000 people unemployed in this country and W. P. A. at this moment is only employing 2,000,000 of them. By the appropriation of no more than $1,500,000,000, let alone cutting it any further, we will be compelling 630,000 to 700,000 people to go off W. P. A. work and onto direct relief in the cities and counties.

I am against earmarking for one reason, and that is because it means that still more people will be forced to go on direct relief. I am not against it in principle, but I am against it under the circumstances, because if you want projects requiring a heavy cost for material, you have to appropriate enough money to meet the needs of the unemployed people and also have enough to pay for necessary materials. If you do not appropriate more money, you inevitably reduce the number of workers you can employ.

There are a lot of facts I could give you, but I have never had the time to do it, but I would like at least to point out that there has been a joint resolution introduced providing for the appointment of an unemployment and relief commission to make a complete study of this problem. This joint resolution has been introduced in the other body by two Members of that body and also introduced in this body. Its number is House Joint Resolution 378.

I would like to see that joint resolution passed. I would like to have a legislative committee work on this problem and decide what the American Congress is going to do about the great problem of this age—the problem of unemployment. We have got to get down to business and decide what is going to be done, and this business of beating a retreat away from the principle of the right of people to have work is not going to solve the problem but is going to make it more serious, and I feel we are liable to be selling America short to cut the buying power of our poorest people to check the increase of production—yes, to create another depression—unless we stick to that principle until we have something else to put in its place. [Applause.]

[Here the gavel fell.]

The pro-forma amendment was withdrawn.

The Clerk read as follows:

SEC. 8. So much of the foregoing appropriation as may be determined by the Director of the Bureau of the Budget to be necessary for administrative expenses of any department, establishment, or agency of the United States for additional work incident to carrying out the purposes of such appropriation or the provisions of section 5 of the Emergency Relief Appropriation Act of 1935, or as may be necessary for administrative expenses of any agency heretofore established by the President under section 4 of said act, may be allotted therefor by the President, and the funds so allotted shall be available until June 30, 1938, for expenditure in the discretion of the President for the purposes and in accordance with the provisions of the first paragraph of section 3 of said act.

Mr. FERGUSON. Mr. Chairman, I move to strike out the last word. In coolness I want to discuss the flood-control amendment. The amendment adopted by this House provided $20,000,000 to carry out the provisions of a specific act of Congress, the Overton bill. That, added to the $22,000,000 that is carried in the Budget, brings the money for the lower Mississippi up to the amount anticipated by legislation passed by Congress. I want these people who say that this money earmarked for flood control would not be for relief to understand that the materials used will come out of the regular appropriations. So, in effect, practically every dollar that is earmarked would go for labor, a much higher percentage than could possibly be figured out under any other project, and I challenge anyone to criticize or object to that statement.

The other section of the amendment earmarks $25,000,000 to carry out projects in the omnibus flood-control bill. In this bill there are some 300 projects, in 37 States of the Union. In the first place, the States must furnish the rights-of-way. In the second place, the regular appropriation of $30,000,000 will provide for the materials. So, in effect, every dollar of this $25,000,000 will go for labor. Every single dollar will go for labor. Anyone making an objection upon the ground that it would not be for relief, and the amendment specifically requires it must go for relief, is drawing a wrong conclusion, and I plead with the membership to agree to this amendment. I think the gentleman from Alabama [Mr. STARNES] is sincere, I know that he is sincere, and I certainly do not impugn the motives nor the ability of Mr. Hopkins or Mr. Williams, because they have done a good job. They have informed Mr. STARNES that the labor is available to carry out these projects. Why not earmark this fund as we have done, and carry out the project?

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. WOODRUM. Mr. Chairman, I ask unanimous consent that all debate upon this section and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

Mr. MOTT. Mr. Chairman, I reserve the right to object. I ask the gentleman to make it 15 minutes.

Mr. WOODRUM. Mr. Chairman, I move that all debate on this section and all amendments thereto close in 10 minutes.

The CHAIRMAN. The question is on the motion of the gentleman from Virginia that all debate upon the section and all amendments thereto close in 10 minutes.

The motion was agreed to.

Mr. CASE of South Dakota. Mr. Chairman, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. CASE of South Dakota: Page 8, line 13, after the word "appropriation", insert "including a census of the unemployed people needing relief."

AN UNEMPLOYMENT CENSUS

Mr. CASE of South Dakota. Mr. Chairman, I am following the statement of the gentleman from Alabama [Mr. STARNES] this afternoon, that the next thing we should do is to start a study of this problem of relief, and also the words of the gentleman from California [Mr. VOORHIS] when he said, "It is all very well to talk about the facts, but we need the facts."

This amendment provides that the purposes of this relief appropriation bill shall include a census of the unemployed people needing relief.

We have made many amendments to this bill. I think the Members of this House want to improve the record which the administration is writing in the handling of relief. The first step toward improving that record calls for determining the number of unemployed people who need relief.

That is the one and only purpose of this amendment. The Members are tired and seem now not to be in a mood to consider further amendments. But this is one amendment that I feel sure would have been adopted if it could have come earlier in the debate.

Some time we will take a census of the unemployed needing relief. We should do it now.

Mr. MOTT. Mr. Chairman, I rise in opposition to the amendment. I take this time in order to clear up, if I can, what appears to be a misunderstanding on the part of some Members as to how the earmarked road money will be used if the Cartwright amendment earmarking funds for road building which was passed last week is not reversed. The statement has been made on the floor today that the Federal Commissioner of Roads would not approve road projects which cost less than $17,500 a mile. There is absolutely no ground for such an assertion. I read to you from the testimony of Mr. McDonald, Chief of the Federal Bureau of Roads, before the Roads Committee, of which I am a member.

We are building some of the low-cost roads there—

He was talking then about the road program in Ohio—

that is, roads costing as low as $3,000 or $4,000 per mile. Some of the work has been done for even less than that.

He then goes into detail on that particular point. Now, I want to urge upon you this thought: If you reverse yourselves on the Cartwright amendment earmarking funds for road building, you are going to do something you will be very sorry for. Earmarking money in relief appropriations for roads is not a new proposition. It has been done every year for the last 4 or 5 years and it has always met with the general approval of everybody. Spending relief money for giving employment to people in road building is the one thing that has not been criticized any place in the United States as far as the relief program is concerned. More than 80 percent of the relief money spent for road building goes for labor. That cannot be said in respect to any other kind of relief work. If you stand by the amendment you adopted by a vote of 2 to 1 last week you will earmark $150,000,000 for the purpose of prosecuting legitimnte road projects. With the money thus spent you will not only furnish more relief work than you can furnish in any other way, but you will have something to show for the money expended.

The CHAIRMAN. The time of the gentleman from Oregon [Mr. MOTT] has expired.

Mr. AMLIE. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I feel we ought to give particular concern to the activities that will be curtailed if this process of earmarking goes through. One phase of the present work of the W. P. A. that has not been mentioned is that of the National Youth Administration. If these funds are earmarked it will inevitably result in a very serious curtailment of the work of this department of the W. P. A.

At the present time there is being aided by the National Youth Administration a total of 426,000 students. Two hundred and twenty-five thousand are boys and two hundred and one thousand are girls. Those students, on the average, are receiving only about $7.57 a month. Of this number 281,000 are in the high schools. A total of 139,000 are in colleges, and some 5,000 are in graduate schools. We have in addition to the number that are being aided in the schools of the country approximately 191,000 students who are working on works projects of one kind or another, receiving an average wage of $16.83 a month.

I feel we should take into consideration not only on the one hand the benefits that may result to individuals from working on roads, on harbor projects, on flood control, or on public works, but we also should take into consideration that today we are aiding an average of more than 1,000 young people in each congressional district in the United States. [Applause.]

We have heard much here today about roads. Concrete roads; asphalt roads. These are important. But important also is the road of youth. I have been particularly interested in this road. Its construction, its preservation is the question of tremendous importance to all of us. The fate of several million young Americans hangs in the balance here today. It is within the power of this body to tip the scales one way or the other; to decide whether America shall continue to give its youth a helping hand through one of the most confusing periods they have ever faced, or whether they shall be cut adrift and told to fend for themselves.

I am certain there is not a one of you here who does not have within his constituency dozens of fine, capable young men and women who have been stopped dead in their tracks by the impact of harsh economic forces. You have seen boys and girls forced to drop out of high school or prevented from entering or continuing in college because they had not the money for clothes, books, and tuition. You have seen them loafing in the parks, on street corners, around the courthouse, or the general store, wasting their youthful energies because society has no work for them to do. Each of us is personally familiar, I am sure, with scores of such instances as these, in which America's future citizenry is being relegated to the discard even before it has a chance to test its strength or show what it can do.

The problems of American youth can be stated simply: They are denied, by circumstances over which they have no control, the opportunity to develop into the full responsibilities of citizenship, opportunities which are implicit in our American way of living.

President Roosevelt recognized this cruel paradox 2 years ago when he created the National Youth Administration. He said then that youth should have "their chance in school, their turn as apprentices, and their opportuntiy for jobs—a chance to work and earn for themselves."

Since its establishment in the summer of 1935, the National Youth Administration has on its relatively limited funds performed a remarkable task. A varied program of aids and of projects through which it has served the Nation's younger citizens. It has been a sort of social insurance for youth. It is important for us to know that, all told, some 2,000,000 young people between 16 and 25 years of age have received direct benefits from this agency since it began operations. These 2,000,000 youths are scattered in every city, town, and farm community throughout the Nation, in your constituency and mine. Without exception, they are the children of our lowest income families; some, even, are the chief bread winners of families. The Youth Administration has given them the kind of help they have needed most. For some it meant an opportunity through work to remain in school and complete their education; for others employment on work projects in which they not only become wage earners, many for the first time in their lives, but also acquire the rudiments of work experience with which to fight for jobs in the open market. For others practical guidance in finding life's job and economic adjustment; for others a decent form of recreation; for still others a complete program of social adjustment.

The record which this agency has of fitting young men and women for private employment is outstanding. The greatest single barrier a young man or woman just out of school faces in getting a job is lack of experience. The average employer knows usually that he can hire an experienced adult for little more than he will have to pay an inexperienced youth. The young job seeker finds he cannot get a job without experience and that he cannot get experience without a job, and there he hangs on the horns of a dilemma. The United States Employment Service has shown in a recent study that while those under 21 represent 18 percent of all registered job seekers, they constitute but 9 percent of those placed in employment. This is the smallest proportion of jobs to applicants of any age group up to 65, a startling demonstration of how the cards are stacked against youth trying to get a start in the world. Besides the terrific economic waste involved in this maladjustment of youth, I ask you to consider the effect on the morale, on the whole outlook on life, that this wasteful living has on each of these young people.

The work-project program of the National Youth Administration is giving employment and job experience at this

time to approximately 194,000 out-of-school youth. Practically every project which this agency operates contains some training of value for the inexperienced young worker. After a few months on a project he can approach a prospective employer with something more than a willing heart. He knows how to do something well to try for the initial employment. He is not made a skilled craftsman or mechanic in this way, but he can say truthfully that he has worked before. The training in the crafts comes under the excellent apprentice program of the N. Y. A. The president of the State Federation of Labor of my State, Henry Ohl, has made a particularly noteworthy contribution to this program. May I be pardoned for boasting a little of the truly social program of vocational work and apprentice training going on in my own State. It is a fine model. And the N. Y. A. program has in many ways supplemented it.

There is a turnover in employment of approximately 10 percent a month on N. Y. A. work projects. Between a third and a half of those who leave do so because they have found jobs in private employment. The number who found such jobs in April alone was more than 7,000. This is a sound contribution to the readjustment of youth in our complex society, for there is no future for youth save as it adjusts itself to the world realistically. And in this adjustment the Government must help.

An end of equal importance is being achieved by the junior placement service. This branch of the Youth Administration works cooperatively with public employment offices in 60 cities about the country. They register young job seekers and try to find jobs for which their abilities and experience fit them. Recently this service has averaged better than 5,000 placements in private employment for youth each month.

As we consider curtailments in relief appropriations for the coming year we must remember that the National Youth Administration will suffer in proportion as its funds are reduced. While it has reached more than 600,000 young people in the present year, there literally are millions who need its help who have not been reached. The surface of youth's needs today have been barely scratched by what the N. Y. A. has been able to do. The N. Y. A. needs more money—not less—to adjust the youth people of today in this complex, rapidly changing social order. It is not empty oratory that I give, but cold facts. I submit for your study here a summarized analysis of the varied service of the N. Y. A.

This is an extremely important group of people who are affected here—important socially, economically, politically. Twenty-four percent already are past 21. Of the remainder, 90 percent are in that very significant age group of 18 to 21. That is the period when social and political views begin to take root and form. If they feel that society has cheated them, there will be a bias to their thinking when they gain the power of the ballot. Let us tip the scales today in favor of these youths so that they may have the full measure of opportunity which is rightfully theirs as Americans.

Personally I favor a far-reaching permanent program for youth. I have sponsored such legislation here and I shall continue to work for such a permanent set-up. In the meantime let us here and now preserve this fine foundation which has been laid and devote ourselves to building on it.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from South Dakota [Mr. CASE].

Mr. CASE of South Dakota. Mr. Chairman, may we have the amendment read again?

The CHAIRMAN. Without objection, the Clerk will again report the amendment.

There was no objection.

The Clerk again reported the amendment offered by Mr. CASE of South Dakota.

The CHAIRMAN. The question is on the amendment offered by the gentleman from South Dakota.

The amendment was rejected.

Mr. KNUTSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KNUTSON: Page 8, line 21, strike out the period, insert a colon and the following: "*Provided further*, That such amounts allotted for administrative expense shall not exceed 8 percent of the total expense of any department, establishment, agency, or project within the scope of the Emergency Relief Appropriation Act of 1935."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota.

The amendment was rejected.

The Clerk read as follows:

SEC. 9. In carrying out the purpose of the foregoing appropriation the President is authorized to prescribe rules and regulations for the establishment of special funds in the nature of revolving funds for use, until June 30, 1938, in the purchase, distribution, or rental of materials, supplies, equipment, and tools.

Mr. STARNES. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. STARNES: On page 9, line 2, strike out the period, insert a colon and the following: "*Provided*, That with the approval of the President, materials, equipment, and personnel of the Corps of Engineers, War Department, may be assigned to service in connection with flood-control and water-conservation projects prosecuted under this act, notwithstanding that such projects have not been duly authorized by act of Congress: *Provided further*, That the requirements hereinafter established that no Federal construction project shall be undertaken unless and until there have been allocated and irrevocably set aside sufficient funds for its completion shall not apply to flood-control and water-conservation projects prosecuted hereunder."

Mr. WOODRUM. Mr. Chairman, we have no objection to the amendment offered by the gentleman from Alabama.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama [Mr. STARNES].

The amendment was agreed to.

The Clerk read as follows:

SEC. 10. The provisions of section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5) shall not apply to any purchase made or service procured in connection with the foregoing appropriation when the aggregate amount involved is less than $300.

Mr. BURDICK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the situation this Congress is in right now in regard to the bill before it is that we have not provided anywhere near the amount of money that will be required to carry on the relief program in this country for the next 12 months. I pointed out to the House when we started the debate on this bill that in my humble opinion it would require at least $4,000,000,000. Since that time emergencies are arising on every hand. I can say to you that in eight States of this Union the drought situation is worse than it ever has been before. It means that in my section of the country it is the eighth straight year of drought, and at least 200,000 people in my State alone of 680,000 will have to be given work. Congress cannot tell tomorrow what the relief situation will be, nor can it tell what the situation will be next week, or next month; and when we have this pittance of $1,500,000,000, much as I would like to see Congress express itself on how public money should be expended, it would be foolhardy to interfere with the administration of the amount of money that we are appropriating to meet a great relief situation. I am not against the independence of this Congress, but the very purpose of this bill is to furnish relief. What kind of relief? Emergency relief. I am in favor of a scientific plan of work that shall be arranged to take care of unemployment whereby there will be no necessity for the waste of public money, but we are now confronted with a situation that is an emergency.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. BURDICK. I yield.

Mr. KNUTSON. Will the gentleman point out the basis for his statement that the relief needs require $4,000,000,000?

Mr. BURDICK. I base that entirely on the fact that it costs about $666 per person to carry him through 12 months. That multiplied by the number of people out of employment, which this bill cannot protect, gives over $4,000,000,000.

Mr. KNUTSON. How many people are out of employment?

Mr. BURDICK. Ten million now, of which number this bill cannot hope to aid more than 2,500,000.

Mr. KNUTSON. That is more than were out of employment when Hoover was President.

Mr. BURDICK. I do not think Hoover helped it any.

Mr. THOMAS of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. BURDICK. I yield.

Mr. THOMAS of New Jersey. Will the gentleman explain where he will get the $4,000,000,000?

Mr. BURDICK. Yes; I will explain where we will get the $4,000,000,000. To start out with there would be two kinds of work, one to take care of those people who must be put to work at once. They must eat now. When enough people get hungry enough they will get enough to eat. You are going to get it from taxation, the same place we get all relief money today. The second way you are going to get it is to provide a scientific program of Government work for the people who are out of jobs and finance the undertakings by the issuance of Government currency, free of interest, and retired from the income from the things produced.

Mr. THOMAS of New Jersey. The gentleman would get it from taxation?

Mr. BURDICK. From taxation and from the profits of the operation of the projects.

Mr. THOMAS of New Jersey. What sort of tax?

Mr. BURDICK. The same sort of tax you are using now except that those who are escaping taxation by transferring their property will be brought in and required to pay their just share of taxes.

Mr. THOMAS of New Jersey. The gentleman means through income taxes?

Mr. BURDICK. Yes.

[Here the gavel fell.]

By unanimous consent, the pro-forma amendment was withdrawn.

The Clerk read as follows:

SEC. 11. Any person who knowingly and with intent to defraud the United States makes any false statement in connection with any application for any project, employment, or relief aid under the foregoing appropriation, or diverts, or attempts to divert or assists in diverting, for the benefit of any person or persons not entitled thereto, any portion of such appropriation, or any services or real or personal property acquired thereunder, or who knowingly, by means of any fraud, force, threat, intimidation, or boycott, or discrimination on account of race, religion, or political affiliations, deprives any person of any of the benefits to which he may be entitled under such appropriation, or attempts so to do, or assists in so doing, shall be deemed guilty of a misdemeanor and fined not more than $2,000 or imprisoned not more than 1 year, or both.

Mr. FISH. Mr. Chairman, I offer the following motion.

The Clerk read as follows:

Mr. FISH moves to recommit House Joint Resolution 361 to the committee with instructions that the enacting clause be stricken out.

Mr. WOODRUM. Mr. Chairman, a point of order.

Mr. COCHRAN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. COCHRAN. Can a motion to recommit be made in the Committee?

The CHAIRMAN. The Chair was mystified by the language of the motion and was waiting for someone to clarify it.

The gentleman from New York is recognized for 5 minutes.

Mr. WOODRUM. For what purpose?

The CHAIRMAN. In support of his motion, whatever it may be.

Mr. FISH. The motion is to strike out.

Mr. Chairman, we are now approaching the conclusion of this bill and I would like to make certain comments and observations upon the whole bill whether the title is stricken out or not.

The Works Progress Administration has become a national scandal, permitting the relief workers to be used for partisan purposes until it has permeated and honeycombed the entire Nation. There can be no hope for permanent benefit in view of the waste and squandering of governmental funds for unproductive and futile purposes through a top-heavy bureaucracy at Washington. I am opposed to the continuation of the present administration of Federal relief, which has become a stench in the nostrils of the public and under which political debauchery has flourished like a green bay tree. All Federal funds for relief purposes should be turned over to the States to be administered by local communities on a nonpartisan and humane basis, in order that the money may go to the needy and not into the pocket of a partisan bureaucracy at Washington, or to a host of partisan supervisors all over the Nation.

There should be an immediate investigation of the numerous and serious charges of gross and contemptible political activity, including pay-roll padding, in the W. P. A. The whole rotten mess stinks to high heaven, and, like a dead mackerel in the moonlight, stinks and shines and shines and stinks. Mr. Victor Ridder, former relief administrator in New York City, has publicly charged that the Workers Alliance, a Communist organization, controlled and dominated the distribution of relief in New York City and that loyal American citizens and war veterans have been discriminated against. This also should be investigated.

Mr. PARSONS. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. PARSONS. Mr. Chairman, I make the point of order that the gentleman is not speaking to the motion.

The CHAIRMAN. The gentleman's motion was so wide that the Chair overrules the point of order.

Mr. FISH. The W. P. A. has become such a costly and tragic failure that the New Dealers are afraid to permit a nonpartisan investigation of the charges of offensive partisan politics and maladministration of huge funds for boondoggling. These charges do not emanate alone from Republicans, but from such outstanding Democrats as Senator RUSH HOLT, of West Virginia, who says that W. P. A. in his State is a gigantic political machine, and Senator VAN NUYS, of Indiana, who charged the W. P. A. is playing politics. There should be a vigorous housecleaning in order that anyone guilty of pay-roll padding, graft, and offensive partisanship shall be weeded out and dismissed.

The deplorable and tragic fact is that after more than 4 years of the costly New Deal experiments there are over 10,000,000 unemployed and over 20,000,000 on relief. The main reason for the failure of the New Deal to relieve unemployment, even after the expenditure of $15,000,000,000, is that many of the New Deal measures are unsound, socialistic, and unconstitutional, and destroy business confidence, retard recovery, and prolong the depression.

Who is going to pay for the vast expenditures of the Federal Government, which keep mounting year after year? The very rich have been soaked and swatted to the limit until they have been squeezed dry. It is now the turn of those of moderate and small incomes to foot the bill, including the wage earner, farmer, and small-business man. They will be lined up against the wall and their pockets picked by Federal tax collectors.

If the spending continues, there must be additional taxes levied, practically all of which will fall on the middle class and small-income taxpayers. It is inevitable unless we are willing to face inflation, bankruptcy, repudiation, or financial chaos.

[Here the gavel fell.]

By unanimous consent, the pro-forma amendment was withdrawn.

Mr. FISH. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. The gentleman already has that privilege.

The Clerk read as follows:

SEC. 12. The Works Progress Administrator is hereby authorized and directed to liquidate and wind up the affairs of the Federal Emergency Relief Administration established under the act of May 12, 1933, as amended, and funds available to said Federal Emergency Relief Administration shall be available for expenditure for such purpose until June 30, 1938.

SEC. 13. A report of the operations under the foregoing appropriation, including a statement of the expenditures made and obligations incurred by classes and amounts, shall be submitted by the President to Congress before the 15th day of January in each of the next two regular sessions of Congress.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it is now 7 o'clock p. m. We have been here all afternoon. We are going to have three or four roll calls, probably six or eight, on this bill. At any rate, there will be several roll calls, and each roll call takes about 35 minutes. I do not see any necessity for having these roll calls tonight. [Applause.] I can see the necessity of concluding the reading of the bill this evening. I do not know how much time will be taken on the coming section, because it is a very controversial section. But certainly it seems to me the leadership of the House would be exercising wise judgment if, when we concluded the consideration of the bill in the Committee of the Whole, a motion to adjourn was made after the previous question is ordered. If the leader or Member in charge of the bill does not offer the motion to adjourn, I am going to make a motion that the House adjourn, if the House has not adjourned prior to that time.

Mr. RAYBURN. Mr. Chairman, I rise in opposition to the pro-forma amendment.

Mr. Chairman, we have spent 10 days on this bill. The gentleman from Virginia and those in charge have been liberal so far as time is concerned. We are all impatient to get this off of our shoulders and out of the way. Many Members in the House have business or engagements elsewhere tomorrow and they want to get away early in the morning. We adjourned from last Thursday until yesterday morning. It seems to me those who had opportunity to go away might have stored up enough energy to stay here an hour or two longer this evening and get this bill out of the way. [Applause.]

Mr. Chairman, I trust that when the gentleman from Massachusetts [Mr. McCORMACK] makes his motion that the Committee rise that the Members will defeat the motion so that consideration of this bill may be completed tonight. [Applause.]

Mr. McCORMACK. Will the gentleman yield?

Mr. RAYBURN. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I did not say I was going to make a motion that the Committee rise. I said I was going to make a motion that the House adjourn after the previous question is ordered.

Mr. RAYBURN. I also trust that will be voted down.

[Here the gavel fell.]

The pro-forma amendment was withdrawn.

The Clerk read as follows:

SEC. 14. No part of the funds of the United States shall be loaned or granted, except pursuant to an obligation incurred prior to the date of the enactment of this joint resolution, to any State, or any of its political subdivisions or agencies, for the purpose of carrying out or assisting in carrying out any program or project of constructing, rebuilding, repairing, or replanning its penal or reformatory institutions, unless under the laws of such State the sale in the open market of goods, wares, or merchandise manufactured, produced, or mined in whole or in part by convicts or prisoners (except convicts or prisoners on parole or probation) has been prohibited.

Mr. WIGGLESWORTH. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. WIGGLESWORTH: Page 10, lines 12, 13, and 14, strike out the words "except pursuant to an obligation incurred prior to the date of the enactment of this joint resolution" and insert in lieu thereof the words "nor shall the unexpended balance of any such funds heretofore loaned or granted be made available for payment."

Mr. WIGGLESWORTH. Mr. Chairman, the purpose of section 14 of this bill is to prevent the use of Federal funds in the production or sale of prison-made goods in competition with the products of free labor.

The purpose of my amendment is to make sure that the limitation extends to unexpended balances in the United States Treasury. For example, if a million dollars has been earmarked for loans or grants to the State of New York and $600,000 of that money has been turned over to the State so that it is subject to obligation for contracts within the State, the limitation will apply, and apply only, to the $400,000 remaining in the Treasury.

At the time that this bill was before the subcommittee I received, as a member of that committee, a number of communications from different parts of the country, including a communication from the American Federation of Labor, urging the importance of a limitation of this character. Why? Because it was stated that Federal funds had been used in the construction or repair of prison factories or in providing prison factories with machinery, thereby contributing directly to the sale of prison-made goods in the open market in competition with goods produced by free labor. A witness appeared before the committee and made the same appeal. He stated that according to his information funds had been made available for purposes of this kind under both W. P. A. and P. W. A.

The committee adopted section 14, which, it was thought, would take care of the objection which had been raised. It appears, however, that the section does not go far enough in the opinion of those who are primarily interested in dealing with the situation. It does not go far enough because it is not certain from the language used that it covers specifically unexpended balances in the Treasury of the United States.

Mr. Chairman, there are two steps in connection with the use of the funds now under consideration. First, there is the earmarking of the funds in the hands of the Treasury. Second, there is the turning over of the funds to some particular State. Once the funds have been turned over to a State, and are therefore subject to a contractual obligation within the State, it seems clear to me that the Federal Government is not in a position to deal further with the funds. As long, however, as the funds remain as unexpended balances in the Treasury it seems clear to me that the Federal Government is in a position to attach such a condition as is suggested in this instance. I quote one sentence from the letter received from the American Federation of Labor in this connection as follows:

Congress may certainly enact additional restrictions with reference to the disbursement of funds which are to be given away, as in the case here, at any time prior to the actual payment of the funds.

[Here the gavel fell.]

Mr. WIGGLESWORTH. Mr. Chairman, I ask unanimous consent to proceed for 1 additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. WIGGLESWORTH. Mr. Chairman, whether or not the sale of prison-made goods is to be permitted within a State is, of course, a question for determination by that State. Surely, however, the Federal Government has the right to determine whether or not Federal funds shall be used in the manufacture and sale of prison-made goods in competition with the products of free labor.

To allow the use of Federal funds in the manner objected to is, to my mind, to move squarely in opposition to the philosophy reflected in the Hawes-Cooper Act and the Ashurst-Sumners Act, both approved by the United States Supreme Court. Moreover, in the last analysis, it is to produce the absurd result of authorizing the use of relief funds to further increase unemployment and therefore to further increase the need for further relief funds.

I hope the amendment which I have offered will be adopted.

[Here the gavel fell.]

Mr. CONNERY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I rise in opposition to the amendment of my colleague, the gentleman from Massachusetts [Mr. WIGGLESWORTH], for this purpose. I have an amendment sponsored by the American Federation of Labor through its legislative agent, Mr. Hushing. My amendment goes a little further than the amendment of the gentleman from Massachusetts [Mr. WIGGLESWORTH]. The gentleman's amendment must be voted down under the parliamentary situation in order for me to have the right to offer this amendment, because I cannot offer the amendment now either as an amendment to his amendment or as a substi-

tute. Therefore I ask that the amendment of my colleague the gentleman from Massachusetts be voted down in order that I may offer my amendment, which is sponsored by the American Federation of Labor.

Mr. WIGGLESWORTH. Mr. Chairman, will the gentleman yield?

Mr. CONNERY. Yes.

Mr. WIGGLESWORTH. Will the gentleman inform the House what his amendment does?

Mr. CONNERY. Yes. I will be pleased to read it.

On page 10, strike out all of section 14 and insert in lieu thereof a new section, to read as follows:

"SEC. 14. No part of the funds of the United States shall be loaned or granted, nor shall the unexpended balance of such funds heretofore loaned or granted be made available for payment to any State, or any of its political subdivisions or agencies, for the purpose of carrying out or assisting in carrying out any program or project of constructing, rebuilding, repairing, or replanning its penal or reformatory institutions unless under the laws of such State or under an agreement authorized by the laws of such State and entered into with the appropriate agency of the United States sales in the open market of goods, wares, and merchandise manufactured in whole or in part by convicts or prisoners (except convicts or prisoners on parole or probation) has been or will be prohibited after 1 year from the date any such funds are made available for payment."

In other words, we are going to give them a chance for a year. If they are willing to make an agreement that after this coming year they will not use these funds to manufacture goods for sale in the open market in competition with the products of free labor, we will give them a chance to make such an agreement with the Government.

I ask that the amendment of my colleague the gentleman from Massachusetts [Mr. WIGGLESWORTH] be voted down in order that I may have the opportunity of offering this amendment, which is sponsored by the American Federation of Labor.

Mr. COCHRAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the amendment offered by the gentleman from Massachusetts [Mr. WIGGLESWORTH], as well as the amendment offered by his colleague the gentleman from Massachusetts [Mr. CONNERY], should be defeated, because if enacted would abrogate a solemn contract signed by the officials of the United States Government with a sovereign State.

The amendments have as their underlying purpose the desire to have the States enact legislation prohibiting the sale of convict-made goods. No Member of Congress is more anxious to see every State in this Union prohibit competition between convict-made goods and goods made by free labor than I am. At every opportunity I have supported legislation that we hoped would bring this about. This is not the way to achieve such a result.

My State is vitally effected by the amendments. Much as I dislike to say so, Missouri has not passed a law prohibiting the sale of convict-made goods. I have endorsed every effort to get such a law passed and will continue to do so. Our colleague [Mr. WOOD], who for 25 years has been head of the Missouri State Federation of Labor, has lead the fight for the enactment of such a law in our State and he will eventually win. While I think we are closer to the goal now than we have ever been, nevertheless from the information I receive it is impossible to have a law enacted at this session of our legislature which will adjourn in a few days and will not meet again until January 1939. We only meet every 2 years.

If either amendment had been offered in January, I would have voted for it because our legislature would have had ample opportunity to have met the conditions imposed and because at that time the contract for improvements had not been closed.

Now here is our situation. Missouri passed a bond issue setting aside $10,000,000 for the construction, alteration, and repair of State institutions, which includes the State Penitentiary, reformatories, insane asylum, tuberculosis hospital, and so forth. The State applied for Federal aid from the Public Works Administration and received a grant of $5,054,264.

In our State program was an item for the replacement of existing factories at penal institutions amounting to $198,400, and the Federal Government's grant toward the improvements was $90,000.

Had it not been for the fact that the Public Works Administration refused to approve the original plans and specifications for a new cell house at our penitentiary, most of the improvements would have been completed by this time. They were all delayed due to this controversy which started nearly a year ago, and it was only recently that the State agreed to the demands of the Government; the specifications have been changed and a cell house which follows the recommendations of the former superintendent of prisons, Sanford Bates, is to be constructed. The contracts for all of the buildings have now been let, and the State has already received $843,948.10 from the Federal Government. Material has been ordered, not only for the cells but for everything that will go into construction, alterations, and repairs of the institutions.

I fully realize the benefit that would have come to free labor that manufactures goods that are also manufactured and sold by the State within our State if Missouri had only complied with the demand for a proper law preventing the sale of convict-made goods.

Now, what will happen if either amendment passes? We cannot go ahead and spend several million dollars for the construction of a new cell house, reformatories, and repairs and alterations to the buildings that are included in our penal institutions.

This means that the building trades of the American Federation of Labor will not have the benefit of the spending of this vast sum of money and, at the same time, as the legislature is adjourning, it does not appear from what I learn that there is an opportunity to pass such a law as is needed at this late date. Then, of course, free labor will not benefit as a result of either amendment. In other words, one branch of the American Federation of Labor will suffer if this amendment is adopted while another branch that is entitled to have a law passed that will prevent convict-made goods from being sold will not benefit because the law will not be passed. The building trades of the American Federation of Labor of my State want and need this work.

The House has been asked by the gentleman from Massachusetts to adopt an amendment that will result in the Government breaking its contract with the State of Missouri. Surely there is not a Member of this House who will agree that the Congress has a right to pass such a law in view of the fact that the contracts have already been signed by the proper Government representative, acting under authority you gave them.

I received the following telegram from the Governor of my State:

Hon. JOHN J. COCHRAN,
House of Representatives:

Understand Congressman CONNERY intends offering amendment to relief bill which, if adopted, will prevent carrying out our prison program and keep Missouri penal system 50 years behind the times. Hope you will oppose such amendment if offered as this is our opportunity to improve terrible prison conditions in Missouri.

LLOYD C. STARK, *Governor.*

I immediately talked with Mr. CONNERY, and he advised me that he had been requested to introduce the amendment by the legislative representative of the American Federation of Labor; and having given his promise that he would do so, he could not break it. I contacted the legislative representative of the American Federation of Labor, Mr. Hushing, a gentleman that I have known for many years, and I talked to him about the situation. He told me that the objective was to prevent the use of money to enlarge the facilities already at the penitentiary. I investigated this matter, and I received the following telegram from the Governor, which answers that argument:

Hon. JOHN J. COCHRAN,
Member of Congress, Washington, D. C.:

Penal board and building commission absolutely assure me that two so-called factory buildings will reduce factory facilities 76,000 square feet and will not enlarge them.

LLOYD C. STARK, *Governor.*

The Governor of the State of Missouri is a man who would not make a statement that was not based upon fact, and I feel justified in pledging the House that he will see that the factory facilities are reduced 76,000 square feet, which, of course, means a reduction in the output. How could it mean otherwise?

[Here the gavel fell.]

Mr. COCHRAN. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. COCHRAN. Mr. Chairman, I am advised only 40 percent of those engaged in the building trades are employed in our State at the present time. I do not know whether these figures are correct, but I do know that thousands of men are out of employment. Here is an opportunity to give them work.

I want to go on record now as assuring this House that I will do everything within my power to have the State of Missouri adopt a law that will prohibit the sale of convict-made goods.

When the depression was at its height, I started a movement without a suggestion from any manufacturer or any of those engaged in the trade to have the United States Bureau of Prisons allocate to the trade certain orders or shoes for the Army, Navy, and Marine Corps which could have been manufactured at the penitentiary at Leavenworth. As a result, Sanford Bates, the then Superintendent of Prisons, did allocate to the trade orders for the manufacture by free labor of over 2,000,000 pairs of shoes, and Missouri concerns and employees benefited. This certainly should convince anyone how I feel about this matter; but I submit that the Congress of the United States should not break a solemn contract that it has made with a sovereign State, and that is exactly what you are going to do if this amendment passes. I sincerely hope that the amendment will be defeated for the reasons that I have stated.

In closing, let me say that if the Members of this House only realize the situation that confronts our State, insofar as its penal institutions are concerned, you would not now jeopardize this construction work. Our penitentiary was originally built to house about 2,000 prisoners, and for years over double that amount have been within its walls. The present program calls for better conditions at the penitentiary, as well as a new reformatory for first offenders, so that they will be separated from the hardened criminals. Missouri has met every requirement that the Government has asked, has changed the specifications and plans, and, as I say, has signed the contract which resulted in the allocation of over $5,000,000 by the Government to complete a most necessary building program improving all our State institutions.

Mr. Chairman, the committee has placed a paragraph in the bill which will prevent the allocation of money in the future for the construction of penal institutions if a State does not have a law prohibiting the sale of convict-made goods in competition with free labor. I am for that provision, but I am opposed to making it retroactive because it would place the Congress in the position as saying contract or no contract no money heretofore appropriated can be used for this purpose.

I appeal to the Members of the House to defeat these amendments and adopt the recommendation of the committee. [Applause.]

[Here the gavel fell.]

Mr. WOODRUM. Mr. Chairman, I would like to see if it is possible to have some understanding about time on this section and amendments thereto, and I am wondering if 20 minutes will be sufficient.

The CHAIRMAN. The Chair may state there are two other amendments pending and at least eight gentlemen have requested recognition.

Mr. WOODRUM. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in 30 minutes.

Mr. WOOD. Mr. Chairman, reserving the right to object, I want to be heard on this matter for 4 or 5 minutes.

Mr. ANDERSON of Missouri. Mr. Chairman, I want to be heard on the amendment.

The CHAIRMAN. The gentleman from Virginia asks unanimous consent that all debate on this section and all amendments thereto close in 30 minutes. Is there objection?

There was no objection.

Mr. TARVER. Mr. Chairman, I am in hearty sympathy with the purposes both of the Wigglesworth amendment and the Connery amendment, but I feel that the Connery amendment accomplishes the objectives that are aimed at far more efficiently than does the amendment of the gentleman from Massachusetts [Mr. WIGGLESWORTH].

If there is one thing which I believe is definitely settled, it is that it is against the policy of the National Government to permit prison competition with free labor to any greater extent than may be absolutely necessary. The National Congress has already passed legislation which is intended to effectually diminish even the amount of competition in Federal penal institutions which had theretofore existed by reason of the manufacture of goods for the use of the Federal Government.

The Connery amendment, to my mind, in at least two particulars, is much better than the amendment of the gentleman from Massachusetts [Mr. WIGGLESWORTH].

In the first place, there are either 17 or 18 States which have not enacted laws prohibiting the sale of prison-made goods in the open market, and if you adopt the Wigglesworth amendment you bar those States until their legislatures meet again, which, in many instances, is not for 2 years, from the reception of any loan or grant from any agency of the Federal Government for prison construction or prison equipment. Under the Connery amendment, in States which do not have laws of the type required by section 14, the authorities of the States negotiating for a Federal loan or grant would be permitted to enter into a contract by which they would agree not to produce goods for sale in the open market through the medium of the grant or loan which might be made and the prison construction or equipment which might be procured through such means.

In other words, there are many States which, despite their intention not to use the construction or equipment that they might get through the loan or grant, for the purpose of manufacturing goods for sale in the open market, would be debarred from procuring such loan or grant under the terms of the original section 14, but under the terms of the Connery amendment might enter into a contract by which they might be made eligible, and to my mind a contract is a much better protection for those who are interested in not flooding the markets with prison-made goods than the existence of laws passed by a State legislature forbidding such sale, because a law passed by a legislature might be in existence today or at the time of the loan or grant and might be repealed tomorrow or next week; but a contract entered into between the authorities of the State and the Federal Government in an effort to procure the loan or grant would not be subject to repeal, but would be permanent in its terms and enforceable without regard to what action might be subsequently taken by the State legislature.

There is one other feature of the amendment which I think is preferable to the Wigglesworth amendment, in that it eliminates agricultural products from the provisions of section 14. There are some State prison farms where, for example, some cotton is produced, which under section 14, as it would be if amended by the Wigglesworth amendment, or in its original form, could not be sold by a State eligible for a Government loan or grant for prison purposes. I am sure no good purpose could be accomplished by such a restriction.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. WIGGLESWORTH].

The amendment was rejected.

Mr. CONNERY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CONNERY: On page 10, strike out all of section 14 and insert in lieu thereof a new section, to read as follows:

"SEC. 14. No part of the funds of the United States shall be loaned or granted, nor shall the unexpended balance of any such funds heretofore loaned or granted be made available for payment to any State or any of its political subdivisions or agencies for the purpose of carrying out or assisting in carrying out any program or project of constructing, rebuilding, repairing, or replanning its penal or reformatory institutions unless under the laws of such State, or under an agreement authorized by the laws of such State and entered into with the appropriate agency of the United States, sales in the open market of goods, wares, and merchandise manufactured in whole or in part by convicts or prisoners (except convicts or prisoners on parole or probation) has been or will be prohibited after 1 year from the date any such funds are made available for payment."

Mr. CONNERY. Mr. Chairman, the House has heard this amendment, and I shall merely say that when the Hawes-Cooper Act, which prevented prison-made goods being sold in the open market in competition with the goods of free labor, was under consideration in the House, representatives from the State of Missouri—that is, the Governor and others—came to this body and in the hearings asked that the matter be put off for 5 years in order that they might swing into line with their legislature and put on their statute books a provision so that they would come under this law. We gave them the 5 years, and 5 years have come and gone, and they have done nothing about it. The Members of this House from Missouri have tried valiantly to get that legislation passed in the State of Missouri. So has the American Federation of Labor, but they have not been able to do it. We think that we have given them plenty of time, and this applies to other States as well as Missouri, and now in this amendment we give the States the opportunity of a year and provide that within the year they must put on the statute books a law, or promise not to manufacture these goods in prisons and ship them out into open competition with free labor goods. This is sponsored by the American Federation of Labor.

The plans by which Missouri is rebuilding and rehabilitating its prisons do not contemplate the elimination of a single manufacturing unit which is now engaged in the production of articles for sale in competition with those produced by industry employing free labor. Neither do they contemplate the establishment of a system of prison employment whereby the products of its prisons are used only by the State and its political subdivisions—the system now in force in 31 of the States.

On the other hand, the plans under which Federal moneys allocated to Missouri for use in its penal institutions actually call for the demolition of two factory buildings now in use in the State penitentiary, and which are better than many factories in which free labor is compelled to work. These are to be replaced by two modern factory buildings, costing approximately $200,000, which will house the machinery and equipment now employed in the two factory buildings to be demolished. The same production machinery will be used in the two new buildings, and it is admitted by State officials that production will actually be increased because of the modern character of the new structures.

For more than a generation the Congress has adhered to the policy of discouraging the competition of prison-made goods with those produced in free factories. Long ago the Congress prohibited the importation into the United States of goods manufactured in whole or in part by convict labor, and provided that no goods manufactured in the Federal prisons may be sold in the markets of the United States. The use of such goods is confined entirely to the agencies of the Federal Government.

In 1904 the Congress passed an act (33 Stat. 435) providing that the Post Office Department might not purchase materials or supplies manufactured by convict labor.

In 1905 the then President issued an Executive order (Executive Order No. 325a) prohibiting any of the officers and agents of the United States from contracting for supplies manufactured by convict labor.

The Reconstruction Finance Corporation Act prohibits the use of convict labor, either directly or indirectly, upon projects financed by loans or contracts made by said corporations.

In 1929 the Congress adopted the Hawes-Cooper Act, thereby subjecting to State laws prison-made goods shipped from one State into another. Missouri was one of those States which insisted that the act be made effective 5 years from the date of its passage, in order that it may have time to replan its prison industries to meet the new situation. Eight years have passed since that time, and Missouri has not taken a single step to conform its policy to that of other States.

The Ashurst-Sumners Act was passed by the Congress in 1935 and has been sustained by the courts. This further limits the interstate shipment of prison-made goods.

Yet, unless the proposed amendment is adopted, the Federal Government will actually be furnishing money for the construction of factories, the products of which are to be used in circumventing this long-established policy.

The Supreme Court a short while ago in the cases involving the Social Security Act laid down the rule that the Federal Government may place such restrictions around the use of money appropriated by it, even when it is to be used by the State, as are to "assure a fair and just requital for benefits received."

If this amendment is adopted, Missouri and other States may accept the conditions laid down by Congress to safeguard its funds or not, as they choose.

Mr. EBERHARTER. Mr. Chairman, will the gentleman yield?

Mr. CONNERY. Yes.

Mr. EBERHARTER. I notice the gentleman in the amendment left out the words "produced or mined."

Mr. CONNERY. Yes.

Mr. EBERHARTER. I take it under that amendment that any coal or iron——

Mr. CONNERY. That is true. I will say that the amendment was drawn and offered to me by the representatives of the American Federation of Labor. If I had had anything to do with it it would have included "produced and mined" also.

Mr. EBERHARTER. Under that amendment they can have convicts mine iron and coal.

Mr. CONNERY. Yes. I believe that should be covered but the Federation did not want to go that far, because our principal difficulty is in manufacturing.

Mr. REED of New York. Mr. Chairman, I offer the following amendment to the Connery amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. REED of New York to the amendment offered by Mr. CONNERY: In line 7 of the amendment, after the word "institutions", insert "nor for purchase of machinery for penal institutions."

Mr. REED of New York. Mr. Chairman, I have been interested in this question for some time, and I think if Members will stop and think for just a moment they will be interested in this proposed amendment. Here is the situation that has occurred. There is a bureau in Washington that is very much interested in purchasing high-speed machinery to put into penal institutions, which multiplies the man power in those institutions many times. That machinery, manned by these law violators, produces goods which go into competition with the goods of free labor. What I want to do is to see to it that these funds in the Treasury available, these surplus, unexpended funds, are not used or loaned for the purpose of purchasing high-speed machinery to multiply the power of criminal labor to compete with free labor. That is the purpose of the amendment.

Mr. CONNERY. Mr. Chairman, I shall be glad to accept that amendment.

The CHAIRMAN. The Chair will put the question on the amendment offered by the gentleman from New York to the amendment offered by the gentleman from Massachusetts.

The question was taken, and the amendment to the amendment was agreed to.

Mr. SAUTHOFF. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. SAUTHOFF to the amendment offered by Mr. CONNERY: At the end of the amendment insert: "*Provided*, That this prohibition on loans or grants shall not apply to the case of any State, or political subdivision, or agency thereof, if the goods, wares, or merchandise manufactured, produced, or mined by convicts or prisoners in its penal or reformatory institutions are sold by such institutions to cooperative associations for distribution or sale within the limits of such State."

Mr. SAUTHOFF. Mr. Chairman, this section 14 affects 36 States in the Union and it ought to be of vital interest to every Member here. There are only 12 States that it does not reach. My amendment exempts from the provisions of the act binder-twine institutions in factories in penitentiaries that sell the twine to the farmers at cost. That is what we do in Wisconsin, and it saves our farmers $100,000 a year. If you strike this out, it leaves us in a position where we will be unable to go ahead with the $1,300,000 program for our penal and reformatory institutions, because you will deprive us of the opportunity of getting any of this money. I am satisfied that the Federation of Labor is not at all anxious to handicap the farmer. We have passed legislation here again and again helping labor. It is high time that we did something for agricultural interests. This amendment seeks to safeguard to them this slight saving of $100,000 a year on binder twine that they use. I trust the amendment will be adopted.

[Here the gavel fell.]

Mr. ANDERSON of Missouri. Mr. Chairman, I rise in opposition to the amendment. The amendment offered by the gentleman from Massachusetts [Mr. CONNERY] and the amendment to the amendment is a direct slap at the State of Missouri. In those amendments they do not say anything about picking cotton by convict labor or mining in different States with convict labor. All they are doing is trying to take a slap at our State. Missouri has not at any time asked for anything during this session of Congress. When you people down South wanted your roads, and when you wanted your flood control, Missouri stood by you. I am asking you at this time to stand by Missouri on this question. You who are so interested in roads should know that this will affect your road program. In any State where money is allocated for the building of roads, if there is any convict labor at all used on the roads, it will take the money away from you. This money is for better housing facilities for the prisoners now confined at Jefferson City. At the present time four or five prisoners occupy the same cell and the prison is overcrowded to the extent that the condition is a health menace. But the direct slap is at our State only.

I ask you at this time to stand by the State of Missouri, who has stood by you at all times.

[Here the gavel fell.]

The CHAIRMAN. The question occurs on the amendment offered by the gentleman from Wisconsin [Mr. SAUTHOFF], to the amendment offered by the gentleman from Massachusetts.

The amendment to the amendment was rejected.

Mr. EBERHARTER. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. EBERHARTER to the amendment offered by Mr. CONNERY: In line 11, after the word "manufactured", insert "produced, or mined."

Mr. EBERHARTER. Mr. Chairman, it will be noticed that the bill as originally drawn by the committee contained the three words "manufactured, produced, or mined." The amendment offered by the gentleman from Massachusetts [Mr. CONNERY] left out the words "produced or mined"; so that if the amendment offered by the gentleman from Massachusetts is adopted, they can use convict labor to mine coal, to mine iron, and produce other materials and still receive a grant.

I know if the United Mine Workers knew of this situation, they would approve of having this word "mined" in there, so there would be no possibility they could use convict labor for mining.

I think my amendment should be adopted for that particular reason. I wonder if the gentleman from Massachusetts [Mr. CONNERY] will be good enough to accept the amendment which I offer, because I do not see where there could be any objection to having those words inserted?

Mr. CONNERY. As far as I am personally concerned, I would be delighted to have those words in, but the federation apparently did not want to go as far as that. Personally, it would be O. K. with me.

Mr. EBERHARTER. Perhaps the United Mine Workers are not affiliated with the American Federation of Labor, and that is the reason they did not use the word "mined."

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. DIRKSEN. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Pennsylvania.

Mr. Chairman, I am rather amazed that our friends from Missouri should come into the well of this House and say, "We want to eat our cake and have it, too. You have been generous enough through P. W. A. to give us many millions of dollars for the remodeling of the penal and reformatory institutions in Missouri. Since you have been so generous in supplying us with Federal funds, we also demand for ourselves the right to flood the market with prison-made clothing and binder twine."

I think it is high time, in the interest of the free labor in every State in the Union, that we should force them to make an election and forego the benefits of Federal money or, once and for all, stop flooding the market in competition with free labor.

I am literally amazed at the demands you are making here today. I have in my district a cordage factory that is having difficulty in maintaining constant production because the market is constantly preempted by the cheap prison-made binder twine that is filling the markets of the Central West; but that is what our friends from Missouri contend for today.

As for the distinguished gentleman from Missouri [Mr. ANDERSON], who says we should not penalize them because they have not asked for much, I suggest that they take a portion of the $30,000,000 with which they are going to build a second memorial to Thomas Jefferson and use that money, and perhaps they will have enough to repair the penal institutions in Missouri.

The W. P. A. has allocated certain funds to the State of Missouri with which to repair and rebuild some of its penal institutions. The funds have been allocated, but not yet expended. The buildings proposed to be repaired or replaced will be used for the production of clothing, binder twine, and other goods. These goods will go into the market and compete with free labor.

The gentlemen from Missouri instead of coming before us with some sort of promise that this practice of selling prison-made goods in the open market will stop, merely come and talk of a solemn obligation with a sovereign State that must not be repudiated. Such argument is scarcely persuasive.

I suggest that a little missionary work be done at home first and that the State of Missouri be first made to agree that this practice will be discontinued. It has been said that the legislature is not in session. The answer to that objection is that they can be brought into special session in a reasonably short time for the purpose of giving this matter attention. Besides this possibility, there is the authority of the Governor to bind the State to some form of agreement that prison-made goods will be kept off of the market.

Failing in this, these funds should be withheld. The idea of permitting relief money, meant for the unemployed, to be used to repair prison buildings so that a greater production of prison-made goods can cause more unemployment is a fantastic paradox, and the only sensible thing this Congress can do is to put an end to it now.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. EBERHARTER] to the amendment offered by the gentleman from Massachusetts [Mr. CONNERY].

The question was taken; and on a division (demanded by Mr. EBERHARTER) there were ayes 51 and noes 45.

So the amendment to the amendment was agreed to.

Mr. WOOD. Mr. Chairman, I rise in opposition to the Connery amendment for very good reasons. Section 14 of the bill really eliminates the giving of Federal grants or loans to any State by the Federal Government immediately on the passage of this resolution. Missouri, as has been said, voted bonds for a $10,000,000 building program, and we did it for the purpose of creating employment more than anything else, rehabilitating our eleemosynary institution and penal institution. Nearly all of this money has been spent and, as has been said, we made a contract with the Federal Government. The State of Missouri has carried out its part of the contract. We were granted $850,000 for this new cell building. Now, mind you, if this amendment is passed we cannot complete our program and we will not only lose $850,000, we will lose over $4,000,000 in Federal money, because the Federal Government will have broken the contract we had with them.

Aside from the foregoing there are other reasons. The $850,000 cell building is needed because, Mr. Chairman, we have in one old building from 1,000 to 1,200 prisoners which was originally intended to house only 400 or 500.

[Here the gavel fell.]

Mr. ANDERSON of Missouri. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 2 additional minutes.

The CHAIRMAN. The Chair cannot entertain the gentleman's motion. All time has been fixed.

Mr. WOOD. Mr. Chairman, this is a most important matter to my State. I ask for only 2 additional minutes.

The CHAIRMAN. The Chair is trying to accommodate some of the gentleman's colleagues from Missouri.

The Chair recognizes the gentleman from Missouri [Mr. BELL] for 2 minutes.

Mr. BELL. Mr. Chairman and my colleagues, this is the first time recently that I have risen to address you on a matter in which my State is vitally interested. I have a few things I want to say about this amendment.

The gentleman who submits this amendment asks you as Members of Congress to do the amazing and astounding thing of having the United States Government repudiate and nullify a solemn contract already entered into. That is the only thing that this amendment does. I want, in the remaining moment or two, to point out, as we sometimes say, the "nigger under the woodpile." Just a few moments ago somebody said he had a cordage factory in his district. We have a cordage factory down in the State of Missouri. The gentleman's cordage factory has the temerity to come before the United States Congress and ask this body to repudiate a contract. The only interest from my State lobbying for this bill is the St. Louis Cordage Mills. I read a telegram which I received from them, as follows:

ST. LOUIS, MO., *May 25, 1937.*

Hon. CHARLES JASPER BELL,
United States Representative, House Office Building:

We are in favor of the amendment proposed by Congressman CONNERY to be added to the relief appropriation bill. Except in the case of States that already have laws prohibiting the sale of prison-made goods on the open market this amendment would prohibit the distribution of Federal funds to be used in any prison rehabilitation program even though these funds may have already been promised. We hope for your full support of this amendment.

ST. LOUIS CORDAGE MILLS.

I am in favor of section 14 just as it was originally written by the committee and reported to this House. That takes care of the question of convict labor and takes care of it in the right way.

Mr. ANDERSON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. BELL. I yield.

Mr. ANDERSON of Missouri. Will the gentleman state who is president of the Missouri State Federation of Labor?

Mr. BELL. My colleague, the gentleman from Missouri [Mr. WOOD] who just spoke, is president of the Missouri State Federation of Labor. He is against the amendment and is for section 14 just as it was originally written. He was down in the State of Missouri a few days ago and while he was there he wired me and asked me to oppose this amendment.

[Here the gavel fell.]

Mr. SAUTHOFF. Mr. Chairman, I offer a substitute for the Connery amendment.

The Clerk read as follows:

Amendment offered by Mr. SAUTHOFF as a substitute for the amendment offered by Mr. CONNERY: Strike out all of section 14 and insert the following:

"No funds shall be paid or allocated to any State or political subdivision thereof which permits the employment of children under the age of 18 years except in agriculture."

The CHAIRMAN. The question is on the substitute amendment offered by the gentleman from Wisconsin [Mr. SAUTHOFF].

The substitute amendment to the amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Virginia [Mr. WOODRUM].

Mr. WOODRUM. Mr. Chairman, I would like to explain to the Committee just what section 14 as reported by the committee seeks to do. In the first place, I think the Connery amendment should be defeated.

Section 14 was put in by the committee because of this complaint with reference to the expansion of prison institutions. It rose primarily out of a P. W. A. loan or grant to the State of Missouri to expand its penal and recreational institutions, a portion of which was used for the construction of a factory for prison-made goods.

Section 14, as reported by the committee, absolutely prohibits and prevents any further funds from any Government agency being given to any State or municipality for new loans, but it does permit the Government, of course, to carry out obligations which it has already incurred. The committee feels that the language, as reported by the committee, is as far as Congress can honorably go. We did not feel that Congress should have the right to undertake to write legislation here which would repudiate binding obligations which accredited agents of the Government have made with State or municipalities; therefore, Mr. Chairman, we believe the language, as reported by the committee, will absolutely protect any future loans or grants from any Government funds from any source whatever being used for that purpose, but will permit the carrying out of existing obligations.

Mr. Chairman, we hope all the amendments will be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. CONNERY].

The question was taken; and on a division (demanded by Mr. CONNERY) there were—ayes 43, noes 148.

So the amendment was rejected.

Mr. BEITER. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The amendment I am proposing, to prohibit the use of funds appropriated by this act to purchase heavy construction equipment, may save the taxpayers of this country millions of dollars; at least it cannot cost them anything. In the past, the Works Progress Administration has made large investments in heavy construction equipment, such as trenching machines, concrete mixing and placing machinery, road-building machinery, draglines, power shovels, tractors, etc. If W. P. A. were a permanent organization to be engaged in heavy construction for years to come, it might be good economy to purchase such equipment, but since it is an emergency organization such investments cannot be justified. I do not believe that it ever was the intention of Congress for W. P. A. to enter the field of heavy construction. As I understand it, W. P. A. was intended to be a relief and work-relief organization, and that the types

of projects it was expected to undertake would be confined to work that was predominately and normally hand labor—something that would require little or no investment on the part of the Federal Government other than for small tools and relief labor. As it is, W. P. A. has undertaken large sewer and waterworks projects. It has also gone in for heavy building construction.

Few Federal agencies have use for heavy construction equipment of the type W. P. A. is buying, therefore, the possibility of transferring such equipment to other Government agencies after it is no longer needed by W. P. A. is practically nil. If such equipment has to be sold to competitive bidders or at public auction only a small part of the Government's investment will be recovered. Its purchase should not be permitted in the first instance.

The Clerk read as follows:

Amendment offered by Mr. BEITER: Page 10, line 22, after the period, insert "No funds herein appropriated shall be expended to purchase heavy construction equipment."

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. BEITER].

The amendment was rejected.

Mr. McCLELLAN. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. MCCLELLAN: Page 10, line 22, insert a new paragraph, to read as follows:

"That any grant hereafter made by the Federal Emergency Administration of Public Works to aid in the financing of any project for which an allotment was recommended on a 45-percent grant basis by the examining divisions of the Federal Emergency Administration of Public Works and for which bonds have been voted or funds otherwise secured by the project sponsor to finance 55 percent of the project cost prior to the effective date of this act shall be 45 percent of the project cost."

Mr. WOODRUM. Mr. Chairman, I make the point of order against the amendment that it is not germane to the portion of the bill to which it is offered.

The CHAIRMAN. The amendment offered by the gentleman from Arkansas is offered as a new paragraph, which would be a new paragraph to section 14 that deals substantially with prison goods. The amendment offered by the gentleman from Arkansas deals with Public Works projects and is not germane to section 14. The Chair, therefore, sustains the point of order.

The Clerk read as follows:

SEC. 15. This joint resolution may be cited as the Emergency Relief Appropriation Act of 1937.

Mr. MEAD. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. MEAD: Page 10, line 23, after the word "resolution", strike out "may" and insert "shall."

Mr. MEAD. Mr. Chairman, during the course of this debate I have not taken any time of the House, and I regret very much that I find it necessary to take the floor this evening. First of all, I desire to congratulate the leadership of the committee and the House and the good judgment of the several gentlemen who offered amendments to this bill. I think each of them have won for themselves victories that should compensate them for their efforts. They all deserve credit, and there is credit enough for all.

May I point out to the Committee that it is impossible and impracticable for the House, acting as we have during the past few days, to write a general relief appropriation bill. In my judgment, a better balanced bill was reported to the House than the one we are now about to refer back to the House. Some are bent on balancing the Nation's Budget at any cost; others believe that a proper economic balance should be maintained; still others desire relief sufficient to maintain a proper social order in keeping with the Nation's wealth.

How can members of a committee opposed to the bill in its entirety, together with a group of Members who believe that the bill is grossly inadequate, write a new bill under such circumstances? Some of the earmarking amendments are economically wrong. They violate every rule of relief. They take away relief from the populous centers and confer it on other sections of the country where relief is not so necessary at this time. They rob workers of jobs and in some instances give employment to machines. They buoy up the durable-goods industry and injure the consuming-goods industry. Orders for metal goods will reach new heights while shoes, clothing, and foodstuffs will drop in comparison.

Every large industrial center throughout these United States will suffer as a result of some of the earmarking amendments that have been written into this bill. I hope that those who are actuated by motives based on the needs of the country and on the need for a real relief bill will join with the committee in the elimination of all such earmarking amendments. The agreements explained this afternoon will augment the work program to the advantage of all classes of unemployed.

There is another amendment in the bill I trust will be defeated. I fear it was adopted in a moment when our better judgment had left us. That is the amendment that would strike at the splendid leader of the great W. P. A. organization. In the future, when political passion and partisanship dies down, the name of Harry Hopkins will loom high in the history of our country and in the work of the Roosevelt administration. He has done a good job and I hope the amendment which reduced his salary will be stricken out of the bill. It should go out. W. P. A. is doing a great job, it has profited immensely by the experiences of the last few years. In New York State, as in the Nation, better projects are being selected and better work is being done.

The W. P. A. is a haven for the Nation's forgotten man, that tragedy of the power-machine age, the citizen who happens to be over 45 years old. Over 600,000 such workers are on W. P. A. projects.

A sufficient relief bill, followed by a housing and slum-clearance program, a public-buildings bill, a public-works bill that will release funds for projects already approved, and then to complete the task a bill to regulate hours, wages, and child labor, and we will have done our duty toward the unemployed. Organized labor is creating jobs also by securing better hours, wages, and working conditions.

[Here the gavel fell.]

Mr. WOODRUM. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

Mr. NICHOLS. Mr. Chairman, reserving the right to object, I desire to oppose the pro-forma amendment.

Mr. HOBBS. Mr. Chairman, I desire also to rise in opposition to the pro-forma amendment.

Mr. WOODRUM. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in 15 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. NICHOLS. Mr. Chairman, I do not come from that section of Oklahoma which is known as the Dust Bowl. I do not come from that section of the Great Plains States which is known as the Dust Bowl. But the dust still blows in Oklahoma today, and the dust is blowing in Texas and in parts of Kansas and Colorado, and I am interested in helping to relieve this situation.

A few days ago this House by a decisive vote earmarked $10,000,000 of these funds for the purpose of correcting this situation as far as possible. Today the majority leader came back to the House with some proposed compromises.

When he was questioned by the gentleman from Texas [Mr. JONES] as to whether or not he had a promise regarding what would happen to the Dust Bowl, the majority leader very frankly told this membership he had no promise pertaining to the Dust Bowl. The gentleman from Texas

[Mr. JONES] stated he had been in conference with Harry Hopkins and Aubrey Williams, and that they had said, "Why, we might spend $30,000,000 out there. Your amendment is only a limitation." I wish I could think they would spend this sum. But, Mr. Chairman, that dog will not hunt. The amendment of the gentleman from Texas provided that there should be at least $10,000,000, which is no limitation; and if they wanted to spend any sum above $10,000,000, they should know this is no limitation. If they want to spend $30,000,000 and are honest and sincere in such intention, they should welcome the $10,000,000 earmarking amendment placed in the bill.

I want to warn the membership of this House—you gentlemen from New York, who had dust in your breakfast less than a year ago, dust blown from the Great Plains of the Middle West; and you gentlemen from California, who had sand in your breakfast grapefruit, sand blown from Oklahoma and Texas—that if you vote to take out this $10,000,000 amendment, you should do it with your eyes open. You gentlemen from Oklahoma, New Mexico, Kansas, Texas, and Nebraska, and the great Middle West, if you think you received a compromise today, you are being duped, and you are making the biggest mistake you have ever made in your life.

I hope the membership of this House, if they are interested in the starving farmers, whose houses are being covered up by sand blown over their roofs so they cannot even get out the door; if you are interested in protecting the fertile fields in that area, which today are being covered up as the young crops are growing and the dust piles on them and piles on them, you will vote to keep the $10,000,000 amendment in this bill.

[Here the gavel fell.]

The CHAIRMAN (Mr. LAMBETH). Without objection, the pro-forma amendment of the gentleman from New York is withdrawn.

There was no objection.

Mr. HOBBS. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, no Member of this House, in my opinion, is entitled to a higher place in our confidence by reason of his ability, integrity, and patriotism than the distinguished gentleman from North Carolina, the Honorable LINDSAY WARREN. When that gentleman told you today that there was no more indefensible earmarking in this bill than the Cartwright amendment, I believe the distinguished gentleman went too far. I believe also that Jupiter nodded!

If the English language means anything, there is already earmarked in this bill $415,000,000 for good roads. I refer you to page 2 of the bill, lines 8 to 13, inclusive. There you will find the policy stated; written, no doubt, by the leadership of this House after conference with the powers that be at the other end of the Avenue. This $415,000,000 is already earmarked for good roads.

All the Cartwright amendment does is to say that of this amount about one dollar in three shall be spent by experts, who know their business, for better and more permanent roads than the cheaper kind which will be built under the W. P. A.

The motive back of this amendment is not one of mistrust of our great leader in the White House, nor of that other leader who has done such a splendid piece of work in the Works Progress Administration. A large majority of us trust them implicitly and admire them extravagantly. No, the motivating cause of this amendment is the honest conviction that relief of all the really needy in this Nation may be achieved under the provisions of this bill, with the Cartwright amendment in it, and that when the year has passed and the relief job done, the taxpayers would have much more of permanent value to show for their money. We believe that good roads, properly built out of good materials, will last. We point to the Appian Way, still good as it was in the days when it bore the chariots of the Caesar who conquered Gaul. We believe that money put into the building of real roads is not spent, but invested.

Another article of our credo is: 80 to 90 percent of every good-roads dollar goes for labor. This has been proven in countless hearings. It is indisputably true. Directly or indirectly, from 80 to 90 cents of every good-roads dollar is paid to labor.

We maintain that it is better to employ men, or keep them employed, in essential industries, thereby keeping them off of relief, than to add to unemployment and relief rolls by failing to buy and use the products of essential industries. Is it not better to feed and clothe and house families by buying cement or tar, slag, rock, asphalt, or other road-building material than by a W. P. A. job after forcing the provider onto a relief roll?

It is the same old case of fence versus ambulance. Why not fence the dangerous cliff by providing work in private industry, instead of spending all our money on the ambulance down in the valley?

Many of us glory in the record which has been made by this administration in transmuting the rule of gold into the golden rule! We have fed the hungry, clothed the naked, housed the homeless, and in every way safeguarded morale and self-respect among the beneficiaries! Our record through W. P. A. is marvelous We have built countless miles of good roads—many of these of the higher class we are now seeking by the Cartwright amendment to continue building. Let us not "weary in well doing", nor cower at the crack of the whip. Let us exercise at least enough of our constitutional authority to retain in this bill this most meritorious amendment.

I have confidence enough in the Honorable Harry Hopkins to be sure that he will do the job of relief in a creditable way. Let us challenge him, by retaining this amendment, to do it even better than he planned.

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. HOBBS. Certainly.

Mr. MOTT. Without the Cartwright amendment there is no requirement whatever in the bill to spend any money for roads.

Mr. HOBBS. Yes, sir; that is true.

Mr. KELLER. Mr. Chairman, will the gentleman yield?

Mr. HOBBS. Gladly.

Mr. KELLER. Is it not also true that the money could be spent by contractors who would employ men who did not need help?

Mr. HOBBS. Yes; that is possible, but I think not a pressing problem.

[Here the gavel fell.]

Mr. IZAC. Mr. Chairman, I rise in opposition to the pro-forma amendment.

Mr. Chairman, I have been very critical of the administration of the W. P. A. in my district because of the reports and complaints which seemed to be well-founded, and so I was compelled to ask that the management of this important work be investigated. We cannot permit discrimination of any kind to exist if it is possible to stamp it out. Especially must we be ever watchful that political considerations have no weight in the desperate fight we are waging against unemployment and distress.

But in spite of my critical attitude toward those who would sabotage the President's program of giving relief where it is needed, I am wholeheartedly behind any move that will continue employment for those who cannot receive it elsewhere, and for providing for the needs of the poor, the hungry, and the less privileged to the full extent of our national ability.

In this relief bill which we have been discussing now for the past several days we have considered the necessity of providing for from one to two millions of people who would not otherwise be able to buy even the necessities of life for themselves and their families. And I have consistently supported every amendment offered to increase this appropriation, even to three or four billion dollars if during the coming 12 months the President should find it necessary to expend that amount to relieve distress.

But, my colleagues, I would like to draw your attention to a fact that no one seems to have considered. It is this—

that although we had some 18,000,000 persons unemployed at the time President Roosevelt arrived on the scene and assumed the direction of national affairs, and in spite of the fact that 8,433,000 persons have been placed back on the pay roll of industry, agriculture, and commerce—that there are still 9,600,000 persons unemployed in this country. These figures are not mine. They have been compiled after considerable research according to an announcement of the Alexander Hamilton Institute.

Now, if this is true, and I see no reason to believe otherwise, why are we providing for one and one-half million people when there are nine and one-half million unemployed? Let us presume there are only one-half or even one-third of this number that are actually heads of families with dependents to support. That will still give us between three and five million heads of families who have no way of providing for themselves and their families except direct relief and the W. P. A. In other words, when we provide for one million up to two million people, not all of them heads of families, it is obvious that we are taking care of but a small proportion of the total number who are just as much entitled to relief as are those who happen to have the good fortune to get on the pay roll.

Now here is another fact that I should like to bring to your attention and that is that because of the limited funds we appropriate for W. P. A. it permits those in authority in the district offices to place on the rolls their friends and to deny work to their enemies. They can even go further because of certain classifications, they can make these poor, unfortunate people be "good" or else their classification changes to one of a lower grade. At any rate, the pay received, because of these various classifications, gives considerable latitude and power of discrimination to those in authority.

You have probably seen it in your own district where a skilled mechanic, perhaps a carpenter, is required to dig ditches at $55 a month, whereas a common laborer may be classified in such a way as to receive many dollars more per month. This undoubtedly breeds discontent and defeats the very purpose of relief. Because why should one in an easy job, of say $94 a month, ever care to risk giving this up when private industry for a similar classification cannot pay so much?

The real answer, of course, must be that our basic wage scale is so low that it does not provide the American standard of living. As long as there is a dearth of jobs and an oversupply of labor this condition is bound to exist. Unless we will outlaw child labor and retire our old people this oversupply of labor will continue to exist. It may be necessary to come to the 30-hour work week to provide jobs for all. But I believe if a real effort were made to enforce even a 40-hour work week, the effect on unemployment would be most salutary.

In the meantime, however, it is necessary that we back up the President in his promise that as long as he is President of the United States no one in this great land of ours shall starve. And I trust, therefore, that this Congress will at least vote the amount of money the President asks for and be ready and willing to vote more when the need for it becomes evident as I believe it will within the near future.

The CHAIRMAN. All time has expired.

Mr. JONES. Mr. Chairman, I ask unanimous consent to proceed for 1 minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. JONES. Mr. Chairman, in view of the statement by my friend from Oklahoma, I want to make one observation: On the question of provision for the ponds and lakes amendment, I had direct assurance from Mr. Hopkins and Mr. Williams that they expected to use more than the amount stipulated in my amendment for the purposes indicated in that amendment. I have faith in what they said and expect to accept their statement.

The pro-forma amendment was withdrawn.

Mr. WOODRUM. Mr. Chairman, I move that the Committee do now rise and report the joint resolution back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. O'CONNOR of New York, Chairman of the Whole House on the state of the Union, reported that that Committee, having had under consideration the joint resolution (H. J. Res. 361) making appropriations for relief purposes, had directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. WOODRUM. Mr. Speaker, I move the previous question on the joint resolution and all amendments thereto to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment?

Mr. WOODRUM. Mr. Speaker, I ask for a separate vote on the following amendments:

Page 2, lines 1, 13, 18, 20, and 21, the several amendments dealing with the amounts in the bill.

On page 2, line 18, the so-called Starnes flood-control amendment.

On page 2, line 20, and page 3, line 24, the two Caldwell amendments, or the so-called public-works amendment.

On page 3, line 18, the Cartwright good-roads amendment.

On page 5, line 22, the May amendment limiting the salary of any employee of the Works Progress Administration.

Mr. BOILEAU. Mr. Speaker, I ask for a separate vote on each amendment.

The SPEAKER. The gentleman from Wisconsin demands a separate vote on each amendment agreed to in Committee of the Whole.

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The question was taken; and on a division (demanded by Mr. McCORMACK and Mr. O'MALLEY) there were—ayes 123, noes 223.

Mr. McCORMACK. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were refused.

So the motion to adjourn was rejected.

The SPEAKER. The Clerk will report the first amendment adopted in Committee of the Whole.

Mr. O'MALLEY. Mr. Speaker, a parliamentary inquiry. The gentleman from Wisconsin has requested a separate vote on each amendment. Does that include the amendments with respect to the amounts?

The SPEAKER. As the Chair understands, the gentleman from Wisconsin has demanded a separate vote on each and every amendment agreed to in Committee of the Whole and reported to the House.

The Clerk will report the first amendment.

The Clerk read as follows:

Committee amendment:

On page 1, line 11, strike out "$1,000,000,000" and insert in lieu thereof "$1,500,000,000."

Mr. HANCOCK of North Carolina. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

Mr. MAY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MAY. Mr. Speaker, as I understand the vote now about to be taken, a vote of "yea" means a vote for $1,500,000,000, and a vote of "nay" means a vote for $1,000,000,000.

The SPEAKER. The gentleman has arrived at a correct conclusion. [Laughter and applause.]

The question was taken; and there were—yeas 271, nays 107, not voting 54, as follows:

[Roll No. 73]

YEAS—271

Aleshire	Dunn	Keogh	Patterson
Allen, Del.	Eberharter	Kerr	Patton
Allen, La.	Eckert	Kirwan	Peterson, Fla.
Allen, Pa.	Edmiston	Kitchens	Pfeifer
Amlie	Eicher	Knutson	Phillips
Anderson, Mo.	Ellenbogen	Kocialkowski	Powers
Arnold	Englebright	Kopplemann	Quinn
Atkinson	Evans	Kramer	Rabaut
Barry	Faddis	Lambertson	Ramsay
Beam	Farley	Lanzetta	Randolph
Beiter	Fitzgerald	Larrabee	Rayburn
Bell	Fitzpatrick	Lea	Rees, Kans.
Bernard	Flannagan	Leavy	Reilly
Bigelow	Flannery	Lemke	Rigney
Bloom	Fleger	Lesinski	Robinson, Utah
Boileau	Forand	Lewis, Md.	Rogers, Mass.
Boland, Pa.	Ford, Calif.	Long	Rogers, Okla.
Boren	Frey, Pa.	Lucas	Romjue
Boyer	Fries, Ill.	Luckey, Nebr.	Ryan
Boykin	Fuller	Ludlow	Sacks
Boylan, N. Y.	Garrett	Luecke, Mich.	Sauthoff
Bradley	Gearhart	McAndrews	Schaefer, Ill.
Brooks	Gehrmann	McClellan	Schneider, Wis.
Buck	Gildea	McCormack	Schulte
Buckler, Minn.	Gingery	McFarlane	Scott
Buckley, N. Y.	Goldsborough	McGranery	Scrugham
Burdick	Gray, Pa.	McGrath	Seger
Byrne	Greenwood	McGroarty	Shanley
Caldwell	Greever	McKeough	Shannon
Cannon, Wis.	Gregory	McLaughlin	Sheppard
Carlson	Griffith	McSweeney	Sirovich
Carter	Guyer	Magnuson	Smith, Conn.
Cartwright	Haines	Mahon, Tex.	Smith, Wash.
Case, S. Dak.	Hamilton	Maloney	Snyder, Pa.
Casey, Mass.	Harrington	Massingale	Somers, N. Y.
Celler	Hart	Maverick	Sparkman
Champion	Harter	Mead	Spence
Chandler	Havenner	Meeks	Stack
Citron	Healey	Merritt	Steagall
Clark, Idaho	Hendricks	Millis	Stefan
Claypool	Hennings	Mitchell, Ill.	Sullivan
Cochran	Higgins	Mitchell, Tenn.	Sumners, Tex.
Coffee, Wash.	Hildebrandt	Moser, Pa.	Sutphin
Colden	Hill, Okla.	Mosier, Ohio	Sweeney
Colmer	Hobbs	Mott	Swope
Connery	Honeyman	Mouton	Teigan
Cooley	Hope	Murdock, Ariz.	Thom
Cooper	Houston	Murdock, Utah	Thomas, Tex.
Cravens	Hull	Nelson	Thomason, Tex.
Creal	Hunter	Nichols	Thompson, Ill.
Crosby	Imhoff	Norton	Tolan
Crosser	Izac	O'Brien, Ill.	Towey
Crowe	Jacobsen	O'Brien, Mich.	Transue
Cullen	Jarman	O'Connell, Mont.	Vincent, B. M.
Curley	Jenckes, Ind.	O'Connell, R. I.	Vinson, Fred M.
Daly	Jenks, N. H.	O'Connor, Mont.	Voorhis
Delaney	Johnson, Lyndon	O'Connor, N. Y.	Wallgren
DeMuth	Johnson, Minn.	O'Day	Walter
DeRouen	Johnson, Okla.	O'Leary	Weaver
Dickstein	Johnson, W. Va.	O'Malley	Welch
Dingell	Jones	O'Neal, Ky.	Wene
Dixon	Kee	O'Neill, N. J.	White, Idaho
Dockweiler	Keller	O'Toole	Williams
Dorsey	Kelly, Ill.	Oliver	Withrow
Dowell	Kelly, N. Y.	Palmisano	Wolverton
Drew, Pa.	Kennedy, Md.	Parsons	Wood
Driver	Kennedy, N. Y.	Patman	Zimmerman
Duncan	Kenney	Patrick	

NAYS—107

Allen, Ill.	Ditter	Lambeth	Sanders
Andrews	Dondero	Lamneck	Short
Arends	Doughton	Lewis, Colo.	Simpson
Bacon	Douglas	Luce	Smith, Va.
Barden	Doxey	McLean	Snell
Bates	Drewry, Va.	McReynolds	South
Biermann	Eaton	Mahon, S. C.	Starnes
Bland	Engel	Mapes	Taber
Boehne	Ferguson	Martin, Mass.	Tarver
Brewster	Fletcher	Mason	Taylor, S. C.
Brown	Gasque	May	Thomas, N. J.
Bulwinkle	Gifford	Michener	Thurston
Burch	Gray, Ind.	Millard	Tinkham
Church	Griswold	Owen	Tobey
Clason	Gwynne	Pace	Treadway
Coffee, Nebr.	Halleck	Pearson	Turner
Cole, Md.	Hancock, N. Y.	Peterson, Ga.	Umstead
Cole, N. Y.	Hancock, N. C.	Polk	Vinson, Ga.
Costello	Harlan	Ramspeck	Wadsworth
Cox	Hartley	Rankin	Warren
Crawford	Hoffman	Reece, Tenn.	White, Ohio
Crowther	Holmes	Reed, Ill.	Whittington
Culkin	Jarrett	Reed, N. Y.	Wigglesworth
Deen	Jenkins, Ohio	Rich	Wolfenden
Dies	Kinzer	Richards	Woodruff
Dirksen	Kleberg	Robertson	Woodrum
Disney	Kniffin	Rutherford	

NOT VOTING—54

Andresen, Minn.	Clark, N. C.	Fernandes	Gavagan
Ashbrook	Cluett	Fish	Gilchrist
Binderup	Collins	Ford, Miss.	Goodwin
Cannon, Mo.	Cummings	Fulmer	Green
Chapman	Dempsey	Gambrill	Hill, Ala.
Hill, Wash.	Maas	Robsion, Ky.	Taylor, Tenn.
Hook	Mansfield	Sabath	Terry
Johnson, Luther A.	Martin, Colo.	Sadowski	Wearin
Kloeb	Miller	Schuetz	West
Kvale	Pettengill	Secrest	Whelchel
Lanham	Peyser	Shafer, Mich.	Wilcox
Lord	Pierce	Smith, Maine	Wolcott
McGehee	Plumley	Smith, W. Va.	
McMillan	Poage	Taylor, Colo.	

So the amendment was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Mansfield (for) with Mr. Goodwin (against).
Mr. Wearin (for) with Mr. West (against).
Mr. Shafer of Michigan (for) with Mr. Lord (against).
Mr. Kloeb (for) with Mr. Andresen of Minnesota (against).
Mr. Maas (for) with Mr. Fish (against).
Mr. Schuetz (for) with Mr. Cluett (against).
Mr. Clark of North Carolina (for) with Mr. Wolcott (against).

General pairs:

Mr. Ford of Mississippi with Mr. Plumley.
Mr. Green with Mr. Taylor of Tennessee.
Mr. Lanham with Mr. Smith of Maine.
Mr. Terry with Mr. Robsion of Kentucky.
Mr. Collins with Mr. Kvale.
Mr. Cannon of Missouri with Mr. Gilchrist.
Mr. Wilcox with Mr. Hook.
Mr. McMillan with Mr. Poage.
Mr. Dempsey with Mr. Ashbrook.
Mr. Taylor of Colorado with Mr. McGehee.
Mr. Pettengill with Mr. Sabath.
Mr. Fernandez with Mr. Pierce.
Mr. Chapman with Mr. Fulmer.
Mr. Whelchel with Mr. Peyser.
Mr. Miller with Mr. Secrest.
Mr. Cummings with Mr. Hill of Alabama.
Mr. Luther A. Johnson with Mr. Smith of West Virginia.
Mr. Binderup with Mr. Gavagan.
Mr. Gambrill with Mr. Hill of Washington.
Mr. Martin of Colorado with Mr. Sadowski.

The result of the vote was announced as above recorded.

Mr. WOODRUM. Mr. Speaker, I ask unanimous consent that the amendments on page 2, line 13, line 18, line 20, and line 21, merely dealing with the allocation of amounts, be voted on en bloc.

Mr. DINGELL. Mr. Speaker, I reserve the right to object. Does this involve the May amendment on the Hopkins pay roll?

Mr. WOODRUM. No.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The SPEAKER. The Clerk will report the several amendments referred to by the gentleman from Virginia.

The Clerk read as follows:

Page 2, line 13, strike out "$276,700,000" and insert "$415,000,000."
Page 2, line 18, strike out "$420,000,000" and insert "$630,000,000."
Page 2, line 20, strike out "$253,300,000" and insert "$380,000,000."
Page 2, line 21, strike out "$50,000,000" and insert "$75,000,000."

The SPEAKER. The question is on agreeing to the amendments.

The amendments were agreed to.

The SPEAKER. The Clerk will report the next amendment.

The Clerk read as follows:

Page 2, line 15, after the word "including", insert the following: "Electric transmission and distribution lines of systems to serve persons in rural areas, including projects sponsored by and for the benefit of nonprofit cooperative associations."

The SPEAKER. The question is on agreeing to the amendment.

The question was taken; and on a division (demanded by Mr. WOODRUM) there were—ayes 108, noes 91.

So the amendment was agreed to.

The SPEAKER. The Clerk will report the next amendment.

The Clerk read as follows:

Page 2, line 17, after the word "conservation", strike out the words "and miscellaneous."

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER. The Clerk will report the next amendment.

The Clerk read as follows:

Page 2, line 18, after the sign and figures "$630,000,000", insert the following: ", of which amount not less than $20,000,000 shall be available to augment funds otherwise provided to carry out the provisions of the Flood Control Act, approved May 15, 1928 (U. S. C., title 33, sec. 702–a), as amended by the Flood Control Act, approved June 15, 1936 (49 Stat. 1508), and not less than $25,000,000 shall be available to augment funds otherwise provided to carry out the provisions of the Flood Control Act, approved June 22, 1936 (49 Stat. 1570–1595), as amended: *Provided*, That these funds are expended under the provisions herein established for the use of relief labor: *Provided further*, That the requirements hereinafter established that no Federal construction project shall be undertaken unless and until there have been allocated and irrevocably set aside sufficient funds for its completion shall not apply to duly authorized flood-control projects."

The SPEAKER. The Chair is advised that this is the so-called Starnes amendment. The question is on the amendment.

The amendment was rejected.

The SPEAKER. The Clerk will report the next amendment.

The Clerk read as follows:

At the end of the Starnes amendment strike out the period, insert a semicolon and add the following: "and not less than $10,000,000 shall be available for the construction of ponds and small lakes and for water conservation in the Great Plains area."

The SPEAKER. The question is on agreeing to the amendment.

The amendment was rejected.

The SPEAKER. The Clerk will report the next amendment.

The Clerk read as follows:

Amendment offered by Mr. MAGNUSON: Page 2, line 19, after the word "professional", insert "and self-help."

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER. The Clerk will report the next amendment.

The Clerk read as follows:

Page 2, line 20, after the semicolon, add: "*Provided*, That from the amounts specified for the foregoing classes, $300,000,000 shall be allocated to the Federal Emergency Administration of Public Works."

Mr. WOODRUM. Mr. Speaker, I ask unanimous consent that the Caldwell amendment on page 2, line 20, dealing with $300,000,000, and the companion amendment on page 3, after line 18, dealing with the Public Works Administration, be voted on together.

The SPEAKER. Is there objection?

Mr. HOLMES. Mr. Speaker, I object.

The SPEAKER. Objection is heard. The question is on the so-called Caldwell amendment, page 2, line 20.

Mr. HANCOCK of North Carolina. Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. RANDOLPH. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. RANDOLPH. Is it in order for the Speaker to once again have the amendment read?

The SPEAKER. It can be done by unanimous consent.

Mr. RANDOLPH. I ask unanimous consent that the amendment be again reported.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

Mr. LAMNECK. Mr. Speaker, I object.

The SPEAKER. The Clerk will call the roll.

The question was taken; and there were—yeas 147, nays 231, not voting 55, as follows:

[Roll No. 74]

YEAS—147

Allen, Ill.	Brewster	Case, S. Dak.	Crowe
Andrews	Brown	Church	Crowther
Arends	Buck	Clason	Culkin
Bacon	Burch	Claypool	Deen
Barden	Cannon, Wis.	Cole, N. Y.	Dies
Bates	Carlson	Cravens	Ditter
Bland	Carter	Crawford	Dondero
Boehne	Cartwright	Crosser	Douglas
Dowell	Hull	Mills	Seger
Doxey	Hunter	Mosier, Ohio	Shannon
Drewry, Va.	Imhoff	Mott	Short
Driver	Jarman	O'Day	Simpson
Eaton	Jarrett	O'Malley	Smith, Conn.
Edmiston	Jenckes, Ind.	Oliver	Smith, Va.
Engel	Jenkins, Ohio	Owen	Snell
Englebright	Jenks, N. H.	Palmisano	South
Farley	Kennedy, N. Y.	Patman	Sparkman
Ferguson	Kinzer	Patton	Spence
Fish	Kirwan	Polk	Stefan
Fitzgerald	Kleberg	Ramspeck	Sweeney
Fleger	Kniffin	Rankin	Tarver
Garrett	Knutson	Reece, Tenn.	Taylor, S. C.
Gifford	Lambertson	Reed, Ill.	Thomas, Tex.
Gray, Ind.	Lambeth	Reed, N. Y.	Thomason, Tex.
Greenwood	Lamneck	Rees, Kans.	Tinkham
Griswold	Luce	Rich	Tobey
Guyer	Luckey, Nebr.	Richards	Tolan
Gwynne	McClellan	Robertson	Treadway
Halleck	McLaughlin	Rogers, Mass.	Umstead
Hamilton	McLean	Rogers, Okla.	Vinson, Ga.
Hancock, N. Y.	McSweeney	Romjue	Wadsworth
Hancock, N. C.	Mapes	Rutherford	White, Ohio
Harter	Martin, Mass.	Ryan	Wigglesworth
Hill, Okla.	Mason	Sanders	Williams
Hobbs	May	Sauthoff	Wolfenden
Hoffman	Michener	Schneider, Wis.	Woodruff
Holmes	Millard	Scrugham	

NAYS—231

Aleshire	Dockweiler	Kerr	Peterson, Fla.
Allen, Del.	Dorsey	Kitchens	Peterson, Ga.
Allen, La.	Doughton	Kocialkowski	Pfeifer
Allen, Pa.	Drew, Pa.	Kopplemann	Phillips
Amlie	Duncan	Kramer	Powers
Anderson, Mo.	Dunn	Lanzetta	Quinn
Arnold	Eberharter	Larrabee	Rabaut
Atkinson	Eckert	Lea	Ramsay
Barry	Eicher	Leavy	Randolph
Beam	Ellenbogen	Lemke	Rayburn
Beiter	Evans	Lesinski	Reilly
Bell	Faddis	Lewis, Colo.	Rigney
Bernard	Fitzpatrick	Lewis, Md.	Robinson, Utah
Biermann	Flannagan	Long	Sabath
Bigelow	Flannery	Lucas	Sacks
Bloom	Fletcher	Ludlow	Schaefer, Ill.
Bolleau	Forand	Luecke, Mich.	Schulte
Boland, Pa.	Ford, Calif.	McAndrews	Scott
Boren	Frey, Pa.	McCormack	Shanley
Boyer	Fries, Ill.	McFarlane	Sheppard
Boykin	Fuller	McGranery	Sirovich
Boylan, N. Y.	Gasque	McGrath	Smith, Wash.
Bradley	Gearhart	McGroarty	Snyder, Pa.
Brooks	Gehrmann	McKeough	Somers, N. Y.
Buckler, Minn.	Gildea	McReynolds	Stack
Buckley, N. Y.	Gingery	Magnuson	Starnes
Bulwinkle	Goldsborough	Mahon, S. C.	Steagall
Burdick	Gray, Pa.	Mahon, Tex.	Sullivan
Byrne	Greever	Maloney	Sumners, Tex.
Casey, Mass.	Gregory	Massingale	Sutphin
Celler	Griffith	Maverick	Swope
Champion	Haines	Mead	Taber
Chandler	Harlan	Meeks	Teigan
Citron	Harrington	Merritt	Thom
Clark, Idaho	Hart	Mitchell, Ill.	Thomas, N. J.
Cochran	Hartley	Mitchell, Tenn.	Thompson, Ill.
Coffee, Nebr.	Havenner	Moser, Pa.	Thurston
Coffee, Wash.	Healey	Mouton	Towey
Colden	Hendricks	Murdock, Ariz.	Transue
Cole, Md.	Hennings	Murdock, Utah	Turner
Colmer	Higgins	Nelson	Vincent, B. M.
Connery	Hildebrandt	Nichols	Vinson, Fred M.
Cooley	Honeyman	Norton	Voorhis
Cooper	Houston	O'Brien, Ill.	Wallgren
Costello	Izac	O'Brien, Mich.	Walter
Cox	Jacobsen	O'Connell, Mont.	Warren
Creal	Johnson, Lyndon	O'Connell, R. I.	Weaver
Crosby	Johnson, Minn.	O'Connor, Mont.	Welch
Cullen	Johnson, Okla.	O'Connor, N. Y.	Wene
Curley	Johnson, W. Va.	O'Leary	White, Idaho
Daly	Jones	O'Neal, Ky.	Whittington
Delaney	Kee	O'Neill, N. J.	Withrow
DeMuth	Keller	O'Toole	Wolverton
DeRouen	Kelly, Ill.	Pace	Wood
Dickstein	Kelly, N. Y.	Parsons	Woodrum
Dingell	Kennedy, Md.	Patrick	Zimmerman
Dirksen	Kenney	Patterson	The Speaker
Dixon	Keogh	Pearson	

NOT VOTING—55

Andresen, Minn.	Fulmer	Lord	Schuetz
Ashbrook	Gambrill	McGehee	Secrest
Binderup	Gavagan	McMillan	Shafer, Mich.
Caldwell	Gilchrist	Maas	Smith, Maine
Cannon, Mo.	Goodwin	Mansfield	Smith, W. Va.
Chapman	Green	Martin, Colo.	Taylor, Colo.
Clark, N. C.	Hill, Ala.	Miller	Taylor, Tenn.
Cluett	Hill, Wash.	Pettengill	Terry
Collins	Hook	Peyser	Wearin
Cummings	Hope	Pierce	West
Dempsey	Johnson, Luther A.	Plumley	Whelchel
Disney	Kloeb	Poage	Wilcox
Fernandez	Kvale	Robsion, Ky.	Wolcott
Ford, Miss.	Lanham	Sadowski	

The SPEAKER. The Clerk will call my name.

The Clerk called the name of Mr. BANKHEAD, and he answered "nay."

So the amendment was rejected.

The Clerk announced the following additional pairs:

On this vote:

Mr. Wolcott (for) with Mr. Hook (against).
Mr. Shafer of Michigan (for) with Mr. Mansfield (against).
Mr. Cluett (for) with Mr. Kloeb (against).
Mr. Terry (for) with Mr. Gavagan (against).
Mr. West (for) with Mr. Wearin (against).
Mr. Robsion of Kentucky (for) with Mr. Kvale (against).
Mr. Andresen of Minnesota (for) with Mr. Fernandez (against).
Mr. Pettengill (for) with Mr. Schuetz (against).
Mr. Martin of Colorado (for) with Mr. Peyser (against).

Until further notice:

Mr. Ford of Mississippi with Mr. Plumley.
Mr. Green with Mr. Taylor of Tennessee.
Mr. Lanham with Mr. Smith of Maine.
Mr. Cannon of Missouri with Mr. Gilchrist.
Mr. Luther A. Johnson with Mr. Goodwin.
Mr. Collins with Mr. Maas.
Mr. McMillan with Mr. Lord.
Mr. Taylor of Colorado with Mr. Hope.
Mr. Wilcox with Mr. Pierce.
Mr. Dempsey with Mr. Ashbrook.
Mr. Chapman with Mr. Fulmer.
Mr. Miller with Mr. Secrest.
Mr. Cummings with Mr. Hill of Alabama.
Mr. Gambrill with Mr. Hill of Washington.
Mr. Binderup with Mr. Caldwell.
Mr. Clark of North Carolina with Mr. Sadowski.
Mr. Smith of West Virginia with Mr. Whelchel.
Mr. Disney with Mr. McGehee.

Mr. O'CONNOR of Montana changed his vote from "aye" to "no."

Mr. COX changed his vote from "aye" to "no."

Mr. CROSSER changed his vote from "no" to "aye."

Mr. SCHULTE changed his vote from "aye" to "no."

The result of the vote was announced as above recorded.

The SPEAKER. The Clerk will report the next amendment.

The Clerk read as follows:

Amendment offered by Mr. CARTWRIGHT: On page 3, between lines 18 and 19, insert:

"Of the amount specified for highways, roads, and streets, not less than $75,000,000 shall be allocated for the survey and construction of public highways on the Federal-aid highway system and not less than $50,000,000 for the survey and construction of secondary or feeder roads, including farm-to-market roads, rural free-delivery mail roads, and public-school bus routes. Such sums shall be apportioned in the manner provided by section 204 (b) of the National Industrial Recovery Act for expenditure by the State highway departments under the provisions of the Federal Highway Act, as amended and supplemented. Not less than $25,000,000 shall be allocated for the survey and construction of projects for the elimination of hazards to life at railroad grade crossings, on the Federal-aid highway system and elsewhere, including the separation or protection of grades at crossings, the reconstruction of existing railroad grade-crossing structures, and the relocation of highways to eliminate grade crossings, and shall be apportioned and expended in accordance with the provisions of section 8 of the act of June 16, 1936, entitled 'An act to amend the Federal Highway Act, approved July 11, 1916, as amended and supplemented, and for other purposes.' No part of the funds apportioned to any State or Territory under this paragraph need be matched by the State or Territory. The President shall prescribe rules and regulations for carrying into effect the provisions of this paragraph."

The SPEAKER. The question is on agreeing to the amendment.

The question was taken; and there were on a division (demanded by Mr. O'MALLEY)—ayes 147, noes 167.

Mr. CARTWRIGHT. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 168, nays 207, not voting 57, as follows:

[Roll No. 75]

YEAS—168

Aleshire	Boren	Cartwright	Cox
Allen, Ill.	Boykin	Case, S. Dak.	Cravens
Andrews	Brewster	Church	Crawford
Arends	Brown	Clason	Crowther
Atkinson	Buckler, Minn.	Claypool	Culkin
Bacon	Burch	Coffee, Nebr.	Deen
Beiter	Caldwell	Cole, Md.	Dies
Bell	Cannon, Wis.	Cole, N. Y.	Ditter
Bland	Carter	Colmer	Dondero
Douglas	Holmes	Mosier, Ohio	Seger
Dowell	Houston	Mott	Shannon
Doxey	Hull	Murdock, Ariz.	Sheppard
Drewry, Va.	Hunter	Nelson	Short
Driver	Imhoff	Nichols	Simpson
Eaton	Jarman	O'Connor, Mont.	Smith, Va.
Edmiston	Jarrett	O'Connor, N. Y.	Snell
Engel	Jenkins, Ohio	O'Malley	South
Englebright	Jenks, N. H.	Owen	Sparkman
Farley	Johnson, W. Va.	Pace	Spence
Ferguson	Jones	Patrick	Starnes
Fish	Kennedy, N. Y.	Patton	Steagall
Fleger	Kinzer	Peterson, Fla.	Stefan
Fuller	Kirwan	Peterson, Ga.	Sweeney
Gambrill	Kitchens	Polk	Taber
Garrett	Kniffin	Ramspeck	Tarver
Gasque	Knutson	Randolph	Taylor, S. C.
Gehrmann	Kramer	Rankin	Thomas, N. J.
Gifford	Lambertson	Reece, Tenn.	Thurston
Goldsborough	Lamneck	Reed, Ill.	Tinkham
Gray, Ind.	Lemke	Reed, N. Y.	Tobey
Greever	Luckey, Nebr.	Rees, Kans.	Tolan
Griswold	Luecke, Mich.	Rich	Treadway
Guyer	McClellan	Richards	Turner
Gwynne	McLean	Robertson	Vinson, Ga.
Halleck	McSweeney	Rogers, Mass.	Wadsworth
Hamilton	Mahon, Tex.	Rogers, Okla.	White, Idaho
Hancock, N. Y.	Mapes	Romjue	White, Ohio
Hancock, N. C.	Martin, Mass.	Rutherford	Whittington
Hendricks	Mason	Sauthoff	Wigglesworth
Hildebrandt	May	Schneider, Wis.	Wolfenden
Hobbs	Michener	Schulte	Wolverton
Hoffman	Millard	Scrugham	Woodruff

NAYS—207

Allen, Del.	Dirksen	Kennedy, Md.	Parsons
Allen, La.	Dixon	Kenney	Patterson
Allen, Pa.	Dockweiler	Keogh	Pearson
Amlie	Dorsey	Kerr	Pfeifer
Anderson, Mo.	Doughton	Kocialkowski	Phillips
Arnold	Drew, Pa.	Kopplemann	Powers
Barden	Duncan	Lambeth	Quinn
Barry	Dunn	Lanzetta	Rabaut
Bates	Eberharter	Larrabee	Ramsay
Beam	Eckert	Lea	Rayburn
Bernard	Eicher	Leavy	Reilly
Biermann	Ellenbogen	Lesinski	Rigney
Bigelow	Evans	Lewis, Colo.	Ryan
Bloom	Faddis	Lewis, Md.	Sabath
Boehne	Fitzgerald	Long	Sacks
Boileau	Fitzpatrick	Lucas	Sanders
Boland, Pa.	Flannery	Luce	Schaefer, Ill.
Boyer	Fletcher	Ludlow	Scott
Boylan, N. Y.	Forand	McAndrews	Shanley
Bradley	Ford, Calif.	McCormack	Sirovich
Brooks	Frey, Pa.	McGranery	Smith, Conn.
Buck	Fries, Ill.	McGrath	Smith, Wash.
Buckley, N. Y.	Gearhart	McGroarty	Snyder, Pa.
Bulwinkle	Gildea	McKeough	Somers, N. Y.
Burdick	Gingery	McLaughlin	Stack
Byrne	Gray, Pa.	McReynolds	Sullivan
Carlson	Greenwood	Magnuson	Sumners, Tex.
Casey, Mass.	Gregory	Mahon, S. C.	Sutphin
Celler	Griffith	Maloney	Swope
Champion	Haines	Massingale	Telgan
Chandler	Harlan	Maverick	Thom
Citron	Harrington	Mead	Thomas, Tex.
Clark, Idaho	Hart	Meeks	Thomason, Tex.
Cochran	Harter	Merritt	Thompson, Ill.
Coffee, Wash.	Hartley	Mills	Towey
Colden	Havenner	Mitchell, Ill.	Transue
Connery	Healey	Mitchell, Tenn.	Umstead
Cooley	Hennings	Moser, Pa.	Vincent, B. M.
Cooper	Higgins	Mouton	Vinson, Fred M.
Costello	Hill, Okla.	Murdock, Utah	Voorhis
Creal	Honeyman	Norton	Wallgren
Crosby	Hope	O'Brien, Ill.	Walter
Crosser	Izac	O'Brien, Mich.	Warren
Crowe	Jacobsen	O'Connell, Mont.	Weaver
Cullen	Jenckes, Ind.	O'Connell, R. I.	Welch
Curley	Johnson, Minn.	O'Day	Wene
Daly	Johnson, Okla.	O'Leary	Williams
Delaney	Johnson, Lyndon	O'Neal, Ky.	Withrow
DeMuth	Kee	O'Neill, N. J.	Wood
DeRouen	Keller	O'Toole	Woodrum
Dickstein	Kelly, Ill.	Oliver	Zimmerman
Dingell	Kelly, N. Y.	Palmisano	

NOT VOTING—57

Andresen, Minn.	Gavagan	McMillan	Secrest
Ashbrook	Gilchrist	Maas	Shafer, Mich.
Binderup	Goodwin	Mansfield	Smith, Maine
Cannon, Mo.	Green	Martin, Colo.	Smith, W. Va.
Chapman	Hill, Ala.	Miller	Taylor, Colo.
Clark, N. C.	Hill, Wash.	Patman	Taylor, Tenn.
Cluett	Hook	Pettengill	Terry
Collins	Johnson, Luther A.	Peyser	Wearin
Cummings	Kleberg	Pierce	West
Dempsey	Kloeb	Plumley	Whelchel
Disney	Kvale	Poage	Wilcox
Fernandez	Lanham	Robinson, Utah	Wolcott
Flannagan	Lord	Robsion, Ky.	
Ford, Miss.	McFarlane	Sadowski	
Fulmer	McGehee	Schuetz	

So the amendment was rejected.

The Clerk announced the following additional pairs:

On this vote:

Mr. Wolcott (for) with Mr. Hook (against).
Mr. Shafer of Michigan (for) with Mr. Pettengill (against).
Mr. Hill of Alabama (for) with Mr. Martin of Colorado (against).
Mr. Terry (for) with Mr. Gavagan (against).
Mr. Taylor of Tennessee (for) with Mr. Mansfield (against).
Mr. West (for) with Mr. Wearin (against).
Mr. Robsion of Kentucky (for) with Mr. Kvale (against).
Mr. Andresen of Minnesota (for) with Mr. Fernandez (against).
Mr. Cluett (for) with Mr. Kloeb (against).
Mr. Kleberg (for) with Mr. McFarlane (against).

Until further notice:

Mr. Ford of Mississippi with Mr. Plumley.
Mr. Lanham with Mr. Smith of Maine.
Mr. Cannon of Missouri with Mr. Gilchrist.
Mr. Luther A. Johnson with Mr. Goodwin.
Mr. Collins with Mr. Maas.
Mr. McMillan with Mr. Lord.
Mr. Wilcox with Mr. Pierce.
Mr. Dempsey with Mr. Ashbrook.
Mr. Chapman with Mr. Fulmer.
Mr. Miller with Mr. Secrest.
Mr. Clark of North Carolina with Mr. Sadowski.
Mr. McGehee with Mr. Hill of Washington.
Mr. Binderup with Mr. Cummings.
Mr. Green with Mr. Flannagan.
Mr. Disney with Mr. Schuetz.
Mr. Peyser with Mr. Smith of West Va.
Mr. Patman with Mr. Whelchel.
Mr. Taylor of Colorado with Mr. Poage.

Mr. ANDREWS and Mr. HENDRICKS changed their votes from nay to yea.

The result of the vote was announced as above recorded.

The SPEAKER. The Clerk will report the next amendment.

The Clerk read as follows:

On page 3, line 18, after the word "determine", strike out the period, insert a colon, and add the following: "*Provided*, That no agricultural laborer and no unskilled laborer who refuses or has refused an offer of private employment paying as much or more in compensation for such work as such person has received or could receive under the relief herein provided, and who is capable of performing such work, shall be eligible for relief hereafter for the period such private employment or any similar subsequent offer of such employment would be available: *And provided further*, That any person who performs such private employment shall, at the expiration thereof, be entitled to an immediate resumption of his previously existing employment status on the work relief authorized by this act."

The SPEAKER. The question is on the amendment.

The question was taken; and on a division (demanded by Mr. BOILEAU) there were—ayes 165, noes 68.

So the amendment was agreed to.

The SPEAKER. The Clerk will report the next amendment.

The Clerk read as follows:

Committee amendment: Page 3, after line 18, insert:

"The funds allocated hereunder to the Works Progress Administration shall be so apportioned and distributed over the 12 months of the fiscal year ending June 30, 1938, and shall be so administered during such fiscal year, as to constitute the total amount that will be furnished during such fiscal year through such agency for relief purposes."

The question was taken, and the Chair being in doubt the Committee divided; and there were—ayes 241, noes 58.

So the amendment was agreed to.

Mr. BOILEAU. Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were refused.

The SPEAKER. The Clerk will report the next amendment.

The Clerk read as follows:

Page 3, after line 24, add a new paragraph as follows:

"In order to maintain or increase employment by providing for useful public-works projects of the kind and character for which the Federal Emergency Administrator of Public Works (hereinafter called the Administrator) has heretofore made loans and grants pursuant to title II of the National Industrial Recovery Act, the Emergency Relief Appropriation Act of 1935, or the Emergency Relief Appropriation Act of 1936, the funds hereinbefore allocated to the Federal Emergency Administration of Public Works shall be used for the making of loans and grants to finance or aid in the financing of such projects, and for the making of loans or grants to finance or aid in the financing of such projects in accordance with existing law. The Federal Emergency Administration of Public Works is hereby authorized to use not to exceed $10,000,000 of the funds allocated in this joint resolution for administrative expenses."

The SPEAKER. The question is on the amendment.

The question was taken; and on a division (demanded by Mr. BEITER) there were—ayes 1, noes 241.

So the amendment was rejected.

The SPEAKER. The Clerk will report the next amendment.

The Clerk read as follows:

Page 4, line 19, after the colon, insert the following: "*Provided further*, That in order to insure the fulfillment of the purposes for which the foregoing appropriation is made and to avoid competition between the Works Progress Administration and other Federal or non-Federal agencies in the employment of labor on construction projects of any nature whatsoever, financed in whole or in part by the Federal Government, no worker shall be eligible for employment on any project of the Works Progress Administration who is needed and who has refused to accept employment on any other Federal or non-Federal project at a wage rate comparable with or higher than the wage rate established for similar work on projects of the Works Progress Administration: *Provided further*, That any worker who has been engaged on any Federal or non-Federal project and whose service has been regularly terminated through no fault of his own, shall not lose his eligibility for restoration to the relief rolls or for reemployment on any other Federal or non-Federal project on account of such previous employment."

The SPEAKER. The question is on the amendment.

The question was taken; and on a division (demanded by Mr. WOODRUM) there were—ayes 145, noes 138.

So the amendment was agreed to.

The SPEAKER. The Clerk will report the next amendment. The Clerk read as follows:

Page 5, lines 4 and 5, strike out the word "continental."

The amendment was agreed to.

The SPEAKER. The Clerk will report the next amendment.

The Clerk read as follows:

Page 5, line 9, strike out the period, insert a colon, and the following: "*Provided*, That preference shall be given to American citizens in employment by the Works Progress Administration and next those aliens who have taken out first papers prior to the enactment of this act."

The amendment was agreed to.

The SPEAKER. The Clerk will report the next amendment.

The Clerk read as follows:

Page 5, line 9, after the word "discharge", strike out the period, insert a colon and the following: "*Provided further*, That veterans of the World War and Spanish War shall be given preference for employment by the Works Progress Administration."

The amendment was agreed to.

The SPEAKER. The Clerk will report the next amendment.

The Clerk read as follows:

Page 5, line 22, after the word "confirmation", strike out the period, insert a semicolon and the following further proviso: "*Provided further*, No part of the funds herein appropriated shall be applied to the payment of any salary in excess of the sum of $10,000 per annum."

Mr. CONNERY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. CONNERY. Is this the amendment which reduces the salary of Harry Hopkins?

The SPEAKER. The amendment speaks for itself.

The question was taken; and on a division (demanded by Mr. WOODRUM) there were—ayes 91, noes 201.

Mr. TABER. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 97, nays 274, not voting 62, as follows:

[Roll No. 76]

YEAS—97

Allen, Ill.	Cooley	Edmiston	Gwynne
Andrews	Crawford	Engel	Halleck
Arends	Crowther	Englebright	Hancock, N. Y.
Bates	Culkin	Faddis	Hoffman
Boren	Deen	Fish	Holmes
Carlson	Dies	Frey, Pa.	Jarrett
Carter	Ditter	Gasque	Jenkins, Ohio
Case, S. Dak.	Dondero	Gearhart	Jenks, N. H.
Church	Douglas	Gifford	Kennedy, N. Y.
Clason	Dowell	Gray, Pa.	Kinzer
Coffee, Nebr.	Doxey	Griswold	Kniffin
Cole, N. Y.	Drewry, Va.	Guyer	Knutson

Lambertson	Michener	Rees, Kans.	Taylor, S. C.
Lamneck	Mitchell, Tenn.	Richards	Thomas, N. J.
Luce	Moser, Pa.	Rogers, Okla.	Tinkham
Luckey, Nebr.	Mott	Rutherford	Tobey
Ludlow	O'Connor, N. Y.	Sanders	Treadway
McLean	Pace	Seger	Wadsworth
McSweeney	Patterson	Short	White, Ohio
Mahon, S. C.	Pearson	Simpson	Wigglesworth
Mahon, Tex.	Polk	Snell	Wolfenden
Mapes	Powers	South	Woodruff
Martin, Mass.	Reece, Tenn.	Stefan	
Mason	Reed, Ill.	Taber	
May	Reed, N. Y.	Tarver	

NAYS—274

Aleshire	Dixon	Kenney	Ramspeck
Allen, Del.	Dockweiler	Keogh	Randolph
Allen, La.	Dorsey	Kerr	Rankin
Allen, Pa.	Doughton	Kirwan	Rayburn
Amlie	Drew, Pa.	Kitchens	Reilly
Anderson, Mo.	Driver	Kocialkowski	Rich
Arnold	Duncan	Kopplemann	Rigney
Atkinson	Dunn	Kramer	Robertson
Bacon	Eberharter	Lanzetta	Robinson, Utah
Barden	Eckert	Larrabee	Rogers, Mass.
Barry	Eicher	Lea	Romjue
Beam	Ellenbogen	Leavy	Ryan
Beiter	Evans	Lemke	Sabath
Bell	Farley	Lesinski	Sacks
Bernard	Ferguson	Lewis, Colo.	Sauthoff
Biermann	Fitzgerald	Lewis, Md.	Schaefer, Ill.
Bigelow	Fitzpatrick	Long	Schneider, Wis.
Bland	Flannery	Lucas	Schulte
Bloom	Fleger	Luecke, Mich.	Scott
Boehne	Fletcher	McAndrews	Shanley
Boileau	Forand	McClellan	Shannon
Boland, Pa.	Ford, Calif.	McCormack	Sheppard
Boyer	Fries, Ill.	McGranery	Sirovich
Boykin	Fuller	McGrath	Smith, Conn.
Boylan, N. Y.	Gambrill	McGroarty	Smith, Va.
Bradley	Garrett	McKeough	Smith, Wash.
Brewster	Gehrmann	McLaughlin	Snyder, Pa.
Brooks	Gildea	McReynolds	Somers, N. Y.
Brown	Gingery	Magnuson	Sparkman
Buck	Goldsborough	Maloney	Spence
Buckler, Minn.	Gray, Ind.	Martin, Colo.	Stack
Buckley, N. Y.	Greenwood	Massingale	Steagall
Bulwinkle	Greever	Maverick	Sullivan
Burch	Gregory	Mead	Sumners, Tex.
Burdick	Griffith	Meeks	Sutphin
Byrne	Haines	Merritt	Sweeney
Caldwell	Hamilton	Millard	Swope
Cannon, Wis.	Hancock, N. C.	Mitchell, Ill.	Teigan
Cartwright	Harlan	Mosier, Ohio	Thom
Casey, Mass.	Harrington	Mouton	Thomas, Tex.
Celler	Hart	Murdock, Ariz.	Thomason, Tex.
Champion	Harter	Murdock, Utah	Thompson, Ill.
Chandler	Hartley	Nelson	Thurston
Citron	Havenner	Nichols	Tolan
Clark, Idaho	Healey	Norton	Towey
Claypool	Hendricks	O'Brien, Ill.	Transue
Cochran	Hennings	O'Brien, Mich.	Turner
Coffee, Wash.	Higgins	O'Connell, Mont.	Umstead
Colden	Hildebrandt	O'Connell, R. I.	Vincent, B. M.
Cole, Md.	Hobbs	O'Connor, Mont.	Vinson, Ga.
Colmer	Honeyman	O'Day	Vinson, Fred M.
Connery	Hope	O'Leary	Voorhis
Cooper	Houston	O'Malley	Wallgren
Costello	Hull	O'Neal, Ky.	Walter
Cox	Hunter	O'Neill, N. J.	Warren
Cravens	Imhoff	O'Toole	Weaver
Creal	Izac	Oliver	Welch
Crosby	Jacobsen	Owen	Wene
Crosser	Jarman	Palmisano	White, Idaho
Crowe	Jenckes, Ind.	Parsons	Whittington
Cullen	Johnson, Minn.	Patrick	Williams
Curley	Johnson, Lyndon	Patton	Withrow
Daly	Johnson, W. Va.	Peterson, Fla.	Wolverton
Delaney	Jones	Peterson, Ga.	Wood
DeMuth	Kee	Pfeifer	Woodrum
DeRouen	Keller	Phillips	Zimmerman
Dickstein	Kelly, Ill.	Quinn	The Speaker
Dingell	Kelly, N. Y.	Rabaut	
Dirksen	Kennedy, Md.	Ramsay	

NOT VOTING—62

Andresen, Minn.	Gavagan	McFarlane	Scrugham
Ashbrook	Gilchrist	McGehee	Secrest
Binderup	Goodwin	McMillan	Shafer, Mich.
Cannon, Mo.	Green	Maas	Smith, Maine
Chapman	Hill, Ala.	Mansfield	Smith, W. Va.
Clark, N. C.	Hill, Okla.	Miller	Starnes
Cluett	Hill, Wash.	Mills	Taylor, Colo.
Collins	Hook	Patman	Taylor, Tenn.
Cummings	Johnson, Okla.	Pettengill	Terry
Dempsey	Johnson, Luther A.	Peyser	Wearin
Disney	Kleberg	Pierce	West
Eaton	Kloeb	Plumley	Wheichel
Fernandez	Kvale	Poage	Wilcox
Flannagan	Lambeth	Robsion, Ky.	Wolcott
Ford, Miss.	Lanham	Sadowski	
Fulmer	Lord	Schuetz	

The SPEAKER. The Clerk will call my name.

The Clerk called the name of Mr. BANKHEAD, and he voted "nay."

So the amendment was rejected.

The Clerk announced the following pairs:

General pairs:

Mr. Hook with Mr. Wolcott.
Mr. Pettengill with Mr. Shafer of Michigan.
Mr. Mansfield with Mr. Taylor of Tennessee.
Mr. Flannagan with Mr. Robsion of Kentucky.
Mr. Fernandez with Mr. Andresen of Minnesota.
Mr. Kloeb with Mr. Cluett.
Mr. McFarlane with Mr. Eaton.
Mr. McMillan with Mr. Lord.
Mr. Cannon of Missouri with Mr. Gilchrist.
Mr. Ford of Mississippi with Mr. Plumley.
Mr. Lanham with Mr. Smith of Maine.
Mr. Collins with Mr. Maas.
Mr. Luther A. Johnson with Mr. Goodwin.
Mr. Green with Mr. Kvale.
Mr. Chapman with Mr. Fulmer.
Mr. Miller with Mr. Secrest.
Mr. Clark of North Carolina with Mr. Sadowski.
Mr. McGehee with Mr. Hill of Washington.
Mr. Binderup with Mr. Cummings.
Mr. Disney with Mr. Schuetz.
Mr. Peyser with Mr. Smith of West Virginia.
Mr. Patman with Mr. Wheichel.
Mr. Taylor of Colorado with Mr. Poage.
Mr. Hill of Oklahoma with Mr. Gavagan.
Mr. Wearin with Mr. West.
Mr. Starnes with Mr. Ashbrook.
Mr. Hill of Alabama with Mr. Pierce.
Mr. Lambeth with Mr. Mills.
Mr. Wilcox with Mr. Dempsey.
Mr. Johnson of Oklahoma with Mr. Scrugham.

The result of the vote was announced as above recorded.

The SPEAKER. The Clerk will report the next amendment.

The Clerk read as follows:

Committee amendment: Page 6, after line 3, insert the following: "No part of the sums appropriated by this joint resolution shall be available to pay the compensation of any officer or employee of the United States who holds an administrative, executive, or supervisory position under this joint resolution, if the position is in any office located outside the District of Columbia or is on any project prosecuted in any place outside the District of Columbia, unless such person is an actual and bona-fide resident of the State or Territory in which the office or project is situated, but this provision shall not apply to the temporary and emergency assignment of any person to a position where the period of service in such position does not exceed 60 days."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 6, line 16, after the "6" insert "(a)".

The committee amendment was agreed to.

The Clerk read as follows:

Amendment by Mr. O'MALLEY: Page 6, line 22, after the word "candidate", insert "nor of any person holding an elective or appointive office in any State, district, county, or municipality, whether or not any salary, fee, or emolument attaches to such elective or appointive office."

The SPEAKER. The question is on the amendment.

The question was taken; and there were on a division (demanded by Mr. O'MALLEY)—ayes 17, noes 131.

So the amendment was rejected.

The SPEAKER. The Clerk will report the next amendment.

The Clerk read as follows:

Page 6, line 22, after the period, insert "*and provided further*, that no part of the foregoing appropriation shall be available to pay the compensation of W. P. A. district officials unless such officials are bona-fide residents of the W. P. A. district in which the office is situated.

The amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 6, after line 22, insert the following:

"(b) No part of the sums appropriated by this joint resolution shall be available to pay the compensation of any officer or employee of the United States who holds an administrative, executive, or supervisory position under this joint resolution if such person receives or earns compensation for personal services (rendered during the period when he holds such position) from any other source."

The amendment was agreed to.

The Clerk read as follows:

Page 7, between lines 4 and 5, insert:

"SEC. 6 (a). Hereafter all appointment of persons to the Federal service for employment within the District of Columbia, under the provisions of this act, whether such appointments be within the classified civil service or otherwise, shall be apportioned among the several States and the District of Columbia upon the basis of population as ascertained at the last preceding census. In making separations from the Federal service or furloughs without pay to last as long as 3 months of persons employed within the District of Columbia under the provisions of this act, the appointing power shall give preference in retention to appointees from States that have not received their share of appointments according to population: *Provided, however,* That soldiers, sailors, and marines, the widows of such, or the wives of injured soldiers, sailors, and marines who themselves are not qualified but whose wives are qualified to hold a position in the Government service shall, be given preference in retention in their several grades and classes where their ratings are good or better."

The amendment was agreed to.

The Clerk read as follows:

Page 7, after line 4, add subsection (c), as follows:

"No part of the foregoing appropriation shall be used to pay the salary or expenses of any person who is related to the State administrator, district manager, or county supervisor, or the appointing power within the third degree by blood or marriage."

The amendment was agreed to.

The Clerk read as follows:

Page 9, after line 2, insert a colon and the following: "*Provided,* That with the approval of the President, materials, equipment, and personnel of the Corps of Engineers, War Department, may be assigned to service in connection with flood-control and water-conservation projects prosecuted under this act, notwithstanding that such projects have not been duly authorized by act of Congress: *Provided further,* That the requirements hereinafter established that no Federal construction project shall be undertaken unless and until there have been allocated and irrevocably set aside sufficient funds for its completion shall not apply to flood-control and water-conservation projects prosecuted hereunder."

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, and was read the third time.

Mr. BACON. Mr. Speaker, I offer a motion to recommit, which I send to the Clerk's desk.

The SPEAKER. Is the gentleman opposed to the joint resolution?

Mr. BACON. In its present form; yes.

The SPEAKER. Is there any gentleman present opposed to the joint resolution who has a motion to recommit?

Mr. BACON. I am opposed to the joint resolution, Mr. Speaker.

The SPEAKER. The gentleman qualifies, and the Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. BACON moves to recommit the joint resolution to the Committee on Appropriations, with instructions to that committee to report the same back forthwith to the House with the following amendment:

Strike out all after the enacting clause and insert the following: "That to provide relief, and work relief, and to increase employment, there is hereby appropriated the sum of $1,500,000,000, which shall be available for the fiscal year ending June 30, 1938.

"SEC. 2. (a) Not more than $1,400,000,000 of the sum appropriated by section 1 shall be available for grants-in-aid to States to assist them in financing and administering such forms of relief and work relief and methods of increasing employment as may be determined upon and undertaken by them. Such amount shall be allocated by the Federal Relief Board (hereinafter established), with the approval of the President, among the several States upon the basis of the Board's findings and conclusions with respect to the facts concerning and weight to be given to unemployment and living costs in, and population and financial resources of, the several States. Not more than 15 percent of such amount shall be paid to any State.

(b) The sum allocated to a State under subsection (a) shall be paid quarterly by order of the Federal Relief Board to the State if—

(1) The Governor (or in the case of the District of Columbia, the District Commissioners) has certified to the Federal Relief Board that there has been established a board of relief trustees in such State, the membership of which is not composed solely of individuals who are members of the same political party, and that such board has the power and duty of receiving and disbursing sums which may be granted such State under this section;

(2) The State board has certified to the Federal Relief Board that the State, or its subdivisions, or both, have provided or are prepared to provide an amount equal to not less than 33⅓ percent of the amount allocated to it under this section, for relief, work relief, or methods of increasing employment; and

(3) The State board has agreed to furnish to the Federal Relief Board such reports (respecting the administration of the relief, work relief, or methods of increasing employment with respect to which funds allocated to the State under this section are used) in such form and containing such information as the Federal Relief Board may from time to time require, and to comply with such provisions as the Federal Relief Board may from time to time find necessary to assure the correctness and verification of such reports.

(c) If the Federal Relief Board finds that any part of an amount granted to a State under this section has been diverted to a purpose not reasonably within the purpose of furnishing relief, work relief, or increasing employment, or that more than 75 percent of the amount devoted to such purposes has been expended out of grants under this section, the amount of future grants to be made to the State shall be reduced by an amount equal to the amount the Board determines has been diverted or the amount the Board determines to be such excess.

(d) The Federal Relief Board shall allocate, out of the sum specified in subsection (a), such sums as it deems necessary on the basis of the needs of Puerto Rico, the Virgin Islands, and the Canal Zone for relief, work relief, and increasing employment. Such sums shall be expended as the Board prescribes as necessary for such purposes and subject to such requirement, if any, as the Board may prescribe for contribution by the possessions to such purposes.

SEC. 3. Not more than $100,000,000 of the sum appropriated by section 1 shall be available to enable the Federal Relief Board, with the approval of the President, in its discretion and on its order, to make such grants or loans to States as it deems necessary in order to meet extraordinary and unforeseen emergencies, and such grants or loans shall be made without regard to the provisions of section 2. The sum specified in this section shall also be available for all administrative expenses of the United States in carrying out the provisions of section 2 and this section.

SEC. 4. (a) There is hereby established the Federal Relief Board, which shall be composed of three members appointed by the President, by and with the advice and consent of the Senate. Not more than two of the members of the Board shall be members of the same political party, and the President shall designate one of the members as chairman. Each member shall receive a salary at the rate of $10,000 per annum.

(b) The Board shall have the power and duty of carrying out sections 2 and 3 of this act, and such powers and duties shall be exercised under the direction and subject to the approval of the President.

(c) The Board is authorized to make such expenditures, and, subject to the civil-service laws and rules and regulations made thereunder and the Classification Act of 1923, as amended, to appoint and fix the compensation of such officers and employees, as may be necessary to carry out its powers and duties.

SEC. 5. Any person who knowingly makes any false statement in connection with securing a grant or loan or making any report or furnishing any information under section 2 or 3, or who solicits or receives political contributions from any person who directly or indirectly receives any part of a grant or loan made under section 2 or 3, or any person who, in administering any such grant or loan, discriminates against any person on account of race, religion, or political affiliation shall, on conviction thereof, be deemed guilty of a misdemeanor and fined not more than $2,000 or imprisoned not more than 1 year, or both. For the purposes of this section, each payment made by a State to which a grant or loan has been made under section 2 or 3 for relief, work relief, or increasing employment shall be considered to consist one-fourth of funds of the State and three-fourths of funds of the United States.

SEC. 6. There is hereby appropriated the sum of $10,000,000, which shall be available for carrying out during the fiscal year ending June 30, 1938, the provisions of written contracts made prior to the date of the enactment of this act under authority of the Emergency Relief Appropriation Act of 1935 or the Emergency Relief Appropriation Act of 1936. Except the sums appropriated under this section, no part of the sums appropriated under this act shall be available for carrying out such acts. No contract shall be entered into under such act of 1935 or 1936 after the date of the enactment of this act.

SEC. 7. As used in this act, the term "State" means the several States, Alaska, Hawaii, and the District of Columbia.

SEC. 8. This act may be cited as the Relief Appropriation Act of 1937.

The SPEAKER. The question is on the motion of the gentleman from New York to recommit the joint resolution.

The question was taken and on a division (demanded by Mr. SNELL) there were—ayes 58, noes 264.

Mr. SNELL. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 79, nays 296, not voting 57, as follows:

[Roll No. 77]

YEAS—79

Allen, Ill.	Engel	Lambeth	Rogers, Mass.
Andrews	Englebright	Lamneck	Rutherford
Arends	Fish	Luce	Ryan
Bacon	Gearhart	Ludlow	Seger
Bates	Gifford	McLean	Short
Brewster	Guyer	Mapes	Simpson
Carlson	Gwynne	Martin, Mass.	Snell
Carter	Halleck	Mason	Taber
Case, S. Dak.	Hancock, N. Y.	Michener	Thomas, N. J.
Church	Hartley	Millard	Thurston
Clason	Hoffman	Mott	Tinkham
Cole, N. Y.	Holmes	Oliver	Tobey
Crawford	Hope	Peterson, Ga.	Treadway
Crowther	Hunter	Polk	Wadsworth
Culkin	Jarrett	Powers	White, Ohio
Dirksen	Jenkins, Ohio	Reece, Tenn.	Wigglesworth
Ditter	Jenks, N. H.	Reed, Ill.	Wolfenden
Dondero	Kinzer	Reed, N. Y.	Wolverton
Douglas	Knutson	Rees, Kans.	Woodruff
Eaton	Lambertson	Rich	

NAYS—296

Aleshire	DeRouen	Kennedy, N. Y.	Peterson, Fla.
Allen, Del.	Dickstein	Kenney	Pfeifer
Allen, La.	Dies	Keogh	Phillips
Allen, Pa.	Dingell	Kerr	Quinn
Amlie	Disney	Kirwan	Rabaut
Anderson, Mo.	Dixon	Kitchens	Ramsay
Arnold	Dockweiler	Kniffin	Ramspeck
Atkinson	Dorsey	Kocialkowski	Randolph
Barden	Doughton	Kopplemann	Rankin
Barry	Dowell	Kramer	Rayburn
Beam	Doxey	Lanzetta	Reilly
Beiter	Drew, Pa.	Larrabee	Richards
Bell	Drewry, Va.	Lea	Rigney
Bernard	Driver	Leavy	Robertson
Biermann	Dunn	Lemke	Robinson, Utah
Bigelow	Eberharter	Lesinski	Rogers, Okla.
Bland	Eckert	Lewis, Colo.	Romjue
Bloom	Edmiston	Lewis, Md.	Sabath
Boehne	Eicher	Long	Sacks
Boileau	Ellenbogen	Lucas	Sanders
Boland, Pa.	Evans	Luecke, Mich.	Sauthoff
Boren	Faddis	McAndrews	Schaefer, Ill.
Boyer	Farley	McClellan	Schneider, Wis.
Boykin	Ferguson	McCormack	Schulte
Boylan, N. Y.	Fitzgerald	McGranery	Scott
Bradley	Fitzpatrick	McGrath	Shanley
Brooks	Flannery	McGroarty	Shannon
Brown	Fleger	McKeough	Sheppard
Buck	Fletcher	McLaughlin	Sirovich
Buckler, Minn.	Forand	McReynolds	Smith, Conn.
Buckley, N. Y.	Ford, Calif.	McSweeney	Smith, Va.
Bulwinkle	Frey, Pa.	Magnuson	Smith, Wash.
Burch	Fries, Ill.	Mahon, S. C.	Snyder, Pa.
Burdick	Fuller	Mahon, Tex.	Somers, N. Y.
Byrne	Gambrill	Maloney	South
Caldwell	Garrett	Martin, Colo.	Sparkman
Cannon, Wis.	Gasque	Massingale	Spence
Cartwright	Gehrmann	Maverick	Stack
Casey, Mass.	Gildea	May	Starnes
Celler	Gingery	Mead	Steagall
Champion	Goldsborough	Meeks	Stefan
Chandler	Gray, Ind.	Merritt	Sullivan
Citron	Gray, Pa.	Mills	Sumners, Tex.
Clark, Idaho	Greenwood	Mitchell, Ill.	Sutphin
Claypool	Greever	Mitchell, Tenn.	Swope
Cochran	Gregory	Moser, Pa.	Tarver
Coffee, Nebr.	Griffith	Mosier, Ohio	Taylor, S. C.
Coffee, Wash.	Griswold	Mouton	Teigan
Colden	Haines	Murdock, Ariz.	Thom
Cole, Md.	Hamilton	Murdock, Utah	Thomas, Tex.
Collins	Hancock, N. C.	Nelson	Thomason, Tex.
Colmer	Harrington	Nichols	Thompson, Ill.
Connery	Hart	Norton	Tolan
Cooley	Harter	O'Brien, Ill.	Towey
Cooper	Hill, Okla.	O'Brien, Mich.	Transue
Costello	Hobbs	O'Connell, Mont.	Turner
Cox	Honeyman	O'Connell, R. I.	Umstead
Cravens	Houston	O'Connor, Mont.	Vincent, B. M.
Creal	Hull	O'Connor, N. Y.	Vinson, Ga.
Crosby	Imhoff	O'Day	Vinson, Fred M.
Crosser	Izac	O'Leary	Voorhis
Crowe	Jacobsen	O'Malley	Wallgren
Cullen	Jarman	O'Neal, Ky.	Walter
Curley	Jenckes, Ind.	O'Neill, N. J.	Warren
Havenner	Johnson, Minn.	O'Toole	Weaver
Healey	Johnson, Okla.	Owen	Welch
Hendricks	Johnson, Lyndon	Pace	Wene
Hennings	Johnson, W. Va.	Palmisano	White, Idaho
Higgins	Jones	Parsons	Whittington
Hildebrandt	Kee	Patman	Williams
Daly	Keller	Patrick	Withrow
Deen	Kelly, Ill.	Patterson	Wood
Delaney	Kelly, N. Y.	Patton	Woodrum
DeMuth	Kennedy, Md.	Pearson	Zimmerman

NOT VOTING—57

Andresen, Minn.	Clark, N. C.	Fernandes	Gilchrist
Ashbrook	Cluett	Flannagan	Goodwin
Binderup	Cummings	Ford, Miss.	Green
Cannon, Mo.	Dempsey	Fulmer	Harlan
Chapman	Duncan	Gavagan	Hill, Ala.
Hill, Wash.	McGehee	Robsion, Ky.	Taylor, Tenn.
Hook	McMillan	Sadowski	Terry
Johnson, Luther A.	Maas	Schuetz	Wearin
Kleberg	Mansfield	Scrugham	West
Kloeb	Miller	Secrest	Whelchel
Kvale	Pettengill	Shafer, Mich.	Wilcox
Lanham	Peyser	Smith, Maine	Wolcott
Lord	Pierce	Smith, W. Va.	
Luckey, Nebr.	Plumley	Sweeney	
McFarlane	Poage	Taylor, Colo.	

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Wolcott (for) with Mr. Hill of Alabama (against).
Mr. Andresen (for) with Mr. Terry (against).
Mr. Lord (for) with Mr. Shafer of Michigan (against).
Mr. Goodwin (for) with Mr. West (against).
Mr. Robsion of Kentucky (for) with Mr. Kvale (against).
Mr. Taylor of Tennessee (for) with Mr. Hook (against).
Mr. Maas (for) with Mr. Mansfield (against).
Mr. Plumley (for) with Mr. Wearin (against).
Mr. Cluett (for) with Mr. Harlan (against).
Mr. Kleberg (for) with Mr. McFarlane (against).
Mr. Smith of Maine (for) with Mr. Sweeney (against).

Until further notice:

Mr. Cannon of Missouri with Mr. Gilchrist.
Mr. Chapman with Mr. Fulmer.
Mr. Miller with Mr. Secrest.
Mr. Clark of North Carolina with Mr. Sadowski.
Mr. McGehee with Mr. Hill of Washington.
Mr. Binderup with Mr. Cummings.
Mr. Peyser with Mr. Smith of West Virginia.
Mr. Taylor of Colorado with Mr. Poage.
Mr. Wilcox with Mr. Dempsey.
Mr. Pettengill with Mr. Kloeb.
Mr. Whelchel with Mr. Schuetz.
Mr. McMillan with Mr. Ashbrook.
Mr. Fernandez with Mr. Duncan.
Mr. Lanham with Mr. Gavagan.
Mr. Flannagan with Mr. Luckey of Nebraska.
Mr. Luther A. Johnson with Mr. Ford of Mississippi.
Mr. Green with Mr. Pierce.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the passage of the joint resolution.

Mr. WOODRUM. Mr. Speaker, I demand the yeas and nays.

Mr. TABER. Mr. Speaker, I demand the reading of the engrossed copy of the joint resolution.

Mr. WOODRUM. Mr. Speaker, I make the point of order we have passed that point in the consideration of the joint resolution and that the gentleman's request comes too late.

The SPEAKER. The gentleman from New York demands the reading of the engrossed copy of the joint resolution. The gentleman from Virginia makes the point of order that the demand is not in order because it comes too late. The Chair will read rule XXI:

> Bills and joint resolutions on their passage shall be read the first time by title and the second time in full, when, if the previous question is ordered, the Speaker shall state the question to be: Shall the bill be engrossed and read a third time? and, if decided in the affirmative, it shall be read the third time by title, unless the reading in full is demanded by a Member, and the question shall then be put upon its passage."

The situation is that the joint resolution was read the third time by title, no request was made for a reading in full, and the Chair holds that the request for the reading of the engrossed copy comes too late.

Mr. WOODRUM. Mr. Speaker, I ask for the yeas and nays on the final passage of the joint resolution.

The yeas and nays were ordered.

The question was taken; and there were—yeas 327, nays 44, answered "present" 1, not voting, 60, as follows:

[Roll No. 78]

YEAS—327

Aleshire	Bernard	Brewster	Case, S. Dak.
Allen, Del.	Biermann	Brown	Casey, Mass.
Allen, La.	Bigelow	Buck	Celler
Allen, Pa.	Binderup	Buckler, Minn.	Champion
Amlie	Bland	Buckley, N. Y.	Chandler
Anderson, Mo.	Bloom	Bulwinkle	Citron
Arnold	Boehne	Burdick	Clark, Idaho
Atkinson	Boileau	Byrne	Clason
Barden	Boland, Pa.	Caldwell	Claypool
Barry	Boren	Cannon, Mo.	Cochran
Bates	Boyer	Cannon, Wis.	Coffee, Nebr.
Beam	Boykin	Carlson	Coffee, Wash.
Beiter	Boylan, N. Y.	Carter	Colden
Bell	Bradley	Cartwright	Cole, Md.

Colmer	Guyer	McGrath	Robinson, Utah
Connery	Haines	McGroarty	Rogers, Mass.
Cooley	Hamilton	McKeough	Rogers, Okla.
Cooper	Hancock, N. C.	McLaughlin	Romjue
Costello	Harrington	McReynolds	Ryan
Cravens	Hart	McSweeney	Sabath
Crosby	Harter	Magnuson	Sacks
Crosser	Hartley	Mahon, S. C.	Sanders
Crowe	Havenner	Mahon, Tex.	Sauthoff
Culkin	Healey	Maloney	Schaefer, Ill.
Cullen	Hendricks	Mapes	Schneider, Wis.
Curley	Hennings	Martin, Colo.	Schulte
Daly	Higgins	Martin, Mass.	Scott
Delaney	Hildebrandt	Mason	Seger
DeMuth	Hill, Okla.	Massingale	Shanley
DeRouen	Hobbs	Maverick	Shannon
Dickstein	Honeyman	May	Sheppard
Dies	Hope	Mead	Sirovich
Dingell	Houston	Meeks	Smith, Conn.
Dirksen	Hull	Merritt	Smith, Wash.
Disney	Hunter	Mills	Snyder, Pa.
Dixon	Imhoff	Mitchell, Ill.	Somers, N. Y.
Dockweiler	Izac	Mitchell, Tenn.	South
Dondero	Jacobsen	Moser, Pa.	Sparkman
Dorsey	Jarman	Mosier, Ohio	Spence
Doughton	Jenckes, Ind.	Mott	Stack
Dowell	Jenkins, Ohio	Mouton	Starnes
Doxey	Jenks, N. H.	Murdock, Ariz.	Steagall
Drew, Pa.	Johnson, Lyndon	Murdock, Utah	Stefan
Drewry, Va.	Johnson, Minn.	Nelson	Sullivan
Driver	Johnson, Okla.	Nichols	Sumners, Tex.
Duncan	Johnson, W. Va.	Norton	Sutphin
Dunn	Jones	O'Brien, Ill.	Swope
Eberharter	Kee	O'Brien, Mich.	Taylor, S. C.
Eckert	Keller	O'Connell, Mont.	Teigan
Edmiston	Kelly, Ill.	O'Connell, R. I.	Thom
Eicher	Kelly, N. Y.	O'Connor, Mont.	Thomas, Tex.
Ellenbogen	Kennedy, Md.	O'Connor, N. Y.	Thomason, Tex.
Englebright	Kennedy, N. Y.	O'Leary	Thompson, Ill.
Evans	Kenney	O'Malley	Thurston
Faddis	Keogh	O'Neal, Ky.	Tobey
Farley	Kerr	O'Neill, N. J.	Tolan
Fish	Kirwan	O'Toole	Towey
Fitzgerald	Kitchens	Oliver	Transue
Fitzpatrick	Kniffin	Palmisano	Treadway
Flannery	Knutson	Parsons	Turner
Fleger	Kocialkowski	Patman	Umstead
Fletcher	Kopplemann	Patrick	Vincent, B. M.
Forand	Kramer	Patterson	Vinson, Fred M.
Ford, Calif.	Lambertson	Patton	Vinson, Ga.
Frey, Pa.	Lambeth	Pearson	Voorhis
Fries, Ill.	Lanzetta	Peterson, Fla.	Wallgren
Fuller	Larrabee	Pfeifer	Walter
Gambrill	Lea	Phillips	Warren
Garrett	Leavy	Polk	Weaver
Gasque	Lemke	Powers	Welch
Gearhart	Lesinski	Quinn	Wene
Gehrmann	Lewis, Colo.	Rabaut	White, Idaho
Gifford	Lewis, Md.	Ramsay	White, Ohio
Gildea	Long	Ramspeck	Whittington
Gingery	Lucas	Randolph	Wigglesworth
Goldsborough	Luckey, Nebr.	Rankin	Williams
Gray, Ind.	Ludlow	Rayburn	Withrow
Gray, Pa.	Luecke, Mich.	Reece, Tenn.	Wolverton
Greenwood	McAndrews	Rees, Kans.	Wood
Greever	McClellan	Reilly	Woodrum
Gregory	McCormack	Richards	Zimmerman
Griffith	McGranery	Rigney	

NAYS—44

Allen, Ill.	Douglas	Lamneck	Rutherford
Andrews	Eaton	Luce	Short
Arends	Engel	McLean	Simpson
Bacon	Ferguson	Michener	Smith, Va.
Burch	Gwynne	Millard	Snell
Church	Halleck	Owen	Taber
Cole, N. Y.	Hancock, N. Y.	Pace	Tarver
Cox	Hoffman	Peterson, Ga.	Thomas, N. J.
Crawford	Holmes	Reed, Ill.	Wadsworth
Deen	Jarrett	Reed, N. Y.	Wolfenden
Ditter	Kinzer	Robertson	Woodruff

ANSWERED "PRESENT"—1

O'Day

NOT VOTING—60

Andresen, Minn.	Gavagan	McFarlane	Scrugham
Ashbrook	Gilchrist	McGehee	Secrest
Brooks	Goodwin	McMillan	Shafer, Mich.
Chapman	Green	Maas	Smith, Maine
Clark, N. C.	Griswold	Mansfield	Smith, W. Va.
Cluett	Harlan	Miller	Sweeney
Collins	Hill, Ala.	Pettengill	Taylor, Colo.
Creal	Hill, Wash.	Peyser	Taylor, Tenn.
Crowther	Hook	Pierce	Terry
Cummings	Johnson, Luther A.	Plumley	Tinkham
Dempsey	Kleberg	Poage	Wearin
Fernandez	Kloeb	Rich	West
Flannagan	Kvale	Robsion, Ky.	Whelchel
Ford, Miss.	Lanham	Sadowski	Wilcox
Fulmer	Lord	Schuetz	Wolcott

So the joint resolution was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Dempsey (for) with Mr. Griswold (against).
Mr. McFarlane (for) with Mr. Kleberg (against).
Mr. Sweeney (for) with Mr. Crowther (against).

General pairs:

Mr. Terry with Mr. Andresen of Minnesota.
Mr. Hill of Alabama with Mr. Wolcott.
Mr. Ford of Mississippi with Mr. Lord.
Mr. West with Mr. Goodwin.
Mr. Green with Mr. Robsion of Kentucky.
Mr. Luther A. Johnson with Mr. Taylor of Tennessee.
Mr. Lanham with Mr. Maas.
Mr. Wearin with Mr. Plumley.
Mr. Harlan with Mr. Cluett.
Mr. Wilcox with Mr. Smith of Maine.
Mr. Schuetz with Mr. Hope.
Mr. Pettengill with Mr. Gilchrist.
Mr. Mansfield with Mr. Kvale.
Mr. Collins with Mr. Shafer of Michigan.
Mr. Fernandez with Mr. Tinkham.
Mr. Fulmer with Mr. Rich.
Mr. McGehee with Mr. Whelchel.
Mr. Ashbrook with Mr. McMillan.
Mr. Flannagan with Mr. Peyser.
Mr. Gavagan with Mr. Sadowski.
Mr. Smith of West Virginia with Mr. Poage.
Mr. Secrest with Mr. Chapman.
Mr. Clark of North Carolina with Mr. Miller.
Mr. Pierce with Mr. Scrugham.
Mr. Cummings with Mr. Hook.
Mr. Hill of Washington with Mr. Kloeb.

The result of the vote was announced as above recorded.

On motion of Mr. WOODRUM a motion to reconsider the vote by which the joint resolution was passed was laid on the table.

Mr. WOODRUM. Mr. Speaker, I ask unanimous consent that the Clerk have the right to correct the total of sections and numbers wherever appropriate.

The SPEAKER pro tempore (Mr. FRED M. VINSON). Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. O'NEILL of New Jersey. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the tercentenary of the birth of Pere Jacques Marquette.

The SPEAKER pro tempore. Is there objection?

There was no objection.

By unanimous consent Mr. DUNN, Mr. SNYDER of Pennsylvania, Mr. O'CONNELL of Montana were granted leave to extend their own remarks in the RECORD.

Mr. BEITER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a list of the P. W. A. projects on which bond elections have been held, or funds otherwise secured, and hazardous projects which are now assured funds for immediate construction.

The SPEAKER pro tempore. Is there objection?

Mr. TABER. I object.

Mr. STARNES. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein the letter referred to in my remarks today.

The SPEAKER pro tempore. Is there objection?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. SCHUETZ, indefinitely, on account of illness.

To Mr. TERRY, for 1 week, on account of important business.

To Mr. LANHAM, for today, on account of important business.

To Mr. LUTHER A. JOHNSON, for today, on account of important business.

To Mr. KVALE, for the rest of the week, on account of illness.

To Mr. HILL of Washington, for 2 weeks, on account of important business.

SENATE BILL AND JOINT RESOLUTION REFERRED

A bill and joint resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 53. An act for the relief of the Perkins-Campbell Co.; to the Committee on Claims.

S. J. Res. 88. Joint resolution providing for the participation of the United States in the world's fair to be held by the San Francisco Bay Exposition, Inc., in the city of San Francisco during the year 1939, and for other purposes; to the Committee on Foreign Affairs.

ADJOURNMENT

Mr. WOODRUM. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 42 minutes p. m.) the House adjourned until tomorrow, Wednesday, June 2, 1937, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the Committee on Immigration and Naturalization in room 445, House Office Building, at 10:30 a. m. on Wednesday, June 2, 1937, for the public consideration of H. R. 4353, H. R. 4354, H. R. 4355, and H. R. 4356. (Opposition to be heard.)

COMMITTEE ON RIVERS AND HARBORS

The Committee on Rivers and Harbors will meet Wednesday, June 2, 1937, at 10:30 a. m., to consider the Bonneville power project.

COMMITTEE ON THE POST OFFICE AND POST ROADS

A hearing will be conducted by subcommittee no. 4 (air mail), Thursday, June 3, 1937, at 10 o'clock a. m., on H. R. 6044, experimental air-mail feeder routes for cities and towns not receiving direct air-mail service.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold a public hearing in room 219, House Office Building, June 3, 1937, at 10 a. m., on H. R. 7017, known as the right of appeal for suspension of licenses and certificates of service bill.

COMMITTEE ON THE JUDICIARY

There will be a hearing before subcommittee no. 3 of the Committee on the Judiciary, Friday, at 10:30 a. m., June 4, 1937, on H. R. 4650, to amend section 40 of the United States Employees Compensation Act, as amended (the term "physician" to include surgeons and osteopathic practitioners).

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

By Mr. BLOOM: Committee on Foreign Affairs. Senate Joint Resolution 111. Joint resolution to provide that the United States extend to foreign governments invitations to participate in the International Congress of Architects to be held in the United States during the calendar year 1939, and to authorize an appropriation to assist in meeting the expenses of the session; without amendment (Rept. No. 912). Referred to the Committee of the Whole House on the state of the Union.

Mr. CREAL: Committee on the Judiciary. H. R. 4011. A bill to confer jurisdiction upon certain United States commissioners to try petty offenses committed on Federal reservations; with amendment (Rept. No. 913). Referred to the Committee of the Whole House on the state of the Union.

Mr. CHANDLER: Committee on the Judiciary. H. R. 4343. A bill to amend section 77B of the act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, as amended; without amendment (Rept. No. 914). Referred to the Committee of the Whole House on the state of the Union.

Mr. COOLEY: Committee on Agriculture. H. R. 6762. A bill to amend the act known as the "Perishable Agricultural Commodities Act, 1930, approved June 10, 1930," as amended; with amendment (Rept. No. 915). Referred to the Committee of the Whole House on the state of the Union.

Mr. KELLER: Committee on the Library. House Resolution 222. Resolution authorizing the Clerk of the House of Representatives to transfer certain records not necessary in current business to the Archivist of the United States; without amendment (Rept. No. 917). Referred to the House Calendar.

Mr. CELLER: Committee on the Judiciary. H. R. 5963. A bill providing for the establishment of a term of the District Court of the United States for the Northern District of New York at Malone, N. Y.; with amendment (Rept. No. 918). Referred to the House Calendar.

Mr. CHANDLER: Committee on the Judiciary. H. R. 6358. A bill to amend section 107, as amended, of the Judicial Code so as to eliminate the requirement that suitable accommodations for holding court at Columbia, Tenn., be provided by the local authorities; with amendment (Rept. No. 919). Referred to the House Calendar.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 5000) granting a pension to Mary Jane Gaskin, and the same was referred to the Committee on Invalid Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. AMLIE: A bill (H. R. 7318) to regulate the flow of interstate commerce (a) by increasing the national income, (b) by maintaining production of goods flowing in interstate commerce at a high level of operation, (c) by abolishing unemployment, (d) by providing consumers' goods and services in quantities limited only by the Nation's natural resources, and to create the Industrial Expansion Board, Industrial Expansion Administration, and other Federal agencies to carry into effect and administer the foregoing purposes; to the Committee on Ways and Means.

By Mr. BEITER: A bill (H. R. 7319) to continue the Federal Emergency Administration of Public Works for 2 years and to appropriate and reappropriate funds for continuing its activities; to the Committee on Appropriations.

By Mr. CASE of South Dakota: A bill (H. R. 7320) to promote the general welfare of the Indians of the State of South Dakota, and for other purposes; to the Committee on Indian Affairs.

By Mr. CELLER: A bill (H. R. 7321) to amend the Civil Service Retirement Act; to the Committee on the Civil Service.

By Mr. COFFEE of Washington: A bill (H. R. 7322) providing a monthly salary for bailiffs of United States district courts; to the Committee on the Judiciary.

By Mr. CURLEY: A bill (H. R. 7323) to reclassify salaries of employees in the custodial and utilities departments of construction service, Veterans' Administration, field service, including all positions therein, and for other purposes; to the Committee on the Civil Service.

By Mr. ELLENBOGEN: A bill (H. R. 7324) to amend the Interstate Commerce Act, as amended, to promote the safety of travel in air, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. MAVERICK: A bill (H. R. 7325) to regulate the flow of interstate commerce (a) by increasing the national income, (b) by maintaining production of goods flowing in interstate commerce at a high level of operation, (c) by abolishing unemployment, (d) by providing consumers' goods and services in quantities limited only by the Nation's natural resources, and to create the Industrial Expansion Board, Industrial Expansion Administration, and other Federal agencies to carry into effect and administer the foregoing purposes; to the Committee on Ways and Means.

By Mr. MURDOCK of Arizona: A bill (H. R. 7326) to authorize a preliminary examination and survey of the Bill Williams River, in Arizona, with a view to the control of its floods, and for other purposes; to the Committee on Flood Control.

Also, a bill (H. R. 7327) to authorize a preliminary examination and survey of the Big Sandy River, in Arizona, from

the junction of Trout Creek and Knight Creek on the north, to the Bill Williams River on the south, with a view to the control of its floods, and for other purposes; to the Committee on Flood Control.

By Mr. ROGERS of Oklahoma (by departmental request): A bill (H. R. 7328) to authorize an appropriation to carry out the provisions of the act of May 3, 1928 (45 Stat. L. 484), and for other purposes; to the Committee on Indian Affairs.

By Mr. SCOTT: A bill (H. R. 7329) to increase the efficiency of the Navy, and for other purposes; to the Committee on Naval Affairs.

By Mr. VINSON of Georgia: A bill (H. R. 7330) to amend the act approved May 13, 1908 (35 Stat. 128; U. S. C., title 34, sec. 383), relative to retirement of officers of the United States Navy after 30 years' service; to the Committee on Naval Affairs.

Also, a bill (H. R. 7331) to provide for the assignment of commissioned officers of the Army, Navy, Marine Corps, Coast Guard, Public Health Service, and Coast and Geodetic Survey to any civilian position under the United States Government, and for other purposes; to the Committee on Military Affairs.

By Mr. VOORHIS: A bill (H. R. 7332) to regulate the flow of interstate commerce (a) by increasing the national income, (b) by maintaining production of goods flowing in interstate commerce at a high level of operation, (c) by abolishing unemployment, (d) by providing consumers' goods and services in quantities limited only by the Nation's natural resources, and to create the Industrial Expansion Board, Industrial Expansion Administration, and other Federal agencies to carry into effect and administer the foregoing purposes; to the Committee on Ways and Means.

By Mr. KOPPLEMANN: A bill (H. R. 7333) prohibiting the export to belligerent states of articles and materials in which title is retained by citizens of the United States, and for other purposes; to the Committee on Foreign Affairs.

By Mr. MURDOCK of Utah: A bill (H. R. 7334) to facilitate the control of soil erosion and/or flood damage originating upon lands within the exterior boundaries of the Cache National Forest, Utah; to the Committee on Agriculture.

By Mr. ALLEN of Pennsylvania: A bill (H. R. 7335) to regulate the flow of interstate commerce (a) by increasing the national income, (b) by maintaining production of goods flowing in interstate commerce at a high level of operation, (c) by abolishing unemployment, (d) by providing consumers' goods and services in quantities limited only by the Nation's natural resources, and to create the Industrial Expansion Board, Industrial Expansion Administration, and other Federal agencies to carry into effect and administer the foregoing purposes; to the Committee on Ways and Means.

By Mr. HILL of Oklahoma: A bill (H. R. 7336) to amend title 45, chapter 2, section 51, of the Code of Laws of the United States; to the Committee on the Judiciary.

Also, a bill (H. R. 7337) to amend the act entitled "The Federal Safety Appliance Act", of March 2, 1893, as amended and supplemented, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. MERRITT: A bill (H. R. 7338) providing for the acceptance by the Secretary of the Interior of a site for a national memorial to the Gold Star Mothers of the World War, and for other purposes; to the Committee on the Public Lands.

By Mr. CARTWRIGHT: A bill (H. R. 7339) to amend section 101 of the judicial code; to the Committee on the Judiciary.

By Mr. O'CONNELL of Montana: Joint resolution (H. J. Res. 390) requesting the President of the United States to declare Germany and Italy nations at war with Spain under the terms of the Neutrality Act of 1937, and to invoke the terms thereof against Germany and Italy; to the Committee on Foreign Affairs.

By Mr. DOUGHTON: Joint resolution (H. J. Res. 391) to create a Joint Congressional Committee on Tax Evasion and Avoidance; to the Committee on Rules.

Mr. BOILEAU: Joint resolution (H. J. Res. 392) classifying fur-bearing animals brought into or born in restraint or captivity as domestic animals, or as livestock, for certain purposes; to the Committee on Agriculture.

By Mr. FLANNERY: Joint resolution (H. J. Res. 393) to provide revenue, and for other purposes; to the Committee on Ways and Means.

By Mr. CONNERY: Concurrent resolution (H. Con. Res. 15) relating to enrollment of the bill (H. R. 6551) to establish a Civilian Conservation Corps, and for other purposes; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALESHIRE: A bill (H. R. 7340) granting a pension to Frederika Bushong; to the Committee on Invalid Pensions.

By Mr. BYRNE: A bill (H. R. 7341) granting an increase of pension to Mary M. Gesner; to the Committee on Invalid Pensions.

By Mr. MAHON of South Carolina: A bill (H. R. 7342) for the relief of Mrs. William G. Sirrine; to the Committee on Claims.

Also, a bill (H. R. 7343) for the relief of Edward B. Ligon; to the Committee on Claims.

By Mr. PACE: A bill (H. R. 7344) for the relief of Eddie Walker; to the Committee on Claims.

By Mr. PEYSER: A bill (H. R. 7345) for the relief of Irving Speiser; to the Committee on Immigration and Naturalization.

By Mr. MAY: A bill (H. R. 7346) for the relief of Angie Ward; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2464. By Mr. BEITER: Petition of the Common Council of the city of Buffalo, N. Y., urging the enactment of the low-cost housing bill introduced by Senator ROBERT F. WAGNER; to the Committee on Banking and Currency.

2465. By Mr. BUCK: Memorial of the California State Legislature, senate, relative to Senate Joint Resolution No. 22, memorializing the President and the Congress of the United States to acquire the petrified redwood forest in Sonoma County, as a permanent national monument; to the Committee on the Public Lands.

2466. Also, memorial of the California State Legislature, assembly, relative to Assembly Joint Resolution No. 47, memorializing the President of the United States to extend to the governments and dominions of the world invitations to participate in the Pacific Exposition and Mercado at Los Angeles in 1940; to the Committee on Foreign Affairs.

2467. By Mr. ENGLEBRIGHT: Assembly Joint Resolution No. 46 of the Department of State of California, relative to memorializing the President and Congress of the United States to enact legislation to relieve California champagne makers from discriminating regulations of the Federal Alcohol Administration; to the Committee on Ways and Means.

2468. Also, Senate Joint Resolution No. 22 of the Department of State of California, relative to memorializing the President and the Congress of the United States to acquire the petrified redwood forest in Sonoma County as a permanent national monument; to the Committee on the Public Lands.

2469. Also, Assembly Joint Resolution No. 47 of the Department of State of California, relative to memorializing the President of the United States to extend to the governments and dominions of the world invitations to participate in the Pacific Exposition and Mercado at Los Angeles in 1940; to the Committee on Foreign Affairs.

2470. By Mr. COFFEE of Washington: Petition in the nature of a telegram from George A. Smitley, mayor of Tacoma, Wash., pointing out that present earmarking of Works Progress Administration appropriation reduces total for unemployed works relief to $800,000,000, showing that such ear-

marking would reduce number of unemployed on Works Progress Administration in Tacoma area 50 percent; declaring that the city of Tacoma is emphatically unable financially to absorb such extra added burden; to the Committee on Appropriations.

2471. Also, resolution of the Snoqualmie Valley Scandinavian-American Democratic Club, Erling D. Solberg, secretary, route 1, Carnation, Wash., in favor of the President's plan for reformation of the Federal judiciary; to the Committee on the Judiciary.

2472. Also, petition in the nature of a telegram of the Board of Pierce County Commissioners, at Tacoma, Wash., A. A. Rankin, chairman, opposing any reduction in the appropriation for Works Progress Administration and in particular opposing earmarking of such appropriation, and calling attention to hardships such reductions will visit upon the unemployed; to the Committee on Appropriations.

2473. Also, petition of the Washington State Federation of Federal Employees' Unions, Oscar W. Dam, president, gathered in State convention and endorsing Senate bill 1306, a bill providing for housing of Federal employee credit unions in Federal buildings as a minmum of recognition that should be afforded these unions by the Government; to the Committee on Public Buildings and Grounds.

2474. By Mr. DIXON: Petition of the citizens of Cincinnati, urging that a portion of the Laurel homes housing project be reserved for colored occupancy; to the Committee on Banking and Currency.

2475. By Mr. FITZPATRICK: Petition signed by a number of residents of Bronx County, New York City, N. Y., opposing the passage of the Hill-Sheppard bill (H. R. 1954); to the Committee on Military Affairs.

2476. Also, petition signed by Ephrem Brue and a number of other residents of the city of Yonkers, N. Y., urging support of the President's relief program; to the Committee on Appropriations.

2477. By Mr. MEAD: Petition in the nature of a resolution of the Lackawanna Municipal Housing Authority of the city of Lackawanna, N. Y., that the United States Senate be, and it is hereby, memorialized to enact at the earliest possible date the United States Housing Act of 1937 (S. 1635) and to enact the identical measure, being House bill 5033; to the Committee on Banking and Currency.

2478. By Mr. O'NEAL of Kentucky: Petition of the citizens of Jefferson County, in behalf of House bill 2257; to the Committee on Ways and Means.

2479. By Mr. SADOWSKI: Petition of the City Council of Lincoln Park, Mich., endorsing Wagner-Steagall housing bill; to the Committee on Banking and Currency.

2480. By Mr. SHANLEY: Petition of the Connecticut State College; to the Committee on Agriculture.

2481. By Mr. SPARKMAN: Petition of J. M. Brooks and various other citizens of Madison County, Ala., urging the enactment of the old-age pension bill as embodied in House bill 2257, introduced by Representative WILL ROGERS of Oklahoma; to the Committee on Ways and Means.

2482. Also, petition of Jennie Shepherd and various other citizens of Lawrence County, Ala., urging the enactment of the old-age pension bill as embodied in House bill 2257, introduced by Representative WILL ROGERS of Oklahoma; to the Committee on Ways and Means.

2483. Also, petition of C. P. Patterson and various other citizens of Jackson County, Ala., urging the enactment of the old-age pension bill as embodied in House bill 2257, introduced by Representative WILL ROGERS, of Oklahoma; to the Committee on Ways and Means.

2484. Also, petition of P. G. Greenhill and various other citizens of Colbert County, Ala., urging the enactment of the old-age pension bill as embodied in House bill 2257, introduced by Representative WILL ROGERS of Oklahoma; to the Committee on Ways and Means.

2485. By Mr. THOMASON of Texas: Petition of W. C. Amelon and 117 other citizens of El Paso, Tex., requesting that House bill 4199 (General Welfare Act) known as Crosby bill, be brought out of Ways and Means Committee and admitted on floor of House for open discussion; to the Committee on Ways and Means.

2486. By Mr. WELCH: California Assembly Joint Resolution No. 46, relative to memorializing the President and Congress of the United States to enact legislation to relieve California champagne makers from discriminatory regulations of the Federal Alcohol Administration; to the Committee on Ways and Means.

2487. Also, petition containing a number of signatures of residents of California, favoring the judiciary reorganization bill; to the Committee on the Judiciary.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JUNE 2, 1937

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Thou in whom are our longings, hopes, and aspirations, help us to approach Thee in the spirit of the Master. May we understand and assimulate His precepts and emulate His virtues. Almighty God, in the broad fields of endeavor, in the complicated conditions of these times, in the rush for wealth and power, the Lord God help us to realize our dependence upon Thee. Thy laws are imperative and perpetual in their obligations, and if we are to be saved it is through loyalty to the statutes which Thou hast ordained. We pray Thee to fill our hearts with brotherly love as we enter upon the labors of this day. Heavenly Father, blessings of good health, strength, and happiness upon our most capable Speaker. In our Savior's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment bills and a joint resolution of the House of the following titles:

H. R. 856. An act for the relief of First Lt. R. G. Cuno;

H. R. 1232. An act for the relief of John W. Bolin;

H. R. 1304. An act for the relief of John E. Sandage;

H. R. 1502. An act to amend Public Law No. 626, Seventy-fourth Congress;

H. R. 1759. An act for the relief of Minnie D. Hines;

H. R. 1792. An act for the relief of John Kelley;

H. R. 2360. An act for the relief of Carter R. Young;

H. R. 2554. An act for the relief of Frank Cubero;

H. R. 2673. An act for the relief of Howard Hefner;

H. R. 3736. An act for the relief of Mr. and Mrs. Edward J. Pruett;

H. R. 3841. An act for the relief of Col. J. P. Barney;

H. R. 3874. An act to extend the times for commencing and completing the construction of a bridge and causeway across the water between the mainland at or near Cedar Point and Dauphin Island, Ala.;

H. R. 3963. An act for the relief of John Zarnick;

H. R. 4706. An act authorizing the State Roads Commission of the State of Maryland and the State Highway Department of the State of Virginia to construct, maintain, and operate a free highway bridge across the Potomac River at or near a point in the vicinity of Point of Rocks in Frederick County and a point near the south end of Loudoun County to take the place of a bridge destroyed by flood in 1936;

H. R. 4801. An act authorizing the county of Wahkiakum, a legal political subdivision of the State of Washington, to construct, maintain, and operate a free highway bridge across the Columbia River between Puget Island and the mainland, Cathlamet, State of Washington;

H. R. 4809. An act to authorize the Works Progress Administration to lend or give World War relics and other property at Fort Eustis, Va., to the American Legion Museum at Newport News, Va.;

H. R. 5136. An act to authorize the acquisition of land for cemeterial purposes in the vicinity of San Francisco, Calif.;

H. R. 5206. An act for the relief of Jacob G. Ackerman;

H. R. 5467. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River between St. Louis, Mo., and Stites, Ill.; and

H. J. Res. 334. Joint resolution to protect the copyrights and patents of foreign exhibitors at the New York World's Fair, to be held at New York City, N. Y., in 1939.

The message also announced that the Senate had passed, with amendments, in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 730. An act for the relief of Joseph M. Clagett, Jr.;

H. R. 2332. An act for the relief of William Sulem;

H. R. 2565. An act to confer jurisdiction on the Court of Claims to hear, determine, and enter judgment upon the claims of contractors for excess costs incurred while constructing navigation dams and locks on the Mississippi River and its tributaries;

H. R. 2901. An act to amend the act of May 29, 1930 (46 Stat. 349), for the retirement of employees in the classified civil service and in certain positions in the legislative branch of the Government to include all other employees in the legislative branch; and

H. R. 3634. An act for the relief of Noah Spooner.

The message also announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 190. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Waterton Oil, Land & Power Co., of Butte, Mont., against the United States;

S. 523. An act for the relief of Mrs. Guy A. McConoha;

S. 546. An act for the relief of Annie Mary Wilmuth;

S. 703. An act for the relief of John T. Armstrong;

S. 1143. An act for the relief of G. L. Tarlton;

S. 1144. An act for the relief of the Frazier-Davis Construction Co.;

S. 1274. An act to confer jurisdiction upon the United States District Court for the District of Nebraska to determine the claim of John H. Owens;

S. 1279. An act to authorize the sale, under the provisions of the act of March 12, 1926 (44 Stat. 203), of surplus War Department real property;

S. 1401. An act for the relief of Willard Collins;

S. 1850. An act to provide for the appointment of James W. Grose as a sergeant, first class (master sergeant), United States Army;

S. 1965. An act for the relief of James A. Lyons;

S. 2147. An act to amend provisions of the Agricultural Marketing Agreement Act of 1937;

S. 2152. An act for the relief of Sue F. Melton;

S. 2154. An act for the relief of Hattie Tolbert;

S. 2156. An act to amend the act relating to the Omaha-Council Bluffs Missouri River Bridge Board of Trustees, approved June 10, 1930, and for other purposes;

S. 2193. An act to authorize the construction of certain auxiliary vessels for the Navy;

S. 2295. An act to amend the act approved June 7, 1935 (Public, No. 116, 74th Cong.; 49 Stat. 332), to provide for an additional number of cadets at the United States Military Academy, and for other purposes;

S. 2334. An act for the relief of certain disbursing officers of the Army of the United States and for the settlement of individual claims approved by the War Department;

S. 2374. An act for the relief of F. A. Gross and others;

S. 2399. An act for the relief of R. L. McLachlan;

S. 2400. An act to simplify accounting, and for other purposes;

S. 2463. An act to authorize an additional number of medical and dental officers for the Army; and

S. J. Res. 85. Joint resolution authorizing an appropriation for an investigation of the social and economic needs of laborers migrating across State lines.

ATTENDANCE OF MARINE BAND AT UNITED CONFEDERATE VETERANS' REUNION

Mr. WOODRUM. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. WOODRUM. Mr. Speaker, some days ago the House authorized the United States Marine Band to attend the Confederate Veterans' Reunion at Jackson, Miss., June 9 to June 12, and authorized an appropriation of $6,000 to defray their expenses.

We have had an itemized statement presented, a breakdown of the amounts, and it comes to $5,300.

I ask unanimous consent for the present consideration of a resolution (H. J. Res. 394) making appropriation for expenses of the Marine Band in attending the United Confederate Veterans' Reunion at Jackson, Miss., in 1937.

The Clerk read the title of the House joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

Mr. LAMNECK. Mr. Speaker, reserving the right to object, I made a request of the Navy Department administration to take the Marine Band to Columbus, Ohio. I was told it was against the policies of the Government and against the policies of the President to take the Marine Band to Ohio, but it was not against the policy of the Government to take them down to South Carolina or North Carolina. I would like to know just what sort of reasoning that is, if the gentleman knows.

Mr. WOODRUM. I will say that as far as I know the only trips which the United States Marine Band are ever permitted to take are to attend the reunions of the Grand Army of the Republic and the Confederate Veterans. I think I am correct in that. I think we have universally permitted that one trip by the United States Marine Band each year.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. TABER. Would the gentleman from Ohio tell us for what occasion he was trying to get the band to be sent to Ohio?

Mr. LAMNECK. The Spanish-American War veterans were having a national convention at Columbus in August. I have not yet been able to figure out in my mind how anybody could say that sending them south was in line with the President's program and to send them to Ohio was against the President's program. I cannot figure that out.

Mr. TABER. I will say that, as I remember it, the Marine Band or some other Army band was sent to the Texas Centennial Exposition.

Mr. LAMNECK. Oh, I know all about that. I was not in the issue at that time, but I cannot quite figure it out. I am not going to object to this, but I am just calling the attention of the House to the fact that it is absolutely unfair, in my judgment, to make any such discrimination. If we are going to send the Marine Band any place, let us send it to all these places.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. RICH. I recall 3 or 4 years ago a request was made by a Representative from Rochester, N. Y., that the band be sent to Rochester to some great celebration which was being held there. At that time the statement was made that they could not permit the band to go because it was contrary to the rules to send them away from Washington. I made a request to have the band come to Williamsport 3 or 4 years ago, and I did everything possible to have that band go there for a celebration. It was stated at that time that the band could not leave Washington except on official duties. I am a great deal like the gentleman from Ohio [Mr. LAMNECK]. I would like to know why the band can be taken out to Texas and can be taken down to Mississippi and some of these other Southern States, when Northern States are discriminated against. I think there is a "nigger in the wood pile" some place, and we ought to find out what that is.

Mr. WOODRUM. I will say to the gentleman that the question of where the band goes is not determined by the

section of the country. That does not enter into it. The gentleman knows it would be impossible for the three service bands to fill every request. All of them are in constant demand, and at every place having a celebration people would like to have one of these bands. The gentleman from Pennsylvania [Mr. RICH], who is a great economist and a great Budget balancer, would not for a moment permit the House or the Appropriations Committee to send these bands everywhere in the country that the people wanted them and pay expenses. Our policy has been, as far as I know, to permit them to go to the Grand Army of the Republic reunions and the Confederate Veterans' reunions. They may have gone to other places that I do not know of.

Mr. RICH. Well, what are the rights of anyone to request the band to leave the District of Columbia? Will the gentleman get that information and put it in the RECORD?

Mr. WOODRUM. Anyone can request it.

Mr. RICH. Will the gentleman place in the RECORD a statement of what their policy is?

Mr. WOODRUM. Yes; I will try to get a statement of policy.

Mr. FISH. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. FISH. I regret that I came in a little late and lost the benefit of this enlightening conversation, but I think the gentleman can inform me. Has the Marine Band ever attended a meeting of the Grand Army of the Republic at any time?

Mr. WOODRUM. I think so, but I will not be positive about it. It is my understanding that they have attended reunions of both the Grand Army of the Republic and the Confederate veterans. I know they have attended Confederate veteran reunions, and I think they have attended Grand Army of the Republic reunions.

Mr. FISH. I have just been informed that they have not gone to the reunions of the Grand Army of the Republic.

Mr. WOODRUM. I am sure they have attended both of them. I know I would be glad to vote for an appropriation for them to go.

Mr. FISH. That is all I wanted, the gentleman's assurance.

Mr. RICH. But if that should prove to be contrary to the rules and regulations, what then?

Mr. WOODRUM. Then they ought to change the rules and allow them to go.

Mr. RICH. That is what we are trying to get.

Mr. SNELL. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. SNELL. I think the statement the gentleman originally made is correct, that we have simply allowed the Marine Band to attend the reunions of the Grand Army of the Republic and the Confederate veterans; and I want to say, as one Member of the House, that I think that policy is correct. If, however, we start sending the Marine Band to various places for other occasions we will be deluged with requests and bothered to death, because every big celebration would like to have the Marine Band.

Mr. WOODRUM. And that applies likewise to the other bands.

Mr. SNELL. Yes; any of the main service bands, Army or Navy or Marine. We simply cannot enter into that kind of proposition, to send them all over the country. I believe the gentleman from Virginia is right in his position.

The SPEAKER. Is there objection to the present consideration of the joint resolution?

There was no objection.

The Clerk read as follows:

House Joint Resolution 394

Resolved, etc., That for carrying out the provisions of the act entitled "An act to authorize the attendance of the Marine Band at the United Confederate Veterans' 1937 Reunion at Jackson, Miss., June 9, 10, 11, and 12, 1937", approved May 24, 1937, there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $5,300.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. MAVERICK. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

UNEMPLOYMENT IS PERMANENT PROBLEM

Mr. MAVERICK. Mr. Speaker, for the past 10 days we have been discussing what is ordinarily known as the "Relief Bill." I made the comment when it first came up that we did not have any policy-making committee on the questions involved.

The bill went to a subcommittee of the Committee on Appropriations, and the subcommittee, I think, was composed of four or five members. Then the bill was brought to the floor, and we began to debate whether unemployment was "permanent" or "temporary."

The long and tedious debate, the violence of argument, indicated about 5 or 10 cross-currents. I did not stand with the "earmarkers" because I do not believe there was enough money provided for relief. However, in principle they were right, and we must eventually definitely set out how the money is to be used. But before that is done we must have a policy committee, just as we have for the Army, the Navy, for banking and currency, for education, interstate and foreign commerce, and Indian affairs; and, as far as I am concerned, I believe that we will have unemployment just as long as we have Indians; in other words, I believe the problem is permanent.

CONGRESS NEEDS INFORMATION

Anyhow I maintain that we know that substantial unemployment is going to last for at least 5, 10, or 15 years. Therefore, we should establish a policy-making committee in this House to deal with the subject and its related problems, and that we should have a full and proper investigation.

When the W. P. A. appropriation bill reached the floor I said we should have $2,200,000,000. The gentleman from Missouri [Mr. CANNON] said the amount should be $1,500,000,000. The gentleman from Virginia [Mr. WOODRUM] said it should be $1,000,000,000. I am not reflecting on the other gentlemen, but I do not think that I knew exactly why it should be $2,200,000,000, and I do not think that they knew their reasons either, except maybe, I believe it should be more, and they thought it should be less. It might be said that we were all guessing.

There is a lot of information available about relief needs and about the people applying for relief which such a committee could make available to this body to guide it in future legislation.

THERE SHOULD BE A STANDING COMMITTEE ON PUBLIC WORKS AND WELFARE

Mr. Speaker, we should have a standing committee on public welfare and relief and subjects of that kind. In order to bring this matter before the Congress I am today introducing three resolutions which I think are very important. One of them creates a new standing committee to deal with proposed legislation concerning public works, public health—and that is a very important thing too, public health—social security, the relief of unemployment, and the relief of destitution caused by flood, drought, and other emergencies. This committee would be known as the Committee on Public Works and Welfare. (See below I, Committee on Public Works and Welfare.)

Mr. Speaker, this does not take away jurisdiction of land, flood control, or other matters from present standing committees.

But it puts matters concerning unemployment and destitution in one committee, along with social security and related questions. In that way we shall have an intelligent policy-making major committee composed of 25 Members on which the various political parties will be represented.

When the Interior Department appropriation bill came out the hearings were 2 inches thick. The hearings on the relief bill were about three-quarters of an inch thick, and although they contained a considerable amount of data, in proportion to importance, the relief bill hearing should have been 2 feet thick. As a result we had an unceremonious and disagreeable

battle over relief for a long time. Had there been any policy committee to develop and digest the information already in existence this might have been eliminated.

SELECT COMMITTEE TO GET MATTER STARTED

I am also introducing a resolution for the creation of a select committee to investigate the Works Progress Administration. (See below II, Investigation of W. P. A.) If there is anything wrong with the Works Progress Administration, let us know it and correct it.

In the resolution for the creation of a select committee it is provided that Congress shall determine the number of employables, the number who are unemployed, the number of unemployables who need relief, and also conduct an investigation as to the administration of the W. P. A.

The third is a resolution on the matter of appointing a commission on national unemployment and relief; and in this connection I may say that a similar measure has been introduced in the Senate. (See below III, National Commission Unemployment and Relief.)

THREE RESOLUTIONS BEAR DIRECTLY ON SERIOUS PROBLEMS

As I have said, there are three resolutions. This is something that the House of Representatives ought to consider if we are to act in an intelligent way. As far as I am concerned, if a policy committee reported after a definite investigation and due consideration, recommending $1,000,000,000, $2,000,000,000, or $3,000,000,000, we could all, no doubt, give it support, because we would know the facts had been duly considered and we were following a definite policy. But under the present conditions we do not know what we are doing. I urge this House to seriously consider the resolutions which I am now introducing.

[Here the gavel fell.]

Mr. MOSER of Pennsylvania. Mr. Speaker, I ask unanimous consent that the gentleman from Texas may proceed, so I may ask him a question.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. MOSER of Pennsylvania. The gentleman referred to the printing of the Interior Department bill and the scope of the printing of the relief bill. May I ask the gentleman whether he does not believe the propaganda statistical books issued by the Works Progress Administration would compare with Dr. Eliot's 5-foot shelf of books?

Mr. MAVERICK. I think the information issued by the Works Progress Administration would be much more up to date than Dr. Eliot's 5-foot shelf, and probably more in accordance with present needs.

The Republicans complain that the W. P. A. does not tell them anything. Well, the reports do tell something. For instance, there has been published the Landlord and Tenant on the Cotton Plantation, probably the most valuable book so far presented on that problem. Your "5-foot shelf" gives some swell poetry and Adam Smith's The Wealth of Nations. But some of the W. P. A. books or reports give us able, up-to-date, valuable information. (See below, IV, Research Publications of the W. P. A.)

But that is not the point, anyhow. We should establish a permanent—or, to use a better word, an intelligent—policy on unemployment and social welfare.

I

COMMITTEE ON PUBLIC WORKS AND WELFARE (H. RES. 225)

Standing committee will establish policy on unemployment

This resolution is in the usual form. It provides that the committee shall be known as the Committee on Public Works and Welfare, and shall consist of 25 Members of the House.

The scope of the committee is described by one paragraph, which is as follows:

All proposed legislation concerning public works, public health, social security, the relief of unemployment, and the relief of destitution caused by floods, droughts, and other emergencies—to the Committee on Public Works and Welfare.

It has been referred to the House Rules Committee and is before them for consideration. There are now some 44 committees in the House, and if a thorough study should be made of them, it would be seen that because the committees were established a long time ago, many new subjects go to committees which really have no jurisdiction. For instance, the cancer bill, which I introduced, went to the Interstate and Foreign Commerce Committee. There are many other examples like this.

However, I should like to call to your attention that there certainly should be a regular committee for matters which have been quoted above.

II

SELECT COMMITTEE TO INVESTIGATE UNEMPLOYMENT AND RELIEF (H. RES. 224)

To determine situation employables, unemployables, and W. P. A.

In establishing a permanent policy of relief, it would probably be better to begin by establishing a select committee. This group could make an investigation of all the different features of the W. P. A. and the situation of unemployment in the country.

Portions of the resolution are as follows:

The committee is authorized and directed to conduct an investigation of unemployment within the United States with a view to determining—

(1) The number of employables who are unemployed;

(2) The number of unemployables who are in need of relief;

(3) The distribution of each of the foregoing among the several States; and

(4) Generally the manner in which the relief of unemployment shall be handled by the Government of the United States.

The committee shall also investigate from time to time the extent of any destitution caused by floods, drought, and other emergencies with a view to determining the manner in which the relief of such destitution shall be handled by the Government of the United States.

The committee shall also conduct a thorough investigation of the Works Progress Administration with a view to determining—

(1) The extent, if any, to which relief is granted or denied because of political affiliations;

(2) The extent to which appointments to positions in the Works Progress Administration are governed by political affiliations;

(3) The administrative costs of furnishing relief and work relief through such offices of the Works Progress Administration throughout the United States as in the opinion of the committee are representative; and

(4) Such other matters connected with the administration of relief and work relief as in the opinion of the committee will furnish Congress with useful information in the formulation of a relief policy by the United States.

The matters contained herein are self-explanatory. We have had select committees to hunt Communists and Fascists, to ask Dr. Townsend questions, and for every other matter. In presenting this I do so hoping that it will have serious consideration as the most important single matter facing this Nation.

III

FEDERAL UNEMPLOYMENT AND RELIEF COMMISSION (H. J. RES. 395)

Citizens appointed by the President to determine national problem

I am introducing this resolution because it has been introduced in the Senate. The view taken by those favoring this particular legislation is that there should be a national commission composed of citizens, and that it should be nonpartisan in every way. This commission would not have any Members of Congress as members and is a different approach from my idea of a House standing committee or select committee; on the other hand, this bill might be amended in order that it be composed of a certain number of citizens, Senators, and Representatives.

Again, I will not quote the whole bill, but will refer only to the following excerpts, which are the preambles to the bill, and which pretty well explain it:

Whereas it is evident that the problems of unemployment and relief have passed the emergency phase and these burdens now appear to be long-term charges against the National Government; and

Whereas there is need of a thoroughgoing study of all their phases, including (1) the extent and nature of unemployment and relief needs; (2) the problem of work as against direct relief; (3) the question of assessing the financial burden and administrative responsibilities as between private charitable organizations and local, State, and Federal Governments; (4) some plan for coordinating the long-term relief program with existing governmental agencies, such as the United States Employment Service, the Social Security Board, the Public Works Administration, and other Federal agencies; and (5) the probable avenues of greater

private reemployment and a general program looking to the liquidation of the entire relief program.

IV

RESEARCH PUBLICATIONS OF THE W. P. A.

Information given is valuable and essential

Some people have told me that there are "too many statistics" in the W. P. A. publications. This may be true, but the same can be said of the Agricultural yearbook for the past 50 years, but which got out its best publication last year under Secretary Henry Wallace.

As a matter of fact, the W. P. A. has published many studies furnishing the most valuable and essential information to the Congress and to the country. These concern directly the problems of relief, unemployment, and destitution. Among these, I think the following are especially important: Landlord and Tenant on the Cotton Plantation, Six Rural Problem Areas, Urban Workers on Relief, Migratory-Casual Worker, People of the Drought States, Unemployment and Increasing Productivity.

The most interesting to me is the Landlord and Tenant Report, done under the supervision of T. J. Woofter, formerly of the University of North Carolina, and now doing special work for the W. P. A. It is admitted everywhere that this study provides the most authoritative and up-to-date information obtainable in America on the tenancy problem. What is wrong with it? The United States Government, through the Relief Administration, the rehabilitation program, and the A. A. A., had grave problems growing out of tenancy. This report was an answer to this, and it was set up to throw light on questions such as tenancy and relief, tenancy and farm credit, tenancy and crop control, and tenancy and rehabilitation.

The fact that this is an important matter is shown in the announcement by both candidates for the presidency of a program to eliminate tenancy. More, the President's committee on farm tenancy found the landlord-tenant report of exceptional value and it has been useful to the House Committee on Agriculture in framing a bill which they have reported favorably. Personally, I have found it contains much valuable information, which has been beneficial to me in forming opinions concerning the tenancy problem.

There has been a great public demand for the study of this problem. There are more tenants in the southern region than in any other portion of the United States; but tenancy has grown to great proportions in other sections of the country and these States have shown great interest in the report also. Throughout the South and the Nation organizations of farm tenants are becoming increasingly active. There are magazines and propaganda groups showing a great deal of interest in the subject—and most of their efforts have been without much knowledge. This report gives the essential information.

I have made it a point to investigate this publication and find that over 4,000 persons have voluntarily written in for it. Since being written, it is on the required reading list of many universities and is being used throughout the United States as a basis of discussion in colleges and elsewhere. In other words, out of an excess desire to criticize the Roosevelt administration and the W. P. A., we might criticize this report, but as a matter of fact, it is a genuine and important contribution to the science of government.

Mr. MAVERICK. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and include therein certain explanatory excerpts.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

EXTENSION OF REMARKS

Mr. CROSSER. Mr. Speaker, I ask unanimous consent to extend the remarks of my colleague the gentleman from Ohio [Mr. IMHOFF] in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. THOMAS of New Jersey asked and was given permission to revise and extend his own remarks in the RECORD.

Mr. FISH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a radio speech made by me.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. FISH. Mr. Speaker, I ask unanimous consent to proceed for 3 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FISH. Mr. Speaker, I have requested this time to call the attention of the Members of the House to the fact I have placed upon the Speaker's desk a petition to discharge the Committee on Foreign Affairs from further consideration of House Joint Resolution 300, to prohibit the sale and shipment of arms, ammunition, and implements of war in time of peace as well as war.

We are now confronted not only with rumors of war but with the possibility of another world war within a short time. If this resolution is adopted, it will mean we cannot ship ammunition and implements of war to Germany, Italy, or to any other nation that might invade Spain. As it is, we prohibit the shipment of arms and ammunition to Spain, but not to those nations that may make war upon Spain without a formal declaration of war.

It seems to me that the American people are in favor of a policy of strict neutrality and one that will take the profit out of war and to cease being the potential slaughterhouse of the world and the symbol of the dollar sign for war profit and blood money. If this legislation is reported out and passed, it will mean we will not ship arms, ammunition, and implements of war for sake of profit and blood money to kill people with whom we have no quarrel. The peace-loving people of America are almost unanimous for such a policy. It is squarely up to the Members of Congress, and if they want to get action they must sign this petition in order to have this resolution brought upon the floor of the House for consideration. It is absolutely nonpartisan. It is a peace measure that takes the profit out of war; aims to keep the United States out of war and to promote peace and good will in the world. If we are to have a war in the future, it must be in defense of the United States and not in defense of the war profiteers, munition makers, or of any foreign country.

[Here the gavel fell.]

HOUSE RESOLUTION 213—ACCOMMODATION OF NAVAL AIR FORCES ON THE ATLANTIC COAST

Mr. VINSON of Georgia. Mr. Speaker, I present a privileged resolution.

The Clerk read the resolution, as follows:

House Resolution 213

Resolved, That the Secretary of the Navy is hereby directed, if not incompatible with the public interest, to transmit to the House of Representatives at the earliest possible moment the following information:

1. What facilities exist for the accommodation of the naval air forces on the Atlantic coast?

2. What plans, if any, exist or have been formulated for the establishment of naval air bases on the Atlantic coast, and what recommendations, if any, for such facilities have been made to Congress or to any of its committees?

Mr. VINSON of Georgia. Mr. Speaker, the author of this resolution is satisfied with the information contained in the letter attached to the report of the Committee on Naval Affairs. I ask unanimous consent that the report and letter be printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The report and letter referred to are as follows:

Mr. VINSON of Georgia, from the Committee on Naval Affairs, submitted the following adverse report (to accompany H. Res. 213):

The Committee on Naval Affairs, to whom was referred the resolution (H. Res. 213) directing the Secretary of the Navy to transmit certain information to the House of Representatives at the earliest practicable moment, having had the same under consideration, report it back to the House and recommend that the resolution do not pass.

The action of the committee is based upon the following letter to the chairman of the committee from the Secretary of the Navy:

DEPARTMENT OF THE NAVY,
OFFICE OF THE SECRETARY,
Washington, May 28, 1937.

The CHAIRMAN, COMMITTEE ON NAVAL AFFAIRS,
House of Representatives, Washington, D. C.

MY DEAR MR. CHAIRMAN: H. Res. 213, directing the Secretary of the Navy to transmit certain information to the House of Representatives, was referred to the Navy Department by your committee with a request for views and recommendation.

The Secretary of the Navy is very glad to give the information requested in the resolution.

The first question propounded in House Resolution 213 is as follows:

What facilities exist for the accommodation of the naval air forces on the Atlantic coast?

The only existing facilities on the Atlantic coast for the accommodation of any large number of naval aircraft is the Naval Air Station, Norfolk. This station furnishes operation, maintenance, and overhaul facilities for a large number of fleet aircraft and is planned for the normal operation of at least 12 carrier squadrons and 2 patrol plane squadrons, but due to the lack of funds to complete the development of this station it is taxed to handle properly even half of this complement at the present time.

Other existing facilities for the accommodation of the naval air forces on the Atlantic coast are:

(a) Marine flying field, Marine Barracks, Quantico, Va.: Operating, maintenance, and overhaul facilities for Marine Corps aircraft on the Atlantic coast. At the present time it is capable of providing only the bare essentials of operating facilities required for its complement of four squadrons, due to the incomplete development of the field and lack of modern facilities.

(b) Marine flying field, Parris Island, S. C.: Limited operating facilities for Marine Corps aircraft. Used as a base for conducting gunnery practices of Marine Corps squadrons.

(c) Naval Aircraft Factory, Philadelphia, Pa.: Facilities for overhaul, manufacture, and test of naval aircraft and limited landplane and seaplane operating facilities.

(d) Naval air station, Anacostia, D. C.: Limited landplane and seaplane operating facilities for the flight test of experimental Navy and Marine Corps aircraft and flight facilities for naval aviators stationed in Washington.

(e) Naval proving ground, Dahlgren, Va.: Minor landplane and seaplane operating facilities for a small number of aircraft engaged in experimental ordnance developments.

(f) Naval torpedo station, Newport, R. I.: Minor seaplane operating facilities for the operation of seaplanes engaged in torpedo-development work.

(g) Naval Academy, Annapolis, Md.: Minor operating facilities for seaplanes.

(h) Navy Yard, Charleston, S. C.: Minor landplane and seaplane operating facilities for transient planes.

(i) Naval destroyer base, Squantum, Mass.: Minor landplane and seaplane operating facilities developed in connection with operations of Naval Reserve aviation base.

(j) Naval air station, Cape May, N. J.: Inactive station developed during the World War. Minor landplane and seaplane operating facilities. At present used partially by Coast Guard and also by Naval Reserves during summer months for gunnery training.

(k) Naval air station, Chatham, Mass.: Inactive station developed during the World War. No operating facilities maintained. Station no longer required and being disposed of by Navy Department.

(l) Naval air station, Lakehurst, N. J.: Operating and maintenance facilities for lighter-than-air aircraft and minor landplane operating facilities.

Naval Reserve air bases are not included in the accommodations for naval aircraft on the Atlantic coast listed above, as they are in each case either a part of another naval activity or are leased commercial facilities and do not in themselves add additional air accommodations, except to a slight degree at Squantum, Mass., as noted in paragraph (i). Naval Reserve air bases on the Atlantic coast are:

Naval Reserve air base, Opa-Locka (Miami), Fla.: Minor landplane facilities leased commercially.

Naval Reserve air base, Anacostia, D. C.: At naval air station, Anacostia.

Naval Reserve air base, Philadelphia, Pa.: At Naval Aircraft Factory.

Naval Reserve air base, New York, N. Y.: Landplane facilities leased at Floyd Bennett Airport.

Naval Reserve air base: Squantum, Mass.: On Government property at old destroyer base. Minor seaplane and landplane facilities.

The second question propounded in House Resolution 213 is as follows:

What plans, if any, exist or have been formulated for the establishment of naval air bases on the Atlantic coast, and what recommendations, if any, for such facilities have been made to Congress or to any of its committees?

Due to the inadequacy of facilities on the Pacific coast and in Panama and Hawaii for the accommodation of aircraft now operating there, the provision of additional facilities in those locations, including the air station at Alameda, becomes an urgent, immediate requirement. Until these urgent requirements on the Pacific coast, in Panama, Hawaii, and the necessary improvement of Hampton Roads and Pensacola are met, no additional naval air bases on the Atlantic coast should be established. Consequently, additional Atlantic coast naval air bases, not being urgent under conditions today, detailed planning for such bases has been deferred to make way for developments of higher priority at existing bases, including Alameda.

The existing naval bases, including Alameda, when all are adequately developed, will be sufficient for the maintenance and overhaul of all naval aircraft, regardless of whether the United States fleet is based in the Atlantic or in the Pacific or divided between the two coasts. Planes requiring periodic overhaul can be and are flown across the continent as necessary for this purpose in order to utilize all facilities.

Should the entire United States fleet ever be based on the Atlantic coast, the facilities for maintenance would be satisfactory, as indicated above, but the facilities for training would be inadequate. Hampton Roads is the only station suitable for the necessary shore training of carrier and other ship-based planes and its capacity would be inadequate for the purpose. The concentration of the planes of six carriers, besides those of battleships and cruisers, at one place would moreover interfere with their operations and would not be safe. An additional base for such training would therefore be necessary. This additional base should be located at some place adjacent to deep water and preferably at some place where the weather conditions are favorable for training during the entire year. The Navy Department is now studying this question. It is not at this time prepared to make a recommendation, as it has not yet obtained all the necessary data upon which to make a decision.

By letter dated May 20, 1937, the chairman, Committee on Naval Affairs, House of Representatives, requested that in addition to the information requested in House Resolution 213, the Navy Department include in its reply an answer to the following:

"Will the Department indicate whether or not the matter of the location of further bases is receiving present study and whether or not it is likely that at least a tentative plan may be ready for presentation within the next year with the understanding that this does no refer to questions of priorities?"

Experience in operating large numbers of aircraft on the Pacific coast has proved the necessity for a main training base for naval aircraft in the southern part of the coast where weather conditions are favorable for year-round training. But due to the congestion at San Diego, another main air base, located at the site of a main naval base, San Francisco Bay, has been found imperative, and the development of Alameda has therefore been sought. Less favorable weather conditions for training permit smaller aviation facilities at the other main naval base, Puget Sound. These three locations, one at each extremity of the coast and one near the middle of the stretch of coast, give the necessary distribution for these three peacetime bases for strategic considerations.

From this past experience the Navy Department reasons that should the entire fleet be based on the Atlantic coast, a like number and a somewhat similar distribution of peacetime air bases would ultimately be necessary in the East, both for training and from strategic considerations; that is, a base with some aviation facilities to the northward, the existing base at Hampton Roads, which is in the middle of the coast line, for a main training base and one to the southward as an additional main training base for naval aircraft.

The Rodman Board recommended the development of two main naval bases on the Atlantic coast, one in the New York-Narragansett Bay region and one at Chesapeake Bay, with aviation bases at each of these localities. It, however, placed the priority of development of these two main naval bases below the two main naval bases on the Pacific coast and the Navy Department has followed that general priority in all subsequent development.

At the present moment, and without the benefit of a complete study, the general scheme for the development of air bases in the East would appear to be as follows: Hampton Roads should be developed to capacity before a new development in air facilities is undertaken on the Atlantic coast in order to keep operating and overhead costs down to a minimum. At some time in the future an air base something like the existing air base at Seattle should probably be established to the northward, possibly in the New York-Narragansett Bay region. However, this would now appear to be less urgent from an operation and training standpoint than an additional main training base, probably to the southward.

The studies of the Navy Department in connection with existing inadequate aviation facilities ashore have always indicated the need for such an additional base for the training of naval aircraft in the event that the entire United States fleet were based on the Atlantic coast. Since this contingency seems at present so remote, no detailed study of all possible locations for such an additional base on the Atlantic coast of the United States or in the Caribbean area has yet been made.

No detailed study has yet been made of the exact character or extent of the additional establishment required, but such a new

establishment should include anchorage space, take-off area, piers, flying fields, machine gun and bombing areas, barracks, hangars, shops for operating upkeep and perhaps for major overhaul, fuel storage, power, light, and accessories, etc. Among the many factors to be considered in selecting a location are the strategic position, weather conditions, proximity or remoteness from thickly settled areas, supply and transportation facilities, available labor supply, depth and area of water, living conditions for personnel, utilization of existing naval facilities. All this requires the collection of much data.

No decision as to location should be made until the advantages and disadvantages of all possible locations have been carefully considered from every standpoint and also weighed against the cost of development at each possible location. A base of this character would be a large and costly establishment. It is all the more desirable, therefore, to proceed slowly and thoroughly, particularly as the need for such a base under present conditions, is not urgent.

In view of the above no specific plans for the establishment of additional naval air bases on the Atlantic coast have been prepared. However, the Navy Department will study this matter. Any tentative plan must be subject to entire change or to modification in detail depending upon the conditions existing at the time when it may be possible to carry out the plan.

Sincerely yours,

CHARLES EDISON, *Acting*.

Mr. VINSON of Georgia. Mr. Speaker, I move that the resolution be laid on the table.

The motion was agreed to.

PERMISSION TO ADDRESS THE HOUSE

Mr. BOILEAU. Mr. Speaker, I ask unanimous consent that on Tuesday next after disposition of business on the Speaker's table and immediately following the address of the gentleman from Maryland [Mr. GOLDSBOROUGH] the gentleman from Minnesota [Mr. BERNARD] may be permitted to address the House for 45 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. KING. Mr. Speaker, I ask unanimous consent to address the House at this time for 30 minutes. I have a matter that I believe is a question of personal privilege, but rather than exercise that prerogative I am requesting unanimous consent to proceed for 30 minutes.

The SPEAKER. The gentleman asks unanimous consent to address the House at this time for 30 minutes. The Chair thinks it proper to state in this connection that he has examined the subject matter to which the Delegate from Hawaii desires to refer and he thinks it clearly embraces a matter of personal privilege.

However, the gentleman does not desire to press that, and asks unanimous consent to address the House for 30 minutes. Is there objection?

Mr. MEAD. Mr. Speaker, reserving the right to object, and I shall not object, this is Calendar Wednesday, and the Committee on the Post Office and Post Roads has the call. A gentleman from each side of the aisle has already taken time to speak. The gentleman from Hawaii will now take 30 minutes. After that I shall insist the House proceed with the call of committees. However, I shall not object at this time.

Mr. MAPES. Mr. Speaker, reserving the right to object, while the gentleman from New York [Mr. MEAD] is on the floor, is my understanding correct that the gentleman does not intend to call up today the bill (H. R. 4732) to revise the air-mail laws?

Mr. MEAD. That is our intention at this time.

Mr. MAPES. The gentleman does not intend to bring it up?

Mr. MEAD. No.

Mr. DOUGHTON. Mr. Speaker, reserving the right to object, I would like to ask the Delegate from Hawaii if he will withhold his request in order that I may ask unanimous consent for the immediate consideration of a Senate joint resolution?

Mr. KING. I withhold the request, Mr. Speaker.

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the joint resolution (S. J. Res. 155) to create a Joint Congressional Committee on Tax Evasion and Avoidance for immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the present consideration of the joint resolution?

Mr. TREADWAY. Mr. Speaker, reserving the right to object, I would like to ask the chairman of the Committee on Ways and Means a question. Assuming the appointment of the joint committee to which the gentleman refers, is it expected any other matters of taxation than those referred to in the President's message yesterday will be taken up by that committee?

Mr. DOUGHTON. The resolution speaks for itself. The investigation would not include anything further than is provided in the resolution, which I assume the gentleman has examined. The resolution is based entirely on the message of the President.

Mr. SNELL. Mr. Speaker, reserving the right to object, I think the resolution ought to be read, anyway.

Mr. TREADWAY. Mr. Speaker, I do not intend to object to the consideration of the joint resolution, but I think we ought to know what is in it.

The SPEAKER. The Clerk will report the joint resolution.

The Clerk read the joint resolution, as follows:

Resolved, etc., That (a) there is hereby established a joint congressional committee to be known as the Joint Committee on Tax Evasion and Avoidance (hereinafter referred to as the joint committee).

(b) The joint committee shall be composed of six Members of the Senate who are members of the Committee on Finance, appointed by the President of the Senate, and six Members of the House of Representatives who are members of the Committee on Ways and Means, appointed by the Speaker of the House of Representatives. A vacancy in the joint committee shall not affect the power of the remaining members to execute the functions of the joint committee, and shall be filled in the same manner as the original selection.

SEC. 2. It shall be the duty of the joint committee to investigate the methods of evasion and avoidance of income, estate, and gift taxes, pointed out in the message of the President transmitted to Congress on June 1, 1937, and other methods of tax evasion and avoidance, and to report to the Senate and the House, at the earliest practicable date, and from time to time thereafter, but not later than February 1, 1938, its recommendations as to remedies for the evils disclosed by such investigation.

SEC. 3. (a) The joint committee, or any subcommittee thereof, shall have power to hold hearings and to sit and act at such places and times, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, to have such printing and binding done, and to make such expenditures, as it deems advisable. Subpenas shall be issued under the signature of the chairman of said joint committee, and shall be served by any person designated by him. Amounts appropriated for the expenses of the joint committee shall be disbursed one-half by the Secretary of the Senate and one-half by the Clerk of the House. The provisions of sections 101 and 102 of the Revised Statutes shall apply in case of any failure of any witness to comply with any subpena, or to testify when summoned, under authority of this joint resolution.

(b) (1) The Secretary of the Treasury and any officer or employee of the Treasury Department, upon request from the joint committee, shall furnish such committee with any data of any character contained in or shown by any return of income, estate, or gift tax.

(2) The joint committee shall have the right, acting directly as a committee or by or through such examiners or agents as it may designate or appoint, to inspect any or all such returns at such times and in such manner as it may determine.

(3) The joint committee shall have the right to submit any relevant or useful information thus obtained to the Senate, the House of Representatives, the Committee on Ways and Means, or the Committee on Finance, and shall have the right to make public, in such cases and to such extent as it may deem advisable, any such information or any such returns. The Committee on Ways and Means or the Committee on Finance may submit such information to the House or to the Senate, or to both the House and the Senate, as the case may be.

SEC. 4. The joint committee shall have power to employ and fix the compensation of such officers, experts, and employees as it deems necessary for the performance of its duties, but the compensation so fixed shall not exceed the compensation fixed under the Classification Act of 1923, as amended, for comparable duties. The joint committee is authorized to utilize the services, information, facilities, and personnel of the departments and agencies in the executive branch of the Government and of the Joint Committee on Internal Revenue Taxation.

SEC. 5. The joint committee may authorize any one or more officers or employees of the Treasury Department to conduct any part of such investigation on behalf of the committee, and for such purpose any person so authorized may hold such hearings, and require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, administer such oaths, and take such testimony as the committee may authorize. In any such case subpenas shall be issued under

the signature of the chairman of the joint committee and shall be served by any person designated by him.

SEC. 6. All authority conferred by this joint resolution shall expire on February 1, 1938.

Mr. O'CONNOR of New York. Mr. Speaker, reserving the right to object, unless some amendments are made to this resolution I shall be compelled to object.

I am in entire sympathy with the purpose of the resolution and the message of the President. I am not eager that the Committee on Rules be burdened by holding hearings on this matter, which procedure would result from my objection. However, I examined the resolution yesterday and further today and have given it careful thought. Solely from the standpoint of protecting the rights of this House, I submit to the gentleman that the matters appearing in this resolution appear for the first time in any resolution in my observation, which leads me to the conclusion, which may be unfounded, that the resolution could not have been drawn in this particular locality.

First, on page 3, subdivision (3) of section 3 gives this joint congressional committee the permission, but not the obligation, to report to Congress, its creator. The paragraph states the joint committee shall have the right to submit a report. It may report to our Committee on Ways and Means or the Committee on Finance of the Senate. Unless the making of this report were made obligatory I would object.

Next—and this is a matter which does not concern me particularly but should concern the House, because the House has passed on it several times—section 4 violates the position this House has taken regarding the compensation of employees of committees.

Mr. COOPER. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR of New York. Just a minute, until I finish my statement.

Although I personally fought the $3,000 limitation this House has several times definitely gone on record that $3,000 is the most that can be paid any employee of a committee. Under this provision of payment under the Classification Act employees of the committee could be paid as high as $9,000.

In connection with what section does the gentleman from Tennessee wish me to yield?

Mr. COOPER. I asked the gentleman to yield in connection with the first objection the gentleman mentioned. I am sure the gentleman will observe that section 2 covers the question of the report to Congress, to both the House and the Senate. Paragraph (3) on page 3 relates to information secured by the committee with reference to income-tax returns. This is no departure from the situation which now exists.

Mr. O'CONNOR of New York. Why should they not report to our Committee on Ways and Means? Why do you put in the resolution—I know the gentleman did not put it in, but somebody did—"shall have the right" to report? Of course they have the right. That is gratuitous language. They either should report or they should not report.

Mr. COOPER. Mr. Speaker, with all due deference, the question of the report to the Committee on Ways and Means or the Committee on Finance or to the Congress is controlled by section 2. Paragraph (3) on page 3 relates only to reporting such information as the joint committee may deem advisable with reference to income-tax returns.

Mr. O'CONNOR of New York. I have never seen it in a resolution. However, we will pass that for the moment.

There is a provision in this resolution which I personally could never permit to go through under unanimous consent. Section 5 is probably the greatest surrender and delegation of congressional power which has ever been suggested to the House of Representatives.

This section provides nothing more or less than that an employee of the Treasury may hold hearings by himself on behalf of and representing a joint committee of Congress and may issue subpenas. He may examine witnesses all by himself, without the necessity of a Member of Congress being present. Unless that section went out, I would never permit this to go through under unanimous consent. This section, of course, was never concocted in our legislative drafting bureau or by any Member of Congress.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR of New York. I yield.

Mr. MAY. I think, with reference to the gentleman's first objection, that what the gentleman has in mind is, if the words "shall have the right to submit" should be limited by striking out the words "have the right to", then the bill would read, "shall submit to the House of Representatives."

Mr. O'CONNOR of New York. I have amendments here which I propose to offer.

Let me focus on this last section. It provides that any officer or employee of the Treasury Department may hold the hearings of this joint congressional committee.

Mr. DOUGHTON. Mr. Speaker, will the gentleman yield there?

Mr. O'CONNOR of New York. I yield.

Mr. DOUGHTON. Only as they may be authorized to do so by the joint committee. They cannot take a step without authorization by the joint committee.

Mr. O'CONNOR of New York. Should a congressional committee ever authorize an employee of the Department to go out and hold hearings and subpena witnesses and examine witnesses?

Mr. DOUGHTON. Perhaps they might do that under certain circumstances.

Mr. O'CONNOR of New York. I cannot consider a congressional committee ever so surrendering its power as to turn the hearings over to an employee of the Government.

Mr. MAVERICK. Mr. Speaker, will the gentleman from New York yield?

Mr. O'CONNOR of New York. I yield.

Mr. MAVERICK. Is it not customary for a resolution like this to go through the Rules Committee?

Mr. O'CONNOR of New York. I am not making that point. I would like to see it go through by unanimous consent to avoid hearings, but I shall object unless these amendments are made.

Mr. MAVERICK. Why should there not be a hearing? We are suddenly handed a bill and asked to pass it without reading it. I have been trying to get a copy, and have just been handed the Senate—not the House—resolution. What is the hurry?

Mr. O'CONNOR of New York. There is supposed to be some expedition about it. In the other body it was passed yesterday. Whether it was read I do not know. There is supposed to be some hurry about this, but the gentleman will recall that earlier in this administration we hurried through the appointment of a joint committee to reorganize the Government, and that committee is not entirely disjointed, although it held some hearings.

Mr. MAVERICK. I want to make this observation: We Democrats are constantly accused of being "rubber stamps." I do not admit that, but I do want to say I do not believe that anything like this should be so suddenly considered.

I am entirely in accord with getting after tax evaders, but the technique of the writing of the bill ought to take a little time. That is because some of these bills come in here and are written so loosely and haphazardly that they look as though they must have been written in China. I believe this legislation should go through the appropriate committee at the proper time. This can be done in 48 hours, and I do not see any reason why it should not be done. I refuse to vote blind.

Mr. O'CONNOR of New York. A more practical way than that would be for the Committee on Ways and Means to consider this resolution and make such changes as may be necessary.

Mr. MAVERICK. They ought to consider the resolution in the regular manner of course. Legislative procedure should be followed. Members of Congress should know what they are voting on. So far as I am concerned, I am tired of bills being presented with some mysterious reason why I should do something. I want to know the real rea-

son. This is supposed to be a parliamentary body, not a door mat. [Applause.]

Mr. JENKINS of Ohio. If the gentleman will yield, can the gentleman state whether this joint resolution was referred to any committee in the Senate?

Mr. DOUGHTON. How could the Ways and Means Committee consider this resolution when it has never been referred to the Ways and Means Committee? It was referred to the Committee on Rules. How does the gentleman expect us to consider a resolution that has never been referred to the committee?

Mr. O'CONNOR of New York. In answer to the gentleman from North Carolina [Mr. DOUGHTON], of course, the Committee on Ways and Means would appear before the Rules Committee and ask that the resolution be reported out. This would follow some action by the Ways and Means Committee, and before they appeared before the Rules Committee they could meet and properly frame a proper resolution which would be somewhat in accord with our precedents. I want to assure the gentleman that I am for this investigation, but let us not surrender all the powers of our investigating congressional committees.

Mr. DOUGHTON. If the gentleman will yield, I do not consider that this resolution surrenders any powers whatever, unless that is done voluntarily by the Ways and Means Committee.

Mr. O'CONNOR of New York. A congressional committee should not have the power to surrender all of its powers to a $1,200 employee in any department of the Government.

Mr. JENKINS of Ohio. Mr. Speaker, will the gentleman from New York yield?

Mr. O'CONNOR of New York. I yield.

Mr. JENKINS of Ohio. The gentleman is absolutely right. Section 5 has no place in the resolution.

Mr. O'CONNOR of New York. No; it should be taken out bodily.

Mr. JENKINS of Ohio. Especially until it has been referred to the Ways and Means Committee or some responsible committee. Does the gentleman know whether this resolution was referred to any committee in the Senate?

Mr. O'CONNOR of New York. I understand it was taken up by unanimous consent and passed with the usual expedition that happens to things over there.

Mr. JENKINS of Ohio. It seems to me this matter ought to go to the Ways and Means Committee for its consideration and then to the Rules Committee.

Mr. MAVERICK. Mr. Speaker, under a further reservation of objection—and I am going to object—I want to make the statement that on account of the vagueness of the way this is jumped up like the devil, I am going to object to it; that is, simply because I do not believe we should be asked to vote on a bill of which we do not know the contents, thrown at us without explanation, and without the House having opportunity to give it mature consideration. So I shall object.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. MAVERICK. I object, Mr. Speaker.

The SPEAKER. Is there objection to the request of the Delegate from Hawaii [Mr. KING] that he be permitted to address the House for 30 minutes?

There was no objection.

Mr. KING. Mr. Speaker, I have asked for these 30 minutes, and I shall not use them all; I shall be as brief as possible, to refer to a statement made in the RECORD of May 28 under an extension of remarks by the gentleman from Michigan [Mr. HOOK]. The paragraph to which I refer reads as follows:

> You will note that in the above newspaper item that it was stated that Representative HOOK then qualified his statement by saying, "We must take care of the mainland first." This was not only a deliberate misrepresentation but a deliberate lie, and I charge the Delegate from Hawaii with deliberate manipulation of such misinformation. The tactics used by the Delegate from Hawaii are the tactics that have been used by the Big Five in Hawaii. I charge that they are un-American, unprincipled, and without foundation.

I do not want to use an hour under a question of personal privilege. I do not believe the membership of the House is so deeply concerned with the controversy between the gentleman from Michigan [Mr. HOOK] and myself that they wish to spend an hour or any part of it in that way, but I do believe that the membership of this House will expect any Member who respects his good name and good faith to resent such a charge, and I tell the Members of this House that the charge that I deliberately manipulated misinformation is unwarranted, unjustified, and untrue. The circumstances are simply these:

On April 29 I addressed the House on the pending sugar legislation, and was cross-questioned by the gentleman from Michigan [Mr. HOOK]. In the questions and replies a gentleman of the press, a representative of a Honolulu paper, thought he heard more than actually took place and sent a wire out to Honolulu that did misquote the gentleman from Michigan [Mr. HOOK]. I had nothing to do with it whatsoever; I did not know anything about it until it was all over. I have no doubt that that member of the press did it in absolute good faith.

Incidentally, in this extension of remarks by the gentleman from Michigan [Mr. HOOK], he refers to this cross-examination on April 29 that was published in Honolulu on April 30 and ties it to a speech that he made on the floor on May 20. So he was as much confused about the dates as he is about my part in it, and anyone who would be interested enough to follow it up would realize that the gentleman from Michigan [Mr. HOOK] was under a misapprehension in that particular. Furthermore, he obtained from the House permission to incorporate in his remarks a letter which he had received from Honolulu. He withheld the signature to that letter, so that it is to me and to the Members of the House an anonymous letter. It is vicious, wanton, and untrue, so far as it refers to a large part of the people of my community, as much so as anything I have ever read, and I am astonished at the sense of propriety of the gentleman from Michigan [Mr. HOOK] in incorporating it in his remarks. It calls names that no gentleman would use. I do not think any Member of this House would tolerate any such language as applied to a part of the people of his district, and I do resent the statements made in this letter which the gentleman from Michigan [Mr. HOOK] incorporated in his extension of remarks, and I assure the membership of this House that there is not a single word of truth in a single item of the letter, and that the man who wrote it does not express the opinions or ideas of the people of Hawaii. It is a wanton insult to a large number of respectable, law-abiding people in the Territory of Hawaii, the great majority of whom are American citizens by birth, men who have served in the Army and Navy, and men who are today officers in the Reserve Corps and members of the R. O. T. C. It is a blanket accusation of thousands of the men, women, and children of Hawaii, many of the men in professional and business life and public officers of the Federal and local governments, and many hold commissions issued by the President of the United States as officials of the National Government.

The people so inexcusably and anonymously attacked are helpless to defend themselves, except as the rules of this House will extend its protection to them, and as I can, under those rules, refute the scurrilous statements made about them. I know these people as friends and fellow citizens; they are my constituents. I know them as an industrious, orderly people, living up to their obligations as citizens, giving their allegiance to the land of their birth and adoption, a loyal group of Americans who will in the future, as they have in the past, prove their character and loyalty by their actions. I want to assure the membership of this House, and the American people, that out in Hawaii, you have as fine a body of citizens as may be found anywhere; and that goes for all our racial groups. We will not be found wanting in the time of national need nc more than we have been in the daily exercise of a citizen's duties.

That is all that I am going to say because I realize the House wants to go on about its business. I do want to say

also, however, that on no occasion have I ever attacked the gentleman from Michigan [Mr. HOOK] and I have absolutely no personal animus against him, nor do I charge him today with anything else than having made an unwarranted and unjustified charge against my good faith. The argument we are having is on an abstraction of law that can be settled without personal animus. I have never yet exercised any personal animus toward any Member of the House, nor do I want to detract anything from his district or the district of any other Member. I thank the Members for the attention they have given me, and I ask unanimous consent to extend my remarks in the RECORD. [Applause.]

The SPEAKER pro tempore (Mr. HOBBS). Is there objection to the request of the Delegate from Hawaii?

There was no objection.

CALENDAR WEDNESDAY BUSINESS

The SPEAKER pro tempore. This is Calendar Wednesday, and the Clerk will proceed with the call of committees.

EXTENSION OF AIR MAIL SERVICE

Mr. MEAD (when the Committee on the Post Office and Post Roads was called). Mr. Speaker, by direction of the Committee on the Post Office and Post Roads, I call up the bill (H. R. 6628) to permit the further extension of the Air Mail Service.

The SPEAKER pro tempore. The gentleman from New York calls up the bill H. R. 6628. This bill is on the Union Calendar. The House will automatically resolve itself into the Committee of the Whole House on the state of the Union, and the gentleman from Wyoming [Mr. GREEVER] will take the chair.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 6628, with Mr. GREEVER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Without objection, the first reading of the bill will be dispensed with.

There was no objection.

The CHAIRMAN. The gentleman from New York [Mr. MEAD] is recognized for 1 hour.

Mr. MEAD. Mr. Chairman, under the rule I have 1 hour, and I shall give 1 hour to the gentleman from Kansas [Mr. CARLSON], or as much of that time as he may desire. I yield myself 15 minutes.

This bill, H. R. 6628, Mr. Chairman, is for the purpose of increasing the mileage of our air-mail system. From time to time the Congress authorizes the Department to enlarge the air-mail system, and after such authorization is given the Department must secure, through the medium of the Committee on Appropriations, the funds with which to make the extensions.

This bill will authorize the Department to add 3,000 route miles to our existing Air Mail Service. It will likewise authorize an increase of 7,000,000 annual flown miles to the air-mail system. There is a difference between route miles and flown miles. For illustration, if a route 100 miles in length were authorized, that would come under the route-mile authorization contained in the law. If two round-trip schedules per day were authorized over that 100-mile route, that would add 400 scheduled flown miles per day, for 365 days a year if it were a daily service, and that would help to make up the annual flown miles included in this authorization of 7,000,000 additional miles.

Mr. SNELL. Mr. Chairman, would the gentleman care to yield at this point?

Mr. MEAD. I shall be glad to yield to the gentleman.

Mr. SNELL. As I understand it, this bill is an authorization for additional mileage?

Mr. MEAD. That is true.

Mr. SNELL. Where does the money come from to pay for this additional mileage?

Mr. MEAD. In the first place, it is not compulsory under the bill for the Department to increase the service one iota. They can leave it as it is.

Mr. SNELL. I suppose they intend to increase it, or they would not be here asking for this authorization.

Mr. MEAD. But if the Postal Service secures sufficient funds from the Congress through the medium of the Appropriations Committee, it will increase the service so far as the appropriation permits. Therefore we have two checks on extensions: First, the Department must come to the Congress for the mileage authorization, and, second, for the appropriation necessary to finance the system.

Mr. SNELL. The appropriations have already been made for the fiscal year 1938 for the Post Office Department.

Mr. MEAD. That is true.

Mr. SNELL. Then you cannot increase this mileage right away, can you?

Mr. MEAD. The appropriation agreed upon by the conferees contains an amount of over a million dollars with which the Department can expand the present system. Under a prior authorization they could add some 2,000 route miles, but they have sufficient funds and the demands are heavy enough to warrant extensions in excess of 2,000 miles. By reason of the fact that they have the money, we are now giving them the mileage so that they may provide air-mail service to more sections of the country.

Mr. SNELL. What would be the total cost if they expanded it to the full amount authorized under this legislation?

Mr. MEAD. It is difficult to estimate the cost, for the reason that under the new law the Post Office Department advertises for bids. It is my understanding that bids will be requested in the very near future for a line between Washington, D. C., and Buffalo, N. Y.

Mr. SNELL. It all circulates around Buffalo?

Mr. MEAD. I am using that particular item because, more by accident than otherwise, I am familiar with it. It is expected that the Post Office Department will receive some very low bids, perhaps as low as 10 cents a mile. If that is true and the route mileage is a little in excess of 300, that service will be put into effect at a very low cost. This million dollars in excess of the needs for next year might be used in the creation of other services needed all over the country.

Speaking about this new service from Washington to Buffalo, let me say that the Member representing one of the Buffalo districts had nothing whatever to do with instituting this service. At one time in the history of the development of aviation I vigorously objected to its installation, but it happens in the course of this new, romantic enterprise in the air that the Government to the north of us is very much interested in the establishment of a service that will connect the two capitals. So we expect, when this service is instituted, that another service will be created in the Dominion of Canada to operate between Ottawa, Quebec, Montreal, and Toronto, and this American end of the service will operate from Buffalo to Harrisburg to Washington.

It certainly would not be a misnomer if it were called the Capital Air Line or the Capital Aviation Co.

Mr. SNELL. The gentleman must have some idea of what the total amount of this proposal might reach.

Mr. MEAD. I may say to the gentleman that we now have approximately 30,000 route miles at a cost of approximately $12,000,000.

Mr. SNELL. That is $400 a route mile.

Mr. MEAD. Yes. I may also say to the gentleman that this year the revenues from the Air Mail Service will approximate $12,500,000 and the cost of the Service about $12,900,000. For the first time in the history of the development we approach a balance in the Air Mail Service.

Mr. SNELL. Is that balance reached the same way you reach your general balance for the Post Office Department? The gentleman states on the floor that the Department is making money, yet every year we have to appropriate anywhere from $40,000,000 to $60,000,000 to make up a deficit. I am wondering if the gentleman is using the same method of figuring in connection with air mail that the gentleman has always used in connection with general post-office expenses?

Mr. MEAD. My good friend from New York is businessman enough and partisan enough——

Mr. SNELL. I will admit both.

Mr. MEAD. Not to find fault with the prevailing custom. First of all, the present policy of the Postal Service is the child of one of the most lovable characters that ever served on a committee in this Chamber. It is the creation of a man who represented his district here for a score of years and who knew more about the Postal Service than any other man I ever met. I am speaking of Clyde Kelly, of Pennsylvania, ranking member for years on the Committee on the Post Office and Post Roads, who fathered the bill which credits the Postal Service with the cost of subsidies and charges up only the actual, essential, normal expenditures. This system was put into effect back in the days of President Calvin Coolidge. It is the system that has guided postmasters from that day to this. It was grossly unfair for the Congress of the United States to pass a measure forcing the Post Office Department to assume a subsidy of $20,000,000, we will say, to promote the American merchant marine, and then have the Department charged with that as a deficit in the Postal Service. It was unfair for the Congress to pass a law creating an air-mail subsidy that at one time approximated $15,000,000 and to take that amount out of the postal revenues. It was unfair for the Congress of the United States to demand that the Post Office Department depart from its natural activity and distribute the soldiers' bonus, sell hunters' stamps for the Department of Agriculture, and sell baby bonds for the Treasury Department without crediting the Department for such additional activities.

Mr. SNELL. Selling stamps has always been an activity of the Department?

Mr. MEAD. These are not proper activities of the Postal Service. Under the Kelly postal policy law the Post Office Department, in balancing its financial affairs at the end of the year, takes credit for these subsidies, these nonpostal activities, and in its pronouncements to the public and in its reports to the Congress explains that in doing so it is following the law. It gives both the gross and the net postal deficits. And I am able to say that for the last 4 years the Post Office Department has paid its way insofar as the normal, natural activities of that service are concerned. It has no net deficit. Its only deficits result from the subsidies and the unnatural, or the abnormal, the nonessential activities forced upon it by the Congress.

Mr. SNELL. Mr. Chairman, will the gentleman yield further?

Mr. MEAD. I yield.

Mr. SNELL. I appreciate that everything the gentleman has said along this line is correct. Congress passed laws making the Post Office Department perform these various services, but as a matter of fact, throughout its existence they have all been considered a part of the expense of the Post Office Department. Is not this so?

Mr. MEAD. Not exactly, for the reason that we have only had a merchant marine subsidy——

Mr. SNELL. I mean the other subsidies. We know that we have paid for carrying ocean mail more than it was worth because it was a subsidy, and we paid it that way because the people would not stand for direct subsidies.

Mr. MEAD. Only since the original Merchant Marine Act sponsored by Representative WHITE became a law, because prior to that time we paid a certain sum.

[Here the gavel fell.]

Mr. MEAD. Mr. Chairman, I yield myself 10 additional minutes.

The gentleman knows there was a time in the operation of the Postal Service when we only paid for the actual weight of mail carried on flag ships.

Mr. SNELL. I know that.

Mr. MEAD. We pay that rate now to foreign-flag ships, but under the subsidy we paid a price that resulted from competitive bidding where there was no competition. Under the new law, of course, this will be taken care of by the Treasury Department.

Mr. SNELL. Getting back to my original question, the Air Mail Service actually pays its running expenses at the present time, as I understand it, subsidies and everything considered.

Mr. MEAD. There is only a difference of a half a million in an appropriation of $12,500,000.

Mr. SNELL. That is the main thing I am interested in. Along that line we canceled all these contracts a few years ago on account of fraud, and so forth. What has the Department done in connection with the prosecution of those people who held the contracts that were canceled at that time?

Mr. MEAD. I understand that practically all of the claims, with the exception of one or two, have been settled.

Mr. SNELL. The gentleman means that the people who held the contracts have paid back to the Government the money that they obtained through fraud and misrepresentation?

Mr. MEAD. No. It is my understanding in most cases the Government settled with the company because of losses incurred as the result of the suspension of contracts.

Mr. SNELL. If the contracts were suspended on account of fraud and misrepresentation on the part of the contractor, as the information was given out to the public at that time, why should the Government have to pay them any money?

Mr. MEAD. I suppose that litigation resulted and the outcome prompted the Department and the companies to get together and settle their difficulties in the manner in which I have just explained.

Mr. SNELL. Then evidently the Department was not entirely right in the charges they made against the contractors at that time?

Mr. MEAD. In some cases the Department was exactly right, but perhaps it was difficult under the law and by reason of the presentation of the cases to prove it was right in all cases.

Mr. SNELL. Does the gentleman think that under the same circumstances the Department would do the way they did before?

Mr. MEAD. Well, that is a difficult question to answer; but I may say to the gentleman that the Treasury Department has saved a great deal of money, because we were paying $21,000,000 for a very limited air-mail service. We are now paying $12,800,000 for a service that is much better than the service we enjoyed in those days.

Mr. SNELL. Of course, all those things have been perfected, and as a result of these subsidies we are getting better service. There is no doubt about that.

Mr. MEAD. As a result of the general revision of the law fathered by the Post Office Committee reducing the rates, eliminating interlocking directorates, forcing the companies out of ownership of every other activity, reducing and limiting the salaries, making them stand upon their own feet and operating their own line without any financial tie-ups—all of that came out of the cancelation and resulted in a saving to date of approximately $75,000,000. So, while it may have been necessary for the Department to settle certain cases with particular contractors, it has helped the service. It has purged the industry, and it has certainly been beneficial to the Treasury of the United States.

I believe our committee that sponsored this new air-mail law deserves a great deal of credit because of the large savings that have resulted since the operation and administration of this law. There is not another industry in the United States that operates on such a high ethical basis as is the case with the air-mail industry. It stands alone. It owns its own set-up. It is in nowise tied up with any other financial or industrial activity. The salaries of its executives are limited to $17,500 a year. It is conducting a real, practical operation without competition among companies and without the use of any cutthroat practices. I think that the Congress along with the committee deserves credit.

Mr. SNELL. I think the committee has always done good work in connection with the Post Office Department. I have always admitted that. I want to ask one more question. Practically all of this mail is carried under private contract?

Mr. MEAD. All of it.

Mr. SNELL. What did the gentleman mean when he said the Department owns all of this equipment, and so forth?

Mr. MEAD. The gentleman misunderstood me. The Department owns none of the equipment. The contractors own all of the equipment, except possibly the ground equipment, which is the property of the Government, and is supervised by the Department of Commerce. That includes emergency landing fields, lights, radio stations, and equipment of that nature. The Postal Service owns none of that equipment whatever. The American aviation service, as the gentleman has so well stated, has gradually improved as a matter of evolution and invention.

Mr. SNELL. Of course, we would expect it would be much better now than when it first started.

Mr. MEAD. Regardless of the administration or the Congress, it would naturally become better every year; but today, by every standard of measurement, applying the available comparison from statistics and figures of every character, the American Air Mail Service is the best of its kind in the world. Not long ago a high-ranking official of the Canadian postal service, where they pay twice as much per mile, was informed that the aviation service in the United States was wrecked a few years ago. He mentioned that fact, then added, "I only wish that Canada had some of those men from the United States who wrecked the Air Mail Service." He was trying to bring out the fact that he realized the American service was much better than the Canadian service. As one who has made a study of aviation of every air-minded country in the world, may I say that we have a great service. We have a thousand pilots and as many ships that could be converted into bombers and used as part of our national defense.

We are only paying $12,000,000, approximately, for this remarkable insurance, yet we spend twice as much as that for one battleship. When you realize that fact it immediately comes home to you that we ought to build up this service, that we ought to expand aviation, and that it would be a good thing for the United States if we would enlist every pilot in commercial aviation, particularly those in the Air Mail Service, in the military reserve and give him 2 months of intensive training each year so that he would be fitted to fly in the defense of America whenever needed. [Applause.]

[Here the gavel fell.]

Mr. CARLSON. Mr. Chairman, at the outset I want to bring to the House the report of the Post Office and Post Roads Committee on this legislation. I also want to speak a good word for the distinguished chairman of that committee, the gentleman from New York [Mr. MEADE], and the other members of the committee.

It is a pleasure to work with this committee in an endeavor to secure beneficial legislation for the Postal Service.

The bill we are considering at this time increases the route mileage and the air-flown mileage. There is a great need for this additional mileage and few of us realize that we have 80 cities in the United States with a population of 100,000 that at this time are not served with air mail. I can see in the future that towns of ten, fifteen, or twenty-five thousand are going to demand this air-mail service. Therefore, when we consider this legislation, we should look forward to the future and visualize an air-minded nation.

This service, as the chairman of the Post Office and Post Roads Committee has just pointed out, is beneficial in many ways and has a great future. A number of Members of Congress have made application for an extension of air-mail routes. And with the enactment of this legislation plus the recent appropriation of $250,000 additional for air-mail service, many new communities should be given air-mail service.

I hope before this session of Congress ends we may bring in legislation which will permit us to extend our present air-mail lines and increase the mileage we already have. I think that in the future you will find this industry expanding so that every waterway, every arterial highway, and every railway will ultimately be paralleled by an airway.

At present I want to call the attention of the House and the country to the need for an air-mail service between Kansas City and Denver, Colo., a distance of 560 miles. This service is badly needed to serve the commercial needs between these cities, which are the largest and most important from the Missouri River to the Pacific coast. This service, if established, would furnish air mail and commercial aviation to Topeka, the capital city of Kansas, which is not now being served, as well as such other cities as Lawrence, Manhattan, Junction City, which is located near Fort Riley, the military post, Abilene, and Salina, and would traverse the route over county-seat towns in every county to the Colorado line. Much money has been spent by the Federal Government in improving airports in all of these cities, and the natural terrain of the country is conducive to safe flying. Kansas City, including Kansas City, Kans., has a combined population of over 550,000. Denver has a population, including its metropolitan area, of over 325,000 people, and this service, if established, would be of benefit to several million people in and contributory to that territory. Topeka is the capital city of Kansas, has a population of approximately 80,000, and at the present time houses a large number of Federal bureaus, which would be greatly benefited by air-mail service. Salina is a city of approximately 20,000, has extensive commercial interests, and is a large milling center which is badly in need of air mail. It is also the headquarters for the Soil Conservation Service for the States of Kansas, Nebraska, and Oklahoma, and I am informed that should air-mail service be established, it would greatly reduce the communication costs of this agency.

I also want to call to the attention of the House the fact that the State of Kansas is at present crossed by only one air-mail route, and it crosses the southeast fourth of the State, and additional route mileage is badly needed.

Recently Senator Johnson of Colorado and Representatives Lewis of Colorado; Duncan and Bell, of Missouri; Guyer, Lambertson, and myself, of Kansas, and Guy Helvering, of Salina, presented the need for this service to Harllee Branch, Second Assistant Postmaster General. We were accorded a very courteous hearing, and I trust this service will be granted at the earliest opportunity.

Mr. MEAD. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. MOSER].

Mr. MOSER of Pennsylvania. Mr. Chairman, at the moment I sought recognition I wanted to ask the distinguished gentleman from New York [Mr. MEAD], the chairman of the Committee on the Post Office and Post Roads, for the information of the Committee, whether it is not a fact that in connection with the investigation of the fraudulent contracts referred to by the gentleman from New York [Mr. SNELL], those fraudulent contracts were investigated by the Post Office Department, through their inspection department, and the settlements were then made by the Department of Justice and not the Post Office Department?

Mr. MEAD. The gentleman is correct.

Mr. MOSER of Pennsylvania. Mr. Chairman, in my experience in the Postal Service—and I want to defend the Post Office Department—there were many investigations made by post-office inspectors where there were elements of fraud and various other conflicting circumstances involved, but when the post-office inspectors had submitted their reports to the chief inspector at Washington and the reports had been passed on to the Department of Justice, our hands were tied as to the prosecution. In many, many instances settlements were made contrary to the wishes of the Post Office Department and its investigators.

In one instance that comes to mind a lawyer appearing as counsel for a mail contractor refused the settlement demanded under the terms of his bond for the faithful and efficient performance of the terms of his contract with the Post Office Department. The demand was immediately made on his sureties under the terms of his bond. The same lawyer thereupon appeared as counsel for the sureties. Civil suit in a district court of the United States was instituted. The same lawyer sought and obtained at the hands of the Department of Justice one continuance of the case after

another each time it was due for trial. Ultimately this lawyer became an assistant United States attorney for the district, and to him reverted prosecution of the case he had formerly defended. Obviously, as might be expected, the case thereafter was never called. The same assistant United States attorney was thereafter appointed United States district judge for that same district. In this latter capacity—as judge—he is now sworn to "administer justice without respect to persons, and do equal right to the poor and to the rich, and * * * faithfully and impartially discharge and perform all the duties incumbent upon"—him—"as district judge according to the best of"—his—"abilities and understanding agreeable to the Constitution and laws of the United States."

Obviously, as might be expected, the case has never since been heard nor have I ever been called as the Government's sole prosecuting witness.

May I state also in connection with the matter referred to by the gentleman from New York [Mr. SNELL] when he made a rapid calculation of the cost per mile on the basis of 30,000 flown miles, it is necessary to add two more ciphers, so the figure would be $400 instead of $4. Mr. Chairman, I yield back the remainder of my time.

Mr. MEAD. Mr. Chairman, I yield 5 minutes to the gentleman from Indiana [Mr. LUDLOW].

Mr. LUDLOW. Mr. Chairman, I shall not consume the entire 5 minutes, but I do feel it in my heart to say I am very much pleased the chairman of the Committee on the Post Office and Post Roads has brought in this measure which increases the number of route miles and the number of miles that may be flown in the Air Mail Service.

Under the existing statute there is a limitation of 32,000 miles on the route miles and a limitation of 45,000,000 miles on the miles flown. This proposed legislation, as I hastily read it, increases the limit to 35,000 route miles and 52,000,000 airplane miles flown. In my opinion, this is a very salutary measure and should be unanimously supported.

In the formation of the last Post Office Department appropriation bill we were compelled to reject the Senate amendment, which added over $525,000 to the air-mail appropriation, and we had to do this because of this existing statutory limitation, although everybody who sat around the conference table heartily approved the Senate provision, I believe. We did allow $1,400,000 for additional routes and extensions and for increased frequencies. This was all that could be allowed under existing statutory limitations. In other words, we brought up the service to the highest ceiling which could be achieved under existing limitations. The increase in authorizations provided in this bill will enable the contract air-mail service to proceed with some very necessary new routes, extensions, and increases of frequencies, and will be a very valuable aid in the development of this very valuable service.

I want to congratulate the Committee on the Post Office and Post Roads for its foresightedness in bringing in this measure.

Mr. MEAD. Mr. Chairman, I yield 5 minutes to the Delegate from Alaska [Mr. DIMOND].

Mr. DIMOND. Mr. Chairman, the Air Mail Service of the United States is one of the things of which the country may be justly proud. May I once more call the attention of the Members of the House to the need for a real extension of real air-mail service in the Territory of Alaska.

We have in the Territory an area equal to that of about one-fifth of the continental United States, and of an extent east to west and north to south which equals that of the entire Union. In all of this vast land there exists at the present time only about 2,500 miles of roads and about 700 miles of railroad. Beyond the districts immediately adjacent to the motor roads and the railroads there is only one practical way to have mail service, and that is by air. Formerly it took us 25 days to carry mail in the wintertime from Fairbanks to Nome. It now takes us 3½ hours. From this single illustration one can understand not only the need for the service we have at the present time, but the real desirability of having at least four times as much in the way of air-mail service in Alaska as exists at present.

The Committee on Appropriations has approved, and Congress has passed the bill which gives us for the first time true air mail in the Territory of Alaska. It is labeled as the Foreign Service, because it passes through the Dominion of Canada. The route lies from Juneau, Alaska, on the south, to White Horse in the Yukon Territory, Canada, thence northwesterly to Fairbanks, Alaska. Here is a service which without air mail can only be covered in the space of about 6 days, whereas by the use of air mail it takes approximately 6 hours. The service should be infinitely expanded, it should be indefinitely expanded in the Territory of Alaska to take in all parts of the country, to include Nome, which lies on the shores of Bering Sea; McGrath, on the upper Kuskokwim; Flat, near the Iditarod River; Bethel, on the lower Kuskokwim; and Good News Bay, on the Bering Sea coast, where recently a valuable platinum strike was made.

The service should also be extended to the cities of the southern coast of Alaska, Cordova, Valdez, Seward, and Anchorage, and to Bristol Bay.

Nothing else that I know of so stimulates commerce and industry as quick and reliable service by air. Of course, we all realize that with the air-mail service will come increased means of transportation of freight and passengers all over the part of the country served by air mail. Air transportation can bring about more efficiency with greater savings in the Territory of Alaska than in any other part of the United States of which I have any knowledge, because we do not possess the same facilities for transportation by other means of transportation, such as roads and highways and railroads. In many places we must go by air if we go at all without excessive cost and great delay.

It is singular, Mr. Chairman, that air-mail service for Alaska such as we will have after July 1, 1937, must be established under the law providing for foreign air-mail service, since Alaska is indubitably a part and parcel of the United States, and the Supreme Court has held that the Constitution extends in full force and vigor to the incorporated Territories of the United States, which now embrace only Alaska and Hawaii, and that the citizens of those Territories enjoy all of the rights and liberties afforded by the Constitution. The reason for setting up air-mail service between Juneau and Fairbanks, Alaska, under the foreign air-mail laws is because, as a matter of convenience, a part of the journey must be made over Canadian territory and a stop made at White Horse, in Yukon Territory, Canada.

While Alaskans are thankful for the beginning thus made in a real air-mail service for the Territory, we again say that it is only a beginning and that the service contemplated ought to be at least four times as extensive.

And that is not all. In the very near future air-mail service between the main body of the United States and Alaska should be inaugurated. In fact, it should have been started long ago. That service can be readily furnished over the route which lies to the east of the mountains—a course now commonly flown by commercial air pilots traveling between Alaska and the United States—or else follow substantially the steamship route northward from the cities on Puget Sound and along what is known as the inland passage to Ketchikan, Wrangell, Petersburg, and Juneau, Alaska, a total distance of about 1,019 miles. It is obvious that if the second route just mentioned is adopted most of the journey will lie over the protected inland waters just inside of the islands which fringe the coast of British Columbia and southeastern Alaska. To fly this route regularly navigational aids are not only desirable but absolutely necessary. With such aids, however, there is no reason why the route cannot be flown daily. The alternate route, which lies to the east of the chain of mountains fringing and paralleling the coast line of British Columbia and Alaska, follows a series of valleys extending northerly and southerly, where the precipitation is very light and fogs are infrequent, and accordingly air navigation aids are not of such pressing importance.

Lately not only has the domestic air-mail service in the United States been expanded so that, as I am informed, twice as much mail is now being carried by air as was carried in 1933, but the foreign air-mail service has also been greatly enlarged. We all know that up to the present moment both domestic and foreign mail service have been furnished at the cost of what amounts to a subsidy from the Treasury of the United States. It is not necessary to tell the Members of the House how amply that subsidy is warranted and justified by the results obtained, commercially and otherwise. The provision of air-mail service to South America is one of the most businesslike and statesmanlike things that has been accomplished in this present generation. And the service to the Orient recently started easily belongs in the same category. We are now preparing to fly the Atlantic with the air mail, and practically every Member of Congress has agreed that it should be done at the earliest convenient date.

All of these services that I have just mentioned are in line with progressive thought and action, tend to promote commerce, and within reasonable limits to facilitate also the development of international good feeling. Practically the same sound reasons which justify the provision of air-mail service to South America and to the Orient and to Europe justify as largely the establishment of an air-mail service between the United States and Alaska and within the Territory. Only two countries of South America purchase more goods from the United States than does Alaska, namely, Argentina and Brazil, and in each case the excess of exports to those countries from the United States is not greatly more than the exports from the United States to Alaska. The volume of exports from the United States to Alaska is greater than that to Colombia, or to Venezuela, or any other two countries of South America.

The setting up of air-mail service between the United States and the Orient has been warmly and properly acclaimed, and yet we find that in the year 1936 the United States exports to China amounted to $48,819,000, while during the same year the exports from the United States to Alaska amounted to $39,325,000. Surely, if we can warrant air mail to the Orient upon any basis of volume of exports, then upon a similar basis the establishment of air-mail service to Alaska is not only justified but demanded.

Mr. Chairman, not only do I favor the passage of the pending bill but I wish it were possible to amend it so as to provide an additional 2,000 miles of air-mail service in order to take care of the just requirements of Alaska.

What I am now urging is not based upon any more or less selfish concern for the people of the Territory, whom I have the honor to represent here, but upon at least equal concern for the welfare of the many millions of people who reside in the main body of the United States, and for whom the prompt and adequate development of the resources of Alaska offer an opportunity not to be found elsewhere in the world.

Mr. MEAD. Mr. Chairman, I yield 5 minutes to the gentleman from South Dakota [Mr. HILDEBRANDT].

ACCIDENT STATISTICS

Mr. HILDEBRANDT. Mr. Chairman, from January 1, 1927, when the record begins, to February 10, 1937, the United States commercial air lines have suffered a total of 846 accidents on scheduled domestic operations. Of these, however, 674 have resulted in damage to ships, but serious injury to no one. Only 107 have resulted in death to someone in the plane, and of these, 49 occurred on nonpassenger flights—mail flights for the most part—though not entirely—that were considered too dangerous for passengers. The total death toll is 325, of which 131 were members of crews. Hence, on a strictly passenger basis, there have been 58 fatal crashes, killing 194 people in about 10 years, which is between 5 and 6 crashes per year and slightly more than 3 deaths per crash.

Since the 1927 figures are incomplete, and since in any case no pay passengers were killed in that year, it is advisable to confine further analysis to the 9 full years, 1928 through 1936. In this event the basic figures become 55 wrecks, involving 181 passenger deaths. During that period the airlines carried 4,250,000 passengers and flew 362,000,000 miles; and from 1930–36—the figures for 1928–29 being unavailable—rolled up a total of 1,428,250,000 passenger-miles. Thus, of the total passengers carried, 0.004 percent were killed. Exactly 1 passenger was killed for 2,000,000 miles of flight. And the 1930–36 mortality was 1 passenger for every 9,350,000 passenger-miles.

These basic figures are set forth visually in the three charts on page 75. There two opposite forces may be observed in action. On the one hand, fatal accidents, after reaching a peak of 18 in 1929, declined to 8 in 1934, and have remained at that level for the last 3 years. On the other hand, passenger fatalities have shown an explosive rise. This is because more passengers are carried per airplane flight, and therefore each major accident kills more people; with the result that, while equaling their low record for fatal accidents in 1936, the airlines made a new high record for deaths, with a total of 61, of which 44 were passengers. Since this was about three times the number killed in 1929, the fatality rate suffered. In 1930 the airlines flew 3,500,000 passenger-miles per passenger fatality, and in 1933, 21,700,000—all-time high. But in 1936 they flew only 9,900,000, barely more than the 1930–36 average.

A comparison of air travel with railroad travel must be unfavorable to the air. The railroads reached their accident peak in 1907, when with wooden cars and fast, competitive schedules they killed 647 passengers while rolling up a total of 27,700,000,000 passenger-miles. This was at the rate of 42,800,000 passenger-miles per passenger fatality, or about twice as good as the best record in the history of the air. Thereafter the railroads improved spectacularly, so that in the year ending June 30, 1935, they killed only 18 passengers, the rate being 1,027,000,000 passenger-miles per passenger fatality. That figure was the result of nearly a century of technological advance and is standard for all transportation—a mark at which to shoot. The air operators shoot at it on the theory that what technology has achieved on the ground it can also achieve in the air.

Though the statistics are somewhat ambiguous and the contrast somewhat unfair, a comparison of commercial air travel with private automobile travel shows the airplane in a better light. In 1934 automobile travel resulted in 19,500 occupant deaths while rolling up an estimated total of 384,000,000,000 occupant-miles, which was at the rate of 19,700,000 occupant-miles per occupant fatality. In the same year the air-line figure was 11,000,000 passenger-miles per passenger fatality, but for the previous year it had been 21,700,000. In 1936 the automobile figure improved while the airplane figure fell off. On the whole, then, it may be said that commercial aviation in its best years is a safer means of travel than the private automobile in its worst years. The bus is safer than either.

Thus, on the record of the last 4 years, the period of strictly modern flight, you could have traveled statistically 16,000,000 miles on air lines without getting killed—which is about as far as you were apt to travel in your automobile before encountering the same fate. Unfortunately there is no reliable means of comparing this record with that of the European lines, since many of the European figures have been suppressed. It is generally conceded, however, that United States commercial aviation surpasses that of Europe in safety, speed, night flying, and length of hops. [Applause.]

Mr. MEAD. Mr. Chairman, I yield to the gentleman from Illinois [Mr. RIGNEY] such time as he may desire to use.

Mr. RIGNEY. Mr. Chairman, as a new Member of the Congress and a new member of the Committee on the Post Office and Post Roads, I wish to make a few observations at this time.

I have been rather diligent in attending the meetings of the subcommittees on aviation and air-mail service and also diligent in attending all meetings of the Post Office Committee, and I may say in defense of our committee that I think there is not a committee of the Congress that is more deliberative or considerate or careful about its work than the

committee which is under the charge of the gentleman from New York [Mr. MEAD].

In connection with all of the air-mail bills which will be coming before you, one of which is now being considered by the committee, we have called in officials of the Post Office Department and we have heard statements from the pilots who fly the mails, statements from the carriers who operate the mails, and also statements from members of the Interstate Commerce Commission, under whose jurisdiction comes the awarding of contracts to the carriers. In all of our consideration we have been very deliberate and have asked these men pertinent questions and received first-hand information. From all of this information we have formulated a policy which I think is as good as could be evolved.

With the splendid knowledge of post offices and postal operations in all the departments which our chairman has, we more or less follow his lead, and I know we are accomplishing some very good things for the country.

The chairman of our committee, the gentleman from New York [Mr. MEAD], and the other members of the committee are very much concerned in seeing that we have efficiency and that we give the country a postal service that is worth while, a service that is fast, and a service of the kind that the people of the country want and demand, and to which they are entitled.

I think our committee is also a very forward-looking committee in that we visualize the future of the Postal Service, and particularly at this time the future of Air Mail Service. Only this morning the members of our committee made a trip to the University of Maryland Airport, where we viewed a demonstration of air-mail pick-up, where mail is picked up from the ground by a device which will tend to bring air-mail service to every town of any considerable size. It is not possible for every city in the country to have an airport, and, therefore, the mail in small cities will be picked up from the ground as the plane flies past. In this way the city does not have to have an airport, because the mail can be taken from the top of a building or factory or any place of that nature. Therefore, I think, all in all, we should give this sort of legislation our fair and honest consideration, because it is going to mean a great deal to the efficiency of the air service of this country.

Mr. DIMOND. Mr. Chairman, will the gentleman yield?

Mr. RIGNEY. Yes.

Mr. DIMOND. I am very much interested in the device that the gentleman referred to a moment ago which enables the plane in flight to pick up mail. Is that device in use anywhere in the country at the present time?

Mr. RIGNEY. The gentleman from New York [Mr. MEAD] can tell the gentleman more about that, but I think it is not in practical use now, but it is in the offing. It is a coming thing, and we saw the pilot pick up 85 pounds, I think it was, three times. They have a device with two steel standards and a rope and a device with a hook, and as the pilot comes down he swoops over the ground and picks up the mail and then draws it into the plane. They also have a way of delivering mail by a reverse process. I think this will be a very practical thing for the small cities of our country.

Mr. BATES. Mr. Chairman, will the gentleman yield?

Mr. RIGNEY. Yes.

Mr. BATES. Is there any provision in the pending bill for the extension of existing air routes in connection with European mail service?

Mr. RIGNEY. I think not.

Mr. BATES. I have understood there is to be an extension of the air-mail routes to Europe in the very near future.

Mr. RIGNEY. I think that is included in another bill.

Mr. BATES. The pending bill has nothing to do with that matter.

Mr. RIGNEY. No.

Mr. CARLSON. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Chairman, I have asked for these 5 minutes, first, to express my interest and appreciation of the air-mail service as rendered by our pilots in this country. In my travels I make it a point to use the airplane as much as possible, and I have been very much concerned the last few months with reference to the crashes and accidents that have occurred. I wish to ask the gentleman from South Dakota [Mr. HILDEBRANDT] two or three questions of a nontechnical nature in connection with the information that he gave us a few minutes ago. Through correspondence with Mr. Behncke, whose testimony I find here in the record, I gather the impression that a great many of these crashes are caused by the failure on the part of the Department of Commerce to meet the requirements which are pointed out in advance of the accidents, specifically pointed out by the pilots who are flying certain routes. Did the committee look into that phase of the accident problem at all?

Mr. HILDEBRANDT. Yes; we looked into that; and there is a movement on foot to give more service in the way of radio beams and beacons, and so forth—safeguard appliances.

Mr. CRAWFORD. That is, for the Department of Commerce to give better service?

Mr. HILDEBRANDT. Yes.

Mr. CRAWFORD. In these emergency places which have been pointed out by the pilots?

Mr. HILDEBRANDT. They are getting more stringent with respect to safety laws.

Mr. CRAWFORD. Is the gentleman prepared to answer this? Did the committee unearth any evidence to the effect that some of these crashes have been caused by negligence on the part of the Department of Commerce in not carrying out the suggestions previously made by the pilots?

Mr. HILDEBRANDT. We did not unearth any such evidence.

Mr. CRAWFORD. Was that question brought into it at all by the committee?

Mr. HILDEBRANDT. We did not find anything that would prove negligence. That there was lack of equipment is true.

Mr. KENNEY. Mr. Chairman, if the gentleman will permit me to say so, I think he will find, if he goes into the matter sufficiently, that there is negligence upon the part of Congress in not appropriating sufficient money to furnish safety aids over the country, and I believe there is some negligence on the part of the Department of Commerce in not asking Congress for enough money; but Congress ought to know itself the needs of our airways.

Mr. CRAWFORD. That is the point I wanted to bring out.

Mr. KENNEY. We ought to appropriate sufficient money to provide safety aids to prevent these accidents.

Mr. MEAD. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. Yes.

Mr. MEAD. With regard to the gentleman's inquiry concerning the Department of Commerce and aviation accidents, let me say that the Department—perhaps like every other agency of the Government in administering a law restricted by appropriations which are sometimes inadequate, hedged in by authority given to it by Congress, and, in this particular industry which is developing by leaps and bounds, with equipment up to date today and obsolete 3 months from now—has not always been as rigorous as it might have been in the matter of safety, but there have been no gross errors. They have profited by every accident, and the industry is developing to a point where it is now the safest of any like industry in the world.

As to evolution and experimentation, let me say that some few years ago they found that the accumulation of ice pulled these ships down. The gentleman from Michigan spoke of Mr. Behncke, who is the head of the pilots' association. He was going south out of Chicago one night when he met with an accident due to ice. He could not see through the snowstorm. Finally he located a clump of trees and decided to nest his ship there in order to save the mail load, the ship, and those aboard. He landed under these severe difficulties, and only by an accident caused by his slipping on the ice as he was getting down was he injured.

The mail load was saved, the ship was not damaged to any great extent, and the copilot was not injured.

In trying to overcome the accumulation of ice a de-icer was invented and applied to ships. It consisted of a sort of rubber covering placed over the front end of the wing. But it has since been discovered that while the de-icer eliminated the accumulation of added weight, it has resulted in the disintegration of the wing surface. Only recently a pilot wobbled into an airport under the most severe difficulties because of large patches of his wing surface being rendered useless by disintegration, caused by the de-icer, and further improvements have had to be made to correct this drawback. One improvement leads to another; development is rapidly taking place, and is only limited by the ideas of the administrator and the authority given to him by the legislators.

The crying need of aviation right now, in my judgment, is an appropriation of about $5,000,000 additional to modernize the radio-beam equipment and the range-finding devices all over the United States. If we had the right kind of a radio system, a modern, up-to-date antenna system, there would be hardly any fault to find.

Mr. CRAWFORD. Does not the gentleman feel we should be liberal enough with reference to this $5,000,000 appropriation to keep in mind that within 10 or 15 or 24 months the whole thing will become obsolete again to a great extent, and in a new industry that is growing as this is, so essential to peace and so essential as a defensive weapon, we should go right ahead with the program?

Mr. MEAD. The gentleman is correct. The $5,000,000 I have in mind is $5,000,000 in excess of that already appropriated.

Mr. CRAWFORD. Yes.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. MEAD. Mr. Chairman, I yield 5 minutes to the gentleman from Missouri [Mr. ROMJUE].

Mr. ROMJUE. Mr. Chairman, I want to call the attention of the Committee to the appropriations that have been made by the Congress since the inception of the policy of air-mail service in the Post Office Department. Of course, in the beginning of this great service we were experimenting in this country, and have been experimenting more or less all the way through. In 1926 the first appropriation made by this body was for $500,000. In 1927 it was $2,000,000; in 1928, $4,500,000; in 1929, $12,430,000; in 1930, $15,000,000; in 1931, $18,000,000; in 1932, $20,000,000. This was the peak of the appropriations that have been made by the Congress in any one year. In 1933, at the period of the cancelation of the air-mail contracts, the appropriations for that year had been $19,460,000. In 1934 it was $15,000,000—four and a half millions less. In 1935 it was $12,000,000—approximately $3,000,000 less than the previous year. In 1936, $12,000,000; in 1937, $12,984,000.

I want to call the attention of the Committee to the fact that I can think of no agency of this Government that has progressed more successfully and more rapidly than has the Air Mail Service. I want to compliment our splendid chairman and the other members of that committee for the diligent and painstaking work they have done, and also many Members of this House, who are not members of the committee, for their suggestions, from time to time, which have been very helpful to us.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. ROMJUE. I yield.

Mr. CRAWFORD. Could the gentleman give us the amount of revenue that has gone to the Department through the air-mail postage earnings?

Mr. ROMJUE. I do not have those figures before me at the present moment but can furnish them to you soon.

Mr. HAINES. Mr. Chairman, will the gentleman yield?

Mr. ROMJUE. I yield.

Mr. HAINES. I think, in answer to the gentleman from Michigan, the revenue for air mail for the last fiscal year would total almost $9,000,000.

Mr. CRAWFORD. In other words, it is moving up toward the amount of the appropriation?

Mr. HAINES. Yes; and we are carrying about twice the amount of mail today that we carried in 1933.

Mr. CRAWFORD. Where the appropriations have dropped, that means there was less mileage added in that particular year. Is that true?

Mr. ROMJUE. No. As a matter of fact, we have extended somewhat. We have carried more and an increasing volume of mail and traveled more miles in the Air Mail Service.

Mr. CRAWFORD. What I mean is, if you have an appropriation of $20,000,000 and then in another year only $9,000,000, it means there was less mileage in the $9,000,000 period than in the $20,000,000 period?

Mr. ROMJUE. Not necessarily, because earlier we were paying a great deal more per mile for carriage than we are at the present time. We are now getting more service and better service than ever before and for less money than most of the time before.

Mr. FLANNERY. Mr. Chairman, will the gentleman yield?

Mr. ROMJUE. I yield.

Mr. FLANNERY. May I ask, in connection with this appropriation, does the Post Office Department exercise any jurisdiction over the airplane companies that carry the mails, as to the equipment they shall use, where they shall land, the requirements for fields, services, and so forth?

Mr. ROMJUE. Yes.

Mr. FLANNERY. Does the Post Office Department exercise jurisdiction over them?

Mr. ROMJUE. They investigate those things before they award a contract. Of course, the Department of Commerce has a broader field in the air flight than the Post Office Department, but the Post Office Department does investigate and inquire into the equipment that is proposed by persons carrying the mail before awarding the contract to carry the mail, and they inquire into the equipment for safety and fitness before contracting. It is amazing when we think of the progress that has been made in the airplane mail service. Not only have rapid and successful developments taken place but the experience that our Government has gained from this service will be invaluable in the future. The Air Mail Service has not only been of great assistance in mail delivery, but the Government has received beneficial information which it will and is appropriating to its own use and to the use of the public interest in connection with the general development of airplane flying.

It will not be long until there will be, in my opinion, contract air-mail service in our Territorial possession of Alaska. Mail delivery there has been for a long time done and is yet mostly done by the use of dog teams. Star-route service is still carried on that way, with occasionally the carrier of the mail using, at his own suggestion, airplanes. The dog mail-carriage team will, in my opinion, before a great while be superseded almost entirely by contract air-mail delivery, and I want to compliment the Delegate from Alaska [Mr. DIMOND] for his active and loyal interest in behalf of the people of Alaska who he is so ably representing. He certainly is faithful to their interest and I know of no man who is more familiar with the vast wealth of the land of the great Alaskan country.

The CHAIRMAN. The time of the gentleman from Missouri [Mr. ROMJUE] has expired.

Mr. MEAD. Mr. Chairman, I yield such time as he may desire to the gentleman from Connecticut [Mr. SHANLEY].

Mr. SHANLEY. Mr. Chairman, this bill is important, not only because it steps up the tempo and quickens the pace of air transportation from a mail point of view but because of its relation to the larger field of air transportation. It once more brings before the country the titanic struggle that is going on for world supremacy in the air. The great trade routes of the air are being fought for as they have never been fought for before. Every great trade country of the world is attempting to get dominance in the air. The part which this committee has played, the inspiration it has given

to the Department, and its attempt to increase the tempo of communication is another indication of our interest. They have made mistakes, but those mistakes have been the arch upon which they have built successfully. It is said that within a few years, probably within a few months, we will be able to print papers in America and have them read in England the same day.

Unless we keep up, unless we, as the chairman says, eliminate obsolescent and old machines, quicken the tempo of mechanical devices, we are going to revert to a condition in air mail that would be comparable to abandoning modern ocean liners for the clipper ships of 100 years ago.

Mr. MAHON of Texas. Mr. Chairman, will the gentleman yield?

Mr. SHANLEY. I yield.

Mr. MAHON of Texas. I have not been on the floor during all of the discussion on this bill. I have heard the distinguished chairman of this committee and the whole committee complimented. This is perfectly in order and well deserved, but I think somebody ought to compliment Mr. Stephen A. Cisler, of the staff of Mr. Branch, the Second Assistant Postmaster General, who is Superintendent of Air Mail Service. Mr. Cisler is remarkably well informed on the subject of air mail. He is performing a distinguished service to the Nation, and I am sure that every Member of the House who knows Mr. Cisler will concur in these remarks.

Mr. SHANLEY. I thank the gentleman for his contribution.

Mr. KENNEY. Mr. Chairman, will the gentleman yield?

Mr. SHANLEY. I yield.

Mr. KENNEY. The gentleman is very much interested in aviation. I think this Congress owes him a debt of gratitude and thanks for having introduced the bill establishing National Aviation Day, which we recently celebrated in the city of Washington and over the country. I know the gentleman has been very active in all matters pertaining to aviation, including the Air Mail Service. I am sure the gentleman has given much thought to the matter of providing the safety aids that are now lacking and furnishing better weather reports. The distinguished chairman of the Post Office Committee referred to the dangers and accidents resulting from icing up of machines as they travel over the country in bad weather, and I wonder if the gentleman does not agree with me that more attention should be given the proposition of furnishing better weather reports, so that pilots might be forewarned to a greater extent of local weather conditions, which often are responsible for icing upon planes.

Mr. SHANLEY. I feel as the gentleman does that we should furnish full and adequate weather reports for our pilots and also fill up the gaps over our airways.

[Here the gavel fell.]

The CHAIRMAN. All time of the gentleman from New York has expired. Does the gentleman from Kansas desire to use further time?

Mr. CARLSON. I have no requests for time, Mr. Chairman.

Mr. MEAD. I have no request for time.

The Clerk read as follows:

Be it enacted, etc., That the first sentence of subsection (f) of section 3 of the act entitled "An act to revise air-mail laws, and to establish a commission to make a report to the Congress recommending an aviation policy", approved June 12, 1934, as amended (U. S. C., 1934 edition, Supp. II, title 39, sec. 469a (f)), is amended to read as follows:

"(f) The Postmaster General shall not award contracts for air-mail routes or extend such routes in excess of an aggregate of 35,000 miles, and shall not pay for air-mail transportation on such routes and extensions in excess of an annual aggregate of 52,000,000 airplane-miles."

Mr. MEAD. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with the recommendation that it do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. GREEVER, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 6628) to permit the further extension of the Air Mail Service, directed him to report the same back to the House with the recommendation that the bill do pass.

Mr. MEAD. Mr. Speaker, I move the previous question on the bill to final passage.

The previous question was ordered.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. MEAD. Mr. Speaker, I ask unanimous consent that all Members who spoke on the bill just passed may have 5 legislative days in which to revise and extend their remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

RECLASSIFICATION OF SALARIES OF WATCHMEN, MESSENGERS, AND LABORERS IN THE POSTAL SERVICE

Mr. MEAD. Mr. Speaker, by direction of the Committee on the Post Office and Post Roads, I call up the bill (H. R. 6383) to reclassify the salaries of watchmen, messengers, and laborers in the Postal Service, and to prescribe the time credits for service as substitute watchmen, messengers, and laborers, and for other purposes.

The Clerk read the title of the bill.

Mr. MEAD. Mr. Speaker, I ask unanimous consent that all Members who may speak on this bill may have 5 legislative days within which to revise and extend their remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER. This bill is on the Union Calendar and, under the rules, the House automatically resolves itself into the Committee of the Whole House on the state of the Union.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 6383) to reclassify the salaries of watchmen, messengers, and laborers in the Postal Service, and to prescribe the time credits for service as substitute watchmen, messengers, and laborers, and for other purposes, with Mr. GREEVER in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. MEAD. Mr. Chairman, I would like to make the announcement that my colleague the gentleman from Kansas [Mr. CARLSON] will have control of the time on the minority side.

Mr. Chairman, I yield such time as he may desire to the gentleman from Missouri [Mr. ROMJUE].

Mr. ROMJUE. Mr. Chairman, I shall take only a few minutes to explain this bill. First, I want the Members to get in their minds just what duties these laborers and watchmen have to perform, so I shall read from the present law and regulations of the Post Office Department a brief statement:

Laborers shall not be assigned to clerical duties. The work to which laborers shall be assigned consists of loading and unloading motor trucks, trucking mail in the office, setting up and taking down bag racks, dumping mail, making simple distribution of parcels by numbers where no scheme knowledge or reading of addresses is involved, operating canceling machines, cleaning and oiling canceling machines, conveyors, etc., carrying mail from canceling machines to distribution cases and from letter drops to facing tables, handling empty pouches and sacks, and such other similar work as the postmaster may direct.

I call the attention of the Committee to the fact that the report filed on this bill was not amended after the bill was amended by the full committee. The report on the bill which you have, therefore, shows an expenditure of at least twice as much money as this bill carries.

This class of laborer has not had an increase in salary for 12 years. In 1926 they received a small increase, and the postal clerks, with the increase they received at that time, are still above what the bill would give these laborers now.

The bill was originally drawn to establish four classes. Under the present law these laborers and watchmen are classified in two classes, and they apply to the first- and second-class post offices throughout the country. As we all know, the first and second classes of post offices are located in the territory where rents are the highest. The salaries received, under the present law, were $1,500 and $1,600 for those two grades. The present bill begins with the lower grade of $1,500 for first grade and adds $100 for the second grade and another $100 for the third grade, making the salaries $1,500, $1,600, and $1,700.

Mr. CARLSON. Will the gentleman yield?

Mr. ROMJUE. I yield to the gentleman from Kansas.

Mr. CARLSON. In view of the fact the report is not brought up to date so far as the total cost of this bill is concerned, can the distinguished gentleman give us figures as to what it will cost?

Mr. ROMJUE. Yes; in the first place, the highest grade of these laborers and watchmen, even if this bill is enacted into law, is the minimum that is now paid to the clerk on the inside of the post office. Somebody has to do this work. These men, of course, frequently are not so well educated, perhaps, as the clerks in the post office, yet they do a vast amount of hard labor. They are working people, and many of them have perhaps larger families than many clerks. At least, they have families to support, and one can see from the duties them perform that they have plenty of hard work to do, and they have been doing it faithfully and well, often even when the public does not know they are working at all.

Under the bill as originally drawn we had it classified in four classes, which carried gradings calling for salaries of $1,500, $1,600, $1,700, and $1,800. The full committee took off the higher class of $1,800 and left three classes. They would have received under the bill as originally drawn an advance of $200, but under the bill as amended, and which we are considering here today, there is only an increase of $100, which, of course, is half of the amount that the original bill carried. Therefore this will cost just one-half what the original bill would have cost, or, to be exact, $521,500, or, in round numbers, one-half million.

Mr. LUDLOW. Will the gentleman yield?

Mr. ROMJUE. I yield to the gentleman from Indiana.

Mr. LUDLOW. Can the gentleman tell us how many persons would be affected by this increase?

Mr. ROMJUE. Yes; there are 5,000 laborers and watchmen in the first- and second-class post offices throughout the United States. Then there are Government officials working out of the Post Office Department located at Dayton, Ohio, who exercise supervision over the printing that is done by the Dayton, Ohio, office. We keep two men there all the time and we feel that these two men are entitled to an increase. In addition to the 5,002 there are 723 of these laborers, watchmen, and messengers who are connected with the Railway Mail Service throughout the country.

Mr. SCHULTE. Will the gentleman yield?

Mr. ROMJUE. I yield to the gentleman from Indiana.

Mr. SCHULTE. I wonder if the gentleman could clarify one thing for me: It is stated herein "watchmen, messengers, and laborers." Does that mean the special-delivery men who are now engaged in delivering special-delivery messages?

Mr. ROMJUE. No; it is not my understanding they are included. They are paid on the fee basis and are not the messengers referred to in this bill.

Mr. SCHULTE. I have received quite a few letters from my district asking for an increase for messengers because of the fact they are underpaid at the present time.

Mr. ROMJUE. This does not involve that class of employee.

Mr. LUDLOW. Will the gentleman yield further?

Mr. ROMJUE. I yield to the gentleman from Indiana.

Mr. LUDLOW. Those messengers are not paid a salary. They are paid a fee?

Mr. ROMJUE. Yes; they are paid a fee.

Mr. MOSER of Pennsylvania. Will the gentleman yield?

Mr. ROMJUE. I yield to the gentleman from Pennsylvania.

Mr. MOSER of Pennsylvania. Did I understand the gentleman from Missouri to say there were two employees connected with the Dayton office involved in this bill?

Mr. ROMJUE. That was the testimony before the committee.

Mr. MOSER of Pennsylvania. Is it not a fact that the United States office at Dayton, Ohio, comes under the Bureau of Printing and Engraving?

Mr. ROMJUE. No. The printing of envelopes by the Dayton office is done by contract with the Government. They have their own machinery and equipment. The Government enters into a contract with them. They are a private concern and have no connection with the Government. I am familiar with this matter because I tried to get the contract canceled several years ago. As I said before, the Government enters into a private contract and keeps these two men there from the Government office to maintain a check on how many envelopes are printed. They print envelopes by contract with the Government. This practice, in my opinion, should be abolished, but as long as it is a policy of the Government we have to keep these men there to protect the Government's interest.

Mr. MOSER of Pennsylvania. With reference to the dies for the printing of the stamped envelopes and the embossed stamps, are they not the property of the Bureau of Printing and Engraving? Are they not designed the same as our postage stamps?

Mr. ROMJUE. Of course, the company is required by the Government to meet certain standards. It has been some few years back since we went into that question, but my recollection is that they furnished all the equipment. At any rate, they have to meet the requirements of the Government. They have to have a uniform standard.

Mr. MOSER of Pennsylvania. I know that. There are only two Federal employees now with that private contractor who will be affected by this bill?

Mr. ROMJUE. That is at the Dayton office.

Mr. MOSER of Pennsylvania. At the Dayton office?

Mr. ROMJUE. Yes.

Mr. HAINES. Will the gentleman yield?

Mr. ROMJUE. I yield to the gentleman from Pennsylvania.

Mr. HAINES. I may say to the gentleman from Pennsylvania [Mr. MOSER] these two employees were put in the plant by the Post Office Department to inspect and supervise this work. They are under the classified civil service.

Mr. MOSER of Pennsylvania. They are put in the plant of the private contractor?

Mr. HAINES. As inspectors to look after the interests of the Post Office Department.

Mr. CRAWFORD. Will the gentleman yield?

Mr. ROMJUE. I yield to the gentleman from Michigan.

Mr. CRAWFORD. What is the salary of the first-, second-, third-, and fourth-grade employees?

Mr. ROMJUE. The first, second, third, and fourth?

Mr. CRAWFORD. Yes. It is stated on page 2 of the bill that the new salaries are as follows: First grade, $1,500; second grade, $1,600; third grade, $1,700; and fourth grade, $1,800.

Mr. ROMJUE. Under the present law we have just two grades—the first and second. The first grade receives $1,500 and the second grade $1,600. By this bill then we add another grade, with a salary of $1,700.

Mr. CRAWFORD. What do they receive in addition to the cash salary in the form of sick benefits, pensions, and so forth, if anything at all?

Mr. ROMJUE. I am not sure but am of the opinion the regular civil-service provisions apply.

Mr. HAINES. Mr. Chairman, will the gentleman yield?

Mr. ROMJUE. Yes; I yield.

Mr. HAINES. They have the same benefits any other civil-service employee has, I may say. These men receive the top salary after they have served 2 years. They go to the third grade. You will find we have struck out the fourth grade.

Mr. HOBBS. Mr. Chairman, will the gentleman yield?

Mr. ROMJUE. Yes.

Mr. HOBBS. I wanted to ask the gentleman if he would answer categorically the question of the gentleman from Kansas [Mr. CARLSON] if the gentleman has the figure. I would like to know the total amount of the cost.

Mr. ROMJUE. It is half of what the report on the original bill stated, which would be $521,500.

Mr. HOBBS. That is the figure this bill will cost?

Mr. ROMJUE. Yes; $521,500.

Mr. HOBBS. In other words, instead of something over a million dollars, it will be a little over half a million for the whole United States?

Mr. ROMJUE. The gentleman is correct.

Mr. COSTELLO. Mr. Chairman, will the gentleman yield?

Mr. ROMJUE. Yes.

Mr. COSTELLO. In connection with the estimate of cost, does the gentleman know whether the Bureau of the Budget will approve this bill at the present time in view of this reduction in cost?

Mr. ROMJUE. I cannot say, as we did not take it up with the Bureau.

Mr. COSTELLO. I know the original report was unfavorable from the Bureau in view of the high cost of the bill.

Mr. ROMJUE. Yes. I may say the original bill was not approved; but this bill, as stated, only costs one-half as much.

Mr. COSTELLO. Since the committee has eliminated the fourth grade, am I correct in understanding this would in no way interfere with the salaries other employees in the Post Office Department are receiving?

Mr. ROMJUE. No. The maximum salary under this bill will be the minimum salary paid to clerks.

Mr. COSTELLO. This would in no way tend to cause an increase in salaries in the other grades?

Mr. ROMJUE. There should be no reason for anybody to feel his salary should be increased on account of the passage of this bill.

Mr. COSTELLO. That it should be increased in any other department?

Mr. ROMJUE. No. The people who this proposed legislation is intended to be of assistance to belong to that class of hard-working people who have not been recognized in keeping with other people concerning whom legislation has been enacted for. Most of the men in this class of work are as sturdy in character and morals as any class of people dealing with the Mail Service. Many of them, it is true, have not had very great opportunities for education. I will admit they do not carry university and college degrees; but they, as well as those who have had opportunity for better education, will avail well as to a high class of intellect and character. Many of them have large families and, as I said before, live in areas where rents are the highest. They should have been better paid years ago, because they have rendered as a class especially good and faithful service.

After long years of service in the class of work in which they have been engaged, they have become experts in their lines and are able to perform and have performed valuable service. Were they to retire from the class of work in which they are engaged, many of them for several years, and especially if they continue in this line of service much longer, they would not be suitable to enter other service. I do not hesitate to say that this is a meritorious piece of legislation and should have been enacted some time ago, and I hope this Congress will approve and pass it.

Mr. CARLSON. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I want to call to the attention of the House the fact that this is, I think, one of the few bills which will be brought in this session increasing salaries. I am very happy to say I am heartily in favor of this measure. We are reaching a group of citizens, a group of workers in the Government service, who are in the lower salary brackets. They had a small increase in salary, as the distinguished gentleman from Missouri told you, in 1926. It seems to me it is perfectly fitting and proper at this time that we should bring in this measure. It affects 5,000 laborers under the First Assistant Postmaster General and approximately 300 under the Second Assistant Postmaster General. This group has been laboring for many years, and often doing the work of clerks who have received a much higher salary and who have also received increases in salary on at least one or two previous occasions. Therefore it is a pleasure to support this measure, and I trust the House will pass it.

Mr. MAHON of Texas. Mr. Chairman, will the gentleman yield?

Mr. CARLSON. I am happy to yield.

Mr. MAHON of Texas. Does this bill affect special-delivery messengers who deliver letters?

Mr. CARLSON. No; it does not.

Mr. MAHON of Texas. It has no reference to them?

Mr. CARLSON. It has not. They are paid on a fee basis.

Mr. MEAD. Mr. Chairman, I yield myself such time as I may need.

Mr. Chairman, there are two important questions involved in this legislation: One is the particular question which concerns the laborers in the Postal Service who will be affected favorably by the passage of the act. The other question is the more general question that concerns each Member of the House and to a degree concerns the country. When I say "degree", I mean in some cases to a very large degree and in others to a more moderate degree. This question is the question of Government financing. It involves the question of a balanced Budget, and brings to mind the balance in revenues and expenses of the Postal Service.

If we were primarily motivated by a desire above everything else to balance the Budget, regardless of cost or the justice of the proposal before us, this bill, of course, would receive a negative vote. If, on the other hand, we were desirous of remedying the unjust situations we find in the Government service, if we thought at this time when we are asking private enterprises to raise wages and shorten hours it would be beneficial if we set an example, then, of course, we would vote for this legislation.

If again we thought only of the postal system and the benefits to accrue from a businesslike administration of that greatest and most efficient industry in the world, we would inquire whether or not this would unbalance the Budget. We would want to know if the passage of this act would require appropriations in excess of revenues.

In the consideration of this measure, both on the part of the subcommittee headed by my distinguished colleague the gentleman from Missouri [Mr. ROMJUE] and the whole committee, all of these vital and important questions received attention. In both instances the bill was reported unanimously, there being no partisanship. We are the board of directors of the greatest business enterprise in which our country is concerned. In the discharge of our obligation as members of that board politics finds no place and no friends within the portals of our committee room.

When we consider the financial budget of the Postal Service we find that this year the Post Office Department will break its record in the matter of revenues, which will reach an all-time high in excess of $700,000,000, more than balancing its net budget and leaving a fairly substantial surplus.

Mr. LUDLOW. Mr. Chairman, will the gentleman yield?

Mr. MEAD. Yes; I yield.

Mr. LUDLOW. In other words, eliminating the nonpostal items, the Postal Service is now operating within its revenues?

Mr. MEAD. The gentleman is correct. As he says, eliminating the subsidies and the activities of the Department that are not true postal activities, the Service is paying its way, and will pay its way, even though this measure raising the wages of laborers in the Service is passed.

Now, with regard to the question of balancing the Federal Budget, taking into consideration all of the activities of Government, let me say there is a question even more important than that. There is a question of paramount importance that must be considered before we consider the question of balancing the Federal Budget. The delicacy of our modern economic state is such that if we violate

economic law the wrath of a chaotic economic state will be upon us. We will kill our prosperity, just as the man who violates a natural law kills himself. For example, if profits and production rise rapidly and wages and consuming power drop measurably, stagnation sets in. Surpluses destroy our development, prosperity gives way to poverty, and depression, with all of its curses, is upon us. So a general balance, involving wages, prices, productivity, unemployment, and all the other questions must be considered when we are talking about the efficacy of a balanced budget.

The Federal Government is well on the way, with economic soundness and with a logic that defies the critic, to a balanced Budget. Since the turn of the century we have enjoyed several prosperous eras, abnormal times of prosperity, and in analyzing these periods of prosperity we find that only when, by the influence of government, the consuming powers of our people come into balance with the production of our modern machines are we able to enjoy a semblance of prosperity.

During the World War we enjoyed an era of prosperity. Prior to that time our machines were able to produce more than the consumers of America consumed and more than the international markets absorbed. But when America secured the abnormal orders of nations at war, and when America itself plunged into the war and spent a vast sum of money far in excess of the money we are spending now to win this war against a depression, America enjoyed a wartime prosperity that it had never enjoyed before. We made more millionaries, built more fine homes, made more people well to do than at any other time in the history of the country. Then came the post-war depression. Orders were no longer forthcoming from other nations, a period of demobilization placed a great many men, including ex-service men, in the ranks of the unemployed, and America's prosperity went into a tailspin until a policy was adopted that enabled America to finance, through private loans and in some cases through public loans, the rebuilding of devastated area abroad and the inauguration of public-works programs in Central and South America, as well as in other sections of the world. As a result of our lending to the foreign countries, in one manner or another, a sum in excess of $10,000,000,000, some of which has not been repaid, America went into another period of prosperity; but in 1929, when we warned the nations of the world they would have to pay back not only the war loans but the loans made after hostilities had ceased, and they told us they could not pay in gold but would be glad to pay us in kind, we told them we could not accept payments under those conditions, and then America went into another tailspin and poverty again succeeded prosperity.

Mr. SOUTH. Mr. Chairman, will the gentleman yield?

Mr. MEAD. I yield.

Mr. SOUTH. I have enjoyed the gentleman's very interesting talk and I am not disposed to quarrel with him. I would like to ask the gentleman, however, if he thinks it would be possible for this country to tax itself back to prosperity. In other words, this bill would require, according to the Postmaster General's report, several hundred thousand dollars more per year, and, as I understand it, the Postmaster General opposes the passage of the bill.

May I ask the gentleman if it is not true that this Government will either have to collect more money or spend less money, or both, or our Budget will forever remain unbalanced, and the gentleman does not contend here that by more taxes and higher salaries, as a general policy, we can pull ourselves back into what we may be pleased to term "prosperity", does he? The gentleman does not contend that?

Mr. MEAD. I shall be very pleased to answer the gentleman just as soon as he concludes asking me questions.

Mr. SOUTH. We are talking more or less generally, and I am not finding fault with the gentleman, but I would like to ask this question: Do these workmen now receive less money than the average untrained and unskilled workmen doing the same or a similar character of labor?

Mr. MEAD. Mr. Chairman, I am indebted to the gentleman from Texas [Mr. SOUTH] for bringing up one very important matter contained in his list of questions. While I want to answer them all, I want to answer with particular emphasis a statement he made that brings out a subject which is discussed in the public forums, commented on editorially, and referred to by statesmen all over the United States. That is the question whether we can spend ourselves into prosperity. But before I answer that, let me get rid of the few minor questions by telling the gentleman that the full committee met in the main the Department's objection by striking out "fourth grade" and eliminating that increase which would pay these laborers $1,800 a year. We limited them to the third grade, which gives them a raise of but $100 a year, or from $1,600 to $1,700. The Department objected to laborers getting more money in their top grade than clerks or carriers received in their bottom grade, and the full committee met that objection of the Department by striking out the $1,800 grade. These men are skilled postal workers. They operate canceling machines, distribute parcels, collect and deliver the mails around the post office, help the clerks and the carriers, yet their per-hour wage is less by 25 percent, and in some instances 50 percent, than the wage of skilled laborers in the building trades; and the same is true, perhaps, in the steel industry and in one or two other industries. We looked into that.

This bill will not interfere with the balancing of revenues of the Postal Service because, as I said, our revenues will exceed our net postal expenditures this year and next. In addition to that, these laborers were only given a $150 annual increase when all of the other employees were given $300 some few years ago. If they got their proper differential, their top salary today would be $1,750, but for 12 years they have been working for $150 annually less than that. In view of all these things, including the postal deficit, comparative wage scales, and the skilled work performed by these men, together with the fact that after 10 or 20 or 30 years they cannot sell their services to any other industry in the world because they are skilled at this particular type of work and no other, we feel it is only just that they should be treated as we have treated them.

Now for the question, Can we spend ourselves into prosperity? That is what we did, and that is what you did; that is what the President of the United States did, and that is what this so-called New Deal administration did, and let me tell you how. As I said a few moments ago, it is essentially necessary for a well-balanced, economical state. You cannot have an excess productivity and impoverished consuming power and live. We enjoyed prosperity when we dumped billions and billions into the furnace of war for destructive purposes. We never enjoyed a greater degree of prosperity.

Mr. SOUTH. Mr. Chairman, will the gentleman yield?

Mr. MEAD. Not now. Then, after that came the post-war depression. America began to lend money to the nations of the world, and in rebuilding devastated areas, in conducting public-works programs in South America and in European countries, American money spent abroad brought prosperity to American workers, and the unheard-of halcyon days of 1927, 1928, and 1929 came to bless us. Again we spent over $12,000,000,000 in foreign countries and enjoyed great prosperity for the second time since the turn of the century. Then came the period of the depression—the crash of the stock markets; the impoverishment of our consuming power, while a machine productivity was steadily rising; the false, futile, deadly philosophy of the Budget balancer, the man who thought only of taxes and was bent on cutting Federal expenditures to the bone. When President Hoover and his advisers launched the so-called economy law, cutting Federal salaries, reducing expenses of all the departments of the Government, that effort on the part of the Government only accentuated the spiral of deflation. If you cut a billion from the buying power we so sorely need, we would only be deeper in distress and poverty. Continuing with that futile program, eventually America would lie flat on her back, penniless and broke, and there would be nothing in the land but bankruptcy. [Applause.]

Now, let me prove to you that there is something in my philosophy, in the philosophy of the average economist, the one who knows that in distribution and in consumption there must be balance. If there is too much production, if there is an incipient distribution, or if there is too little consumption, we will suffer. That is always the case with modern machinery increasing the efficiency of manpower day after day. It is always the case and always will be unless some agency maintains the balance, and the agency to keep the balance is the governmental agency which sees to it that buying power squares with the productivity of the Nation.

When President Roosevelt came into office, to my disappointment he recommended a continuance of the economy program, advocated intensifying the economy cut. But after a year's experimentation he rose up to the heights and said, "We tried it, and a balanced Budget in an inadequate and impoverished consuming power only accentuates the depression, and now I advocate increasing Federal appropriations and spending more money than we were doing", and, my friends, look at where we are today.

So three times since the turn of the century, once in prosecuting the war, another time in lending money to foreign countries, and a third time in building up our own beloved America, by employing Americans in the works of peace, in achievements that improved our communities, we have enjoyed eras of prosperity. I say you cannot continue to spend your way into everlasting prosperity, but when your consuming power is impoverished there is only one agency, and that is the governmental agency, that can use the taxing power and the power to appropriate, to give us a balance that will eventually restore prosperity.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. MEAD. I yield.

Mr. McCORMACK. When we speak of prosperity, that is more or less of a relative term. Prosperity is dependent upon the speed or velocity with which different persons purchase the goods or services of others?

Mr. MEAD. That is right.

Mr. McCORMACK. The whole purpose in emergency spending is to try to bring back a balanced velocity which is necessary in order to have a returned prosperity. Does the gentleman agree with that, in a general way?

Mr. MEAD. That is essentially correct.

Mr. McCORMACK. The gentleman in his closing remarks stated a situation that appeals to me. When the forces of deflation visit us is the time we have to use all the powers we can to bring about velocity, and when normalcy returns is the time when the Government may justifiably consider recoupment of expenses.

Mr. MEAD. The gentleman is essentially correct.

Mr. HAINES. Mr. Chairman, will the gentleman yield?

Mr. MEAD. I yield.

Mr. HAINES. On this question of taxes I would like to have the opinion of the distinguished gentleman from New York, whose leadership I choose to follow. I would like to ask the gentleman's opinion on the question of excessive taxation on the backs of American people as compared with the taxation on the backs of other nationals.

Mr. MEAD. I will say to the gentleman from Pennsylvania, from a review of the record, the taxes per capita in the United States are very much lower than the taxes per capita in England and France or any other industrial nation of the Old World. I will say to the gentleman that the per-capita indebtedness of our country is only one-half what it is in England and only one-third what it is in France. While we are spending more than we are taking in to keep the big P. W. A. army busy building a greater America, other nations are spending more money, comparatively speaking, equipping men for military purposes. In other words, they enlist their surplus manpower into the military machine, and today they are seriously challenging the peace of the world. America sent its surplus man power into the mountains, hills, parks, cities, and communities of America, there to build for the wealth of the present generation and the wealth and health of every succeeding generation.

Mr. HAINES. Will the gentleman yield further?

Mr. MEAD. I yield.

Mr. HAINES. In other words, we have not wasted all this money that has been appropriated by the Congress. On the other side of the ledger we have some assets that are valuable. In addition to building up the morale of our people, we have contributed to the wealth of the Nation.

Now, getting back to this question of taxation, I have a little clipping that I cut out of the paper the other day in which I note that an American citizen with one child, having an income of $5,000 annually, would pay an income tax roughly speaking of $84. A citizen of Great Britain situated similarly would pay a tax of $950, or in other words, 10 times more taxes than we pay in this country. I think we have made much ado about this excessive taxation of our people and the taxes they are compelled to pay.

Mr. MEAD. America is sound. Its money is the soundest on earth. We have no need to fear inflation, because that only comes when a nation is desperate. We own 50 percent of the gold of the world. Our annual income has risen from $38,000,000,000 in 1933 to $70,000,000,000, which is the estimate for this year. The wealth of the country has so increased that if you will compare the rise in wealth and the rise in annual income, together with the national indebtedness, this country is superior financially to any nation on earth. We have no fear of inflation or of the unsoundness of our currency.

Mr. SIROVICH. Mr. Chairman, will the gentleman yield?

Mr. MEAD. I yield.

Mr. SIROVICH. My distinguished colleague from New York has made a most interesting and brilliant address. However, he has called the attention of the Congress to the fact that our great difficulty and tragedy is not balancing the Budget but to find a way to balance the differences between overproduction and underconsumption, which has been responsible for our economic depression.

Does not the gentleman from New York think that as a matter of fact the solution of our economic depression must inevitably rest not in the expenditure of money, which is just symptomatic treatment, but in the passing by Congress of a minimum-wage law beyond which no human being employed at unskilled labor should ever be permitted to be exploited? If we could get a freezing of a minimum wage increasing the consuming and purchasing power of millions of our American people we would solve the problem of the depression.

Mr. MEAD. The gentleman is quite correct. As an added observation to the very interesting contribution that he has made, let me say that if we in this modern machine age in which we live just depended upon the essentials of life—food, clothing, and housing—America would become bankrupt, poverty would be visited on every family in America. It is the exploitation not only of leisure time and recreational facilities but of the luxuries of life that is needed in order to insure our prosperity; in other words, as the gentleman said, we have got to buoy up the consuming capacity of our people so that every man and woman in America will be a potential buyer in the American market.

Mr. KENNEY. Mr. Chairman, will the gentleman yield?

Mr. MEAD. I yield.

Mr. KENNEY. Shakespeare said:

If it were done, when 'tis done, then 'twere well it were done quickly.

Do I understand from the gentleman's address that he feels that adjustments had to be made, and made quickly, and that there are adjustments yet to be made in this country and that they ought to be made quickly and without delay?

Mr. MEAD. Yes; I feel that way.

Mr. Chairman, permit me to say in conclusion that I did not mean to talk about the economic situation as it applies to our country generally. I wanted only to talk about the

bill. Now, in a word, I am going to say that the full committee has reported an amended bill reducing the grades from four to three, reducing the maximum from $1,800 to $1,700, and we hope that the Members of the House will join and help us adopt the full committee amendment, because it meets in general terms with the objections made by the Post Office Department, and it is an act of common justice to these underpaid workers.

Mr. MOSER of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. MEAD. I yield.

Mr. MOSER of Pennsylvania. The gentleman from New York has missed, I think, one salient point in his excellent description, and that is this, that for many years in the Postal Service every skilled employee who was a distributor at a case was obliged to carry his own mail, operate the canceling machine, and do every conceivable form of labor, even to the dumping of the bags as described by the gentleman from Missouri [Mr. ROMJUE]. The purpose of using these laborers was solely to save the time of the higher salaried employees rather than have it consumed in these unskilled labors. I feel that this is a very salient point that the gentleman overlooked in his discussion.

Secondly, I would like to bring to the gentleman's attention and to inquire of the gentleman from New York whether it is not a fact that in the economy measures referred to of 1932 and the Economy Act of 1933, credit is not due solely to the combined wisdom of the Congress of the United States in overriding the veto of the President on the independent offices appropriation bill that restored the salaries rather than to a changed philosophy on the part of the President?

Mr. MEAD. I think that both are deserving of credit, because while the Congress overrode the President's veto, the President in turn recommended the creation of these spending agencies such as W. P. A., P. W. A., and the C. C. C. camps, which entailed a vast expenditure of public money and which preceded the return to our present prosperous situation.

Mr. SOUTH. Mr. Chairman, will the gentleman yield?

Mr. MEAD. I yield.

Mr. SOUTH. I am very much interested in the gentleman's line of reasoning. I am more concerned about the general philosophy he has outlined than I am about this particular bill. The gentleman evidently does not contend that the prosperity, so-called, which followed the World War was a period of healthy prosperity and one to be desired.

Mr. MEAD. It was prosperity; that is all one can say for it.

Mr. SOUTH. It was rather the result of our reckless lending of funds to the European countries with which to buy our goods and to other inflationary policies following the World War. It was not prosperity at all, and we are now paying for our mistakes because this money has not been repaid, and much of it will never be repaid.

Surely my friend from Pennsylvania does not mean to tell this House and does not think himself that the Englishman pays $10 taxes on the same income that an American pays $1. If he will study the situation, he will find that the English tax as compared with our income tax covers a multitude of taxation, whereas in this country we have our income tax, our State property, county, school, and road taxes, and many other taxes. Added together, they present a different picture.

Mr. Chairman, I do not want to encroach on the gentleman's time, but may I not be permitted to say that this Government is approaching the time when it must get away from the philosophy that you can tax yourself into prosperity. The gentleman chooses to use the word "spend", while I choose to use the word "tax", because what the Government spends it must collect from the people. While we can continue to say to our Republican colleagues, "We have done a better job than Hoover did"—and there is no argument about that—I am convinced of the fact that this administration is going to have to stop being satisfied with hurling these challenges at the Republicans and concern itself with the problem of adopting sound business principles and recognize the fact that we must collect as much money as we spend, if we are to escape complete bankruptcy. No platitudes or smooth talking is going to prevent bankruptcy unless this is done.

We must continue spending such money as is necessary to carry on the various functions of government, including necessary relief, but we must not forget that money which we are borrowing must be paid back, and that it is time for all unnecessary expenditures to stop. This bill does not involve a great deal of money, it is true, but, as stated before, I do not subscribe to the philosophy that liberal spending and heavy taxation alone can lift us out of a depression.

Mr. MEAD. In answer to the gentleman, may I say that both the preceding administration and the present administration tried out the economy program. I believe both Republican and Democratic Members of the House as a result of their experience in both administrations will agree that if we immediately balance our Budget and lay off from the W. P. A., P. W. A., C. C. C., and other activities, some two or three million people and send them back home to make up bread lines and build up local relief expenditures, we would be making a mistake and we would be committing an economic sin. I do not believe that the Republicans or the Democrats would agree to a program of that kind. In other words, you could not get another economy bill through this House. A measure would have to be economically sound to pass this House.

Let us look at the figures. The income of the country under the first economy bill dropped to $38,000,000,000. The income of the country today is twice as much as the total indebtedness, while in European countries in some cases the income is only half of the indebtedness. Our gross indebtedness is $35,000,000,000 while our annual income is $70,000,000,000. In other words, we take in twice as much in any one year as the country owes. If you are a house owner and your salary is $2,000 a year, you would not hesitate to buy a house that cost $10,000, or five times as much as your annual income. Therefore the country is not excited. We have an income now of $70,000,000,000.

In my judgment, in a few years the income will be $100,000,000,000, and perhaps our country will owe one-half of its income. Eventually it will only owe one-third of its income. Our taxes will rise in proportion. Our indebtedness will be dwarfed in comparison.

Mr. DITTER. Mr. Chairman, this fervid political appeal deserves a better audience. I make a point of no quorum.

Mr. MEAD. If the gentleman will withhold that for a moment I will relinquish the floor.

Mr. DITTER. I want to get the gentleman an appreciative audience. I notice a number of absentees on his side of the House.

Mr. MEAD. If he will withhold his point of no quorum, I shall be in favor of calling the roll for a vote on the bill.

Mr. DITTER. It is a matter of appreciation of the gentleman's very fervid appeal, and he has not an audience at present.

Mr. MEAD. I know the gentleman is interested in my well-being, and I want to take this opportunity of expressing my keen delight in the gentleman's genuine satisfaction and pleasure in my economic philosophy.

Mr. DITTER. I have enjoyed it immensely. I do not want any of the morsels of the gentleman's able speech to fall on empty seats and therefore not be absorbed.

Mr. MEAD. It is because of the mutual high regard we have for each other that I ask the gentleman to withhold his motion until I take my seat.

Mr. DITTER. I shall be glad to do so.

Mr. SIROVICH. Will the gentleman yield?

Mr. MEAD. I yield to the gentleman from New York.

Mr. SIROVICH. I call the attention of my colleague to the fact that since he was discussing the problem of wages it has been my observation, to be just both to the Republican and Democratic administrations, we have had three kinds of wages: First, starvation wages, which cannot keep body and soul together. We have living wages, which just about keep body and soul together, and then we had saving wages, from

which you can save during days of affluence and prosperity for days of adversity and misfortune. What we, as Democrats should do, is freeze a minimum beyond which no human being should be permitted to work, so that we may have saving wages for the American workingman.

Mr. MEAD. May I say to the Committee that I did not mean to inject a spirit of partisanship into this debate. I hold we made the same mistake in the early days of this administration that was made in the closing days of the former administration. I hold that the economy advocates are recommending a suicidal policy, but that on both sides of the aisle we have men enlightened by experience who are in favor of a balanced economy first and then a balanced Budget.

Mr. CARLSON. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Chairman, I have looked over this bill and I find myself in agreement with it and propose to vote for it in the event of a roll call. The distinguished gentleman from New York has made some observations I wish to comment on for a few minutes.

My own experience in life has been that wages and salaries come from the production of goods and services, and when a man goes out and produces the goods or services he is entitled to a fair remuneration. But my observation and experience has also been that in the absence of the production of goods or services there is nothing left with which to pay wages or salaries. Therefore, we come to the conclusion always that there must be production.

These postal employees give service, and from that service they are entitled to receive wages, therefore out of those wages they must pay for their living.

We proceed along policies which push up the cost of living, food, clothing, and shelter, which makes the income of these employees less from a buying-power standpoint. When we go out and borrow money on the promise of the Government to pay and release that dollar exchange into the channels of industry through the building of public roads, buildings, and such as that, we stimulate and we push up the price of those things which employees must buy. When the dollar exchange is issued against the production of goods in private industry, the exchange covering the industry is there at the time the goods flow from the production line, and there is no inflation. But when that dollar exchange is issued through a promise of the Government to pay, as we have had during the last several years under Mr. Hoover's leadership and Mr. Roosevelt's leadership, we are inflating the cost of living of the people of our country. Anyone who studies the philosophy of economics must come to this conclusion.

In 1932 we had a national income of approximately $39,000,000,000. We had a Federal tax debt of around $19,000,000,000.

In 1937 we hope to have a national income of roughly $70,000,000,000, and we have a national debt of between thirty-six and forty billions of dollars. The national income doubles and the national debt goes up with it. The end of that is economic suicide and there is no escape from it. We talk about the high taxation in European countries. For what are they spending the money? Why, mostly armaments. Is there any prosperity, peace, or happiness in battleships, guns, ammunition, and war material? Certainly not.

In this country we have a vast expanse of territory, great resources of raw material, and great ingenuity, but these things are not permitted to function, as evidenced by this fact. Look at the Federal Reserve Bulletin today and you will find deposits in our banks of between fifty-one and fifty-two billions of dollars. Why are these deposits there? Because people are afraid to go out and venture in private industry. They never know what this House and the other body will do in the way of punitive legislation.

The gentleman from New York has spoken about the economic philosophy of balanced budgets. I voted against the C. C. C. appropriation for $350,000,000 the other day, and I voted against the $1,500,000,000 appropriation yesterday, but I will not vote against legislation which will bring about the issuance of dollar exchange against increased production, so that when increased production flows from the production lines of private industry, the dollar exchange will be forthcoming with which to finance it through the channels of distribution to the seller. When you do this, you remove the people from the relief rolls of this country.

Did you ever stop to think about this? When you go out and spend dollar exchange, which must come back through taxation, the dollars thus expended and the labor thus performed have no exchange value. Tax the people to raise a billion dollars to hire people to sit on the side of the road and count gravel, if you please. Has the counting of gravel any exchange value? Not at all; but it is employment.

We have a form of government which guarantees the operation of a capitalistic system. The capitalistic system permits you to own a store, a farm, or a business, and operate it at a profit, if your ability and competitive conditions will permit you to do so. The laws of this country protect you in the operation of that private property. Therefore, the capitalistic system provides for production and sale, which is what I mean by exchange. This is what I mean by a thing having an exchange value.

Why do not the people of this country utilize the $51,000,000,000 that are in our banks in the form of deposits and largely created by Government deficits? Why do we have to tax and spend and create deficits and mortgage the future of your child and my child and the young people who come in and out of these galleries every day? What glory will come to us and to our offspring if we impose upon them such burdens as the German Empire imposed upon the young people of Germany only a few years ago, when we received some of that prosperity which has been talked about here this afternoon? What did the young Germans do? They served notice on the world they would not pay those debts. I can almost visualize our sons serving notice on this country a few years from now that they will not contribute to the payment of the debt we are now building up.

These are some of the things about which we need to be concerned. Our people are not using their deposits because of fear. The banker does not make a loan because he wants to remain liquid. Why does he want to remain liquid? He does not know how his portfolio is going to be criticized. Therefore, it is fear all the way up. We build up these excess reserves, and then our Federal Reserve Board increases the reserves to prevent inflation, at the time the Government issues another billion dollars of promises to pay.

Something was mentioned here with reference to our gold stocks. We have a fraction under $12,000,000,000 worth of gold in this country, which we are purchasing at $35 an ounce. Only this morning the papers carry the story that England, France, and the United States are now proposing to stabilize the price of gold at $35 an ounce. They know good and well that if they break the price now and cut it enough below $35 an ounce, back toward the price of $20.67 where it remained so long, at that time commodity prices and security prices all over the world will break and go all to pieces, and fear will be increased. With approximately $23,000,000,000 worth of gold stocks in the world, we have almost twelve billions. What do we want with it? What are we going to do with it? What will it be worth in the years to come?

That is an answer the smart economist cannot give us. I do not know what the answer to it is, and I have been searching their releases the last 3 or 4 months trying to find an answer. They cannot answer it. They do not know. They do not know whether it is a good thing to have more gold or less gold. Foreign countries have a claim of five or six billion dollars against this gold stock we hold. What country on earth has any confidence in the currency of any other country today? Do we want to fill our vaults with pounds sterling or French francs or Italian lire? Not at all. Does England want to fill her vaults with dollar exchange? Not at all. Does France want to fill her vaults with pounds sterling? Not at all. Why? As we have all experienced in the last few months, the day comes when they find out the only safe thing to tie to is gold, and they are all seeking

gold stocks. Within the last 3 or 4 days over $20,000,000 of gold has been taken out of hoarding by the citizens of Great Britain alone. Why are these people trying to get rid of the gold at the price of $35 an ounce?

Mr. SIROVICH. Mr. Chairman, will the gentleman yield for a question?

Mr. CRAWFORD. I yield for a question.

Mr. SIROVICH. Is the gentleman in favor of having an international commission appointed to stabilize the dollar, the pound, and the franc in order to bring harmony throughout the world?

Mr. CRAWFORD. I do not know but what that will be forced upon us. We can take our choice between that and going along from day to day with the international exchanges disturbed as they are today, with every country being fearful of what the other country will do. If you analyze the stabilization exchanges of Great Britain, France, and the United States, the methods by which they have been established and the way the countries have of operating them, you will begin to get an answer to the question which has just been raised by the gentleman from New York.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. REED of New York. The gentleman from New York asked about an international commission to stabilize currencies. They had the London Conference, and that was broken up by a telegram from the President of the United States, was it not?

Mr. CRAWFORD. The gentleman is correct. We refused to further participate.

Mr. Chairman, I yield back the balance of my time.

Mr. CARLSON. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Chairman, I just came in and heard the very interesting remarks of the gentleman who has just spoken about the so-called gold fiasco. I propose whenever I can get time to discuss this issue further and hope that some Member on the majority side will take occasion, Mr. Majority Leader, to defend the policy of the administration.

I submit in all good faith and with all sincerity that I believe it is the greatest fiasco of all the New Deal follies. We have bought, and there can be no question about it, because I take my figures from the Treasury Department——

Mr. SIROVICH. Mr. Chairman, will the gentleman yield for a little question?

Mr. FISH. Certainly.

Mr. SIROVICH. Would the gentleman be kind enough, as the exponent of your economic philosophy on gold, to explain the fine philosophy that the Republicans had under Hoover that brought about this great economic depression that the gentleman is criticizing today?

Mr. FISH. As the gentleman knows very well, I have 5 minutes, and in 5 minutes I do not propose to defend the Hoover administration. [Laughter.] I will say to the gentleman that if the sound recommendations of Herbert Hoover had not been sabotaged by a Democratic majority in 1930 there would be confidence in the country today, labor would be employed, and you would know in which direction you were going.

The fact is, and it is absolutely undeniable, we have taken $750,000,000 out of the general funds of the Treasury since the first of the year to buy foreign gold with.

How, I ask any Democrat, can you expect to balance the Budget when you have taken out of the Treasury of the United States $750,000,000 since the first of the year to buy foreign gold which does us no good, which is sterilized, and then hidden in the ground, which draws no interest, and for which we pay foreign countries $35 an ounce, or approximately twice the cost of production? We have paid the British Empire in the last 3 years over $1,000,000,000 of profits, and what we have paid to Soviet Russia I do not know, but it runs in the hundreds of millions of dollars. Both of these countries owe us huge war debts. I am waiting for some Democrat, not today but in the near future, to defend this idiotic policy of the administration that is bankrupting the Government, that is taking money directly out of the Treasury to buy gold we do not need, and causing deficits which make it impossible for us to balance the Budget.

I insist that we meet this issue, that we stop buying this gold at $35 an ounce and giving these huge profits to foreign nations, and only buy foreign gold where it is necessary to conduct trade or to pay for services or for debts or for merchandise, and not throw the money of the Government away or give it to foreign governments for something we do not want but must bury in the ground, where it serves no useful purpose.

[Here the gavel fell.]

Mr. SNELL. Mr. Chairman, I am going to make the point of no quorum unless the chairman confines the debate to the bill itself.

Mr. MEAD. Mr. Chairman, I shall be very pleased to do so.

Mr. SNELL. Unless you do that you are going to be confronted with a point of no quorum.

Mr. MEAD. I may say to my distinguished colleague from New York there shall be no more debate on gold, silver, or international finance, and I shall ask the Clerk to read the bill.

The Clerk read as follows:

Be it enacted, etc., That section 5, as amended, of the act entitled "An act reclassifying the salaries of postmasters and employees of the Postal Service, readjusting their salaries and compensation on an equitable basis, increasing postal rates to provide for such readjustment, and for other purposes", approved February 28, 1925, as amended (U. S. C., 1934 ed., title 39, sec. 101; Supp. II, title 39, sec. 101), is amended to read as follows:

"SEC. 5. (a) Watchmen, messengers, and laborers in first- and second-class post offices, the United States Stamped Envelope Agency, and the Railway Mail Service, shall be divided into four grades, as follows: First grade, salary $1,500; second grade, salary $1,600; third grade, salary $1,700; fourth grade, salary $1,800. Such watchmen, messengers, and laborers shall be promoted successively after 1 year's satisfactory service in each grade until they reach the fourth grade. All promotions shall be made at the beginning of the quarter following 1 year's satisfactory service in the grade. Effective at the beginning of the first quarter following the date of enactment of this amendatory section, all watchmen, messengers, and laborers who have served in such positions for 3 or more years shall be promoted to grade 4.

"(b) The pay of substitute watchmen, messengers, and laborers in such post offices, Agency, and Service shall be at the rate of 55 cents per hour. Whenever any substitute watchman, messenger, or laborer is appointed to a permanent position as watchman, messenger, or laborer, he shall receive credit for actual time served as a substitute, on a basis of 1 year for each 254 days of 8 hours served as a substitute, and shall be appointed to the grade to which he would have progressed had his original appointment as substitute been to grade 1. Any fractional part of a year's service as a substitute watchman, messenger, or laborer shall be included with service as a watchman, messenger, or laborer in any such post office, Agency, or Service in determining eligibility for promotion to the next higher grade following appointment to a regular position."

With the following committee amendments:

Page 2, line 6, strike out "four" and insert in lieu thereof "three"; in line 8, strike out "$1,700; fourth grade, salary $1,800" and insert "$1,700"; in line 11, strike out "fourth" and insert in lieu thereof "third"; in line 13, after the word "grade", strike out the remainder of the line and all of lines 14, 15, 16, and 17.

The committee amendments were agreed to.

The Clerk read as follows:

SEC. 2. The third, fourth, and fifth paragraphs (relating to the classification, promotion, and pay of laborers in the Railway Mail Service) of section 7 of such act, as amended (U. S. C., 1934 ed., title 39, secs. 606 and 607), are hereby repealed, effective when the amendments made by section 1 of this act are operative.

Mr. McCORMACK. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. MCCORMACK: Page 3, after line 14, insert a new section, to be known as section 3, to read as follows:

"That the fifth paragraph, under the heading 'Custodial service', in section 13 of the Classification Act of 1923, as amended (U. S. C., 1934 ed., Supp. 2, title V, sec. 673), is hereby amended by striking out the proviso in the last sentence and inserting in lieu thereof: '*Provided*, That the annual rate of compensation for charwomen working part time shall be $900, and the annual rate of compensation for head charwoman working part time shall be $1,000: *Provided further*, That this section shall take effect July 1, 1937.'"

Mr. McCORMACK. Mr. Chairman, this amendment briefly relates to the charwomen in the Federal service who

work part time. At the present time they work about 5 hours a day, and they are paid by the hour and receive $10, $11, and $12 a week, sometimes $13—anywhere from $10 to $13 per week. If there is one class of employees that is entitled to consideration, it is charwomen in the employ of the Federal Government. Most of them are widows; some of them have had unfortunate marriages, but practically all of them have children dependent upon them, and they are noble women working at very hard work in order to keep their little families together. A few years ago the House passed a bill enabling them to be paid on holidays. They were even, up until a few years ago, denied being paid for holidays, and I introduced a bill and the House unanimously passed it and the Senate passed it, and that bill became a law providing for payment of their wages for holidays. I do not know of any group more deserving of consideration than the group that my amendment will benefit, and they are a very small group. I am absolutely in favor of the bill as reported by the Committee on the Post Office and Post Roads. I hope my amendment will be adopted and that the bill as amended will pass.

Mr. SIROVICH. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. Yes.

Mr. SIROVICH. Does the gentleman's amendment apply only to charwomen in the post office in the whole country?

Mr. McCORMACK. The charwomen in the custodial service.

Mr. ROMJUE. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. Yes.

Mr. ROMJUE. I am interested in what the gentleman proposes, but we have some bills now before the committee involving this very subject which you have discussed, and to which the commitee very much desires to give separate consideration. We would prefer that the gentleman do not insist upon this amendment and that he attend a meeting which we will have soon upon this very proposition. We do not like to load this bill down.

Mr. McCORMACK. I would not undertake to load the bill. I am for this bill. I think this strengthens the bill. The gentleman will notice that I introduced a bill for $1,000 for the charwomen and $1,200 for the head charwoman, but in my amendment I reduced it to $900 and $1,000 for the head charwoman. I think this strengthens the bill, and I hope that my friend will not oppose the amendment.

Mr. ROMJUE. Mr. Chairman, I rise in opposition to the amendment. This amendment presents purely a labor question. I am very much interested in these charwomen being paid for their faithful work. The Post Office Committee has bills pending before it now to which we will give consideration very soon, and I am very sure that we will work out some legislation, but we prefer not to have that brought into this legislation. This bill deals simply and purely with the Postal Service—handling the mails, and so forth—and the amendment which the gentleman proposes is foreign to this subject. I believe that a point of order would have laid against it if offered. I hope the amendment will not be adopted. I say to the gentleman and to members of the committee that the other members of this Post Office Committee are very much interested in this subject and are just getting ready to give consideration to it. This amendment should not be added to this bill. I desire to deal fairly with the subject when it comes up before our regular committee.

Mr. LUDLOW. Mr. Chairman, will the gentleman yield?

Mr. ROMJUE. Yes.

Mr. LUDLOW. I wonder if the gentleman could tell us, or the gentleman from Massachusetts could tell us, how many charwomen there are that would be benefited by this legislation and how much it would cost?

Mr. McCORMACK. I think throughout the country there are approximately 1,000. It is probably the smallest class of Federal employees. This would represent an increase of approximately $200 a year for this group.

Mr. LUDLOW. I am not at all unsympathetic to the gentleman's fine humanitarian purposes, which have so often been exemplified in his service in this House, and of course I think the low-paid groups ought to have an increase in salary, but I am wondering if a more systematic way of doing it would not be as the gentleman from Missouri suggests, have a hearing and get some detail as to what it would mean.

Mr. McCORMACK. The matter has been given profound consideration. The gentleman from Missouri himself says he is in favor of the purpose of the amendment if considered separately. On the other hand, both of these groups are groups that are deserving of consideration. My amendment relates to the smallest group of Federal employees, and certainly one of the most deserving groups. I think this strengthens the bill. I would not offer any amendment to the bill unless I felt it would strengthen it.

Mr. ROMJUE. I am sure the gentleman would not; but the committee has not had an opportunity to give this subject the study and consideration it should receive. We have no idea how many people would be involved. However, I am in sympathy with the general purpose of it, but it is an entirely separate and distinct question from the mail service, and for that reason I do not think we should put it onto this bill.

Mr. MEAD. Mr. Chairman, will the gentleman yield?

Mr. ROMJUE. I yield.

Mr. MEAD. I think there is a question of order here. Personally, I am in favor of the amendment offered by the gentleman from Massachusetts, and I trust our committee will bring out a general custodial bill that will contain that provision. However, the bill now before us pertains to the Postal Service, and the genesis of this act is rooted in postal legislation, while the genesis of all acts affecting custodial service is from the Civil Service Committee. The amendment has no connection with this legislation or its antecedents; therefore I am afraid it might not be in order. I am also very much afraid that by adding personnel not in this same category we might jeopardize the future of this legislation. I trust the amendment will not be adopted.

The CHAIRMAN. The time of the gentleman from Missouri [Mr. ROMJUE] has expired.

The question is on the amendment offered by the gentleman from Massachusetts [Mr. McCORMACK].

The amendment was rejected.

Mr. MEAD. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. GREEVER, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill H. R. 6383, directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and the bill as amended do pass.

Mr. MEAD. Mr. Speaker, I move the previous question on the bill and all amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

On motion by Mr. MEAD, a motion to reconsider the vote by which the bill was passed was laid on the table.

ADJUSTING RANK OF CERTAIN COAST GUARD OFFICERS ON THE RETIRED LIST

Mr. BLAND. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6293) to adjust the rank of certain Coast Guard officers on the retired list, with a Senate amendment, and agree to the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 10, after "retired", insert "whether before or at any time after the termination of his service as commandant."

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

PERMISSION TO FILE REPORT

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight within which to file a report.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. KENNEY. Mr. Speaker, I ask unanimous consent to extend my own remarks and include therein a small article written by John Borg.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a radio address delivered by myself this afternoon.

The SPEAKER. Is there objection?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. VINSON of Georgia, for 10 days, on account of important business.

To Mr. EBERHARTER (at the request of Mr. DEMUTH), for 3 days, on account of death in family.

To Mr. ELLENBOGEN, for 3 days, on account of illness.

SENATE JOINT RESOLUTION REFERRED

A joint resolution of the Senate of the following title was taken from the Speaker's table and under the rule referred as follows:

S. J. Res. 155. Joint resolution to create a Joint Congressional Committee on Tax Evasion and Avoidance; to the Committee on Rules.

ADJOURNMENT

Mr. RAYBURN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 34 minutes p. m.) the House adjourned until tomorrow, Thursday, June 3, 1937, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE POST OFFICE AND POST ROADS

A hearing will be conducted by subcommittee no. 4 (air mail) Thursday, June 3, 1937, at 10 a. m., on H. R. 6044, experimental air-mail feeder routes for cities and towns not receiving direct air-mail service.

COMMITTEE ON THE JUDICIARY

There will be a hearing before subcommittee no. 3 of the Committee on the Judiciary, Friday, June 4, 1937, at 10:30 a. m., on H. R. 4650, to amend section 40 of the United States Employees' Compensation Act, as amended (the term "physician" to include surgeons and osteopathic practitioners).

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a. m., Tuesday, June 8, 1937, to hold hearings on H. R. 6968, to amend the Securities Act of 1933.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

643. A letter from the Acting Comptroller General of the United States, transmitting the report and recommendation to Congress concerning the claim of List & Clark Construction Co. against the United States, with request that you lay same before the House of Representatives; to the Committee on Claims.

644. A letter from the Secretary of the Navy, transmitting the draft of a bill to authorize the assignment of officers of the line of the Marine Corps to staff duty only as assistant quartermasters and assistant paymasters, and for other purposes; to the Committee on Naval Affairs.

645. A letter from the Acting Secretary of the Interior, transmitting the draft of a bill for the benefit of the Omaha and Winnebago Indians of Nebraska; to the Committee on Indian Affairs.

646. A letter from the Assistant Secretary of Commerce, transmitting the draft of a proposed bill to provide more effectively for the marking of wrecked and sunken craft for the protection of navigation, to improve the efficiency of the Lighthouse Service, and for other purposes; to the Committee on Merchant Marine and Fisheries.

647. A letter from the Assistant Secretary of Commerce, transmitting the draft of a proposed bill to authorize the Secretary of Commerce to continue the existing system of classification and pay of positions of lighthouse keepers; to the Committee on the Civil Service.

648. A letter from the Assistant Secretary of Commerce, transmitting the draft of a proposed bill to authorize the Secretary of Commerce to convey to the Commissioners of the Palisades Interstate Park, a body politic of the State of New York, certain portions of the Stony Point Light Station Reservation, Rockland County, N. Y., including certain appurtenant structures, and for other purposes; to the Committee on Merchant Marine and Fisheries.

649. A letter from the Acting Secretary of the Interior, transmitting a bill providing for the sale of the two dormitory properties belonging to the Chickasaw Nation or Tribe of Indians, in the vicinity of the Murray State School of Agriculture at Tishomingo, Okla.; to the Committee on Indian Affairs.

650. A letter from the Acting Secretary of the Interior, transmitting a bill to authorize the sale of part of the lands belonging to the Palm Springs or Agua Caliente Band of Mission Indians, and for other purposes; to the Committee on Indian Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 or rule XIII,

Mr. WARREN: Committee on Merchant Marine and Fisheries. H. R. 1961. A bill to authorize the conveyance by the United States to the State of Wisconsin of a portion of the Twin River Point Lighthouse Reservation, and for other purposes; without amendment (Rept. No. 920). Referred to the Committee of the Whole House on the state of the Union.

Mr. WARREN: Committee on Merchant Marine and Fisheries. H. R. 3414. A bill to provide for the establishment of a Coast Guard station at or near Manistique, Mich.; with amendment (Rept. No. 921). Referred to the Committee of the Whole House on the state of the Union.

Mr. WARREN: Committee on Merchant Marine and Fisheries. H. R. 3416. A bill to provide for the establishment ment of a Coast Guard station at Menominee, Mich.; with amendment (Rept. No. 922). Referred to the Committee of the Whole House on the state of the Union.

Mr. WARREN: Committee on Merchant Marine and Fisheries. H. R. 5040. A bill to provide for the establishment of three Coast Guard stations on the north shore of Lake Superior; with amendment (Rept. No. 923). Referred to the Committee of the Whole House on the state of the Union.

Mr. PETERSON of Florida: Committee on Merchant Marine and Fisheries. H. R. 5140. A bill to provide for the establishment of a Coast Guard station at St. Augustine, Fla.; with amendment (Rept. No. 924). Referred to the Committee of the Whole House on the state of the Union.

Mr. DIMOND: Committee on Merchant Marine and Fisheries. H. R. 5860. A bill making further provision for the fisheries of Alaska; without amendment (Rept. No. 925). Referred to the Committee of the Whole House on the state of the Union.

Mr. O'CONNOR of New York: Committee on Rules. Senate Joint Resolution 155. Joint resolution to create a Joint Congressional Committee on Tax Evasion and Avoidance; with amendment (Rept. No. 926). Referred to the Committee of the Whole House on the state of the Union.

Mr. O'CONNOR of New York: Committee on Rules. House Resolution 226. Resolution to make Senate Joint Resolution 155, a joint resolution to create a Joint Congressional Committee on Tax Evasion and Avoidance a special order of business; without amendment (Rept. No. 927). Referred to the House Calendar.

ADVERSE REPORTS

Under clause 2 of rule XIII,

Mr. VINSON of Georgia: Committee on Naval Affairs. House Resolution 213. Resolution directing the Secretary of the Navy to transmit certain information to the House of Representatives (Rept. No. 928). Laid on table.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FITZPATRICK: A bill (H. R. 7347) to authorize the Secretary of War to lease the Fort Schuyler Military Reservation, N. Y.; to the Committee on Military Affairs.

By Mr. FERNANDEZ: A bill (H. R. 7348) declaring Bayou Savage, also styled Bayou Chantilly, in the city of New Orleans, La., a nonnavigable stream; to the Committee on Interstate and Foreign Commerce.

By Mr. HANCOCK of North Carolina: A bill (H. R. 7349) to provide for certain holidays in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. JOHNSON of West Virginia: A bill (H. R. 7350) to provide local flood protection for the city of Kenova, W. Va., and the town of Ceredo, W. Va.; to the Committee on Flood Control.

By Mrs. NORTON (by request): A bill (H. R. 7351) to prohibit the use of buildings or premises in the District of Columbia for the carrying on of certain undesirable industries; to the Committee on the District of Columbia.

By Mr. HILL of Alabama (by request): A bill (H. R. 7352) to authorize the transfer of certain military reservations to other agencies of the Government and to the people of Puerto Rico, and for other purposes; to the Committee on Military Affairs.

By Mr. IZAC: A bill (H. R. 7353) to authorize the erection of a United States Veterans' Administration hospital in or near the city of San Diego; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 7354) for the relief of certain officers of the United States Navy and the United States Marine Corps; to the Committee on Naval Affairs.

By Mr. O'MALLEY: A bill (H. R. 7355) to amend the act entitled "The Social Security Act", approved August 14, 1935; to the Committee on Ways and Means.

By Mr. MAVERICK: Resolution (H. Res. 224) to create a select committee of the House to investigate unemployment and the administration of relief; to the Committee on Rules.

Also, resolution (H. Res. 225) to create a standing committee of the House to be known as the Committee on Public Works and Welfare; to the Committee on Rules.

Also, joint resolution (H. J. Res. 395) providing for the appointment of a National Unemployment and Relief Commission; to the Committee on Labor.

By Mr. SCHAEFER of Illinois: Concurrent resolution (H. Con. Res. 16) to print a revised edition of the Biographical Directory of the American Congress up to and including the Seventy-fifth Congress; to the Committee on Printing.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of Puerto Rico, urging the Congress to enact House bill 4006; to the Committee on Rivers and Harbors.

Also, memorial from the secretary of Hawaii, transmitting certified copy of act 210, which was enacted by the Legislature of the Territory of Hawaii in its regular session of 1937; to the Committee on the Territories.

Also, memorial of the Territory of Hawaii, including certified copies of acts 228 and 247, which were enacted by the Legislature of the Territory of Hawaii in its regular session of 1937; to the Committee on the Territories.

Also, memorial of the Wisconsin Legislature, urging the Congress to enact an amendment to the Constitution of the United States to submit a declaration of war to a referendum of the people; to the Committee on the Judiciary.

Also, memorial of the Fifty-second Legislature of the State of California, urging the President and the Congress to enact legislation to relieve California champagne makers from discriminatory regulations of the Federal Alcohol Administration; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARRY: A bill (H. R. 7356) to correct the military record of Emilio Petrucelli; to the Committee on Military Affairs.

By Mr. CULLEN: A bill (H. R. 7357) for the relief of Giovanni Raffa; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 7358) for the relief of Giuseppe Sciacca; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 7359) for the relief of Esther Steck; to the Committee on Immigration and Naturalization.

By Mr. GREENWOOD: A bill (H. R. 7360) granting a pension to C. O. (Ola) Brown; to the Committee on Invalid Pensions.

By Mr. McGROARTY: A bill (H. R. 7361) for the relief of Albert O. Reeder; to the Committee on Military Affairs.

By Mrs. NORTON: A bill (H. R. 7362) for the relief of Frank A. Fical; to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2488. By Mr. COLDEN: Petition of 25 citizens of Los Angeles, Calif., and vicinity, expressing approval of the President's program for the reorganization of the Supreme Court and pledging their wholehearted support; also urging upon Congress the early passage of the President's proposal as the only immediately available method to make possible progressive legislation now imperative if democracy is not to fail; to the Committee on the Judiciary.

2489. Also, petition of 27 citizens of Berkeley, Calif., expressing approval of the President's program for the reorganization of the Supreme Court and pledging their wholehearted support; also urging upon Congress the early passage of the President's proposal as the only immediately available method to make possible progressive legislation now imperative if democracy is not to fail; to the Committee on the Judiciary.

2490. Also, petition of 22 citizens of Berkeley and Oakland, Calif., expressing approval of the President's program for the reorganization of the Supreme Court and pledging their wholehearted support; also urging upon Congress the early passage of the President's proposal as the only immediately available method to make possible progressive legislation now imperative if democracy is not to fail; to the Committee on the Judiciary.

2491. Also, petition of 35 citizens of California, expressing approval of the President's program for the reorganization of

the Supreme Court and pledging their wholehearted support; also urging upon Congress the early passage of the President's proposal as the only immediately available method to make possible progressive legislation now imperative if democracy is not to fail; to the Committee on the Judiciary.

2492. Also, petition of 17 citizens of California, expressing approval of the President's program for the reorganization of the Supreme Court and pledging their wholehearted support; also urging upon Congress the early passage of the President's proposal as the only immediately available method to make possible progressive legislation now imperative if democracy is not to fail; to the Committee on the Judiciary.

2493. By Mr. CROWTHER: Petition of residents of Gloversville, N. Y., protesting against the Tidal Basin as a site for the Jefferson Memorial in Washington, D. C.; to the Committee on the Library.

2494. Also, petition of citizens of Montgomery County, N. Y., opposing enactment of House bill 3291; to the Committee on the District of Columbia.

2495. By Mr. HILDEBRANDT: Petition regarding reduced interest rates on Federal farm or land bank mortgages; to the Committee on Banking and Currency.

2496. By Mr. PETERSON of Georgia: Petition of citizens of Emanuel County, Ga., concerning the old-age pension bill (H. R. 2257); to the Committee on Ways and Means.

2497. By Mr. RICH: Petition of Mrs. J. D. Jenkins, of Harrison Valley, Pa., protesting against the passage of legislation to abridge the religious rights of the American people; to the Committee on the Judiciary.

2498. By the SPEAKER: Petition of the executive committee of the National Association of Supervisors of State Banks, Washington, D. C., opposing Senate bill 2347; to the Committee on Banking and Currency.

2499. Also, petition of the Housing Authority of the City of Bridgeport, endorsing the Wagner-Steagall bill; to the Committee on Banking and Currency.

SENATE

THURSDAY, JUNE 3, 1937

(Legislative day of Tuesday, June 1, 1937)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

THE JOURNAL

On request of Mr. ROBINSON, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, June 1, 1937, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Megill, one of its clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 430. An act conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of Elmer E. Miller;

S. 451. An act for the relief of Farley J. Holloman;

S. 522. An act for the relief of R. R. Purcell;

S. 556. An act for the relief of W. B. Greeley;

S. 609. An act for the relief of Edith Lewis White;

S. 733. An act conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment on the claim of Robert A. Watson;

S. 1081. An act for the relief of H. G. Carriere, Charles E. Livingston, and John Latham;

S. 1471. An act for the relief of Jordan Roberts;

S. 1479. An act for the relief of the estate of Charles White;

S. 1507. An act authorizing the return of the commission of John Baptiste Ashe as a major in the Continental Army to Martha B. Rogers, nee Ashe;

S. 1572. An act for the relief of Frank Fisher;

S. 1753. An act for the relief of James A. Fox; and

S. 2059. An act to authorize Austin H. Clark and Ellsworth P. Killip, of the United States National Museum, to accept certain decorations, respectively, from the Danish and French Governments.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H. R. 6293) to adjust the rank of certain Coast Guard officers on the retired list.

The message further announced that the House had passed the following bills of the Senate severally with an amendment, in which it requested the concurrence of the Senate:

S. 470. An act for the relief of Joseph M. Cacace, Charles M. Cacace, and Mary E. Clibourne;

S. 665. An act to credit the account of Everett P. Sheridan;

S. 673. An act for the relief of S. T. Dickinson; and

S. 1936. An act for the relief of the estate of Elmer W. Laub, deceased.

The message also announced that the House had passed the following bills of the Senate severally with amendments, in which it requested the concurrence of the Senate:

S. 274. An act for the relief of Joseph N. Wenger, lieutenant, United States Navy, and for other purposes;

S. 455. An act for the relief of J. R. Collie and Eleanor Y. Collie;

S. 1067. An act for the relief of Asa J. Hunter;

S. 1112. An act awarding a Navy Cross to John W. Thomason; and

S. 1699. An act granting an annuity to Frank W. Carpenter.

The message further announced that the House had passed the following bills and joint resolutions, in which it requested the concurrence of the Senate:

H. R. 418. An act for the relief of Bertram Lee Schoonmaker;

H. R. 432. An act for the relief of Lillian M. Lanphear;

H. R. 563. An act for the relief of E. W. Garrison;

H. R. 607. An act for the relief of Dorothy McCourt;

H. R. 991. An act for the relief of Adelaide Guerini;

H. R. 1235. An act for the relief of John Brennan;

H. R. 1310. An act for the relief of Clifford R. George and Mabel D. George;

H. R. 1406. An act for the relief of Frank S. Walker;

H. R. 1761. An act for the relief of Paul J. Francis;

H. R. 2080. An act for the relief of Eleanora S. Richardson;

H. R. 2404. An act for the relief of James Philip Coyle;

H. R. 2429. An act for the relief of Eugene Nicholas;

H. R. 2482. An act for the relief of Lonnie O. Ledford;

H. R. 2562. An act for the relief of Mr. and Mrs. David Stoppel;

H. R. 2641. An act for the relief of John Stevens and the estate of Fred Hausauer, Jr.;

H. R. 2657. An act authorizing the Secretary of the Navy to advance on the retired list of the Navy David J. Mahoney, David Bolger, Cleve B. Farran, James Johnson, and Hans Terkelsen, retired, to chief boilermaker, retired;

H. R. 3002. An act for the relief of Timothy Joseph McCarthy;

H. R. 3217. An act for the relief of Vincent Chicco;

H. R. 3259. An act for the relief of Laura E. Alexander;

H. R. 3262. An act for the relief of John H. Wykle;

H. R. 3339. An act for the relief of Allie Rankin;

H. R. 3565. An act for the relief of the Northwestern Ohio Mutual Rodded Fire Insurance Co.;

H. R. 3809. An act for the relief of H. E. Wingard;

H. R. 3958. An act for the relief of Lettie Leverett;

H. R. 3959. An act for the relief of Jack Stuckey;

H. R. 4256. An act conferring jurisdiction on the United States District Court for the Northern District of California to hear, determine, and render judgment upon the suit in equity of Theodore Fieldbrave against the United States;

H. R. 4575. An act for the relief of A. R. Netterville, Sr.;

H. R. 4623. An act for the relief of C. O. Eastman;

H. R. 4682. An act for the relief of W. R. Fuchs;

H. R. 4942. An act for the relief of Alfred L. Mallery;

H. R. 5113. An act for the relief of Charles W. Langridge;

H. R. 5194. An act granting a renewal of Patent No. 60731 relating to the badge of the Girl Scouts, Inc.;

H. R. 5195. An act for the relief of G. F. Flanders and J. W. Talbert;

H. R. 5200. An act for the relief of the Premier Carpet & Linoleum Co., Ltd.;

H. R. 5258. An act for the relief of the Jackson Casket & Manufacturing Co.;

H. R. 5308. An act for the relief of Anna Caporaso;

H. R. 5337. An act for the relief of Charles B. Murphy;

H. R. 5495. An act for the relief of Anne E. Felix;

H. R. 5880. An act to amend Private Act No. 210, approved August 13, 1935, by substituting as payee therein the Clark Dredging Co. in lieu of the Bowers Southern Dredging Co.;

H. R. 6230. An act for the relief of certain former disbursing officers of the Veterans' Administration and of the Bureau of War Risk Insurance, Federal Board for Vocational Education, and the United States Veterans' Bureau (now Veterans' Administration);

H. R. 6383. An act to reclassify the salaries of watchmen, messengers, and laborers in the Postal Service, and to prescribe the time credits for service as substitute watchmen, messengers, and laborers, and for other purposes;

H. R. 6628. An act to permit the further extension of the Air Mail Service;

H. R. 7021. An act validating and confirming certain mineral patents issued for lands situated in T. 5 S., R. 15 E., Montana principal meridian, in the State of Montana;

H. J. Res. 335. Joint resolution authorizing the Secretary of War to receive for instruction at the United States Military Academy at West Point Olmedo Alfaro, a citizen of Ecuador;

H. J. Res. 339. Joint resolution granting permission to George E. Ijams, civilian employee of the Veterans' Administration, to accept and wear the decoration bestowed upon him by the Republic of France;

H. J. Res. 349. Joint resolution authorizing certain retired officers or employees of the United States to accept such decorations, orders, medals, or presents as have been tendered them by foreign governments;

H. J. Res. 361. Joint resolution making appropriations for relief purposes; and

H. J. Res. 394. Joint resolution making an appropriation for expenses of the Marine Band in attending the United Confederate Veterans' Reunion at Jackson, Miss., in 1937.

CALL OF THE ROLL

Mr. LEWIS. I note the absence of a quorum, and ask for a roll call.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Clark	Johnson, Calif.	Pepper
Andrews	Connally	Johnson, Colo.	Pittman
Ashurst	Copeland	La Follette	Pope
Bailey	Davis	Lee	Radcliffe
Bankhead	Dieterich	Lewis	Reynolds
Barkley	Donahey	Logan	Robinson
Berry	Duffy	Lonergan	Russell
Bilbo	Ellender	Lundeen	Schwartz
Black	Frazier	McAdoo	Schwellenbach
Bone	George	McCarran	Steiwer
Borah	Gerry	McGill	Thomas, Okla.
Bridges	Gibson	McKellar	Thomas, Utah
Brown, Mich.	Gillette	McNary	Townsend
Brown, N. H.	Guffey	Maloney	Truman
Bulkley	Harrison	Minton	Tydings
Bulow	Hatch	Moore	Vandenberg
Burke	Hayden	Murray	Van Nuys
Byrd	Herring	Neely	Wagner
Byrnes	Hitchcock	Norris	Walsh
Capper	Holt	Nye	White
Caraway	Hughes	O'Mahoney	

Mr. LEWIS. I announce that the Senator from Virginia [Mr. GLASS] is detained from the Senate because of illness in his family, and the Senator from Utah [Mr. KING] is absent because of illness.

The Senator from New Mexico [Mr. CHAVEZ], the Senator from Rhode Island [Mr. GREEN], the Senator from Louisiana [Mr. OVERTON], the Senator from New Jersey [Mr. SMATHERS], the Senator from Texas [Mr. SHEPPARD], the Senator from South Carolina [Mr. SMITH], and the Senator from Montana [Mr. WHEELER] are detained on important public business.

Mr. McNARY. I announce that the Senator from Vermont [Mr. AUSTIN], the Senator from Massachusetts [Mr. LODGE], and the Senator from Minnesota [Mr. SHIPSTEAD] are necessarily absent.

The VICE PRESIDENT. Eighty-three Senators have answered to their names. A quorum is present.

RENEWAL OF STAR-ROUTE CONTRACTS—CONFERENCE REPORT

Mr. HAYDEN submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4408) to provide for the renewal of star-route contracts at 4-year intervals, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 5 and 9.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 7, and 8, and agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment, insert the following: "General: *Provided*, That no contract which has theretofore been sublet, no contract which is held by any contractor who is not eligible to bid under section 5 of this amendatory Act, and no contract which is performed principally by employees of the contractor shall be renewed by virtue of this section: *And provided further*, That prior to the renewal of any regular contract for a four-year period the Post Office Department shall, among other things, take into consideration (1) whether the service rendered by the contractor has been satisfactory to the patrons of the star route and to said Department, (2) whether the roads traversed in serving the star route have been materially improved in the meantime, and (3) the kind and character of the equipment provided by the contractor"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be stricken out by the Senate amendment, insert the following:

"The Postmaster General may, in his discretion, and in the interest of the Postal Service and under such regulations as he may prescribe, allow extra pay to a contractor for necessary increased travel caused by obstruction of roads, destruction of bridges, or discontinuance of ferries occurring during the contract term, but no extra pay allowed shall be proportionately greater than the rate established by the contract involved."

And the Senate agree to the same.

CARL HAYDEN,
JOSIAH W. BAILEY,
W. J. BULOW,
LYNN J. FRAZIER,
Managers on the part of the Senate.

T. G. BURCH,
HARRY L. HAINES,
FRED H. HILDEBRANDT,
FRANK CARLSON,
E. HAROLD CLUETT,
Managers on the part of the House.

The report was agreed to.

Mr. HAYDEN. Mr. President, I submit a concurrent resolution relative to the enrollment of the bill the conference report on which has just been agreed to.

The VICE PRESIDENT. The resolution will be read.

The concurrent resolution (S. Con. Res. 16) was read, as follows:

Resolved by the Senate (the House of Representatives concurring), That in the enrollment of the bill (H. R. 4408) to provide for the renewal of star-route contracts at 4-year intervals, and for other purposes, the Clerk of the House is authorized and directed to strike out in section 2 "stated in" and insert in lieu thereof "required under", and to strike out in section 4 the word "contract" where it appears immediately preceding the word "legally" and insert in lieu thereof the word "contractor."

Mr. HAYDEN. I ask unanimous consent for the immediate consideration of the resolution.

There being no objection, the concurrent resolution was considered and agreed to.

ATTENDANCE OF MARINE BAND AT CONFEDERATE REUNION

The VICE PRESIDENT laid before the Senate the joint resolution (H. J. Res. 394) making an appropriation for

expenses of the Marine Band in attending the United Confederate Veterans' Reunion at Jackson, Miss., in 1937, which was read twice by its title and referred to the Committee on Appropriations.

Mr. McKELLAR. Mr. President, from the Committee on Appropriations I am authorized to report back favorably, without amendment, the House joint resolution just laid before the Senate, and I ask unanimous consent for its immediate consideration. As will be noted, $5,300 is the amount proposed to be appropriated by the joint resolution for the expenses of the Marine Band in attending the reunion.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution was considered, ordered to a third reading, read the third time, and passed, as follows:

Resolved, etc., That for carrying out the provisions of the act entitled "An act to authorize the attendance of the Marine Band at the United Confederate Veterans' 1937 Reunion at Jackson, Miss., June 9, 10, 11, and 12, 1937", approved May 24, 1937, there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $5,300.

ADHERENCE TO MERIT SYSTEM IN PUBLIC EMPLOYMENT

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, which was read, and, with the accompanying paper, referred to the Committee on Civil Service, as follows:

THE WHITE HOUSE,
Washington, June 2, 1937.

The Honorable the VICE PRESIDENT,
Washington, D. C.

MY DEAR MR. VICE PRESIDENT: I have received a communication from the Civil Service Commission which states that in addition to numerous other bills exempting from the merit system all but minor positions there have been more than 70 bills introduced in this session of Congress which propose complete exemption for all positions affected thereby. A copy of the Commission's letter is herewith.

Aside from the undoubted fact that the merit system affords the best method for administration of Government business, the particular feature of the system which has the greatest appeal is the open competition it provides to the taxpayers to seek the public employment for which they pay. Please let me urge upon the Congress the desirability of placing all but policy-forming positions under the merit system.

Very sincerely yours,

FRANKLIN D. ROOSEVELT.

MACKAY RADIO & TELEGRAPH CO.

The VICE PRESIDENT laid before the Senate a letter from the Chairman of the Federal Communications Commission, transmitting, in further response to Senate Resolution 133 (submitted by Mr. BORAH and agreed to on May 17, 1937), copies of exhibits introduced in evidence in the hearings upon the application of the Mackay Radio & Telegraph Co., Inc., for modification of licenses to add Oslo, Norway, as a point of communication, which, with the accompanying documents, was ordered to lie on the table.

CLAIM OF LIST & CLARK CONSTRUCTION CO.

The VICE PRESIDENT laid before the Senate a letter from the Acting Comptroller General of the United States, transmitting, pursuant to law, a report and recommendation concerning the claim of List & Clark Construction Co. against the United States, which, with the accompanying paper, was referred to the Committee on Claims.

ACTS OF THE HAWAIIAN LEGISLATURE

The VICE PRESIDENT laid before the Senate letters from the secretary of the Territory of Hawaii (submitted through the Department of the Interior), transmitting copies of the following acts of the Legislature of the Territory of Hawaii, which were referred to the Committee on Territories and Insular Affairs:

210. An act directing and authorizing the Board of Supervisors of the City and County of Honolulu to issue bonds in the sum of $1,750,000 for the construction of a sanitary sewer system in the city of Honolulu;

228. An act to amend Act No. 203, Session Laws of Hawaii, 1935 (series E–182, Session Laws, 1935), relating to public improvements and providing for the issuing of bonds therefor; and

247. An act to provide for public improvements.

DRAFTS OF PROPOSED LEGISLATION BY DEPARTMENT OF COMMERCE

The VICE PRESIDENT laid before the Senate a letter from the Assistant Secretary of Commerce, transmitting a draft of proposed legislation to provide more effectively for the marking of wrecked and sunken craft for the protection of navigation, to improve the efficiency of the Lighthouse Service, and for other purposes, which, with the accompanying papers, was referred to the Committee on Commerce.

The VICE PRESIDENT also laid before the Senate a letter from the Assistant Secretary of Commerce, transmitting a draft of proposed legislation to authorize the Secretary of Commerce to convey to the Commissioners of the Palisades Interstate Park, a body politic of the State of New York, certain portions of the Stony Point Light Station Reservation, Rockland County, N. Y., including certain appurtenant structures, and for other purposes, which, with the accompanying paper, was referred to the Committee on Commerce.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a resolution adopted by stockholders of the Ford County National Farm Loan Association and the Artesian Valley National Farm Loan Association of the ninth Federal land bank district, Dodge City, Kans., favoring the enactment of legislation to extend the 3½-percent interest rate on all Federal land bank loans and to defer the principal payments on loans for at least a year, which was referred to the Committee on Banking and Currency.

He also laid before the Senate a resolution adopted by the Housing Authority of the City of Bridgeport, favoring the prompt enactment of slum-clearance and low-cost housing legislation, which was referred to the Committee on Education and Labor.

He also laid before the Senate a resolution adopted at Chicago, Ill., by the International Convention of Red Caps, favoring the enactment of legislation establishing redcaps to be employees of common carriers and entitled to the privileges afforded to other crafts in the transportation systems, which was referred to the Committee on Interstate Commerce.

He also laid before the Senate a resolution adopted by the Florida Society in the East, New York City, N. Y., favoring the erection of the proposed Thomas Jefferson Memorial on a prominent hill on the Virginia side of the Potomac River, clearly visible from the Capital City, and in a style favored by Jefferson as expressed in his writings and architectural designs, rather than the erection of such memorial in the vicinity of the Tidal Basin in the District of Columbia, which was ordered to lie on the table.

Mr. CAPPER presented a memorial of sundry citizens of Wichita, Kans., remonstrating against the enactment of the bill (S. 1270) to regulate barbers in the District of Columbia, and for other purposes, which was referred to the Committee on the District of Columbia.

He also presented a petition of sundry citizens of Wichita, Kans., praying for the enactment of the so-called Gavagan antilynching bill, which was referred to the Committee on the Judiciary.

LOW-COST HOUSING

Mr. WAGNER. Mr. President, I present and ask unanimous consent to have printed in the RECORD and appropriately referred certain letters and resolutions endorsing the pending low-cost housing bill.

There being no objection, the letters and resolutions were referred to the Committee on Education and Labor and ordered to be printed in the RECORD, as follows:

UNITED STATES CONFERENCE OF MAYORS,
Washington, D. C., May 31, 1937.

Hon. ROBERT F. WAGNER,
Senate Office Building, Washington, D. C.

MY DEAR SENATOR WAGNER: I attach herewith a copy of a resolution unanimously adopted on May 15 at the Los Angeles regional

meeting of the United States Conference of Mayors. At this meeting there were present the chief executives of practically all the major cities of the Western States.

I should appreciate it if you would insert this in the CONGRESSIONAL RECORD.

I am,

Faithfully yours,

PAUL V. BETTERS,
Executive Director.

Whereas there has now been introduced in the Congress of the United States the Wagner-Steagall housing bill; and

Whereas this legislation follows the principles recommended by the last two annual conferences of the United States Conference of Mayors; and

Whereas this legislation sets up a long-term program for the elimination of slum areas where they exist and the construction of low-rent housing: Therefore be it

Resolved, That this Los Angeles regional conference of the United States Conference of Mayors recommend to the Congress of the United States and the appropriate committees thereof the passage of this legislation at this time.

Unanimously adopted, Los Angeles regional meeting, May 15, 1937.

WOMEN'S DEMOCRATIC CLUB OF SYRACUSE,
Syracuse, N. Y., May 28, 1937.

Hon. ROBERT F. WAGNER,
Senate Chamber, Washington, D. C.

MY DEAR SIR: The Women's Democratic Club, at their meeting held Monday evening, May 24, were pleased to endorse the Wagner-Steagall bill. There were 66 members present.

Enclosed you will find a copy of the resolutions drawn up and signed by the club.

Yours very truly,

WOMEN'S DEMOCRATIC CLUB,
CLARA K. AMIDON, *Secretary.*

Whereas the Syracuse Housing Authority definitely established the fact of the existence of insanitary and substandard housing conditions in certain areas of the city of Syracuse; and

Whereas the elimination of the above substandard conditions and the providing of decent and wholesome housing for the low-income groups is in public interest but is impossible without subsidy; and

Whereas under the present circumstances such subsidy can be adequately provided only through Federal financing; and

Whereas there is before the Congress of the United States a housing bill (S. 1685—H. R. 5033) providing for the above subsidy: Therefore be it

Resolved, That the Women's Democratic Club of Syracuse hereby requests the Senators and Congressmen representing Syracuse in the United States Congress to give their earnest and favorable consideration of the above-mentioned bills; and be it further

Resolved, That a copy of these resolutions be sent to Senator ROBERT F. WAGNER, Senator ROYAL S. COPELAND, and Congressman CLARENCE E. HANCOCK.

LACKAWANNA CITY HOUSING AUTHORITY,
Lackawanna, N. Y., May 25, 1937.

Hon. ROBERT F. WAGNER,
United States Senator of New York,
The Senate Building, Washington, D. C.

DEAR SENATOR WAGNER: Mindful of your personal interest in our country's housing problems we are enclosing a copy of the resolution passed May 24, supporting the Wagner-Steagall bill, which, in our opinion, deals with the problem of slum clearance and low-cost housing in the best manner presented to date.

We therefore appeal to you, having confidence that this bill has your approval, which should assure its passage.

Respectfully yours,

LACKAWANNA MUNICIPAL HOUSING AUTHORITY,
W. H. STEBBINS, *Chairman.*

At a special meeting of the Lackawanna Municipal Housing Authority held May 24, 1937, the following resolution was passed:

"An emergency resolution memorializing the Congress of the United States to enact the United States Housing Act of 1937, being S. 1685 and H. R. 5033

"Whereas many persons in this community are unable to provide themselves and their families with decent, safe, and sanitary housing facilities without some degree of aid from Government; and

"Whereas the continued maintenance of our slum areas is not only socially undesirable but constitutes a great economic drain on the community and should therefore be no longer tolerated; and

"Whereas Lackawanna has already begun its attack on the problem of low-rent housing and slum clearance with the aid of funds made available by the Federal Emergency Administration of Public Works; and

"Whereas there has been introduced in the Congress of the United States the United States Housing Act of 1937, being S. 1685 and H. R. 5033, which, if enacted, will make possible the continuation of the low-cost housing activities of this and other communities; and

"Whereas this resolution constitutes an emergency in that the same provides for the usual daily operation of a municipal department: Now, therefore, be it

"*Resolved by the Lackawanna Municipal Housing Authority of the City of Lackawanna*, That the United States Senate be, and it is hereby, memorialized to enact at the earliest possible date the United States Housing Act of 1937, being Senate bill 1685, and that the House of Representatives be, and it is hereby, memorialized to enact the identical measure, being H. R. 5033; be it further

"*Resolved*, That a copy of this resolution be sent to the President and Vice President of the United States; to the Speaker of the House of Representatives; to Senator HUGO BLACK, chairman of the Senate Committee on Education and Labor; to Representative HENRY B. STEAGALL, chairman of the Committee on Banking and Currency of the House of Representatives; to Senators ROYAL S. COPELAND and ROBERT F. WAGNER, of New York; to JAMES M. MEAD, ALFRED E. BEITER, WALTER G. ANDREWS, Congressmen of the Fortieth, Forty-first, and Forty-second Districts of New York."

The above is a true copy of the resolution passed by the Lackawanna Municipal Housing Authority.

SUZANNE V. KUBIAK, *Secretary.*

Whereas we in Milwaukee, Wis., are urgently aware of the bad housing conditions here and elsewhere, of the acute housing shortage now rapidly growing worse, of the inability of private enterprise or local initiative alone to remedy this situation, and of the suffering caused by chronic unemployment in the building trades; and

Whereas the Wagner-Steagall housing bill, if enacted, would provide the first concrete step toward solving this tremedous national problem: Be it therefore

Resolved, That Office Workers' Union, No. 16456 endorse the Wagner-Steagall bill, and urges its immediate adoption by Congress; and be it further

Resolved, That we hereby petition Congress, in view of the alarming need for new low-rent housing that the financial provisions be doubled, while the administrative set-up remain intact; and be it further

Resolved, That copies of this resolution be sent to the President, to the Senate Committee on Education and Labor, the House Committee on Banking and Currency, to President Green, Senator WAGNER, and to the Senators and Congressmen from this State.

SOCIAL SECURITY—ARTICLE BY DOROTHY THOMPSON—PENDING MINIMUM WAGE AND HOURS OF LABOR BILL

Mr. McCARRAN. Mr. President, on May 31 there appeared in the New York Herald Tribune an article by Miss Dorothy Thompson bearing on the subject of the social-security legislation which has been enacted by Congress. The article is so cogent, so pointed, and so pertinent and appropriate to the legislation as it now exists that I deem it worthy of the consideration of every Member of this body.

In that regard, Mr. President, let me say that it seems to me that the haste with which we approached and finally concluded social-security legislation, as is pointed out by Miss Thompson in the article referred to, is and should be a guide to us in the consideration of pending legislation to take it a little more slowly and a little more studiously. I have reference to the measure now pending before a committee of this body in which it is proposed definitely to fix hours of labor and minimum wages. To my mind, while that philosophy is indeed appropriate, the subject should, nevertheless, be approached with great study and great care, because in that revolutionary movement we will be fixing laws for the centuries yet to come.

I ask unanimous consent that the article presented by me may be printed in the RECORD as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Herald Tribune of May 31, 1937]

ON THE RECORD

By Dorothy Thompson

AGAIN: SOCIAL SECURITY

The fact that the Supreme Court has declared the social-security legislation of the last Congress to be constitutional does not mean that the legislation is good. It is not. It is extremely bad, and it needs serious reconsideration and amendment. I know of no competent students of social insurance, of no outstanding expert, who believe that the present legislation is adequate. The Twentieth Century Fund has spent 15 months in having a thorough analysis made of the existing laws and will shortly, I understand, release a comprehensive report. In the meanwhile the basic criticisms of this organization have been made known through numerous statements. One of our outstanding experts on social insurance, the executive secretary of the American Association for Social Security, Mr. Abraham Epstein, has just presented an

admirable monograph criticizing the present system and proposing amendments, which is published by the League for Industrial Democracy. The two reports, that of the Twentieth Century Fund and of Mr. Epstein, are in complete agreement at many points. Thus Congress has at its disposal, if it cares to use it, a large amount of expert opinion.

Furthermore, there is no need for pioneering in this field and for repeating mistakes which have been made in the past. Although social insurance on a national scale is a new thing in this country, it is not a new thing elsewhere. Germany has had social insurance since Bismarck introduced it in the 1880's; the principle of contributory payments for unemployment insurance which Bismarck introduced in an era of young capitalism, when unemployment was largely transitional and temporary, was afterward kept by the German Republic, and broke down completely in 1932; whereas the British system, which was based only partially on contributions from wage earners and employers, and largely supported by direct taxation, has worked, on the whole, admirably, after a great many adjustments. But there is nothing in our act to indicate that its framers were familiar with the German and British experience. At any rate, they took over the worst features of the German laws and ignored the successful British experience.

Nor has all of the criticism of the present legislation been constructive. One hears often the statement that old-age and unemployment insurance "ought to be put on a sound actuarial basis." Although, from an actuarial standpoint, the present legislation can certainly be criticized—higher paid young workers, for instance, entering the system when the 6-percent rate goes into effect, will actually pay much higher premiums than would be charged by a private insurance company for the same annuities—it is a great social mistake, I think, to regard insurances primarily from an actuarial standpoint.

You cannot make social-security laws on the actuarial principles of private insurance. The purpose of such laws is what needs to be borne in mind, and the purpose is not to enforce thrift upon the poor, whose incomes are inadequate, anyhow, to the maintenance of a decent living standard for the family. The purpose of social insurances is to stabilize the economic order, maintain purchasing power in times of depression, and so halt the downward slump, prevent the accumulation of vast masses of charity cases, to be taken care of by made-work programs, and to distribute to the needy a larger share of the profits of industry than they are capable of getting for themselves.

There are numerous objections to the present program, but the basic one is that this plan for social and economic stabilization ought to be borne by the Nation as a whole, and instead it is put upon the shoulders of the workers and employers, and ultimately upon the consumers. The employed worker and productive industry must pay the cost. If it is true that there is a considerable technological unemployment in the country, then these laws cannot help but accelerate it, because they put a premium on employing men and give every advantage to the machine. The British law aims to guarantee a modest basic income to all workers in distress, but the benefits in our act depend entirely on the wages previously earned by an insured person and are largest for those least likely to need them. The huge numbers of existing unemployed are totally ignored and cannot begin to become beneficiaries until they are reemployed in the industrial system.

Actually the security which the old-age system offers is precarious indeed. "An insured worker"—to quote Mr. Epstein—"must average at least $100 a month uninterruptedly for 20 years to get a pension of $32.50 a month when he is 65 years old. With sickness, strikes, and unemployment * * * most workers would not get such annuities unless they worked for 25 or 30 years." And although the act does not provide security for many years to come, it places an immediate back-breaking burden upon the workers, especially the younger and better paid ones, precisely at the time when they ought to be founding homes for which they need their earnings.

There is more than one danger inherent in the huge reserves contemplated under the old-age insurance plan, which is estimated to reach forty-seven billions in 1980. Possibly Congress may dissipate the funds for other purposes, since they are not earmarked, but that might conceivably be the lesser of several evils. The sum is $12,000,000,000 above our present indebtedness, and it may be invested only in Government bonds. The effect on the national economy when all Governmental bonds are withdrawn from the banks, insurance companies, trust funds, and private investors can be imagined. There is a serious chance that all governmental debt and securities will be in one account controlled by the Government itself.

The administration of the unemployment insurances, as the act stands, is incredibly cumbersome, complicated, and expensive. "Instead of promoting adequacy of standards and uniformity, the act encourages a confusing variety of systems", says Mr. Epstein. "Indeed, the act has already brought about a miscellany of 48 divergent State plans." Actually, the tax-credit plan for unemployment insurance was opposed from the start by every single student of the problem.

So much really constructive thinking and criticism, with such unanimity of conclusion, has been done on the Social Security Act by public-minded citizens and experts that there is really no excuse for not reforming it. Certainly it might be well to reform this act before rushing headlong into highly debatable wages and hours legislation. And, above all, the Social Security Act might be reconsidered and reformed before another billion and a half is voted for W. P. A. Because really intelligent and generous unemployment-insurance laws would make much of the W. P. A. activity unnecessary.

REPORTS OF COMMITTEES

Mr. SCHWARTZ, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 2157. A bill authorizing credits to disbursing officers for expenses incident to the creation of subsistence homesteads corporations (Rept. No. 653);

H. R. 1013. A bill for the relief of Irvin Pendleton (Rept. No. 654);

H. R. 1084. A bill for the relief of Samuel Cripps (Rept. No. 655); and

H. R. 3557. A bill for the relief of the Coast Fir & Cedar Products Co., Inc. (Rept. No. 656).

Mr. ELLENDER, from the Committee on Claims, to which was referred the bill (S. 1457) for the relief of Samuel Richard Mann, reported it with amendments and submitted a report (No. 657) thereon.

Mr. LOGAN, from the Committee on Claims, to which was referred the bill (S. 1438) to carry into effect the findings of the Court of Claims in the case of William W. Danenhower, reported it without amendment and submitted a report (No. 658) thereon.

Mr. BROWN of Michigan, from the Committee on Claims, to which was referred the bill (S. 410) for the relief of the legal guardian of Roy D. Cook, a minor, reported it with an amendment and submitted a report (No. 659) thereon.

Mr. TOWNSEND, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 545. A bill for the relief of Dean Scott (Rept. No. 660);

H. R. 3738. A bill for the relief of Clifford Y. Long (Rept. No. 661);

H. R. 4508. A bill for the relief of Margaret Grace and Alice Shriner (Rept. No. 662); and

H. R. 4679. A bill for the relief of John L. Summers, former disbursing clerk, Treasury Department; and Frank White, G. F. Allen, H. T. Tate, and W. O. Woods, former Treasurers of the United States (Rept. No. 663).

Mr. HUGHES, from the Committee on Claims, to which was referred the bill (H. R. 2042) for the relief of Joshua L. Bach, reported it without amendment and submitted a report (No. 664) thereon.

Mr. COPELAND, from the Committee on Commerce, to which were referred the following bill and joint resolution, reported them each without amendment and submitted reports thereon:

H. R. 4893. A bill authorizing the Secretary of the Treasury to establish a Coast Guard air station at the San Francisco Airport; to provide for quick rescue facilities on the San Francisco Bay; to strengthen the Immigration and Customs Service patrol; and for other purposes (Rept. No. 665); and

H. J. Res. 350. Joint resolution authorizing a modification in the existing project for the improvement of the Illinois Waterway, Ill., and the abandonment of a portion of the Calumet River (Rept. No. 666).

Mr. WHITE, from the Committee on Commerce, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H. R. 3031. A bill to provide for the establishment of Coast Guard stations along the Maine coast (Rept. No. 667); and

H. R. 6438. A bill to expedite the dispatch of vessels from certain ports of call (Rept. No. 668).

Mr. VANDENBERG, from the Committee on Commerce, to which was referred the bill (S. 119) to provide for the establishment of a Coast Guard station on the coast of Michigan, at or near Menominee, Mich., reported it with amendments and submitted a report (No. 669) thereon.

He also, from the same committee, to which was referred the bill (S. 1374) to provide for the establishment of a Coast Guard station at or near Manistique, Mich., reported it with an amendment and submitted a report (No. 670) thereon.

Mr. WALSH, from the Committee on Naval Affairs, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 2474. A bill to provide a uniform method for examinations for promotion of warrant officers (Rept. No. 671); and

S. 2521. A bill to authorize the assignment of officers of the line of the Marine Corps to staff duty only as assistant quartermasters and assistant paymasters, and for other purposes (Rept. No. 672).

Mr. CLARK, from the Committee on Interoceanic Canals, to which was referred the bill (H. R. 4597) to amend the Canal Zone Code, reported it with an amendment and submitted a report (No. 673) thereon.

He also, from the same committee, to which were referred the following bills and joint resolution, reported them severally without amendment and submitted reports thereon:

S. 2416. A bill relating to the citizenship of certain classes of persons born in the Canal Zone or the Republic of Panama (Rept. No. 673);

H. R. 6144. A bill to amend the Canal Zone Code (Rept. No. 674);

H. R. 6436. A bill authorizing cash relief for certain employees of the Panama Canal not coming within the provisions of the Canal Zone Retirement Act (Rept. No. 675); and

H. J. Res. 41. Joint resolution authorizing the disposal of certain lands held by the Panama Railroad Co. on Manzanillo Island, Republic of Panama (Rept. No. 676).

Mr. MALONEY, from the Committee on Immigration, to which was referred the bill (S. 557) authorizing the naturalization of James Lincoln Hartley, and for other purposes, reported it without amendment and submitted a report (No. 677) thereon.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LEWIS:

A bill (S. 2538) for the relief of Mary Lucia Haven; to the Committee on Claims.

A bill (S. 2539) to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary of the founding of the city of Aurora, Kane County, Ill.; to the Committee on Banking and Currency.

By Mr. WAGNER:

A bill (S. 2540) for the relief of Agostini Bros. Building Corporation; and

A bill (S. 2541) for the relief of the estate of George Ehret, Jr.; to the Committee on Claims.

A bill (S. 2542) to amend title 43, section 154 of the United States Code; to the Committee on the Judiciary.

A bill (S. 2543) for the relief of George Greenberg; to the Committee on Military Affairs.

By Mr. STEIWER:

A bill (S. 2544) to incorporate the Navy Mothers' Clubs of America; to the Committee on the Judiciary.

By Mr. SCHWELLENBACH:

A bill (S. 2545) to amend section 601 (c) (6) of the Revenue Act of 1932, as amended, with respect to the tax on imported lumber; to the Committee on Finance.

By Mr. THOMAS of Oklahoma:

A bill (S. 2546) granting a pension to Allie Friend Allen (with accompanying papers); to the Committee on Pensions.

By Mr. HITCHCOCK:

A bill (S. 2547) granting an increase of pension to Margaret A. Ridgway (with accompanying papers); to the Committee on Pensions.

By Mrs. CARAWAY:

A bill (S. 2548) granting a pension to Humbert Fascetti; to the Committee on Pensions.

By Mr. GILLETTE:

A bill (S. 2549) to amend the antitrust laws; to the Committee on the Judiciary.

By Mr. HAYDEN and Mr. DUFFY:

A bill (S. 2550) to permit the printing of black-and-white illustrations of United States and foreign postage stamps for philatelic purposes; to the Committee on Post Offices and Post Roads.

By Mr. NEELY:

A bill (S. 2551) granting a pension to Murl Little; to the Committee on Pensions.

By Mr. VAN NUYS:

A bill (S. 2552) for the relief of James C. Stewart; to the Committee on Military Affairs.

By Mr. BYRD:

A bill (S. 2553) for the relief of E. E. Tillett; to the Committee on Claims.

A bill (S. 2554) to authorize the coinage of 50-cent pieces in commemoration of the founding of the town of Richmond, Va., in 1737; to the Committee on Banking and Currency.

(Mr. NORRIS introduced Senate bill 2555, which was referred to the Committee on Agriculture and Forestry and appears under a separate heading.)

By Mr. BULOW:

A bill (S. 2556) to authorize an appropriation to carry out the provisions of the act of May 3, 1928 (45 Stat. L. 484), and for other purposes; to the Committee on Indian Affairs.

By Mr. O'MAHONEY:

A bill (S. 2557) for the relief of William T. J. Ryan; to the Committee on Military Affairs.

By Mr. FRAZIER:

A joint resolution (S. J. Res. 156) to promote plans for limitation of armaments; to the Committee on Military Affairs.

By Mr. COPELAND (for himself and Mr. WAGNER):

A joint resolution (S. J. Res. 157) authorizing an appropriation for certain improvements in the East River, New York City, and on the site of New York World's Fair, 1939, and for other purposes; to the Committee on Commerce.

HOUSE BILLS AND JOINT RESOLUTIONS REFERRED

The following bills and joint resolutions were severally read twice by their titles and referred as indicated below:

H. R. 418. An act for the relief of Bertram Lee Schoonmaker;

H. R. 432. An act for the relief of Lillian M. Lanphear;

H. R. 563. An act for the relief of E. W. Garrison;

H. R. 607. An act for the relief of Dorothy McCourt;

H. R. 991. An act for the relief of Adelaide Guerini;

H. R. 1235. An act for the relief of John Brennan;

H. R. 1310. An act for the relief of Clifford R. George and Mabel D. George;

H. R. 1406. An act for the relief of Frank S. Walker;

H. R. 1761. An act for the relief of Paul J. Francis;

H. R. 2080. An act for the relief of Eleanora S. Richardson;

H. R. 2429. An act for the relief of Eugene Nicholas;

H. R. 2482. An act for the relief of Lonnie O. Ledford;

H. R. 2562. An act for the relief of Mr. and Mrs. David Stoppel;

H. R. 2641. An act for the relief of John Stevens and the estate of Fred Hausauer, Jr.;

H. R. 3259. An act for the relief of Laura E. Alexander;

H. R. 3262. An act for the relief of John H. Wykle;

H. R. 3339. An act for the relief of Allie Rankin;

H. R. 3565. An act for the relief of the Northwestern Ohio Mutual Rodded Fire Insurance Co.;

H. R. 3809. An act for the relief of H. E. Wingard;

H. R. 3958. An act for the relief of Lettie Leverett;

H. R. 3959. An act for the relief of Jack Stuckey;

H. R. 4575. An act for the relief of A. R. Netterville, Sr.;

H. R. 4623. An act for the relief of C. O. Eastman;

H. R. 4682. An act for the relief of W. R. Fuchs;

H. R. 4942. An act for the relief of Alfred L. Mallery;

H. R. 5113. An act for the relief of Charles W. Langridge;

H. R. 5195. An act for the relief of G. F. Flanders and J. W. Talbert;

H. R. 5200. An act for the relief of the Premier Carpet & Linoleum Co., Ltd.;

H. R. 5308. An act for the relief of Anna Caporaso;

H. R. 5337. An act for the relief of Charles B. Murphy;

H. R. 5495. An act for the relief of Anne E. Felix;

H. R. 5880. An act to amend Private Act No. 210, approved August 13, 1935, by substituting as payee therein the Clark Dredging Co. in lieu of the Bowers Southern Dredging Co.; and

H. R. 6230. An act for the relief of certain former disbursing officers of the Veterans' Administration and of the Bureau of War Risk Insurance, Federal Board for Vocational Education, and the United States Veterans' Bureau (now Veterans' Administration); to the Committee on Claims.

H. R. 2404. An act for the relief of James Philip Coyle;

H. R. 2657. An act authorizing the Secretary of the Navy to advance on the retired list of the Navy David J. Mahoney, David Bolger, Cleve B. Farran, James Johnson, and Hans Terkelsen, retired; to chief boilermaker, retired; and

H. R. 3002. An act for the relief of Timothy Joseph McCarthy; to the Committee on Naval Affairs.

H. R. 3217. An act for the relief of Vincent Chicco; to the Committee on the Judiciary.

H. R. 4256. An act conferring jurisdiction on the United States District Court for the Northern District of California to hear, determine, and render judgment upon the suit in equity of Theodore Fieldbrave against the United States; to the Committee on Immigration.

H. R. 5194. An act granting a renewal of Patent No. 60731, relating to the badge of the Girl Scouts, Inc.; to the Committee on Patents.

H. R. 5258. An act for the relief of the Jackson Casket & Manufacturing Co.; to the Committee on Finance.

H. R. 6383. An act to reclassify the salaries of watchmen, messengers, and laborers in the Postal Service, and to prescribe the time credits for service as substitute watchmen, messengers, and laborers, and for other purposes; and

H. R. 6628. An act to permit the further extension of the Air Mail Service; to the Committee on Post Offices and Post Roads.

H. R. 7021. An act validating and confirming certain mineral patents issued for lands situated in T. 5 S., R. 15 E., Montana principal meridian, in the State of Montana; to the Committee on Public Lands and Surveys.

H. J. Res. 335. Joint resolution authorizing the Secretary of War to receive for instruction at the United States Military Academy at West Point, Olmedo Alfaro, a citizen of Ecuador; and

H. J. Res. 339. Joint resolution granting permission to George E. Ijams, civilian employee of the Veterans' Administration, to accept and wear the decoration bestowed upon him by the Republic of France; to the Committee on Military Affairs.

H. J. Res. 349. Joint resolution authorizing certain retired officers or employees of the United States to accept such decorations, orders, medals, or presents as have been tendered them by foreign governments; to the Committee on Foreign Relations.

H. J. Res. 361. Joint resolution making appropriations for relief purposes; to the Committee on Appropriations.

AMENDMENT TO THIRD DEFICIENCY APPROPRIATION BILL

Mr. LONERGAN submitted an amendment intended to be proposed by him to the third deficiency appropriation bill, 1937, proposing to appropriate $94,456.20 for the purpose of paying to sundry persons the respective amounts found by the Court of Claims to be the value of work performed by them, respectively, in excess of 8 hours in each calendar day while employed as engineers, firemen, laborers, and mechanics in the care of public buildings of the United States elsewhere than in the District of Columbia, as set forth in certain Senate documents, which was referred to the Committee on Appropriations and ordered to be printed.

RELIEF APPROPRIATIONS—AMENDMENT

Mr. HAYDEN. Mr. President, I wish to offer an amendment to the billion-and-a-half-dollar relief joint resolution passed by the House and messaged to the Senate today. I ask that my amendment be referred to the Committee on Appropriations, printed, and printed in the RECORD, and that following the amendment a statement which I have prepared explaining the amendment may be printed in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

The amendment intended to be proposed by Mr. HAYDEN to the joint resolution (H. J. Res. 361) making appropriations for relief purposes is as follows:

Amendment intended to be proposed by Mr. HAYDEN to the joint resolution (H. J. Res. 361) making appropriations for relief purposes, viz: At the end of the joint resolution add the following new title:

"TITLE II

"SECTION 201. The Federal Emergency Administration of Public Works (herein called the 'Administration') is hereby continued until June 30, 1939, and until said date is hereby authorized to continue to perform all functions which it is authorized to perform on the date of the approval of this act. All provisions of existing law relating to the availability of funds for carrying out any of the functions of said Administration are hereby continued until June 30, 1939, except that the date specified in the Emergency Relief Appropriation Act of 1936, prior to which, in the determination of the Federal Emergency Administrator of Public Works (herein called the 'Administrator'), a project can be substantially completed is hereby changed from 'July 1, 1938' to 'July 1, 1939.'

"SEC. 202. The Reconstruction Finance Corporation (herein called the 'Corporation') is hereby authorized and directed to purchase, at par plus accrued interest, from time to time, upon the request of the Administrator, securities now held and securities hereafter acquired by the Administrator in order to provide such funds as the Administrator shall deem necessary or advisable to carry out the provisions of this title. The amount which the Corporation is authorized by existing law to have invested at any one time in securities purchased from the Administrator is hereby increased by such an amount as may be necessary to enable the Corporation to make such purchases. The amount of notes, debentures, bonds, or other obligations which the Corporation is authorized to have outstanding at any one time under existing law is hereby increased by an amount sufficient to provide funds to enable the Corporation to make such purchases.

"SEC. 203. For the purpose of maintaining or increasing employment by providing for useful public works of the kind and character for which the Administrator has heretofore made loans or grants pursuant to title II of the National Industrial Recovery Act, the Emergency Relief Appropriation Act of 1935, or the Emergency Relief Appropriation Act of 1936, the Administrator is hereby authorized to use, in his discretion and under his direction, for the making of loans or grants, or loans and grants, to aid in the financing of any project for which an allotment has been recommended by the examining divisions of the Administration prior to the approval of this act, not to exceed $300,000,000 from moneys realized or to be realized from the sale by the Administrator of securities now held and securities hereafter acquired by him, without regard to any limitation upon the amount of such moneys which may be used for such purpose under existing laws: *Provided*, That the grant for any such project shall be in an amount equal to 45 percent of the cost of such project, as determined by the Administrator.

"SEC. 204. The Independent Offices Appropriation Act, 1938, is hereby amended by striking out the words 'in connection with the liquidation' in the provision relating to administrative expenses of the Administration, and in addition to the funds made available for administrative expenses in said act the Administrator is hereby authorized to use during the fiscal year 1938 not to exceed $7,500,000 of the moneys realized from the sale by the Administrator of securities now held and securities hereafter acquired by him for the payment of administrative expenses of a character for which funds are authorized to be used by the Administrator pursuant to existing law and the sum of $10,000,000 for the payment of such expenses during the fiscal year 1939."

The statement presented by Mr. HAYDEN is as follows:

STATEMENT BY SENATOR HAYDEN

The purpose of my proposal to add a new title to the joint resolution (H. J. Res. 361) making appropriations for relief purposes, is to carry into effect what I understand to be the plans of the President concerning the future operation of the Federal Emergency Administration of Public Works, as indicated by the statements made on the floor of the House of Representatives by the majority leader as contained in the CONGRESSIONAL RECORD for June 1.

The first section of my amendment provides for the continuation of the Public Works Administration until June 30, 1939, and authorizes it to perform its existing functions in connection with projects of States, municipalities, and other public bodies which can be substantially completed by July 1, 1939, instead of July 1, 1938, as now provided by the Emergency Relief Appropriation Act of 1936. It is essential to continue the Public Works Administration, not only to complete projects now under construction but also to enable the Government to aid in financing those projects where a clear moral obligation exists to make the requisite loans and grants.

The second section of my amendment requires the Reconstruction Finance Corporation to make available the amount of money

necessary to enable the Public Works Administration to carry out these functions. The Reconstruction Finance Corporation is also released from the provisions of the Emergency Appropriation Act, fiscal year 1935, which limit to $250,000,000 the amount of bonds purchased from Public Works Administration which the Reconstruction Finance Corporation may hold at any one time. Under the proposed amendment, for every dollar turned over from the Reconstruction Finance Corporation to the Public Works Administration an equal amount of municipal bonds will be delivered by Public Works Administration to the Reconstruction Finance Corporation. Similar bonds purchased by Reconstruction Finance Corporation from Public Works Administration have already been sold by the Reconstruction Finance Corporation at a profit of nearly $10,000,000.

The third section of the proposed amendment is intended to permit the Administrator of Public works to use the moneys realized from the sale of securities to the Reconstruction Finance Corporation, and otherwise, to finance those projects for which an allotment has heretofore been recommended by the Public Works Administration examining divisions. This section removes the limitation of $300,000,000 on the amount of grants which can be made from the revolving fund of the Public Works Administration which was imposed by the Emergency Relief Appropriation Act of 1936. This section also requires that the grant for any of these previously approved projects shall be equal to 45 percent of the cost of the projects. In this way projects may be financed as originally intended on a 45-percent grant basis without regard to administrative order no. 197, which now limits the grant to the amount of wages paid to workers taken from relief rolls plus 15 percent of such amount.

The last section of the proposed amendment permits the use from the Public Works Administration revolving fund of the sum of $7,500,000 (excluding $10,000,000 authorized by the Independent Offices Appropriation Act, 1938) for administrative expenses during the fiscal year 1938. The sum of $10,000,000 is made available for such expenses during the fiscal year 1939.

The proposed amendment is a practical solution of the problem faced by the Government in fulfilling its moral commitments, and is consistent with the President's wishes as they have been conveyed to the Members of the House of Representatives. The appropriation for the Works Progress Administration is left intact. The amendment which I am proposing does not earmark any of the $1,500,000,000 appropriated by the joint resolution, nor does it necessitate any increase in the $1,500,000,000 appropriation, and thus it will not unbalance Treasury estimates of expenditures. At the same time it permits the Public Works Administration to complete that portion of its program of non-Federal public works which appear to the President to be most desirable.

The portion of the program which it has been indicated the President has in mind involves only those non-Federal projects which have been heretofore approved by the examining divisions of the Public Works Administration, and for which either elections have been held and carried, or for which appropriations have been made by State legislatures or money otherwise procured by States, municipalities, or other public bodies and is actually in hand.

My proposed amendment would also take care of those projects involving the construction of schools to ameliorate or eliminate conditions which are hazardous to the lives of the students, and similar projects of unquestioned social and economic desirability. This, likewise, I understand the President has approved. According to the hearings on the joint resolution before the subcommittee of the House Committee on Appropriations the Public Works Administration would need about $280,000,000 to finish its job and finance projects of the character described. Approximately $185,500,000 would be advanced by way of grants on a 45-percent basis, and about $95,000,000 additional would be loaned.

This can be done without any further congressional appropriations by lifting the existing limitations upon the use of the revolving fund as contemplated by the proposed amendment. The only moneys the Public Works Administration now has which are not obligated are in its revolving fund. Such moneys have been derived from the sale of municipal bonds, Public Works Administration purchases from applicants, and sales to the Reconstruction Finance Corporation. According to the information contained in the hearings and supplemented during the debate in the House of Representatives, the Public Works Administration revolving fund now amounts approximately to $292,000,000. Of this amount there is approximately $49,000,000 unobligated. Of the remaining $243,000,000, approximately $127,000,000 is in the form of municipal bonds now owned by Public Works Administration which could be sold to the Reconstruction Finance Corporation, and approximately $116,000,000 is represented by existing commitments of Public Works Administration to purchase municipal bonds which could also be sold to the Reconstruction Finance Corporation.

My amendment permits the Reconstruction Finance Corporation to take over this $243,000,000 of bonds and commitments, thereby releasing this amount, which, together with the unobligated $49,000,000 in the revolving fund, will make a total of $292,000,000 available for grants and loans. As a matter of fact, the amount required for loans would probably be less than $95,000,000, because the experience of the Public Works Administration in the last three and a half years has shown that many loan and grant commitments are changed to grant commitments only.

My proposed amendment provides a sound and workable method whereby the Public Works Administration can be continued for the purpose of completing its existing program and of fulfilling the moral obligations of the Government in a manner wholly consistent with the policies and objectives of the President. The continuation of the Public Works Administration was recommended in the following letter:

FEDERAL EMERGENCY ADMINISTRATOR OF PUBLIC WORKS,
Washington, February 17, 1937.

The Honorable the VICE PRESIDENT OF THE UNITED STATES.

MY DEAR MR. VICE PRESIDENT: The President has indicated to Administrator Ickes his willingness to have continued for an additional period of 2 years the Federal Emergency Administration of Public Works. In the absence of the Administrator, I am enclosing a draft bill to accomplish this purpose.

The Acting Director of the Budget has indicated his approval of the enclosed draft as not being in conflict with the President's program.

Sincerely yours,

HORATIO B. HACKETT,
Assistant Administrator.

ISAAC INGALLS STEVENS—ADDRESS BY SENATOR SCHWELLENBACH

[Mr. BURKE asked and obtained leave to have printed in the RECORD an address delivered by Senator SCHWELLENBACH on the life of Isaac Ingalls Stevens, at the memorial exercises held under the auspices of the District of Columbia Grand Army of the Republic at Battleground National Cemetery, Brightwood, D. C., May 31, 1937, which appears in the Appendix.]

REMARKS BY GOVERNOR EARLE AND SENATOR REYNOLDS AT SOUTHERN SOCIETY BANQUET

[Mr. GUFFEY asked and obtained leave to have printed in the RECORD the address delivered by Governor Earle, of Pennsylvania, at the banquet of the Southern Society at the Willard Hotel, Washington, D. C., June 2, 1937, and also the remarks of Senator REYNOLDS introducing Governor Earle, which appear in the Appendix.]

MONOPOLY AND UNFAIR TRADE PRACTICES—ADDRESS BY HON. C. H. MARCH

[Mr. ROBINSON asked and obtained leave to have printed in the RECORD an address on the subject Evils of Monopoly and Unfair Trade Practices, delivered by Hon. Charles H. March, member of the Federal Trade Commission, before the National Confectioners' Association in Chicago on May 27, 1937, which appears in the Appendix.]

ADMINISTRATION OF W. P. A.

[Mr. HOLT asked and obtained leave to have printed in the RECORD an editorial from the Charleston (S. C.) Courier and Journal of June 1, 1937, and also an article from the Commercial Appeal of Memphis, Tenn., of the issue of May 29, 1937, both relating to the administration of W. P. A., which appear in the Appendix.]

RAILROAD FINANCING

Mr. TRUMAN. Mr. President, the subcommittee investigating railroad financing, under Senate Resolutions 71 and 227, Seventy-fourth Congress, first and second sessions, has uncovered some very interesting facts. Railroad management and railroad finance seem to be at cross-purposes. Railroad holding companies and wholly owned subsidiaries do not cooperate with railroad management for the public interest nor for the welfare of actual rail ownership. New York bankers and investment bankers seem to obstruct railroad operation for public and actual ownership interest.

The Federal Coordinator of Transportation has said:

> The railroads are still the great and necessary transportation system of the country. They rank near the top of our key industries. When they are sick the malady does not stop with them, but spreads a long way beyond.

In my opinion, the transportation system of the country is its largest and most important industry. The growth and greatness of the United States is due primarily to its transportation system. So much of the welfare of the country depends upon transportation that the interest of the Congress should be continuous as to that industry.

The subcommittee of the Senate Interstate Commerce Committee investigating railroad finance has found that some of the country's greatest railroads have been deliberately looted by their financial agents. The committee has found that the laws of the United States have been deliberately evaded and in some instances actually broken by railroad holding companies and New York bankers acting for railroad management.

The looting of the St. Louis & San Francisco Railway Co. by Speyer & Co. is a glaring example. Between November, 1929 and April 1930, Speyer & Co. bought 25,000 shares of Gulf, Mobile & Northern stock for $951,000. On December 9, 1930, when the Board ratified the purchase of the stock, it was worth about one-third of what Speyer & Co. paid for it. If Speyer & Co., the bankers for the Frisco, had been compelled to keep the stock of the Gulf, Mobile & Northern Railroad, they stood to lose $607,000. What did they do to keep from standing this very substantial loss? Over a year after the transaction they claimed they had made the purchase for the St. Louis & San Francisco Railway Co.

This transaction was of such a weird nature that the Interstate Commerce Commission investigated it (186 I. C. C., p. 137, F. D. 24,825). They could find no record of the board of directors of the Frisco ever having authorized the purchase of the stock prior to December 1930. Mr. E. N. Brown, chairman of the board of the Frisco, a man put on the Frisco board by Speyer & Co., claimed he had called four of the directors and that they had authorized him to go through with the deal. One of the directors, claimed by Mr. Brown to have been called, afterward stated that he knew nothing of the transaction until long after it was consummated. (Preliminary hearings, Res. 71, p. 95, par. 2.) If the market had gone up as much as it went down, would the Frisco Railway have participated in the profits? I leave Senators to draw their own conclusions.

The Gulf, Mobile & Northern deal is very small in comparison with what the same bankers did to the Frisco in the Rock Island deal some time previous to that incident. Speyer & Co., and Mr. E. N. Brown, the Frisco board chairman and Speyer & Co.'s man on the Frisco board, decided to buy Rock Island common stock. They made this decision and carried it out without consulting the Frisco board of directors or the operating president of the road. Mr. J. W. Kurn, the president of the Frisco, knew nothing about either the Gulf, Mobile & Northern or the Rock Island deal until long after they had been consummated. Mr. Kurn testified under oath in the Federal court in St. Louis that if he had been consulted as to either of these deals he would have advised against them.

Mr. CLARK. Mr. President, will my colleague yield?

The VICE PRESIDENT. Does the Senator from Missouri yield to his colleague?

Mr. TRUMAN. Certainly.

Mr. CLARK. The Senator will recall that before the last deal to which the Senator has been referring the Frisco Railroad had already had a very tragic and terrifying experience in its purchase by the Rock Island, so that Mr. Kurn's letter was based on the experience of the road itself.

Mr. TRUMAN. Yes; and there was a "reverse English" deal by the Rock Island some time before this in which the Rock Island had purchased the Frisco.

Mr. Brown, the bankers' chairman of the Frisco board; Speyer & Co., the Frisco's bankers; and J. & W. Seligman & Co. decided to buy 275,000 shares of Rock Island common stock. (Res. 71, p. 82, par. 3.)

Speaking of Rock Island reminds me that the first railroad robbery was committed on the Rock Island in 1873 just east of Council Bluffs, Iowa. The man who committed that robbery used a gun and a horse, and got up early in the morning. He and his gang took a chance of being killed, and eventually most of them were killed. The loot was $3,000. That railroad robber's name was Jesse James. The same Jesse James held up the Missouri Pacific in 1876 and took the paltry sum of $17,000 from the express car. About 30 years after the Council Bluffs hold-up, the Rock Island went through a looting by some gentlemen known as the tin-plate millionaires. They used no gun, but they ruined the railroad and got away with $70,000,000 or more. They did it by means of holding companies. Senators can see what "pikers" Mr. James and his crowd were alongside of some real artists. (Dacus: Frank and Jesse James, p. 156.)

Congress authorized an investigation of that deal, and I have here a copy of the preliminary hearing. The able senior Senator from Kentucky [Mr. BARKLEY] was on the Interstate and Foreign Commerce Committee of the House, as was the Honorable SAM RAYBURN, when that investigation was authorized. (Hearings, Mar. 24, 1914.) On April 24, 1914, the Interstate Commerce Commission instituted an investigation of the financial history of the Rock Island and made a report—volume 36, page 43, F. D. 6834.

But to go back to this comparatively recent Rock Island deal. Some weeks before the decision to buy 275,000 shares of Rock Island common stock jointly for Speyer & Co. and the Frisco, the bankers bought 11,000 shares of Rock Island for their personal account. Testimony before the committee shows that they made about $15 a share on this deal before they started the joint account. In 1903 the Rock Island was buying Frisco on a somewhat similar deal—Senate Resolution 71, page 83.

According to the joint agreement between J. & W. Seligman & Co., Speyer & Co., the Frisco's bankers, and the Frisco, through Mr. E. N. Brown, the bankers' chairman of the Frisco board, the railroad was to take two-thirds and the bankers one-third of the 275,000 shares of Rock Island common. The St. Louis & San Francisco Railway Co. paid $10,506,000 for its share of this stock deal. The price of Rock Island stock advanced steadily from $60 to $130 per share while this tremendous buying operation was going on. (Res. 71, p. 84.) This 275,000 shares of Rock Island common stock was 37 percent of the common stock of the Rock Island Railroad.

In the years that followed Speyer & Co. sold their 92,000 shares of Rock Island, and reaped a very nice profit on it. (Res. 71, p. 87.) The Frisco Railway still, by last reports, owns its 183,000 shares, now worth about $2 a share. At one time the profit to the Frisco was about $10,000,000. As it turned out, Speyer & Co. got the profit and the Frisco Railway held the bag, not only losing its $10,000,000 profit but also losing its real ten millions in money. The railroad is now in another receivership, and so is the Rock Island.

While all this was taking place, the operating president of the Frisco was protesting as loudly as he could about the situation, but to no avail. I quote from a letter of Mr. J. W. Kurn, president of the Frisco, to Mr. E. N. Brown, Speyer & Co.'s chairman of the board of the Frisco. This letter is marked "Personal" and is dated July 2, 1927. I quote:

> DEAR MR. BROWN: Have talked to you on this subject in New York once or twice but feel should again call your attention to the situation in protection of the Frisco lines. There either should be a consolidation of the properties or else the financial interests should be separated. We cannot go along under the present condition without crucifying the Frisco Railroad, and we have been crucified ever since we became interested in the Rock Island.

The testimony of Mr. Kurn in the Federal court in St. Louis in February 1935 is most interesting. I would suggest that Senators follow the transaction to its conclusion and learn some interesting facts about banker control and rail management. I understand that the St. Louis Federal court has ordered suit against Speyer & Co. for the Frisco in this deal.

Now we come to the Missouri Pacific. Both the Frisco and the Missouri Pacific have their headquarters in St. Louis, and we regard them as Missouri railroads. I hope Senators have seen the Van Sweringen holding-company set-up, an outline of which is hanging on the rear wall of the Senate Chamber. This complicated and intricate corporate arrangement reminds us of the Associated Gas & Electric, Electric Bond & Share, and Mr. Insull's holding-company set-up, into which the Senate went very thoroughly during the sessions of the Seventy-fourth Congress. In the Van Sweringen set-up there are holding companies upon holding companies, altogether creating such a maze that it was too complicated even for the New York bankers to untangle. In that maze the Alleghany Corporation controlled the Missouri Pacific.

Incidentally, I wish to say that the Van Sweringens were geniuses at organization. In my opinion, they would have controlled half the railroads of the country on a shoestring if the 1929 crash had not come along and stopped them.

They controlled the Chesapeake & Ohio, the Erie, the Nickel Plate, the Pere Marquette, the Chicago & Eastern Illinois, the Missouri Pacific, and had large blocks of stock in the Kansas City Southern and the Chicago Great Western.

The Missouri Pacific, just as the Frisco, was and is operated by a very able rail executive, L. W. Baldwin by name, who has come up in the rail-operating field through sheer ability. Apparently he was no match for the financial manipulations of the New York bankers and the Van Sweringens. His railroad is now in receivership in the Federal court in St. Louis, but the stock control is still in the Alleghany Corporation. Alleghany is now owned by Messrs. Young, Kolbe, and Kirby, who bought it from the Ball Foundation. Young controls, and his portion of the cost of the controlling stock was about $255,000. Mr. Ball bought it from J. P. Morgan & Co. and the Guaranty Trust and other New York banks for $274,000 at an auction sale. Control of 23,000 miles of railroad, with two and one-half billions of assets, was bandied about like a plug horse; contrary to the intent of the Interstate Commerce Act, but done nevertheless; and control is held by about one one-hundredth of 1 percent of investment. (Hearings, Dec. 7, 1936, May 6, 1937.)

Mr. CLARK. Mr. President, will my colleague yield?

Mr. TRUMAN. Certainly.

Mr. CLARK. I agree very thoroughly with what my colleague has said about the Missouri Pacific. It seems to me there could not possibly be a more complete or fitting example of the vice of the holding-company control of railroads than is afforded by the case of the Missouri Pacific, because the holding-company device in the case of the Missouri Pacific has not only wrecked the financial stability of the railroad and thrown it back into a trusteeship, but it has very seriously impaired the service.

Mr. Baldwin was a great railroad builder. He came into the presidency of the Missouri Pacific Railroad after having risen from the ranks of a signalman, I believe. He came up from the ranks as a great railroad executive and took the Missouri Pacific after it had already been wrecked once by the Gould dynasty. He took a couple of streaks of rusty tracks, extending over a very large area of the great Southwest, and built them into a great railroad system; and then, by this holding-company device, through the Van Sweringens, the railroad that he himself had built and was operating with great success was bought out from under him and ultimately was thrown back into a trusteeship, and its stability was very seriously impaired.

I think my colleague's example of the Missouri Pacific is one that ought to strike the attention of every Senator and every Member of the House of Representatives as to the very great necessity for legislation to prevent such practices in the future.

Mr. TRUMAN. I thank my colleague.

Mr. President, the finances of the Missouri Pacific were manipulated from Cleveland on orders of the Van Sweringen treasurer in such a way as to disobey the laws affecting financial reports to the Interstate Commerce Commission, and without the knowledge of Mr. Baldwin, the operating president of the road, or Mr. Johnson, vice president in charge of the Missouri Pacific finances. (Hearings, Dec. 16, 1936.) We had Mr. Johnson before our committee, and he did not know of half the transactions with the funds of the Missouri Pacific which had taken place through the Van Sweringen's treasurer. Terminals were purchased at Kansas City and Fort Worth and were carried on the books of the company as cash, when, of course, they were not. The terminals were bought under an option to purchase. Although some $3,200,000 was paid on the deal, the Missouri Pacific carried the transaction as a cash deposit in the New York banks, though it was a payment on the purchase of these terminals. (Hearings, Dec. 14, 1936.) Income of the railroad was used by the Van Sweringen holding companies to buy the Missouri Pacific's own stock for the holding companies to gain and hold control. (Hearings, Dec. 15, 1936.)

The Missouri Pacific and the Frisco both serve the richest farming section of the United States. If their operating management had been allowed to operate the railroads for the benefit of their owners, the stockholders, and for the benefit of the territory they serve, it is my opinion that neither road would ever have been in any very serious difficulty. The railroad holding company has proven almost as disastrous to operators of railroads and railroad investors as public-utility holding companies have proven to plant operators and investors. (Hearings, Dec. 16–18, 1936.)

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. TRUMAN. Certainly.

Mr. O'MAHONEY. Does the Senator know in what State the Alleghany Corporation was incorporated?

Mr. TRUMAN. In Maryland.

Mr. O'MAHONEY. To hold the stocks of a railroad operating where?

Mr. TRUMAN. All over the Middle West.

Mr. CLARK. The Missouri Pacific starts at St. Louis.

Mr. O'MAHONEY. Was it operating in Maryland?

Mr. TRUMAN. Yes; it was operating in Maryland—the Chesapeake & Ohio.

Mr. O'MAHONEY. The Chesapeake & Ohio was operating in Maryland?

Mr. TRUMAN. And the Erie, and the Nickel Plate. I will come to that in just a moment.

Mr. O'MAHONEY. I interrupted the Senator merely because the incident seemed to illustrate a point which has been emphasized over and over again in the Judiciary Committee and on the floor of the Senate; that under the corporation system which we have permitted to grow up corporations may be organized in one State to conduct business throughout the entire country, with no control whatsoever on the part of the public through the Federal Government as to what shall be done.

Mr. TRUMAN. The corporation holding-company set-up shown on the wall is organized in nearly half a dozen States, and yet the holding companies control coal companies, buildings, terminals, and railroads in a dozen different States; and they do not control them for the benefit of the owners, but control them for the benefit of the holding companies.

Mr. O'MAHONEY. Nor for the benefit of the workers.

Mr. TRUMAN. Nor for the benefit of the workers.

Mr. President, the Alleghany Corporation was organized for the purpose of gaining control of the Missouri Pacific. Stocks and bonds were issued to the extent of about $200,000,000. When permission was obtained from the governing board of the New York Stock Exchange to list Alleghany on the exchange, certain members of its governing committee, including the president of the exchange and Mr. Whitney, then vice president and since president of the New York Stock Exchange, were allowed to buy blocks of Alleghany stock at a very substantial discount below the price at which the banks were to start the sales on the exchange and to the public. (Hearings, Jan. 15, and Jan. 26–28, 1937.) Some Morgan partners and some officers of the Guaranty Co. were also in on this deal.

A public official who would be a party to such a transaction involving public funds would be called a plain grafter, and rightfully so. I understand that since the investigation brought out these facts it is now against the rules for officers and members of the governing board of the New York Stock Exchange to participate in such inside "ground floor" deals. (New York Times, Mar. 3, 1937.)

I wish to say a word or two about the Chicago & Eastern Illinois Railroad. This railroad, like the Missouri Pacific and the Frisco, is operated by a competent and experienced rail executive, Mr. Charles T. O'Neal. His idea seems to be to operate the road in the public interest and for its owners and customers. In 1930 the Van Sweringen octopus decided to buy the C. & E. I. from the Thomas Fortune Ryan estate. Manipulation immediately started. In one specific instance that stands out in the hearings before your committee the Van Sweringens caused the Midland Bank of Cleveland, in which they were interested, to lend the C. & E. I. $700,000 for the Chesapeake & Ohio Railroad through the Virginia Transportation Co., a wholly owned subsidiary of the Chesapeake & Ohio. (Hearings, May 10–11, 1937.)

Mr. O'Neal never did know that the C. & O. had loaned the money to the C. & E. I. until he found it out at one of our hearings on the subject. He had signed a sworn statement to the Reconstruction Finance Corporation in this transaction which stated that the loan was made by the Midland Bank, and could not be renewed. The loan was made by the C. & O. Railroad Co. through its wholly owned subsidiary, the Virginia Transportation Co.; and the C. & O. had plenty of money, and could have renewed the loan, but it preferred to take "relief" from the Reconstruction Finance Corporation.

Mr. LEWIS. Mr. President, may I interrupt the Senator?

Mr. TRUMAN. Surely.

Mr. LEWIS. May I ask the Senator at this point to inform the Senate whether the investigation of his committee disclosed that the Chicago & Eastern Illinois lost control of itself and passed into the hands of outside institutions, removing it from the control of Mr. O'Neal and his compatriots there in the State of Illinois?

Mr. TRUMAN. The Chicago & Eastern Illinois was controlled by the estate of Thomas Fortune Ryan, the insurance company magnate.

Mr. LEWIS. Of New York?

Mr. TRUMAN. Yes. It will be remembered that some time ago there was an investigation of his holdings in insurance companies. His estate owned control of this railroad. The Van Sweringens decided to buy it; they bought it directly from the Thomas Fortune Ryan estate and put in Mr. O'Neal as president to operate the road; but all they wanted him to do was to pay them the money that the road brought in. That is all they wanted Mr. O'Neal for; and they wanted him to get as much money as he possibly could from the customers and from the stockholders for the benefit of the Van Sweringen holding company.

Mr. LEWIS. The real control was removed from Illinois interests and from those who had been in control?

Mr. TRUMAN. The real control had never been in Illinois.

Mr. LEWIS. "Management" is the word I intended.

Mr. TRUMAN. That is correct.

General Dawes was president of the R. F. C. at that time. Mr. Harvey Couch was a member of the Board of the R. F. C. Mr. Couch was one of the directors of the Frisco who concurred in the Rock Island and the Gulf, Mobile & Northern deals. He has just been made chairman of the board of the Kansas City Southern. You see, Mr. President, the same old whirligig is still working. (Hearings, May 12, 1937.)

The Van Sweringens bought control of the Chicago & Eastern Illinois, as I have told the able Senator from Illinois, from the Thomas Fortune Ryan estate, for $8,000,000. They paid $5,000,000 down, which money they took out of the treasury of the Chesapeake & Ohio Railroad. The price was about 20 percent above the market on C. & E. I. stock on the New York Stock Exchange. The option ruse was used here again to go around the law and the Interstate Commerce Commission. A purchase of the control of C. & E. I. by the C. & O. would have required the permission of the Interstate Commerce Commission. An option to purchase required no report and no permission. (Hearings, May 11, 1937.)

Neither the Chicago & Eastern Illinois nor the Missouri Pacific had been allocated to the Van Sweringen or Chesapeake & Ohio system of railroads by the Interstate Commerce Commission in its plan of consolidation of the Eastern railroads. But the Van Sweringens and their holding companies proceeded to defy the Interstate Commerce Commission and the United States Government, to the ultimate sorrow of several railroads and thousands of investors, both in the holding companies and in the railroads.

If the Chesapeake & Ohio Railroad had not been one of the richest and most soundly financed roads in the country, it never could have stood the strain. Its general offices were moved from Richmond, Va., to Cleveland, Ohio, a town a hundred miles off the line. The treasury of the Missouri Pacific was moved to Cleveland, although St. Louis is as near to Cleveland as the Missouri Pacific runs.

Mr. President, here is a situation which needs attention and which needs a remedy. The able and experienced members of this body ought to be thinking of some sort of cure for railroad holding companies and railroad wholly owned subsidiaries. Both of these devices are used to get around regulation by the Interstate Commerce Commission and to defy the laws of Congress.

The Rock Island Railroad Co. and the St. Louis & San Francisco Railway Co., the Missouri Pacific, and the Chicago & Eastern Illinois are all in receivership. The means ought to be found so to control the reorganization of these railroads that the public, the stockholders, and the security holders may be protected. It was testified at one of our hearings that $100,000,000 in watered stock was added to the last reorganization of the Frisco. In the reorganization of the Chicago, Milwaukee, St. Paul & Pacific Railway, Kuhn, Loeb & Co., and the lawyers were severely criticized by Mr. Justice Stone in a dissenting opinion because of the cost of the reorganization (U. S. 282, p. 311). That opinion is well worth reading.

When one of these great transportation companies fails, lawyers and investment bankers sit around like vultures at the death of an elephant. When the receivership comes they get all the flesh and the stockholders and the public get the bones. In some instances reorganizations have only been forerunners of new receiverships and new bone pickings.

The maneuvers of railroad financiers have been a cause for vital concern, even in the early history of the railroads. I have here a report made to the Senate in 1893, setting forth difficulties identical with those we are now confronting. Exposure of glaring misuses of the public's money and the public's transportation system have been brought to our attention before, as at the present time. Irregularities have been aired in courtrooms and before commissions and very able investigating committees, and some very good legislation has come from such investigations. Unless we can correct the abuses disclosed by the investigations and correct other equally flagrant violations which have not yet been exposed, but will be, we will probably be investigating for years to come.

I think that the present would be an excellent time for the Congress of the United States to work out a remedy for this situation.

Mr. President, I ask unanimous consent that an article appearing in the Washington News under the heading "Plain Economics", by John T. Flynn, and an editorial from the New York Post, be incorporated in the RECORD at this point as a part of my remarks.

There being no objection, the article and editorial were ordered to be printed in the RECORD, as follows:

[From the Washington Daily News of May 31, 1937]

PLAIN ECONOMICS

By John T. Flynn

ISN'T IT TIME THE VAN SWERINGEN PROPERTIES, WHICH TOPPLED INTO THE BASKET OF TWO UNKNOWN STOCK BROKERS, CEASED TO BE KICKED AROUND?

NEW YORK.—The plight of the lumbering, floundering Van Sweringen properties brings to mind the plight of a great insurance company 30 years ago. More important, it recalls what was done about it.

Charles Evans Hughes, then a New York lawyer, exposed the shameful practices of the insurance companies and, among other things, how the great Equitable had fallen into the hands of Thomas Fortune Ryan. Controlling its small amount of stock, financiers had control of the vast pool of investment funds belonging to it. Because these funds were for the protection of the army of small policyholders, one result of the whole scandal was that the controlling stock was put into a trust and two or three eminent men above reproach were named to administer the stock until the company could be reorganized. One of them was Grover Cleveland, ex-President of the United States.

Now the Midamerica Corporation controls the Alleghany Corporation and the Alleghany Corporation, through a series of holding companies, controls a vast network of great railroads and all kinds of important industries. There is over $3,000,000,000 invested in these vast properties. This money is not the money of the Alleghany Corporation or of the Midamerica, which controls it. It is the money of countless investors, most of them small investors. Furthermore, the properties themselves are touched with a well-organized public interest.

They were dominated until the crash by the Van Sweringens. Then they fell into the hands of a New York bank. Then, through an investment of a few million dollars, they were thrown into the hands of an Indiana fruit-jar manufacturer. Now they

have toppled into the basket of two young unknown stockbrokers with an investment of not more than $10,000,000 in this vast empire. Is it unreasonable to ask that it is about time that these great properties and these extensive business investments cease to be kicked about?

Robert R. Young, one of the young stockbrokers who, with a handful of pennies, now sets out to rule and reorganize these giant properties, seems to have been doing very nicely down in Washington. On the witness stand before Senator WHEELER'S committee he conducted himself smoothly and with tact. When, however, he was pressed on the question as to whether, with his pitifully small investment, he should be permitted to settle the fate of these immense public properties, he became a little annoyed.

The proposal was actually made to him that the public interest and the interest of investors seem to require that the holding-company stock which he has now managed to get hold of and which through a series of slick holding-company schemes of the Van Sweringens dominates these properties, ought to be put into trust, perhaps into the hands of a committee of trustees named by the I. C. C. Young then lost his smoothness altogether and announced somewhat wrathily that "there was too much Government in business."

Has there not been too much Van Sweringens in business, too much Midamerica in business, and does it not occur to him that perhaps there is now too much Young in business? Someone, some agency must protect the public investors and these great utility properties. Is there any agency able to cope with the problem other than the Government? Is there any reason why trustees representing the public interest should not now take over the untangling of the appalling mess left by the Van Sweringens? Why does this young stockbroker imagine that he is better qualified to do it than the Government?

[From the New York Post of May 28, 1937]

IF YOU COULD BUY $30,000 FOR $2.55

A man who bought control of a $30,000 business for $2.55 would be subject to temptation.

If he were an honorable man, he would operate it as efficiently and as honestly as if the $30,000 invested in it were his own.

Were he thoroughly dishonorable he could plunder it shamelessly.

If, like most of us, his standards were a trifle confused by what goes on every day in the world of business, his rationalizing capacity well oiled and in good working order, he could still make a good deal of money "in a perfectly legitimate business way."

A commission from a painting contractor, a fee from a coal company, a tip from a banker, the twilight-zone emoluments of running a $30,000 business, the have-a-cigars alone, would amount to many times $2.55.

We draw this picture because, enlarged many times, it represents the position and the temptations of the man who now controls the Van Sweringen empire.

It represents an investment of $3,000,000,000. He obtained control of it by the expenditure of $255,000 for Alleghany Co. common stock. The ratio is the same as $30,000 to $2.55.

The right to decide in what banks the working balances of this great system shall be deposited; what banking houses shall do its financing; where it shall buy its supplies—this is worth many times $255,000.

In drawing this picture we have no desire to reflect in any way on Mr. Robert R. Young, the successor to the brothers Van Sweringen. His business record is an honorable one. His intentions, we are sure, are of the best. We are not even especially concerned with the Van Sweringen railroads.

What concerns us is the fact that we permit the existence of a device called "the holding company", which is a caricature of the idea of private property, which allows a shoestring investment to wield power over a whole railroad empire; a legal monstrosity that allows $2.55 to control $30,000; $255,000 to control $3,000,000,000; one-hundredth of a cent to control a dollar.

We think legal devices of the kind represented by the holding company are truly subversive of the system of private property.

In the Van Sweringen system are pooled the savings of millions of insurance policyholders and savings-bank depositors.

The taxpayers alone have a stake of more than $100,000,000 in this empire through R. F. C. and P. W. A. loans, or 400 times as much as Mr. Young.

Yet Mr. Young controls the empire.

Of the 23,000 miles of Van Sweringen railroads 13,000 miles are in bankruptcy.

Under the National Bankruptcy Act, section 77, Mr. Young occupies a key position in determining how great a sacrifice is to be exacted from the bondholders in rehabilitating these roads, how much of a sacrifice shall be made by the stockholders.

In the 10,000 miles of solvent railroad that is the remainder of the system Mr. Young can determine policies, wages, purchases, any and all details of management in which he chooses to take a hand.

It so happens that the Government of the United States is not helpless in this situation.

The Interstate Commerce Commission has authority under the law to separate voting power from ownership, to put the controlling interest into a trusteeship, to give Mr. Young all that is coming to him as a man with a $255,000 investment, but to save him from the luxurious temptations of shepherding $3,000,000,000 in other peoples' money.

We think the I. C. C. should exercise this power. We think it should do so not only to protect the investors in these railroads but because the Van Sweringen network and its labyrinth of holding companies were built up in defiance of the public policy of this country as laid down by Congress in the Transportation Act of 1920.

This act forbids one railroad to acquire controlling stock in another without authorization by the I. C. C. The holding company was used to circumvent the law. The Van Sweringen collapse, the terrific losses suffered by Pennsylvania Railroad stockholders on Pennroad, the bankruptcy of the New York, New Haven, all trace back to the refusal of railroad interests and their bankers to recognize that this provisions was not only good law but good economics.

Congress in the Transportation Act of 1920 laid down a program of railroad consolidation under the supervision of the I. C. C. The I. C. C. may put the controlling interest of a road into trusteeship where it feels that control is a hindrance to its consolidation program. It can make a trusteeship a condition for allowing one railroad to gain control of another.

The successor of the Van Sweringens is applying for the I. C. C.'s permission to group Erie and Nickel Plate under Chesapeake & Ohio. We think the I. C. C. should make a trusteeship of the controlling interest a condition of its approval.

Mr. Young objects that this would put "Government in business." "Government in business" could hardly be fraught with potentialities as dangerous as a continuance of a set-up in which $255,000 controls $3,000,000,000.

We think the next step is to abolish holding companies altogether.

AID FOR SCHOOLS IN HAZARDOUS CONDITION

The VICE PRESIDENT. The Chair lays before the Senate the unfinished business, which will be stated.

The CHIEF CLERK. A concurrent resolution (S. Con. Res. 11) requesting the President of the United States and the Administrator of Public Works to grant certain applications for non-Federal projects for the construction of schools to ameliorate or eliminate conditions which are hazardous to the lives of students.

Mr. SCHWELLENBACH obtained the floor.

Mr. TYDINGS. Mr. President, will the Senator yield to me in order that I may place in the RECORD certain information which I was asked to obtain?

Mr. SCHWELLENBACH. I yield.

ALLEGED DENIAL OF CIVIL RIGHTS IN PUERTO RICO

Mr. TYDINGS. Mr. President, a few days ago the Senator from Idaho [Mr. BORAH] asked for some information regarding the denial of civil rights in Puerto Rico; and he requested that I, as chairman of the Committee on Territories and Insular Affairs, ascertain the facts and submit them to the Senate.

I have been in touch with Governor Winship in Puerto Rico, and he has prepared a very comprehensive statement touching upon the questions raised by the Senator from Idaho. I therefore ask that the statement of Governor Winship, together with letters from the Department of Justice of Puerto Rico, be printed in the RECORD immediately following my remarks.

The VICE PRESIDENT. Without objection, it is so ordered.

The matter referred to is as follows:

STATEMENT OF GOVERNOR WINSHIP WITH REFERENCE TO THE INVESTIGATION OF THE PONCE AFFAIR BY MR. HAYS, OF THE COMMISSION OF INQUIRY ON CIVIL RIGHTS IN PUERTO RICO

Ever since the American occupation there has been free speech and free press in Puerto Rico. The rights of peaceable assemblage and of orderly political discussion have always been enjoyed in the fullest and freest manner, and are now. They have never been curtailed or diminished in the slightest degree. From the beginning there have been differences of opinion and of hopes among the people as to the island's ultimate destiny. Some have hoped for ultimate independence and some for ultimate statehood. But there has never been any question of the right of anyone to express his opinions in the freest manner. While the United States has never formally and definitely expressed its ultimate policy, yet the course of development of the insular government has been along the same lines as in the Territories on the mainland that have ultimately become States. As in the case of Florida and Louisiana and of the Territories set up in the domain that formerly belonged to Mexico, there has been the progression from an initial military government, beginning with the proclamation of General Miles in Puerto Rico upon landing in 1898:

"We * * * bring you protection not only to yourselves but to your property, to promote your prosperity, and bestow upon

you the immunities and blessings of the liberal institutions of our Government", followed shortly by the institution of civil government under the Foraker Act of April 1, 1900, with partial self-government—a lower house of the legislative assembly, elected by the people, and then in turn by a fully organized Territorial government under the present organic act, the Jones Act of 1917, in substantially the same form made familiar by all the organic acts for our Territories during the past century, and with the grant of full American citizenship to the people of Puerto Rico in 1917.

FORMATION OF THE NATIONALIST PARTY—ITS PURPOSES

Local parties have taken different positions from time to time as to the desirability of ultimate statehood or of independence; indeed, the political status has furnished the one issue which has differentiated local political parties; but until 1932 there was never any organized party in the island denying the authority of the United States or preaching or practicing organized violence as a political weapon.

But in that year, 2 years before I became Governor of the island, the Nationalist Party was registered as one of the political parties. It denies the authority of Spain in 1898 to cede Puerto Rico to the United States; says that the cession of the island by the treaty of peace in 1898 was void, and that the United States is a usurper without any authority there; and it advocates resistance to the authority of the United States by violence as a means of attaining immediate independence. In that year, 1932, the Nationalist Party polled only 5,257 votes out of a total of 383,657 votes cast at the election, and out of a total population then estimated at not less than 1,600,000 people. At the 1936 election its leaders advised the party members to stay away from the polls, and the party cast no vote, thus avoiding any showing of its actual strength.

Since 1932 the Nationalist Party has held 78 meetings and 10 parades, for which official permits were granted in the regular way. Fifty-four of these meetings and eight of these parades were held in 1936 and 1937.

ALBIZU CAMPOS

The Nationalist Party is but the lengthened shadow of one man. Its leader, Pedro Albizu Campos, calls himself the "President" of the "Republic of Puerto Rico." He is a man of very considerable ability as an agitator and orator.

He is deeply embittered, personally, against the United States. Some years ago, soon after the World War, he began preaching hatred of the United States, and finally violence as a means of freezing Puerto Rico from this Government. Nevertheless, in accordance with our established American traditions of free speech and full civil liberty, no effort was made to interfere with his savage verbal attacks, no matter how glaringly false and unfair they were. As the years went by he became more extreme and more fanatical. He conceived and propagated the idea that the United States was a usurper, illegally in Puerto Rico, and finally he proclaimed the so-called Republic of Puerto Rico and himself as its President. At his country home he set up a kind of feudal court and began drilling boys uniformed in black shirts, who marched and counter marched and relieved each other of duty and went through the formalities of a military organization. He even issued bonds of the so-called Republic of Puerto Rico and attempted to sell them in New York and elsewhere, though never accounting for the funds thus received and the other collections and contributions from his followers; and finally, in 1932, as I have said, he registered the Nationalist Party as one of the formal political parties of Puerto Rico, devoted to advocating violent attempts to resist the authority of the United States and to procure immediate independence by war.

NATIONAL PARTY OUTRAGES

In the evening of April 16, 1932, while the elected Legislature of Puerto Rico was in session, a meeting of the Nationalist Party was held in the Plaza Baldorioty in the city of San Juan, a short distance from the capitol building. Albizu Campos and other leaders incited the audience to march on the capitol. On the way they tore down a wooden fence and armed themselves with the pickets. At the capitol they tried by threats and violence to intimidate the legislature. The crowd jammed a stairway in the capitol building so that part of it fell. One young man was killed and 12 others, including a girl, were injured. A storm of criticism of the police arose throughout the island for having permitted such a disorderly demonstration.

Two months later, June 15, 1932, Luis F. Velasquez, one of the Nationalist Party leaders, and a member of its national board, called at the chambers of Chief Justice Emilio del Toro, of the Supreme Court of Puerto Rico, and asked for an interview. Being admitted, he announced to the chief justice that he had come as a member of the Nationalist Party to avenge the insult to the Puerto Rican nation, because the chief justice had taken part in the celebration of an official American flag day in Puerto Rico the day before; and he assaulted and slapped the chief justice in the face in the justice's own chambers. He was overpowered and arrested by court attachés.

After that an upward trend of violence began. Dynamite bombs were exploded in private institutions and in public buildings during the following months.

That was, as I have said, during the 2 years before I became Governor of Puerto Rico. On February 5, 1934, I took office.

On October 24, 1935, four members of the Nationalist Party, none of them in any way connected with the university, undertook to stop the holding of a students' meeting in the University of Puerto Rico assembly hall, which had been called in protest against inexcusable slanders Albizu Campos had publicly uttered about the student body.

In a radio speech broadcast over the island a few days before, Albizu Campos had called the university girls "prostitutes" and the boys "sissies" and "homosexuals", these being, he alleged, the result of the American sovereignty. The four Nationalists, armed with guns, drove up to the gates of the university, with bombs and additional revolvers and extra ammunition in their car, prepared to enact a tragedy to break up the meeting of the university boys and girls. Their car was stopped by the police at the university gates; they were asked to show their driver's license; had none; were arrested. Two policemen got on the running board of the car and directed them to drive to the police station. On the way they began shooting at the policemen and severely wounded one, Corporal Perez. The police were obliged to return the fire and three of the men in the car and one bystander were killed. Some others were injured. A few minutes later, on the same day, a bomb was thrown at the car in which Corporal Perez was being taken to the hospital. It exploded in the car.

This was perhaps the most flagrant assault on civil liberties since Puerto Rico came under the American flag. Although Albizu Campos has fully exercised his right of free speech "over the air" to the verge of, if not beyond, slander, he was unwilling to permit the boys and girls of the university whom he had grossly insulted to assemble peacefully and to exercise their right of free assembly and free speech by adopting a resolution condemning him for his words. He and his followers were prepared to use bombs and firearms to kill and to maim for the purpose of preventing the most elementary expression of civil liberties. Fortunately the police prevented what would in all probability have been a massacre of the innocent. Yet such was the state of fear and intimidation which the Nationalist terrorism had fastened on the community that not a single Puerto Rican newspaper voiced any editorial condemnation of this latest attempt at violence. The state of terrorism may be gaged from the fact that after this episode several parents of boys in the university whose lives had been threatened felt it necessary to withdraw them and send them to the mainland to pursue their education.

It is pertinent to note, therefore, how four basic civil liberties—freedom of assembly, freedom of speech, freedom of press, and, in a very real sense, academic freedom, the freedom of youth to secure education in local institutions of learning—were thus assaulted and seriously injured. To preserve these liberties has been the unvarying solicitude of the insular government.

At the funeral of the four Nationalists killed by the police in replying to the fire of the Nationalists at the gates of the university Albizu Campos, before a crowd estimated at some 5,000 people, declared these men to have been patriots and martyrs to independence. He vowed that for the life of each one of them the life of a "continental oppressor" would be taken, and he specifically named Col. E. Francis Riggs, chief of the insular police, in this connection. He further called upon those present to take an oath that the killing of the Nationalists who had gone to break up the student meeting should not remain unavenged. He declared further that the Republic of Puerto Rico would be established by being kneaded with Puerto Rican blood and with the blood of their enemies, the Yankees.

Four months later, on February 23, 1936, Col. E. Francis Riggs, the chief of the insular police, was killed. He was a retired officer of the United States Army. He was on his way home from church, unarmed. Two Nationalists, Elias Beauchamp and Hiram Rosado, suddenly fired on him without warning in an open street in San Juan; killed him almost instantly. The police killed his assailants. Six policemen were subsequently tried in Puerto Rican courts for killing these assassins, and four of them have been acquitted, while in the case of the other two there was a mistrial. In a public speech at the funeral of these two Nationalists, Albizu Campos said that they were heroes who "had restored the virtues of an oath", the oath taken the previous October, in the same cemetery, when the Nationalists gathered there had "sworn vengeance for the assassination of Rio Piedras"; that these "heroes" "had restored the virtue" of that oath.

A little later, in June 1936, Orlando Colon, one of the policemen who had taken part in stopping the October attack on the University of Puerto Rico students' meeting, was shot through the back as he was entering his own home at night, the last shot being fired at him as he fell into the arms of his wife.

On January 26, 1936, in the municipality of Utuado, while police were trying to disarm a Nationalist, Luis Cruz Perez, he fired his gun at them and wounded the local chief of police, Francisco Velez Ortiz, and a policeman, Manuel Barriote.

On February 23, 1936 (the same day on which Colonel Riggs was killed), while the police in Utuado were arresting another Nationalist, Pedro Crespo, for carrying a gun, he and another Nationalist, Angel Mariano Martinez, fired at the police and seriously wounded the local chief of police, Francisco Velez Ortiz. On May 28, 1936, Guillermo Vazquez, a Nationalist, fired his gun a number of times at Policeman Antonio Barrero, and seriously wounded him.

In November 1936, shortly before election day, while the Liberal Party was holding a parade in Utuado, a group of Nationalists carrying guns snatched a flag from the paraders. When the police interfered, the Nationalists fired on the police.

Again, shortly before election, on October 25, 1936, the Honorable SANTIAGO IGLESIAS, Resident Commissioner for Puerto Rico, the island's elected representative in the Congress of the United States, was fired upon five times by Nationalists while he was

delivering a speech at the public square in the city of Mayaguez. He was wounded; and except for the microphone's intercepting two shots he would probably have been killed. Sitting next to him on the same stand were several distinguished ladies of the city of Mayaguez, including the mayor's wife, Mrs. Manuel Marin, and Representative Maria Louisa Arcelay, the only woman member of the House of Representatives of Puerto Rico, as well as Mrs. Gaetan Barbosa, director of the public schools of San Juan and wife of Municipal Judge Gaetan Barbosa. Luckily they and other persons sitting close to the Resident Commissioner escaped unhurt.

NATIONALIST LEADERS CONVICTED OF CONSPIRACY TO OVERTHROW UNITED STATES AUTHORITY BY FORCE

After the assassination of Colonel Riggs, Pedro Albizu Campos and other leaders of the Nationalist Party were prosecuted in the United States District Court of Puerto Rico for conspiracy to overthrow the Government of the United States by force and to oppose by force the authority of the United States in Puerto Rico. They were convicted on July 31, 1936. Albizu Campos was sentenced to imprisonment in the Federal penitentiary at Atlanta, Ga., for a period of 6 years on the first count of the indictment, 2 years on the second count, and 2 years on the third count; and the sentence provided that upon completion of the service of the sentence imposed on the first count, the sentences imposed on the second and third counts are suspended and he will be placed on probation for a period of 4 years.

His associates were sentenced to imprisonment in the penitentiary at Atlanta for terms varying from 6 to 10 years. The sentence was affirmed by the United States Circuit Court of Appeals for the First Circuit on February 12, 1937 (88 F. (2d) 138). Their petition for certiorari was denied yesterday, June 1, 1937, by the United States Supreme Court. It is understood they will shortly be transported to the penitentiary at Atlanta. In its opinion, the circuit court of appeals finds (p. 142):

"In a speech at Mayaguez in August 1932 Albizu said 'that if the insular police by order of the government should kill any Nationalist, they would kill the Governor'; that at Humacao about 2 years ago he said he could explode a bomb or fire a shot from a revolver and that it would hit the head of the insular police in San Juan; that in the Plaza de Armas at San Juan in 1934 Albizu declared that every Puerto Rican home should be converted into an armed arsenal, in order to overthrow by means of force the Yankee imperialism in Puerto Rico; that in the Plaza Nunoz Rivera in October 1935 he said that the citizens must prepare and arm themselves with revolvers, rifles, and shotguns, and machetes in order to overthrow the American Government, cutting their heads off; and again in August 1934 he said that the people of Mayaguez were a lot of cowards; that instead of receiving President Roosevelt with flowers, they should have received him with bullets.

"Following these exhortations to arm, there was much shooting of both policemen and Nationalists, and finally Colonel Riggs, chief of police, was shot by Nationalists while returning from church, which Albuzu attributed to the oath previously taken at his suggestion at the interment of certain Nationalists in a former encounter with the police.

"There was also evidence of the attendance of Corretjer, Luis Velazquea, Velez, Erasmo Velazquez, and Juan Gallardo Santiago at a convention of the national council of the Nationalist Party at Caguas held in December 1935, at which Albizu spoke for 2 hours, concluding with the appeal, 'To arms! to arms!' saying, among other things, 'that the Nationalists should prepare themselves with arms suitable not for picking teeth but that shot well, and that the citizens should be in a position to repel by any means, even by killing, an illegal search.'"

BACKGROUND OF OCCURRENCES AT PONCE

That, in general, is the background of what took place at Ponce on March 21, 1937. There had been, besides, many other instances of disorder by Nationalists and attempts to intimidate the police and the people, and many cases of desecration by Nationalists of the flag of the United States. Many reports had come to me from police and from other public officials, and from private citizens, of Nationalists having torn down the American flag from schools and from other public buildings. On May 15, 1936, I had sent the following telegram to all mayors, justices of the peace, municipal courts, district courts, fiscals, and district chiefs of police in Puerto Rico:

"Your attention is invited to the provisions of section 958 of the Revised Statutes of Puerto Rico, which prohibits the desecration of the flag of the United States. In any case of violation of the provisions of this act immediate action shall be taken against such violators, who shall be arrested, taken to jail, and promptly prosecuted. The employment of crime, violence, or terrorism will not be tolerated. Should there be any persons rash enough to disregard this warning and to attempt to use methods of lawlessness and intimidation, you, as agents of the law, are expected to take immediate action against such violators. I call upon every good citizen of Puerto Rico to stand shoulder to shoulder with the constituted authorities for the preservation of law and order, and I shall employ the forces at my command to the limit necessary to protect the children, women, and all other citizens abiding by the law."

EVENTS AT PONCE

The occurrence at Ponce on Sunday, March 21, 1937, should be viewed with this background in mind: On that Sunday, pursuant to orders from the leaders of the Nationalist Party, there was to be a mobilization in Ponce of "divisions" of the so-called "liberating army" of the Nationalist Party, also known as the "cadets of the republic", and of an auxiliary quasi-military organization of women calling themselves the Daughters of the Republic. An announcement of the mobilization, or concentration, had been made in the local press in the form of a military order. Documents afterward found by the police, in the Nationalist headquarters in Ponce, show that instructions had been issued for the members of the "army" to come to Ponce in civilian clothes, then to go to private homes where they should put on their uniforms, and then to report at their headquarters, being careful to come singly and not to appear publicly in groups.

A permit had been asked for the parade, but the mayor of Ponce was absent, and in his absence the acting mayor would not take the responsibility of granting it. On Friday, March 19, Colonel Orbeta, chief of the insular police, had gone to Ponce to determine just what the situation was with reference to the parade that was proposed for the following Sunday. After conferences with a number of people that day, he returned that evening to San Juan to tell me what he had ascertained. He determined from the information that had been given him that if a military parade of the character proposed was carried out, it was well calculated to result in bloodshed. We discussed the matter at considerable length, and it was decided that the parade should not be allowed. The attorney general and I were both of the opinion that to allow the parade would clearly result in the substitution of the authority of Albizu Campos for that of the constituted authority of the Puerto Rican Government; and it was decided that Colonel Orbeta should use every effort to impress upon the people sponsoring the proposed parade the serious implications and try to dissuade them from carrying out the parade, using in this connection the best offices of the mayor of Ponce as well as other authorities and responsible citizens. Colonel Orbeta returned to Ponce on Sunday morning, March 21, and found that the mayor had returned late Saturday night and early Sunday morning, after some hesitation, had granted a permit for "a parade and meeting of a political charcter tonight", but with an express proviso "that any activity carried out by the commission that applied for this permit must have exclusively a civil character, that under no circumstances shall this permit be used to incorporate in the parade and meeting of a civil character any organization of a military character that is not duly authorized by the Government of the United States."

After a conference with Colonel Orbeta on Sunday morning, the mayor revoked the permit by noon that day. Word of the revocation was immediately sent to the Nationalist leaders, who had scheduled the parade for 2:30 p. m.

Shortly after midday a group of Nationalists, part of them in the uniform of the "liberating army", collected in front of the Nationalist headquarters at the corner of Aurora and Marina Streets in Ponce. It developed afterward that, in fact, the Nationalists also had men on roofs overlooking the street. Two of the Nationalist leaders, Gracioni and Quesada, asked for an interview with Colonel Orbeta at Ponce police headquarters. At that interview Colonel Orbeta carefully explained to them the seriousness of the situation and the dangerous possibilities involved if they should insist on attempting a military parade without a permit. He said to them that a civic parade could be held at any time, providing that it was not a parade of so-called "divisions of the liberating army" as a military organization. The two Nationalist leaders seemed to be convinced of the dangers involved in a military march of the "army" through the streets. Colonel Orbeta went so far as to offer, himself, to appear before the assembled Nationalists and to explain to them collectively the seriousness of the situation. They went back to their people, telling Colonel Orbeta that they would use their best offices to dissuade them from the march, and would let him know if they were not able to dissuade them. He waited in the office of the Ponce police headquarters for half an hour to see whether his suggestions would not be followed, but he received no further word from the Nationalists. It appears that, in fact, they made no effort to communicate with him again, showing definitely that they had determined to carry out the march at all costs. After waiting about half an hour at police headquarters, Colonel Orbeta started to the place where the "concentration" was to be.

But before he reached there, at around 3:30 p. m., about an hour after the time originally announced for the parade, the Nationalist band played the Puerto Rican hymn, La Borinquena, and at its conclusion the Nationalist column commander gave the command "Forward march", showing that the Nationalist leaders had definitely determined to carry out their plan for an army march. That was on Marina Street in front of the Nationalist headquarters, at the intersection of Marina and Aurora Streets. On the sidewalk in front of the Nationalist headquarters building at the street corner quite a little crowd were gathered in civilian clothes. Captain Soldevila, of the local police, placed himself in front of the head of the Nationalist column, held up his hand, and announced in a loud voice that the parade was prohibited. Instantly shots were fired at the police; and one policeman, Eusebio Sanchez, standing on Captain Soldevila's left hand, dropped, killed. A burst of firing came from the crowd in front of the Nationalist headquarters. A number of shots were fired from there. The policeman standing on Captain Soldevila's right hand, Loyola, was mortally wounded. These first shots came from the group standing on the sidewalk at the street corner in front of the Nationalist headquarters, rather than from the Nationalist column in formation. Photographs taken at the moment from the opposite side of the street, as well as the testimony of a number of witnesses, establish that the first shots

came from that group in front of the Nationalist headquarters. (See photographs and reports of statements of witnesses hereto appended.)

It appears that, at the same time when Policeman Sanchez fell, another policeman, Ortiz Fuentes, who received five wounds during the riot and who saw Policeman Sanchez fall mortally wounded, was himself fired at by a bystander. Policeman Ortiz Fuentes, in self-defense and in defense of his fellow policemen, raised his carbine and fired at those who were attacking Chief Soldevila and himself and who had killed Policeman Sanchez. A general exchange of shots then took place between the Nationalists and the police, with Nationalists firing from the street and from roofs and from the door of the Nationalist headquarters. The firing lasted several minutes. Of necessity, the police, in self-defense, return the Nationalists' fire and threw tear-gas bombs into the crowd from which the shots were coming. Some minutes later, when Colonel Orbeta arrived on the scene, he was himself fired upon twice from a house roof while he was picking up a wounded man but was not hit. So the first and last shots came from the Nationalists. The casualties were 19 killed and some 100 wounded, including two policemen killed and five policemen wounded. One Nationalist was found lying face down on the sidewalk, feigning death, with a pistol in his hand with all its chambers emptied and a lot of extra cartridges in his pocket. He was shown to have shot one of the policemen. He was arrested, uninjured, and now stands charged with murder.

Following this the police entered and searched the Nationalist headquarters where they found a number of dead and wounded Nationalists, and found pistols, revolvers, and ammunition. They also found a copy of the secret order above mentioned, issued by the local Nationalist leader, giving specific instructions to the members of the so-called liberating army to report in Ponce without their uniforms, to put them on in private houses, and then to report singly to the Nationalist headquarters, taking care not to appear publicly in groups. Paraffin tests were applied to the hands of a number of members of the Nationalist Party, and 14 of the tests gave positive results of powder stains. Some others of the Nationalists refused to submit themselves to the test.

INVESTIGATIONS AFTERWARD

The civil authorities promptly started investigations, and I issued instructions that the investigations should be continued and be vigorously and promptly carried through. From the evidence collected I am thoroughly convinced that the chief of the insular police, Colonel Orbeta, used every method of persuasion with the Nationalist leaders to show them the possible dangers involved in such an unauthorized military parade of the "liberating army" and to prevail upon them not to attempt to carry out their plans. It appears that he showed great patience, consideration, and understanding of the situation, as did also the district police chief, Captain Blanco, and the local police chief, Soldevilla, and men under them.

THE HAYS COMMITTEE

The report of the Hays committee says that it arose out of a request by a group of Ponce citizens, headed by Felipe Colon Diaz, a lawyer, to the Civil Liberties Union of New York for an "impartial investigation" of the occurrences at Ponce, and that in response the Union sent Mr. Arthur Garfield Hays to Puerto Rico. The other members of the "committee" are Puerto Ricans.

On his arrival, Mr. Hays, with the members of the "committee", came to my office about 11 o'clock in the morning to explain the purpose of his visit to Puerto Rico.

After some casual remarks I asked him why he was making his visit just at that time. Mr. Hays replied that he had come to Puerto Rico in answer to a request from the committee that was accompanying him. When I asked them the purpose of the visit, he replied in effect that they desired to ascertain whether or not the people of Puerto Rico were being denied their civil rights and that they wanted to investigate the Ponce affair. I advised them of the situation with reference to the Ponce affair and as to what had been done as to investigations and court action. I told them that immediately after the occurrence the local prosecuting officer and his assistant (fiscal and assistant fiscal) had started an investigation of the matter, and that the attorney general and the special prosecuting attorney at large had themselves gone to Ponce to assist in the investigation; that after a great number of witnesses had been examined, preliminary reports had been filed by both the fiscal and assistant fiscal and by the attorney general and the special prosecuting attorney at large; that the investigation was continued until more than 300 witnesses had been examined; that on the evidence taken charges had been laid against 13 of the Nationalists and 2 policemen; that the accused parties would be arraigned the next week and their trials proceeded with in due course at as early a date as was consistent with the rights of the accused. I then said, in effect: "Now, gentlemen, under these circumstances it would seem to me that the investigation proposed by you is entirely inappropriate at this time." I said that I was very anxious for them to have all the information connected with the case, and told them that I thought it would be appropriate, under all the circumstances, for them to be present at the trial and to ascertain whether they considered it was being conducted in a proper way.

Mr. Hays' answer was that they not only wanted to do that, but that they also wanted to find out whether civil liberties were being denied in Puerto Rico. I stated that much of the information sought would undoubtedly be forthcoming at the trial of the cases which would begin on June 14, and that it would be logical for any further investigation to follow after that; that otherwise they would in practical effect be running an unofficial trial at the same time that the case was being carried on in the courts; that the testimony that they took would probably be made public and carried in the newspapers (as afterward actually proved to be the fact); and that it would undoubtedly get to the jury and influence it, although not guarded by the usual rules with reference to examination and cross-examination of witnesses. I told them that the general impression would probably be that this was being done for the purpose of cutting across the process of the court. Mr. Hays said that he thought it would not, and that it was appropriate to carry on an investigation of this sort at the same time that the trial of the case was being conducted in the court. I made some further remarks on the subject, and said in effect: "Now, gentlemen, I wish that you would give very serious consideration as to whether or not the course that you propose would not be most inappropriate under all the circumstances. I think it would be very much so." I again told them that I was very anxious to have them know all the facts and circumstances of the case, and urged that they follow the course that I had proposed. As Mr. Hays left he asked if he could publish the telegram that they had sent me, asking for the interview, and also the statement that I would cooperate. My reply, bearing in mind what I have already said, was that I had no objection to their publishing the telegram, and that I would be willing to cooperate.

With that they left, and I supposed that they would give consideration to the proposition I had suggested. They, however, went almost immediately to Ponce and started an investigation in open session and came to their conclusions, which were reported by them at a meeting in the public square in San Juan.

The conclusions, in their report, in the light of all the evidence that has been taken on this subject, are so erroneous as to have been described by the prosecuting attorney at large as revealing either "gross ignorance of the late events taking place in Puerto Rico during the last 5 years or bad faith and prejudice." The attorney general of Puerto Rico appeared at their investigation upon their request, and he regards their report as unfair, erroneous, and biased; and he says their interpretation of photographs taken at the Ponce incident is prejudiced and fantastic. They talked with the chancelor of the University of Puerto Rico and discussed the matter for about 6 hours with him, and he says that the impression he received while being questioned by them was that they had already reached a conclusion and were merely seeking facts and arguments to substantiate that conclusion.

From the official investigation of the Ponce affair it appears very definite that the Nationalists had made up their minds to have that parade on that day at whatever cost. The general opinion is that if the police had permitted the parade under all those circumstances the authority of the Nationalists would have been substituted for that of the insular government and that of the United States in Puerto Rico.

My opinion is that Mr. Hays was deceived and misled in the invitation to come to Puerto Rico and to conduct the particular investigation at that time. He apparently did not know that the committee with which he associated himself was "hand-picked" and that it had a strong pro-Nationalist bias. It is my belief that its purpose was to interfere with the trial in the court of the cases resulting from the Ponce affair, to influence the juries in those cases, and even to attempt to influence the course of the case in the United States Supreme Court, where a petition for certiorari had been filed by Albizu Campos and his associates. The least that can be said of the action of Mr. Hays in this connection is that he was badly deluded.

In discussing the objectives of the Nationalist Party the Hays report speaks of the spirit of fanaticism with which its members are imbued. It states they use "fighting language" and threaten to obtain their aims by means of force and revolution. So much of the statement is part of the truth. But the report withholds the rest of the truth when it states that, although many of the Nationalists belong to the so-called "liberating army", which teaches military tactics, they have no arms.

According to the record in the conspiracy trial of Albizu Campos and other Nationalist leaders, to which reference has already been made, searches of Nationalist headquarters have produced rifles, revolvers, bombs, material for other bombs, used targets indicating extensive target practice, and photographs of police marked for assassination. The evidence showed that on one occasion a recruiting officer of this Nationalist "army" told a witness that—

"They were trying to enlist an army, and that they needed 5,000 men well armed, because in Puerto Rico the National Guard, Sixty-fifth Infantry, and the insular police, they were about 2,500 or 2,700, all of them, and that they needed 5,000 men well armed to try to destroy the power of the American Government in Puerto Rico * * *.

"* * * In Puerto Rico there were towns that had only a chief of police and two or three policemen, and that as soon as a revolutionary movement broke out they would take possession of them and declare the republic in those towns with great ease."

Other statements to the same effect were made by recruiting officers in other towns.

The Hays report finds that the Nationalist Party, as such, repudiates terrorism and intimidation as a method. It also specifically states that the policy of the party is contrary to individual terroristic action. But at the same time it points out that the

intense loyalty of the party members to Albizu Campos as the master whom the rank and file blindly follow carries within it the germ of fascism.

The committee is clearly correct in its findings that Albizu Campos is blindly followed by his disciples. But that he repudiates violence as an individual or party policy is just as clearly negatived by the findings of the circuit court of appeals, above quoted, and by the entire history of his agitation and of his speeches.

One further word as to the conviction of Albizu Campos and the other Nationalist leaders for conspiracy to overthrow by force the authority of the United States. The Hays committee, while conceding that its statement is not a legal answer to the charges of conspiracy, say that Albizu Campos and the other defendants in that case were not charged for anything they had really done, but only for conspiring to do something—that is, to overthrow the Government of the United States by force. The Hays committee go on to say that, although that does not exculpate the conspirators, yet nothing by way of force and violence was actually done. That is an outrageous misstatement of the record, as is shown by the findings of the circuit court of appeals, which I have already quoted. It is inconceivable that the lawyers on the Hays committee could have made such a statement in good faith if they had actually examined the record in that case with any care at all. Acts of violence were in fact abundantly established, as both the trial court, the United States district court, and also the Circuit Court of Appeals for the First Circuit, in unanimously affirming its judgment, clearly pointed out.

The committee says that many felt that if those men were to be tried, it should have been done in the local insular courts, and upon a charge of having been accomplices in the murder of Colonel Riggs. That is novel doctrine. Not only does this wholly unofficial, volunteer, private committee, organize and set itself up to usurp the functions of the insular courts in determining the guilt or innocence of the different parties in connection with the events at Ponce last March, but it also arrogates to itself the power to conclude that the United States District Court for Puerto Rico should not try cases within its criminal jurisdiction under the statutes of the United States and the law of the land.

Did anyone ever lend a sympathetic ear to Al Capone on any theory that he should have been tried for murder in the State courts of Illinois instead of for income-tax violations in the United States district court? Or is it the position of the committee that these culprits might have hoped for acquittal in the insular courts? And if so, shall that opinion of the committee wipe out the indictment that was brought against those people by a grand jury composed almost entirely of citizens born in Puerto Rico, or their conviction by a petit jury after two trials, or their sentence to imprisonment by as fair-minded a judge as ever sat in any United States district court, who, in imposing sentence, said:

"Candor and frankness compel me to say" (addressing defendant Albizu Campos) "that I regard you as primarily responsible for what has happened leading up to this case. I think yours was the major responsibility. This is regrettable because of the opportunities which you have had. You may not agree, but my deliberate judgment is that the blood of some of your own faithful followers is on your hands due to your ill-timed, ill-considered, and inflammatory remarks."

The Hays committee states that some believe the jury in that case was not impartial. Does the committee produce one iota of evidence to substantiate such a serious charge of improper selection of a jury? I have searched their report in vain for it. Would Mr. Hays have had the temerity to sign such a statement without one shred of proof, regarding a jury in a United States district court here on the mainland?

Of similar import is the innuendo of the Hays committee that there has been censorship of radio broadcasts in Puerto Rico. The charge is not directly made, but is made by innuendo and implication. That is a libel both on the radio stations and on Government officials. It cannot be condemned too severely. Yet that charge, made by innuendo, appears to be typical of a willingness of this committee to come to serious conclusions without sufficient facts as a basis for them.

The committee is gracious enough to say, at the tag end of their report, that there has been a free press and that the press has not been prosecuted for criminal libel in Puerto Rico. But the committee neglects to say that flagrant abuses of the laws against criminal libel and contempt of court by Albizu Campos and other Nationalist leaders have not brought prosecutions, because of the careful solicitude of the authorities of Puerto Rico for the preservation and exercise of all civil rights. Criminal libel and contempt of court have repeatedly been committed without subjecting the offenders to punishment. If anything, the insular government stands indicted of over-indulgence of those crimes. It is only in the name of a jealous preservation of the constitutional guarantees of freedom of speech and of the press that the government can justify its failure to prosecute these offenses.

It is my sincere belief that there is no place either in Latin America or in the continental United States where civil liberties have in reality been given wider scope. By its own statements this very committee has enjoyed in fullest measure the benefit of those constitutional guarantees in carrying on its investigation.

CONCLUSIONS

As the committee itself pointed out, he who looks for something finds it. The committee fell into the hands of a terroristic group bent on obscuring their crimes of violence by raising a smoke screen of alleged infringement of civil liberties.

WASHINGTON, D. C., *June 2, 1937.*

DEPARTMENT OF JUSTICE OF PUERTO RICO,
OFFICE OF THE ATTORNEY GENERAL,
San Juan, March 27, 1937.

Hon. BLANTON WINSHIP,
Governor of Puerto Rico, San Juan, P. R.

DEAR GOVERNOR WINSHIP: I am submitting to you a preliminary report showing the facts of the incidents that occurred at the city of Ponce on the afternoon of March 21, as disclosed by the investigation started by the Ponce district attorney and his assistant and from information obtained by me in my visit to that city the following day.

During the morning of March 21 permission was granted by the mayor of Ponce to the Junta Nacionalists of that city to hold a parade and political meeting, said permission having been revoked a moment later at the request of the chief of the insular police of Puerto Rico. The original permit and revocation were communicated by the mayor of Ponce on the same day to the local directors of the Junta Nacionalists and to Captain Blanco, local chief of police.

Captain Blanco delivered to Chief Guillermo Soldevila the official communication from the mayor withdrawing the permit in order to make it known to the leaders of the Junta Nacionalists. Chief of Police Soldeville communicated directly with Mr. Luis Castro Quesada, Mr. Plinio Graciani, and other Nationalists, informing them that they had no permission to carry on the intended demonstration.

It appears that Lorenzo Pineiro Rivera and other nationalists had conversations with Chief of Police Orbeta, Captain Blanco, and the mayor of Ponce about the situation, and that the authorities insisted in the suspension of the parade in order to avoid possible clashes with the police force, the Nationalists claiming at that time that they were within their rights, and that they could not in any way agree to suspend a parade which had already been called.

Having the demonstrators assembled in front of the clubhouse in the Calle Marina, the musical band played La Borinquena, and orders were given by one leader to start the march. At that moment Police Chief Soldevila interposed himself in front of the marchers, and from the corner of Aurora and Marina Streets, where the Club Nacionalists is located, a shot was fired in the direction of Chief of Police Soldevila, and then and there Policeman Eusebio Sanchez fell dead.

A cross-fire was initiated between the police and the demonstrators, and as a result of the affray 2 policemen and 17 civilians are dead and 5 policemen and about 64 civilians wounded.

Several persons have been arrested charged with riot. One Elifaz Escobar has also been arrested and charged with assault with intent to kill.

About 80 witnesses have been examined, 61 of them Nationalists, who had taken part in the parade. Out of the 61 Nationalists examined, only 1 has accused the police force with firing the first shot, the others stating under oath that they do not know who fired the first shot.

Several civilian witnesses who do not belong to the Nationalist Party have declared under oath that before the fire started the police acted with courtesy and prudence, and all of them but one assert that the first shot was fired by a man standing at the corner of the Nationalist Club.

The paraffin test has been applied to several members of the Nationalist Party, and 14 have given positive results. Some of them have refused to submit themselves to the test.

Today I was told by telephone by District Attorney Perez Marchand that he has obtained a photograph taken by a person living in the upper story of one of the houses in the neighborhood, and the same discloses the very moment of the starting of the shooting and reveals that the first shot was fired by a man standing in front of the Nationalist Club.

I am enclosing herewith certified copies and translations of the reports rendered up to this moment by the district attorney of Ponce and his assistant.

As soon as the investigation is ended I will submit to you my final report on this matter.

Very respectfully yours,

B. FERNANDEZ GARCIA,
Attorney General.

DEPARTMENT OF JUSTICE OF PUERTO RICO,
OFFICE OF THE DISTRICT ATTORNEY,
Ponce, March 24, 1937.

Re: Preliminary report of the district attorney of Ponce to the honorable the attorney general of Puerto Rico on the bloody events which occurred in Ponce on the 21st day of March 1937 (second report).

Hon. BENIGNO FERNANDEZ GARCIA,
Attorney General of Puerto Rico,
San Juan, P. R.

SIR: Amplifying my preliminary report of the 22d instant, please be informed that up to this writing seven firearms and a dagger, already identified, have been delivered to this office as seized from civilian Nationalists, uniformed Nationalist cadets, and the Nationalist Club and its surroundings, and that I also have in my possession about 100 bullets of different calibers, not fired, seized as heretofore stated.

The writer has also in his possession a military order signed by Roberto Lopez de Victoria, captain of the cadets, and numerous copies of calls and orders for mobilization which were found at the Nationalist Club of Ponce and in the person of several Nationalists arrested. All these documents tend to show that the leaders of the Nationalist Party had agreed to a military parade in Ponce and that to that end had received mobilization orders a great number of persons of both sexes to take part in the parade along the streets of Ponce as active forces of the "Ejercito Libertador y Cuerpo de Enfermeras de dicho Ejercito."

During all day yesterday and today numerous policemen have testified under oath and identified the weapons heretofore referred and the documents seized; also I have the testimony of persons of high professional and social standing of the city of Ponce.

Special mention should be made of Mr. Jose Rodriguez Serra, whose photographic business place is located at the corner where the shooting took place; Julio Amill, director of municipal public works of Ponce; and Engineer Eduardo Tuya, and Noel Totti.

These four witnesses clearly state that the first shot was fired by a civilian from the angle of the corner of Aurora and Marina Streets, and that, in consequence thereof, a policeman fell dead very near to Chief Guillermo Soldevila.

It is affirmed under oath by Cesar Amy and Luis Sanchez Frasqueri that they did not see who fired the first shot, but that they witnessed a real and truthful blood orgy (bloodshed) on the part of the police, that after the shooting was initiated attacked and fired regardlessly with all their weapons.

Quillermo Vivas Valdivieso, director of the newspaper El Dia, has given a long statement which substantially shows that he was at the place of the shooting, personally contributing to see that the parade was suspended in order to avoid clashes with the police. That he retired the moment he heard a Nationalist leader give an executive order and saw Chief of Police Soldevila advancing toward the man carrying the flag to impede the marching; that he heard the first shot and others later, but that he could not state who fired the first one. He made a part of his testimony an editorial published in the newspaper El Dia on the 22d day of March 1937.

The practical result of the investigation taken today and yesterday has been the arrest of Pedro Angel Flores, Martin Gonzalez (a) Lete, Luis Angel Correa (a) Chiguan, for riot, carrying weapons and violation of law no. 14 of July 8, 1936, under a bond of $500 and also the arrest of Ramon Ruiz for the crime of perjury and a bond in the amount of $2,000.

Dr. William Gelpi, in charge of the autopsies made at the municipal hospital, 14 in number, stated to the writer that in due time he will have his report.

Respectfully,

R. V. PEREZ MARCHAND,
District Attorney.

REGIONAL AUTHORITIES—FLOOD PREVENTION AND DROUGHT EMERGENCIES

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was read and ordered to be printed, as follows:

To the Congress of the United States:

Nature has given recurrent and poignant warnings through dust storms, floods, and droughts that we must act while there is yet time if we would preserve for ourselves and our posterity the natural sources of a virile national life.

Experience has taught us that the prudent husbandry of our national estate requires far-sighted management. Floods, droughts, and dust storms are in a very real sense manifestations of nature's refusal to tolerate continued abuse of her bounties. Prudent management demands not merely works which will guard against these calamities, but carefully formulated plans to prevent their occurrence. Such plans require coordination of many related activities.

For instance, our recent experiences of floods have made clear that the problem must be approached as one involving more than great works on main streams at the places where major disasters threaten to occur. There must also be measures of prevention and control among tributaries and throughout the entire headwaters areas. A comprehensive plan of flood control must embrace not only downstream levees and floodways, and retarding dams and reservoirs on major tributaries, but also smaller dams and reservoirs on the lesser tributaries, and measures of applied conservation throughout an entire drainage area, such as restoration of forests and grasses on inferior lands, and encouragement of farm practices which diminish run-off and prevent erosion on arable lands.

Taking care of our natural estate, together with the stopping of existing waste and building it back to a higher productivity, is a national problem. At last we have undertaken a national policy.

But it is not wise to direct everything from Washington. National planning should start at the bottom, or, in other words, the problems of townships, counties, and States, should be coordinated through large geographical regions, and come to the Capital of the Nation for final coordination. Thus the Congress would receive a complete picture in which no local detail had been overlooked.

It is also well to remember that improvements of our national heritage frequently confer special benefits upon regions immediately affected, and a large measure of cooperation from State and local agencies in the undertaking and financing of important projects may fairly be asked for.

Any division of the United States into regions for the husbandry of its resources must possess some degree of flexibility. The area most suitable as a region for the carrying out of an integrated program designed to prevent floods is the basin including the watersheds of a pivotal river. But other problems dependent upon other combinations of natural economic and social factors may require a somewhat different area to permit the most effective functional program. For instance, the problem of the Great Plains area is a problem of deficient rainfall, relatively high winds, loose, friable soils, and unsuitable agricultural practices. The natural area for solution of the Great Plains drought problem is different from that for the solution of dynamic water problems presented by the rivers which traverse that area. The rational area for administration of a Great Plains rehabilitation program crosses the drainage areas of a number of parallel major tributaries of the Mississippi River. It should therefore be kept in mind that in establishing a region for one type of comprehensive program, parts or all of the same area may be included in a different region for another type of comprehensive program with the result of a Federal system, as it were, of programs and administrative areas for solution of basically different yet interrelated problems.

Neither the exact scope nor the most appropriate administrative mechanism for regional husbandry can at the start be projected upon any single blueprint. But it is important that we set up without delay some regional machinery to acquaint us with our problem.

I think, however, that for the time being we might give consideration to the creation of seven regional authorities or agencies; one on the Atlantic seaboard; a second for the Great Lakes and Ohio Valley; a third for the drainage basin of the Tennessee and Cumberland Rivers; a fourth embracing the drainage basins of the Missouri River and the Red River of the North; a fifth embracing the drainage basins of the Arkansas, Red, and Rio Grande Rivers; a sixth for the basins of the Colorado River and rivers flowing into the Pacific south of the California-Oregon line; and a seventh for the Columbia River Basin. And in addition, I should leave undisturbed the Mississippi River Commission which is well equipped to handle the problems immediately attending the channel of that great river.

Apart from the Tennessee Valley Authority, the Columbia Valley Authority, and the Mississippi River Commission, the work of these regional bodies, at least in their early years, would consist chiefly in developing integrated plans to conserve and safeguard the prudent use of waters, water power, soils, forests, and other resources of the areas entrusted to their charge.

Such regional bodies would also provide a useful mechanism through which consultation among the various governmental agencies working in the field could be effected for the development of integrated programs of related activities. Projected programs would be reported by the regional bodies annually to the Congress through the President after he has had the projects checked and revised in light of national budgetary considerations and of national planning policies. When the National Planning Board is established, I should expect to use that agency to coordinate the development of regional planning to insure conformity to national policy, but not to give to the proposed National Planning Board

any executive authority over the construction of public works or over management of completed works.

Projects authorized to be undertaken by the Congress could then be carried out in whole or in part by those departments of the Government best equipped for the purpose, or if desirable in any particular case by one of the regional bodies. There should be a close coordination of the work done by the various agencies of government to prevent friction, overlapping, and unnecessary administrative expense and to insure the integrated development of related activities. There should be the closest cooperation also with the developing State and local agencies in this field, particularly the State, regional, and local planning boards and the commissions on interstate cooperation which work through interstate compacts ratified by the Congress and through interstate administrative arrangements. And provision should be made for the effective administration of hydroelectric projects which have been or may be undertaken as a part of a multiple-purpose watershed development. The waterpower resources of the Nation must be protected from private monopoly and used for the benefit of the people.

This proposal is in the interest of economy and the prevention of overlapping or one-sided developments. It leaves the Congress wholly free to determine what shall be undertaken and provides the Congress with a complete picture not only of the needs of each one of the regions but of the relationship of each of the regions to the whole of the Nation.

If, for example, the Congress could have had before it at this session a complete picture of immediate and long-term needs I think its task in providing for flood prevention and drought emergencies would have been an easier one.

For nearly a year I have studied this great subject intensively and have discussed it with many of the Members of the Senate and the House of Representatives. My recommendations in this message fall into the same category as my former recommendation relating to the reorganization of the executive branch of the Government. I hope, therefore, that both of these important matters may have your attention at this session.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 3, 1937.*

The VICE PRESIDENT. The message will be referred to the Committee on Agriculture and Forestry.

Mr. NORRIS. Mr. President, will the Senator from Washington yield to me so that I may introduce a bill?

Mr. SCHWELLENBACH. I yield.

Mr. NORRIS. Mr. President, I introduce a bill intended to carry out the recommendations of the President, and ask that it be referred to the Committee on Agriculture and Forestry.

The VICE PRESIDENT. Without objection, the bill will be received and referred to the Committee on Agriculture and Forestry.

The bill (S. 2555) to provide for the creation of conservation authorities, and for other purposes, was read twice by its title and referred to the Committee on Agriculture and Forestry.

Mr. BARKLEY. Mr. President, in connection with the President's message just read, and the bill introduced by the Senator from Nebraska, I merely wish to call attention to the fact that on the 10th of February the Senator from Ohio [Mr. BULKLEY] and I introduced a bill providing for the consideration by regions of questions of flood control, reforestation, reservoirs, soil conservation, and practically all the things covered in the message of the President. That bill was referred to the Committee on Commerce, where it now is pending.

It seems to me that there ought to be some rule of the Senate by which bills shall be referred in a more consistent and uniform manner. I am not a member of either committee, and I am not concerned about which committee shall consider the subject; but it seems to me that bills of identical nature, introduced at the same session, and dealing with the same subject, should not be referred to two or three different committees. There ought to be a definite rule as to the reference of bills. Certainly two bills relating to the same subject matter ought not to be considered one by the Committee on Commerce and the other by the Committee on Agriculture and Forestry.

The VICE PRESIDENT. With the permission of the Senator, the Chair would like to say in defense of himself that in the matter of making references to committees, when bills are introduced which cover a number of subjects, and of which various committees have jurisdiction, it is the custom of the Chair to refer them to the committees requested by those introducing the measures. The bill which the Senator from Nebraska has introduced, and also the bill which the Chair understands the Senator from Kentucky [Mr. BARKLEY] and the Senator from Ohio [Mr. BULKLEY] have introduced, deal with various subjects concerning which different Senate committees would have jurisdiction.

The Senator from Nebraska asked that the bill he has just introduced be referred to the Committee on Agriculture and Forestry. The Chair does not know whether the Senator from Kentucky or the Senator from Ohio requested that their bill be referred to the Committee on Commerce, or whether they left the disposition of the bill to the Parliamentarian.

Mr. BARKLEY. Mr. President, I will say that bills providing for flood-control legislation have heretofore come from the Committee on Commerce; and, whether or not we should request that a bill dealing with that subject be referred to that committee, the bill would go there. Of course, I do not raise any question with respect to which one of these committees would have jurisdiction of the subject. My point is that certainly two committees ought not to be considering the same subject at the same time.

In that connection I will say that the Farm Credit Administration legislation came from the Committee on Banking and Currency, and all bills dealing with the Farm Credit Administration and amendments to the present law have been referred to that committee. There are now pending before that committee three or four bills dealing with the rate of interest which is charged on commissioner's loans and land-bank loans by the Federal Farm Credit Administration. One or two bills of the same character, dealing with the same subject and almost in identical language, have been introduced and referred to the Committee on Agriculture and Forestry, I presume, because the introducer of the bill so requested.

With all due respect to everyone involved, it does seem that there ought to be some uniformity with respect to the reference of bills which deal with subjects which are already under consideration and before the Senate. I am not concerned about which one of these committees shall consider these flood-control bills, but both committees ought not to be considering the bills at the same time.

Mr. ROBINSON. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. ROBINSON. The rules of the Senate do not expressly define the jurisdiction of its committees. By precedent it has been the custom of the Senate to refer to the various standing committees measures which have relation to the titles of the committees. As stated by the Chair, frequently there is an overlapping, or rather duplication, of jurisdiction. Many bills might be referred to either one of two or more committees, and either one of those committees would have proper jurisdiction. It would be very difficult to revise the rules so as to determine or enable the Chair to determine just what committee should take jurisdiction of every bill that might be presented in this body. Some of the bills are quite peculiar. They would require a measure of analysis to enable us to know where the balance would be as to jurisdiction.

My study of the pending bill and of the bill referred to by the Senator from Kentucky [Mr. BARKLEY] has not gone far enough to enable me to form an opinion as to whether the Committee on Agriculture and Forestry or the Committee on Commerce had best be given the jurisdiction.

These facts are pointed out in order to make it clear that there is nothing unusual in the situation which has arisen today respecting the subject matter of the two bills. Presumably the Senator from Ohio and the Senator from Kentucky, when they introduced their bill, asked that it go to the Commerce Committee because, as the Senator from Kentucky has stated, the bill deals with subjects closely related to flood control.

One can readily see that the message of the President discusses prospective plans and programs and also deals with subjects of vital interest to agriculture. It can be very easily arranged, I think, that one or the other of these committees, or subcommittees from both of them, may sit to consider the legislation to be worked out in accordance with the President's recommendation.

Mr. BARKLEY. Mr. President, I did not rise to object to the reference of the whole subject to the Committee on Agriculture and Forestry. I agree that the President's message contains a discussion of many subjects, and the bill introduced by the Senator from Nebraska [Mr. NORRIS] contains provisions touching many subjects which might give jurisdiction to one or more committees of the Senate. I doubt the wisdom of trying to have two committees consider the same measure. I think the bill should go to one committee or the other, because whenever we have division of authority between committees we have confusion and chaos. This particular bill does lend itself to reference to either one of the two committees, and perhaps to another one.

However, the subject about which I am speaking not only relates to this bill, not only relates to bills pertaining to the interest on loans, to which I referred a moment ago, but we now have a very peculiar and confusing situation with respect to legislation on the subject of child labor. The Committee on Interstate Commerce, of which I happen to be a member, has held hearings on three or four bills undertaking to deny the right of interstate commerce to child-made goods. Early in the session the Senator from Washington [Mr. SCHWELLENBACH] introduced a similar bill, which was referred to the Committee on Education and Labor. Later the Senator from Missouri [Mr. CLARK] introduced a similar bill, which first was referred to that committee and later was transferred to the Committee on Interstate Commerce.

The other day the President sent here a message on the subject of hours of labor and minimum wages and child labor, which was a sort of composite message, being followed by a composite bill on the same subject, and that bill was referred to the Committee on Education and Labor. So that now it has come down almost to a race between two committees of the Senate as to which one can get a bill out of the committee and on the calendar ahead of the other. It seems to me that this confusion ought to be composed in some way so as not to have almost identical bills going to different committees and having controversies and jealousies arising between committees as to which one should report a bill out first and have it placed on the calendar.

Mr. ROBINSON. Mr. President, will the Senator yield further?

Mr. BARKLEY. I yield further to the Senator from Arkansas.

Mr. ROBINSON. I will take the floor if the Senator from Kentucky has finished.

Mr. BARKLEY. I yield the floor.

Mr. NORRIS. Mr. President, I think the Senator from Washington has the floor.

Mr. ROBINSON. Will the Senator from Washington yield to me?

The VICE PRESIDENT. Does the Senator from Washington yield to the Senator from Arkansas?

Mr. SCHWELLENBACH. I yield.

Mr. ROBINSON. The problem raised by the Senator from Kentucky presents many difficulties, and I do not know of any plan that has ever been suggested or that could be agreed to that would prevent occasionally arising such questions as he has raised this morning, for the reason that in the preparation of bills many subjects matter are often dealt with in a single bill and committee jurisdiction is naturally divided.

With respect to child-labor legislation, it happens that I was a member of the Committee on Interstate Commerce when the child-labor bill, which was finally held to be unconstitutional, was passed through the Senate. I was charged by the committee with the responsibility of handling that bill in the Senate. It was referred to the Committee on Interstate Commerce, and no question of jurisdiction arose at that time. Subsequently the act was held to be unconstitutional by a 5-to-4 decision, as I remember; so that subject has been perpetuated as a question for national legislation.

I have not the slightest doubt that if the original child-labor act, which by a narrow margin was held to be unconstitutional, could be reconsidered in some way there would be a favorable decision on the act under present conditions. It is, however, impracticable, I think, if a Senator drafts a bill dealing with two subjects or more and wishes it to go to a committee of which he is a member, to devise a plan which will prevent that from occurring. If such a plan can be devised, I will be glad to cooperate in carrying it out.

Mr. BARKLEY. Mr. President, if the Senator will yield there, I merely wish to say that while at the time to which he refers I was not a Member of this body, I was a Member of the other body, and I recall very distinctly the skill and sincerity with which the Senator from Arkansas piloted that child-labor measure through the Senate.

Mr. ROBINSON. The bill was fought in the Senate for many days, and every imaginable assault was made on it; efforts were made to destroy the effectiveness of the measure by amendments the meaning of some of which it was difficult to determine. There was bitter resistance to the passage of the measure, but that bill, as I have said, came from the Committee on Interstate Commerce, although it dealt with subjects that might very well come within the jurisdiction of the Committee on Education and Labor.

Mr. BARKLEY. I agree to that.

Mr. ROBINSON. If the Committee on Education and Labor is to have jurisdiction of any important legislation, it may very well be given jurisdiction of child-labor legislation.

Mr. BARKLEY. Of course, theoretically, the Committee on Interstate Commerce would have jurisdiction logically of matters dealing with interstate commerce or the regulation of interstate commerce.

Mr. ROBINSON. Yes; but in the regulation of labor and the regulation of maximum hours and minimum wages another question is also involved.

Mr. BARKLEY. I am not raising any point about that; I do not care what committee considers it. As one of our chief justices in Kentucky once said about the 1st day of the month, when a large assortment of bills came in, it was not the size of the bills but the numerosity of them that troubled him. I think it is unfortunate we should have races between two committees and perhaps have both of them report the same bill.

Mr. ROBINSON. Usually no contest arises between committees to obtain jurisdiction of bills. It seldom happens when a Senator prepares a bill or offers a bill, and, under the custom that prevails, makes a suggestion for its reference that the reference is not made in accordance with his suggestion.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. ROBINSON. Certainly, I yield.

Mr. McKELLAR. As a further illustration of what the Senator from Arkansas has just said, in the President's message today he recommends—

A third for the drainage basin of the Tennessee and Cumberland Rivers.

Sometime last winter I introduced a bill to include the Cumberland River Valley in the Tennessee Valley Authority. I did not ask that it be referred to any particular committee, but the clerk at the desk referred it to the Committee on Commerce, and I think that committee is about ready to

report the bill. Of course, I did not know at that time that a larger program was contemplated, which would take in the whole country; and so the bill was referred to the Committee on Commerce.

Mr. NORRIS. Mr. President, on that subject will the Senator yield to me?

Mr. McKELLAR. I have not the floor.

Mr. ROBINSON. The Senator from Washington yielded to me, and I yield to the Senator from Nebraska.

Mr. NORRIS. The Senator from Tennessee introduced a bill to place the Cumberland River Valley under the Tennessee Valley Authority?

Mr. McKELLAR. Yes.

Mr. NORRIS. An identical bill, introduced by the Senator from Tennessee, had already, in a prior Congress, been referred to the Committee on Agriculture and Forestry. That bill was reported from the Committee on Agriculture and Forestry as a part of a more comprehensive bill. It passed the Senate under the report from that Committee on Agriculture, and went into conference, where it was lost. So a year before the Senator introduced his bill and had it referred to the Committee on Commerce the Agricultural Committee had already passed on a similar measure and recommended that favorable action be taken, and the Senate had passed a bill in pursuance of that recommendation.

It merely illustrates, I think, what the Senator from Arkansas has said as to the jurisdiction of various committees. But I do not know of any rule that could be adopted, although it would be nice if one could be provided, that would make it impossible for any conflict to arise, for, in the very nature of things, there must be conflict. After all, however, the rule provides that if a reference is not satisfactory to the Senate it may take action and refer any bill to any committee it chooses.

Mr. McKELLAR. Of course, I did not ask that the bill introduced by me be referred to any special committee at all. The clerk just referred it to the Committee on Commerce. The only thing I am interested in is to have the Cumberland River Valley included in the Tennessee Valley Authority.

Mr. CLARK. Mr. President, will the Senator yield to me?

Mr. ROBINSON. I yield.

Mr. CLARK. Mr. President, I have listened with very great interest to the observations of the Senator from Arkansas [Mr. ROBINSON], the Senator from Kentucky [Mr. BARKLEY], and other Senators on the question of the reference of Senate bills. I agree entirely with what the Senator from Arkansas has said as to the practice of the Senate; but it has seemed to me ever since I have been a Member of the Senate, and have become fairly familiar with Senate practice, that the matter of jurisdiction of committees in the Senate should be much more closely defined and much more rigidly adhered to than it is. In the House of Representatives one of the principal duties of the Speaker, which in actual practice is performed by the Parliamentarian, is the reference of bills. In the House of Representatives committees guard very carefully and very jealously their jurisdiction, and I believe that it works to the public interest for them to do so. In other words, under the rules of the House, if the contention is made that the Speaker has erroneously referred a bill, it is in order for any Member of the House, by direction of a committee which thinks that the committee to which the bill has been referred ought not to have jurisdiction of it, or by direction of the committee to which the bill should have been referred or to which it thinks it should have been referred, to move to change the reference. In the House of Representatives there is great jealousy between the committees in such matters, and motions to change the reference in such cases are regarded as being in almost the same status as a motion to overrule a decision of the Chair. Changes of references are frequently made by the Speaker himself, by unanimous consent, when he becomes convinced that he has made an erroneous reference; but a motion on the part of a committee to change the Speaker's reference is regarded in the House as a matter of solemnity.

In the Senate, due to the practice here of simply referring a bill, as a matter of course, to any committee its author wishes it to go to, bills dealing with the same subjects may be in three or four different committees at the same time.

The Senator from Kentucky has referred to the fact that during the present session of Congress I introduced a bill which, without any preference or prejudice as to the committee but simply with regard to the subject matter and the committee which I thought had jurisdiction, I had referred to the Committee on Education and Labor, the bill having to do with child labor. Sometime later the Senator from Colorado [Mr. JOHNSON] introduced a bill dealing with the same subject; the Senator from Montana [Mr. WHEELER] also introduced a bill having to do with child labor, and the Senator from Kentucky [Mr BARKLEY] introduced a similar bill. Those bills were referred to the Committee on Interstate Commerce of the Senate. I had no particular preference or desire as to the reference of the bill, but I thought that the subject matter embraced in the different bills should be considered by the same committee, and I therefore asked, and obtained, unanimous consent to have the bill introduced by me transferred from the Committee on Education and Labor to the Committee on Interstate Commerce.

It seems to me, Mr. President, that the primary purpose of the bill which has been introduced is or should be flood control: at least, that is the excuse that is made for the bill. But I understand that it is offered as a substitute for and in effect a postponement of the consideration of the very vital problem of flood control which concerns many sections of the United States. Legislation providing for flood control is always, so far as my information as to Senate practice goes, been considered by the Committee on Commerce. The omnibus flood-control bill which was passed at the last session of Congress was considered and reported by the Committee on Commerce.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. CLARK. I am glad to yield to the Senator from Texas.

Mr. CONNALLY. After all, is not the matter entirely within the jurisdiction of the Senate, and, by motion, could not all bills on a similar subject be referred, if the Senate so desired, to one committee?

Mr. CLARK. There is no controversy about that, let me say to the Senator. The Senate has absolute power to abolish any or all committees or change the jurisdiction of any committee, and as a matter of fact that has been done frequently.

Mr. ROBINSON. The fact is, as is implied in the suggestion of the Senator from Texas, that a motion may be made by any Senator to discharge from further consideration of a bill the committee to which the bill is referred, and to refer it to a different committee. The rule of the Senate in that particular does not differ from the rule of the House.

Mr. CLARK. But the practice does.

Mr. ROBINSON. The practice differs. Let me say as one who has had many years' experience in this body that I have not found very much difficulty arising out of the conflict of jurisdiction among the committees. While, as suggested by the Senator from Missouri [Mr. CLARK] and other Senators, it would be preferable to have a clear definition of the jurisdiction of the committees. I know of no way by which that can be accomplished when a bill which is introduced embraces several subject matters. At last it becomes a matter of discretion with the Chair and a matter of judgment on the part of the Senate if an issue is raised as to the reference.

After all it is not disastrous, is not very harmful, to have the advantage of the judgment of two committees on propositions which are related. It does not make for orderly procedure, but sometimes I have felt that it would have been much better if important bills which were introduced, involving duplication of authority, had gone to two or more committees. I shall state why I have felt that way.

I have known standing committees of the Senate to report very important measures without any consideration, without a quorum present in the committee at any time, and without the committee understanding the effect of the bill. I do not want anyone to challenge me for instances.

I might be disposed to give them, and it might be embarrassing to me and to the chairmen of important committees. [Laughter.] However, there have been cases during the last session or two, and everybody listening to me knows it is true, where some of the most important committees of the Senate have reported to this body measures which no member of the committee assumed to sponsor, and left to me, because I was the nominal leader on this side of the Chamber, the responsibility of defending the reports. I am pretty tired of that sort of thing.

It would not do any harm if two committees studied subjects closely related. We would simply have the advantage, if it is an advantage, of the conclusion and judgment of the two committees. The bills, involved now, I take it, are not identical. They are quite different in important particulars. However, I do not mean to commit myself to the policy of duplicating the jurisdiction of committees. It would add to my difficulties more than to those of any other Senator. I concur in the thought that some plan should be worked out by which this subject matter under discussion may be dealt with by a single committee. I take it if the Senator from Kentucky or the Senator from Nebraska chooses to pursue that course they will arrange to have the Senate consolidate the measures for consideration in a single committee.

Mr. NORRIS. Mr. President, I feel like apologizing to the Senator from Washington [Mr. SCHWELLENBACH] who nominally has the floor, but I do not want this discussion to be ended until I express my views not only of the practice of the Senate, but as to the reference of the particular bill which brought on the discussion. I shall not proceed now except with the permission of the Senator from Washington; but I should like to occupy the floor for a few moments on that subject, if he is willing.

Mr. SCHWELLENBACH. Mr. President, I am glad to yield to the Senator from Nebraska for that purpose.

Mr. NORRIS. I thank the Senator from Washington.

Mr. President, this is a subject which, in my humble opinion, never can be solved satisfactorily so that it will apply to every possible situation that may arise in the Senate. The history of the proceedings of the Senate shows, however, that we have gotten along pretty well. When we have gotten into a controversy, the Senate itself has decided it.

For instance, the bill which was introduced by the Senator from Alabama [Mr. BLACK] the other day, attempting to carry out the recommendations of the President in his special message, was referred to the Committee on Education and Labor. I think it should very properly have been referred to that committee, but practically the same bill, or at least one having the same object in view, to regulate hours of labor, was introduced by the Senator from Alabama several years ago and referred to the Judiciary Committee. That was at a time when I had the honor of being chairman of that committee. The bill was given very thorough consideration by that committee. First, it was referred to a subcommittee of which I had the honor to be chairman, and unlimited hearings were held. The subcommittee made a favorable report to the full committee, and the Judiciary Committee as a whole, acting on that report, made a favorable report to the Senate. The Senate passed the bill and it went to the House of Representatives and died there at the end of that session of the Congress.

There is an instance where two committees very logically could have had control of identical legislation.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. NORRIS. I yield.

Mr. CLARK. It seems to me, if the Senator will permit me to say so, that the illustration which he used is a very excellent illustration that there ought to be some specific jurisdiction provided for the committees. I was very strongly in favor of the bill to which the Senator referred. I made a speech in favor of it on the floor of the Senate; in fact, I made two or three speeches in favor of it. I am in favor of enacting some sort of legislation along that line. However, it does not seem to me that the bill ought to be handled by the Judiciary Committee in one Congress——

Mr. NORRIS. Probably not.

Mr. CLARK. And then be handled by another committee in another Congress.

Mr. NORRIS. If the Senator will permit me to proceed, I shall reach the point he is raising. I am going to refer to several other instances which come to my mind as a matter of recollection where the same thing has occurred.

The first "lame duck" amendment to be proposed to the Constitution, which afterward became a part of the Constitution of the United States, came from the Committee on Agriculture and Forestry. It did not go to that committee by accident. The resolution relating to it, which did not propose any amendment but merely asked for a remedy for the situation, grew out of resolutions adopted by an organization in West Virginia, as I recall, calling attention to the fact that the then session of Congress was a "lame duck" session, and that those who had been elected Members of the succeeding Congress could not get into their offices. The resolutions asked for a remedy of that situation. In an open session of the Senate the late Senator Thad Caraway, of Arkansas, who had presented the resolutions and had them inserted in the RECORD, was asked by the Chair to what committee he would like to have his resolution referred. He said, "I should like to have it referred to the Committee on Agriculture and Forestry." Many Senators smiled; but the Chair said, "Is there objection?" The Chair waited a long time before proceeding. No objection was made; the matter was handled openly in the Senate, and the resolution was referred to the Committee on Agriculture and Forestry. Afterward quite an animated discussion ensued when that committee reported a proposed amendment to the Constitution to cure the evil mentioned in the resolution which had been referred to that committee for consideration.

A great many power bills or dam bills have been referred to the Committee on Commerce. Some have been referred to one committee, and some to another committee. I think, although I have not examined the matter with that question in view, that this suggestion will apply to the bill introduced by the Senator from Ohio and the Senator from Kentucky which went to the Committee on Commerce. I do not think it contains provisions that would take it to the Agricultural Committee to the extent that the bill which I have introduced today does.

Coming now to the particular kind of legislation, the Agricultural Committee has had jurisdiction of bills of this kind for 20 years. This bill is almost a copy of the T. V. A. Act. It contains page after page that is a verbatim copy of the T. V. A. Act; and yet in the bill a complete system of condemnation proceedings is set out that might very legitimately send the bill to the Committee on the Judiciary. Nobody, however, has even suggested such a reference. There is more agriculture than any other one thing in the bill I have introduced. As I see the matter, the bill will do more to bring about agricultural relief than any other one thing, although under the Constitution it probably hangs on the constitutional peg of navigation and flood control.

More than 20 years ago, when the first Muscle Shoals bill came from the House to the Senate, the question of its reference was taken up in open Senate; and by the acquiescence of the Senate, after full notice, the bill was referred to the Agricultural Committee. At that time I had the honor of being chairman of the Committee on Agriculture and Forestry. In the House the bill had been referred to the Military Affairs Committee. It came to this body, and the question arose in the open Senate, Where shall the bill go? I asked that the bill go to the Military Affairs Committee. As I look back to that day, I think I then saw that there was a great fight ahead, and I trembled. I did not want to get into it. The chairman of the Military Affairs Committee at that time, a Senator from New York, I think saw the same thing; and he asked that the bill be referred to the Committee on Agriculture and Forestry. We had an open

discussion of just a few moments in the Senate, and the bill finally was referred to the Committee on Agriculture and Forestry.

That was practically the same bill as the one I have introduced today covering a wider scope of country, and the subject matter has been before that committee ever since.

Every piece of legislation on the subject, all the amendments to laws on the subject, have gone to the Agricultural Committee, including bills similar to the one to which the Senator referred a while ago, pertaining to the Columbia River, which now is pending in the Committee on Commerce. The same subject matter was before us; and the Agricultural Committee in the aggregate have had months and months of hearings. I doubt whether there ever has been any legislation before Congress that had more extensive hearings than that, not before a subcommittee but before the full committee. The entire committee held the hearings on the so-called Muscle Shoals bill, and finally reported bills on the subject time and time again. It reported several bills. Two of them were vetoed. One received a pocket veto from President Coolidge. Another received a direct veto from President Hoover.

All those bills came from the Agricultural Committee. For 20 years no law on this subject has been passed that did not come from the Agricultural Committee; and why should we now change the procedure? I concede that there are things in the bill that would carry it to the Judiciary Committee. There are things in the bill that would carry it to the Military Affairs Committee, without any question. It would not be wrong to refer the bill to the Military Affairs Committee. The Commerce Committee would have jurisdiction, too, although, in my judgment, not nearly to so great an extent as the Military Affairs Committee.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. NORRIS. Yes.

Mr. CLARK. Does not the Senator concede that from time immemorial the Commerce Committee of this body has had control both of navigation and of flood-control projects?

Mr. NORRIS. Yes.

Mr. CLARK. That has been the case year after year.

Mr. NORRIS. And the Military Affairs Committee has had control of the building of dams by the engineers of the War Department. I would not say that the bill could not be referred to the Commerce Committee. There are some things in it that relate to commerce. In my humble opinion, however, the Military Affairs Committee has a larger degree of jurisdiction than has the Commerce Committee.

The bill I have introduced pertains to soil erosion. It is hung on the constitutional peg of navigation and flood control. Every year literally millions of tons of the finest soil God ever made flow down the Mississippi River, coming from its tributaries, and are carried into the Gulf of Mexico. Agriculture has more at stake in the bill than any other one interest on earth; and there is no doubt whatever that the Agricultural Committee ought to have control of it, particularly when at the last session of Congress the Agricultural Committee had control of a bill which was introduced at that session, very similar to this one, pertaining to the Mississippi River and all its tributaries. That bill was referred to the Agricultural Commitee. The Agricultural Committee appointed a subcommittee to consider it. I see sitting here now listening to me the honorable chairman of that subcommittee, the junior Senator from Idaho [Mr. FOPE]. The subcommittee had extensive hearings on the bill in the last session of Congress. Nobody objected. Nobody found any fault. Nothing was covered up. It was all open. Nobody has questioned it to this day.

Every word of those hearings has a direct bearing upon the bill I introduced today. If we wish to be fair, the Agricultural Committee should not be deprived of the work of that subcommittee and the hearings they had, which will have just as direct bearing on this subject as on the bill pertaining to the Mississippi River. The only difference is that that bill referred only to one river, to the great Mississippi Valley, while this bill refers to the entire country. So I take it nobody is anxious to change the reference that has been made, although a motion to do so would be in order.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. NORRIS. In just a moment. It is true, as the Senator from Kentucky has said, and I agree with him, that it would be well if we could agree on some plan by which we could obviate this apparent confusion—which so far has not hurt anybody very much, but it is a confusion—and by which there would be more regularity about the reference of bills in the Senate. I should be delighted to see that done. I doubt whether we can do it, however. At least, we cannot do it today, in my opinion. It would require the framing of some rule, with a great deal of consideration, to work out the matter so that an injustice would not be done anywhere.

I now yield to the Senator from Kentucky.

Mr. BARKLEY. Mr. President, I want the Senator to understand that I did not raise this question because of any objection I had to the reference of the Senator's bill to the Committee on Agriculture and Forestry.

Mr. NORRIS. No; I did not take the Senator's remarks that way.

Mr. BARKLEY. I merely took advantage of this situation to point to what seems to me to be a growing confusion here.

Mr. NORRIS. I think the Senator was justified.

Mr. BARKLEY. I do not know whether or not there is any remedy for it.

Like the Senator from Nebraska, I served for a long while in the House of Representatives. The rules of the House definitely fix the jurisdiction of committees; and while there is a borderland between some of them, there is not any great difficulty as to where a bill should be referred under the rules of the House. The rules of the Senate are different, and the practice is different. Nevertheless, I felt that, even at this session of Congress, there had been such confusion and conflict between committees over measures of identical character that, if possible, some plan ought to be worked out by which there would be no such confusion in the future.

Mr. NORRIS. I shall be glad to cooperate with the Senator from Kentucky in trying to work out something of that kind. I suggest that he prepare an amendment to the rules, and let it be referred to the Committee on Rules, and see if we can get a better situation than we now have.

Recurring to the reference the Senator has made to the rules of the House, and also to the reference made by the Senator from Missouri [Mr. CLARK], it would be improper and unethical for me to discuss the rules of the House with any idea of finding fault or complaining about them. I have no disposition to do so. If I were a Member of the House, and a criticism of its rules came from the Senate, I should resent the criticism. But I can say that in my humble opinion some mistakes that have been pointed out as having occurred in the Senate, have occurred to just as great an extent in the House of Representatives. I doubt whether their rule is as good as ours, although I will not say a word in criticism of it; but a good deal could be said on the subject. It is a difficult matter to decide upon rules to apply to all bills as to their reference to committees, when practically all important bills contain provisions which could very legitimately cause their reference to one of several committees.

I suppose that will always be true. In order to remedy the situation completely we should have to divide up the bills, which everyone can see at a glance would not work. But we have gotten along pretty well here. We see bills going to one committee under certain circumstances, and under different circumstances we see similar bills going to some other committee, but no harm has come from it.

I do not suppose any of the members of the Judiciary Committee thought for a moment of complaining about the reference the other day of the bill introduced by the Senator from Alabama [Mr. BLACK] to his Committee on Education and Labor. I was here when the bill was introduced. I

heard what took place. I had no objection to the reference of the bill, although I presume the bill is a little more comprehensive in its scope than the earlier bill which went to the Judiciary Committee; and yet I remembered the time I had spent in the investigation of the question of hours of labor on the former bill which was introduced in the Senate and referred to the Committee on the Judiciary.

We shall not be able to devise a perfect plan, and we shall have these conditions existing; and so long as it is within the power of the Senate, if it thinks an injustice has been done, to change a reference, there will not be any trouble. From my experience with committees of the Senate, I find that there is not the jealousy here that the Senator from Missouri referred to as existing in the House between members of the different committees. It is common, ordinary practice in the committees on which I have served, when we take up some bill, to have the suggestion made, "This bill ought not to be here. This is not the committee that should handle it." When that occurs, the question is discussed. If it is decided by the committee that it ought to go to some other committee, the chairman is instructed to report it back and have it go to some other committee. Such things occur nearly every day in the Senate. There has not been any controversy, at least none of a bitter nature. We have been getting along pretty well under the practice, and I think the reason for that is that after all the Senate has control of the matter when it wants to exercise it.

Mr. COPELAND. Mr. President——

The PRESIDENT pro tempore. The Senator from Washington has the floor.

Mr. SCHWELLENBACH. Mr. President, I have had the floor for about an hour, and have yielded for that time.

Mr. COPELAND. Will the Senator make it an hour and five minutes, and let me have the 5 minutes?

Mr. SCHWELLENBACH. Very well.

Mr. COPELAND. I am perfectly clear that this bill ought to have gone to the Committee on Commerce. The main feature of the bill relates to the control of the waters of the country. I cannot speak of what has occurred for 150 years, but, so far as I know anything about the history of the Senate, measures having to do with navigable rivers and flood control have been dealt with by the Committee on Commerce. I know that has been the case for 15 years, during which time I have been a member of that committee.

There is a very serious matter involved beyond the reference of this bill. I am not going to raise any controversy, so far as I am concerned, about the reference of the bill of the Senator from Nebraska, but we are in very serious danger of getting through the session without doing anything in a practical way to control floods.

Last year, without any dispute whatever on the part of anyone, the flood-control bill was referred to the Committee on Commerce. It was reported back to the Senate at the first session, and was rejected and sent back to the committee, and after about 3 or 4 months of effort the Committee on Commerce evolved a bill which was reported and was unanimously passed.

We have before us today another bill, a bill introduced by the Senator from Nebraska. There is in the Committee on Commerce, over which I have the honor to preside, a bill introduced by the Senator from Kentucky [Mr. BARKLEY] and the Senator from Ohio [Mr. BULKLEY] along the same line exactly as the one proposed by the Senator from Nebraska. Likewise, there is one affecting the Columbia River. There is bound to be conflict. There cannot be any coordinated effort. There is bound to be confusion. A few days ago the Senator from Nebraska spoke of having been a prophet in times past regarding taxation. I am going to prophesy that we are going to have much trouble because of the conflict.

Outside of that, however, there are 40 States in the Union interested in flood control. Last year we passed an authorization bill providing $300,000,000 for flood-control projects. That bill contained a specific authorization of $50,000,000, to be appropriated last year. Not a cent was appropriated. If we get into confusion over this matter, the present session of the Congress will expire without an appropriation for flood control.

A few days ago I asked the Senator from Nebraska if he could see any conflict between the large plan contemplated by his bill and the plan which the Commerce Committee has under consideration with reference to the control of the largest streams and the waters tributary to them. He said, no, that he did not, and I venture to say that he would say the same thing today. But it will be a misfortune if the present session of the Congress should adjourn without providing an appropriation for flood control.

It is sometimes said that lightning never strikes twice in the same place. We thought that because of the great floods on the New England rivers and the Ohio River of last year there would not be such floods perhaps for 10 years. Yet the same kind of floods occurred this year. So we are in danger, as I see it, of having Congress adjourn without taking any action whatever.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. COPELAND. I yield.

Mr. NORRIS. What has the reference of the bill in question to the Committee on Agriculture and Forestry to do with getting an appropriation to carry out the provisions of the so-called Flood Control Act? There is nothing in this bill aimed at preventing that. What has it to do with it?

Mr. COPELAND. The President states in his message of this morning——

Mr. NORRIS. I do not think there is anything in the President's message to that effect. There is no attempt on the part of the Committee on Agriculture and Forestry or upon my part to prevent the appropriation of money to build the flood-control dams provided for in the law to which the Senator refers. I do not see that there is any connection. They are harmonious, as I see it. The bill to which I have referred has nothing to do with the appropriating of the money to carry out the authorization to which the Senator refers.

Mr. COPELAND. I would say they were harmonious if we had any evidence that there was a desire on the part of the administration actually to appropriate money enough this year to take care of the flood-control projects.

Mr. NORRIS. The administration does not appropriate money; Congress does that.

Mr. COPELAND. The Budget, however, has made a recommendation which is perfectly absurd in the smallness of the amount recommended.

Mr. NORRIS. What has that to do with the reference of the bill to the Committee on Agriculture and Forestry?

Mr. COPELAND. Because we have a message from the President pointing out what ought to be done in the control of floods, soil erosion, and forestation, and the major part of this message, as I read it, relates to the control of the main rivers and the streams above them, and the bill presented by the Senator from Nebraska this morning carries out exactly in a formal way what is thus proposed.

Mr. NORRIS. But what has that to do with the reference of the bill to the Committee on Agriculture and Forestry? The Senator is referring to a law passed by the last Congress, waiting for an appropriation to give it effect. The reference of this bill to the Committee on Agriculture and Forestry does not interfere with that. I should be glad to help the Senator, if I had any ability to help, to obtain an appropriation to carry out the law. I voted for the flood-control bill, and I have no objection to any appropriation which can be made within reason to carry it out and give it effect.

Mr. COPELAND. The Senator is very generous. That is his position. But it may be said by those who wish to oppose flood-control appropriations, "We have a larger plan in the Committee on Agriculture, and we must not spend any money until that larger plan has been developed." I can see an opportunity for a great deal of confusion.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. COPELAND. I yield.

Mr. CLARK. As a matter of fact, the argument has been many times advanced, has it not, that appropriations for the prevention of these immediate destructive floods should be postponed? It has been advanced as an argument against the appropriation for the prevention of floods that some plan may be brought in which will call for a general, comprehensive review at some time in the future, for a survey, or a recommendation, or an estimate, which will at the same time come to the Congress, which will postpone any substantial appropriation for the immediate relief of the emergency which now exists.

Mr. COPELAND. I think the Senator is correct. I wish to say to the Senator from Nebraska that I am in sympathy with what he is proposing to do.

Mr. NORRIS. Mr. President, will the Senator yield on the question the Senator from Missouri raised?

Mr. COPELAND. I yield.

Mr. NORRIS. I think this illustrates that it would be dangerous to refer this bill to the Committee on Commerce, if that is the way the Senator feels about it, that it is going to delay the consummation of the measure which he had passed last year. If the Senate is friendly to this kind of legislation and refers it to the Committee on Commerce, and the Committee on Commerce, with the agitation for the act to which the Senator refers, is going to delay carrying out the flood-control program, he would hold it up.

Mr. CLARK. Mr. President, I am perfectly willing, on the issue raised by the Senator from Nebraska, to submit that question to the Senate.

Mr. NORRIS. So am I.

Mr. CLARK. I will do so at the proper time, as soon as the Senator from Washington shall conclude his statement, by submitting the question to the Senate as to whether the jurisdiction of the committee is to be determined, as the Senator from Nebraska says, by speculation as to what the Committee on Commerce will do with the measure.

Mr. McKELLAR. Mr. President, will the Senator from Washington yield to me for a moment? I have to go to a meeting of a subcommittee, and I desire to ask just one question of the Senator from Washington, whose concurrent resolution is now before the Senate. Before I go to the meeting of the subcommittee I should like to ask him a question.

As I understand, the Senator's concurrent resolution, which is now pending before the Senate but which is not being discussed, applies to no appropriations to be made but only to appropriations which have already been made, and are now in the hands of the President.

Mr. SCHWELLENBACH. That is correct. All the money would come out of the revolving fund.

Mr. McKELLAR. Out of the revolving fund already appropriated?

Mr. SCHWELLENBACH. Yes.

Mr. McKELLAR. I wish to say to the Senator that I am heartily in favor of his concurrent resolution, and I hope it will be adopted as soon as possible.

Mr. SCHWELLENBACH. I sincerely hope that the discussion about the rules and the reference of bills will end before all those who are in favor of the concurrent resolution have to leave, because one by one they are going. [Laughter.]

Mr. COPELAND. Mr. President, if the Senator from Washington will allow me to have the last word, I will conclude.

I do not wish to see anything happen that will cause the immediate burden which rests upon us to be dealt with unwisely by the Congress. Whether the bill is considered by the Committee on Agriculture and Forestry or by my committee—and I do not care where it is considered—I want the Senator from Nebraska [Mr. NORRIS] to have an opportunity for a full hearing, in order that the matter may be adequately presented. But in justice to my committee and to myself I cannot fail to say to the Senator that the Congress should this year make the necessary appropriations in order to carry out the main purposes of the authorization law passed last year. Of course, if we do that we shall in no sense interfere with the larger plan and the more comprehensive plan in the mind of the Senator from Nebraska. I hope, however, there may not be confusion and misunderstanding which may lead to delay of consideration of his bill and of our bill, and result in the adjournment of Congress without having made any appropriation for this great work.

I thank the Senator from Washington for yielding to me. He has been very generous.

Mr. CLARK subsequently said: Mr. President, I give notice that at the proper time I shall move to discharge the Committee on Agriculture and Forestry from the consideration of the bill introduced today by the Senator from Nebraska [Mr. NORRIS], and that it be referred to the Committee on Commerce. I shall not make the motion at this time, because the majority leader has informed me that it is the purpose of the leadership to have the Senate adjourn until Monday. The matter deserves consideration, and action on it should not be taken hastily; and I do not desire unnecessarily to hold the Senate in session this afternoon. I give notice, however, that at the proper time I shall make that motion, in order that the jurisdiction of committees may be settled.

AUTHORITY TO COMMITTEE ON APPROPRIATIONS TO REPORT BILLS

Mr. ROBINSON. Mr. President, as I am compelled to leave the Chamber, I should now like to have an order entered, if it is agreeable to the Senate.

I ask unanimous consent that during the recess or adjournment of the Senate to follow today's session the Committee on Appropriations may have leave to submit reports.

The PRESIDING OFFICER (Mr. MINTON in the chair). Is there objection? The Chair hears none, and it is so ordered.

AID FOR SCHOOLS IN HAZARDOUS CONDITIONS

The Senate resumed the consideration of the concurrent resolution (S. Con. Res. 11), which is as follows:

Whereas, in response to Senate Resolution 97, the Administrator of Public Works has filed with the Senate the list of pending non-Federal projects for the construction of schools to ameliorate or eliminate conditions which are hazardous to the lives of the students; and

Whereas there remains in the Public Works Administration revolving fund an ample sum, without further appropriation, to make the necessary loans and grants involved in such applications: Therefore be it

Resolved by the Senate (the House of Representatives concurring), That the President of the United States and the Administrator of Public Works be requested to grant such of the applications above described as may meet the engineering and financial requirements of the Public Works Administration without requiring that the applicant have on hand prior to the granting of the application all of the funds necessary for the completion of the project, and without requiring that the sum or sums granted to the applicant be expended exclusively for relief labor.

Mr. SCHWELLENBACH. Mr. President, the pending resolution requests the President of the United States and the Administrator of Public Works to remove the restrictions of two rules which have recently been adopted by the President and the Administrator concerning certain projects, a list of which was submitted to the Senate last month by the Administrator, and the applications for which are based upon the hazardous conditions of the schools for the construction of which the applications are made.

The first rule adopted by the President and the Administrator requires that the applicant—in most instances a school district—have on hand, before the application is approved, 100 percent of the amount of money necessary to construct the building. In other words, the applicant is required to have on hand not merely its own part of the money but also the part of the money which the Government intends to furnish through the P. W. A.

The second rule provides that there shall be monthly audits after the work is started, and that the Government then will reimburse the school district for the amount of money which the school district has paid for relief labor, plus 15 percent of the amount thus paid to relief labor.

The result of those two rules is that in most instances it has been absolutely impossible for the schools to comply

with the rules. There are 1,178 applications pending under this category. Of the 1,178 applicants, only 35 were able to comply with the rules.

The only purpose of this concurrent resolution is to request the President and the Administrator to relax the provisions so far as these two rules are concerned. The resolution does not require any appropriation. It does not make any change in percentages of amounts that should be furnished by the Federal Government or the applicant.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Idaho?

Mr. SCHWELLENBACH. I yield.

Mr. BORAH. If the concurrent resolution should be agreed to, would there be any rule or regulation at all as to any amount required to be on hand before the loan is made?

Mr. SCHWELLENBACH. If the resolution should be agreed to, and the President and the Administrator should accept it, the old rule of 45 percent and 55 percent would apply.

Mr. BORAH. It would apply?

Mr. SCHWELLENBACH. Yes. All that this concurrent resolution does is to ask for the removal of the rule which requires an applicant to have all of the money on hand before its application may be approved.

Immediately after the New London, Tex., disaster I submitted a resolution asking the Public Works Administration to make a report to the Senate concerning the applications received for building schools which applications were based upon hazardous conditions of schools now being used; and a report, dated May 11 of this year, was made by the Administrator to the Senate, and is printed as a Senate document. It shows that 1,178 applications have been received from schools in hazardous condition, such schools being distributed throughout every State in the Union except one.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. SCHWELLENBACH. I yield.

Mr. CONNALLY. I suggest to the Senator that he ought to state in the body of the concurrent resolution the particular character of these projects, because if the preamble should all be stricken out, under the resolution as prepared, there would be nothing to indicate the kind of loans the Senator has in mind.

Mr. SCHWELLENBACH. My understanding is that in a concurrent resolution the preamble is not stricken out. If agreed to, the measure does not become a law, and it is not drawn as a law. It simply is a concurrent resolution of the Senate and the House.

Mr. CONNALLY. My suggestion would be, I think, in the interest of orderly procedure.

Mr. SCHWELLENBACH. I appreciate the suggestion made by the Senator from Texas, and before we get through I shall ask leave to amend the concurrent resolution in order to include in the bill the language suggested by him. I thank the Senator from Texas for his suggestion.

Mr. CONNALLY. I also suggest to the Senator from Washington that the objection which the concurrent resolution seeks to meet is merely a regulation of the Public Works Administration. It is not a law. Is that not correct?

Mr. SCHWELLENBACH. That is correct.

Mr. CONNALLY. So the Public Works Administrator can, if he chooses, do what he is requested to do in this instance without the adoption of the concurrent resolution.

Mr. SCHWELLENBACH. The purpose of the concurrent resolution is to have Congress request certain things to be done.

Mr. CONNALLY. Its purpose is to request a certain officer to do something which, perhaps, we ourselves ought to do in the first instance.

Mr. SCHWELLENBACH. The original law gave to the President and to the Administrator certain powers. In the exercise of those powers the President and the Administrator have made certain regulations; and in this concurrent resolution the Congress is asking that the President and the Administrator relax those regulations so far as this particular project is concerned.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. SCHWELLENBACH. I yield.

Mr. RUSSELL. The Senator from Washington well knows that at the time a great many of these applications were filed some of the local school districts held elections with respect to bond issues, or resorted to other means for raising 55 percent of the amount of the cost of the project. All those steps were taken in anticipation of a 45-percent grant. The Senator stated that if the concurrent resolution were adopted and met the approval of the President and the Administrator of Public Works, the applications would be approved on the basis and on the conditions that were laid down at the time the applications were filed.

Does not the Senator think it might be well to amend the concurrent resolution in some way to assure that additional restrictions or changes will not be adopted by the Administrator of Public Works so as to make it impossible for the school districts to secure the funds applied for by them? For example, in page 2, in line 5, the concurrent resolution requests that the applicant be not required to expend exclusively for relief labor the amount granted. A new regulation might be promulgated which would require 75 percent of the funds to go for relief labor; and some of the most meritorious of these projects are in communities where absolutely no skilled relief labor is available.

Mr. SCHWELLENBACH. Let me say to the Senator from Georgia that I purposely limited the concurrent resolution as I have done because I did not want to go back into the basic legislation under which authority was given. The Senator from Arizona [Mr. HAYDEN], earlier in the day, submitted a resolution on the basic subject of P. W. A., which takes care of the problems which the Senator from Georgia suggests.

Mr. RUSSELL. That resolution might not be agreed to, and I am confident that the concurrent resolution submitted by the Senator from Washington will be agreed to. I should like to see the Senator take all possible precautions to see that these school projects are completed under the terms that existed prior to the change in regulations.

Mr. SCHWELLENBACH. If the Senator wants to offer such an amendment, I certainly shall cordially join with him in urging it. If he will suggest the proper wording within the next few minutes, I shall be glad to have the amendment made.

Mr. RUSSELL. I think we should at least strike out the word "exclusively", in line 5, on page 2.

Mr. SCHWELLENBACH. No, Mr. President; that would not meet the situation, because the purpose of that phraseology is to do away with the present regulation. If there were added the words "on the basis of the regulations of the Public Works Administration at the time the applications were filed", I think that would take care of the situation.

Mr. POPE. Mr. President, will the Senator yield?

Mr. SCHWELLENBACH. I yield.

Mr. POPE. Does the list which has been made out, and which is referred to in the preamble, cover all approved P. W. A. school projects?

Mr. SCHWELLENBACH. It covers all approved school projects which have as their basis the fact that their present school facilities constitute hazards to the lives or health or safety of the children.

Mr. POPE. Is it the understanding of the Senator that there are some projects which have been approved on another basis?

Mr. SCHWELLENBACH. I cannot answer that question, but I assume that to be true. In other words, there may be an entirely new school project which does not involve any present conditions at all. I assume that there are such instances throughout the country.

Mr. POPE. Will the Senator state the number included in this list?

Mr. SCHWELLENBACH. The number is 1,178.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. SCHWELLENBACH. I yield.

Mr. HATCH. In the original public-works program and in the building of the many schoolhouses which have been

erected all over the country under that program, the question of hazard was not involved.

Mr. SCHWELLENBACH. This is the first time the question of hazard has been involved at all in the treatment of the question.

Mr. HATCH. The Senator's concurrent resolution merely picks out those particular schoolhouses and seeks to have them removed from the regulations which now exist?

Mr. SCHWELLENBACH. That is correct.

Mr. RUSSELL. Mr. President, I offer the following amendment: On page 2, line 5, I move to strike out the period, insert a comma, and add the words "and that said applications be granted on the basis of regulations and conditions in force and effect at the time of filing such applications."

Mr. SCHWELLENBACH. Mr. President, the Senator from Georgia has submitted an amendment. I have no objection to it.

Mr. BARKLEY. I ask that the clerk state the amendment.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 2, line 5, before the period, it is proposed to insert:

And that said applications be granted on the basis of regulations and conditions in force and effect at the time of filing such applications.

Mr. BARKLEY. Mr. President, I wish to ask the Senator from Georgia just what is the meaning of the amendment and what is contemplated by the reference to "regulations and conditions."

Mr. RUSSELL. I merely sought some safeguard against the promulgation of new regulations and conditions that would make impossible the completion of the projects by those who have gone forward in good faith and issued bonds or raised funds for the purpose of completing schoolhouses or building new schoolhouses on the basis of 55 percent provided by the sponsors of the project and 45 percent provided from Federal funds, for which arrangement I believe the Senator from Kentucky was responsible when the life of the P. W. A. was once before extended. Under the resolution as drawn there is nothing to suggest to the Administrator of Public Works that it would not be improper to issue a new regulation requiring that 75 percent of the labor involved in constructing a schoolhouse be taken from relief rolls or to issue other regulations imposing new conditions on the sponsors of the project.

Mr. BARKLEY. I appreciate that.

Mr. RUSSELL. What I am seeking to do is merely to restore it to the normal course prescribed for P. W. A. applications which all these school districts were expected to follow at the time they filed their original applications.

Mr. BARKLEY. I inquire if the resolution is limited to schools, or does it apply to other projects?

Mr. SCHWELLENBACH. It is limited to schools which have as a basis of their applications the hazardous condition of their present facilities.

Mr. BARKLEY. I have in mind, for instance, a courthouse for which the people went to the expense of holding an election to enable bonds to be issued to the extent of $55,000, on the assurance that they would get $45,000 from the P. W. A. to enable them to erect a $100,000 courthouse. I can appreciate the fact that a courthouse probably does not stand on the same basis as a schoolhouse, and yet there are many such public buildings in the country the sponsors of which have gone to the extent of providing their 55 percent of the total expense, and I wondered whether there were so many of them that it would not also be wise to include them.

Mr. SCHWELLENBACH. I will say to the Senator from Kentucky that there have been numerous suggestions to me that certain other projects should be added, but I feel that the particular subject of schools should so appeal to the Administrator and to the President that when the Congress adopts a resolution—merely a concurrent resolution—presenting the idea of Congress upon this one subject there will be a very great possibility of securing the acquiescence of the President and the Administrator. As a matter of fact, on Tuesday of this week the leader of the majority of the House at the other end of the Capitol indicated that the President was willing to relax the rules so far as projects affecting schools in hazardous condition were concerned. I am fearful that if we tried to take in everything else we should defeat the purpose of the resolution.

Mr. BARKLEY. I appreciate that.

I should like to ask the Senator from Georgia one other question. He fixes the "regulations and conditions in force and effect at the time of the filing of such applications" as the basis upon which to make a determination. I was wondering whether it would make any material difference if the words "at the time of approval of the applications by the State administrators" were substituted for the words now appearing in the resolution. Of course, the mere filing of the application carries with it no obligation on the part of the Federal Government, but the approval of the Government agent in the State does carry with it a large degree of obligation.

Mr. RUSSELL. The suggestion of the Senator from Kentucky is an admirable one, and I will be delighted to accept it and modify my amendment accordingly. It may be that some one or more of such applications were filed at a time when the projects were being carried forward on the basis of 70 percent of funds supplied by the sponsors and 30 percent by the Government, whereas I am quite sure that if the amendment should be modified as suggested by the Senator from Kentucky there would be no project that would fall within that class.

Mr. BARKLEY. It strikes me that would probably provide greater uniformity in the rule.

Mr. RUSSELL. I am glad to accept the suggestion of the Senator from Kentucky.

The PRESIDING OFFICER. The Senator from Georgia accepts the modification of his amendment.

Mr. McADOO and Mr. POPE addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Washington yield; and if so, to whom?

Mr. SCHWELLENBACH. I yield first to the Senator from California.

Mr. McADOO. Mr. President, I am heartily in favor of the pending resolution; but I know of several instances of hospital projects being in the same condition as that which affects schools. While the hospitals so situated are not so numerous as are the schools, I know of several cases involving hospitals where bonds have been voted upon the assurance that the contribution on the part of the Government would be the same as in the case of schools; and they are left really in rather a tragic position—one in particular that I have in mind in my State—because there has been noncompliance on the part of the administration with conditions under which the bonds were voted.

I suggest that there be added at the appropriate place the words "and hospitals", so as to provide for hospitals as well as schools. Would the Senator from Washington be willing to accept such an amendment?

Mr. SCHWELLENBACH. Mr. President, I would not be willing to accept such an amendment, for the reason I suggested to the Senator from Kentucky a few moments ago. There have been a large number of projects suggested to be added to the resolution; but if we add too many things, the resolution itself is going to be fruitless and of no avail. The President is not going to give in as to everything we might have in mind or might suggest.

Furthermore, with reference to hospitals, while it is true that, to a certain extent, there has been a recognition by cities and States of the responsibility for the maintenance of hospitals, there has never been in this country the recognition of that responsibility to the extent that we have recognized it so far as schools are concerned. Everybody agrees that it is the responsibility of Government to maintain schools, but there is a considerable dispute and debate as to whether or not it is the responsibility of Government to maintain hospitals. It seems to me that it would be

extremely unfortunate to try to add hospitals and become involved in a debate with those who do not think that the maintenance of hospitals is a public obligation. Therefore, I would not be willing to accept the suggestion of the Senator from California.

Mr. McADOO. Mr. President, I may say that I think it is generally recognized as one of the primary duties of government to help hospitals in poor financial condition take care of suffering people. I can think of no higher obligation than that. Not only have we municipal hospitals but we have county hospitals and various other kinds of hospitals, including private hospitals. I imagine there are not many cases of hospitals having made application for P. W. A. grants, but those cases which do exist, where the projects have been approved just as those for schools have been approved, I think should be included in the resolution.

I do not believe that the President, if he should act on the suggestion now contained in the resolution, would hesitate to act because hospitals were included. Certainly in my State there are no great hospitals that need any assistance. I am referring particularly to some of the hospitals in rural districts, in small communities which are involved in the situation which I have described. I hope, therefore, that the Senator will be willing to accept such an amendment as I have suggested.

Mr. SCHWELLENBACH. I am sorry that I cannot do so. The Senator from Idaho [Mr. POPE] has introduced a separate resolution covering hospitals. I succeeded in talking him out of the idea of an amendment to the pending concurrent resolution. So he has introduced a separate resolution affecting hospitals. I should like to ask the Senator from California to join with the Senator from Idaho in that resolution.

Mr. McADOO. If I thought that the amendment suggested by me would interfere with the resolution of the Senator from Washington, I would not present it, but, under the circumstances, I should like to have my amendment voted on.

Mr. POPE. Mr. President, with reference to that point, the persuasive Senator from Washington [Mr. SCHWELLENBACH] convinced me that the adoption of such an amendment as that suggested by the Senator from California [Mr. McADOO] might endanger the pending resolution, and because the resolution itself is desirable, and seems to be based on the particular list to which it refers, it seems to me there is some reason for his opposition.

I may call the attention of the Senator from California to Senate Joint Resolution 149, the preamble of which covers more than hospitals. It relates to such cases as the Senator from Kentucky referred to a while ago; in fact, to all cases where the people have voted bonds in perfect good faith and reliance without any notice of any change of the regulations. The resolution to which I refer relates to all non-Federal projects as to which funds have been voted or provision has been made for the money to be furnished by the municipality or other unit that was to furnish it, in good faith and in reliance upon the regulations. I should like very much to have the help of the Senator from California when that resolution comes before the Senate, but the Senator from Washington has persuaded me that it should not be presented here for fear of endangering the resolution now under consideration.

Mr. McADOO. Would the Senator from Washington be willing to accept an amendment if I should restrict it to one exigent case of a county hospital in California? [Laughter.]

Mr. HATCH. I have a similar case in New Mexico. [Laughter.]

Mr. SCHWELLENBACH. The Senator from New Mexico says he has a similar case in New Mexico. I am sorry, but I cannot accept such an amendment as that suggested by the Senator from California.

Mr. McADOO. Very well. In the circumstances I withdraw the amendment.

Mr. BONE. Mr. President, will my colleague yield?

Mr. SCHWELLENBACH. Certainly.

Mr. BONE. I know that my colleague, of course, is very painfully aware, as I suspect all other Senators are, of the conditions relating to schools all over the country. In the State of Washington, despite the fact that vast sums have been spent on the public-school system, there has been an increasing need for more buildings, and in a number of instances we have had some pretty tragic experiences. A little school at Winthrop, with which I know my colleague is familiar, is in a crowded and insanitary building. A great many new people have come into that section. In that district only 58 percent of the taxes levied can be collected because of the difficulties the farmers have encountered there, as they have mostly only small holdings.

There is another typical example which I think shows the necessity for protecting our school system, for that the schools are the bulwark of real Americanism we cannot and should not overlook in these trying times. A general election was held in a particular school district in Seattle in November 1936. It was expected at that time that the Government would be able to contribute 45 percent. Unless that is done the plan will have to be abandoned and the little district will be denied the possibility of the school. I rather gather that there is enough money in the fund now to take care of a considerable number, if not all, of the necessitous cases, and I wish to ask my colleague if the figures he has available from Mr. Ickes indicate whether most of the projects which have been approved thus far by the P. W. A. can be taken care of?

Mr. SCHWELLENBACH. There are ample funds in the revolving fund to take care of all the projects.

Mr. BONE. I sincerely hope the resolution will be adopted.

Mr. HATCH. Mr. President, will the Senator from Washington yield?

Mr. SCHWELLENBACH. Certainly.

Mr. HATCH. I was interested in the remarks of the Senator from California [Mr. McADOO] and the amendment which he proposed intended to include hospitals within the terms of the resolution. As I understand, the Senator from California did not really offer an amendment, or if he did he has withdrawn it.

My peculiar interest is that in the State of New Mexico, in the town in which I reside, a hospital project was initiated, and bonds were voted by the municipality 6 months or more ago. The project has been approved by the P. W. A. under the original plan of 55–45, but because of insufficient funds the allocations have not actually been made. I believe the bonds have been sold. They are lying there, and have been for several months, drawing interest. I think it would be quite unfair now to change that basis, or to withdraw and not permit the hospital to be built. Because it is located in my home town I perhaps have more than ordinary interest in it. I conferred with the Senator from Washington about including hospitals within the terms of his resolution, but, as the Senator from Idaho [Mr. POPE] said, his persuasiveness induced me to yield on that point. I have been hopeful that other plans might materialize. I am in hearty sympathy with the resolution which relates to schools where hazards exist.

Yesterday I happened to read, in the record of the proceedings of the House on Tuesday, an interesting statement made by the majority floor leader, as follows:

> The President readily agreed, and I am authorized to say, that he thought that where communities had voted bond issues, many of them had sold the bonds and the money was lying idle and the community was paying interest on it; that he thought each and every one of those projects that were sound and in proper form ought to be taken care of, and that he would do that.

Under that statement of the floor leader of the House my belief is that projects, such as the one involving the hospital I have mentioned, will be taken care of, provided the relief bill is enacted into law. Nevertheless, I shall be very glad to support the resolution offered by the Senator from Idaho [Mr. POPE] because it would be a clear indication of the thought and wish of the Congress as to all these projects, such as the one the Senator from Kentucky [Mr. BARKLEY] mentioned, the courthouse, where the bonds have been ac-

tually voted and the plans all made to carry out the construction of the building on the original basis of 45–55. I think the sentiment of Congress now is that it is not quite fair to those communities for the Government to withdraw its support.

Mr. SCHWELLENBACH. Mr. President, one reason I had for being so insistent upon the separation of the question of hazardous school conditions from the other questions is that I am hopeful that by Congress itself taking action recognizing the problem and by the President recognizing the problem, we may have a better recognition throughout the country of the necessity for the protection of the lives of children in our schools.

I wish to take the time of the Senate for just a few moments to read an article which appeared on the 25th of April of this year in the New York Herald Tribune, written by T. Alfred Fleming, Director of Conservation, of the National Board of Fire Underwriters. Mr. Fleming is not a local school official, he is not a man who desires to obtain some sort of contract for the construction of a school building, but he represents the National Board of Fire Underwriters. He is discussing the question of school hazards. From his article I read as follows:

PUPILS AREN'T FIREPROOF

By T. Alfred Fleming

In the reams of fact and opinion written about that Texas school disaster in the past few weeks one rudimentary detail has been beclouded by the sheer pathos of it all.

If the explosion had occurred 15 minutes later few, if any, would have died. If it had come an hour earlier—before the lower grades had been dismissed—the life loss would have been double what it was.

Since then parents in a thousand cities have thanked God that their children are not subject to the hazards of a school situated in the middle of an oil field. But to those parents I want to repeat what I have been saying during 20 years of school inspections: The factor which has spared us more tragedies like that in New London—the factor which made that one so terrible; the factor which sooner or later will give us another one like it—is dumb luck.

With two-thirds of our schools firetraps, we have five school fires a day in this country. Yet the main reason why it took until 1937 to convert one of them into a wholesale slaughterhouse is the whimsical fact that four-fifths of these fires originate when the schools are not in session.

Dumb luck, in short. Remember that cold fact when nervous inquiries in your city evoke the stock assurances that "our school buildings are the last word in construction" or "we have excellent fire drills twice a month."

Both statements may be indisputable. Yet I can count at least 125 school fires where damages have ranged from $100,000 to more than a million—and buildings must be pretty nearly "the last word" in order to roll up such large losses. Likewise, I can recall such graphic cases as the Peabody School in Massachusetts, which had rehearsed its fire drill only the day before a blaze claimed 22 lives, or the unforgettable Collinwood case in Ohio, where 176 lives were lost before my own eyes despite the fact that pupils were marching out in drill formation—until they encountered a door which wouldn't open!

I've seen brand-new million-dollar buildings where the panic bolts on the exit doors couldn't be budged by a horse, not to mention a dozen where fire-escape doors were padlocked while classes were in session. I've seen janitors who thought the fire extinguishers in the hall were insect sprays, principals whose idea of a fire drill was to notify the pupils 10 minutes in advance that one was to be staged, even a board of education superintendent who forced the resignation of a fire chief who dared point out the flagrant hazards in his schools.

I've gone through a city of 40 schools to find nearly 200 inexcusable life hazards, such as the excessive storage of gasoline in the buildings, 30 defective emergency doors, and the like. And after each new shock I thank God that we are so lucky!

To be sure, there are lots of schools where the factor of luck has been minimized by including approved fire-control principles. Once, in a New Hampshire school, while the students listened to a fire-prevention talk a blaze in the basement was extinguished by a sprinkler without the knowledge of anybody but the janitor.

What a contrast to the experience of Cleveland, S. C., where a fire starting during the commencement exercises ran up a death toll of 77!

In one instance luck failed; in the other they refused to depend upon luck at all. Yet there aren't a thousand schools in the whole country equipped with automatic sprinklers.

"The buildings are fireproof", is the explanation. But the contents aren't—and neither are the pupils.

Even though you paid a million dollars for your school, it's a firetrap if you haven't got fire control built into it—and the security of your children depends upon luck. And luck changes.

If you dislike the sound of that, have a group of competent engineers make a fire inspection that will show whether your schools are fire safe and what's to be done if they aren't. With the whole summer ahead, there is ample time to correct grievous hazards which may, if your luck changes, spawn a disaster worse than the Texas catastrophe.

Mr. President, let me say further that I feel that by the recognition in this group of cases of the desirability of the Government being of some assistance in helping school districts where fire hazards exist, it may be possible for us to be of some assistance in the general problem of fire hazards in all the schools of the country. I do not say that the Federal Government should take over the job of building schools all over the country; but we can set an example to the school districts that have the money and show the interest which the Federal Government has in this problem.

The PRESIDING OFFICER. The question is on agreeing to the modified amendment offered by the Senator from Georgia [Mr. RUSSELL], which will be stated.

The CHIEF CLERK. On page 2, line 5, after the word "labor" and the period, it is proposed to insert "and that said applications be granted on the basis of regulations and conditions in force and effect at the time of approval of the applications by the State administrators."

The PRESIDING OFFICER. The question is on agreeing to the amendment as modified.

The amendment as modified was agreed to.

Mr. HATCH. Mr. President, just a few moments ago the discussion turned to the subject of hospitals. I happened to ask the Public Works Administrator to furnish me a list of all pending hospital projects under the P. W. A. I have that list here; and I think all Senators will be interested in knowing that there are pending at this time 118 hospital projects in some 37 States, including 1 here in the District of Columbia.

I ask that this list be published in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

The list is as follows:

Summary of all non-Federal pending applications for projects pertaining to hospitals, as of May 24, 1937

State	Number of projects	Loan	Grant	Total	Estimated cost
Alabama	2	$121,000	$112,500	$233,500	$250,000
Arkansas	2	55,000	44,999	99,999	99,999
California	4		239,850	239,850	533,000
Colorado	3		138,569	138,569	307,930
Florida	3	57,000	70,568	127,568	156,818
Georgia	2		40,500	40,500	90,000
Idaho	3		147,600	147,600	328,000
Illinois	3		70,598	70,598	156,886
Indiana	4	8,000	345,332	353,332	767,405
Iowa	2		144,000	144,000	320,000
Kansas	3	110,000	452,045	562,045	1,004,545
Kentucky	2		65,747	65,747	146,104
Louisiana	2		164,242	164,242	364,984
Maine	2		68,675	68,675	152,610
Maryland	1		113,948	113,948	253,217
Massachusetts	1				250,000
Michigan	5	2,551,625	1,251,427	3,803,052	4,227,839
Minnesota	1		21,704	21,704	48,230
Mississippi	2		61,911	61,911	137,580
Missouri	1		22,833	22,833	50,740
Montana	3		212,233	212,233	471,629
Nebraska	1		163,636	163,636	363,636
New Jersey	10		3,928,151	3,928,151	8,729,226
New Mexico	1		45,450	45,450	101,000
New York	16	$245,500	5,850,243	6,095,743	13,000,541
North Carolina	5	211,000	401,309	612,309	891,798
North Dakota	2		56,860	56,860	126,355
Ohio	2		213,343	213,343	474,093
Oregon	2		101,143	101,143	224,762
Pennsylvania	4	85,000		85,000	4,827,000
South Carolina	6	297,542	256,184	553,726	619,301
Tennessee	2		498,056	498,056	1,106,790
Texas	6	138,000	433,226	571,226	962,736
Virginia	2		81,000	81,000	180,000
Washington	4		209,025	209,025	464,500
West Virginia	3	1,095,038	1,196,091	2,291,129	2,657,979
Wisconsin	1		90,900	90,900	202,000
District of Columbia	1	525,000	225,000	750,000	750,000
Total	118	5,499,705	17,538,898	23,038,603	45,799,223

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution, as amended.

The concurrent resolution, as amended, was agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That the President of the United States and the Administrator of Public Works be requested to grant such of the applications above described as may meet the engineering and financial requirements of the Public Works Administration without requiring that the applicant have on hand prior to the granting of the application all of the funds necessary for the completion of the project, and without requiring that the sum or sums granted to the applicant be expended exclusively for relief labor and that said applications be granted on the basis of regulations and conditions in force and effect at the time of approval of the applications by the State administrators.

The preamble was agreed to.

BENEFICIAL ACTIVITIES OF THE BUREAU OF MINES

Mr. DAVIS. Mr. President, because of my years of service with the Senate Committee on Mines and Mining, because of the preeminence of the State of Pennsylvania as a producer of minerals, and because of the fact that I spent some of the earlier years of my life in a coal-mining community, I desire again to address the Senate on the vital importance of the mineral industry to the Nation, and the excellent work rendered by the Bureau of Mines in encouraging the development of our mineral resources, and in making safer the lot of the American miner.

I have previously endeavored to stress the dependence of the Nation on its extensive mineral industries; to emphasize the fact that our far-reaching mineral empire excels that of any other country; and to make it plain that the United States, if deprived of its mineral supplies, could not endure for a day. But this is a story that needs frequent retelling. The people of the United States, the press of the country, even Congress itself, I reluctantly say, seem to have but a slight conception of this situation.

Mr. President, each and every one of us depends absolutely on the multitudinous products of the mines, quarries, and oil wells. These products are necessary in the cooking and service of our meals; in the manufacture of bed, bath, and almost every other home furnishing; for all manner of transport on land and sea and in the air; in the production of heat, light, and power; for telephonic, telegraphic, and radio communication; in the construction of homes, highways, factories, and bridges; even in the providing of our last resting places; yet we are accustomed to think of minerals only in the vaguest way. We take for granted our great mineral industries, which often need our strong support in order to progress, or even to survive. In the matter of congressional appropriations the urgent needs of the mineral industries have, for some reason hard to fathom, been sadly neglected. The Bureau of Mines, charged with fostering the development of these industries, receives about the same yearly appropriation that is given for the study of bugs or "dope" or fish.

Power is, of course, the vital force that keeps the wheels of industry spinning; and power is chiefly derived from the mineral fuels, coal and petroleum, and from harnessed and controlled water. Power, however, can only be utilized, to any considerable extent, through mechanisms and devices that convert its energy into motion. Such mechanisms and devices—propelling pistons, revolving shafts and gears, and electric transmission lines—are made of metals. Thus we see that minerals, the fuels and the metals, through engineering science, have become the very foundation of industrial civilization.

Mr. President, mineral utilization has brought more human benefit in the United States than in any other country. Our intelligent, fearless, and enterprising pioneers were ingenious in discovering and inventing new and better ways of doing things, and the results of their efforts, applied in the utilization of minerals, had made America preeminent in mineral technology before the beginning of the present century.

The achievements of our mining technologists shaped the destiny of the Nation. The territory was so large that its permanent unification under a single Government would have been practically impossible had it not been for the railroads and telegraph lines, which linked its parts together, and but for the utilization of the supplies of metals needed to build these lines and of the fuel to operate them. This gigantic task was made possible by inventive American engineers and courageous American capital.

Our far-flung network of railroads, once constructed, must, of course, be provided with vast quantities of freight to furnish the bulk of their revenues. Today minerals and their derivatives provide practically three-fourths of the freight tonnage carried by the railroads, and more than one-half of their revenue. Add to this the tremendous additional tonnage created from the outputs of smelters, refineries, lime, cement, and brick works, and one begins to realize, at least to some extent, how much our huge transportation network depends upon minerals.

Mr. President, more recently the astounding development of mineral oil and the utilization of its products have created a new epoch of rapid transport by automobiles, busses, and trucks, and these have been the cause of the rapid construction of our wonderful highway system.

The nonmetallic minerals, too, are of great importance. They insulate and save heat energy, line our furnaces, form our crucibles, insulate our spark plugs, form the bulk of industrial and commercial structures, and surface our roads and streets. By themselves they constitute an enormous industry, and now create more new wealth each year than the metals and only slightly less than coal or petroleum.

I may state just a few facts that will afford some idea of what minerals mean to our country. Of the entire wealth of the United States, conservatively valued in 1932 at more than $163,000,000,000, between 60 and 70 percent had its origin in the mineral industries. The Nation ranks first in the world in lead, zinc, and copper output, and in the consumption of metals of all kinds. We consume nearly half the world's pig iron, more than a third of its coal, and three-fourths of its petroleum. In the past 25 years our mineral output increased in annual value by 77 percent, whereas farm products rose only 17 percent. For 10 years before the depression, the minerals that were produced were worth, on the average, five and one-third billion dollars a year. In a 5-year period, mineral producers paid almost six times as much as farmers in Federal taxes. In normal times at least 25,000,000 people are directly or indirectly dependent for their livelihood upon extraction and processing of mineral products. Coal mining gives employment to more men than any single manufacturing industry. Mineral substances are produced in 2,024 counties, or approximately two-thirds of the counties in the United States. The population of the counties in which mining is the predominant industry totaled more than 40,000,000 in 1930. In my State of Pennsylvania alone there is an army of 400,000 miners. Yet Federal appropriations for the Bureau of Mines during a recent 5-year period were only about one-fiftieth of the appropriations made for agriculture.

Mr. President, the Bureau of Mines, which is part of the Interior Department of the United States Government, devotes its entire time to problems of the mineral industries—to the problems of how to get the best mineral "crop" with the least harvesting expense. The Bureau studies and describes the best mining methods and the best machinery used, so that the operator of some other mine may be able to use them and produce his minerals at a lower cost. This reduces the price that all of us have to pay when we use these products in our daily life.

Some minerals, such as stone, coal, sand, and gravel, are ready for use as soon as they come from the earth, except, perhaps, for making them the size needed or removing some slight impurity. But other minerals are only a small part of the ores in which they are found, so the ores must be crushed and concentrated to get rid of great and useless quantities of waste rock. Sometimes, as with lead and zinc ores of the Mississippi Valley region, this concentration is done by shaking the crushed ore in water, allowing the heavier minerals to settle to the bottom, where they are collected and saved. Sometimes, as in separating copper minerals, the ore is very finely pulverized and churned in water with air, oil, and other so-called reagents, to form millions

of bubbles, which stick to the mineral particles, rather than the rock, and float them. The miners call this "flotation." Sometimes an electric magnet is used to pull out grains of iron ore or some other magnetic mineral. And sometimes, as in the cyanide process for extracting gold, chemicals are added to the crushed ore to dissolve the gold but leave the rock as waste.

Mr. President, all of these and other methods have been studied by the Bureau of Mines to find out the best ways of using them with any particular kind of ore, to ascertain if some improvement in the method cannot be found that will increase the amount of mineral saved and thus prevent waste of resources which, once used, are gone and cannot be replaced, and to test the various kinds of machines in use and find out which one works best under given conditions and why.

In most of the minerals from which metals are obtained the metals are combined with oxygen or sulphur or other things, and so the minerals cannot serve us, even after they are concentrated, until the metals are gotten out of them in a blast furnace or a smelter. Here, too, the Bureau studies ways and methods in order to make them better. But the Bureau's metallurgists do not stop here. They are constantly studying the metals themselves to find out the things that make them harder, tougher, or stronger; to see what happens when they are combined to make alloys, and what new and better properties the different alloys have; and to find out other facts that may show some new use, some cheaper method of production, or some way in which a cheaper alloy can do the work of some other more expensive metal.

Mr. President, petroleum, natural gas, and articles made from them furnish more than a third of the entire value of the country's mineral production. Uncle Sam's Mining Bureau studies the ways in which petroleum and natural gas occur in the ground and the ways of drilling oil wells, so it can recommend methods that will save waste when gas or oil is struck in opening a new field and that will prevent water from getting in and reducing the amount of petroleum that can be gotten from the ground. In one oil field alone, Blackwell, Okla., methods recommended by the Bureau prevented the waste of at least $20,000,000 worth of natural gas, to say nothing of the danger from fire, if this gas had been turned loose in the air. Natural gas is an important household and factory fuel in many places in the United States, but it is also a source of gasoline. The Bureau of Mines was one of the leaders in the work of finding means to get gasoline from the gas, and as a direct result of its studies the amount of gasoline that can be obtained from this source has been increased by more than 30 percent.

Mr. President, the Bureau has also made engineering studies in most of the large oil fields of the country to find ways of increasing the recovery of petroleum, for it is not possible to get all of the oil out of the ground even with the best methods in use today; sometimes as much as half of it must be left behind. Some of this work is very technical, such as measuring the speed with which oil or gas will travel through sand such as that in which these minerals occur, or finding out the amount of gas that will dissolve in the oil, or separating oil and water that are mixed in an "emulsion", as it is called, while other work has to do with piping compressed air or compressed natural gas back into the well to force the oil up to the surface. But the purpose of it all is to save our national resources of petroleum and gas and to make sure that for years to come we may have gasoline for our automobiles and have the hundreds of other things that are made from crude petroleum.

At the refinery crude petroleum is made into gasoline, kerosene, and other things by fractional distillation. The Bureau's studies of refining have shown many ways of cheapening the process, as well as ways of making better products. Two engineers of the Bureau of Mines invented a method by which the crude oil is "cracked" by distilling it under pressure and at a higher temperature, and by which a much greater amount of gasoline is made from the oil. Without this and other cracking processes, which make it possible to get three or four times more gasoline from a barrel of crude oil than we were able to get 25 years ago, we would not have enough gasoline at anything like the price we pay today to run the 28,000,000 automobiles now in use.

Some natural gas—chiefly that found in certain areas in Texas—contains small amounts of helium, which is the only gas, except hydrogen, that can be used to make balloons and dirigibles float. Helium will not burn or explode, while hydrogen is very inflammable, and therefore dangerous, because of the chance that it may be ignited by fire or even by lightning. The memory of the terrible disaster that befell the German dirigible *Hindenburg*, which used hydrogen as a floating agent, is still quite vivid. Before the World War all airships were floated with hydrogen, and helium was a curiosity that had been made only in very small amounts and at a cost of more than $2,000 a cubic foot. The Bureau of Mines first found out which natural-gas fields had helium in them, and then worked out a process for getting the helium cheaply from the natural gas. Today in its plant near Amarillo, Tex., the Bureau is able to make all the helium the Army and Navy need to float their great airships and at a cost of less than 1 cent a cubic foot.

Mr. President, nobody who looks after a furnace likes to carry out more ashes than he has to, and everybody who buys coal likes to get as much heat for his money as he can. This is why the Bureau of Mines has analyzed more than 200,000 samples of coal; and these analyses, which show the amount of ash and other impurity in the coal, as well as its heating value, make it possible for the buyer of coal to know exactly what he is getting.

In order to get the most heat from coal it must be burned in the right way and in the right kind of a furnace. So the Bureau has studied these things, too, on battleships, in large power plants, and in small household furnaces. The knowledge gained saves hundreds of thousands of dollars in the country's yearly coal bill.

Mr. President, we as a nation use or consume large amounts of more than 150 minerals each year. Without exact figures as to what this consumption has been in the past, our mineral industries would not be able to plan intelligently to meet our needs today and in years to come. The Bureau of Mines supplies this demand for facts by collecting and publishing figures showing production, value, and distribution of all the many important minerals. Some of these figures are published every week or every month, so that businessmen may have up-to-the-minute facts, while others are published once a year to give a larger picture. All these reports are widely used by industry to keep in touch with the mineral markets and to help in solving the problem of how or when to supply us with coal, metals, gasoline, building materials, and all the other mineral products.

Someone has said that the most precious thing that comes out of a mine is not coal, or iron, or even gold, but the miner himself—which is just another way of saying that human life is more important than "great possessions." The Bureau of Mines, from its very beginning, has held this point of view, and a large part of its work has always been to see that the miner does come out of the mine safe and sound. In fact, one of the chief reasons for the creation of the Bureau in 1910 was the strong feeling that something must be done to prevent loss of life in coal-mine explosions, such as those that shocked the Nation by killing more than 1,100 men in a single year, 1907.

Mr. President, at first it was thought that these disasters were all due to a gas called methane, or firedamp, which comes out of the coal bed in many mines and which can cause an explosion if set on fire by a flame or an electric spark. One way of preventing this is to sweep the gas out of the mine at once with a current of air. But this cannot always be done surely in all the holes and corners of the mine; so the Bureau recommends that "closed lights"—such as electric lamps, or safety lamps in which the flame is guarded by a very fine wire screen—shall be used in all coal mines; that gunpowder shall not be used at all in blasting down the coal; and that blasting shall be done only with certain kinds of dynamite which the Bureau has tested

and found to be free from the danger of starting an explosion of firedamp. The Bureau also recommends that no electrical machinery shall be used in the places where the coal is dug, unless the machinery has been thoroughly tested to make sure that it will not spark; and that any electrical machinery that cannot pass these tests, and so cannot be approved as "permissible", shall be used only in places where the ventilating air current is fresh from the outside, and is not mixed with gas picked up in the mine. All of these recommendations are now followed in most mines where methane is found.

It was discovered later that very fine coal dust, made while coal is being dug, is just as explosive as gas if it is stirred up and mixed with the right amount of air; but the Bureau has proved, also, that a coal-dust explosion can be prevented if powdered limestone, or some other rock dust, is mixed with the finely pulverized coal. The studies of this subject were made at a coal mine specially opened by the Bureau, and equipped with measuring instruments for this work. It is the only mine in the world that is owned and used by a government for no other purpose than to make scientific studies of things that have to do with safety in mining.

Mr. President, nearly 2,000 large-scale tests have been made at this mine; some in which gas, gas and coal dust, or coal dust alone, were deliberately allowed to explode, and others in which rock dust was used to prevent the explosion, or to stop its travel through the mine after the explosion had started. This mine is also used to test methods and appliances for putting out mine fires; the use of dynamite in blasting; the use of safety lamps in air containing methane; the use of apparatus and masks which miners wear when going into air they could not safely breathe; and to measure the strength of pillars of coal or rock that are used to support a mine roof.

Partly, at least, as a result of the Bureau's work, the lurid headlines of the daily newspaper of 10 to 20 years ago telling of coal-mine disasters are seldom found in the daily press of today or for the past several years. Coal mines continue to have accidents, just as our streets and highways, our industrial plants, even our homes, continue to have accidents, many of them resulting in death. However, accident occurrence and the accident rate in coal-mining are being slowly but very definitely reduced, while accidents and the accident rate in the United States at large are increasing.

Twenty-five years ago, five or more deaths were occurring every year for every million tons of coal produced. For the past 4 years, for every million tons of coal produced, fewer than three fatalities were caused. There are now numerous coal mines employing large numbers of workers and producing large quantities of coal without the occurrence of any kind of lost-time accident for months. Dozens of mines have even operated a year or more without a lost-time accident, and a few of our coal mines have operated 2 or more years without causing a single lost-time accident.

Mr. President, mine-explosion disasters are all but a thing of the past, as may be seen from the following figures:

During the 4 years 1907, 1908, 1909, and 1910, the coal mines of the United States had 67 major explosion and fire disasters—a major disaster being one in which five or more persons are killed—and these 67 disasters caused 2,249 deaths. In the 4 years 1933, 1934, 1935, and 1936 our coal mines had 12 major coal-mine disasters, and they caused 101 deaths. Hence, for every disaster in the past 4 years there were nearly six in the 4 years 1907–1910, and for every fatality from major disasters in our coal mines in the last 5 years there were 22 in the 4-year period 1907–1910. To put it in another way, major disasters have been reduced 75 percent in number, and the fatalities from them have been reduced more than 95 percent.

In spite of this, however, mining is still a dangerous job. The miner has to work in close quarters underground, and usually without enough light to see the dangers that surround him. A slab of rock may fall and crush him. He may be hurt in riding on the cars that carry ore or coal, or he may be squeezed between a car and the wall of a tunnel. He has to handle dynamite daily and constantly—and dynamite could not be what it is, and what it must be, without being a dangerous work-shift partner, especially in a small and half-dark chamber underground. He has to handle heavy materials and tools, and is often hurt in doing so. When his tools, or the machines in the mine, are driven by electricity, he must always be on guard against electric shock, especially in mines where the very walls drip water, and the dangers of short-circuit and imperfect insulation are always present.

Mr. President, the Bureau of Mines has studied all these dangers, and has recommended ways of preventing the accidents they cause. It has trained nearly 1,000,000 persons in first-aid and safety methods, which not only teach the miner what to do for an injured buddy in the first important minutes after an accident when doing the right thing will often save a hand, or a leg, or even a life, but also teach him that his carelessness may mean injury or death for others, even if he himself should escape.

The Bureau has its own trained crews of rescue men who are sent at once to mine disasters in special railroad cars or special automobile trucks which carry all the apparatus and equipment the men may need in this recovery work. The Bureau has examined hundreds of mines to find out whether any unsafe practices are used, and, if so, to recommend ways of correcting them.

Mr. President, I wish to repeat a statement which I made to the Senate some time ago, that every year in the United States the hideous monster that we call accident disables nearly 10,000,000 persons. If all this pain and anguish were concentrated in my own State of Pennsylvania, it would mean that every citizen in this, the second State in the Union, would be laid low. The Nation's annual accident toll concentrated in Pittsburgh would cripple for life half the persons in that splendid metropolis, or it would kill every person in the bustling city of Allentown.

At a time when foreign dispatches carry news of armed legions and bristling ultimatums, it is refreshing to think of the life-saving activities of an organization like the Bureau of Mines. In pleasing contrast to the march of bayonet-bearing millions to the roll of the drums, I offer you the leisurely stride of the peaceful army of underground workers returning to the loved ones at home safe and sound in body and limb.

In view of these facts, Mr. President, I submit that we should not be niggardly in the consideration of appropriations for the Bureau of Mines. Economy in Government expenditures is, of course, necessary; but let it not be achieved at the risk of the millions who toil beneath the earth's surface to produce the minerals that we must have if our national culture, our splendid business organization, and, indeed, our very lives, are to go on.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. MINTON in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations (and withdrawing a nomination), which were referred to the appropriate committees.

(For nominations this day received and nomination withdrawn, see the end of Senate proceedings.)

REPORTS OF THE COMMITTEE ON COMMERCE

Mr. COPELAND, from the Committee on Commerce, reported favorably the following nominations:

Chester E. Dimick to be a professor with the rank of commander in the Coast Guard, to take effect from date of oath;

Chief Boatswain (L) Frank E. Allison to be a district commander with the rank of lieutenant in the Coast Guard, from date of oath;

Commander Stanley V. Parker to be captain with rank from May 1, 1937;

Lt. Comdr. Joseph Greenspun to be commander with rank from May 1, 1937; and

District Commander William M. Wolff to be district commander with the rank of lieutenant commander from January 31, 1937.

The PRESIDING OFFICER. The reports will be placed on the Executive Calendar.

If there be no further reports of committees, the clerk will state the nomination on the Executive Calendar.

POSTMASTER

The legislative clerk read the nomination of L. Elizabeth Dunn to be postmaster at Conchas Dam, N. Mex.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

That concludes the Executive Calendar.

ADJOURNMENT TO MONDAY

The Senate resumed legislative session.

Mr. BARKLEY. I move that the Senate adjourn until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 2 o'clock and 45 minutes p. m.) the Senate adjourned until Monday, June 7, 1937, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 3 (legislative day of June 1), 1937

FEDERAL HOME LOAN BANK BOARD

T. D. Webb, of Tennessee, to be a member of the Federal Home Loan Bank Board for a term of 6 years from July 22, 1937. (Reappointment.)

SECURITIES AND EXCHANGE COMMISSION

James M. Landis, of Massachusetts, to be a member of the Securities and Exchange Commission for the term expiring June 5, 1942. (Reappointment.)

WORKS PROGRESS ADMINISTRATION

Ron Stephens, of Oklahoma, to be State administrator in the Works Progress Administration for Oklahoma, vice W. S. Key, resigned. (This nomination is submitted at this time for the purpose of correcting an error in the nomination as submitted to the Senate on May 24, 1937.)

Joseph Newman Alderson, of West Virginia, to be State administrator in the Works Progress Administration for West Virginia.

COLLECTOR OF CUSTOMS

John O'Keefe, of Pembina, N. Dak., to be collector of customs for customs collection district no. 34, with headquarters at Pembina, N. Dak. (Reappointment.)

PUBLIC HEALTH SERVICE

Dr. Dwight K. Shellman to be assistant dental surgeon in the United States Public Health Service, to take effect from date of oath.

PROMOTIONS IN THE NAVY

MARINE CORPS

Capt. John K. Martenstein to be a major in the Marine Corps from the 1st day of February 1937.

Capt. Albert W. Paul to be a major in the Marine Corps from the 1st day of April 1937.

Capt. Arthur D. Challacombe to be a major in the Marine Corps from the 22d day of April 1937.

Capt. William F. Brown to be a major in the Marine Corps from the 1st day of June 1937.

First Lt. Wilfred J. Huffman to be a captain in the Marine Corps from the 1st day of November 1936.

First Lt. Carson A. Roberts to be a captain in the Marine Corps from the 1st day of February 1937.

First Lt. John S. Holmberg to be a captain in the Marine Corps from the 1st day of June 1937.

The following named second lieutenants to be first lieutenants in the Marine Corps from the 31st day of May 1937:

Clyde R. Nelson	John P. Condon
Joseph L. Dickey	John A. Butler
Elmore W. Seeds	Ralph K. Rottet
Victor H. Krulak	Robert E. Hommel
George C. Ruffin, Jr.	Frank C. Tharin
Harold O. Deakin	Henry W. G. Vadnais
Maurice T. Ireland	John W. Sapp, Jr.
Samuel R. Shaw	Samuel F. Zeiler
Robert S. Fairweather	Lawrence B. Clark
Joseph P. Fuchs	Lehman H. Kleppinger
Henry W. Buse, Jr.	Floyd B. Parks
Bennet G. Powers	John E. Weber

CONFIRMATION

Executive nomination confirmed by the Senate June 3 (legislative day of June 1), 1937

POSTMASTER

NEW MEXICO

L. Elizabeth Dunn, Conchas Dam.

WITHDRAWAL

Executive nomination withdrawn from the Senate June 3 (legislative day of June 1), 1937

WORKS PROGRESS ADMINISTRATION

Ron Stevens to be State administrator in the Works Progress Administration for Oklahoma.

HOUSE OF REPRESENTATIVES

THURSDAY, JUNE 3, 1937

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Eternal God, our Father, we pray that the silent ministry of Thy spirit may have a place in our thoughts; in quiet and in confidence may this fellowship be our strength today. Give us the help and the undergirding that we need, and we shall have but few distractions as we follow the path of duty. In burden bearing, in temptation, call us to the realities which abide—godliness, unselfishness, and the riches of a wholesome influence. These make up the splendor of character which gives the radiance of the divine to our actions. These will live when the god of covetousness and the chaff of worldliness shall be no more.

Bless the Lord, O my soul: and all that is within me, bless His holy name.

For the Redeemer's sake. Amen.

The Journal of the proceedings of yesterday was read and approved.

Mr. RANKIN. Mr. Speaker, I make the point of order that there is not a quorum present.

The SPEAKER. Will the gentleman withdraw his point of no quorum until a message can be received from the President of the United States?

Mr. RANKIN. I withhold the point of no quorum, Mr. Speaker, but I think we should have a quorum present to hear the message.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries, who also informed the House that on June 2, 1937, the President approved and signed bills of the House of the following titles:

H. R. 1280. An act for the relief of Horace Hutcheson, a minor;

H. R. 4550. An act to extend the times for commencing and completing the construction of a bridge across the Ohio River between Rockport, Ind., and Owensboro, Ky.;

H. R. 4655. An act to accept the cession by the State of Arkansas of jurisdiction over all lands now or hereafter included within the Hot Springs National Park, Ark., and for other purposes;

H. R. 5177. An act to declare the Benton Harbor Canal at and above the west line of Ninth Street, Benton Harbor, Mich., a nonnavigable stream;

H. R. 5468. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near a point between Morgan and Wash Streets in the city of St. Louis, Mo., and a point opposite thereto in the city of East St. Louis, Ill.;

H. R. 5579. An act granting the consent of Congress to the State of Mississippi to construct, maintain, and operate a free highway bridge across Pearl River at or near Jackson, in Hinds County, Miss.;

H. R. 5595. An act to extend the time for completing the construction of two bridges, one across a part of Lake Michigan at or near the entrance to the Chicago River, Ill., and the other across the Michigan Canal or Ogden Slip, in city of Chicago, Ill.;

H. R. 5694. An act to extend the times for commencing and completing the construction of certain bridges across the Monongahela, Allegheny, and Youghiogheny Rivers, in the county of Allegheny, Pa.; and

H. R. 6866. An act authorizing the obligation of funds for work at Government-owned establishments.

CALL OF THE HOUSE

Mr. RANKIN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Obviously there is not a quorum present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 79]

Anderson, Mo.	Drewry, Va.	Jenks, N. H.	Robsion, Ky.
Andresen, Minn.	Eberharter	Kelly, N. Y.	Sadowski
Bell	Ellenbogen	Kloeb	Schuetz
Bernard	Ford, Calif.	Kvale	Scott
Binderup	Ford, Miss.	Lambertson	Secrest
Bradley	Fulmer	Lamneck	Shafer, Mich.
Buckley, N. Y.	Gasque	Lord	Smith, W. Va.
Cannon, Wis.	Gavagan	Lucas	Sutphin
Chandler	Gilchrist	McGehee	Sweeney
Chapman	Goodwin	McGroarty	Taylor, Colo.
Clark, Idaho	Green	McMillan	Taylor, Tenn.
Clark, N. C.	Greenwood	Maas	Terry
Collins	Griswold	Millard	Thomas, Tex.
Cravens	Haines	Miller	Thomason, Tex.
Creal	Hancock, N. Y.	O'Connell, Mont.	Wadsworth
Curley	Harlan	Peyser	Wearin
Dempsey	Hartley	Phillips	Wene
Disney	Healey	Pierce	Whelchel
Ditter	Hill, Wash.	Poage	Wolcott
Dixon	Hoffman	Rees, Kan.	Wood
Douglas	Hook	Reilly	

The SPEAKER. On this roll call 349 Members have answered to their names, a quorum.

On motion of Mr. COLE of Maryland, further proceedings under the call were dispensed with.

TRIAL OF CERTAIN FEDERAL JUDGES

Mr. SMITH of Virginia, from the Committee on Rules, reported the following resolution (Rept. No. 929), which was referred to the House Calendar and ordered to be printed:

House Resolution 227

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 2271, a bill to provide for trials of and judgments upon the issue of good behavior in the case of certain Federal judges. That after general debate, which shall be confined to the bill and continue not to exceed 3 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

AMENDMENT OF BANKRUPTCY ACT

Mr. DRIVER, from the Committee on Rules, reported the following resolution (Rept. No. 930), which was referred to the House Calendar and ordered to be printed:

House Resolution 228

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 5969, a bill to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

DEPORTATIONS OF CERTAIN ALIENS

Mr. DIES, from the Committee on Rules, reported the following resolution (Rept. No. 931), which was referred to the House Calendar and ordered to be printed:

House Resolution 229

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 6391, a bill to authorize the prompt deportation of criminals and certain other aliens, and for other purposes. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Immigration and Naturalization, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

PAIRS

Mr. PETTENGILL. Mr. Speaker, I ask that the RECORD be corrected. I was not able to be present night before last when votes were taken on the relief bill. I left instructions as to how I desired to be paired, which instructions were not carried out.

On roll call 73, page 5227 of the RECORD, I asked to be paired "for." I desire the RECORD to be corrected accordingly.

On roll call 76, page 5231, I left instructions to be paired "against." I ask that the RECORD be corrected accordingly.

On roll call 78, page 5234, I am paired "for."

The SPEAKER. Did the gentleman have any agreement as to his pairs?

Mr. PETTENGILL. I left general instructions with the pair clerk.

The SPEAKER. Suppose the pair clerk could not secure pairs as the gentleman desired?

Mr. PETTENGILL. I do not know how it arose, Mr. Speaker.

The SPEAKER. Might the Chair suggest to the gentleman from Indiana, inasmuch as this question may be of some importance hereafter, that the presumption is that a Member desiring to be paired will have the arrangement made with some Member with whom he desires to pair before his departure from the building or the Capitol. There is no objection to the gentleman making the statement he has made, but the Chair thinks it important that all Members should understand that there is no obligation upon the pair clerk to secure pairs.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—NATIONAL PLANNING BOARD (H. DOC. NO. 261)

The SPEAKER laid before the House the following message from the President of the United States:

To the Congress of the United States:

Nature has given recurrent and poignant warnings through dust storms, floods, and droughts that we must act while there is yet time if we would preserve for ourselves and our posterity the natural sources of a virile national life.

Experience has taught us that the prudent husbandry of our national estate requires far-sighted management. Floods, droughts, and dust storms are in a very real sense manifestations of nature's refusal to tolerate continued abuse of her bounties. Prudent management demands not merely works which will guard against these calamities but carefully

formulated plans to prevent their occurrence. Such plans require coordination of many related activities.

For instance, our recent experiences of floods have made clear that the problem must be approached as one involving more than great works on main streams at the places where major disasters threaten to occur. There must also be measures of prevention and control among tributaries and throughout the entire headwaters areas. A comprehensive plan of flood control must embrace not only downstream levees and floodways and retarding dams and reservoirs on major tributaries but also smaller dams and reservoirs on the lesser tributaries, and measures of applied conservation throughout an entire drainage area, such as restoration of forests and grasses on inferior lands, and encouragement of farm practices which diminish run-off and prevent erosion on arable lands.

Taking care of our natural estate, together with the stopping of existing waste, and building it back to a higher productivity is a national problem. At last we have undertaken a national policy.

But it is not wise to direct everything from Washington. National planning should start at the bottom, or, in other words, the problems of townships, counties, and States should be coordinated through large geographical regions and come to the Capital of the Nation for final coordination. Thus the Congress would receive a complete picture in which no local detail had been overlooked.

It is also well to remember that improvements of our national heritage frequently confer special benefits upon regions immediately affected, and a large measure of cooperation from State and local agencies in the undertaking and financing of important projects may fairly be asked for.

Any division of the United States into regions for the husbandry of its resources must possess some degree of flexibility. The area most suitable as a region for the carrying out of an integrated program designed to prevent floods is the basin, including the watersheds, of a pivotal river. But other problems dependent upon other combinations of natural economic and social factors may require a somewhat different area to permit the most effective functional program. For instance, the problem of the Great Plains area is a problem of deficient rainfall, relatively high winds, loose, friable soils, and unsuitable agricultural practices. The natural area for solution of the Great Plains drought problem is different from that for the solution of dynamic water problems presented by the rivers which traverse that area. The rational area for administration of a Great Plains rehabilitation program crosses the drainage areas of a number of parallel major tributaries of the Mississippi River. It should, therefore, be kept in mind that in establishing a region for one type of comprehensive program, parts or all of the same area may be included in a different region for another type of comprehensive program, with the result of a Federal system, as it were, of programs and administrative areas for solution of basically different yet interrelated problems.

Neither the exact scope nor the most appropriate administrative mechanism for regional husbandry can at the start be projected upon any single blue print. But it is important that we set up without delay some regional machinery to acquaint us with our problem.

I think, however, that for the time being we might give consideration to the creation of seven regional authorities or agencies—one on the Atlantic seaboard; a second for the Great Lakes and Ohio Valley; a third for the drainage basin of the Tennessee and Cumberland Rivers; a fourth embracing the drainage basins of the Missouri River and the Red River of the North; a fifth embracing the drainage basins of the Arkansas, Red, and Rio Grande Rivers; a sixth for the basins of the Colorado River and rivers flowing into the Pacific south of the California-Oregon line; and a seventh for the Columbia River Basin. And, in addition, I should leave undisturbed the Mississippi River Commission, which is well equipped to handle the problems immediately attending the channel of that great river.

Apart from the Tennessee Valley Authority, the Columbia Valley Authority, and the Mississippi River Commission, the work of these regional bodies, at least in their early years, would consist chiefly in developing integrated plans to conserve and safeguard the prudent use of waters, water power, soils, forests, and other resources of the areas entrusted to their charge.

Such regional bodies would also provide a useful mechanism through which consultation among the various governmental agencies working in the field could be effected for the development of integrated programs of related activities. Projected programs would be reported by the regional bodies annually to the Congress through the President after he has had the projects checked and revised in light of national budgetary considerations and of national planning policies. When the national planning board is established I should expect to use that agency to coordinate the development of regional planning to insure conformity to national policy, but not to give to the proposed national planning board any executive authority over the construction of public works or over management of completed works.

Projects authorized to be undertaken by the Congress could then be carried out in whole or in part by those departments of the Government best equipped for the purpose, or, if desirable in any particular case, by one of the regional bodies. There should be a close coordination of the work done by the various agencies of government to prevent friction, overlapping, and unnecessary administrative expense and to insure the integrated development of related activities. There should be the closest cooperation also with the developing State and local agencies in this field, particularly the State, regional, and local planning boards and the commissions on interstate cooperation which work through interstate compacts ratified by the Congress and through interstate administrative arrangements. And provision should be made for the effective administration of hydroelectric projects which have been or may be undertaken as a part of a multiple-purpose watershed development. The water-power resources of the Nation must be protected from private monopoly and used for the benefit of the people.

This proposal is in the interest of economy and the prevention of overlapping or one-sided developments. It leaves the Congress wholly free to determine what shall be undertaken and provides the Congress with a complete picture not only of the needs of each one of the regions but of the relationship of each of the regions to the whole of the Nation.

If, for example, the Congress could have had before it at this session a complete picture of immediate and long-term needs, I think its task in providing for flood prevention and drought emergencies would have been an easier one.

For nearly a year I have studied this great subject intensively and have discussed it with many of the Members of the Senate and the House of Representatives. My recommendations in this message fall into the same category as my former recommendation relating to the reorganization of the executive branch of the Government. I hope, therefore, that both of these important matters may have your attention at this session.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 3, 1937.*

Mr. WHITTINGTON. Mr. Speaker, I move that the message of the President be referred to the Committee on Flood Control and ordered to be printed, and on that I ask for recognition.

The SPEAKER. The gentleman from Mississippi moves that the President's message be referred to the House Committee on Flood Control and ordered printed.

Mr. MANSFIELD. Mr. Speaker——

The SPEAKER. For what purpose does the gentleman from Texas rise?

Mr. MANSFIELD. To propound a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MANSFIELD. Would it be in order for me as chairman of the Committee on Rivers and Harbors to move, as a substitute for the motion of the gentleman from Mississippi,

that the message be referred to the Committee on Rivers and Harbors?

The SPEAKER. Does the gentleman from Mississippi yield in order that the Chair may answer the parliamentary inquiry?

Mr. WHITTINGTON. I yield, Mr. Speaker.

The SPEAKER. The gentleman from Texas propounds a parliamentary inquiry to the Chair as to whether the gentleman would be entitled to offer as a substitute for the motion made by the gentleman from Mississippi a motion to refer the President's message to the Committee on Rivers and Harbors.

The Chair, anticipating that this question might arise, has looked rather fully into the precedents in reference thereto and finds that on April 4, 1933, when Mr. Rainey was Speaker of the House, this identical proposition was presented.

At that time it will be recalled that a bill was pending with reference to the refinancing of farm-mortgage indebtedness. Two committees claimed jurisdiction of the subject matter of that bill, the Committee on Banking and Currency and the Committee on Agriculture.

When the President's message was read the chairman of the Committee on Agriculture, the gentleman from Texas [Mr. JONES], moved that the President's message be referred to the Committee on Agriculture. Thereupon the specific inquiry now propounded by the gentleman from Texas [Mr. MANSFIELD] was made.

The Chair reads the query and the answer of the Speaker:

Mr. STEAGALL. Mr. Speaker, I desire at the proper time to submit a substitute motion that the message be referred to the Committee on Banking and Currency.

Mr. JONES said:

Mr. Speaker, I do not yield for that purpose.

The Speaker stated:

The gentleman from Texas does not yield. It is necessary to vote down the previous question before that motion will be in order.

The gentleman from Mississippi [Mr. WHITTINGTON] is entitled to 1 hour, and the Chair understands he has perfected an arrangement with the gentleman from Texas [Mr. MANSFIELD] by which he will yield to the gentleman from Texas one-half of that time. At the conclusion of the debate of 1 hour the Chair assumes the gentleman from Mississippi will move the previous question on the motion referring the message to the Committee on Flood Control. If the previous question should be voted down, then the gentleman from Texas [Mr. MANSFIELD] would have the right and privilege of offering an amendment to the motion to refer the message.

The gentleman from Mississippi [Mr. WHITTINGTON] is recognized.

Mr. WHITTINGTON. Mr. Speaker, in pursuance of the agreement to which the Speaker has referred, without prejudice I yield for the purpose of debate only and not for the purpose of a motion, 30 minutes of the 1 hour allotted to me to the gentleman from Texas [Mr. MANSFIELD].

Mr. Speaker, the question involves the reference of the message of the President of the United States to which you have just listened and the bill to be introduced in pursuance of that message. If there is one word, if there is one great internal improvement more than another referred to in that message, I submit that word is floods.

I submit, in the second place, if it were not for the great question of flood control confronting this country, for which in season and out of season the Committee on Flood Control has advocated legislation or authorization bills at this session, I doubt that this message would be here at this time.

In national legislation there are often several questions involved. In flood control there are involved navigation, power, the conservation of national resources, upstream control and soil-erosion prevention, and downstream works consisting of levees and river walls.

What has the House done heretofore? Where have similar bills involving the establishment of planning agencies and planning authorities gone in this House? I have before me for the information of the House a list of all the bills involving the establishment of planning agencies and authorities, with respect to flood control, navigation, and the development of power heretofore introduced, and commencing with the Sixty-ninth Congress every one of those bills, with the exception of one that I now recall, has been by the present Speaker and by the previous Speakers referred to the Committee on Flood Control. I, therefore, invoke the doctrine of precedents, as I speak for the members of the Committee on Flood Control and by their direction, in asking that this message for the creation of planning agencies and authorities contemplated by the message be referred to that committee. I should like to say I have only the kindliest feeling for my distinguished friend the chairman of the Rivers and Harbors Committee, the gentleman from Texas [Mr. MANSFIELD], and for the membership of that committee.

Mr. Speaker, I could refer to a number of cases where bills are now being referred to committees on the ground of precedent that might not be referred to those committees as original propositions. In passing, I may say if this message is referred to the Committee on Flood Control, it provides for planning agencies; it provides for the consideration of agencies that the administration desires and suggests, before there can be comprehensive flood-control legislation. It does not contemplate, and the language in the message is that the executive authority, the authority of the Flood Control Committee, the authority of the Rivers and Harbors Committee, the Committee on Reclamation, or the Committee on Agriculture shall not be in anywise superseded by the suggestions contained in this message. It contemplates the setting up of planning agencies, whose reports will be submitted to the Congress. It is my view they should be submitted to the Congress just as they would have been under the 39 planning bills heretofore referred to the Committee on Flood Control in this and in previous sessions, on any job on which unfavorable reports have been submitted by the War Department or the Director of the Budget.

Now, what about the authority for reference? I read from Cannon's Procedure, page IV:

It is more material that there should be a rule to go by than what that rule is; that there may be uniformity of proceeding in business.

In the past, legislation with respect to the T. V. A. was referred to the Committee on Military Affairs. Future legislation will be so referred. I doubt if that would be true now as an original proposition. If it had not the purpose to manufacture fertilizer in peace and munitions in time of war, the legislation would probably have been referred to the Committee on Flood Control or to the Committee on Rivers and Harbors in the first place.

Precedents should be followed where possible.

I admit navigation is involved. I admit that conservation is involved. I have no desire, and it is not the desire of my committee, that they shall be in anywise superseded but I do insist that the one outstanding problem confronting the Nation, insofar as our national resources are concerned, is the great question of national flood control. I submit further, whether you be a friend of one committee or the other or a member of one committee or the other, that there are precedents in this and in previous Congresses where similar bills have been referred to the Committee on Flood Control. Therefore, in right and in fairness, this bill should go there also.

It is a great advantage to the Congress to have before it the decisions of previous Congresses. If the decisions of the past, carefully considered, made by Speakers, Chairmen, and by the House itself, are to be disregarded, confusion and uncertainty would constantly prevail.

This quotation is from Cannon's Procedure, page IV.

In Congress after Congress these planning agency and authority bills have been referred to the Committee on Flood Control, and I submit that authority should control in the present case.

Mr. COX. Will the gentleman yield?

Mr. WHITTINGTON. In just a moment. I want to make this further statement before I yield to the gentleman from Texas. I promised I would yield to him first.

Mr. Speaker, flood control is of recent origin so far as the Federal Government is concerned. The first great appropriation was made for flood control on the Mississippi River and the Sacramento River in 1928. One hundred million dollars of the authorization, according to the bill itself, and according to the hearings, was primarily for navigation, but the big money in the bill to be spent on the Mississippi and on the Sacramento was for flood control. The Flood Control Committee reported the act.

In 1936 the Congress of the United States passed two acts reported by the Committee on Flood Control, one involving the authorization over a 6-year period of the expenditure of $272,000,000, the other involving $300,000,000 over a similar period. This act provides that flood-control works in two-thirds of the States of the Union shall be under the War Department, and provides incidentally for river and harbor improvements. However, the big money in the bill is for flood control. Morever, the act establishes that there should be upstream control, and provision was made in the flood-control policy for conservation and reforestation to be under the supervision and direction of the Department of Agriculture. However, the Committee on Flood Control had authority, because of the big money in the bill, to take jurisdiction.

In connection with the great flood of 1937 the Committee on Flood Control asked the Chief of Engineers of the United States Army to submit a project to prevent the recurrence of the 1937 and other record floods. In the report of the Chief of Engineers, which is being published and will be available to Members of Congress, the expenditure of $800,000,000 over a period of 10 to 20 years is contemplated. The big money, the dollars you will be called upon to appropriate from the Public Treasury, are for flood control. There will be navigation, there will be development of power, but I say here and now, once and for all, that we adopted a forward and progressive policy in the Flood Control Act of 1936. This act provides for the construction of pen stocks and for hydroelectric facilities, if feasible and practicable, in every one of the approximately 35 dams authorized in the act. For my part, in connection with any flood-control measures in the future, as in the past, and any construction of dams and reservoirs upstream and on the tributaries, wherever it is practicable and possible to provide for the development of hydroelectric power for the benefit of the people of the United States, I shall stand for such a development. [Applause.] But I am first for flood control. However, it is fair to say, and I repeat it, that the large amounts and the big money that we are asked not to authorize are for flood control. We are asked to provide for the establishment of planning agencies, not administrative, not executive. These agencies will submit their reports, and, in my judgment, should be required to do so, to the Committee on Flood Control for flood control, to the Committee on Rivers and Harbors for projects properly under their jurisdiction, and to the other committees of the House, including the Committee on Reclamation, for projects under their jurisdiction.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. WHITTINGTON. I yield for just a question.

Mr. COX. It would seem to me the consideration which should guide the House in the action it should take on the motion of the gentleman would be the condition which is responsible for the message coming to us and the activity which is given first importance in the message itself.

Mr. WHITTINGTON. I think so. For that reason I emphasize that it was floods which were mentioned, and floods are emphasized throughout this message, especially in reference to the great flood of 1937. Also, the Committee on Flood Control has been asked to withhold its report on the bill growing out of that flood pending consideration by these proposed authorities, so that that bill may be embraced in and be coordinated with the policy resulting from such consideration.

If you stand for a policy of national flood control, I respectfully submit that under precedents, under reason, and under authority this bill should be referred to the Committee on Flood Control.

Mr. Speaker, I now yield to the gentleman from Texas.

Mr. MOTT. Mr. Speaker, will the gentleman yield?

Mr. WHITTINGTON. I have yielded to the gentleman from Texas for 30 minutes for the purpose of debate, without yielding the floor. I shall be glad to yield to the gentleman from Oregon in a little while.

Mr. MANSFIELD. Mr. Speaker, the suggested bill which has been presented here deals with every possible feature of river treatment. It devotes pages, almost, to the subject of pollution. It refers in a number of instances to the question of navigation. It refers extensively to the question of the production and distribution of hydroelectric power, and various other matters pertaining to river improvement. All of these questions under the present rules of the House, except the question of flood control exclusively, are now under the jurisdiction of the Committee on Rivers and Harbors. That committee deals with all the legislation for dams for hydroelectric power in our navigable streams and has done so from as far back as 1888. It has dealt with it on the Mississippi River, on the Missouri River, on the Muskingum River, and on various other rivers of the United States. It cannot be claimed the Committee on Flood Control would have jurisdiction of that feature if the bill were stripped of the combination of subjects which are embraced in the entire program. It cannot be claimed the Committee on Flood Control has jurisdiction over navigation. It cannot be claimed the Committee on Flood Control has jurisdiction of any feature of this bill except flood control.

When the Committee on Flood Control was created by Congress, the reason given for its creation was that it should exercise jurisdiction for that purpose only, and on that ground, and with the assurance given to Congress in the debates at the time—the assurance was given by Mr. Finis Garrett, afterward the Democratic leader of the House, and by all who participated in the debate at that time—that the jurisdiction of the Committee on Flood Control would be limited to flood control only, and that the Committee on Rivers and Harbors would not be deprived of jurisdiction of any other feature of the case, the Committee on Flood Control was created. I do not have time to discuss all that debate at this time.

Mr. MAPES. Mr. Speaker, will the gentleman from Texas yield?

Mr. MANSFIELD. For a brief question.

Mr. MAPES. It is not quite clear to me just what legislation is contemplated from listening to the reading of the President's message. The gentleman has referred to a suggested bill. Is it contemplated that the suggested legislation to which the gentleman has referred will actually provide for flood control and the other matters referred to in the message of the President, or is it contemplated only to set up regional boards in these different regions to make studies and report back to Congress?

Mr. MANSFIELD. The suggested bill provides for setting up these regional boards, which will constitute planning boards. Legislation will hereafter be submitted to Congress in accordance with their findings, as I understand.

Mr. MAPES. However, no affirmative action is to be taken except upon the recommendation of these boards, and the boards have no authority to go ahead without additional legislation?

Mr. MANSFIELD. They will have to have additional legislation.

Mr. MOTT. Mr. Speaker, will the gentleman yield?

Mr. MANSFIELD. I am sorry, I cannot yield; I have but 10 minutes.

One of the most important features of this whole program was completely overlooked by my good friend, the gentleman from Mississippi [Mr. WHITTINGTON], the question of hydroelectric power.

This is one of the main reasons that this message has come here today. For flood control only there is no need of it, because we have a flood-control program now.

Furthermore, it excludes the Mississippi Commission, which deals with perhaps 95 percent of the flood-control

program already. So it could not have been primarily upon that ground that the message was sent.

Power development is one of the main features to be considered by the Congress in the near future. We have had our navigation programs, our flood-control programs, and all those are in successful operation; but this new program of hydroelectric power, by which America is to be electrified in the near future, if possible, is a feature that is in no sense of the word within the jurisdiction of the Committee on Flood Control.

Mr. SNELL. Mr. Speaker, will the gentleman yield for a question?

Mr. MANSFIELD. I yield to the distinguished leader of the Republican Party.

Mr. SNELL. Do I understand there is a bill already prepared accompanying this message?

Mr. MANSFIELD. There is a suggested bill.

Mr. SNELL. It is a bill sent up here to be introduced?

Mr. MANSFIELD. That is my understanding.

Mr. SNELL. And the gentleman states, from a reading of that bill, which I suppose he has read, the particular purpose of the bill is a power proposition and not flood control.

Mr. MANSFIELD. I say that is one of the main features, as I understand it. Flood control is also one of them.

Mr. MOTT. Mr. Speaker, will the gentleman yield?

Mr. MANSFIELD. Yes.

Mr. MOTT. May I ask the gentleman if this bill comprehends any change in any jurisdiction so far as the Corps of Army Engineers is concerned? The message indicates there will be several independent set-ups.

Mr. MANSFIELD. I have not had time to read all these papers, but it sets up these regional boards very much in line with the T. V. A., and the gentleman knows as well as I do how that is done.

If I may be permitted now to proceed in regard to this matter, I may state that the river is the basis for all this legislation for all purposes. Congress has jurisdiction over it on the theory of navigation, and navigation only. This has been decided by the Supreme Court from the days of John Marshall down to the present time. The Court has never decided that Congress has jurisdiction over flood control, and in order to give Congress jurisdiction over flood control they link it with navigation in order that the question of jurisdiction may not be raised. The question of flood control has yet to be decided, and I call attention to the fact that $300,000,000 worth of dams that are now being installed and nearing completion, including the Fort Peck Dam, the Grand Coulee Dam, the Bonneville Dam, the Tygirt Dam, the Parker Dam, all of these great propositions have been erected under river and harbor legislation reported and enacted into law in a river and harbor bill. [Applause.]

Mr. Speaker, I reserve the balance of my time and yield 5 minutes to the gentleman from California [Mr. CARTER].

Mr. CARTER. Mr. Speaker, the Flood Control Committee is a committee of limited jurisdiction. That committee was created in 1916 and I have before me the debates that took place at that time.

The Flood Control Committee was carved out of the Rivers and Harbors Committee, and the argument made for the establishment of that committee at that time was to the effect that they were to have jurisdiction of flood-control matters only and that all other matters over which the Rivers and Harbors Committee had jurisdiction at that time should remain with the Rivers and Harbors Committee. I could quote you parts of this debate that would substantiate this statement, but my time will not permit.

Now, let us look at our rules and see what they say in reference to this question. Our rules provide for the establishment of a Flood Control Committee to which all matters pertaining to flood control, other than appropriations therefor, shall be referred. Our rules also provide for a Rivers and Harbors Committee to which all matters relating to the improvement of rivers and harbors, except flood-control matters, shall be referred.

Mr. Speaker, these rules do not say that only matters pertaining to commerce and navigation in relation to rivers shall be referred to the Rivers and Harbors Committee, but the rules plainly state that all matters pertaining to rivers shall be referred to the Rivers and Harbors Committee. Therefore I say, without any question, as a matter of proper jurisdiction, there is not any doubt, even remote, as to where this message should be referred. It should be referred to the Rivers and Harbors Committee.

As I listened to the distinguished gentleman from Mississippi, the chairman of the Flood Control Committee, I thought this message dealt with flood control only, but when you read the message, you see that flood control is only one of the many things mentioned prominently in the message. The President, as I understand the message, proposes to establish a river authority, a drainage basin authority, in a number of regions, to solve the problems of these drainage basins. It might well be that flood control would not be a problem within the basin at all, but any river of any considerable size has the problem of navigation, it has the problem of power, it has the problem of pollution, and it has many other problems. Let me quote just these few words from the message of the President which was read here a few minutes ago:

> The work of these regional bodies, at least in their early years, would consist chiefly in developing integrated plans to conserve and safeguard the prudent use of waters, water power, soils, forests, and other resources of the areas entrusted to their charge.

The Rivers and Harbors Committee at the present time has jurisdiction of a number of these matters. You will recall that this House a few weeks ago passed a pollution bill that was considered and reported by the Rivers and Harbors Committee.

The Rivers and Harbors Committee at the present time is considering a bill with reference to the disposition of the power at the Bonneville Dam on the Columbia River, between the States of Oregon and Washington. This message, Mr. Speaker, comes clearly within the jurisdiction of the Committee on Rivers and Harbors and should be referred to that committee. [Applause.]

The SPEAKER pro tempore (Mr. DRIVER). The time of the gentleman from California has expired.

Mr. WHITTINGTON. Mr. Speaker, I yield 3 minutes to the gentleman from Oklahoma [Mr. FERGUSON].

Mr. FERGUSON. Mr. Speaker, I call the attention of the House to the bill that was passed in the Seventy-fourth Congress (Public, No. 738; H. R. 8455) authorizing the construction of certain public works on rivers and harbors for flood control and for other purposes, and wish for a moment, gentlemen, you would hold clearly in your minds the words of the President's message while I read the policy section of the flood-control bill, and you will realize that the Flood Control Committee anticipated this message with legislation, so much so that I agree with the chairman of our committee when I say it was the activity of the Flood Control Committee and our incessant activity that brought agitation for this legislation before the country.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. FERGUSON. I cannot yield at this time. I read:

> SECTION 1. It is hereby recognized that destructive floods upon the rivers of the United States, upsetting orderly processes and causing loss of life and property, including the erosion of lands and impairing and obstructing navigation, highways, railroads, and other channels of commerce between the States, constitute a menace to national welfare; that it is the sense of Congress that flood control on navigable waters or their tributaries is a proper activity of the Federal Government, in cooperation with States, their political subdivisions and localities thereof; that investigations and improvements of rivers and other waterways, including watersheds thereof, for flood-control purposes are in the interest of the general welfare; that the Federal Government should improve or participate in the improvement of navigable waters or their tributaries, including watersheds thereof, for flood-control purposes if the benefits, to whomsoever they accrue, are in excess of the estimated costs, and if the lives and social security of people are otherwise adversely affected.

Is this House going to take away jurisdiction over this matter from the committee that instituted this type of legis-

lation and put it in the hands of the committee that failed to act on this type of legislation all the time that they have claimed to have jurisdiction?

The SPEAKER pro tempore. The time of the gentleman from Oklahoma has expired.

Mr. MANSFIELD. Mr. Speaker, I yield 5 minutes to the gentleman from Virginia [Mr. BLAND].

Mr. BLAND. Mr. Speaker, I confess that upon a hurried reading of the message it appeared to me to relate to flood control, but the gentleman from California [Mr. CARTER] has placed his finger, in my opinion, upon the crucial point in the message, which is to be considered in the light of the bill that is reported to have been prepared to carry out the message. For a long time I have thought it very unfortunate that our rules did not permit references to the different committees having jurisdiction of the general matters in a message. My committee suffered a few years ago from that omission, but, fortunately, the injury was remedied by adjustment with the other committee. The section of the message to which the gentleman from California [Mr. CARTER] has directed attention refers to the prudent use of waters, establishes regions, and then deals practically with the entire use of those waters, which matter, in my opinion, involves matters within the jurisdiction of the Committee on Rivers and Harbors, where that jurisdiction has been exercised admirably and efficiently. I refer particularly to matters dealing particularly with navigation, with hydroelectric power, and with pollution. If there could be some dividing line whereby the flood-control features of the message could be separated from these other things, I should not raise my voice. I do desire to register an emphatic protest against any reference of a message or of a bill which would transfer navigation interests, pollution, or hydroelectric power from the committee that is expert in the handling of those particular questions. [Applause.]

I fear very much that the enlargement of the jurisdiction of the Committee on Flood Control under the language of this message, as interpreted by the bill that has been submitted, would accomplish that result, and in my opinion that would be unfortunate for navigation upon our waters and for the other questions involved. Therefore, I shall support the gentleman from Texas [Mr. MANSFIELD].

Mr. FERGUSON. Mr. Speaker, will the gentleman yield?

Mr. BLAND. Yes.

Mr. FERGUSON. This bill, as I understand it, contemplates the creation of valley authorities for the conservation of natural resources. Does the gentleman feel that his committee, being expert in navigation and the maintenance of water for navigation purposes, would thus be better qualified to pass on the conservation of the natural-resource problems in these valleys?

Mr. BLAND. I consider the other factors the major portion of the bill, and I believe, if it cannot be divided, that it should go to the Committee on Rivers and Harbors. It would not go to my committee, for I have not the honor of being a member of the Committee on Rivers and Harbors.

Mr. MANSFIELD. Mr. Speaker, I suggest that the matter referred to by the gentleman from Oklahoma [Mr. FERGUSON], if not connected with these other matters, would be within the jurisdiction of the Committee on Agriculture.

Mr. FERGUSON. I think that is correct.

The SPEAKER pro tempore. The time of the gentleman from Virginia has expired.

Mr. WHITTINGTON. Mr. Speaker, I yield 5 minutes to the gentleman from Kansas [Mr. CARLSON].

Mr. CARLSON. Mr. Speaker, I have been very much interested in the discussion today having to do with the reference of this bill.

Coming from the Middle West as I do, it has been very interesting to me to hear the distinguished chairman of the Committee on Rivers and Harbors [Mr. MANSFIELD] ask for reference of this bill to his committee, and we have heard the distinguished chairman of the Committee on Merchant Marine and Fisheries speak regarding the reference of this bill. For the life of me, as I read this message, I can find very little reference to either of those agencies. As I read the message I find that the President is deeply interested in the conservation of water, the conservation of soil, and the conservation of natural resources.

Mr. RANDOLPH. Mr. Speaker, will the gentleman yield?

Mr. CARLSON. Not just now. I only have 5 minutes.

It seems to me that the Committee on Flood Control is the committee which should logically consider this legislation. This committee has not been asleep during this session of Congress, and in this connection I want to call the attention of the House to House Joint Resolution No. 175. Our committee has conducted hearings on this resolution. It has been reported to the House and we are hoping to ask for a rule for its consideration in the very near future. Having this in mind, I wish to state that it is not necessary to introduce a bill calling for the legislation that the President mentions in his message, except for the section establishing the eight authorities he has mentioned.

We have sponsored the legislation and have already had hearings on it. House Joint Resolution 175 deals with water conservation, with flood control, with hydroelectric power, with water retardation; and we have placed the supervision and construction of these projects in the hands of the Army engineers and the Secretary of Agriculture. For many years our committee has been dealing with these problems. Last year we brought in two flood-control bills of major importance. We brought in the omnibus flood-control bill, a bill that deals with flood control and water conservation on practically every stream in the Nation. We also brought in the Overton lower Mississippi River bill. It seems logical and reasonable that this committee should consider the legislation.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. CARLSON. I yield to the gentleman from Massachusetts for a question.

Mr. MARTIN of Massachusetts. For the benefit of the neutral Members of the House, I would like to ask the gentleman which committee can be depended upon to spend the most money?

Mr. CARLSON. I want to say to the gentleman from Massachusetts that I am very proud of the chairman and the membership of the Committee on Flood Control. We are a conservative committee. We have held hearings and cooperated with the Army engineers in securing flood-control legislation. I will say for our committee that when we allocate money we do it with the approval of the Army engineers. I do not believe there is a Member on the floor of this House who is not willing to turn over to the Chief of Engineers and his organization any and all projects that deal with flood control and water conservation.

Last year our committee brought in these bills which authorized the projects I have already mentioned. Therefore, I feel that our committee is well qualified to handle this work.

In the interior part of the United States there are river problems and drought problems. This committee, in my opinion, should handle those problems because we are versed with them. We have cooperated with the other agencies, and, therefore, I hope the House will refer the bill to our committee.

Mr. JENKINS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. CARLSON. I yield to the gentleman from Ohio.

Mr. JENKINS of Ohio. It is true, is it not, that at the present time all the work of the Tennessee Valley Authority is done outside the activities of the Army engineers?

Mr. CARLSON. That is right.

Mr. JENKINS of Ohio. The Tennessee Valley Authority was constructed under the jurisdiction of the Committee on Rivers and Harbors. Is that not right?

Mr. CARLSON. Yes; I so understand. In other words, if you want to be sure to keep this in the hands of the Army engineers you should refer it to the Committee on Flood Control.

Mr. MANSFIELD. Just to correct the gentleman, it was done under the direction of the Committee on Military Affairs.

Mr. CARLSON. I thank the gentleman for the correction.

Mr. MOTT. Mr. Speaker will the gentleman yield?

Mr. CARLSON. I yield to the gentleman from Oregon.

Mr. MOTT. This message it seems to me comprehends the establishment of a number of set-ups and agencies similar to the Columbia River Valley Authority, the Tennessee Valley Authority, and others, which are outside the jurisdiction of the Army engineers. Very probably, if carried into effect, it will take that jurisdiction away from the Army engineers which they have heretofore exercised. I want to ask the gentleman what his opinion and his attitude is going to be about that if it is referred to his committee?

Mr. CARLSON. I will state to the gentleman from Oregon that as far as one member of the Committee on Flood Control is concerned—and I believe I can speak for that committee—we have always cooperated with the Army engineers. We always get reports from them. We confer with them on any and all projects.

Mr. MOTT. Would the gentleman be willing, for example, to set up a flood control and conservation area and turn the operation and control of that over to the Interior Department, for instance, instead of the Army engineers?

Mr. CARLSON. No; I would not. I am going to fight to retain that in the hands of the Army engineers. I expect to use all the power and influence I have in that direction. Whenever we take the control of rivers from the War Department and the Army engineers, in my opinion we have gone a long way toward destroying the use of one branch of our military service during peacetimes. We must keep it there if we can. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from Kansas has expired.

Mr. MANSFIELD. Mr. Speaker, I yield one-half minute to the gentleman from Virginia [Mr. BLAND].

Mr. BLAND. Mr. Speaker, I regret that I did not make myself clear. One gentleman at least seems to have misunderstood me. I did not ask to have this referred to the Committee on Merchant Marine and Fisheries. I asked to have it referred to the Committee on Rivers and Harbors. [Applause.]

[Here the gavel fell.]

Mr. MANSFIELD. Mr. Speaker, I yield the remainder of my time, 9½ minutes, to the gentleman from Illinois [Mr. PARSONS].

Mr. PARSONS. Mr. Speaker, I am very glad the Speaker of the House has decided to let this matter be settled in this way. If the gentleman from California [Mr. LEA], chairman of the Committee on Interstate and Foreign Commerce, was making a fight for jurisdiction of this bill, I would probably have no objection, because the big thing in this bill in the immediate and in the distant future is the power question. But under no circumstances is the Flood Control Committee of this House entitled to any jurisdiction whatsoever. The Flood Control Committee was not created until 1916. The Rivers and Harbors Committee was created in 1883, and this committee reported all of the river and harbor appropriations up until appropriation bills were consolidated under the Appropriations Committee. This committee has also reported all of the river and harbor improvements. It has also reported on the public works for the benefit of navigation and on the use of the water power on improved streams, on oil pollution, on stream pollution, and on the international arrangement as to the use of water at the outlet of the Great Lakes, thus giving the Rivers and Harbors Committee precedence in receiving communications and bills which have been referred to this committee upon all of these subjects.

The gentleman from California [Mr. CARTER] has explained what the debates reveal when the Flood Control Committee was created. The late Speaker Champ Clark stated that it was for flood control only, and it was created for that purpose after two or three major floods occurred in 1913 and 1916 in the Ohio and Mississippi Valleys.

Let us see what subjects are dealt with by the bill that is to be referred to one or the other of these committees. The title reads:

To provide for the regional conservation and development of the national resources, and for other purposes.

Under title I the purpose and policy of the act are set out as follows:

It is the purpose and policy of this act to develop, integrate, and coordinate plans, projects, and activities for or incidental to the promotion of navigation.

That is the first major item in this bill.

Mr. SNELL. Mr. Speaker, will the gentleman yield for a question at this point?

Mr. PARSONS. I am sorry, I cannot yield. I have but a few minutes.

Certainly this purpose so stated, should send it to the Committee on Rivers and Harbors.

The next purpose is for the control and prevention of floods. This is the only item in the title that would give the Flood Control Committee any reason for asking that this bill be referred to their committee.

Another purpose is the reclamation of the public lands in order to aid and protect commerce among the several States. Bills for this purpose, so far as they concerned water and navigation have repeatedly been referred to the Committee on Rivers and Harbors.

Next the safeguarding of navigable waters: Does the gentleman from Mississippi maintain for one moment that the Committee on Flood Control should have jurisdiction of a bill safeguarding navigable waters?

I have just read from the manual a statement showing that bills for that purpose have been referred to the Committee on Rivers and Harbors and that it has jurisdiction. Let us see what further the bill provides. Item 1: "The promotion of navigation." There is no question as to which committee should have jurisdiction of this subject. Item no. 2: "The control and prevention of floods, to prevent destruction and interference with navigation." That is in the bill. If the Committee on Flood Control, therefore, should claim jurisdiction by reason of item 2, still the second provision of that very item would provide an equally strong reason why it should go to the Committee on Rivers and Harbors.

Mr. FERGUSON. Mr. Speaker, a point of order.

The SPEAKER pro tempore. The gentleman will state it.

Mr. FERGUSON. I understood that the discussion was upon the reference of the President's message. I do not understand what the gentleman is arguing about.

The SPEAKER pro tempore (Mr. DRIVER). The Chair holds that the discussion is germane to the subject matter under consideration, and overrules the point of order.

Mr. PARSONS. The President's message mentioned flood control and a number of other items, the ones I am here enumerating.

Mr. Speaker, I submit that of the bills mentioned by the gentleman from Mississippi as having been referred to his committee, not a single one involved power, involved navigation, or related to a single one of these items except flood control. Under the rules of the House and under the intention of Congress as evidenced by the debates at the time the Flood Control Committee was formulated, that committee was to have no jurisdiction over any bills whatsoever except those dealing entirely with flood control. By no stretch of the imagination in respect to the President's message of today and the accompanying bill can the Committee on Flood Control claim exclusive jurisdiction.

In the immediate future and in the distant future, Mr. Speaker, the big thing in this bill will be power development on the rivers of this continent.

Mr. SNELL. Mr. Speaker, will the gentleman yield?

Mr. PARSONS. I yield for a brief question.

Mr. SNELL. Will the gentleman tell us to what bill he is referring?

Mr. PARSONS. I am referring to the bill which accompanied the message of the President.

Mr. SNELL. Where did that bill come from? We are entitled to know.

Mr. PARSONS. We will answer that later.

Mr. SNELL. The gentleman, then, refuses to tell the House who wrote the bill about which he is talking? [Applause.]

Mr. PARSONS. I refuse to yield, Mr. Speaker; I have only a very few minutes.

Mr. SNELL. I want the RECORD to show that the gentleman refuses to tell where the bill came from about which he is making a speech on the floor of the House.

Mr. PARSONS. The gentleman will find out in due course where the bill came from.

Mr. SNELL. We are entitled to know its source, and I want the RECORD to show the gentleman's refusal to disclose it.

Mr. PARSONS. We are not discussing the merits of the bill; we are discussing the question as to which committee should have jurisdiction in the matter. Mr. Speaker, I refuse to yield further.

Mr. SNELL. The gentleman's entire speech has been devoted to the merits of the bill.

Mr. PARSONS. Mr. Speaker, every major power project and every major water-conservation project except Boulder Dam and Muscle Shoals originated under the jurisdiction of the Rivers and Harbors Committee. I submit, therefore, that this message with the accompanying bill should be referred to the Committee on Rivers and Harbors; and I hope and trust that the House will vote down the motion of the gentleman from Mississippi.

Mr. MANSFIELD. Mr. Speaker, will the gentleman yield? I now yield to the gentleman from Texas.

Mr. RICH. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. RICH. Mr. Speaker, if a certain bill is printed and on the floor of the House, why is it that Members cannot get a copy of the bill?

The SPEAKER pro tempore. I presume the gentleman knows the proper repository for bills.

Mr. RICH. Could the Speaker tell us where to go to get a copy?

The SPEAKER pro tempore. Yes. I think possibly the document room may be able to give the gentleman a copy.

Mr. MANSFIELD. The gentleman from Illinois [Mr. PARSONS] referred to the fact all power-producing dams that have been constructed in navigable waters, except Muscle Shoals and Boulder Dam, were under legislation recommended by the Committee on Rivers and Harbors?

Mr. PARSONS. Exactly.

Mr. MANSFIELD. Is it not also true that neither Muscle Shoals nor Boulder Dam were under the jurisdiction of the Committee on Flood Control?

Mr. PARSONS. That is true, because Boulder Dam was built under the jurisdiction of the Bureau of Reclamation and came from that committee of the House. Muscle Shoals was originally constructed as a national-defense proposition, therefore came from the Committee on Military Affairs. The Committee on Flood Control has never properly had under their jurisdiction any bill that pertained to the construction of dams other than for the purpose of flood control. It has never had under its jurisdiction, properly, any bills for the construction of hydroelectric power projects. Certainly, under the rules of the House, it is not entitled to have jurisdiction of any bill that provides for that now.

Mr. DONDERO. Will the gentleman yield?

Mr. PARSONS. I yield to the gentleman from Michigan.

Mr. DONDERO. I think the most convincing statement made here today is the statement regarding the creation of the Flood Control Committee which made its jurisdiction one of limitation to flood control only. Anything beyond that still remains in the jurisdiction of the Rivers and Harbors Committee.

Mr. PARSONS. That is true. I submit, Mr. Speaker, up until the last 3 years no bill of any kind or nature was ever referred to the Flood Control Committee except ones involving the express curbing of floods, and this was done by the Speaker, and no contest was made by our committee to claim jurisdiction.

[Here the gavel fell.]

Mr. WHITTINGTON. Mr. Speaker, I want to refer briefly, as I appeal to your judgment on the record and on precedent and reason, to some of the statements made by gentlemen who have spoken in opposition to this motion. I am not going to deal in ancient history. I am not going to refer to the committees of the House as they were in 1833. I am going to refer to the precedents of the House. I am going to refer to the authority for the references. I am referring to the real substance of the legislation.

I stated in my opening remarks that 39 bills similar to the measure which provided for planning agencies and authorities have been referred to the Committee on Flood Control. No one has disputed that statement. What better authority could I give you? What better reason could I assign than to ask you to refer this measure to the committee that has consideration of other bills of this nature? Every one of those bills provided for the matter of navigation, for the matter of flood control, and conservation of national resources.

Mr. PARSONS and Mr. MANSFIELD rose.

Mr. WHITTINGTON. I decline to yield.

Mr. RICH. Mr. Speaker, a parliamentary inquiry.

Mr. WHITTINGTON. Mr. Speaker, I decline to yield for a parliamentary inquiry.

Mr. Speaker, there must not be any dispute about the facts. There is a lot of work involved and there are fundamental questions involved in this measure. The gentleman from Illinois [Mr. PARSONS] stated that the Committee on Rivers and Harbors—and I have a high regard for him—had constructed the Bonneville Dam, Grand Coulee, the Parker Dam, and Tiger Dam. What are the facts? Those bills were not reported by the Committee on Rivers and Harbors. Every Member on the floor knows these projects were authorized by the President of the United States out of relief funds. They were put into the River and Harbor Act because that was the first act to come up where it was convenient to deposit them.

Let us be fair. What dam has Congress at any time authorized the Rivers and Harbors Committee or any other committee to construct primarily for power? If any Member can name a single dam, let him point it out. They say the T. V. A. is for flood control and navigation. There never was a dam primarily for power originally reported by the Rivers and Harbors Committee. If you are interested in the control of floods, then you should refer this message to the Committee on Flood Control.

Mr. PARSONS. Will the gentleman yield for a question?

Mr. WHITTINGTON. No; I decline to yield. The gentleman has already made too many erroneous statements, and I have not the time to correct them.

Mr. PARSONS. What dams has the Committee on Flood Control authorized?

Mr. WHITTINGTON. From 35 to 40 in the acts of 1936.

Mr. Speaker, the gentleman from Texas [Mr. MANSFIELD] spoke of pollution. He made the statement that the bill he held in his hand was devoted page after page to pollution. I have just examined the bill. There are about 12 lines in the bill about pollution.

The gentleman from California [Mr. CARTER] said that the Committee on Rivers and Harbors ought to have and should have control over all rivers. Where would you have any reclamation if you did not deal with the rivers? Where would you have any flood control if you did not undertake to control the waters in the rivers of the country?

The distinguished gentleman from Virginia, my distinguished friend, Mr. BLAND, said that this bill ought to be referred to the committee where the greatest amount of money would be appropriated or authorized. This is the only sound statement he made. The message should go to the Committee on Flood Control, according to every authority. The gentleman has overspoken himself.

Mr. BLAND. Will the gentleman yield?

Mr. WHITTINGTON. In just a moment. The gentleman had the opportunity to speak twice.

Mr. BLAND. I just wanted to correct the gentleman's statement.

Mr. WHITTINGTON. The gentleman does not and cannot deny that the contemplated large expenditures are for flood control.

Mr. Speaker, what is contemplated by the message? Much has been said about the President's message. What did he say about navigation in his message?

I stated in my opening remarks that he referred to flood control, the dust storms, and the drought. Where does he mention navigation? Where did he suggest it is necessary to build a dam in order to provide for navigation? He states in substance, in this message, when dams were constructed for upstream control and for the control of floods that provision wherever it was possible should be made for the conservation of power.

I recall no case or precedent where this Congress or any preceding Congress has ever authorized in the first place the Committee on Rivers and Harbors to provide for the construction of reservoirs for navigation. Regardless of the jurisdiction in 1883, I may say, it might as well be said the Committee on World War Veterans has nothing to do with World War veterans, because the Committee on Pensions handled such matters in 1883. Whatever may be said about the original jurisdiction of the Committee on Flood Control, in 1936 that committee reported for the first time a national flood-control bill, which provides for projects in two-thirds of the States of the Union, and provides for conservation and reforestation under the direction of the Secretary of Agriculture, in order to reinforce the downstream control which must be by flood-control works.

As I said in the beginning of my remarks, I want power wherever it can be had. However, the thing uppermost in my mind is not the great question of the navigability of our rivers. What about the Ohio River? The navigation projects on that stream, for which we have spent $200,000,000, are now practically completed. What about navigation on the Mississippi River? The need is for both flood control and navigation. In the Ohio Valley the need is for flood control. One hundred and fifty-five cities, towns, and communities were subjected to flood and 400,000 people were driven from their homes in 1937. I have insisted, in season and out of season during this session of Congress, as I insist now, that the great question of flood control shall not be sidetracked, that if there is to be any planning such planning should give first consideration to the pressing problem before the people of this country—the problem of flood control.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. WHITTINGTON. In just a moment I shall be pleased to yield.

Mr. MANSFIELD. Mr. Speaker, will the gentleman yield?

Mr. WHITTINGTON. In just a moment. I did not interrupt the gentleman, and I have reserved my time.

What about the constitutionality of flood-control legislation? Such legislation has been passed ever since 1879, in a small way, and was for the first time recognized in 1917 in a larger way. The Supreme Court of the United States has never declared any flood-control act invalid or void. What about the constitutional authority for flood control? It is ample.

May I summarize with respect to the constitutionality of flood-control legislation by saying—

First. Flood-control work is a proper function of the Federal Government, and Congress is the sole judge of the circumstances under which appropriations may be made.

Second. The power of Congress is not limited to navigation, or to cases that are incident thereto, but may be predicated upon the basis of aid to commerce and the destruction, injury, or impairment of the agencies engaged in commerce.

Third. The commerce clause is not the only constitutional basis for flood control, though perhaps the clearest.

I have reached the said conclusions from well-considered decisions of the Supreme Court rendered in recent years. I do not have to go back to John Marshall. I do not have to go back to the time when the Committee on Rivers and Harbors was created in 1883. The flood-control or conservation program is not static, it is progressive.

I maintain there is at stake in this legislation the question of whether or not the Congress of the United States will discharge its duty, and, upholding the jurisdiction of the Committee on Flood Control, make adequate and proper provision, in the plans which may be submitted to us, primarily for the control of the floods of our Nation.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. WHITTINGTON. In just a moment I shall be pleased to yield if I have the time remaining.

I insist that under the precedents and, appealing to your judgment and your reason, and with the very kindliest of feelings for my good friend the gentleman from Texas [Mr. MANSFIELD], the message should be referred, as has been every one of these 39 previous bills dealing with planning agencies and authorities, to the Committee on Flood Control.

Mr. Speaker, under the leave to revise and extend my remarks, permit me to say that in reason and under the precedents of the House to protect the integrity of the Flood Control Committee and to promote national flood control, I make the motion to refer the bill to the Committee on Flood Control. Similar bills have been referred, with one exception, as I have heretofore stated, commencing with the Sixty-ninth Congress, to the Committee on Flood Control.

H. R. 5025, Sixty-ninth Congress, first session, provided for Waterways and Water Resources Commission. It was referred to the Committee on Flood Control.

H. R. 12803, Sixty-ninth Congress, first session, creating the Mississippi-Arkansas agencies, was referred to the Committee on Flood Control.

In the Seventieth Congress, first session, H. R. 5786, H. R. 6992, H. R. 8909, and H. R. 9576, creating the Ohio, Missouri, Arkansas, and Red River Commissions, were referred to the Committee on Flood Control.

In the Seventy-first Congress, second session, H. R. 11723 was referred to the Committee on Flood Control.

It was stated by the gentleman from Illinois [Mr. PARSONS] that none of the planning or authorities bills referred to the Committee on Flood Control provided for power. He betrays another unfamiliarity with the bills.

Commencing with the Seventy-third Congress, first session, and up to and including the Seventy-fifth Congress, first session, to date 29 bills were introduced providing for valley authorities, and every one of the 89 mentioned, with two exceptions, mentioned power and contemplated the preservation of power. Evidently these bills were not satisfactory to the administration; unfavorable reports were submitted by the Director of the Budget on the outstanding of these bills. A bill with the support of the administration will be introduced in accordance with the terms of the message.

For the RECORD, I am enumerating the bills heretofore introduced and referred to the Committee on Flood Control, involving, in the Seventy-third, Seventy-fourth, and Seventy-fifth Congresses, as their constitutional basis flood control, navigation, interstate commerce, national defense, and the conservation of national resources, as well as the preservation of the power resources of the Nation.

SEVENTY-THIRD CONGRESS, FIRST SESSION

H. R. 6224. Arkansas Valley Authority Act.

H. R. 6368. Arkansas River Watershed Authority Act.

SEVENTY-THIRD CONGRESS, SECOND SESSION

H. R. 6897. Bureau of Reclamation to survey Missouri River Basin.

H. R. 7339. Arkansas, Red and White Rivers Basin Commission.

H. R. 8143. Bureau of Reclamation to survey White River Basin.

H. R. 9669. Wabash Valley Authority.

SEVENTY-FOURTH CONGRESS, FIRST SESSION

H. R. 3608. Bureau of Reclamation to survey White River Basin.

H. R. 3609. Bureau of Reclamation to survey Arkansas, Red, Ouachita, and White.
H. R. 3621. Wabash Valley Authority.
H. R. 3622. Arkansas Valley Authority Act.
H. R. 3623. Appalachian Authority Act of 1935.
H. R. 4235. Wabash Valley Authority Act.
H. R. 4241. Bureau of Reclamation survey, Missouri River Basin.
H. R. 4683. Upper Mississippi Valley Authority Act of 1934.
H. R. 4684. Upper Misissippi Valley Authority Act of 1934.
H. R. 4685. Upper Mississippi Valley Authority Act of 1934.
H. R. 8556. Arkansas Valley Authority Act.
H. R. 9248. Coal Authority of the Middle Mississippi Valley Act of 1935.

SEVENTY-FOURTH CONGRESS, SECOND SESSION

H. R. 11958. Missouri Valley Authority Act of 1936.
H. R. 12673. Wisconsin Valley Authority Act of 1936.

SEVENTY-FIFTH CONGRESS, FIRST SESSION

H. R. 182. Mississippi Valley Authority Act.
H. R. 275. Wisconsin Valley Authority Act of 1937.
H. R. 3592. Arkansas Valley Authorities.
H. R. 3686. Ohio Valley Authority.
H. R. 3788. Upper Mississippi River Valley Authority.
H. R. 4347. Upper Mississippi Valley Authority Act.
H. R. 4398. Ohio Valley Authority Act.
H. R. 4549. St. Croix Valley Authority.
H. R. 4603. Flood Control Authorities Act of 1937.
H. R. 4811. Connecticut Valley Authority.
H. R. 5175. Hungry Horse Power Authority.

All of these bills provided for the establishment of regional authorities and they followed the outlines of the bill referred to by the gentlemen from Texas to be introduced under the message of the President.

Planning agencies are to be provided for the drainage basins of the Nation in the bill mentioned. The fact that the term "drainage basins" characterizes the location of the authorities shows that floodwaters are uppermost in the proposed legislation and in the message. I repeat, to emphasize, that the Authorities contemplated the development of power. The so-called Secrest bill (H. R. 4603) may be taken as a type of the authority bills introduced. This bill and the so-called planning agencies in the bill referred to by the gentlemen from Texas are synonymous. The Secrest bill provided for the control of floods, for the improvement of navigation, for the preservation of wildlife, and the conservation of national resources.

All these bills involving power, navigation, flood control, conservation, and reclamation were referred to the Committee on Flood Control.

The rules of the House are largely made up of precedents. If precedent is followed, we know what to expect. I quote again from Jefferson's Manual, Cannon's Procedure, page IV:

> It is more material that there should be a rule to go by than what the rule is; that there may be uniformity of proceeding in business.

I quote again from Cannon's Procedure. The quotation is from the late Speaker Gillett. It is to be found on page IV of Cannon's Procedure:

> It is extremely important that precedents should be followed.

I again quote from page 4:

> Precedents should be followed where possible. It is a great advantage to the Congress to have before it the decisions of previous Congresses. If the decisions of the past, carefully considered, made by Speakers, Chairmen, and by the House itself, are to be disregarded, confusion and uncertainty would constantly prevail. The Chair would prefer to follow a precedent clearly established, though the question, if originally presented to him, would receive different treatment.

If precedents are to rule, by sending the message and the bills to follow to Rivers and Harbors, then there would be confusion with respect to jurisdiction of other committees. It would be in order at any time, no matter whether 39 or more bills had been referred to a committee, for similar bills to be referred to other committees.

As I have stated, legislation often involves questions that may properly be considered by several committees. How can there be flood control unless rivers are controlled?

It must be admitted that originally the Flood Control Committee reported legislation on the Mississippi and the Sacramento Rivers, but as the country has grown and developed, as floods have multiplied, the flood-control problem in 1936 was declared national. Three hundred millions of dollars on other rivers than the Sacramento and Mississippi were authorized and provision was made for approximately 35 dams or reservoirs. I am an advocate of reservoirs for flood control where practical, but I must be frank. Reservoirs for flood control and reservoirs for power are often incompatible; the two are inconsistent. It takes an empty reservoir for flood control and it takes a full reservoir to develop power. There is one outstanding river east of the Rocky Mountains where there are both flood control and power development; that river is the Tennessee. In the Southwest there are rivers where flood control and power development can be combined. The Colorado River is a notable example. Other notable examples are along the Red, White, and Arkansas Rivers.

There is no one solution for flood control. It is established that forests will consume 12 inches of rainfall annually. Reservoirs will fill from eroded lands. In the Flood Control Act of 1936 provision was made for watersheds and measures for run-off and waterflow retardation and soil-erosion prevention on the watersheds. Upstream planning, reforestation, and conservation supplemented downstream river walls, levees, and floodways. There is no conflict. Again, as I have said, section 5 of the Flood Control Act of June 22, 1936, provided that pen stocks and other similar facilities should be included in the flood-control reservoirs authorized by that act.

What is the reason for the message? What works are planned? Are the works planned primarily for navigation along the rivers? Are the works to be planned primarily for power? We have but scratched the surface of the flood-control problem. That is conceded, hence the importance of the subject matter of the pending message. It is recognized that that policy must be expanded and must be enlarged to provide for the great flood of 1937 that occurred after the act of 1936 was passed, and to provide for other major floods in other parts of the country.

I have stated the Chief of Engineers of the United States has recommended projects aggregating $800,000,000. The works are primarily for flood control. In reason, therefore, the legislation contemplated by the message, and the plans provided in the bill that has been suggested are primarily to provide for flood-control works. The amounts to be appropriated will be by and large to detain and prevent floods. Navigation and power will be incidental. In reason, therefore, as well as by precedent, the bill should be referred to the Committee on Flood Control. The same reasons obtained for the reference of the previous 39 planning bills.

ADVISORY AND NOT ADMINISTRATIVE

With respect to flood control and navigation, I understand the bill to be introduced provides for advisory and not administrative agencies. This is most important. The Committee on Flood Control and the Committee on Rivers and Harbors should be fully advised. The President is entitled to full information, but I maintain that the approval of projects and the allocation of public funds is the responsibility of the Congress, and that the administration of flood control and river and harbor work should rest with existing agencies to prevent, as pointed out in the message, duplication.

HYDROELECTRIC POWER

A moment's reflection will convince anyone that the Rivers and Harbors Committee was not established in 1883 to develop hydroelectric energy. There were no power dams, there were no reservoirs. Our cities were not lighted by electricity, we did not have electric lights. The development of hydroelectric power was not contemplated in 1883,

and with due regard to the views of the chairman of the Committee on Merchant Marine and Fisheries, the jurisdiction of the Rivers and Harbors Committee respecting power is neither original nor is it exclusive.

The Wilson Dam on the Tennessee River was constructed under legislation reported by the Military Affairs Committee. Boulder Dam was constructed under legislation reported by the Committee on Reclamation. In many reclamation projects provision is made for power, but the Reclamation Committee has jurisdiction over the projects. It is fair to say that there is some power in navigation dams that have been constructed under legislation originally reported by the Committee on Rivers and Harbors, but the power development is incidental to all legislation prior to the National Industrial Recovery Act of 1933, reported by the Committee on Rivers and Harbors. I repeat that Parker Dam, Bonneville, Grand Coulee, Tygirt, and Fort Peck were not originally authorized in legislation reported by the Committee on Rivers and Harbors but they were begun and prosecuted under allotments made by the President of the United States under the relief appropriations of $3,300,000,000. They were subsequently deposited in a rivers and harbors bill.

It is not a question of when the Flood Control Committee was established; the question is that provision should be made for national flood control, and that adequate authorizations should be made for such works based upon all available legislative and constitutional authorities. Such is the aim of the pending measure. The planting of grasses, the planting of trees, the conservation of the soil, and the preservation of the forests upstream will supplement and enforce the downstream flood-control works that are imperative to prevent a recurrence of major floods.

The authority of committees is not confined to the language creating them. There is nothing said about referring power projects in the creation of the Committee on Rivers and Harbors; there is nothing said about the conferring of power and navigation upon the Flood Control Committee, but in the progress and advance of both navigation and flood control, provision should be made for the preservation of our natural resources, and for the protection of the public in all hydroelectric developments and in all dams where it is feasible to provide for flood control and navigation.

It is true that the Committee on Rivers and Harbors reported a pollution bill at this session. The fact is, however, that other pollution bills have been referred to other committees.

On reason and under precedents, inasmuch as construction of flood-control projects will require the large appropriations contemplated in the pending measure, the bill should be referred to the Committee on Flood Control. The future work will be to prevent and control floods. The yardstick, where various interests are involved, is the amount of money that will be required. No well-informed person will dispute that primarily the money to be expended, as contemplated by the measure, will be for flood control.

[Here the gavel fell.]

Mr. WHITTINGTON. Mr. Speaker, I move the previous question on the motion.

Mr. PARSONS. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. PARSONS. A vote against the previous question is a vote to refer the message to the Committee on Rivers and Harbors?

The SPEAKER. No; the Chair cannot answer the inquiry in the affirmative. Voting down the previous question will leave the matter still pending before the House, if it desires to pursue the matter, as to which committee should have jurisdiction.

The question is on ordering the previous question.

The question was taken, and the Speaker announced the noes seemed to have it.

Mr. WHITTINGTON. Mr. Speaker, I demand a division.

Mr. FITZPATRICK. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. FITZPATRICK. Assuming the previous question is ordered, we will then vote on whether the message shall or shall not be referred to the Committee on Flood Control?

The SPEAKER. If the previous question is ordered, the next vote will be on the motion to refer it to the Committee on Flood Control. If the previous question is not ordered, then it leaves to the determination of the House what course shall be taken with reference to the President's message.

The question was taken; and on a division (demanded by Mr. WHITTINGTON) there were—ayes 61, noes 166.

So the motion for the previous question was rejected.

Mr. MANSFIELD. Mr. Speaker, I now move that the message of the President be referred to the Committee on Rivers and Harbors, and on that motion I move the previous question.

Mr. WHITTINGTON. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. WHITTINGTON. Mr. Speaker, there is now pending the motion I made that the message of the President be referred to the Committee on Flood Control. It occurs to me the motion made by the gentleman from Texas [Mr. MANSFIELD] is improper, and that the proper motion would be to amend my motion, if the gentleman desires that the message be referred to his committee. My point is there is a motion pending and an independent motion would not be in order.

The SPEAKER. The Chair, upon reconsideration, is of the opinion the proper procedure would be for the gentleman from Texas to offer an amendment to the pending motion, to the effect that the message of the President be referred to the Committee on Rivers and Harbors.

Mr. MANSFIELD. Mr. Speaker, I make that motion at this time.

The SPEAKER. The gentleman from Texas offers an amendment to the motion, which the Clerk will report.

The Clerk read as follows:

Mr. MANSFIELD moves, as an amendment to the motion made by the gentleman from Mississippi [Mr. WHITTINGTON], to refer the President's message to the Committee on Rivers and Harbors.

Mr. WHITTINGTON. Mr. Speaker, in view of the action of the House, I beg to say that that amendment is agreeable to me; and for the sake of the RECORD, I should like to have permission to withdraw the motion I made, and I ask unanimous consent so to do, in order that the gentleman may present his motion.

The SPEAKER. The gentleman from Mississippi asks unanimous consent to withdraw his motion. Is there objection?

There was no objection.

The SPEAKER. The Chair will now recognize the gentleman from Texas to move that the President's message be referred to the Committee on Rivers and Harbors.

Mr. MANSFIELD. Mr. Speaker, I move that the President's message be referred to the Committee on Rivers and Harbors, and if it is in order on that, I move the previous question.

The SPEAKER. The Clerk will report the motion of the gentleman from Texas.

The Clerk read as follows:

Mr. MANSFIELD moves that the President's message be referred to the Committee on Rivers and Harbors, and upon that he moves the previous question.

The previous question was ordered.

Mr. MAPES. Mr. Speaker——

The SPEAKER. For what purpose does the gentleman from Michigan rise?

Mr. MAPES. Mr. Speaker, may I submit a parliamentary inquiry?

The SPEAKER. The gentleman will state it.

Mr. MAPES. Is it fair to assume that the Speaker will also construe it to be the sense of the House that the bill accompanying the message be referred to the Committee on Rivers and Harbors?

The SPEAKER. The Chair will state that one of the purposes, or at least one of the desires, the Chair had in

mind in having this controversy, with reference to jurisdiction of these questions, decided by the House was that it might be a guide to him in the future with reference to bills of a similar nature, and unless something should occur in the actual bill that is introduced entirely contrary to the purposes expressed in this debate the Chair would refer the bill to the Committee on Rivers and Harbors.

Mr. WHITTINGTON. I concur in that statement, Mr. Speaker.

Mr. JENKINS of Ohio. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. JENKINS of Ohio. I would like to ask whether or not, as a matter of fact, any bill has been introduced.

The SPEAKER. The Chair knows of no such bill having been introduced.

The question is on the motion of the gentleman from Texas [Mr. MANSFIELD].

The motion was agreed to.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H. J. Res. 394. Joint resolution making an appropriation for expenses of the Marine Band in attending the United Confederate Veterans' Reunion at Jackson, Miss., in 1937.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4408) entitled "An act to provide for the renewal of star-route contracts at 4-year intervals, and for other purposes."

The message also announced that the Senate had passed a concurrent resolution of the following title, in which the concurrence of the House is requested:

S. Con. Res. 16. Concurrent resolution relating to the enrollment of H. R. 4408.

OIL CONSERVATION

Mr. O'CONNOR of New York. Mr. Speaker, I call up House Resolution 216.

The SPEAKER. The gentleman from New York calls up a resolution, which the Clerk will report.

Mr. MAPES. Mr. Speaker, a point of order.

Mr. SNELL rose.

The SPEAKER. Does the gentleman from Michigan desire to raise the point of order?

Mr. MAPES. I simply wanted to call the attention of the Chair to the fact that there are some special orders on the calendar.

The SPEAKER. All special orders are contingent upon being called after the disposition of privileged matters.

Mr. MAPES. The calendar of today does not so indicate, and that is the only point I have in mind.

Mr. SNELL. Mr. Speaker——

The SPEAKER. For what purpose does the gentleman from New York rise?

Mr. SNELL. Mr. Speaker, I make the point of order that the special orders are in order at this time in preference to a resolution from the Committee on Rules.

Mr. O'CONNOR of New York. Mr. Speaker——

The SPEAKER. For what purpose does the gentleman from New York rise?

Mr. O'CONNOR of New York. On the point of order, Mr. Speaker. This question has been raised several times, and I have forgotten the date, but the RECORD will show that the Chair announced that from then on all special orders for addresses would be subject to, and would follow, any privileged matters to be brought up on that day.

Mr. SNELL. Then, if there has been a ruling of the Chair, it should so state on the calendar that has been printed for today.

The SPEAKER. The Chair thinks it proper to state in regard to the point of order raised by the gentleman from New York, that a good many days ago, in fact, several weeks ago, the Chair stated, not only once but probably two or three times, that where special orders were agreed to for gentlemen to address the House the understanding upon the part of the Chair would be that they should follow, and not precede, privileged matters that might be subject to be brought up by the House leadership or the Committee on Rules.

In this particular instance the RECORD of May 27, at page 6604, shows that the gentleman from Pennsylvania [Mr. RICH] submitted a request to speak today, as the Chair understands it, and the gentleman from Texas [Mr. RAYBURN], the majority leader, said:

> Mr. Speaker, reserving the right to object, I must, of course, ask that the gentleman's time come after the disposition of privileged matters, such as conference reports, special rules, and so forth.

And the gentleman from Pennsylvania [Mr. RICH] said:

> I understand that.

So the gentleman evidently acquiesced in that statement.

Mr. SNELL. I think the Chair is right about that.

Mr. RANKIN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. RANKIN. Does that mean that hereafter when there are special orders for gentlemen to speak, that if the Committee on Rules wants to consider any bill, it takes precedence over the special orders.

The SPEAKER. That is the statement made by the Chair and acquiesced in by the House. It is a matter entirely with the House, of course, if an appeal is taken from that decision.

Mr. O'CONNOR of New York. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from New York, if I have the floor.

Mr. O'CONNOR of New York. Of course, Rules Committee never call up a rule without first consulting the Speaker and the majority leader.

Mr. RANKIN. I understand. Here is what I am driving at. It certainly is not my view, and I doubt if it is the view of the House, that the Rules Committee can bring in a rule to consider any legislation and take a Member off the floor who has obtained unanimous consent to address the House. If that is the case, it simply means that the House is subservient to the Rules Committee so far as these special orders are concerned.

Mr. RAYBURN. Mr. Speaker, will the gentleman yield? I think this ought to be settled.

Mr. SNELL. That is the reason that I raised this point at this time.

Mr. RANKIN. I thank the gentleman from New York.

Mr. RAYBURN. Mr. Speaker, being in the position that I am, I have to try to protect the program of the House. At least three times when unanimous consent has been requested I have made the statement that at all times I would object unless it were understood that the time asked for would come after conference reports, privileged bills, and special rules.

Mr. RANKIN. Let me ask the gentleman from Texas this question. There are at least three or four gentlemen who have special orders to speak today. If the Committee on Rules steps in under these orders and takes up the remainder of the afternoon, does that mean that these gentlemen shall have this time tomorrow?

Mr. RAYBURN. No; it does not.

Mr. RANKIN. Does it mean entirely taking the time away from them?

Mr. RAYBURN. That is it.

Mr. RANKIN. I submit that is not fair, and I do not believe it represents the wishes of the House. I think it is entirely wrong. If there were a special order that did not take up time for debate, I think it would be different; but to take a man entirely off the floor, who has obtained a special order for time to speak, I do not think is right and I do not think it is the view of the House.

Mr. RAYBURN. Let me suggest to the gentleman from Mississippi that the gentleman is not being taken off the floor. It was understood when consent was given him that he would not have time if the program of the House interfered.

Mr. RANKIN. It was not so understood by the gentleman from Mississippi, and I am sure that it was not so understood by the other gentlemen that the Rules Committee had the right to take them off the floor for the consideration of a general bill, such as this so-called "hot oil" bill.

Mr. TABER rose.

The SPEAKER. For what purpose does the gentleman from New York rise?

Mr. TABER. To call the attention of the Chair to a situation in connection with this.

The SPEAKER. For what purpose does the gentleman rise?

Mr. TABER. To discuss this point of order.

The SPEAKER. But the Chair has already ruled on the point of order.

Mr. TABER. Very well.

The SPEAKER. The Clerk will report the resolution.

Mr. RICH rose.

The SPEAKER. For what purpose does the gentleman from Pennsylvania rise?

Mr. RICH. I rise to have the attention of the Chair and to express to him what was meant when the majority leader asked me if I understood that this would follow the matters on the Speaker's desk.

The SPEAKER. For what purpose does the gentleman rise?

Mr. RICH. For the purpose of explaining to the House and to the majority leader that I expected only the same courtesies to be extended to any Member of Congress. I am not asking for any special favors and do not want any special consideration by the leaders or the House of Representatives.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

House Resolution 216

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 5366, a bill to repeal section 13 of the act entitled "An act to regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce of petroleum and its products produced in violation of State law, and for other purposes", approved February 22, 1935. That after general debate, which shall be confined to the bill and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and the amendments thereto to final passage without intervening motion, except one motion to recommit with or without instructions.

Mr. O'CONNOR of New York. Mr. Speaker, I yield 30 minutes to the gentleman from Michigan [Mr. MAPES].

This is a rule for the consideration of the so-called "hot oil" bill, extending the life of that bill for 2 years. The rule is an open rule providing for 2 hours of general debate.

I take this opportunity, Mr. Speaker, to answer a number of questions which have been directed to me in reference to why Senate Joint Resolution 155, to create a joint committee on tax revision, was not called up. I expected to call it up today immediately when business started. Yesterday, believing it would be a matter of great interest and expedition, the Committee on Rules held a meeting in the afternoon and reported out the rule. I am informed that it is not the desire of the gentleman from North Carolina [Mr. DOUGHTON], who introduced the resolution, that it be called up at this time. For that reason I did not call up this resolution.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR of New York. Yes.

Mr. MARTIN of Massachusetts. The understanding is, then, that the other rule will not be called up this afternoon?

Mr. O'CONNOR of New York. I cannot enter into that understanding. I am ready to call it up at any time. It may be called up later this afternoon.

Mr. Speaker, I yield the remainder of my time to the gentleman from Texas [Mr. DIES].

Mr. DIES. Mr. Speaker, I yield myself 15 minutes, and reserve the remainder of the time.

The purpose of this bill is to extend for a period of 2 years what is commonly known as the Connally "hot oil" bill. The bill as originally introduced by myself in the House provided for the permanent extension of this law, but the Committee on Interstate and Foreign Commerce saw fit to make it 2 years. The real purpose of the Connally Act is to enable the oil-producing States to effectuate a policy of conservation. Before the State of Texas began its program of conservation, we all know what was happening in that State. Oil was flowing without restriction, with the result that the valuable natural energy which was responsible for lifting the oil to the surface at the cheapest known cost was being exhausted. We in Texas have seen some of the results of the policies of waste and exploitation. In my own congressional district at one time we were regarded as the greatest timber region in the United States, but by reason of the greedy and inconsiderate policy of exploitation we have lost that great natural resource. It has been estimated that 65 percent of our timber was wasted in order that the sawmills might recover the remaining 35 percent. Today we are expending millions of dollars in an effort to reforest those lands denuded of timber. What is true in reference to timber, is equally true in reference to our land which has, in many regions, been robbed of its fertility on account of waste and exploitation.

So in order to avoid the mistakes of the past the oil-producing States have inaugurated a conservation program. Whenever a field is discovered in the State of Texas—and what is true in respect to Texas is true with reference to the other four States which have instituted or inaugurated conservation programs, if the wells are permitted to flow without restriction within 90 days they may cease to flow, and from then on they are compelled to recover the oil through the expensive pumping process, which means that in the end the consumer will have to pay more for his petroleum products than if it were recovered in the natural way. That is because associated with oil is a substance known as gas, which makes it possible for the oil to flow. The water backs up against the oil, and when that gas is in the oil, the oil will flow and the water pressure will bring the oil to the surface at the cheapest known cost of recovery; but when a well is turned loose, the gas escapes and the oil loses its mobility. It becomes thick like molasses and the water dissipates in different directions, and from 75 to 80 percent of the oil may be left in the ground and only a portion of it can be recovered by pumping.

CALL OF THE HOUSE

Mr. RICH. Mr. Speaker, I make a point of order that there is not a quorum present.

The SPEAKER. The Chair will count. [After counting.] Obviously there is not a quorum present.

Mr. RAYBURN. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 80]

Allen, Del.	Crosby	Fulmer	Jenks, N. H.
Anderson, Mo.	Cummings	Gasque	Johnson, Minn.
Andresen, Minn.	Curley	Gavagan	Kelly, N. Y.
Bell	Dempsey	Gilchrist	Kirwan
Bernard	Dixon	Goodwin	Kloeb
Brewster	Douglas	Green	Kvale
Buckley, N. Y.	Drewry, Va.	Greenwood	Lamneck
Cannon, Wis.	Duncan	Haines	Leavy
Chandler	Eberharter	Hancock, N. C.	Lord
Chapman	Ellenbogen	Harlan	Lucas
Clark, Idaho	Farley	Harrington	McClellan
Clark, N. C.	Fernandez	Hartley	McGehee
Cluett	Fitzgerald	Hendricks	McMillan
Coffee, Wash.	Flannagan	Hoffman	Maas
Collins	Fleger	Hook	Magnuson
Connery	Ford, Calif.	Izac	Michener
Creal	Ford, Miss.	Jenkins, Ohio	Millard

Miller	Reilly	Smith, Conn.	Terry
Mouton	Richards	Smith, Maine	Thurston
O'Connell, Mont.	Robsion, Ky.	Smith, Wash.	Wadsworth
Oliver	Sadowski	Smith, W. Va.	Wearin
Peterson, Fla.	Schneider, Wis.	Somers, N. Y.	Weaver
Peyser	Schuetz	Sparkman	Wene
Phillips	Scott	Starnes	West
Pierce	Scrugham	Sweeney	Whelchel
Poage	Secrest	Taylor, Colo.	White, Idaho
Quinn	Shafer, Mich.	Taylor, Tenn.	Wood
Ramspeck	Sheppard	Teigan	

The SPEAKER. Three hundred and twenty Members have answered to their names; a quorum is present.

On motion by Mr. RAYBURN, further proceedings under the call were dispensed with.

OIL CONSERVATION

Mr. DIES. Mr. Speaker, there are five States that have conservation laws—Texas, Oklahoma, Louisiana, Kansas, and New Mexico—but in the State of Texas we have approximately 72,000 producing wells. On the average those wells are limited to 17 barrels a day. To show what the effect of conservation has been on our supply of petroleum, during 15 days when the east Texas field was flowing without restriction the natural pressure in the field declined more than it has during the entire 2 years that conservation has been in effect. According to various estimates of engineering experts, the amount of oil that will be recovered in the east Texas field alone has been increased from 600,000,000 barrels to 2,000,000,000 barrels. The reason for that, of course, is manifest. There are two kinds of waste in the production of oil. One is the above-ground waste, or the production of a larger supply of oil than the market can absorb. That occurs when huge quantities of oil are produced and the market does not need it. The oil is stored temporarily to await market demand. During the time it is stored many of the vital elements of the oil are lost through evaporation or shrinkage, and the hazard of fire. Not only that but the cost of storage is great, adding to the ultimate cost to the consumer.

The underground waste occurs by the wasteful and unsound means of production and recovery. So that the oil-producing States, in inaugurating a program of conservation, should be commended and encouraged by the Nation at large. In the first place, it is distinctly in the interest of the independent producer. About 47 percent of our wells in Texas are owned by independent producers. Before we had conservation, when an independent producer brought in a well there was no dependable outlet for his oil. He was compelled to go to the major companies and sell the oil for any price he could get for it. But since conservation has been in effect we have had a stable market. The wells are prorated. A well that would flow 30,000 or 40,000 barrels a day is limited to 20 or 25 barrels a day, no matter who owns that well. That means instead of recovering about 25 percent of the oil underground and wasting 75 percent, we will have a recovery which, in the east Texas field, is now estimated at 97 percent.

The only opposition to this measure which I have ever discovered is on the part of a small minority of jobbers, jobbers who say that the margin of profit which they are receiving is not sufficient. The margin of profit enjoyed by the jobber, the middleman, the man who has little or no investment, the man who stands between the producer and the ultimate consumer today is approximately 2 cents on a gallon of gasoline. He wants more margin of profit. This means that if he gets what he wants, the price of gasoline instead of averaging 14 and a fraction cents, as is the average over the United States today, will be increased by the amount of additional profit that the jobber receives.

When oil was flowing without restriction, and even after we passed our conservation law, we had the racketeers who went into the east Texas field and produced in excess of their allowable. If they were given 17 or 20 barrels, or some other amount they would produce 1,000 or 2,000 barrels. Under the law of the United States, when they tendered that oil to the railroads the railroads were compelled to accept it because it was interstate commerce and the State of Texas had no jurisdiction over it. All that we are asking in this bill is an extension of the act which denies the facilities of interstate commerce to the man who wants to steal the oil of his neighbor. For instance, suppose there are 150 owners of a given pool. The surface rights can be segregated; I may own 10 acres, you may own 5 acres, and so forth; but underneath all of the surface rights there is a common pool of oil. Under the law of capture, the man who reduces that oil to possession gets it. In order, therefore, that each man might have his share in that common pool, and in order that one man may not dissipate the natural energy of the gas and the water pressure which elevates that oil to the surface and enables oil to be produced at the minimum cost under proration or under conservation we say that each man is given his share of oil underneath the soil.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. DIES. Yes, briefly.

Mr. MAY. I know but very little about the bill and am in that position where I must decide how to vote after I have listened to the debate; but one thing I did get from the reading of the bill known as the Connally bill, which set up a national bituminous-coal commission and practically nationalized the coal industry, is that it is going to result in monopoly in the coal business in favor of the big operators. I am just wondering whether or not this bill is going to have the same effect.

Mr. DIES. Let me answer the gentleman right there on the monopolistic feature. If I am an independent producer and have a stable market for my output, I can develop my leases. Today in the fields of Texas, and I presume in all the other oil-producing States, for the first time the independent producer is able to borrow money at 3½ percent to finance the development of his leases, because he has a stable market. It is a fact that 70 percent of all the known oil reserves in the United States is in the stripper-well area. A stripper well produces from half a barrel to 10 barrels a day. The cost of production is very great, because the stripper well must be pumped. When the "hot oil" thieves were in the saddle in Texas they were dumping oil at 10 cents. They had to get it out of the State and then turn loose of it quick, and they were dumping it on the market at any price they could get. It did not hurt the big companies, for they could store thousands and millions of barrels and wait until the demand increased or wait until the first flow was gone, the cream of the oil was gone. Of the 350,000 wells in the United States, 250,000 are stripper wells. They could not compete with 10-cent oil; they could not produce for a dollar a barrel. What happened? According to the Interior Department, thousands of those stripper wells closed down permanently; so that not only was there an economic loss in the fact that many small producers were driven from the field, but we permanently lost a large supply of oil underneath the stripper-well area.

This bill, therefore, is distinctly in the interest of the little producer. What about the consumer? The charge is made that we in the oil-producing States are only concerned with our own interests.

Mr. DISNEY. Mr. Speaker, will the gentleman yield for a question in connection with stripper wells?

Mr. DIES. I yield.

Mr. DISNEY. When the stripper well is abandoned, it is abandoned for good; it is a loss.

Mr. DIES. It is practically lost. But let me hasten on. Let us see whether or not this bill in any sense promotes monopoly. All this bill provides is that when a man steals oil, when he takes his neighbor's oil, he shall not have the privilege of shipping it in interstate commerce. Consumption has increased, even since the conservation program went into effect, because the number of automobiles has increased and the return to prosperity has made a tremendous demand for oil.

We do not hold down the production in order to increase the price of gasoline to you. The production today is much larger than it was, even before conservation went into effect. Why? Because it is to the interest of the oil-producing States that they produce and sell their product to the nonproducing States at the cheapest possible cost.

Let us see whether or not the figures bear that out. I have here the figures covering the price of gasoline from the year 1919, at which time it was 25 cents a gallon. It has been falling steadily until the price now averages 14.76 cents on gasoline.

[Here the gavel fell.]

Mr. DIES. Mr. Speaker, I yield myself 5 additional minutes.

Mr. Speaker, here are the figures covering the increase in the commodity prices of petroleum and petroleum products as compared with everything else. These are not my figures. The increase from 1934 to the present time in the price of gasoline has been 2.3 percent; in food it has been 8.6 percent; in housing, 3.1 percent; in other words, the increase in the price of gasoline to the consumers in the nonproducing States has been less than the increase in many other commodities.

Let us see where this leaves the consumer in the long run. If we turned loose all these wells, for 90 days they could flow at the rate of 10,000, 20,000, or 30,000 barrels a day. But within 90 days you would have lost all of your gas energy. Your oil would no longer be mobile. Your water would have dissipated itself. Then you would have to pump, and when you go to pumping you will never recover a large part of the oil under the ground. What does that mean? You have only a limited supply. No one knows how much. It is estimated at 12,000,000,000 barrels. It may be double that amount. We may continue to discover new deposits. On the other hand, we may never discover any more. So conservation is the efficient use of the natural resources and does not mean, as some Members seem to think, reservation. Of course, if we would say, "We only have 12,000,000,000 barrels. We will never have any more. We are going to hold that in the ground", in 10 years they may discover a substitute for oil and render our deposits worthless. On the other hand, the carburetors can be improved to the point where they may run automobiles, as they do in Europe, on much less gasoline than in the United States. So that conservation does not mean reservation. It means an efficient use of these natural resources.

Why do these jobbers complain? Is it because they were buying oil at 10 cents and selling it for $1? Is it because they want to make it impossible for our oil-producing States to conserve this great natural resource, not only for national defense but for the benefit of all the States?

Mr. Speaker, the oil-producing States cannot conspire, because the minute we conspire, under the provisions of the Connally Act the President can suspend the operation of the act. In other words, if we were to reduce the supply below the market demand, then immediately the President has the right in connection with the protection of the nonproducing States to suspend the act.

Mr. ZIMMERMAN. Will the gentleman yield?

Mr. DIES. I yield to the gentleman from Missouri.

Mr. ZIMMERMAN. If conservation is the purpose of this law, will the gentleman explain to the House why our exports of oil have increased and why we are sending our oil to other countries rather than keeping it for home consumption?

Mr. DIES. The export of oil has nothing whatsoever to do with this act, which only applies to stolen oil shipped in interstate commerce. It may be that for conservation purposes it is a foolish thing to export such huge quantities of oil. On the other hand, it may be argued we ought to import oil; but when we undertake to do that, what happens? If we were to import the cheap foreign oil into the United States you would close down all of your stripper wells and lose more of your supply underneath the stripper wells.

Mr. REED of New York. Will the gentleman yield?

Mr. DIES. I yield to the gentleman from New York.

Mr. REED of New York. May I ask the gentleman how many States have passed the conservation law?

Mr. DIES. Five States have passed that law.

Mr. REED of New York. Could the gentleman give me the names of those States?

Mr. DIES. Texas, Louisiana, New Mexico, Kansas, and Oklahoma.

Mr. REED of New York. When does the conservation law in the gentleman's State expire?

Mr. DIES. The conservation law expires in 2 years in my State.

Mr. SNELL. Will the gentleman yield for a short question?

Mr. DIES. I must decline to yield. So that when the jobbers undertake to propagandize Congress with the statement that this is a monopoly, may I say the reason for their objection is they do not get enough margin of profit out of the sale of gasoline. That is the basis of their objection and, mind you, complaint has been received from only about 10 percent of the jobbers.

[Here the gavel fell.]

Mr. RICH. Mr. Speaker, I make the point of order there is not a quorum present.

The SPEAKER pro tempore (Mr. SIROVICH). The Chair will count.

Mr. RICH. Mr. Speaker, I withdraw the point of order for a moment.

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made this morning.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. MAPES. Mr. Speaker, I yield such time as he may desire to the gentleman from Minnesota [Mr. KNUTSON].

AN APPEAL TO REASON

Mr. KNUTSON. Mr. Speaker, time, in its course, has produced a strange epoch in the history of our Nation. In the 8 years following the speculative crash of October 1929 strange events have taken place in our country. A collapse presumably but a periodical depression has assumed all the aspects of permanency.

One-third of our people are still suffering from the unbridled greed of the comparative few, who brought down upon our Nation the necessity for an economic readjustment.

For that one-third of our population some measure of responsibility must be accepted by the other two-thirds. The Federal Government, cooperating with the various State and local authorities, are but the instrumentalities whereby that responsibility may be discharged. In an orderly procedure intended to ameliorate the conditions of that one-third, whom the President describes as "ill-nourished, ill-clad, and ill-housed", there arises a situation against which we must carefully guard else we will make poverty a permanent feature of our national life. Our planning and our spending for those in need of aid should be only of a character designed to permanently improve the economic status of those who are willing but unable to be self-sustaining. For these, the security wage—a dole in fact—can never be substituted for wholesome employment in productive enterprises.

The boondoggling projects of the past lower the morale of the worker and subject the Government to criticism and ridicule. These must give way to a saner program which directs the spending into channels whereby the people as a whole will be better fed, better shod, better clothed, better housed, and more self-respecting.

There should be no question as to what our selection ought to be when it comes to choosing between parks, monuments, and recreational projects or homes, schools, hospitals, and roads.

In asking the Congress to "take further action to extend the frontiers of social progress" the President sets forth "the overwhelming majority of our population earns its daily bread either in agriculture or industry." No truthful remark could be more deceptive. If we consider those who produce nothing but service as being engaged in industry—which is no more logical than considering the person who

consumes the product of the farm as being engaged in agriculture, we may accept this statement without question.

THE FACTS ARE DIFFERENT

In 1929 there were, according to statistics compiled by the Bureau of Census, 8,839,000 workers gainfully employed in the manufacturing industries of America. These workers produced new goods and services to the value of $70,430,000,000 and received in salaries and wages the sum of $34,149,000,000.

In the same year, 38,261,000 persons—including those engaged in agriculture—listed as gainfully employed by the Bureau, produced goods and services of a value of but $10,452,000,000. They received in salaries and wages $28,183,000,000, or nearly three times what they produced. Here we have in a nutshell the two great classes of wage earners contributing to the national economy. In the first class are most of the producers of added values, 8,839,000 in number, receiving an annual salary or wage averaging $3,868. This class make up for the most part the home owners and the taxpayers of the Nation.

The second class of wage earners, 38,261,000 in number, who add but a small part in the aggregate to the national income—outside of those engaged in agriculture—are those principally engaged in the service trades and professions. We might justly class their labors as social enterprises. While we are duly appreciative of this class of labor, we are not unmindful that, in an emergency demanding economy, self-service becomes a factor of primary importance. We must realize that the income of this second class, the servers, if you please, must be drawn primarily from the workers engaged in the production of capital or consumer goods. The welfare and continuing prosperity of the serving class is entirely dependent upon the welfare and prosperity of the producing class. The farmer in turn depends upon both classes as consumers of his products. Industry is now enjoying a small measure of prosperity. Men from the professions and service trades walk the streets seeking opportunities for employment where none exist.

Many of these, unthinkingly, blame the machine and technological developments for their present plight. They place no blame, whatsoever, on a commercial system which has sold the average citizen the idea that he is entitled not only to a share in the necessities of life but the luxuries as well. For these the ownership of an automobile and other household accessories have become more important than the ownership of a home. In many of the rural sections an expensive automobile stands beside a shack unfit for human habitation. A large portion of our population have sacrificed the necessities of life to the demands for conveniences. In the bitterness of their present woe they demand we halt the march of science by beating the drums of retreat. These must be taught new lessons of thrift and economy, and that the machine is ever man's friend. In the early days of the Republic the only energy available outside of that of man and the horse, was that furnished by the windmill, the treadmill, and the waterwheel.

Today with the power of coal, gas, oil, and water transferable into electrical energy, we have at our command in many sections of the country, at the mere touch of a button, energy available to perform Herculean tasks with machines that never tire.

The ownership of this energy, the distribution of its benefits are questions of great public interest and momentous concern. Of these I will later speak.

To extend the frontiers of social progress, the President no doubt has in mind added regulations of those engaged in the back-scratching industries. We can, perhaps, look forward to a new attempt at regimentation of the pants pressers and the bootblacks, for social legislation cannot be extended exclusively to those on the farm or in the productive industries. True it is that those who produce most of the Nation's wealth are a minority. In this minority are those who carry the burden of government, who pay the taxes, who build the factories, who furnish what little there is left of stability to our country's progress. Under the Constitution, we cannot by legislation, social or otherwise, deny the individual the right to work, or lawfully interpose an agency of the Government in the relations existing between employer and employee. Such a situation would be possible only under a political despotism or an absolute dictatorship.

More than 200 years ago a great philosopher said:

> It is the secure possession of property from the invasions of despotism that gives vigor to industry and spirit to enterprise.

Although the "innate decency of this small minority" is admitted by the President, he makes no mention of the fact that 122 industrial, railroad, and utility companies in the 10 years from 1925 to 1935 paid out $44,720,432,313 in salaries and wages to their employees, not counting millions in dividends to stockholders. Taxes paid by the same companies in the same period totaled no less than $7,824,079,064.

These are the companies that are recognized as the principal employers of skilled labor in America. They make up the economic royalist class that Candidate Roosevelt so bitterly attacked at Philadelphia last summer. They also are the principal targets of the new attempt to extend the frontiers of social progress by the regulation of wages and hours of labor.

Mr. Speaker, I bring up these issues to remind the Congress that after spending $35,000,000,000 in an attempt to buy prosperity for the forgotten man that everyone now knows that the minute this orgy of spending is stopped we will find ourselves worse off than when we started on our spending spree because we are now almost hopelessly in debt.

Mr. Speaker, it is entirely un-American to continue a system of wasteful spending which delivers unborn generations into a bondage of taxation for which there is no escape except by death or human drudgery. We must come to a realization that the road to economic recovery cannot be paved or smoothed with debts and taxation. It is obvious that this Government cannot borrow neither can it spend its way to prosperity. Mr. Speaker, we must attack the commercial side of our economic problems to solve our country's ills. We must be concerned with providing all our people with the necessities of life in abundance rather than insuring profits to a few.

Shorter hours and increased wages can operate in an economy where millions are unemployed only to lower the standard of living for many and make for decreased economic security for those who depend for their livelihood on accumulated savings from more prosperous days. The plan to regiment labor depreciates the value of both the saved and invested dollar. It extends temporary relief to those actually at work, at the same time penalizing all who consume either goods or services. Any added burden of taxes placed upon the employers of workers in industry, necessitated through new social legislation, will be reflected in decreased opportunity for income for those in the service trades, for taxes and governmental costs must of necessity come before voluntary wage increases which are most improbable with the present reservoir of employables, millions in number, clamoring for jobs.

Mr. Speaker, the New Dealers have been most efficient in their efforts to publicize their doings, and at the same time hide the fact that poverty is today our outstanding national problem.

Let me briefly review some of the events of the past 4 years. The President entered on his first term with all political opposition inclined to be cooperative. The temper of the people was bad; in spirit they were hopeful; they were ready for a new leadership.

Mr. Roosevelt had promised well. Then in quick sequence came a number of changes striking at the foundations of the then existing social order but narrowing the horizons of individual effort.

Under the blue eagle industry was regulated and labor ushered into the field of social regimentation.

In the mad scramble to codify all business the money changers and the exploiters were either entirely forgotten or actually aided by the Government.

The little fellow, still out of work, but with a few possessions left, watched the cost of living rise, paid while he could and nursed his faith in Roosevelt.

The small merchant, who had survived the onslaught of the chain stores and price discrimination, kept his doors open and lived from his own shelves, meanwhile hoping for the impossible miracle to happen. He, too, was a Roosevelt booster—and the exploiters kept right on exploiting. More home and farm mortgages were foreclosed. Stocks and bonds were forced to new lows in a selling market dominated by speculators. Heads of families, with no means of meeting their obligations, became the victims of financial pirates, the money lenders and the loan sharks. Usurious interest as high as 250 percent per year was charged on salary loans in some cities. Many were squeezed of their last bit of collateral.

One-third of the Nation was, in fact, at the crossroads of destitution. To the Nation-wide demand for action the Congress replied by shouldering onto the President the added responsibility of administering the relief they now voted.

The President had asked for money and authority—both were his for the asking. Thus the power of the Executive began to grow. This is the power he fights to retain.

Then came the new alphabetical agencies, the W. P. A. and the P. W. A. I do not need review the long list of wasteful projects that have been instituted under the Works Progress Administration, but I bring to your attention the services rendered in a great majority of the projects are not of the kind the average citizen would buy in the market. Besides the alphabetical agencies our Government has set up numerous other independent offices and establishments. Some of these have been a great expense to the taxpayers of the Nation.

Right here I will digress for a moment to make a few remarks concerning the Tennessee Valley Authority.

The act creating the Authority sets up several objectives—navigation, flood control, national defense, and the agricultural and industrial development of the Tennessee River drainage basin and such adjoining territory as may be materially affected by the development consequent to the act.

Boiled down for convenience, the plan for T. V. A. is to spend a sum which may ultimately reach $700,000,000 in the world's greatest social experiment—a plan, according to Gen. Hugh Johnson, that will cost all of the people a whole lot of money to benefit a few.

At the beginning of the present fiscal year the Tennessee Valley Authority, with principal headquarters in Knoxville, Tenn., was employing approximately 15,000 persons. Of this number, 5,263 of the directors, officers, and employees received salaries or compensation at the rate of more than $1,500 per annum; 109 persons drew salaries greater than $5,000. Included in this number are persons, several of them, listed as coordinators, assistant coordinators, and what have you. From some of the tales which trickle into Washington from Knoxville, I have been impelled to look over the annual report, a book of 378 pages, which, strangely, was not published as a public document and distributed to the Members, as is the usual custom. The reason, while obscure to some, is now perfectly apparent to me. In studying this report I find that in addition to numerous small contracts for the sale of electrical power to several cities and villages in Tennessee, the directors have during the last year entered into an agreement with the Monsanto Chemical Co., of St. Louis, to supply them for the next 10 years with almost the entire output of energy generated at Wheeler Dam, and at a price sufficiently low to warrant the chemical company building a new plant at Estes Bend, on the Duck River, near Columbia, Tenn. This contract, at a rate averaging a fraction over 2½ mills per kilowatt-hour for energy, contains the option of renewal for a 10-year period.

Now, if this contract is considered with the one entered into quite recently by the Authority with the Aluminum Co. of America to deliver to their plant at Alcoa, Tenn., secondary power at 2.51 mills per kilowatt-hour, even the most sanguinary person will wonder, "Who are these dams being built for—the trusts or the people?"

An examination of the Budget shows that we have already spent upward of $150,000,000 on the T. V. A., and this year we are asked for more than $40,000,000 more.

In looking over the report of land acquisition for the Norris Dam and Reservoir, I find that we have spent an average of $55.12 per acre so far in acquiring title to the 153,000 acres in the reservoir, although but slightly over 49,500 acres will actually be submerged in floodtime on the Clinch River.

Likewise, $47.32 was spent per acre in the acquisition of the 102,000 acres in the Wheeler Dam and reservoir.

The lands purchased at a cost of $13,305,000 were acquired by a land-acquisition department with a staff of employees running as high as 187 in June 1935.

It is charged, by parties who claim to know, that the overhead alone of the land-acquisition department was $9 an acre for every acre purchased.

It is claimed that all of the land acquired by T. V. A. was bought upon the recommendation of an appraisal board consisting of Joe L. Burdette, salary $5,600, a city real-estate man of some years experience who had been raised among the hills of Georgia; a Mr. W. E. Sanford, of Sheffield, Ala., salary $4,800; and Mr. W. P. Hemphill, salary $4,800, who had some experience as a real-estate agent and a deputy tax assessor. None of these men are said to have any special knowledge of land values in the Norris Dam area.

Reports of unusual payments are current gossip around Knoxville. It is said a T. V. A. employee owned a farm between Careyville and Jacksboro for which he paid $4,000. He claimed he put about $500 in improvements on it. T. V. A. is said to have acquired this property for $16,500. Another T. V. A. employee is said to have owned a half interest in a farm near Walnut Grove in Campbell County, and it is alleged that $4,000 would have been a big price for it. The T. V. A. is said to have paid $11,000 for this farm. I am informed a certain State official and a prominent doctor owned a farm in Union County that cost $2,000. The T. V. A. is said to have paid $9,000 for it. A banker at La Follette is said to have held title to a piece of bluff land just about the mouth of the Cove Creek which was appraised by one of their former employees at $1,200. They filed a declaration of taking in the Federal court and tendered a check for $3,400. Whether or not these stories that come from the Tennessee are true, the very fact that they are persisted in should warrant an investigation. Last year the T. V. A. generated 778,378,000 kilowatt-hours of energy. Their market to approximately 6,000 farm customers and 26,000 others receiving energy at T. V. A. rates was sufficient to use up approximately 32,000,000 kilowatt-hours of this energy, leaving a balance on hand of 746,000,000 kilowatt-hours. Surely no sane man will believe, as has been here repeatedly declared, that this small amount of current can be used as a yardstick in computing electrical rates elsewhere in America. The fact is, new and improved high-pressure steam boilers, coupled with improved turbines, and generators, have worked to reduce the cost of energy generated from coal.

Competition in the industrial centers with natural gas, oil, and other prime moving units, such as Diesel engines, have done the work which T. V. A. advocates now claim credit for.

The T. V. A. is delving into many lines of human endeavor, which reminds me of another story current around Knoxville. This is the story of the jackass that died of a broken heart.

It seems, besides experiments in agriculture, the T. V. A. also went in for experiments in animal husbandry. It is said that several years ago a committee was appointed to look around and buy a jackass for the Norris farm. The committee, so I am told, journeyed hither and yon, even out to Calloway County, Mo., in search of a suitable jack. After running up an expense account of $2,080 the committee is said to have found exactly the jack they were

looking for nibbling the bluegrass on a farm near Columbia, Tenn. They made a deal and bought the jack from the reluctant owner for $2,500.

The jackass was finally hauled in state in a truck to Norris, and there he became the best cared for, the most tenderly cared for jackass in the whole State of Tennessee and probably in all history. When springtime came the time to use the jackass was opportune. For some reason he just did not fill the bill, so I am informed the jackass was finally sold to a farmer by the name of J. B. Waters, in Sevier County, for the measly sum of $300. Down on the Waters farm, in surroundings something like he had been used to, the jackass seems to have taken a new interest in life. Anyway, so the story goes, the jackass did well until one day this spring he just laid down and died. Mr. Waters and a couple of his neighbors went out to the field and looked over the remains and came to the conclusion the jackass had died of a broken heart, because he was the only T. V. A. jackass who could not make good.

This is only a parable.

But there is one bright spot in the T. V. A. spending. If there has been any waste here, you can be assured the New Dealers planned it that way. I refer to the model village of Norris Town, which nestles in the hills about 4 miles from the big Norris Dam.

This is an idealistic community of 334 homes, both large and small. In the springtime, with the blossoms of the dogwood and the red bud silhouetted against the verdant green of the hillside, no prettier picture can be painted. Here all Nature seems to be in harmony with life. Beautiful dogs play on green lawns with happy children and mothers sing as they go about their household tasks.

But how come all this happiness, this beauty in a region where just a few miles away many are still ill clad, ill nourished, and ill housed? What has brought this miracle about? Where do these people find the means to live in a manner apart from the rest of the world, in a little heaven all their own? The answer is T. V. A. and jobs in Knoxville.

Three million dollars has been spent in building this village to house T. V. A. employees. In Norris we find simplicity at its best. The houses are quaintly designed and easy to look at. Inside every convenience is provided. Tourists pause and gaze upon them in envy. Here the Government has done for every family what few can do for themselves.

Norris Town is strictly a Federal city, more so than Washington, for no one except the Government can own any property or maintain a business unless by permission of the T. V. A. All of the conveniences of the modern city are provided, including fire and police protection, controlled through a short-wave radio station, although the population is only 1,200. At one time the village had as many as 226 employees at a monthly pay-roll cost of $24,704. This amount is greater than the total income from rentals from all the properties. The city manager, who is supreme in authority, is retained at a salary of $5,200 per year.

No record of the income and expenditures of Norris Town is to be found in T. V. A.'s annual report. Other figures concerning T. V. A. expenditures have likewise been made practically inaccessible to the taxpayers. Even the authority of the Comptroller General of the United States has been resisted in his attempts to audit the accounts of the T. V. A. in the past.

The T. V. A., in its annual report, makes this ringing declaration of independence:

> The Authority contended then, and still contends, that the Comptroller General is not entitled to enforce a departmental style of audit upon a Government corporation of the T. V. A. type, and that he is without authority to settle or disallow accounts.

Surely the taxpayers who provided millions so generously for T. V. A. activities are entitled to an accounting of their money. But almost without exception, I am informed, efforts have been made to keep terms and conditions of T. V. A. contracts, which have been made, from the public as long as possible. This situation has led to numerous charges of irregularities which are in my possession and about which I propose to speak at some later day. In passing may I briefly mention that what the Government has accomplished at Norris Town points a way to help the homeless and idle of our Nation in a constructive program of building homes for themselves. Such a program is essential as a permanent step in the reconstruction of our economic order.

Mr. Speaker, it is easy to criticize others. I know full well that what has happened cannot be recalled. The money we have sunk in experimenting, although "gone with the wind", would be well worth the sacrifice could we see some relief in sight.

Economics is, at most, an inexact science. Value is the most important factor of this science, and this is constantly changing. An appraisal of our present economic situation must not be confused with economic values. America is still a great nation. None of her material resources have been irreparably changed or destroyed.

Time and human behavior are inseparable factors in the present situation and should govern our next attempts to restore prosperity to our country. We cannot blindly assume that the future will be anything like the past. We know that there are no more frontiers to conquer, excepting the far-flung frontiers of scientific advancement. We are able to estimate that our population will by 1975 have reached that point where, under present productive methods, all of the available land will have to be put into use to maintain the present standard of living.

We do know that the demand for food, clothing, and housing is both a permanent and growing one. We know that there is a limit to our resources, and when that limit is reached we must either resort to substitutes or our standard of living will of necessity be lowered.

We know we must halt the accumulation of our national debt. So, Mr. Speaker, I make this appeal to the reason of Congress and all men: That we now commence to practice that principle of philosophy which needs no explaining—thrift.

Mr. Speaker, I could go on for hours and hours citing examples of how our resources have been wasted. The waste of money is but a drop in the bucket by comparison. There is much that can be done in the way of conserving and building for the future of our country. Projects of this kind should be substituted for those in which—

> The workers toil and toil, of toil no end to know,
> But endless toil and never-ending woe.

I believe that we have been elected to this Congress with a duty to perform other than putting an unwilling stamp of approval on the Executive's desires.

The Congress cannot, in good faith with the people, surrender to the temporary judgment of the Executive or the caprice of his appointees the full supervision of relief spending.

Mr. Speaker, the W. P. A. have heretofore approved 226,000 different projects with a total cost of over six billions of Federal funds. Of these projects, work has actually been started on 121,240 at an involved cost of three and one-half billion dollars. Of Mr. Hopkins I know but little. There must be some irresistible curiosity which spurs him on, for there is a halo of mystery around many of these projects which makes one wonder what new way they have thought of to waste the taxpayers' money.

Some of these projects I am informed may cost as much as $5,000,000 or more. Although Mr. Hopkins has doubts that any single project heretofore has cost that much, I again call the attention of the Congress that the money has been allocated in the sum of $6,750,000 for that real-estate unloading scheme in St. Louis, in which only $150,000 will actually go for work relief. I refer to the Jefferson National Expansion Memorial scheme, the promoters of which quite properly might be made the subject of a Federal investigation.

Mr. Speaker, in closing my remarks, let me take you back to 1929. It is obvious that, although a crash came, the

troubles of our country were not due to the restriction or suppression of any right of the average person; but we had, through carelessness, built a commercial structure which exposed the masses to ceaseless exploitation. In the crash our social structure was seriously damaged.

Fundamentally the commercial structure has not been changed. The exploiters are still at work, and, in addition, we have in our social program nursed to maturity a new crop of Communists, labor racketeers, and political entrepreneurs, who would wade through the blood of their fellow citizens and sacrifice our liberty and democracy to substitute the red flag of anarchy for the stars and stripes.

The bulwark of their alien hope is that a constitution, designed to perpetuate all that is best in a government of, by, and for the people, can be so interpreted that liberty is mistaken for license to set up in America a new order bordering on anarchy.

The New Deal has sought to bring about changes in our national economy by experimenting with the social side of the problem.

The exploiters have not been curbed; the "money changers" still occupy "the temple."

The "rendezvous with destiny" has not been kept. [Applause.]

Mr. MAPES. Mr. Speaker, I yield 10 minutes to the gentleman from Texas [Mr. SANDERS].

Mr. SANDERS. Mr. Speaker, the measure now before the House to continue the "hot oil" law should pass. All the arguments which were offered in behalf of this measure at the time of its adoption are still valid. We had full hearings before a subcommittee of the House Committee on Interstate and Foreign Commerce, and after hearing all the evidence which was presented, that committee brings us its recommendations that the measure should be enacted.

There are many strong arguments for our immediate adoption of the proposal to continue this law which expires by limitation of time on June 16. Some of the more important of these arguments I would briefly summarize:

First. This law has demonstrated its worth over 4 years of practical tests, beginning with the section on "hot oil" which occurred in the N. I. R. A. and continuing with the present Connally "hot oil" law which was adopted in February 1935.

Second. It has proved effective in enabling the oil-producing States to carry out their conservation programs which could be defeated by interstate shipments of illegally produced petroleum over which the State could not exercise any authority.

Third. By this law the Federal Government cooperates with the States in their effort to enforce laws intended to prevent the waste of a natural resource. Under the conservation policies which have been adopted by important oil-producing States, provision is made for orderly production on the basis of consumptive demand. Production in excess of that demand creates waste.

Fourth. This law, by closing the channels of interstate commerce to illegally produced oil, will promote conservation of a natural resource important to the whole country. Excessive production of petroleum creates such a competitive situation that wells of settled production whose costs are higher than flush wells would soon be eliminated. These wells reach the most important reserves of the country, which would be lost if the wells were closed. "Hot oil", therefore, would defeat the conservation policies of the States and would threaten the loss of the greater part of the Nation's petroleum reserves. Should these wells of settled production be closed, the Nation would be in a position of merely skimming the cream off its oil fields, abandoning each field in turn when cheap flush production ended.

Fifth. By making possible a stable condition within the petroleum industry and eliminating great quantities of illegally produced oil, usually sold much below the market price, this bill would aid in eliminating costly price wars, for which the consumer of petroleum products ultimately pays. Best assurance of reasonable prices to consumer would come from maintenance of competition. First effect of a demoralized industry is to eliminate smaller units which furnish competition. "Hot oil" was doing this until stopped. The demoralized price structure caused by "hot oil" would make it impossible for many retail marketers to continue to supply the consumer. Wild fluctuations in price would give an advantage to dealers who were supplied with the products of illegal oil.

Sixth. The Connally bill would help labor by insuring maintenance of a broad production program in all the oil-producing States, which includes many wells which employ more workers than flush fields. Turning a valve on some flush wells may be the only work required to produce illegally more oil in an hour than many thousands of other wells, all employing regular workers, could produce in the same period. Stabilizing the petroleum industry by eliminating "hot oil" enables the industry to employ more workers on a stable basis and pay better wages than it could when demoralized by "hot oil."

Seventh. The "hot oil" law in practice insures supplies of crude for each refiner. Without this law to make effective State laws and regulations only refiners with connections in flush fields could be sure of supplies, since wells in other fields might be forced to close through inability to compete.

Eighth. Bankers and financial institutions in the petroleum States consider this "hot oil" law an important element in the business life of that section. Banking institutions depend on a stable basis rather than on a quick turnover. They must base their operations on known conditions over a long period rather than upon uncertainties. These institutions in the oil-producing States would be adversely affected if the petroleum industry was demoralized by renewed "hot oil" production. The loss of many millions of dollars by the industry would be a staggering blow to the financial institutions of the whole country.

The importance of this measure to the oil-producing States might easily be illustrated in the experience of Texas. Texas is the principal oil-producing State in the Union. Within her borders lies the great East Texas field, one of the greatest, if not the very greatest, oil fields known. It has been estimated by competent geologists that this field, if opened up to its full producing potentiality, could produce many times as much oil as the entire world consumes. If we did that, however, we would waste an incredible amount of petroleum and make impossible the high ultimate recovery which we might expect. It is because of this situation that we feel that the aid of the Federal Government, through this "hot oil" law, is an important factor in our Texas conservation program, which is based upon the prevention of waste.

The petroleum industry is of great importance to my State. It has paid to the farmers of Texas $54,533,000 in rentals and royalties during the year 1934, the latest for which statistics are available. It has leased from these same farmers 44,000,000 acres, at an average of 44 cents per acre, bringing to the farmers $17,600,000, or only $1,000,000 less than the total amount of taxes levied on Texas farm property during 1934. It has invested in petroleum production $1,310,000,000, $70,000,000 in natural gasoline, $309,800,000 in pipe lines, and $114,482,000 in marketing properties.

Over 50 percent of the total taxes collected by the State government of Texas is derived from taxation of the products and the properties of the petroleum industry, of which $31,640,000 was collected through the State gasoline tax.

In addition to an annual pay roll of $150,000,000 the oil industry in Texas expends approximately one-half billion dollars a year for material and supplies and services.

The values to the State of Texas which these figures represent have been made possible only through the approach to stabilization of the petroleum industry which has been reached since Congress, through this "hot oil" law, closed up the channels through which those products "hot oil" were demoralizing one of our principal industries.

Mr. Speaker, I am going to discuss this bill not from the viewpoint explained by my friend the gentleman from Texas

[Mr. DIES]. In order to give the House the best available information I could about this matter I sent a telegram to Colonel Thompson, of the Railway Commission of Texas. I have a reply signed by Mr. C. V. Terrell, chairman of the Railroad Commission of Texas. The telegram reads as follows:

Colonel Thompson on his way to Paris, France, to represent United States at World Petroleum Congress. Approximate number producing wells in Texas this date 71,000, which have a combined potential for proration purposes of 34,000,000 barrels daily, but these wells allowed only 1,360,000 barrels daily. East Texas field has 22,790 wells, with allowable of 462,825 barrels daily, total potential east Texas being 13,761,275 barrels daily. East Texas has produced approximately 1,000,000,000 of its 4,000,000,000 barrels of oil, and field is still in its flowing life, which can be attributed to regulated production. Hard to estimate life of any field, as this is dependent on rate of withdrawals, but believe field should flow 5 or 8 more years under proper withdrawal regulations, and that oil will be taken out of field 50 years hence. Pressures in several fields of Texas have actually increased past several months under regulated withdrawals, showing splendid condition of fields.

There has been testimony before the committees of the House and of the Senate distorting what Colonel Thompson testified before the House Committee on Interstate and Foreign Commerce. I am going to read a letter from Colonel Thompson, and you can judge its value.

HON. MORGAN SANDERS,
Chairman, Texas Delegation, House of Representatives,
Washington, D. C.

DEAR MR. SANDERS: I understand that a few jobbers have taken incomplete sentences from my testimony before the House Committee on Interstate and Foreign Commerce for the purpose of making it appear that I do not think that the Connally Act is necessary for the effective enforcement of our State conservation laws, and that I am opposed to a permanent extension of this law. Of course, it is possible to take anyone's testimony and isolate certain sentences so as to distort the views of the one who testified. I am sure that if my testimony is read as a whole, it will be very clear that I am heartily in favor of the permanent extension of this very helpful law. Of course, I would not presume to tell a committee of the Congress of the United States what they should do in reference to the time limit placed upon the bill, but I did clearly state that in my judgment it would be very helpful to make the law permanent.

I tried to make it clear that insofar as intrastate shipments are concerned, Texas is capable of enforcing its conservation law, and I specifically stated, as is shown on page 58 of the report of the hearing before the Subcommittee on Interstate and Foreign Commerce as follows:

"The State of Texas is doing, and will continue to do, everything within her power to carry out the high policies underlying the legislation referred to. In the past she has been greatly assisted by the proper exertion of Federal authority in the form of what is commonly called the Connally Act, and she believes that the continuing of such Federal action is essential to the complete success of her efforts."

May I express the hope that you will communicate this information to the members of the Texas delegation, and use it otherwise as you see fit.

Faithfully yours,

ERNEST O. THOMPSON.

Mr. Speaker, one Congress cannot bind another. The whole question in this matter is whether you are going to continue this law for 2 years or make it permanent. I personally think it ought to be made permanent. We are going to pass this bill because every Member here believes in conservation of the oil resources of the United States, not only for present purposes, but for the purposes of war, if we should have one, so I have no thought but what the bill will pass.

Suppose we pass this bill covering a period of 2 years. Then it is going to bob up here 2 years from now, and you will have to consider it again. If you do pass the bill as an extension for 2 years, the next Congress can repeal it if it wants to. Why not make this permanent and have the thing out of the way until conditions are such the Congress of the United States thinks the bill ought to be repealed?

Let me say I am a friend of this great committee. They wrote one of the fairest reports on this bill I have read on any bill.

Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and include therein a letter quoted in the report of the committee from Charles West, Acting Secretary of the Interior, which is very helpful. In this letter he comments on this proposed legislation and states he thinks it ought to be made permanent.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The letter referred to is as follows:

THE SECRETARY OF THE INTERIOR,
Washington, March 19, 1937.

HON. CLARENCE F. LEA,
House of Representatives.

MY DEAR MR. LEA: Replying to your letter of March 9, 1937, requesting a report on H. R. 5366, proposing to make permanent the law of February 22, 1935, which regulates interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce of petroleum and its products produced in violation of State law.

By giving strong support to the oil and gas conservation laws of the oil-producing States, the law of February 22, 1935, generally known as the Connally Act, has contributed materially to the advances made during the past few years in the prevention of avoidable physical waste in oil and gas production and to the resulting increased ultimate recovery of oil.

By eliminating contraband oil products from interstate commerce, the law has been one of the principal factors which have made it possible for nearly all independent and nonintegrated petroleum refiners to operate without incurring the substantial losses which threatened their existence immediately prior to the enactment of that legislation.

The law also has removed one of the most persistent elements in the vicious "price wars" which were prevalent prior to the enactment of the legislation and which threatened the existence in business of numerous independent retailers of petroleum products.

The law has made this contribution to the conservation of the Nation's oil and gas resources and to the economic stability of the petroleum industry without causing any material increase in the retail prices, ex taxes, of gasoline and other petroleum products.

The law has been supported with uniform success in the Federal courts in Texas and Louisiana.

In administering this law during the past 2 years, I have received full cooperation from the oil and gas conservation authorities of the several States and from the petroleum industry.

The need for the conservation of the Nation's oil and gas resources is of equal importance in periods of scarcity as in periods of excess supply and, in my opinion, the legislation which supports the State oil and gas conservation laws should be made permanent by eliminating section 13 of the law of February 22, 1935.

The Bureau of the Budget has advised that it has no objection to the enactment of S. 790, a like bill introduced in the United States Senate by Senator TOM CONNALLY. Hearings on S. 790 were held on February 12, 15, 16, and 17, before a subcommittee of the Committee on Finance of the United States Senate.

The enactment of H. R. 5366 is recommended.

Sincerely yours,

CHARLES WEST,
Acting Secretary of the Interior.

Mr. DIES. Mr. Speaker, I yield 5 minutes to the gentleman from Iowa [Mr. BIERMANN].

Mr. MAPES. Mr. Speaker, I also yield the gentleman from Iowa 5 minutes.

Mr. BIERMANN. Mr. Speaker, I am in favor of conservation of the oil resources of the United States. I am in favor of the producers making money. I am in favor of the refiners making money. I am in favor of their pipe lines making money. But I think it is dead wrong to enact a law which will accomplish these things at the expense of the little independent fellow at the other end of the line, and it is entirely unnecessary to do it at his expense. You can enact this law to extend the Connally Act another 2 years, and at the same time amend it to protect the little independent fellow.

Mr. JOHNSON of Oklahoma. Mr. Speaker, will the gentleman yield?

Mr. BIERMANN. I yield.

Mr. JOHNSON of Oklahoma. Does not the gentleman know the independent operators are enthusiastically supporting this proposed legislation?

Mr. BIERMANN. Oh, no; I do not know any such thing.

Mr. Speaker, I ask unanimous consent to insert at this point a number of telegrams refuting the statement of the gentleman from Oklahoma [Mr. JOHNSON].

Mr. JOHNSON of Oklahoma. It will take a lot of them to refute it.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The telegrams referred to follow:

DECORAH, IOWA, *May 24, 1937.*

Hon. FRED BIERMANN,
House of Representatives, Washington, D. C.:

Galen Finnegan and Harry Fee, representative Iowa independent oil jobbers, will be in Washington to oppose the Dies bill, H. R. 5366. Would appreciate your giving them a hearing and opposing this attempt to make non-oil-producing States pay more tribute to producing States and monopoly.

W. E. SCOTT.

CRESCO, IOWA, *May 25, 1937.*

Hon. FRED BIERMANN,
Representative, Washington, D. C.:

As filling-station operators we are vitally interested in the defeat of the Dies bill, H. R. 5366. This bill, if passed, will penalize the consumer. Increased gasoline prices result in decreased consumption, which in turn will reduce the revenue for Iowa road-building program.

HOWARD COUNTY PETROLEUM ASSOCIATION,
AUREL C. BIEL, *Chairman.*
F. E. HOOPMAN, *Secretary.*

CRESCO, IOWA, *May 25, 1937.*

Hon. FRED BIERMANN,
House of Representatives, Washington, D. C.:

This department is keenly interested in having the Dies bill, H. R. 5366, defeated. Howard County consumes approximately 70,000 gallons of gasoline and 20,000 gallons of heating oil. If H. R. 5366 is made law, it will increase our operating costs considerably. We believe you can serve the best interests of all consumers by defeating this bill.

L. L. LOWRY,
County Engineer, Howard County.

CRESCO, IOWA, *May 25, 1937.*

Hon. FRED BIERMANN,
Representative, Washington, D. C.:

In special meeting May 24, the City Council of Cresco, Iowa, together with the mayor, passed the following resolution: "We sincerely believe that the Dies bill, H. R. 5366, should be defeated. The consumers of petroleum are now paying a premium for gasoline and heating oils, due to the Connally bill, which expires June 1, 1937. We do not believe that it would be wise to continue controlled production. The city of Cresco consumes large quantities of heating oil and motor fuel. We solicit your support in defeating this measure.

Mayor H. G. ADDIE.

Mr. DISNEY. Mr. Speaker, will the gentleman yield?

Mr. BIERMANN. Yes.

Mr. DISNEY. The gentleman stated he is in favor of protecting the little independent dealer at the other end of the line by an amendment to this bill.

Mr. BIERMANN. Yes.

Mr. DISNEY. What kind of an amendment would the gentleman attach to the bill?

Mr. BIERMANN. That is a fair question. I propose at the proper place to offer this amendment as a new section:

It shall be unlawful for any person or corporation or affiliate thereof to engage, directly or indirectly, in interstate commerce, in the marketing of crude oil, or any of the products thereof, if he is engaged in production, refining, and transportation of oil or in any of these activities.

This amendment does not separate these activities into four groups but merely separates the marketing from the other activities in connection with oil.

Mr. DISNEY. I do not think the gentleman has thought the matter clear through. The gentleman is not on sound ground there.

Mr. BIERMANN. That may be, but I do not think the gentleman from Oklahoma [Mr. DISNEY] or the other supporters of this bill are on firm ground when they propose to continue for 2 years a law which has ground down the little independent fellows and has driven some of them out of business.

Mr. DIES. Mr. Speaker, will the gentleman yield?

Mr. BIERMANN. Yes.

Mr. DIES. I have not been able to find an independent association in the United States which has not endorsed this measure, with the exception of the jobbers or the middlemen. I would like the gentleman to show me any independent producer or refiner or association——

Mr. BIERMANN. I am not talking about producers or refiners.

Mr. DIES. The gentleman is talking about jobbers?

Mr. BIERMANN. I am talking about the fellows who run the filling stations, the little jobbers, the kind of people we have in Iowa. I have heard from scores and scores of them in Iowa who are being ground down by this law. It is not necessary. Your people can have the benefits of this law without hurting the rest of the independent marketers.

My amendment proposes that you continue to make money on your producing and refining and on your pipe lines, but also to allow the independent marketers to make a little money.

Mr. DIES. I do not want to take up the gentleman's time, because he only has a few minutes, but if the gentleman does not object, I would like to ask him this question: Is not the real ground of objection from the jobbers due to the fact that they want a larger margin of profit, and instead of a margin of profit of 2 cents they want 4 or 5 cents?

Mr. BIERMANN. I think there is something in that, but the specific objection we make to this bill is that the Standard Oil Co., for example, the Shell Oil Co., the Continental and the other fellows, engage in all four branches of the oil business and make money on their production, refining, and transportation, and lose it on the marketing end in order to drive out the little, independent, filling-station fellow.

Mr. DIES. Is not that true of many other industries or, in fact, is not that true of all the big business in the United States?

Mr. BIERMANN. That may be true; but I am saying it is not necessary in this instance and I think your committee will have a much better bill if they amend it to protect these little fellows that I have referred to, and that is all I want.

Mr. BOILEAU. Mr. Speaker, will the gentleman yield?

Mr. BIERMANN. I yield.

Mr. BOILEAU. I, too, have received some protests from independent distributors. I do not know whether you would call them jobbers or distributors in the trade but they are men who have an oil business in my home town, for instance, and sell to a large number of independent filling stations. They claim, as the gentleman has stated, that the large concerns make more money on refining and in the other fields of the industry, and as a result they are able to undersell them and drive them out of business. I have not had an opportunity to study the gentleman's amendment, but I think the amendment gets right down to the meat of the matter and I believe it would be helpful to the bill.

Mr. BIERMANN. I cannot see how my amendment is going to hurt any legitimate business, and it will certainly protect the little fellows who cannot afford to come here and appear before committees.

Mr. BOILEAU. I think the gentleman's amendment is a good one.

Mr. BIERMANN. On page 139 of the hearings you will find that the Texas Corporation on February 5 of this year, in a statement by Mr. DeGolyer, states, in effect, that that company makes a business of losing on its marketing end and of making up the loss in the other three departments. This is the kind of practice that we think is unjust about this bill.

I wish the proponents of this bill, who are going to have most of the time, would explain to the committee or to the House what injustice would be done by adopting this amendment. Do not say it is not germane to the bill because, if you do not object, it will go in.

Mr. DIES. Mr. Speaker, will the gentleman yield?

Mr. BIERMANN. I yield.

Mr. DIES. Would the gentleman be willing to put that same principle into effect with respect to all business, prohibiting anyone in the production end from refining or selling its own product.

Mr. BIERMANN. Of course, that has nothing to do with the pending matter. We are just talking about oil now, but I may say that for 30 years the law of the United States has prohibited companies mining coal from engaging in the transportation of it.

Mr. DIES. But would the gentleman be willing to apply that principle of all business?

Mr. BIERMANN. I am not ready to answer that question, but would the gentleman be in favor of repealing the Hepburn Act, which prohibits the same company mining coal and transporting it over the railroads?

Mr. DIES. Of course, that has been the law for a long time.

Mr. BIERMANN. Would the gentleman be in favor of repealing that law?

Mr. DIES. I would like the gentleman to show the similarity between that situation and this measure which only applies to the shipment of "hot oil." How could this be connected even remotely with the question of monopoly or any other question of that sort?

Mr. BIERMANN. The gentleman can call it "hot oil", but it just means that these five States which happen to have this natural monopoly of the oil can curtail production, which means setting the price.

Mr. DIES. No; we have increased the production by 900,000 barrels a day, and the President can suspend the act the very minute there is any indication of a conspiracy to injure the consumer.

Mr. BIERMANN. The gentleman is going to have a lot of time and I wish he would tell the House what injustice would be done if we protected the little, independent, filling-station fellows and the independent jobbers scattered all over the country who cannot afford to come to Washington and appear before your committees.

Mr. DISNEY. Mr. Speaker, will the gentleman yield?

Mr. BIERMANN. I yield.

Mr. DISNEY. The amendment the gentleman has goes into the question of the disintegration of a business by separating it into divisions.

Mr. BIERMANN. No; there is no disintegration about it. My amendment simply provides that a concern engaged in producing, refining, and transporting oil—all three or one or two of them—cannot engage at the same time in the marketing of it.

Mr. DISNEY. In effect, that is what it amounts to, does it not?

Mr. BIERMANN. I do not think so.

Mr. DISNEY. Has the Committee on Interstate and Foreign Commerce gone into this subject and studied the gentleman's amendment to the extent they can speak authoritatively upon its effect?

Mr. BIERMANN. I think they can.

Mr. DISNEY. I do not understand that they have.

Mr. BIERMANN. The Interstate and Foreign Commerce Committee, I understand, had an amendment that did provide for breaking the oil business down into four separate activities. My amendment does not provide for that, and is not as drastic as that amendment.

[Here the gavel fell.]

Mr. MAPES. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. SNELL].

Mr. SNELL. Mr. Speaker, I want to take only a moment or two to ask the gentleman from Texas [Mr. DIES] a question relative to the support of this bill. As I understand the proposition, the small independent producers in every part of this country are in favor of this legislation.

Mr. DIES. Absolutely, and they have endorsed it by resolution and have urged Congress to pass it.

Mr. SNELL. And a stable market is more to their benefit than it is to the benefit of the large producer.

Mr. DIES. There is no question about that.

Mr. SNELL. Because when the independent operators do have a stable market they go on and build up their business and they are not obliged to sell out to the large operators?

Mr. DIES. That is true, absolutely, and in connection with the statement about the jobbers, who are now receiving 2 cents, it must be remembered that even when oil is 10 cents you have certain fixed charges. You have your labor cost, your taxes, which average over the country over 5 cents, and the jobbers now are getting half as much as the average tax, so that when you deduct your taxes of 5 cents and what the retailer gets for selling it and the jobber gets and the storage and the tank cars, transportation charges—those are fixed charges which the consumer must pay whether oil is 10 cents a barrel or a dollar a barrel—you will find that what these jobbers want is more profit. They are middlemen in the field. These gentlemen are there between the retailer and the refiner and the whole basis of their objection is that they are not getting enough out of it.

Mr. SNELL. And the only opposition that I know of to this bill comes from these independent retailers who want to buy on a distressed market.

Mr. DIES. Not the independent retailers. There are 52,000 of them in their association who have endorsed this bill. According to the testimony of one of these jobbers, he admitted freely the reason he was opposed to it was because when we had cheap oil he could buy it at his own price.

Mr. SNELL. And we are really protecting the independent producers and aiding conservation by passing this act.

Mr. DIES. There is no question about that. The Secretary of the Interior is in favor of this and three Presidents have been in favor of conservation.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. SNELL. Yes.

Mr. MAY. To ask a question of the gentleman from Texas [Mr. DIES]. Going back to that question of monopoly and the power of the small producer to operate, it is my idea that on a stabilized market, say at a dollar a barrel for oil, he can go ahead and operate regularly and run regularly?

Mr. DIES. That is true.

Mr. MAY. While, if the market is fluctuating up and down from 10 cents to a dollar a barrel, he cannot.

Mr. DIES. No; and the question of stability, while secondary to conservation, nevertheless is a material factor in any conservation program.

Mr. HILL of Oklahoma. Mr. Speaker, will the gentleman yield?

Mr. SNELL. Yes.

Mr. HILL of Oklahoma. In my district there are more large producers, more large wells than in any other district of its size. There are hundreds of independent producers, but up until this pro-ratio law was enacted, they were driven out of business completely because oil was 10 or 15 cents a barrel, but since the pro-ratio law was enacted, every independent producer joined with the large companies in maintaining that scale, and today every one of them has written or telegraphed me to be here to support this bill.

Mr. SNELL. That is the way I understood the situation.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. WHITE of Ohio. Mr. Speaker, will the gentleman yield?

Mr. DIES. Yes.

Mr. WHITE of Ohio. All up and down every road in the United States there are hundreds upon hundreds of small filling station men and retailers depending upon those oil filling stations for their living. How are those men affected by this bill, in the gentleman's judgment?

Mr. DIES. This bill has absolutely nothing to do with their problem, and whether the bill be passed or not, the problem of the independent retailer is identical with the problem of the independent motion-picture producer, who is confronted with 4,000 theaters in competition, where the product is produced and exhibited by the same corporation. That problem has nothing to do with this.

Mr. WHITE of Ohio. He is not harmed by this?

Mr. DIES. Not in any sense of the word, unless it is his purpose to use stolen oil. He could go down and buy stolen oil at 10 cents and go out and ruin the market for his legitimate competitor.

Mr. WHITE of Ohio. Have these people expressed themselves on this measure?

Mr. DIES. Yes; they have endorsed it.

Mr. NICHOLS. Mr. Speaker, will the gentleman yield?

Mr. DIES. Yes.

Mr. NICHOLS. Mr. Speaker, in answering the many questions which have been asked the gentleman has stated that this law is endorsed by the independent producers and those generally engaged in the production of oil. The gentleman is slightly in error to this extent, is he not? This law provides that the ban on the shipment of hot oil through interstate commerce shall be extended for 2 years. It is the opinion of the gentleman, is it not, that this should be the permanent law and should not be enacted for only 2 years—that it should be made permanent?

Mr. DIES. It is my opinion that this law, if it is a good law—and it has been demonstrated that it is—should be made permanent law, but the committee saw fit to extend it for only 2 years.

[Here the gavel fell.]

Mr. MAPES. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. KLEBERG].

Mr. KLEBERG. Mr. Speaker, I only ask for these 2 minutes for the purpose of interrogating the gentleman from Texas [Mr. DIES] on a matter that has not been brought out in this discussion. As a matter of fact, when you get down to the rock bottom of this particular legislation it means in addition to those things which the gentleman has claimed for it, an increase in production not only for the present, which has been shown, but an increase in production over the long run in the future; in the future availability of the natural resources?

Mr. DIES. That is correct. As I said, in the east Texas field alone the conservation policy has increased the reserve by 2,000,000,000 barrels, according to the most optimistic estimate.

Mr. KLEBERG. Now right there, the gentlemen who are complaining in this particular instance of being injured by this bill are interested, not in the features of this bill other than that which applies to the production of illegal oil, which they can buy at a low figure, which illegal oil, if permitted to exist, will defeat the potential purpose of this act and the future enjoyment of this great resource?

Mr. DIES. Not only that but this illegal oil, sold cheaply, will be used as a substitute for coal. A vital element will be wasted in addition to the other problem.

Mr. KLEBERG. I would like to continue this a little further. The original purpose of this bill and the final effect of it was to outlaw the production of uncontrolled oil through barring its shipment interstate?

Mr. DIES. That is correct.

The SPEAKER pro tempore. The time of the gentleman from Texas [Mr. KLEBERG] has expired.

Mr. MAPES. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. LUECKE].

Mr. LUECKE of Michigan. Mr. Speaker, this piece of legislation has corrected the situation at the wells. There is no argument against that. It has brought up the price of oil at the wells from 10 cents to perhaps a dollar. That is not in dispute. But as much as we all agree in conversation—and, of course, everyone must agree to that—this bill, in endeavoring to conserve the oil supply and do away with hot oil, has backfired on the independent small jobber. There is no question about that. The gentleman from Texas [Mr. DIES] made the statement that these small jobbers are complaining because they cannot make over 2 cents a gallon on their gas. That is true; but this is the point: That unless they can get 10 cents a gallon for the gas, or at least until the gas is priced at 10 cents a gallon, they come out on the short end. Not so long ago I went through a town in Michigan, where I saw a sign "12 gallons for a dollar." All of these charges had to come out of that, which in the end means that the most this jobber was making on that gas was about a cent and a quarter a gallon. In addition to that, according to the hearings which I have before me, I find this:

Integrated companies also at the present time are leasing expensive service stations at rentals of one-quarter to 1 cent per gallon, such stations having an average monthly gallonage of 3,000 to 8,000 gallons. It is impossible to justify leasing expensive locations for practically no return whatever on the investment.

In other words, they are doing that just to get rid of the retail end of the business. In my estimation, that is nothing more than dumping. We have laws against the dumping of foreign products on the American market, and I think we ought to have laws against the dumping of domestic products.

I agree with the gentleman from Texas that conservation is a fine thing and we must have it; but, as I said in the beginning, it is backfiring on the smaller man. I wish the gentleman from Texas would consider the proposition of having this cleared up, whereby the small independent jobber is gradually being put out of business.

Mr. DIES. I have no objection to protecting the independent jobber, but this is a matter that absolutely does not remotely affect his problem unless he wants "hot oil." Then, if he gets "hot oil", he will put all the independent dealers out of business.

Mr. BIERMANN. Mr. Speaker, will the gentleman yield?

Mr. LUECKE of Michigan. I yield.

Mr. BIERMANN. There is no more justice for saying that than accusing the producers and refiners with wrong motives, but if a retailer cannot make money on a 2-cent margin there is no more reason why he should continue that way any more than the producer should produce oil at 10 cents a gallon. If the producer ought to have more money to make a profit, then it is legitimate for the retailer to make more money.

Mr. LUECKE of Michigan. If the independent jobbers are put out of business, you and I know that the price of gasoline is going up, regardless of what price is received at the wells. The only motive behind this thing is to put these little fellows clear out of business so there will be no competition whatever. Not only will the consumer suffer but labor will suffer as well.

The SPEAKER. The time of the gentleman from Michigan has expired; all time has expired.

Mr. DIES. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

ELECTION TO COMMITTEE

Mr. DOUGHTON. Mr. Speaker, I offer a privileged resolution.

The Clerk read as follows:

Resolved, That LYNDON JOHNSON, of the State of Texas, be, and he is hereby, elected a member of the standing Committee of the House of Representatives on Naval Affairs.

The resolution was agreed to.

OIL CONSERVATION

Mr. LEA. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 5366) to repeal section 13 of the act entitled "An act to regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce of petroleum and its products produced in violation of State law, and for other purposes", approved February 22, 1935.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill, H. R. 5366, the oil-conservation bill, with Mr. WOODRUM in the chair.

The Clerk read the title of the bill.

By unanimous consent the first reading of the bill was dispensed with.

Mr. LEA. Mr. Chairman, I yield myself 4 minutes.

Mr. Chairman, in 1935 Congress passed a bill now commonly referred to as the "Hot Oil" Act, which contains in section 13 a provision that the act should "cease to be in effect on June 16, 1937." The pending legislation as proposed to be amended by the committee is to extend the life of this act until June 30, 1939, or substantially 2 years.

The "Hot Oil" Act was passed after the oil industry had been in a deplorable condition for several years, as was universally

recognized. In 1934 Congress authorized the Committee on Interstate and Foreign Commerce to make an investigation of the oil problems of the country. A special committee consisting of the gentleman from Maryland [Mr. COLE], the gentleman from Indiana [Mr. PETTENGILL], the gentleman from Illinois [Mr. KELLY], the gentleman from Michigan [Mr. MAPES], and the gentleman from New Jersey [Mr. WOLVERTON] conducted a thorough investigation. That investigation was so ably and thoroughly done that the work of the committee has been a matter of favorable comment throughout the United States by those who realize the difficult problems of the oil industry. In part, at least, that investigation led to the passage of the "Hot Oil" Act. That same committee which conducted that investigation served as a subcommittee to consider this legislation.

The pending bill would extend the operation of this law for 2 years. The committee has so reported this bill on the belief that the act has demonstrated it has so far operated for the benefit of the United States. We believe it can be useful for a further period. It has accomplished two things that practically nobody will deny: First, it has tended to stabilize the oil industry. This is one of the great industries of our country which before this act went into effect it was in a deplorable condition. It is an industry which deals with a great natural resource of the country, an industry which furnishes an exhaustible supply of oil to the people of the United States. That is a product we can afford to use beneficially, but not to waste. Second, under the operation of this act the amount of reclaimable oil in the fields has been materially increased. I do not think there is any doubt of this. Orderly production has made possible a more efficient use of pressure that prevents waste and substantially increases the supply of oil that a field will eventually produce. That helps the Nation and the oil consumer as well as the producer.

The consumer is involved in this question also. There has been no shortage of oil. There has been no withholding of a supply to create high prices by scarcity. The President has never found it necessary to exercise the authority given him in the act to withdraw the Federal support for the enforcement of State laws in case the interests of consumers is jeopardized. Oil will eventually become scarce. Then it may become dear. The time eventually will come when the consumer problem in reference to oil is going to be a serious one. He may need further protection. Feeling that some day more consumer protection may be required by a more comprehensive act is one reason this committee is in favor of continuing this act for a limited time instead of making it permanent legislation.

[Here the gavel fell.]

Mr. LEA. Mr. Chairman, I yield the balance of my time to the gentleman from Maryland [Mr. COLE].

The CHAIRMAN. The gentleman from Maryland is recognized for 56 minutes.

Mr. COLE of Maryland. Mr. Chairman, I ask unanimous consent that in using the balance of the time I may be permitted to yield to other Members.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. COLE of Maryland. Mr. Chairman, I yield myself 8 minutes.

Mr. Chairman, I shall be as brief as possible because of the lateness of the hour and attempt to shorten the discussion of this bill if it is agreeable to the committee in order that we may conclude in less than the 2 hours.

It was my privilege, as the distinguished chairman of our committee stated a moment ago, in 1934 to act as chairman of a committee representing the House to investigate the petroleum industry. I am happy, of course, after two elections intervening to find the personnel of the committee of 1934 still functioning in the House and functioning today as the subcommittee on oil of the Interstate and Foreign Commerce Committee. The hard and efficient work by my associates on the committee fully justified the confidence in them which their constituents have for them. At the outset permit me to state that the Members of the subcommittee, the gentleman from Indiana [Mr. PETTENGILL], the gentleman from Illinois [Mr. KELLY], the gentleman from Michigan [Mr. MAPES], and the gentleman from New Jersey [Mr. WOLVERTON] traveled through the oil fields of Texas, Oklahoma, Michigan, Kansas, and Pennsylvania, and other oil-producing States, and gave a great deal of time to the big subject before us. We are unanimous in reporting this bill, and the entire Committee on Interstate and Foreign Commerce is unanimous in recommending the bill extending the present act for a 2-year period instead of making it permanent law. We feel that there are most convincing reasons for the extension of this bill for a temporary period only. The State of Texas where the bill has functioned since its enactment and has the only tender board provided for under the bill, has temporary proration laws at this time which will expire in a little over 2 years. The interstate compact to which the oil-producing States are parties and which Congress ratified at the last session expires on September 1 of this year and will be before us during the present session for further consideration.

What I want to impress upon the Members of the House is that this is primarily a conservation measure. Indirectly, I have little doubt it tends to stabilize the entire industry. It has not, in my opinion, sufficient, if anything, to do with the problem of independent labor, to justify its defeat because of their objections to its passage.

Mr. BIERMANN. Will the gentleman yield?

Mr. COLE of Maryland. In a minute. There were some independent jobbers from my district and other districts who appeared before our committee and submitted amendments such as the distinguished gentleman from Iowa has presented. Disintegration of the great petroleum industry in this country, if this Congress wants to do that, has no place in this legislation. I think my distinguished friend will concede it is not germane to ask the House to say that pipe lines, production, marketing, and refining shall be divorced, one from the other, in legislation of this character.

Mr. BIERMANN. Will the gentleman yield for a correction?

Mr. COLE of Maryland. I yield to the gentleman from Iowa.

Mr. BIERMANN. My amendment does not provide for the disintegration of these activities. My amendment merely provides that a person or corporation engaged in marketing shall not engage in any of the other three activities. They may engage in all three of the activities but not in marketing.

Mr. COLE of Maryland. I think the gentleman will concede the effect of his amendment will be to divorce marketing, and is therefore not germane to the narrow and well-defined issue before us.

Mr. BIERMANN. No. I have not any concealed hopes at all.

Mr. COLE of Maryland. Mr. Chairman, the petroleum industry is our second largest industry. Speaking conservatively, I suppose $15,000,000,000 or more are invested in this great industry. First comes the railroads and then agriculture, if we class agriculture as an industry. You will find in those three the finest demonstration of Americanism in connection with the functioning of the activities they control. I include petroleum in that statement. They are the highest type of men, from the head of some of the integrated companies, whom I have met, on down. True, they are in the business to make money, and they do make lots of money. This country is safe, in my judgment, with the type of men we find in these three great industries, controlling such a large part of our everyday life. Labor enjoys a major part in this happy situation. In every phase of the oil business it is just saturated with risks of one kind or another.

This bill does not guarantee to the producers in Texas, Oklahoma, and other producing sections of this country that every time a "wildcat" well is drilled, every time they spend

thousands of dollars prospecting, every time they speculate trying to make new discoveries that they are going to be reimbursed for their loss; neither does it contemplate a similar thing for the transportation or the refining branches of this industry.

The independent jobber and the independent marketer have problems, it is true. All marketers do. But the fact they have a problem to solve should not result in this House being unwilling to lend a helping hand to any State of this Union possessing a resource indispensable as this is to the people of my district and every part of the country. The Government should be willing to assist toward solving their problems.

[Here the gavel fell.]

Mr. COLE of Maryland. Mr. Chairman, I yield myself 4 additional minutes.

Mr. Chairman, I am willing to make the statement that our petroleum resources as known today have a life of not over 15 years. We have increased the demand for petroleum by 40 percent in this country in the last 3 years, and we are meeting this demand. Some may laugh at the idea that our known resources today have a life, under present demand, of only 15 years. I hope I am wrong. But as one not living in an oil district but who has lived with this problem for some years, I am willing to stand on that prediction.

The highest point of production in this country—about 3,560,000,000 barrels of petroleum—reached this week, while two and one-half billion was the figure 3 years ago. I do not like to have some gentlemen say, in order to satisfy a few who blindly want to tear down this help from the Federal Government, we shall not encourage legitimate conservation back in the producing States. Bear in mind that the only way the State of Texas can conserve this resource legally is to restrict production in line with waste prevention. That is all according to legal standard. Certainly if that is what they are doing today, if the owner of a well can dispute the authority of the orders or the validity of the orders of the Commission, and does so, if the States do not follow sound legal theories, we want to encourage such action. There may come a time when there will be a need for this law as a permanent proposition, but I am just as certain in my mind it does not exist today as of any statement I ever made.

Mr. Chairman, but for the limitation of time, I would incorporate in the RECORD some of the startling figures as to the taxes paid by this great industry—by the little fellows and big fellows, what it means to the Federal Government and the State governments through the taxation of many, many different kinds of petroleum products and activities. Finally, I ask the Members of the House to go along with the committee, which was unanimous in its recommendation for the extension of this act for a temporary period until more permanency is assured to the Federal Government as to the attitude of the various States, especially the principal producing States and some sane and necessary program, including definite interest and authority in the Federal Government is considered.

[Here the gavel fell.]

Mr. MAPES. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, it is well to keep in mind that the Connally Act in itself does not attempt to restrict the production of oil. It simply provides, in effect, that the Federal Government shall assist the States, where it is necessary to do so, in seeing to it that oil which is produced in excess of State allowables, so-called—that is, the amount that may be produced lawfully under the laws of the States and the regulations of State authorities—shall not be shipped in interstate commerce. That is the gist of the Connally Act. It has been in effect a little over 2 years, and expires in a few days.

This bill, or the amendment recommended by the Committee on Interstate and Foreign Commerce, proposes to extend the life of this act for another 2 years. The Senate bill provides for the extension of the act permanently. I am not in favor of a permanent extension of the act, and the Committee on Interstate and Foreign Commerce does not favor a permanent extension of it. It does favor, and has reported, an amendment to the Senate bill to extend the life of the act for 2 years.

It is well to keep in mind also that before the passage of the Connally Act the production of oil was in a very chaotic condition. It was practically impossible at that time for the State authorities, especially in the State of Texas, to enforce their laws regulating production without the assistance of the Federal Government. The situation in this respect has greatly improved during the 2 or 3 years the Connally Act has been in force. The testimony before the Committee on Interstate and Foreign Commerce of the chairman of the Railroad Commission of the State of Texas, which commission has charge of the enforcement of the State regulatory laws, was to the effect that the State might get along very well now without the assistance of the Connally Act, although he favored the extension of it.

Individually, I think the chances of going back to the chaotic conditions which existed before the passage of the act are too great to justify letting it expire at this time. For that reason I am in favor of its extension for 2 years. I am in favor of giving it another 2-year trial. I am not in favor of a permanent extension of it.

The Secretary of the Interior, Mr. Ickes, who is responsible for the administration of the law, favors its extension and testified before the committee in favor of it. I think it is fair to say that he is one of those who 2 years ago wanted to go much further in the direction of Federal control than the Connally Act goes.

The Government has established only one so-called tender board under the act. It operates in only one field, and that is the east Texas field. I believe the testimony before the committee was that there are 522 oil fields in the State of Texas alone. There has been no attempt on the part of the Federal Government to set up a tender board or to assist the States to enforce the Connally Act in any other State except Texas and only in the east Texas field in that State.

Mr. DIES. That is because of the fact there has not been any necessity for it in these other oil-producing States. If they developed a new field tomorrow, and there was flush production, such a board would be established in the State in which the event occurred.

Mr. MAPES. If the Secretary of the Interior saw fit to create tender boards to operate in other States and Congress saw fit to make the necessary appropriation to meet the expense of them, such boards could be established. The other States have been able to get along and to enforce their own regulatory laws very well without any help from the Federal Government.

As the gentleman from Texas well knows, 3 years ago when the Cole committee was in his State, the sentiment among the oil producers, and of the State generally, was such that it was difficult if not impossible for the State authorities to enforce the State regulatory laws. I understand that conditions are entirely different in that respect now than they were at that time and that the prevailing sentiment now even among the producers, is to limit production according to the regulations of the State commission.

Mr. DIES. I think the gentleman will recognize the fact no other State has any such oil field as the east Texas field, and no other State has ever been faced with such a problem.

Mr. MAPES. I think that is true, although California and Oklahoma especially, as well as some of the other States, produce a good deal of oil. However, the flushest fields are unquestionably in the State of Texas.

Mr. DIES. In answer to the suggestion that perhaps the State of Texas could enforce the law without the aid of this act, I may call the attention of the gentleman to the fact they have just fined twenty-some-odd violators a few days ago in Houston, Tex., and that this is going on even now with the law in effect. Therefore the need for the law is just as great now as it has ever been.

Mr. MAPES. Yes; but on the other hand, it shows the State of Texas is able to enforce its laws now, which it had not been able to do when the Connally Act was originally passed.

Mr. DIES. No.

Mr. MAPES. I cannot yield to the gentleman further. I do not want to take too much time.

There is one section especially in the Connally Act which should be kept in mind in the consideration of this bill, and that is the section which authorizes the President if he finds that production is being unduly restricted at the expense of the consumer, to suspend the operation of the law. There is, therefore, a double check on any undue limitation of production in the fact that the Connally Act attempts only to aid the States in enforcing their own State laws, and the fact that if production is restricted too much the President can suspend the operation of the law.

With respect to the situation of the jobbers, I think it may be fairly said there has not been sufficient study made of the oil situation from the standpoint of the consumer. Some day I hope that Congress will authorize such a study to be made. However, the jobbers are interested in the margin which they receive, the difference between what they have to pay for the refined product and what they receive for it. This bill, it seems to some of us, in no way affects that question and does not, therefore, affect the profit of the jobbers. It has nothing to do with that question. The integrated companies will continue to exist whether this bill is passed or not. They will be producing, refining, sending their refined products through their own pipe lines, and distributing, with or without the Connally Act. It would seem, therefore, that the question of the divorcement of the integrated companies is not involved in the consideration of this bill.

[Here the gavel fell.]

Mr. COLE of Maryland. Mr. Chairman, I yield 15 minutes to the gentleman from Indiana [Mr. PETTENGILL].

Mr. PETTENGILL. Mr. Chairman, there are just three questions before the House. Shall we permit the present Connally Act to expire on the 16th of this month, shall we continue it for 2 years thereafter, or shall we continue it permanently?

The bill as it passed the Senate called for the extension of the present law as permanent legislation. Our committee, in considering the matter, decided it would be wise and in the public interest to continue it for 2 years only, and that is the bill as it is now before the House, or as it will be with the committee amendment that will be offered.

I think it will be interesting to those who have not followed this matter as fully as the members of the committee have been required to do in the discharge of their duties, if I briefly review the matter historically.

The National Recovery Act was passed on June 16, 1933. It had a time limitation of 2 years and was to expire on June 16, 1935. Section 9 (c) of the N. R. A. authorized the President to prohibit the movement in interstate commerce of oil produced in violation of State law without setting up any standards to govern his discretion or the exercise of this authority. For want of such standards, section 9 (c) of N. R. A. was declared unconstitutional by the Supreme Court of the United States by a vote of 8 to 1 on January 7, 1935.

The question then arose, What shall we do? It was feared by many that the same chaotic conditions in the oil industry, as had obtained before N. R. A. was passed, would obtain after the Supreme Court knocked out section 9 (c). So this bill was written, passed, and approved on February 25, 1935. The difference between this bill and section 9 (c) of N. R. A. is that section 9 (c) merely authorized the President to prohibit. This bill prohibits. This bill is mandatory. There is no discretion in it as to its general objective. This bill says that no oil produced in violation of State law shall be admitted into interstate commerce.

The reason it was continued on February 25, 1935, for a period of 2 years was because it was anticipated then that N. R. A., which was about to expire the following June, would be continued for a 2-year period, and so in February of 1935 the so-called Connally bill, which is now existing law, was adopted to expire at the same time it was anticipated that the extension of N. R. A. would expire, June 16, 1937. This explains the reason why this has been continued as temporary legislation heretofore.

When the first Connally bill, which passed the Senate first, came over to our committee, as I recall, it was made permanent at that time. The members of our committee, however, feared that the pressure of the oil-producing interests in the oil-producing States might be such that they might take advantage of the situation for the purpose of driving up the price of oil at the expense of the consuming States of the Nation. So, as a matter of caution, we put in the 2-year period and we also put in section 4, which is in the bill today, authorizing the President upon the ascertainment of certain facts to suspend the operation of the law so that the producing States of the Nation might not take advantage of the consuming States by any price fixing or monopolistic arrangement.

Mr. BIERMANN. Mr. Chairman, will the gentleman yield?

Mr. PETTENGILL. Yes; I yield to my friend from Iowa.

Mr. BIERMANN. That means the President has the power, under this law, to open the floodgates to what these gentlemen are pleased to call stolen oil.

Mr. PETTENGILL. Yes; he has that power. He has the power to suspend the operations of the Connally bill if he finds that the oil-producing States which do prorate production are limiting production below national demand and thus unjustly enhancing the price.

Fear has been expressed that the passage of the bill, even for a 2-year period, and despite the safeguard of section 4, will enable the oil producers to reap a rich harvest at the expense of the consumers.

As I said, we took that possibility into consideration 2 years ago. In addition to the 2-year clause and the power to suspend the prohibition of the movement of oil, the following matters might be mentioned as operating to defend the public against monopolistic price raising:

First. The fact that the Governor of Texas and Colonel Thompson have declared themselves very flatly against Texas being part of any price-fixing arrangement.

Second. The fact that in Texas itself there are more people interested as consumers of gasoline than as producers of oil.

Third. The fact that price finds oil, and as price rises, the drill goes deeper, bringing more oil to the market.

Fourth. The fact that there is no limitation on imports from abroad and, as price rises, foreign oil in constantly greater quantity will pour over the present 21-cent tariff wall.

Fifth. The fact that this tariff wall can at any time be lowered by Congress or foreign oil can be completely restored to the free list.

Sixth. The fact that if Texas interests, through pressure politics, did attempt to take an unjust advantage of the situation, other oil-producing States would supply the market.

Seventh. The fact that as price of fuel oil goes up, soft coal and gas, artificial and natural, come back into the market. This indicates that there is no practical way in which the market for petroleum products can be corraled. And in addition to all the above, you still have the antitrust laws of the United States, which are available at all times for the protection of consumers, and, as is well known, actions are now pending in the United States courts in Wisconsin for prosecution under the Sherman law.

Of course, if and when the long-anticipated day comes when there is an actual shortage of petroleum supply, a price rise then is inevitable. But, in turn, such rise, however serious, will have the result of developing oil substitutes from coal, shale, lignite, and other power sources. This is covered at some length in my book, Hot Oil, under the chapter heading "The Pinch Hitters."

Now, I am in favor of this bill for two general reasons. First, it does help to conserve a natural resource which is exhaustible.

It has been testified that by locking down the east Texas field and preventing it from flowing free and thus rapidly exhausting its underground reservoir energy, the potential recovery in that field has been increased at least from 600,000,000 barrels up to 2,000,000,000 barrels for the future consumers of America. Six hundred million barrels is the equivalent of finding 60 new, average-sized oil fields and 2,000,000,000 barrels is the equivalent of finding 200 average-sized oil fields. So that by locking down the east Texas field and preventing its reservoir energy from escaping, we have the equivalent of from 60 to 200 average-sized oil wells found by that operation.

Mr. BIERMANN. I am interested in the statement that some gentlemen were not so very sure that this locking-down process is a conservation measure.

Mr. PETTENGILL. There was testimony before the committee in 1934 to the effect that the east Texas oil field was locked down too sharply. There are oil wells there capable of producing from 5,000 to 10,000 barrels per day, that are locked down to 30 barrels a day, and there was some engineering testimony to the effect that locking them down too tightly might tend to a diminution of total recovery. That is an engineering question that was very much disputed and I do not know what the correct answer is. But in any event this bill does not itself limit production of petroleum, but simply says that no oil which a State forbids to be produced shall move in interstate commerce. Without this bill oil illegally produced in Texas if it once got by State authorities could move in interstate commerce, because if tendered to a railroad or interstate pipe line, the carrier has no option except to accept and start its movement, and as soon as it reaches the interstate carrier the State law cannot interfere with its movement, because it is in interstate commerce.

Mr. JOHNSON of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. PETTENGILL. Yes.

Mr. JOHNSON of Oklahoma. The gentleman does not mean to imply that the bill applies only to Texas.

Mr. PETTENGILL. In practical operation at the present time it applies only to Texas, but it could apply to any State in the Union that adopted legislation similar to that that now prevails in Texas.

Mr. HILL of Oklahoma. Is the gentleman aware of the fact that Oklahoma had the first proration act of any of the States, and still has?

Mr. PETTENGILL. A number of States have conservation and proration statutes, but we have a Federal Tender Board only in the east Texas field.

Mr. HILL of Oklahoma. I understand that is on account of the size of the pool?

Mr. PETTENGILL. Yes; a pool that supplies 15 percent of the national market, as much as Louisiana, Kansas, and New Mexico together.

Mr. HILL of Oklahoma. And we have the same State act regulating the production of oil, or a similar one.

Mr. PETTENGILL. That is true, and that is true of Kansas and New Mexico and Louisiana and other oil States.

Mr. SWOPE. Mr. Chairman, will the gentleman yield?

Mr. PETTENGILL. Yes.

Mr. SWOPE. Does the operation of the present law add anything to the retail cost of gasoline?

Mr. PETTENGILL. I do not think it does. The retail price of gasoline has gone up very slightly in the last 2 years, somewhere around a cent, I think, or possibly a cent and a half, but that is due, in my judgment, to the tremendous increase of the normal demand, the highest now of any time in our history—way beyond the peak of 1929. The retail price of gasoline has remained almost level in the past 2 years.

Mr. NICHOLS. Mr. Chairman, will the gentleman yield?

Mr. PETTENGILL. Yes.

Mr. NICHOLS. I am afraid if we take up too much of the gentleman's time he will not get to a question which I would like to have the gentleman explain. I am very much interested to hear the gentleman explain why, in his judgment, if this law is good to prevent the shipment of illegally produced oil in interstate commerce for 2 years, it is not a good protection as a permanent basis? What is the real reason for limiting this law to 2 years instead of making it permanent?

Mr. PETTENGILL. I think there are several reasons that influenced the committee. One was the statement made by Colonel Thompson, of the Texas Railroad Commission, that he would not oppose a limitation of 2 years, although he seemed to indicate he favored it as permanent legislation. The second reason is that the Texas State law has been continued for 2 years only. It has been extended to September 1939, and our committee felt that we would not attempt to solve the future problems of Texas in advance of the time when Texas solved them herself. If and when the East Texas field "levels off", as it some time will, there probably will not be need for this legislation unless new oil fields are discovered which present as acute a problem as the East Texas field has done.

Mr. NICHOLS. And even if Texas failed to pass such legislation, does not the gentleman think that other States in the United States should be entitled to this protection, whether Texas had any such law or not?

Mr. PETTENGILL. That is true, if there were an acute oil problem in any other State of the Union. The only point where this problem is acute from a Federal standpoint is in the East Texas field.

Mr. NICHOLS. We have in the Oklahoma City fields an acute condition, but not so much so as in the East Texas field, but it could arise.

Mr. PETTENGILL. Mr. Chairman, the second reason why I favor the legislation is that it coincides with my general philosophy of government, to permit the States of the Union to solve their own problems if they can, with the assistance of the Federal Government, rather than making it difficult for them to solve them, and finally concentrating the management of all American business in Washington, D. C. In addition to helping to conserve a great natural resource, it also helps to conserve the American system of government.

The philosophy of this bill is a good deal like the prison-labor-made goods legislation, the Dyer Act with reference to stolen automobiles, and other legislation of that sort. If we can encourage the States of the Union to solve their own problems and help them police the administration of their own laws, it will tend to diminish this constant pressure for the concentration of authority in Washington, D. C. I think the general philosophy of the bill is strictly in accordance with our democratic institutions of State rights as against a bureaucratic Federal empire. [Applause.]

The CHAIRMAN. The time of the gentleman from Indiana [Mr. PETTENGILL] has expired.

Mr. MAPES. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. SAUTHOFF].

Mr. SAUTHOFF. Mr. Chairman, I am in favor of the general purposes of this act, namely, to conserve the resources of oil; but the working out of the act to date has had, in my judgment, two serious defects. One of those defects has been touched upon by the gentleman from Iowa [Mr. BIERMANN], and I think his amendment is one that should be attached to this bill.

The second defect I shall take up in the course of my remarks. That is with reference to the use of oil in its many different phases. It has been stated here that within the last 3 years the uses of petroleum have increased 40 percent. The report also gives us that data, and I assume it is correct. It also states that on various estimates the storage of oil that remains will last about 15 years. If that is true, and that argument has been used in behalf of this measure, then I want to ask what is the purpose of our constantly shipping oil out of this country to the detriment of our own people and our own resources?

Here are some of the figures which I just took today from the monthly summary of foreign commerce of the United States:

Petroleum, crude, shipped out last year, 6,541,238 barrels.
This year, an increase, making a total of 7,372,184 barrels.
Refined oil, last year, 11,142,925 barrels.
This year, 13,301,207 barrels.

Fuel or bunker oil, which is absolutely necessary for warships, shipped out last year, 5,279,529 barrels; this year, 5,385,396 barrels.

Lubricating oils, absolutely necessary in war for the lubrication of all machinery, the mechanization of our Army, last year shipped out 15,747,132 pounds; this year, 19,334,177 pounds.

If you will check this report you will realize that we are steadily increasing our shipments abroad, while at the same time we shut off our own people, at a cost of $300,000 per year.

I have only taken a few of the outstanding petroleum items. If you will look through the summary of the United States Department of Commerce you will be amazed to see the amount of petroleum products, both crude and refined, that are being shipped out of this country. I think it is necessary to conserve our oil resources. I am one of those who believes strongly in the conservation of oil. If it is necessary to preserve these stocks of oil, then why in the world do we ship them out to other countries to use, and to use against us?

A continuance of our present system will inevitably result in the ruination of thousands of retail dealers and the further concentration of our oil resources in the hands of a few powerful companies. Save the retailer by separating distribution from production, refining, and transportation. Unless something of this kind is done the retailer is doomed.

And the final result will be that petroleum in all its branches will have to be Government owned. [Applause.]

[Here the gavel fell.]

Mr. MAPES. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. GWYNNE].

Mr. GWYNNE. Mr. Chairman, I desire to continue in defense of the independent marketer, who seems to be the forgotten man in this legislation. I trust, if we pass this bill, which apparently we are going to do, some amendment at least will be adopted similar to the one suggested by my colleague [Mr. BIERMANN] for the protection of the independent marketer.

Here is his problem: In Iowa we have a number of independent marketers operating filling stations all over the State. They must compete with large corporations who produce their oil, who transport it, who refine it, and who sell it. It is charged in my State that those people, by unfair competition with our independents, lose on their marketing and make it up in other branches of their business.

Now, this is called a conservation bill. It strikes me that is largely a subterfuge. I believe in conservation. I believe it is a sad commentary on this Congress that we have not before this adopted some national policy of conservation. But this bill does not do that. All this bill provides is that if Texas puts a limit upon the amount of oil produced there, the Federal Government will say that no more can be shipped in interstate commerce. In fixing this limit they may be motivated by a desire to conserve. They may be motivated by a desire to produce taxes or to maintain a price down there at a profitable figure.

Secondly, it strikes me this is no conservation measure, because we daily export 350,000 barrels of crude oil and import 150,000 barrels. It is purely a price-stabilizing bill. Like all that kind of bills that we have passed in the last few years, it is a price-boosting bill. If you do not believe it, I think you can get some little indication as to what will happen in the future by what has already happened this year. The first of the year there was an increase in the price of crude oil of 10 to 12 cents a barrel.

Recently there was an increase of 8 cents a barrel. This makes a total for the consumers of this country to add to their oil bill of $191,000,000. I am interested in the suggestion made by the gentleman from Indiana and I am inclined to accept entirely his view of government as he stated it here.

Mr. FLETCHER. Mr. Chairman, will the gentleman yield for a question?

Mr. GWYNNE. No; I cannot now. If I have time I will.

I believe, too, that as far as possible we should allow the States to solve their own problems. The principle of this bill, however, cannot be compared to the Dyer bill or to the Millard-Tydings bill, or to the Ashurst-Sumners bill. The Ashurst-Sumners bill provides that if my State refuses to have prison-made goods sold within its borders the Federal Government will protect it and not allow prison-made goods from any State to be shipped in.

[Here the gavel fell.]

Mr. LEA. Mr. Chairman, I yield 10 minutes to the gentleman from Oklahoma [Mr. BOREN].

Mr. BOREN. Mr. Chairman, I have arrived at my viewpoint on this bill not only from the evidence that was presented to the committee in the hearings, but from living with the oil industry and in the oil fields. I have participated individually in the oil industry as a laborer in drilling for oil, as a laborer in caring for production after it was discovered, to some extent at least in a limited way in sponsoring a program of drilling wells, leases, royalties, and in a few instances participating in financing drilling for oil.

This legislation has brought three important services to the oil industry and to the American public. First, the conservation of a great natural resource by providing a proration system against waste and dissipation of that natural resource. Second, it has brought stability to the oil industry and has made of it a business enterprise rather than a gambling game based on the chance of cutthroat competition between ruthless monopolistic groups. Third, it has brought a great degree of stability to labor in the oil industry.

This legislation is vitally important to every State that has a producing oil well. It is particularly important to those States that have stripper production, or wells that have to be pumped for the production of oil. In effect this legislation guarantees a market to the small concern, the little man, the man who is not big enough to engage in all the forms of the oil business, including production, manufacture, distribution, and sale.

There has been some discussion aimed at misguiding you, perhaps, into believing that this legislation means an increase in the price of the finished products of oil.

Mr. BEVERLY M. VINCENT. Mr. Chairman, will the gentleman yield?

Mr. BOREN. I yield.

Mr. BEVERLY M. VINCENT. Was not the price of crude oil about 90 cents a barrel when this law was first passed?

Mr. BOREN. The price of crude oil immediately preceding the passage of this act in my district got as low as 10 cents a barrel.

Mr. BEVERLY M. VINCENT. Is it not now about $1.35?

Mr. BOREN. It is about $1.11.

Mr. BEVERLY M. VINCENT. And if this legislation is continued for 2 years, is not the prospect that it will go to $2 a barrel?

Mr. BOREN. I think that it might reach probably $1.20. I think the argument I was about to advance will answer the gentleman's question and his supposition that an increase in the price of gasoline will result from an increase in the price of oil at the well. The facts are contrary to that opinion. It is evident that the price of gasoline is in the hands of integrated companies.

There is only one protection that can come to the consumer of gasoline, and that protection lies in the disintegration of those companies which are the sole producers, the manufacturers, the distributors, and the sales agents for that product. But that question has no relation to this bill. I may add further by way of personal illustration of what I mean this: When oil was 10 cents a barrel at the well the price of gasoline was just as high as it is today, lacking perhaps a quarter- or a half-cent advance that is due to the natural increase in demand. The conditions at the well at this time have no relation to the price of gasoline to the ultimate consumer.

This bill is a conservation measure with attendant benefits to the public, which I pointed out with reference to the stability of the industry and stability for labor. There are

three groups who oppose the passage of this measure: First, the chiseler, the man who wishes to evade the law, who builds his markets under the protection of a twilight zone which will exist and which has existed without this law. The second group in opposition to the bill is composed of those whom I might term scalpers; that is the fellows who have the wealth and resources sufficient to drive out the little producer if the independent producer is not protected from evasion of State control. The third group is the distributor who prefers to purchase foreign oil, who wishes to benefit personally at the expense of American production and American labor. This law in effect simply places this protection around the law-abiding citizen within the State and permits the capture of the outlaw company which would take advantage of the twilight zone lying in the dispute of control where more than one State is concerned. It simply assures the State that the Federal Government will arrest this fellow if he attempts to carry his contraband goods in interstate commerce.

Despite what has been said to the contrary, I wish to point out that this law is an exact parallel to legislation dealing with the transportation of stolen automobiles. This measure is aimed at the oil thief. Without this law the company that would steal oil from its neighbor, once it got the stolen oil in movement in interstate commerce could not be arrested. May I say at this time I introduced in the committee an amendment aimed at greater stabilization of the industry for the benefit of labor.

Mr. DIES. Will the gentleman yield?

Mr. BOREN. I yield to the gentleman from Texas.

Mr. DIES. The gentleman made a very fine fight for his amendment to stabilize the industry so far as labor is concerned by assuring to laboring people the benefits, but since that time the President's message came before the House and that is going to be accomplished in a general bill?

Mr. BOREN. That is my understanding.

Mr. COLE of Maryland. Will the gentleman yield?

Mr. BOREN. I yield to the gentleman from Maryland.

Mr. COLE of Maryland. The gentleman's amendment was presented several weeks before the President's message was sent up here but covered about what the President's message covered?

Mr. BOREN. Yes. May I say in connection with the amendment presented that a study of the hearings will show that what I said about the three phases of this bill is correct. May I say further concerning that amendment that since it was the majority sentiment of the committee that it was questionable on the ground of not being germane to the bill and since that time a President's message has called for legislation along the lines I indicated there, my intention is to present that amendment as a part of the program for general labor. And I announce to this body my intention to call for a 36-hour week and a minimum wage for labor in the oil industry. And my remarks from this point on will be a repetition of the committee hearings on my amendments, which are as follows:

STATEMENT OF HON. LYLE H. BOREN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF OKLAHOMA

Mr. BOREN. Mr. Chairman and gentlemen of the committee, I want to offer for the record later a prepared statement substantiating my proposal here, but I would like to propose to this committee that it add to H. R. 5366, at the conclusion thereof, after the word "repealed" these words:

"And following section 2 of said act add:

"'No person, firm, or corporation engaged in the drilling for, production of, or transportation of crude petroleum in interstate commerce shall employ or cause to be employed any worker for more than 40 hours in 1 week nor more than 72 hours in any 2 consecutive weeks nor more than 16 hours in any 2 consecutive days: *Provided further*, That no person, firm, or corporation engaged in the drilling for, production of, or transportation of crude petroleum in interstate commerce shall pay less than $5 per 6 hours for daily employment.'"

In substantiating this amendment, Mr. Chairman, I would like to offer later for the record a prepared statement, and due to the fact that the committee has other witnesses here who desire to be heard this morning I will not take up more of your time.

Mr. COLE. Might I suggest, that in order to have the hearing printed, and I assume you would want your statement to follow what you have said here this morning——

Mr. BOREN. Yes.

Mr. COLE. That you submit it to us as early as possible.

Mr. BOREN. I will do that. That is all I have this morning, Mr. Chairman.

STATEMENT OF HON. LYLE H. BOREN, M. C. (CONTINUED), APRIL 27, 1937

Mr. BOREN. Mr. Chairman, I would like to offer for the consideration of this committee an amendment to H. R. 5366:

"No person, firm, or corporation engaged in the drilling for, production of, or transportation of crude petroleum in interstate commerce shall employ, or cause to be employed, any worker for more than 40 hours in 1 week, nor more than 72 hours in any 2 consecutive weeks, nor more than 16 hours in any 2 consecutive days: *Provided further*, That no person, firm, or corporation engaged in the drilling for, production of, or transportation of crude petroleum in interstate commerce shall pay less than $5 per 6 hours for daily employment."

In offering this amendment to H. R. 5366 I am doing so in the belief that stability in the oil industry should provide stability in labor conditions in that industry and that legislation aimed to aid the producers of oil should take into account the workmen engaged in that production.

I represent one of the greatest oil-producing districts in America. I am acquainted first-hand with the situation that has existed in that industry during the last 10 years as affecting labor, oil production, oil marketing, and to some degree oil consumption and production control.

I have seen crude oil sell as low as 10 cents per barrel in my home county. I think I have some first-hand knowledge of the chaotic conditions that have existed in the marketing fields, both in the crude marketing and retail marketing of the finished products. But, also, I am keenly aware of the labor conditions that have existed in the oil fields for the past 10 years. I have seen the 12-hour day as a common practice; then, under the N. R. A. code, as low as 6-hour day. I have witnessed the effect of unemployment and observed the general condition of the country where oil is produced, both under the long-hour and the short-hour-day system. I want to point out to this committee that permanent legislation for the oil industry should take into account the laborer in that industry.

The necessity for this amendment is clearly pointed out by the fact that oil has gone up from 10 cents to $1.27 a barrel in my district; that is to say, that the price of oil has increased more than 1,000 percent, but the pay of the workmen has increased far less than 10 percent on an average.

The evidence in my home county would indicate that employment has not increased at all with the increase in the market price of oil. Of course, I cannot point out specific figures, but I could give you numerous examples from my general acquaintance with the personnel engaged in the production of oil in my district. Labor Department figures indicate that there has been an 8-percent reduction in employment concurrent with a 900,000-barrel daily increase in crude production.

I want to point out that there are certain integrated companies maintaining operation on a 36-hour workweek and at reasonable minimum rate of pay. I think it is safe to say there is a fair percentage of the companies engaged in oil production that are operating now on the basis that would be set up under the terms of my proposed amendment. Their experiences under the N. R. A. brought them to the conclusion that this operation was the wisest policy.

However, there is a large percentage of the operators who have already gone back to long hours, which, in turn, means less men on the pay roll and workmen engaged for longer hours without proportional increase in compensation.

This means that the 12-hour day in crude production is finding its way back into the producing fields. This condition, while not common, is of sufficient strength to act as an example frequently pointed to by those in the industry who are attempting to be reasonably fair.

It is evident that operators working under the code provisions, while facing the competitive factors relating to hours and rates of pay, must see stability and uniformity in hours of labor and rates of pay, or natural economic laws will cause them to lengthen hours and bring their rates of pay down to a figure comparable to this type of competitive operation.

My understanding of H. R. 5366 or S. 790, making permanent the Connally hot-oil bill, is that in the name of conservation it seeks to establish, among other things, a uniform price. The bill has as its purpose economic values to the operators, involved with, of course, an element consistent with the general welfare involved in the economy affecting this great natural resource. Since this legislation is in fact an economic stabilizing measure, it is important that we should establish economic stabilization for the workers involved. It is upon this principle that I have submitted for your consideration the proposed amendment.

Mr. COLE. Thank you.

Colonel THOMPSON was to go on next; but if you are willing to give way to Mr. Fremming, who has to leave this afternoon for Chicago, Mr. Thompson, we will hear him.

Mr. THOMPSON. I will be glad to give way.

Mr. COLE. He has a statement which he does not think will take more than about 5 minutes.

Mr. THOMPSON. I will give way with pleasure.

Mr. COLE. Before we hear him, the committee has considered whether it will meet this afternoon or tomorrow morning. Mr. MAPES is on another committee which requires his appearance this afternoon.

Mr. THOMPSON. That will suit me much better.

Mr. COLE. And after Mr. Fremming's statement we will adjourn until 10 o'clock tomorrow.

Mr. THOMPSON. Ten o'clock tomorrow morning.

Mr. COLE. Yes. We may go on tomorrow afternoon and Thursday afternoon, if we find it suits the convenience of the committee.

Mr. Fremming, we will hear you now.

STATEMENT OF HARVEY C. FREMMING, PRESIDENT, INTERNATIONAL ASSOCIATION OF OIL FIELD, GAS WELL, AND REFINERY WORKERS OF AMERICA

Mr. COLE. Give your full name for the record.

Mr. FREMMING. My name is Harvey C. Fremming. I am president of the International Association of Oil Field, Gas Well, and Refinery Workers of America, and I appear here on behalf of that association. The theory of the association has from the inception of the recovery in the industry attempted to contribute to certain defined economic standards in the petroleum industry through its organization and its relationship to the industry and through its association with the industry.

My appearance, Mr. Chairman, has no immediate bearing on the bill, although I am not unmindful of the tremendous value of conservation, but may I be pardoned for saying that I do not look upon this as solely a conservation measure. I cannot bring myself to think of this as a conservation measure. It is purely an economic measure, and the use of the term "conservation" here to my mind is in fact a misnomer. We are not unmindful of the purpose of the bill and the desire to have it continued for the economic reasons involved, but at the same time we appreciate the efforts being made to maintain the price structure through this instrumentality, and we offer the suggestion that there is another factor involved and that is the human factor in the industry itself. And that is the reason, the only purpose of appearing here, not to oppose the purpose of this bill itself but to call attention to the fact that there are some 85,000 workers in the petroleum industry, some of whom, by reason of unfair practices, are not going to benefit in the price structure value of this bill because some have failed to maintain reasonable competitive conditions in the production of oil. So that we have here the cost problem; we have the uneconomic situation of crude production, and it is our purpose, gentlemen, to ask for an amendment to the bill which will provide for maximum hours, regulation of maximum hours, and minimum rates of pay as just previously introduced by Congressman BOREN, of Oklahoma. We support his amendment and we support it for many reasons. I am not going into a lengthy discussion because of the courtesy of this committee in extending time to permit me to be heard this morning. There are many reasons why this can be appreciated, not only in this one branch of the industry but because of the human factor as well. This, Mr. Chairman, is not merely a question of regulating the shipment of contraband oil; that is, oil produced in excess of State allowables. It goes much beyond that, as very aptly appeared from the inquiries here this morning by members of this committee.

The right to regulate maximum hours of employment and minimum rates of pay is no longer a fancy or a theory advanced by theorists that appear before committees of Congress, but the fixing of minimum rates of pay and maximum hours of employment are now regarded within the rights of Congress in regulating interstate commerce. And certainly commerce is affected materially where human conditions obtained within the industry itself, and that leads us to the labor factor, the human factor in the industry. It is upon that principle, and that principle alone, that we appear here this morning and urge that this committee amend the present bill to establish maximum hours and minimum rates of pay as provided in the amendment introduced by Congressman BOREN this morning, and I am going to limit my statement this morning to the suggestion contained in that amendment, although I think some day this committee could give consideration to the study of whether or not the subterranean movement of oil from day to day, although it may not reach the top of the crown, has some value in a consideration of what interstate commerce is, although our understanding of it today is largely due to the fact that the movement in interstate commerce, for the purpose of regulation, must be of articles on top of the ground. It is our theory that some day we may develop the proposition that subterranean movement of certain commodities up to the point of the law of capture affects interstate commerce.

Mr. Chairman, I think there are plenty of reasons, plenty of reasons, and certainly economic reasons for this committee to consider favorably the amendment presented by Mr. BOREN to this measure, to this bill, if it is to be a stabilizing factor in the field of economics. We are, of course, interested in that, but we are equally interested in the human equation, of reducing that competitive factor in the production of petroleum. That is the principle underlying our support, and that is the main principle upon which I wanted to discuss this with you this morning. That is all I have to say. We could enter into a lengthy discussion of this principle, but the facts are known to you, and I think we all understand that the purpose today is one of stabilization in the industry, with all due respect to the statement made by the distinguished Secretary this morning, but the human equation is there and we must give consideration to that in maintaining the proper economic relation today.

I am somewhat discouraged by the conduct of the industry itself. When we met here in Washington in the bleak stormy days in July 1933, the industry itself lay prostrate; in fact, the industry was so concerned with price—and was concerned with consumer requirements because of the competitive picture within the industry—that at that time it agreed upon a code of fair competition which had for its purpose regulation of labor relations within the industry as applied to maximum hours and minimum rates of pay. Most of the substantial organizations in the industry have maintained the interest; but we still have our chiselers, if I may use the common expression, Mr. Chairman; among them, men, or corporations, who benefit not only from the economic factor, but from all other stabilizing factors that have come as a result of that original code. The Morgans and the Du Ponts—if I may be permitted to refer to them—the Morgans, the Du Ponts, and the Mellons are outstanding in that particular situation as regards long hours and low rates of pay; and who in fact, within the internal operation of the industry itself, are imposing hazards and hardships against maintaining stabilized conditions of employment and rates of pay which in turn reflect themselves in consumer purchasing power that maintain our national economy.

That is all I have to say this morning, Mr. Chairman. We hope you will see fit to accept the amendment presented by Mr. BOREN.

Mr. COLE. Thank you. May I ask if this amendment you approve, as suggested by Mr. BOREN, is in any legislation now pending before the Labor Committee?

Mr. FREMMING. No; and it is not contemplated. Incidentally there is in the general legislation provision for 40 hours a week, and we have a different situation in this industry which has given every evidence of its willingness——

Mr. COLE (interposing). I mean generally.

Mr. FREMMING. The general legislation is for 40 hours.

Mr. COLE. Is that included here?

Mr. FREMMING. That is not included in this. I understand your point. But the general bill will provide for 40 hours, and that bill is to come from the executive branch, as I understand it. But it does not provide for 36 hours which this amendment would.

Mr. COLE. The general bill, you understand, will come from the executive branch?

Mr. FREMMING. Yes.

Mr. COLE. Would that be satisfactory to you?

Mr. FREMMING. No; it just means 4 more hours per day, which in turn means a reduction in employee load in the industry.

Mr. COLE. All right.

Mr. PETTENGILL. As I understand you, you said that a great many of the companies had maintained the labor standards of the N. R. A.

Mr. FREMMING. Yes, Mr. PETTENGILL; in the petroleum code.

Mr. PETTENGILL. Yes; the Petroleum Code. What were the hours provided in the code?

Mr. FREMMING. Thirty-six hours per week.

Mr. PETTENGILL. Thirty-six?

Mr. FREMMING. Yes. I should repeat there, Mr. PETTENGILL, the manner in which Congressman BOREN presented his amendment to the committee. The 40 hours he gave means not more than 40 hours in any 1 week, and not more than 72 hours in any 2 weeks, and not more than 16 hours in 2 consecutive days.

Mr. PETTENGILL. Was that taken from the N. R. A. code?

Mr. FREMMING. That is verbatim, almost verbatim from the code itself, and for 2 years we operated splendidly under that code.

Mr. PETTENGILL. Had the rates of increase in pay to labor been in proportion to the benefit of this increase of about 27 percent on crude oil at the well head?

Mr. FREMMING. I would not say that they would equal 27 percent. The wages were increased, for the most part, in the industry, and for the most part we still have the benefit of some increase by reason of this legislation. But they all did not go along. We still have, in some sections, 12 hours a day. That was eliminated in 1933 by the code. When you speak of benefits, you mean in dollars and cents?

Mr. PETTENGILL. Total dollars per person.

Mr. FREMMING. Yes, sir; they have benefited. I do not say to the extent of 27 percent, but I do not think 27 percent is the whole story, Mr. PETTENGILL, if it be remembered how they were up here asking for relief from this 10-cent oil, 15-cent oil, and 20-cent oil throughout the industry. I think it must be remembered that the 27 percent does not represent the benefit received by this industry; it merely means that on the average, but that does not represent the whole truth, and we should not be confused by it at all.

Mr. PETTENGILL. The 85,000 workers you represent, the greatest bulk of them, have had wage increases, have they?

Mr. FREMMING. Yes.

Mr. PETTENGILL. Commensurate with the increase in price of crude?

Mr. FREMMING. Not necessarily commensurate with that, but they have had increases, substantial increases.

Mr. PETTENGILL. Some of them have not been increased as much as 27 percent, but they have had increases?

Mr. FREMMING. Yes; I would say most of them, except in the chiseler group.

Mr. PETTENGILL. Out of the 85,000 total number represented by you, how many thousands do you think, to use your expression, are at the mercy of the chiseler?

Mr. FREMMING. Oh, I should say not to exceed 25 percent; not in excess of that. It is just about the same percentage that runs throughout the whole industry.

Mr. PETTENGILL. Yes.

Mr. FREMMING. About the same group that runs the "hot oil", the chiselers, who will not pay their workers.

Mr. PETTENGILL. Thank you.

Mr. WOLVERTON. Mr. Chairman.

Mr. COLE. Mr. Wolverton.

Mr. WOLVERTON. Does the proposed amendment of Mr. BOREN relate only to the production, or does it include refining and marketing employees?

Mr. FREMMING. Only the producing end. We have no special difficulty in refining, and never have had; it is only in the producing and the transportation end, but so far as the refining branch of the industry is concerned, we have never had any quarrel on that question; 36 hours is maintained in the industry and there is no charge of chiseling with respect to the refining end.

As to the marketing end today, it is the most chaotic that we have ever had. For your information, we are now working on that branch of the industry and are very earnestly trying to be helpful insofar as the worker problem is concerned. The regulation of hours of employment fixed at 40 hours a week, obtained in the code.

Mr. WOLVERTON. I was unfortunately engaged otherwise and did not hear the amendment.

Mr. FREMMING. Yes.

Mr. WOLVERTON. Is it different from the one which was presented to the Senate?

Mr. FREMMING. It is the same; it is the same.

Mr. WOLVERTON. If I remember correctly, in your amendment you ask for the base of 36 hours a week and the rate of pay to be fixed at $5 as a minimum rate.

Mr. FREMMING. That is right, yes; that is correct.

Mr. WOLVERTON. And that relates only to those engaged in the production end?

Mr. FREMMING. Yes; drilling, production, and transportation.

Mr. WOLVERTON. Is that limited only to States that have the benefit of the Connally Act?

Mr. FREMMING. No.

Mr. WOLVERTON. Has employment increased over the period of 3 years?

Mr. FREMMING. To the contrary, it has decreased.

Mr. WOLVERTON. The figures presented to us would indicate that 900,000 more barrels per day are being produced, and yet I understand you to say that at this time it is a fact the number of employees has actually decreased?

Mr. FREMMING. That is correct, in the last 3 years.

Mr. WOLVERTON. How do you account for that fact?

Mr. FREMMING. One of the special factors is the improved method of petroleum recovery, today, through technical development making it possible to bring a well to production at a much shorter period of time than it took in the past. For example, for the east Texas field, to which reference has been made here on several occasions, the sum total of drilling time to 3,500 feet, usually 3,500 feet being the average, runs about 15 days. Seven or eight years ago that was an unheard of thing.

Mr. PETTENGILL. How many days?

Mr. FREMMING. Fifteen days, full time, full drilling, including cementing time and everything, the construction of the derrick, spudding, and bringing the well to production, in 15 days.

Mr. PETTENGILL. That means drilling more than 200 feet a day?

Mr. FREMMING. Oh, yes; it is proper to say in that connection there are certain drilling hazards elsewhere that do not obtain in east Texas. For instance, in the Kettleman Hills field, for example, to bring in a well to production would take approximately 6 months; they may be able to drill in less time than 6 months; but if they can bring in a well in 90 days, it is a happy condition.

Mr. WOLVERTON. What has been the percentage of decrease in employment?

Mr. FREMMING. It will be—the Bureau of Labor Statistics indicates that the reduction has been running about 8 percent since the code became effective. Of course, there was a tremendous increase in the employee roll when the code became effective in September 1933; but since that time there has been about an 8-percent reduction in the crude production, in the drilling end, not the refining end of the industry.

Mr. WOLVERTON. I understand. What accounts for this decrease in the production end?

Mr. FREMMING. That is chiefly based upon improved methods of production, based principally upon the technical development in drilling equipment, primarily.

Mr. PETTENGILL. What about the refining branch?

Mr. FREMMING. They have increased employment in that end, due to the requirements to take care of this 900,000 barrels of crude, and the consumer demand has increased proportionately, as we understand it. There was about a 22-percent increase in consumer demand last year.

Mr. COLE. Is that all?

Mr. PETTENGILL. I have nothing further.

Mr. FREMMING. Thank you, Mr. Chairman.

Mr. COLE. Thank you. The committee will stand adjourned until 10 o'clock tomorrow morning.

(Thereupon, at 12:20 p. m., an adjournment was taken until 10 a. m. of the following day, Wednesday, Apr. 28, 1937.)

Mr. COLE of Maryland. Mr. Chairman, I yield 5 minutes to the gentleman from New Jersey [Mr. KENNEY].

Mr. KENNEY. Mr. Chairman, I am in favor of extending the life of the Connally or "hot oil" bill, and believe it is wise to put a limitation upon the duration of its operation. I feel the limitation will act as a brake upon the price of oil and constitute a checkrein upon the ultimate price to the consumer. If an abuse should develop anywhere in the course of production, refining, or distribution within the next 2-year period, Congress can allow the law to expire. The President, under the existing law, has the right, which will be continued, to suspend the operation of the effective provisions of the law if he should find a lack of parity between supply and demand, resulting in high prices. The limitation will be an added safeguard for the consumer. The extension of the Connally Act is needed to conserve our oil resources. If you were in attendance before the Interstate and Foreign Commerce Committee at the time the original bill came up for hearing, you saw there photographs of the conditions surrounding operations in the east Texas fields. You were appalled at the waste of oil which smeared the surface of the oil areas. Inordinate quantities of oil gushed from the wells and were wasted. Oil and natural gas were dissipated to an alarming degree. Oil overflowed and dripped from tank cars. Large lakes of oil were accumulated above ground awaiting shipment of the contraband. So great was the waste in the east Texas fields that it became a real threat to the oil reserves of the country. Besides being a danger of consequence in case of fire or flood, the extravagant method of handling threatened our future supply of oil and constituted a menace to our national defense.

Perhaps no one in our Government has given greater study to this matter than the Secretary of the Interior, and I would like to read very briefly from the statement of Secretary Ickes made before the subcommittee in charge of this bill:

> The oil reserves of the United States are limited, and oil is an irreplaceable resource. Petroleum and its products are essential to our happiness and well-being as citizens and absolutely indispensable to our national defense. The United States is using up its oil reserves faster than the rest of the world, and an oil shortage in the United States may be expected long before there is an oil shortage elsewhere. As a nation, we should not exhaust these resources and be forced to depend upon the more costly substitute fuels in advance of the rest of the world or be required to pay the higher price for oil which foreign producers will demand when our production fails to meet our needs. If we are to avoid this penalty for our past and present extravagance, we should make certain that our present and future reserves of oil will be developed without waste and that our supply of this irreplaceable resource will be made to meet, so long as possible, and at reasonable prices, the needs of the Nation.

I cannot help but agree with the Secretary in that statement, and I do not believe anyone can reasonably disagree with it.

It has been said by some that this is not a conservation bill but a stabilization bill or a bill to raise the price of oil. Even on that ground I think the bill should be passed in order to prevent the chaos that existed in the oil business. Of course, we who live up in New Jersey are very often glad when an oil war is on. I remember back in the campaign of 1932 we bought gas for 9 cents a gallon, and that state of affairs continued for an appreciable length of time, but it did not have a wholesome effect. Many of the dealers up there had to sell below cost—those who did not get the benefit of the "hot oil." As a consequence, some had to let their help go, others would not meet their taxes and other obligations and became embarrassed financially. The consumer is not unreasonable, and prefers to pay a fair price if it prevents chaos and makes for stabilization now and in the future.

Our people have come to realize that the struggle to conquer the virgin soil of our country has been won—won without the statesman, financier, or economist realizing it until very recently. We can now produce easily more than enough of nearly everything for everybody. The present problem is to make adjustments accordingly; to conserve; to stabilize; to square all.

[Here the gavel fell.]

Mr. MAPES. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. MOSER].

Mr. MOSER of Pennsylvania. Mr. Chairman, I would like to inject for the benefit of the Committee some of the experiences that I have personally noted in connection with

the so-called operation of the Connally "hot oil" bill. I shall not attempt to go into statistical matters, nor shall I attempt to refer to the legislation that was passed before I became a Member of this body. In that respect I am placed in the same category as the late and lamented Will Rogers, who once said, "All I know is what I read in the papers." But I am familiar with what was expressed in the papers at that particular time.

With the inception of this act in 1935, the Sun Oil Co. in its operations in Pennsylvania proceeded to the independent variety gas stations and threatened each dealer they would cut off their supply of gas if they did not eliminate the independent pump from which the cheaper grade of gas was sold in competition with them. It was to that pump the farmer went to obtain his supply of gas for his tractors, gas engines, and whatever he used on the farm. Every independent dealer had to carry that particular type of gas in order to operate his business and supply the demand. He obtained that supply of gas from the independent producers, who kept that gas level at a price of about 12 or 13 cents a gallon.

It has been stated here that the price of gas has not advanced in this period of time. Those gas pumps are putting out gas now at 16½ cents a gallon. I call attention to the fact that is the direct result of the operation of this act.

It was stated then that the Sun Oil Co. intended to pull those pumps and when they pulled those pumps they would put that particular gas dealer out of business so far as the distribution of that type of gas was concerned.

Mr. DIES. Will the gentleman yield?

Mr. MOSER of Pennsylvania. I cannot yield now.

Mr. Chairman, the Sun Oil Co. did proceed to pull those pumps. They transferred the tanks underground to succeeding oil companies. But they did pull those pumps. They took a licking in 1935. In 1936 Mr. Pew, head of the Sun Oil Co., became exceedingly active in the campaign in Pennsylvania and may I say to gentlemen on this side of the House none of us would be here from Pennsylvania if Mr. Pew had his way.

I may say to my colleagues from Pennsylvania, as well as to the members of this committee, that in the operation of these particular groups of oil companies I know of not one single instance where a major oil company has anything to state in opposition to this bill.

In the name of conservation we are bringing about a situation of extermination. These particular independent dealers who are confronted with the difficulty of obtaining their oil and their gas must now proceed to seaboard at Wilmington and actually beg to buy it in tank-car lots. They have to buy from the major oil companies at prices which are fixed, because the independent producer is wiped out of existence.

I believe sincerely there is no ground for saying that if I possessed on the little farm I own a field of oil, and if I should dig down into the ground and produce oil, as we have done in times past in Pennsylvania under the law of capture, which was in effect from the very inception of the discovery of oil in Pennsylvania, to the effect that the man who discovered the oil owns it, the oil should be called "hot oil" or "stolen oil." It is true it might be seeping from a pool that might be on some man's adjacent property, but under the laws of Pennsylvania if the man on the adjoining property also dug, and he hit the same pool, it would be his oil as well as mine.

Those are conditions which I cannot conceive should be in existence at this time. I believe this law should not continue beyond the 2-year period. Certainly, I think there is sufficient warrant to defeat the bill at this time because in the name of emergency we have brought about destruction. [Applause.]

[Here the gavel fell.]

Mr. COLE of Maryland. Mr. Chairman, I yield 4 minutes to the gentleman from Oklahoma [Mr. HILL].

Mr. HILL of Oklahoma. Mr. Chairman, my colleague the gentleman from Oklahoma very carefully discussed the three phases he thinks this bill will accomplish, and they have likewise been discussed by other members of the committee and other Members of Congress.

There are one or two things regarding the question of proration which I want to discuss that have not been discussed. Proration was first commenced in the State of Oklahoma. The first proration laws we had were passed about 6 or 7 years ago, when the great oil pool was discovered within the limits of Oklahoma City. At the hearings of the State legislature the same contention was made and the same opposition arose against proration that are being used by the opponents of this measure here. The State finally adopted its proration laws. It was then the producers of oil commenced to put their oil through hidden pipe lines into interstate commerce, and this gave rise to what is called "hot oil." The State of Oklahoma was helpless to protect the owners and operators of oil wells in that pool.

Shortly thereafter the east Texas pool was discovered, and the same conditions arose there. When these conditions arose, the Governors of the two States got together and commenced the consideration of a character of proration laws which would protect the people, which would protect the owners of royalties and the leaseholders. It was from this beginning there grew up the law which is now on the statute books of the Government. No one State by itself could enforce proration without getting into the compact all the oil wells in that field or in that general country. Therefore, Kansas, Oklahoma, Texas, Louisiana, and New Mexico, all contiguous States, joined in this compact, with the result we afterward secured passage of the Connally Act.

This is a conservation measure, no matter what those who are opposed to it may say. All of the owners of the land were receiving royalties of 12½ percent, one-eighth of the oil produced. When the hot oil was being stolen from their premises and through pipe lines put into interstate commerce, no report was made of it to the State authorities, who lost the State taxes on oil; in our State a 3-percent gross production tax. The royalty owners lost all of their interest in the royalty and have never secured it from that day to this. This measure concerns the interests of the royalty owners, it stabilizes the industry, and does not raise the price of the oil that is marketed out in Iowa or in any other State or community. Heretofore, when oil was selling for 10 cents a barrel in Oklahoma City, gasoline was just as high as it is now. [Applause.]

[Here the gavel fell.]

Mr. COLE of Maryland. Mr. Chairman, I yield 5 minutes to the gentleman from Oklahoma [Mr. DISNEY].

Mr. DISNEY. Mr. Chairman, I am indeed sorry the Committee did not see fit to make this law permanent. If it was a good thing to maintain for 2 years, and that it should be the law for 2 years more, this seems to me, except for the fact that Texas has not established her proration laws for more than 2 years, a sound reason it should be made permanent law now. It would be no less trouble to repeal this statute than to repass it after 2 years. I hope the gentlemen on the committee in the conference between the Senate and the House will be liberal and not put the task on us of trying this out again in the House within 2 years if they can avoid it.

With reference to monopoly—I know gentlemen are interested in it, and I am interested—there is something in what gentlemen have said. But let me remind you wheat folks that, regardless of what the price of wheat is, it makes little difference in the price of a loaf of bread. While the parallel is not exact and complete, it applies here in that the price of crude oil is not wholly determinative of the price of gasoline. As the gentleman from Indiana [Mr. PETTENGILL] has stated in his remarks, the price of gasoline is lower now than it has been for some time. Use that as a parallel.

There are some things in what the gentleman from Iowa [Mr. BIERMANN] has said about one company having four or five different functions, but when you try to attack that

condition by such an amendment as he has offered, it is like tying a binder twine to an elephant's tail. You can cover that in some separate legislation if it is necessary. Let us be frank about it. Do not drag a red herring around, even innocently, because an attempt at such an amendment is just a slap on the wrist, if it is germane. If it is proper to do that, do it at the proper place at the proper time with the proper kind of a bill, where it has a proper place, and after full hearings are had.

Proration has grown as the result of the experience of men. The independent oil men are those who brought about proration in the States, and they have driven these big companies to it. These companies did not willingly go; the independents drove them. The impetus behind the proration laws which five States have passed has been the independent oil men. To get a better price for their product? Yes. How will all of you fare if the second largest industry is flat on its back? You were all alarmed in 1933 when we were in that shape, and we do not want to be that way again.

Mr. DIES. Did we not vote to stabilize the coal industry on a permanent basis?

Mr. DISNEY. Yes; and there is also the A. A. A. Everything was centered early in this administration on how we could stabilize prices of all products, so the farmer, the producer, and the refiner could get a good price for his product.

Mr. ZIMMERMAN. Mr. Chairman, will the gentleman yield?

Mr. DISNEY. Yes.

Mr. ZIMMERMAN. Then, as a matter of fact, this is a price-stabilizing measure and is not a conservation measure.

Mr. DISNEY. No; do not put words in my mouth that I have not used. This is a conservation measure primarily and its result is to stabilize prices.

Mr. ZIMMERMAN. If it is a conservation measure to preserve oil for future generations, as the distinguished gentleman from Indiana stated a while ago, why are exports of oil to foreign countries increasing from year to year?

Mr. DISNEY. That is a marketing matter, an international matter, and public sentiment in this country would not permit this Congress to stop completely either imports or exports. Just try it once.

Mr. ZIMMERMAN. Then if you would call this a price-fixing measure we would all understand the import of it and the measure would not be masquerading under another name.

Mr. DIES. The gentleman voted for the coal bill?

Mr. DISNEY. Yes. In a nutshell, all this bill does is that its functions are ancillary to the proration laws of the States which experienced oil men, refiners, marketers, and all have put on the statute books of the States.

[Here the gavel fell.]

Mr. MAPES. Mr. Chairman, I yield 3 minutes to the gentleman from Illinois [Mr. MASON].

Mr. MASON. Mr. Chairman, I want to summarize a little the evidence that has been produced here on both sides of this question.

The claim that this is a conservation measure does not square with the facts that have been brought out that there has been an increase in consumption of about 40 percent and millions and millions of barrels have been shipped out of the country. These two things do not go together.

This measure, when it was passed 2 years ago, was aimed to stop the cutthroat competition in the production field and it was, as has just been stated, largely brought about by the independent or small producers as a protection for themselves. This situation has been cured by this bill, but, on the other hand, we have heard that the cure, perhaps, in some cases, is worse than the disease. These large producers now produce, refine, transport, and retail and they are now imposing upon the independent retailers instead of the independent producers, and as a result of this, they now lose on the retailing end in order to effect their competition among the independent retailers and they make a profit now on the other ends. So I think that while we have cured one side of it, we have now caused another evil that must be cured, and I do not think this will be cured by prolonging the life of this measure. [Applause.]

[Here the gavel fell.]

Mr. COLE of Maryland. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read.

Mr. BIERMANN. Mr. Chairman, I would like to ask how the time stands or how much time has been used.

The CHAIRMAN. The time, as the gentleman understands, is under the control of the gentleman from Maryland and the gentleman from Michigan.

Mr. BIERMANN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BIERMANN. I understand that as a general proposition the time is supposed to be equally divided between the proponents and opponents of the bill. I have asked the gentleman in charge of the time for the proponents and the opponents for some time. There must be 40 or 45 minutes left. Both of the gentlemen have denied me time, and I would like to know whether in my own right, as an opponent of this bill, I may have 15 minutes.

Mr. COLE of Maryland. The gentleman will recall that he asked for 10 minutes, and the gentleman obtained 10 minutes on the rule instead of in general debate, and, personally, I thought the gentleman was satisfied with the allocation of time which the gentleman from Texas [Mr. DIES] gave him.

Mr. BIERMANN. I talked with the gentleman about time, both on the rule and on the bill, and I obtained my time on the rule from the gentleman from Texas and the gentleman from Michigan, and I asked the gentleman for 15 minutes, and I recall distinctly that the gentleman said that when I got up I should ask the gentleman on the other side for some time.

Mr. COLE of Maryland. I did not know until the gentleman took the floor that he was not satisfied with the time obtained on the rule. I believe I have 3 or 4 minutes remaining. I have no requests for further time, and if the gentleman wants it I will be delighted to yield it to him.

Mr. BIERMANN. Mr. Chairman, as an opponent of the bill——

Mr. PETTENGILL. Mr. Chairman, a parliamentary inquiry.

Mr. BIERMANN. I am submitting a parliamentary inquiry.

Inasmuch as about twice as much time has been given to the proponents as the time given to the opponents, I ask that I may have 15 minutes in my own right.

The CHAIRMAN. The Chair will state to the gentleman that the rule adopted by the House divides the time equally between the gentleman from California [Mr. LEA] and the gentleman from Michigan [Mr. MAPES] without regard to whether they are for or against the bill.

Mr. BIERMANN. Is it possible, Mr. Chairman, under a rule of that kind, to bring about a situation whereby the proponents of a bill may almost monopolize the time?

The CHAIRMAN. That is a matter the Chair cannot control. The House fixed the time by the adoption of the rule.

Mr. PETTENGILL. Mr. Chairman, I should like to ask how much more time is under the control of the gentleman from Michigan. If there is any additional time, I hope the gentleman from Michigan [Mr. MAPES] will yield additional time to my good friend the gentleman from Iowa [Mr. BIERMANN].

Mr. MAPES rose.

The CHAIRMAN. Does the gentleman from Michigan yield to the gentleman from Iowa?

Mr. MAPES. Mr. Chairman, I do not care to take any of the time of the gentleman from Iowa, but if he will sus-

pend a moment and will allow me to yield myself 1 minute, I would like to make a statement.

Mr. BIERMANN. Yes.

Mr. MAPES. I think the gentleman's assumption is incorrect. I have not kept any record of the time allowed to those for or opposed to the bill, but my impression is I have yielded more time to those opposed to the measure than I have to those who are in favor of it. I have yielded to everyone opposed to it who has asked me for time, including the gentleman from Iowa.

Mr. BIERMANN. The gentleman has not yielded me any time on the bill.

Mr. MAPES. I yielded the gentleman time on the rule, and I have yielded time and taken care of everyone, both on this side and on that side, who has asked for time, whether he opposed the bill or not.

Mr. BIERMANN. As long as I yielded to the gentleman I would like to ask him if he thinks it an equitable way to distribute time, when there are at least 40 minutes of time left, to refuse to allow a man to speak for 15 minutes in opposition to the bill?

Mr. MAPES. If the gentleman will permit, I think he has been pretty well taken care of.

Mr. BIERMANN. Then, the gentleman thinks he ought not to yield any more time to me when there are 40 to 50 minutes undisposed of?

Mr. MAPES. I yielded time to the gentleman on the rule, and I do not feel disposed to yield to the gentleman any further.

The CHAIRMAN. The gentleman from Maryland [Mr. COLE] has 5 minutes remaining.

Mr. COLE of Maryland. Mr. Chairman, I yield 4 minutes to the gentleman from Iowa [Mr. BIERMANN].

Mr. BIERMANN. Mr. Chairman, one of the proponents of the bill made the statement that this bill is not the proper place in which to take care of the marketers of oil. If this bill takes care of the producers and the refiners and the owners of pipe lines, it seems to me proper to take care of the little fellow at the other end of the line. What we are asking for, at least those of my mind here, is that we shall not under this bill enrich the producer and the refiner and the owner of pipe lines and allow them to cut down on the little fellow in the corner filling station and drive him out of business. That is all. My amendment merely proposes to protect the independent jobber and marketer while we are insuring the profits of the producers, refiners, and owners of pipe lines.

Mr. DIES. Mr. Chairman, will the gentleman yield?

Mr. BIERMANN. I yield if the gentleman will get me more time.

Mr. DIES. Just to ask the gentleman to explain why 52,000 independent service stations through their present association have endorsed this bill.

Mr. BIERMANN. I do not know anything about that. But allow me to read to the gentleman some of the people who do not endorse it. Mr. T. O. Baucum, of the Kentucky Petroleum Marketers' Association, testified against the bill; Mr. William Earle White, attorney of the Dixie Interstate, an independent which operates in 10 States, testified against the bill; Mr. H. F. Remington, service station dealer, of Reading Pa., came down here and testified against the bill; W. C. McCain, of the Missouri Independent Oil Jobbers' Association, testified against the bill; Mr. Paul E. Hadlick, of the National Oil Marketers' Association, testified against the bill; Mr. Fred E. Bergfors, of the New England Oil Men's Association, also testified against the bill.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. BIERMANN. Yes.

Mr. SHORT. I have received many telegrams and letters from not only my own district but from all over my State, opposing this measure.

Mr. MASON. And so have I.

Mr. HOUSTON. And I have had letters and telegrams and telephone calls from people all over my State who are in favor of the bill.

Mr. BIERMANN. Here is a part of a letter I got from an independent dealer in my State, who says:

> Our company has been in business for the past 12 years as distributors of petroleum products and was able to show a reasonable profit for the first 10 years, but in the past 2 years, since the Connally Act has been in effect, it has shown a loss which, in time, if this law is allowed to stay, will wipe out the entire assets of our company.
>
> Our company, with the other independent oil jobbers of the State of Iowa, is protesting vigorously against Senator CONNALLY'S bill, S. 790, as we do not wish to be forced out of business, if we can help it, by the major oil companies.

Another jobber says:

> The enormous losses reported by the marketing subsidiaries of some of the major companies, and subsidized by the parent company, is clear evidence that this narrow margin of profit established between the tank-car and the tank-wagon price on gasoline has for its purpose the annihilation of the independent jobber.

Mr. Chairman, I appreciate the fact that this amendment that I propose to offer is likely to be held not germane, and under the rules probably it is not germane, but there is nothing in the world to prevent this Committee from foregoing the point of germaneness in order that we may protect the marketer while enriching the other three branches of the industry.

The CHAIRMAN. The time of the gentleman from Iowa has expired. The Clerk will read.

The Clerk read as follows:

> *Be it enacted, etc.*, That section 13 of the act entitled "An act to regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce of petroleum and its products produced in violation of State law, and for other purposes", approved February 22, 1935, is hereby repealed.

With the following committee amendment:

> Page 2, line 1, strike out the words "hereby repealed", and insert "amended by striking out 'June 16, 1937' " and inserting in lieu thereof "June 30, 1939."

Mr. COCHRAN. Mr. Chairman, I move to strike out the last word.

Mr. COLE of Maryland. Mr. Chairman, will the gentleman yield to me for a moment?

Mr. COCHRAN. Yes; provided it is not taken out of my time.

Mr. COLE of Maryland. There is just one section to this bill. Several amendments are proposed, and I am wondering if we cannot agree on time to close debate. I ask unanimous consent that debate upon all amendments thereto close in 15 minutes.

Mr. BOILEAU. Mr. Chairman, reserving the right to object, I think it should first be determined what disposition the Chair will make of the Biermann amendment. If that is held germane, I am sure many Members on both sides would want to be heard.

Mr. COLE of Maryland. I will withdraw that request for the moment, Mr. Chairman.

I ask unanimous consent that all debate on the committee amendment close in 10 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. COCHRAN. Mr. Chairman, of course, we all are in favor of the conservation of oil. I do not propose, however, to subscribe to the logic of the gentleman from Indiana [Mr. PETTENGILL], or the gentleman from Oklahoma [Mr. DISNEY], when they say that the price of gasoline is not affected in any way by the price of crude oil. As the gentleman from Oklahoma [Mr. HILL] said a few moments ago, they were selling crude oil in Oklahoma for 10 cents. Everyone remembers when the Governor of Oklahoma, a former Member of this House, called out the militia to stop that. I never want to see that day return.

If this bill is passed, what will happen? What is the price of oil today? No one can say the cost of production of crude oil has increased 8 or 10 cents a barrel since the bill passed the Senate, but still the cost of crude oil has advanced 8 or 10 cents a barrel since that time. The price of crude oil now, I understand, is $1.22. I am in favor of

conserving the oil supply of this country, but I am not in favor of passing any bill, whether it is hot or cold, if it is going to peg the price to somebody that some of us here ought to be thinking about, and that is the consumer. The trouble with this country today is that there is too great a spread between the producer and the consumer on everything that is produced. Now we have this situation: Is this bill going to result in another increase in the price of crude oil, and if it is are we going to find an increase in the cost of gasoline? It is true they say gasoline has not increased in cost recently. Can it be that somebody is waiting until we pass this bill before they send up the price again? We all know how the price of gasoline is increased and decreased from time to time.

The antitrust laws, the Federal Trade Commission, nor any other Government agency has been able to reach those who control the price of gasoline. When the price of gasoline goes up, every one of the large corporations sends it up, not only the same day but the same minute. Are we going to be foolish enough to believe there is not some agreement in advance between the large producers of this country with reference to increasing and decreasing the price? Of course, the middleman is having his trouble. Aside from the middleman and the jobber and the independent oil merchant, it is up to us to once in a while think of the consumer. In this instance the consumer is the goat if we pass legislation that will result in an increase in the cost of gasoline. We all know it is high enough today. We are assured that the price of gasoline is not going to advance.

I have the utmost faith in Mr. Ickes, the Secretary of the Interior, and I am going to vote for this bill, and I am going to vote for it because I have faith in Mr. Ickes. I feel he is going to protect the consumers of this country. If this bill does result in an increase in the price of gasoline to the consumer, I am sure Mr. Ickes will come here and tell us to take some action that will protect the consumer, and you can be assured I will be one to do everything in my power to see that some kind of legislation is passed to control the price.

Mr. DIES. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. I yield.

Mr. DIES. How can the gentleman explain the official figures which show that gasoline has decreased from 25 cents in 1919 steadily downward to 14 cents. While there has been a small increase since conservation went into effect, that increase is less than the increase in the price of everything else.

Mr. COCHRAN. I will ask the gentleman in his own time to explain to this House why it is that the price of crude oil has jumped from 8 to 10 cents a barrel since this bill passed the Senate? I would like to hear the gentleman explain that in his own time.

Mr. Chairman, I know that many members were surprised when I stated that I intend to vote for this bill. The Texas law expires in 2 years. This bill, which provides for extension of the present law for 2 years, is to provide Government cooperation for that period. Government officials tell us that it is necessary that the law be extended and Members from the oil-producing States assure us there will be no increase in the price as a result; that the extension will stabilize this great industry, will enable millions employed to be paid a decent wage, and that the producer will get a fair profit over the cost of production. I warn those from the oil-producing States that Congress can undo tomorrow what it does today, and I am one who will help to repeal this law, and further than that, help to control the price, if that be possible under the Constitution, if the consumer is going to suffer by an increase in the cost of gasoline as a result of the passage of this bill. The producer must play fair with the consumer. The price of crude oil and gasoline is high enough now and it must not be increased.

Secretary Ickes has shown in the past that he looks after the interests of the masses, and being confident he will do so in this instance I am going to support the bill.

This bill is not open to any amendment, because it simply extends an existing law. If it was possible to amend so that the independent jobber and distributor would get better treatment, I would favor such an amendment. We are trying to get out of this depression and I do not want to impede the progress we are making by crippling one of our greatest industries. I repeat, Mr. Chairman, what happens in the future as to the price of crude oil and gasoline will certainly be reflected here in the event of an increase, and it will be well for those who want this bill passed to remember that.

[Here the gavel fell.]

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

Mr. BIERMANN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BIERMANN: At the end of the bill insert a new section as follows:

"SEC. 14. It shall be unlawful for any person or corporation or affiliate thereof to engage, directly or indirectly in interstate commerce, in marketing crude oil or any of the products thereof if he is engaged in production, refining, and transportation of oil or in any of these activities."

Mr. COLE of Maryland. Mr. Chairman, I make a point of order against the amendment.

The CHAIRMAN. Does the gentleman from Iowa desire to be heard on the point of order?

Mr. BIERMANN. My only thought, Mr. Chairman, is that this bill deals with the entire oil business from the location of the oil in the ground until it reaches the ultimate consumer. The bill in its present form, dealing with the production, refining, and distribution of oil, makes me believe that an amendment dealing with the last operation, marketing, is germane also.

The CHAIRMAN. The bill under consideration amends only one section of existing law in one particular. The amendment of the gentleman adds a new section to existing law, and is, therefore, clearly not germane.

The Chair sustains the point of order.

Mr. BIERMANN. Mr. Chairman, I offer another amendment.

The Clerk read as follows:

Amendment by Mr. BIERMANN: After section 12 of Public, No. 14, Seventy-fourth Congress, insert the following new section:

"SEC. 13. In order to further conserve deposits of crude oil situated in the United States, all tariffs on crude oil and all of its products are hereby repealed."

Mr. COLE of Maryland. Mr. Chairman, I make a point of order against the amendment.

The CHAIRMAN. Does the gentleman from Iowa desire to be heard on the point of order?

Mr. BIERMANN. I do not, Mr. Chairman.

The CHAIRMAN. The amendment offered by the gentleman from Iowa seeks to deal with matters not only not germane to this bill but over which this Committee has no jurisdiction.

The Chair sustains the point of order.

Mr. BIERMANN. Mr. Chairman, I move to strike out the last word.

Mr. PETTENGILL. Mr. Chairman, I ask unanimous consent that the gentleman from Iowa be granted an additional 5 minutes in order that he may fully present his point of view.

The CHAIRMAN. The gentleman from Indiana asks unanimous consent that the gentleman from Iowa may proceed for 10 minutes. Is there objection?

There was no objection.

Mr. BIERMANN. Mr. Chairman, as I said in the beginning, I am in favor of doing anything within reason to secure a just profit to the producer of oil even when the producer of oil is John D. Rockefeller, Jr., the Shell Oil Co., the Continental Oil Co., or any other oil company. I am in favor of the producers of oil having a fair profit, of the refiners having a fair profit, of the owners of the pipe lines having a fair profit; but I am against a bill or a law that allows them to take the profit they make in producing, in

refining and from their pipe lines, and to use those profits to offset marketing losses in order that they may drive the little independent jobber and marketer out of business. There is plenty of testimony in the hearings to show that that has been the effect of this law. I have inserted in the RECORD and have read several telegrams and excerpts from letters showing that that is the experience of the independent jobbers and marketers in my own State. The gentleman from Missouri [Mr. SHORT] and several other Members have said that they have received letters and telegrams of similar import.

It was my hope that the members of this committee would forego a point of order on the amendment I offered, in order that this bill might be for the benefit of all four factors in the oil industry, but they did not see fit to do so, and now we have a bill to extend a law that is exclusively for the producer, the refiner, and the owner of transportation lines, and very largely for the big ones engaged in these businesses.

This has been called a conservation measure. I think there are good grounds on which to controvert that statement. I have never thought, however, that it was of any use to accuse people of anything other than the best of motives unless one has to. As was pointed out by the gentleman from Wisconsin [Mr. SAUTHOFF], we are shipping out of this country vastly more oil than we are importing. There is a tariff of 21 cents a barrel on crude oil and a tariff of 2 cents a gallon on gasoline. If you want to conserve our oil supplies in the United States, let us repeal these tariffs and let this foreign oil come in; let us use it and save our own. That was the purpose of my last amendment.

Mr. DIES. Mr. Chairman, will the gentleman yield?

Mr. BIERMANN. I yield.

Mr. DIES. Would the gentleman be willing to repeal the tariff on other things, particularly those things produced in the gentleman's State, in order that the rest of us may buy them more cheaply?

Mr. BIERMANN. I am willing to repeal tariffs. The tariffs have cost the farmers of my State billions of dollars, and the tariffs on the farm products of Iowa have been a mockery. Tariffs have raised the prices of what Iowa farmers have bought, and finally American tariffs caused foreign countries to retaliate so effectively as to almost destroy the foreign market for American farm products.

Mr. DIES. On everything. Will the gentleman make that general, on wheat, corn, and so forth?

Mr. BIERMANN. The gentleman is a very skillful criminal lawyer and cross-questioner and it requires the very best of criminal-lawyer talent to defend this iniquitous measure which he has brought in here. I say to the gentleman it seems to me it would be very easy for a Democrat coming from a cotton-producing State to favor the abolition of a tariff.

Mr. BOILEAU. Will the gentleman yield?

Mr. BIERMANN. I yield to the gentleman from Wisconsin.

Mr. BOILEAU. I think the gentleman this afternoon in two of his addresses has just about knocked into a cocked hat any argument that this is a conservation bill.

Mr. BIERMANN. I thank the gentleman.

The pro-forma amendment was withdrawn.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. WOODRUM, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 5366) to repeal section 13 of the act entitled "An act to regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce of petroleum and its products produced in violation of State law, and for other purposes", approved February 22, 1935, pursuant to House Resolution 216, he reported the same back to the House with an amendment agreed to in Committee.

The SPEAKER. Under the rule, the previous question is ordered on the bill and amendment to final passage.

The question is on agreeing to the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. BOILEAU) there were—ayes 75, noes 37.

Mr. BIERMANN. Mr. Speaker, I object to the vote on the ground there is not a quorum present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify the absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 189, nays 94, not voting 149, as follows:

[Roll No. 81]

YEAS—189

Aleshire	Evans	Kitchens	Pearson
Allen, Del.	Faddis	Kleberg	Peterson, Fla.
Allen, La.	Farley	Kniffin	Pettengill
Arends	Ferguson	Kocialkowski	Pfeifer
Arnold	Fitzpatrick	Kramer	Plumley
Atkinson	Flannery	Lambeth	Polk
Bacon	Fleger	Lanham	Powers
Barden	Fletcher	Lea	Rabaut
Barry	Fuller	Lesinski	Ramspeck
Bloom	Gambrill	Lewis, Colo.	Randolph
Boehne	Garrett	Lewis, Md.	Rayburn
Boland, Pa.	Gearhart	Long	Reece, Tenn.
Boren	Gildea	Luce	Rees, Kans.
Boyer	Goldsborough	McAndrews	Rich
Boykin	Greever	McFarlane	Richards
Brooks	Griffith	McKeough	Rogers, Okla.
Buck	Griswold	McReynolds	Sanders
Bulwinkle	Guyer	McSweeney	Schaefer, Ill.
Carlson	Halleck	Mahon, S. C.	Schulte
Cartwright	Hamilton	Mahon, Tex.	Simpson
Case, S. Dak.	Hancock, N. Y.	Maloney	Sirovich
Casey, Mass.	Harlan	Mapes	Snyder, Pa.
Church	Hart	Martin, Colo.	South
Cochran	Harter	Massingale	Spence
Colden	Havenner	Maverick	Sumners, Tex.
Cole, Md.	Hendricks	Mead	Sutphin
Cooper	Hennings	Meeks	Thom
Costello	Hill, Ala.	Merritt	Thomas, N. J.
Cravens	Hill, Okla.	Michener	Thomas, Tex.
Crawford	Hobbs	Mills	Thomason, Tex.
Crosby	Honeyman	Mitchell, Ill.	Thompson, Ill.
Crosser	Hope	Mosier, Ohio	Tolan
Crowe	Houston	Mott	Towey
Crowther	Imhoff	Murdock, Ariz.	Transue
Cullen	Jarman	Murdock, Utah	Turner
DeMuth	Jarrett	Nichols	Umstead
Dickstein	Jenkins, Ohio	Norton	Vinson, Fred M.
Dies	Johnson, Luther A.	O'Brien, Ill.	Warren
Dingell	Johnson, Lyndon	O'Connor, N. Y.	Welch
Dirksen	Johnson, Okla.	O'Day	Whittington
Disney	Johnson, W. Va.	O'Leary	Wilcox
Ditter	Jones	O'Toole	Wolcott
Dockweiler	Kelly, Ill.	Palmisano	Wolfenden
Dondero	Kennedy, Md.	Parsons	Wolverton
Doughton	Kennedy, N. Y.	Patman	Woodruff
Doxey	Kenney	Patrick	
Duncan	Keogh	Patterson	
Engel	Kirwan	Patton	

NAYS—94

Amlie	Drew, Pa.	Luecke, Mich.	Sauthoff
Biermann	Dunn	McCormack	Shannon
Bigelow	Eckert	McGranery	Sheppard
Binderup	Eicher	Martin, Mass.	Short
Bland	Forand	Mason	Smith, Maine
Boileau	Frey, Pa.	May	Smith, Va.
Bradley	Gehrmann	Mitchell, Tenn.	Sparkman
Brewster	Gregory	Moser, Pa.	Stefan
Brown	Gwynne	Nelson	Swope
Buckler, Minn.	Healey	O'Connell, Mont.	Taber
Burch	Higgins	O'Connor, Mont.	Taylor, S. C.
Burdick	Hildebrandt	Oliver	Teigan
Cannon, Mo.	Holmes	O'Neal, Ky.	Thurston
Citron	Hull	O'Neill, N. J.	Tobey
Clason	Hunter	Owen	Vincent, B. M.
Claypool	Izac	Pace	Wallgren
Cluett	Jacobsen	Peterson, Ga.	Wigglesworth
Coffee, Wash.	Jenks, N. H.	Rankin	Williams
Colmer	Johnson, Minn.	Reed, Ill.	Withrow
Culkin	Kinzer	Rigney	Wood
Daly	Knutson	Rogers, Mass.	Woodrum
Deen	Kopplemann	Romjue	Zimmerman
Dorsey	Leavy	Rutherford	
Dowell	Lemke	Ryan	

NOT VOTING—149

Allen, Ill.	Ashbrook	Bernard	Cannon, Wis.
Allen, Pa.	Bates	Boylan, N. Y.	Carter
Anderson, Mo.	Beam	Buckley, N. Y.	Celler
Andresen, Minn.	Beiter	Byrne	Champion
Andrews	Bell	Caldwell	Chandler

Chapman	Gavagan	McGrath	Seger
Clark, Idaho	Gifford	McGroarty	Shafer, Mich.
Clark, N. C.	Gilchrist	McLaughlin	Shanley
Coffee, Nebr.	Gingery	McLean	Smith, Conn.
Cole, N. Y.	Goodwin	McMillan	Smith, Wash.
Collins	Gray, Ind.	Maas	Smith, W. Va.
Connery	Gray, Pa.	Magnuson	Snell
Cooley	Green	Mansfield	Somers, N. Y.
Cox	Greenwood	Millard	Stack
Creal	Haines	Miller	Starnes
Cummings	Hancock, N. C.	Mouton	Steagall
Curley	Harrington	O'Brien, Mich.	Sullivan
Delaney	Hartley	O'Connell, R. I.	Sweeney
Dempsey	Hill, Wash.	O'Malley	Tarver
DeRouen	Hoffman	Peyser	Taylor, Colo.
Dixon	Hook	Phillips	Taylor, Tenn.
Douglas	Jenckes, Ind.	Pierce	Terry
Drewry, Va.	Kee	Poage	Tinkham
Driver	Keller	Quinn	Treadway
Eaton	Kelly, N. Y.	Ramsay	Vinson, Ga.
Eberharter	Kerr	Reed, N. Y.	Voorhis
Edmiston	Kloeb	Reilly	Wadsworth
Ellenbogen	Kvale	Robertson	Walter
Englebright	Lambertson	Robinson, Utah	Wearin
Fernandez	Lamneck	Robsion, Ky.	Weaver
Fish	Lanzetta	Sabath	Wene
Fitzgerald	Larrabee	Sacks	West
Flannagan	Lord	Sadowski	Whelchel
Ford, Calif.	Lucas	Schneider, Wis.	White, Idaho
Ford, Miss.	Luckey, Nebr.	Schuetz	White, Ohio
Fries, Ill.	Ludlow	Scott	
Fulmer	McClellan	Scrugham	
Gasque	McGehee	Secrest	

So the bill was passed.

The Clerk announced the following pairs:

On the vote:

Mr. Hartley (for) with Mr. Drewry of Virginia (against).
Mr. Snell (for) with Mr. Robertson (against).
Mr. Reilly (for) with Mr. Bell (against).
Mr. Smith of Connecticut (for) with Mr. Cole of New York (against).
Mr. Tinkham (for) with Mr. Andresen of Minnesota (against).

Until further notice:

Mr. Hancock of North Carolina with Mr. Treadway.
Mr. Taylor of Colorado with Mr. Carter.
Mr. Greenwood with Mr. Eaton.
Mr. Terry with Mr. Wadsworth.
Mr. Cox with Mr. Seger.
Mr. Mansfield with Mr. Douglas.
Mr. Cooley with Mr. Gifford.
Mr. Steagall with Mr. Reed of New York.
Mr. McLaughlin with Mr. Bates.
Mr. Fulmer with Mr. White of Ohio.
Mr. Collins with Mr. Taylor of Tennessee.
Mr. Smith of West Virginia with Mr. Shafer of Michigan.
Mr. Ludlow with Mr. Allen of Illinois.
Mr. Flannagan with Mr. McLean.
Mr. Lucas with Mr. Robsion of Kentucky.
Mr. Driver with Mr. Hoffman.
Mr. Lamneck with Mr. Fish.
Mr. Kerr with Mr. Carlson.
Mr. Schuetz with Mr. Andrews.
Mr. Beam with Mr. Gilchrist.
Mr. McClellan with Mr. Maas.
Mr. Green with Mr. Lambertson.
Mr. Miller with Mr. Lord.
Mr. Tarver with Mr. Englebright.
Mr. McMillan with Mr. Millard.
Mr. Starnes with Mr. Goodwin.
Mr. Weaver with Mr. Bernard.
Mr. Vinson of Georgia with Mr. Schneider of Wisconsin.
Mr. West with Mr. Kvale.
Mr. Allen of Pennsylvania with Mr. Dixon.
Mr. Robinson of Utah with Mr. Beiter.
Mr. Anderson of Missouri with Mr. Scott.
Mr. Secrest with Mr. Caldwell.
Mr. Somers of New York with Mr. Ford of Mississippi.
Mr. Chapman with Mr. Sullivan.
Mr. Walter with Mr. Clark of Idaho.
Mr. Harrington with Mr. Wearin.
Mr. Creal with Mrs. Jenckes of Indiana.
Mr. Delaney with Mr. O'Connell of Rhode Island.
Mr. Smith of Washington with Mr. Gavagan.
Mr. Edmiston with Mr. Shanley.
Mr. Whelchel with Mr. Lanzetta.
Mr. Dempsey with Mr. Phillips.
Mr. Curley with Mr. DeRouen.
Mr. Voorhis with Mr. Kelly of New York.
Mr. Keller with Mr. Ramsay.
Mr. Coffee of Nebraska with Mr. Pierce.
Mr. McGehee with Mr. Stack.
Mr. Sweeney with Mr. Larrabee.
Mr. Ashbrook with Mr. Ellenbogen.
Mr. Boylan of New York with Mr. Fernandez.
Mr. Gray of Pennsylvania with Mr. Celler.
Mr. Poage with Mr. Kee.
Mr. Fitzgerald with Mr. Clark of North Carolina.
Mr. Fries with Mr. McGrath.
Mr. Buckley of New York with Mr. Ford of California.
Mr. Luckey of Nebraska with Mr. Byrne.
Mr. Gray of Indiana with Mr. Chandler.
Mr. Gasque with Mr. O'Malley.
Mr. Hook with Mr. Connery.
Mr. Quinn with Mr. Haines.
Mr. Kloeb with Mr. O'Brien of Michigan.

The title was amended to read as follows: "A bill to continue in effect until June 30, 1939, the act entitled 'An act to regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce of petroleum and its products produced in violation of State law, and for other purposes', approved February 22, 1935."

The doors were opened.

The result of the vote was announced as above recorded.

Mr. COLE of Maryland. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 790) to repeal section 13 of the act entitled "An act to regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce of petroleum and its products produced in violation of State law, and for other purposes", approved February 22, 1935.

My reason for making this request is that the Senate bill for which I have asked immediate consideration at this time is identical with the bill just passed by the House with the exception of the committee amendment.

The SPEAKER pro tempore (Mr. McREYNOLDS). Is there objection to the request of the gentleman from Maryland?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That section 13 of the act entitled "An act to regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce of petroleum and its products produced in violation of State law, and for other purposes", approved February 22, 1935, is hereby repealed.

Mr. COLE of Maryland. Mr. Speaker, I offer an amendment to the Senate bill, striking out all after the enacting clause and inserting in lieu thereof the bill (H. R. 5366) as passed by the House this afternoon.

The Clerk read as follows:

Amendment offered by Mr. COLE of Maryland: Strike out all after the enacting clause and insert the following:

"That section 13 of the act entitled 'An act to regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce of petroleum and its products produced in violation of State law, and for other purposes', approved February 22, 1935, is amended by striking out 'June 16, 1937' and inserting in lieu thereof 'June 30, 1939.'"

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed.

The title was amended to read as follows: "A bill to continue in effect until June 30, 1939, the act entitled 'An act to regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce of petroleum and its products produced in violation of State law and for other purposes'", approved February 22, 1935.

On motion of Mr. COLE of Maryland, a motion to reconsider was laid on the table.

Mr. COLE of Maryland. Mr. Speaker, I move to vacate the proceedings whereby the House bill was passed and lay that motion on the table.

The motion was agreed to.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. BERNARD, at the request of Mr. BOILEAU, for 3 days, on account of important business.

To Mr. VOORHIS, for 12 days, on account of urgent personal business.

To Mr. SHANLEY, at the request of Mr. SMITH of Connecticut, for 1 day, on account of important business.

To Mr. HANCOCK of North Carolina, for several days, on account of important business.

To Mr. HAINES, until June 8, on account of important business.

SENATE BILLS AND JOINT RESOLUTIONS REFERRED

Bills and joint resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 190. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Waterton Oil, Land & Power Co., of Butte, Mont., against the United States; to the Committee on the Public Lands.

S. 523. An act for the relief of Mrs. Guy A. McConoha; to the Committee on Claims.

S. 546. An act for the relief of Annie Mary Wilmuth; to the Committee on Claims.

S. 703. An act for the relief of John T. Armstrong; to the Committee on Claims.

S. 1143. An act for the relief of G. L. Tarlton; to the Committee on Claims.

S. 1144. An act for the relief of the Frazier-Davis Construction Co.; to the Committee on Claims.

S. 1274. An act to confer jurisdiction upon the United States District Court for the District of Nebraska to determine the claim of John H. Owens; to the Committee on Claims.

S. 1279. An act to authorize the sale, under the provisions of the act of March 12, 1926 (44 Stat. 203), of surplus War Department real property; to the Committee on Military Affairs.

S. 1401. An act for the relief of Willard Collins; to the Committee on Claims.

S. 1850. An act to provide for the appointment of James W. Grose as a sergeant, first class (master sergeant), United States Army; to the Committee on Military Affairs.

S. 1965. An act for the relief of James A. Lyons; to the Committee on Claims.

S. 2147. An act to amend the Agricultural Marketing Agreement Act, as amended; to the Committee on Agriculture.

S. 2152. An act for the relief of Sue F. Melton; to the Committee on Claims.

S. 2154. An act for the relief of Hattie Tolbert; to the Committee on Claims.

S. 2156. An act to amend the act relating to the Omaha-Council Bluffs Missouri River Bridge Board of Trustees, approved June 10, 1930, and for other purposes; to the Committee on Interstate and Foreign Commerce.

S. 2193. An act to authorize the construction of certain auxiliary vessels for the Navy; to the Committee on Naval Affairs.

S. 2295. An act to amend the act approved June 7, 1935 (Public, No. 116, 74th Cong.; 49 Stat. 332), to provide for an additional number of cadets at the United States Military Academy, and for other purposes; to the Committee on Military Affairs.

S. 2334. An act for the relief of certain disbursing officers of the Army of the United States and for the settlement of individual claims approved by the War Department; to the Committee on Claims.

S. 2374. An act for the relief of F. A. Gross and others; to the Committee on Claims.

S. 2399. An act for the relief of R. L. McLachlan; to the Committee on Claims.

S. 2400. An act to simplify accounting, and for other purposes; to the Committee on Expenditures in the Executive Departments.

S. 2463. An act to authorize an additional number of medical and dental officers for the Army; to the Committee on Military Affairs.

S. J. Res. 85. Joint resolution authorizing an appropriation for an investigation of the social and economic needs of laborers migrating across State lines; to the Committee of Labor.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 856. An act for the relief of First Lt. R. G. Cuno;

H. R. 1232. An act for the relief of John W. Bolin;

H. R. 1304. An act for the relief of John E. Sandage;

H. R. 1502. An act to amend Public Law No. 626, Seventy-fourth Congress;

H. R. 1759. An act for the relief of Minnie D. Hines;

H. R. 1792. An act for the relief of John Kelley;

H. R. 2360. An act for the relief of Carter R. Young;

H. R. 2554. An act for the relief of Frank Cubero;

H. R. 2673. An act for the relief of Howard Hefner;

H. R. 3736. An act for the relief of Mr. and Mrs. Edward J. Pruett;

H. R. 3841. An act for the relief of Col. J. P. Barney;

H. R. 3874. An act to extend the times for commencing and completing the construction of a bridge and causeway across the water between the mainland, at or near Cedar Point, and Dauphin Island, Ala.;

H. R. 3963. An act for the relief of John Zarnick;

H. R. 4706. An act authorizing the State Roads Commission of the State of Maryland and the State Highway Department of the State of Virginia to construct, maintain, and operate a free highway bridge across the Potomac River at or near a point in the vicinity of Point of Rocks, in Frederick County, and a point near the south end of Loudoun County to take the place of a bridge destroyed by flood in 1936;

H. R. 4801. An act authorizing the county of Wahkiakum, a legal political subdivision of the State of Washington, to construct, maintain, and operate a free highway bridge across the Columbia River between Puget Island and the mainland, Cathlamet, State of Washington;

H. R. 4809. An act to authorize the Works Progress Administration to lend or give World War relics and other property at Fort Eustis, Va., to the American Legion Museum at Newport News, Va.;

H. R. 5136. An act to authorize the acquisition of land for cemeterial purposes in the vicinity of San Francisco, Calif.;

H. R. 5206. An act for the relief of Jacob G. Ackerman;

H. R. 5467. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River between St. Louis, Mo., and Stites, Ill.;

H. R. 6293. An act to adjust the rank of certain Coast Guard officers on the retired list; and

H. J. Res. 334. Joint resolution to protect the copyrights and patents of foreign exhibitors at the New York World's Fair, to be held at New York City, N. Y., in 1939.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 430. An act conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of Elmer E. Miller;

S. 451. An act for the relief of Farley J. Holloman;

S. 522. An act for the relief of R. R. Purcell;

S. 556. An act for the relief of W. B. Greeley;

S. 733. An act conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment on the claim of Robert A. Watson;

S. 1081. An act for the relief of H. G. Carriere, Charles E. Livingston, and John Latham;

S. 1471. An act for the relief of Jordan Roberts;

S. 1479. An act for the relief of the estate of Charles White;

S. 1507. An act authorizing the return of the commission of John Baptiste Ashe as a major in the Continental Army to Martha B. Rogers, nee Ashe;

S. 1572. An act for the relief of Frank Fisher;

S. 1753. An act for the relief of James A. Fox; and

S. 2059. An act to authorize Austin H. Clark and Ellsworth P. Killip, of the United States National Museum, to accept certain decorations, respectively, from the Danish and French Governments.

ADJOURNMENT OVER

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that when the House adjourns tomorrow it adjourn to meet on Monday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. RICH. Mr. Speaker, by unanimous consent I received 15 minutes to address the House today, but I am not going to impose on the good nature of the House at this time. I ask unanimous consent to address the House for 20 minutes on Tuesday, June 8, after the reading of the Journal and disposition of business on the Speaker's table.

The SPEAKER pro tempore. The Chair may say there are two special orders heretofore made for next Tuesday.

Mr. RICH. Mr. Speaker, I make the same request for Wednesday. I ask unanimous consent that on Wednesday, June 9, after the reading of the Journal and disposition of business on the Speaker's table, I may be permitted to address the House for 20 minutes.

The SPEAKER pro tempore. Is there objection?

Mr. RAYBURN. Mr. Speaker, reserving the right to object, and I shall object unless the gentleman agrees to modify his request so that he may address the House after the disposition of any privileged matters that we may desire to call up.

Mr. RICH. Mr. Speaker, then I renew my request for Thursday, June 10.

Mr. RAYBURN. Mr. Speaker, reserving the right to object, I understand the gentleman is going to make the request for several days. My objection goes to all of them.

Mr. RICH. Mr. Speaker, I am going to make the same request for every day from now until July 4.

Mr. MAVERICK. How about July 5?

Mr. RICH. May I say at this time that nobody else is going to get time from now until July 4. I make the same request for Friday, June 11.

Mr. RAYBURN. Mr. Speaker, I object.

Mr. MAPES. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. MAPES. The gentleman from Texas [Mr. RAYBURN], the majority leader, speaks about privileged business. My understanding of what the gentleman has in mind is the completion of the business of the day; that is, the regular legislative business; not necessarily business that is privileged under the rules.

Mr. RAYBURN. The gentleman is correct.

Mr. MAPES. Perhaps if the gentleman from Pennsylvania and the gentleman from Texas understood each other, some agreement could be arrived at. If the gentleman from Pennsylvania would ask unanimous consent to make a speech after the completion of the legislative business of the day, I think the gentleman from Texas would have no objection.

Mr. O'CONNOR of New York. Mr. Speaker, that would not cover the situation, because the business of the day would apply only to Monday, which is District of Columbia day——

Mr. MAPES. I did not say the regular business of the day; I said the legislative business of the day.

Mr. O'CONNOR of New York. That would not apply to privileged matters like conference reports or rules. The regular business of the day on Calendar Wednesday is, of course, set and cannot be set aside without a two-thirds vote. The Private Calendar on the first Tuesday cannot be set aside except by two-thirds vote.

Mr. MAPES. I do not understand that rules are privileged, if the gentleman will permit. The Committee on Rules has the right to submit reports at any time.

Mr. O'CONNOR of New York. It has the right to call up rules. Rules are of the highest privilege next to some constitutional question. I am not arguing for rules being called up, but the understanding about this situation for a month or so has been that until we get through with the regular business of the day, which includes conference reports, the call of committees on Calendar Wednesday, and the Private Calendar on Tuesdays, rules, and so forth, these speeches should wait.

Mr. MAPES. Perhaps, the gentleman's expression, the regular business of the day, is better than mine of the legislative business of the day, but I think the gentlemen could get together if they understood each other.

Mr. O'CONNOR of New York. I may say to the gentleman that I have suggested for at least 6 years, without getting much support, that it might be well to set aside not more than 1 hour of each day at the beginning of each session for speeches or special orders. I should like to see all speeches limited to 15 minutes. Then we would know at any time on any day—not to encourage people to think up speeches—that the first hour of the day might well be set aside for special orders, and then we could proceed to the conduct of the regular business of the House. Some industrious person will some day suggest this, and it may meet with the approval of the House.

Mr. RAYBURN. Mr. Speaker, will the gentleman from Michigan yield?

Mr. MAPES. Yes.

Mr. RAYBURN. I could stand here and protect the legislative program from being interfered with by any speeches by just objecting. Any one Member can do this. I do not want to do it, I may say to the gentleman from Michigan. I want to be as helpful as I can to every man who wants time to make a speech.

Mr. MAPES. I may say to the gentleman I did not intend by my question to indicate any criticism of the gentleman's position.

Mr. RAYBURN. Oh, no; I did not interpret it in that fashion.

Mr. MAPES. I think the gentleman's position is justifiable.

Mr. RAYBURN. Before we adopted this system—it is not a rule, of course—we found ourselves here one day with a very important bill which we had hoped to pass the day before, but which went over to the following day, and something like 2 hours or 2½ hours were taken up by speeches. This made it very hard to complete the bill that day. I do not object to these requests simply because I do not want gentlemen to have the time, for I do want them to have the time if we can comply with what I think is the necessary legislative program for the day.

Mr. RICH. Mr. Speaker, I ask unanimous consent that on the first day the clock has not passed the hour of 1, after the reading of the Journal and the disposition of business on the Speaker's desk, I may have the first 20 minutes following to address the House of Representatives.

Mr. RAYBURN. I cannot agree to that, Mr. Speaker.

Mr. O'CONNOR of New York. Will the gentleman make that October 15?

Mr. RICH. How about making it Christmas Day?

Mr. UMSTEAD. Mr. Speaker, I demand the regular order.

Mr. RICH. Mr. Speaker, I make the point of order a quorum is not present.

Mr. MAPES. Mr. Speaker, will the gentleman withhold his point of order for a moment?

Mr. RICH. Yes.

Mr. MAPES. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. BOREN. Mr. Speaker, will the gentleman withhold his point of no quorum a moment?

Mr. RICH. Mr. Speaker, I make the point of order there is no quorum present.

The SPEAKER pro tempore. Will the gentleman withhold that a moment?

Mr. RICH. Mr. Speaker, if I am not going to get unanimous consent to address this House, and I will let the majority leader set the time, but the time will not be after 6 o'clock in the afternoon, because you know and I know that anyone who would make a speech at 6 o'clock in the afternoon would be imposing on the House.

Mr. UMSTEAD. Regular order, Mr. Speaker.

Mr. RAYBURN. I may say to the gentleman from Pennsylvania that I am not going to treat the gentleman any differently from the way I would treat any other Member of the House.

Mr. RICH. I am not asking that.

Mr. RAYBURN. The gentleman is asking that. Does the gentleman insist on his point of no quorum?

Mr. RICH. I insist on my point of no quorum, Mr. Speaker.

ADJOURNMENT

Mr. RAYBURN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 12 minutes p. m.) the House adjourned until tomorrow, Friday, June 4, 1937, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE JUDICIARY

There will be a hearing before Subcommittee No. III of the Committee on the Judiciary Friday, June 4, 1937, at 10:30 a. m., on H. R. 4650, to amend section 40 of the United States Employees' Compensation Act, as amended (the term "physician" to include surgeons and osteopathic practitioners).

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a. m., Tuesday, June 8, 1937, to hold hearings on H. R. 6968, to amend the Securities Act of 1933.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. SMITH of Virginia: Committee on Rules. House Resolution 227. Resolution providing for the consideration of H. R. 2271; without amendment (Rept. No. 929). Referred to the House Calendar.

Mr. DRIVER: Committee on Rules. House Resolution 228. Resolution providing for the consideration of H. R. 5969; without amendment (Rept. No. 930). Referred to the House Calendar.

Mr. DIES: Committee on Rules. House Resolution 229. Resolution providing for the consideration of H. R. 6391; without amendment (Rept. No. 931). Referred to the House Calendar.

Mr. LANHAM: Committee on Public Buildings and Grounds. H. R. 6287. A bill to provide for space in Federal buildings for employees' credit unions; with amendment (Rept. No. 932). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROGERS of Oklahoma: Committee on Indian Affairs. H. R. 7328. A bill to authorize an appropriation to carry out the provisions of the act of May 3, 1928 (45 Stat. L. 484), and for other purposes; without amendment (Rept. No. 933). Referred to the Committee of the Whole House on the state of the Union.

Mr. GREEVER: Committee on the Public Lands. H. R. 4277. A bill to provide for the extension of certain prospecting permits, and for other purposes; without amendment (Rept. No. 934). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. WOODRUM: A bill (H. R. 7363) to continue the Federal Emergency Administration of Public Works for 2 years, and for other purposes; to the Committee on Appropriations.

By Mr. CARLSON: A bill (H. R. 7364) to amend section 202 (c) of the World War Adjusted Compensation Act; to the Committee on World War Veterans' Legislation.

By Mr. MANSFIELD: A bill (H. R. 7365) to provide for the regional conservation and development of the national resources, and for other purposes; to the Committee on Rivers and Harbors.

By Mr. CLARK of Idaho (by request): A bill (H. R. 7366) to amend title IA, section 351, paragraph (a) of the Revenue Act of 1936; to the Committee on Ways and Means.

Also (by request): A bill (H. R. 7367) to amend title IA, section 351, paragraph (b) of the Revenue Act of 1936; to the Committee on Ways and Means.

By Mr. GWYNNE: A bill (H. R. 7368) to authorize a preliminary examination and survey of Iowa River, Iowa, with a view to the control of its floods; to the Committee on Flood Control.

By Mr. KING: A bill (H. R. 7369) to validate certain certificates of naturalization granted by the United States District Court for the District of Hawaii; to the Committee on Immigration and Naturalization.

By Mr. MEAD: A bill (H. R. 7370) providing for the transportation of the mails on certain commercially operated aircraft, and for other purposes; to the Committee on the Post Office and Post Roads.

By Mr. EICHER: A bill (H. R. 7371) to amend the antitrust laws; to the Committee on the Judiciary.

By Mr. ELLENBOGEN: A bill (H. R. 7372) to amend section 211 of the Criminal Code, as amended, to provide for jury trials in proceedings concerning nonmailable matter, to regulate procedure for forfeiture of nonmailable matter, and for other purposes; to the Committee on the Judiciary.

By Mr. HOBBS: A bill (H. R. 7373) to aid the several States in making, or for having made, certain toll bridges on the system of Federal-aid highways free bridges, and for other purposes; to the Committee on Roads.

By Mr. KING: A bill (H. R. 7374) to amend the Hawaiian Homes Commission Act, 1920; to the Committee on the Territories.

By Mr. CALDWELL: A bill (H. R. 7375) to authorize a refund of taxes on crude petroleum under certain circumstances; to the Committee on Ways and Means.

By Mr. JENKINS of Ohio: A bill (H. R. 7376) to amend the act entitled "An act to amend certain administrative provisions of the Tariff Act of 1930, and for other purposes"; to the Committee on Ways and Means.

By Mr. KING: A bill (H. R. 7377) to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue sewer bonds; to the Committee on the Territories.

Also, a bill (H. R. 7378) to authorize the Legislature of the Territory of Hawaii to create a Public Corporate Authority authorized to engage in slum clearance and housing undertakings and to issue bonds of the authority, to authorize said legislature to provide for financial assistance to said authority by the Territory and its political subdivisions, and for other purposes; to the Committee on the Territories.

By Mr. LEA: A bill (H. R. 7379) to authorize the Department of Agriculture to aid in the development of fuels from agricultural and other products, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. O'CONNELL of Montana: A bill (H. R. 7380) to provide for participation by the Confederated Salish and Kootenai Tribes of the Flathead Reservation, Mont., in the control of their financial assets; to the Committee on Indian Affairs.

Also, a bill (H. R. 7381) to authorize the issuance of permits to Indians of the Flathead Indian Reservation to purchase light wines and beer; to the Committee on Indian Affairs.

By Mr. MOSIER of Ohio: Resolution (H. Res. 230) for the relief of Martha L. Bailey; to the Committee on Accounts.

By Mr. EICHER: Joint resolution (H. J. Res. 396) providing for the appointment of a National Unemployment and Relief Commission; to the Committee on Labor.

By Mr. SIROVICH: Joint resolution (H. J. Res. 397) providing for the declaration of a National Slum Clearance Day by the President of the United States; to the Committee on the Judiciary.

By Mr. KELLER: Joint resolution (H. J. Res. 398) providing for the appointment of a National Unemployment and Relief Commission; to the Committee on Labor.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. COLMER: A bill (H. R. 7382) for the relief of Roy H. Alderman; to the Committee on Claims.

By Mr. CULKIN: A bill (H. R. 7383) granting an increase of pension to Louise Newton; to the Committee on Invalid Pensions.

By Mr. CULLEN: A bill (H. R. 7384) for the relief of the estate of George Ehret, Jr.; to the Committee on Claims.

By Mr. ECKERT: A bill (H. R. 7385) granting an increase of pension to Louisa Stevens; to the Committee on Invalid Pensions.

By Mr. GRAY of Indiana: A bill (H. R. 7386) granting a pension to Virginia Belle Ryan; to the Committee on Invalid Pensions.

By Mr. MAGNUSON: A bill (H. R. 7387) for the relief of Cecile C. Cameron; to the Committee on Foreign Affairs.

By Mr. NICHOLS: A bill (H. R. 7388) for the relief of Standard Oil Co. for losses sustained by payment of discriminatory excess tonnage taxes and light moneys; to the Committee on Claims.

By Mr. REECE of Tennessee: A bill (H. R. 7389) granting a pension to Myrtle Payne; to the Committee on Invalid Pensions.

By Mr. TOWEY: A bill (H. R. 7390) granting a pension to Clara T. Wilkins Simmons; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions an papers were laid on the Clerk's desk and referred as follows:

2500. By Mr. BLOOM: Petition of the board of directors of the metropolitan section, American Society of Civil Engineers, endorsing the Ickes plan for expediting the topographic mapping of the United States and respectfully urging the adoption of the said Ickes plan and the making available of the funds necessary to permit the initiation of the proposed mapping program as soon as practicable; to the Committee on Agriculture.

2501. By Mr. COLDEN: Assembly Joint Resolution No. 46, relative to memorializing the President and Congress of the United States to enact legislation to relieve California champagne makers from discriminatory regulations of the Federal Alcohol Administration; to the Committee on Ways and Means.

2502. By Mr. FITZPATRICK: Petition of the joint board of the Cloak, Suit, Skirt, and Reefer Makers' Unions of Greater New York, urging the passage of the Wagner-Steagall housing bill; to the Committee on Banking and Currency.

2503. By Mr. FORD of California: Resolution of the Assembly and Senate of California, memorializing the President and Congress of the United States to enact legislation to relieve California champagne makers from discriminatory regulations of the Federal Alcohol Administration; to the Committee on Ways and Means.

2504. By Mr. LUTHER A. JOHNSON: Petition of F. R. Brison, of College Station, Tex., favoring Senate bill 1290, providing for an advance of duty on cashew nuts; to the Committee on Ways and Means.

2505. Also, petition of Lon C. Smoot, favoring House bill 5244, for disabled emergency officers' retirement legislation; to the Committee on Military Affairs.

2506. By Mr. KEOGH: Petition of the joint board of the Cloak, Suit, Skirt, and Reefer Makers' Union of Greater New York, concerning the Wagner-Steagall bill (S. 1685 and H. R. 5033); to the Committee on Banking and Currency.

2507. Also, petition of the Whitestone Association, Local No. 1, New York City, concerning administration order no. 197 of the Federal Emergency Administration of Public Works; to the Committee on Appropriations.

2508. By Mr. KING: Petition of the Honolulu Council of Social Agencies, requesting the Congress of the United States to enact the Copeland-Bloom pregrade education bill; to the Committee on Education.

2509. Also, petition of the Free Kindergarten and Children's Aid Association, requesting the Congress of the United States to enact the Copeland-Bloom pregrade education bill; to the Committee on Education.

2510. By Mr. LORD: Petition of Erford C. Landers and 30 residents of Oxford, N. Y., protesting against the President's bill, or any substitutes, permitting the executive branch of the Government to control or subordinate the judicial or the legislative powers established under the Constitution; to the Committee on the Judiciary.

2511. By Mr. O'NEILL of New Jersey: Petition of the Steamfitters and Helpers' Local 475, United Association, petitioning the Congress for the enactment of the Wagner-Steagall bill, the United States Housing Act; to the Committee on Banking and Currency.

2512. By Mr. PFEIFER: Petition of the joint board of the Cloak, Suit, Skirt, and Reefer Makers' Unions of Greater New York, concerning the Wagner-Steagall bill (S. 1685 and H. R. 5033); to the Committee on Banking and Currency.

2513. By Mr. PLUMLEY: Petition of the executive committee of the Vermont State Chamber of Commerce, opposing the railroad 6-hour-day bill; to the Committee on Labor.

2514. By Mr. SPARKMAN: Petition of Sherman East and various other citizens of Colbert County, Ala., urging the enactment of the old-age pension bill as embodied in House bill 2257, introduced by Representative WILL ROGERS, of Oklahoma; to the Committee on Ways and Means.

2515. Also, petition of Ella Goodwin and various other citizens of Jackson County, Ala., urging the enactment of the old-age pension bill as embodied in House bill 2257, introduced by Representative WILL ROGERS, of Oklahoma; to the Committee on Ways and Means.

2516. Also, petition of Tempia Johns and various other citizens of Lawrence County, Ala., urging the enactment of the old-age pension bill as embodied in House bill 2257, introduced by Representative WILL ROGERS, of Oklahoma; to the Committee on Ways and Means.

2517. Also, petition of Ben F. Rose and various other citizens of Limestone County, Ala., urging the enactment of the old-age pension bill as embodied in House bill 2257, introduced by Representative WILL ROGERS, of Oklahoma; to the Committee on Ways and Means.

2518. Also, petition of Sarah Eldridge and two other citizens of Madison County, Ala., urging the enactment of the old-age pension bill as embodied in House bill 2257, introduced by Representative WILL ROGERS, of Oklahoma; to the Committee on Ways and Means.

2519. By the SPEAKER: Petition of the International Convention of Red Caps, urging the Congress to enact legislation which will establish redcaps as employees of carriers, entitled to all the rights, privileges, and benefits afforded to other crafts in the transportation systems of the Nation; to the Committee on Interstate and Foreign Commerce.

HOUSE OF REPRESENTATIVES

FRIDAY, JUNE 4, 1937

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, offered the following prayer:

O Lord, from whom all good things do come, grant us, Thy humble servants, that by Thy holy inspiration we may think those things that are good and by Thy merciful guiding may perform the same. May the words of our mouths and the meditations of our hearts be acceptable in Thy

sight, O Lord, our strength and our redeemer. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

REVENUE

Mr. COOPER, from the Committee on Ways and Means, reported House Joint Resolution 375, to provide revenue, and for other purposes, which was referred to the Union Calendar and ordered printed.

RECESS

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that the House stand in recess subject to the call of the Chair.

The SPEAKER. Is there objection?

There was no objection.

Accordingly (at 12 o'clock and 2 minutes p. m.) the House stood in recess.

IN MEMORIAM

HON. JOSEPH W. BYRNS, SPEAKER OF THE HOUSE OF REPRESENTATIVES, FIFTH CONGRESSIONAL DISTRICT OF TENNESSEE. DIED JUNE 4, 1936

MEMORIAL SERVICE PROGRAM

Prelude, sacred selections (11:30 to 12)--United States Navy Band
Presiding Officer------The Speaker of the House of Representatives
Invocation----------The Chaplain, Dr. James Shera Montgomery
Devotional silence.
Scripture reading and prayer----------The Chaplain
Address----------Hon. SAM D. MCREYNOLDS
Representative from the State of Tennessee
Cornet solo—Nearer My God to Thee----------Oscar Short
From the United States Navy Band
Benediction----------The Chaplain

The CHAPLAIN (Dr. Montgomery). Eternal God, our Father, Thou who art ever present to guide and to comfort, increase the faith and hopes which we feel in the temples of our souls. By these tokens grant that at the last we may merit the "well done, good and faithful servant." We thank Thee for the Voice that comes across the centuries to the hearts of all mortals, "Be of good cheer." An abiding sorrow has fallen upon us in the transition of a most notable Member. In the legislative halls of our Nation and as a distinguished son of a great Commonwealth, strong, upright, and aggressive, he served them with untiring zeal and devotion. Console his family with hopes and promises of a glorified, endless future, where the voice which was music to their ears, where the eyes which looked into their hearts and the arms which sustained them shall receive them and remain with them forever. Through Jesus Christ our Lord. Amen.

Our Father who art in heaven, hallowed be Thy name; Thy kingdom come; Thy will be done in earth as it is in heaven. Give us this day our daily bread. Forgive us our trespasses as we forgive those who trespass against us, and lead us not into temptation, but deliver us from evil, for Thine is the kingdom, the power, and the glory forever. Amen.

Though I speak with the tongues of men and of angels and have not love, I am a sounding brass and a tinkling cymbal. And though I have the gift of prophecy and understand all mysteries and all knowledge; and though I have all faith so that I could remove mountains and have not love, I am nothing. And though I bestow all my goods to feed the poor and though I give my body to be burned and have not love, it profiteth me nothing. Love suffereth long and is kind, love envieth not; love vaunteth not itself; is not puffed up. Doth not behave itself unseemly; seeketh not her own, is not easily provoked, thinketh no evil. Rejoiceth not in iniquity but rejoiceth in the truth. Beareth all things, hopeth all things, endureth all things. Love never faileth; but whether there be prophecies, they shall fail; whether there be tongues, they shall cease; and whether there be knowledge, it shall vanish away. For we know in part; we prophesy in part. But when that which is perfect is come then that which was in part shall be done away. When I was a child, I spake as a child, I understood as a child, but when I became a man, I put away childish things. For now we see through a glass darkly, but then face to face; now I know in part, but then shall I know as even also I am known. And now abideth faith, hope, love, these three, but the greatest of these is love.

Lord, Thou hast been our dwelling place in all generations. Before the mountains were brought forth, or ever Thou hast formed the earth and the world, even from everlasting to everlasting, Thou art God. For a thousand years in Thy sight are as yesterday when it is past, and as a watch in the night. Thou carriest them away as with a flood; they are as asleep; in the morning they are like grass which groweth up. In the morning it flourisheth and groweth up; in the evening it is cut down and withereth. So teach us to number our days that we may apply our hearts unto wisdom. Oh, satisfy us early with Thy mercy, that we may be glad and rejoice all our days. Let Thy work appear unto Thy servants and Thy glory unto their children. Let the beauty of the Lord our God be upon us and establish the work of our hands upon us; yea, the work of our hands establish Thou it.

I heard a voice from heaven saying: Write, blessed are the dead who die in the Lord from henceforth; yea, saith the Spirit, that they may rest from their labors, for their works do follow them.

O yet we trust that somehow good
  Will be the final goal of ill,
  To pangs of nature sins of will,
Defects of doubts and taints of blood;

That nothing walks with aimless feet,
  That not one life shall be destroyed,
  Or cast as rubbish to the void,
When God hath made the pile complete;

That not a worm is cloven in vain,
  That not a moth with vain desire
  Is shriveled in the fruitless fire,
Or but subserves another's gain.

So runs my dream; but what am I?
  An infant crying in the night;
  An infant crying for the light;
And with no language but a cry

I falter where I firmly trod,
  And falling 'neath my weight of cares,
  Upon the world's great altar stairs
That slope through darkness up to God,

I stretch lame hands of faith and grope
  And gather dust and chaff and call
  To what I feel is Lord of all,
And faintly trust the Lord of all.

ADDRESS OF HON. SAM D. M'REYNOLDS

The SPEAKER. The Chair recognizes the gentleman from Tennessee, Hon. SAM D. MCREYNOLDS.

Mr. MCREYNOLDS. Mr. Speaker, 1 year ago today the Honorable JOSEPH W. BYRNS, of Tennessee, then Speaker of the House of Representatives, suddenly passed away. On the day following it became the saddest duty of my life to make a few remarks and announce on the floor of this House the death of our most distinguished Speaker. Never before in the history of Congress had a Speaker died while Congress was in session. We meet today in memorial services for our distinguished friend.

JOE BYRNS, as we knew him, was born July 20, 1869, on a farm in Robertson County, Tenn., and lived on a farm until early manhood. He attended the schools of his native county and graduated from the law department of Vanderbilt University at Nashville, Tenn., in 1890. He was admitted to the bar in 1890, and commenced the practice of law at Nashville. He was married to Miss Julia Woodward, of Nashville, in 1898, a most estimable lady, and one who was of great service to him during his political career. He had one son, Joseph W. Byrns, Jr., of whom he was very

proud, and who is one of the leading lawyers at Nashville at this time. He was three times elected as a member of the lower house of the Tennessee Legislature and was unanimously chosen speaker of that body in 1898. He was elected to the Tennessee State Senate in 1900 and was a Democratic Presidential elector in 1904.

He was first elected to the Sixty-first Congress, after a very hot contest, and from that time on until his death was reelected practically without opposition. At the time of his death he had been a Member of this body for some 28 years, and there was only one man in this House who had longer service. The reputation that he gained while speaker of the House of Representatives of the State of Tennessee was greatly responsible for his election to Congress. He came to this House with a background that was of great service to him here. He served on the Appropriations Committee of this House for 22 years, and for many years was the ranking Democrat on that committee. During the Seventy-second Congress he was chairman of that most important committee, and his record was such that it reflected honor on this House and the Government which he represented.

In the Seventy-third Congress he was elected Democratic leader, and no one could have performed the duties entrusted to him with a better record than he did. He was elected Speaker of the House of Representatives at the beginning of the Seventy-fourth Congress and held this position until the date of his death, which was on June 4, 1936, during the second session of that Congress.

Now, permit me to speak of the particular personal services rendered by him while he was ranking minority member of the Appropriations Committee, also as chairman of that committee, and as majority leader. For many years he was the ranking Democrat on the Appropriations Committee, and during that time rendered great service to the individual membership of this House and the Democratic Party. A Member of this House was telling me a few days ago that when he first came to Congress he had a matter before the Appropriations Committee and that he went to JOE BYRNS about it; that Joe immediately drew the proper amendment, and assisted him in getting the same through, and that it was some 4 years afterward, when the building was completed and he incidentally told JOE BYRNS after he was Speaker that he was going down to the dedication of that building, and when he arrived, showing the thoughtfulness of the man, he found a telegram from JOE BYRNS congratulating him upon his success in being able to accomplish this for his district. This is merely a recitation of one of the various things that he would do for the membership of the House, and especially for the new Members. He was always anxious to render every service to the new Members of the House. We Democrats always waited after the House adjourned to get the speech of Mr. BYRNS when he was the ranking Democrat on the Appropriations Committee, showing the appropriations that had been made, and for what purpose, and to aid us in our campaigns.

When he became leader of this House his physical condition was almost exhausted, as he had worked untiringly day and night as chairman of the great Appropriations Committee of this House. He came in as leader under very difficult circumstances. The conditions, as you remember, which existed in this country were dreadful and this legislation which was passed during the first session of this administration was entirely new to those of us who had dealt with Government affairs. JOE BYRNS carried the banner of the administration. He was able by his leadership to place upon the statute books, so far as this House is concerned, every piece of New Deal legislation that the Chief Executive requested. You Members who served with me here at that time remember his physical condition; you remember that many times when he walked down in that Well and leaned over against that table as if exhausted and would commence his speech in a very low voice oftentimes the request was made, "Louder." Then with all his reserve strength he would warm up to his subject and he never failed to achieve what he desired in that legislation.

From this history you can readily see how he gradually climbed from an unknown country boy to a position in power second to that of the President of the United States. He did it by hard work; by strict attention to his duties; by his intelligence; by his character of living; and his love for humanity, which drew people close to him.

At the time he was elected Speaker it had been practically 100 years since the State of Tennessee had been honored by a Speaker of the National House of Representatives. James K. Polk, a hundred years before, and who afterward became President, was Speaker of the Twenty-fourth Congress, and he came from Nashville, Tenn. During this same time there was another great Tennessean from this same city, who was President of the United States; a man of courage and love for the common people, and "the chief apostle of democracy", and one who will live forever in the minds and hearts of the American people—I refer to Andrew Jackson. His old home, called The Hermitage, is only a few miles out from Nashville, and is still preserved in memory of this great man. It is the "shrine of democracy", which people by the thousands visit yearly. I speak of these historical matters because of the fact that JOE BYRNS was raised almost under the shadows of The Hermitage, and, no doubt, in the days of his youth, and throughout his life, this great "apostle of democracy" was an inspiration to him.

JOE BYRNS was ideally fitted for the Speakership. He was calm; judicially posed; a trained parliamentarian; had thorough understanding of the procedure in the House; a broad statesman; and was a thorough Democrat, both personally and politically. This is what we predicted for him before he was elected, and this is what he demonstrated by his service.

The first session of Congress after he was elevated to the Speakership was a very trying one, especially on account of the New Deal measures that were at that time pending, and, further, from the fact that the distinguished leader at that time was unable to be present during that session of Congress. Under these circumstances, he had a double burden to bear, but he bore it willingly and smilingly, and successfully. He was able to do this because the membership of this House loved him, and I might add that no Speaker during my time has ever been so close to the Members of the House as was JOE BYRNS. He was always ready to extend a helping hand, advice, proper counsel, kind words; and the membership followed him. He was never too busy to keep an open door to all those who desired to see him. He was always pleasant and active, regardless of his physical condition and advice of his doctor, and in my opinion he was a martyr for his Government.

While he had reached this exalted position in Congress, which made him a national and international character and which burdened him with the responsibilities of government from that standpoint, yet he never lost touch nor interest in the welfare of his own district, or failed to be of service to the most humble from his congressional district. You often hear it said that when some men reach elevated positions they are more interested in national affairs than they are in their own home people, but this was not the case of JOE BYRNS. He loved his people; he loved his district; and he was always fighting and looking out for their interest. JOE BYRNS was a great and good man, a statesman, and in my opinion will go down in history, and justly so, as one of the great Speakers of this House. Ex-Speaker Rainey of this House once referred to him on the floor of this House as the "Abe Lincoln of Democracy."

I knew him in his home life, which was ideal, and it could only have been made so by the loveliness and graciousness of his good wife.

On the day after our Speaker's death funeral services were held here on the floor of this House; a joint session of the House and Senate, and there attended ambassadors, ministers, and chargés d'affairs of foreign governments; major general commanding the United States Marine Corps; Commandant of the United States Coast Guard; the members of the President's Cabinet; and the President of the United States, at which time our most worthy Speaker and minority leader delivered beautiful addresses in reference to the life and service of JOE BYRNS. This was a great honor paid to

our Speaker and one that was well earned. His remains were carried to Nashville on a special train, accompanied by some 60 Members of the House and Senate. The President of the United States and his Cabinet followed in a special train, and all attended the funeral services held in the Memorial Building at Nashville. No such assemblage of people had ever met in Nashville before for funeral services. The streets and sidewalks were lined with people standing with hats removed and heads bowed, doing homage to their fallen leader. It was estimated that some 75,000 people were present. In this crowd were old and young, rich and poor, black and white, trying to pay their last respects to their friend; to the man who had meant so much to their district and their State and one of Tennessee's greatest sons. It was a great tribute to a great and beloved man. Those of us who were present will never forget the scene.

JOE BYRNS' remains are today sleeping in a beautiful cemetery near Nashville. He has gone, but those of us who knew him best and loved him will never forget the twinkling in his eyes; the handshake; the pat upon the back; words of advice and encouragement. He is gone, but his record will go down in history with much encouragement to the young people of this country, and especially to the boys on the farm from whence this man came. History made by men like this man never dies; it will live forever in the minds and hearts of the American people because he did something for his country's cause. Life is a great drama, played upon the stage of human action; each his part to perform; each his duty to do; no one knowing when the curtain of life may fall. Be ready! Serve your God and your country well, because you, too, may be called to meet your Maker suddenly as our friend was called. Life may be compared to day—morning, noon, and evening. I have watched the morning sun as it rose above the eastern horizon. I have seen the mists and darkness driven before it. I have watched the dewdrops sparkle like diamonds under its rays. I have heard the morning birds welcoming a newborn day. I have watched it in its orbit, and have seen the clouds obscure its view and storms sweep over its face, and yet it would appear brighter and grander than ever before. I have seen it at noontime in the midst of all of its power and glory, and I have seen it at evening time as it passed over the western horizon, leaving the golden glow of a perfect day.

A new babe is born in the world and there is happiness in that home, and sweet lullabies are sung. I have watched him in the morning of life as he grew; I have seen him as he played upon the lawn; I have seen him grow into manhood, and I have seen clouds pass over his pathway, and adversities, and yet he appeared stronger and brighter than ever before. I have seen him at noontime, in the midst of all his power and glory, and then as evening comes I have seen him go, pass away, leaving the golden glow of a great life, and his soul is wafted into immortality and the Great Beyond. We hope when we are called to our last summons that we can leave evidences of a useful life, and once again renew our friendship and our association with a friend who is waiting on the other side of the river to greet us.

The names of Jackson and Polk from The Hermitage district have been carried down in history, and the name of our departed friend, JOE BYRNS, will be another great Tennessean from this same congressional district whose name will appear along by the side of theirs as our truly great Tennesseans.

While we were greatly shocked and grieved at the loss of our friend, yet we were fortunate in having our present Speaker as a worthy successor, and I imagine if today I could bring a message from JOE BYRNS it would be to his friends in this House, "Carry on, carry on."

ADDRESS OF HON. JOHN R. MITCHELL

The SPEAKER. The Chair recognizes the gentleman from Tennessee [Mr. MITCHELL].

Mr. MITCHELL of Tennessee. Mr. Speaker, "Like one who wraps the drapery of his couch about him and lies down to pleasant dreams."

We have met today to pay tribute to the memory of one long a Member of this House. When the late Speaker JOSEPH W. BYRNS died there was brought to a close the career of one who was a distinguished figure throughout the Nation. In the fullness of his powers he served the Congress with loyalty and distinction as a Representative, as the majority leader of the Democratic Party, and as Speaker. His memory is now a treasured part of the history of this body. JOE BYRNS was a loyal and useful servant to the people. He was a generous and faithful friend. He was loved and admired by all who knew him.

He had great affection for the people of the Fifth District of Tennessee, and rightly so, for they honored him by their support for more than a quarter of a century, and he served them during all that time with loyalty and fidelity. He loved the Democratic Party and was ever loyal to it.

In young manhood he was three times elected to the Legislature of Tennessee in Davidson County and was chosen by unanimous vote to preside over that body as speaker when he was but a mere boy. Later on he was elected as a member of the State senate, and thereafter elected to the Sixty-first Congress of the United States and was returned by his constituents every 2 years thereafter for 14 times, and had he lived to serve out the term for which he was elected he would have been in Congress 28 years, but he died 1 year ago today, as he would have willed it, "in the service of his country." He was truly a great and useful Member of the House. He served as chairman of the Committee on Appropriations, one of the powerful committees of the House, for a number of years. He was majority leader and spokesman of the Democratic Party under Speaker Rainey, and served as such floor leader until the latter's death, when he was elected Speaker and served in that capacity until his death.

Thus, in brief outline, is the story of the public life of JOE W. BYRNS. But to us, his friends and associates, these dates, these offices which he held, mean little. It was the man himself. The way he performed the duty to which he was called, that gave significance to his life. For a period of almost 40 years JOE BYRNS was in the public service, and his life was spent in that field of endeavor where every act was open to public inspection, and in which, during part of the time at least, his services were subjected to the closest scrutiny. During all this time his sincerity, his honesty, his impartiality, and his ability were so conspicuous that at his death he carried with him universal respect, esteem, and affection, not only of his colleagues but of all those who had the opportunity for intelligent observation of his public record. The searchlight of public opinion was played upon him, but found no fault within him. He was a tower of strength to his party and people at all times. He upheld the hands of our beloved President and ably presented on the floor of this House from time to time while serving as floor leader measures to carry out his great policies, and in so doing earned the love and gratitude of the people of America.

We cannot by any memorial add to his reputation, for that has been widely and permanently established by the accomplishments of the passing years in the public service. We do, however, desire by this memorial to place upon the records of the House a brief mention of some of those great qualities possessed by him, which were so outstanding. They readily and strikingly present themselves to our recollection. Speaker BYRNS possessed a strong and rugged intellect which enabled him to clothe his views, whether expressed in consultation or on the floor of the House, with that logic and forceful method of expression which was ever characteristic of him and which was always persuasive, eloquent, and convincing.

He was progressive in his attempts to develop new principles of government and make them applicable to changing conditions, but he had no sympathy with those theories of so-called progressiveness which would discard fundamental principles of constitutional government in order to accomplish results, which for the moment might be thought expedient. The suggestion that in any particular matter a legislator should not be too much concerned with established rules or principles but should do what seemed to be expedient was to him indefensible.

He was absolutely independent and courageous in his views. No thought of mere expediency changed his convictions. He always observed the rules of public policy and prevalent opinion in his political activities and party management, but never allowed his mind to become dormant to those considerations of good citizenship and wise government which he regarded as the proper concern of all. He stood on his own feet and expressed his own mind. Perhaps nothing so excited his opposition and disapproval as the tendency, which he viewed with concern, to pass a multitude of statutes minutely regulating the ordinary lives of individuals, and sometimes in the supposed interest of public welfare or safety, depriving the people of those rights which seemed to him inherent and sacred.

These are some of the milestones along the pathway of an active life. They give no hint of the vibrant and commanding personality whose journey they record. In the 40 years of his legislative service, he grew steadily in maturity of judgment and richness of experience, and left everywhere upon all who are familiar with his public record a vivid and enduring expression of notable ability, of great capacity for work, of rare common sense, and protracted wisdom and independence. Courage unwavering and unafraid.

In his treatment of his colleagues he was as considerate and as gentle and as unassuming as a boy. No matter how strong his convictions were upon any question, or how earnest his support of them, he was tolerant with the opposition and charitable toward their views. He ruled as Speaker with promptness, firmness, and fairness, and always with a desire to decide each issue and every question upon its merits. He wanted to do right. No desire ever entered his soul to be unfair or unjust in his rulings, however much he might have been interested in the issue pending before him or however anxious he might be from the viewpoint of party advantage. It was his ambition to determine every question solely upon its merits and in accordance with the rules and regulations of the House.

His worth as a legislator and as a representative of the people was not recorded in the number of bills introduced by him or the ones passed by him, but his was a record of greater service and broader usefulness, for he did not alone represent the interests of the people of his district, while they were always first in his mind's eye and he served them faithfully and well, yet he worked for and represented all the people of our common country.

In the closing days of his Speakership he was handicapped somewhat from physical exhaustion, which would have impaired the capacity for work of most men. However, his great ability and his indomitable will enabled him to rise above this, to the end that his allegiance to his country should be carried to completion.

The historian of the Congress of the United States, tracing the contributions made by JOE BYRNS to the development of our country, will discover memorable additions, but will likely discover something finer. At every turn he will find the mark of a personality—a man. For more than a year his work as a legislator has been done. We missed him when he went from among us, and we miss him now that he no longer can appear before us with his kindly smile, his genial manner, and we who were his colleagues can never forget JOE BYRNS. He was a beloved Tennessean. He was a greatly admired American. He was a friend of the people. He loved the masses.

This memorial must not close without a record of qualities more intimate and homely. Along with this virile strength, this rugged, stalwart man, there went a tenderness and gentleness revealed with prodigal generosity to those who knew him best. In any social group he was at once a central figure, rejoicing in the companionship of his friends, and never so happy as in the exchange of jokes, reminiscenses, and pleasantries, and ofttimes brilliant and scintillating repartee. How his cheerful voice pealed forth at such a time in ecstasy and boyish laughter. Within the foursquare granite walls of the man there dwelt the heart of a youth. He was always young in spirit, mature in judgment, and counselor honored and beloved.

The familiar voice to us has been stilled; the strong and masterful yet gentle spirit has withdrawn from the bodily frame, but those of us who have been left behind to carry on the work that in life he so ably performed have today a solemn pride in placing our appreciation upon the records of the Congress in tribute to his memory. He was a worthy successor to that great Tennessean, Andrew Jackson, lovingly referred to as "Old Hickory", and JOE BYRNS carried on and represented that same great constituency once represented by Jackson, and for a quarter of a century JOE BYRNS reflected honor and glory upon Tennessee and the Hermitage district, which he and we so greatly love and admire.

I confidently believe that I express the unanimous conviction of each and every member of the House, on both sides of the aisle, when I say that "he was the noblest Roman of them all", the most beloved.

The great principle which actuated his life was love for his Maker and love for his neighbors. He always endeavorded to truly "live by the side of the road and be a friend to man." He believed in the guidance of the great Deity and had the conviction that he was daily in His service. This enabled him to have the courage of a crusader and to carry on. He fell a victim in the ranks, with his armor on, and is gone from us, but, in the language of the poet:

No; I cannot and I will not say
That he is dead.
He is just away!
With a cheery smile and a wave of the hand,
He has entered into that unknown land,
And left us dreaming, how very fair it
Needs must be, since he lingers there.
And you, O you, who the wildest yearn
For the old-time step and the glad return;
Think of him, passing on as fair in the love
Of there, as the love of here.
Think of him still as the same, I say.
He is not dead. He's just away.

ADDRESS OF HON. RICHARD M. ATKINSON

The SPEAKER. The concluding eulogy will be delivered by the gentleman from Tennessee [Mr. ATKINSON].

Mr. ATKINSON. Mr. Speaker, my colleagues, honored guests, to me this is a sad occasion, yet a privilege and honor is mine, permitted, as I am, to stand on the floor of the House of Representatives of the United States of America and pay tribute to the life and memory of my illustrious predecessor, the former Speaker of this House, the lovable, the capable, the Honorable JOSEPH W. BYRNS, known to his home folks and all who knew him everywhere as JOE BYRNS.

Only at intervals did I observe him as he labored, our legislative representative, from his, from our beloved Hermitage district of Tennessee; but we know his splendid record, as he fashioned it, day by day, through his long and splendid service to our State and Nation.

We of the lovely Hermitage district knew that he was something more than our congressional Representative; he was our "ambassador of good will" to the National Congress, to the world, commanding respect for himself and our people by the sheer force of his magnetic qualities, by the lovely democracy which suffused his being, expressing itself in his every action.

His rise to fame and national recognition was a steady and even progression. Born on a farm in Robertson County, Tenn., of people and among people whose dominating characteristic is possession of that all-compelling and driving motive power of love.

Love of mankind featured his whole life. He worked hard to acquire an education, which led him into a lucrative practice of law and removal of residence 40 miles away, to Nashville, Tenn., among a people the same in quality and characteristics as those with whom he had mixed and mingled in his younger days.

He was so typical of our people, expressing their hopes, aspirations, and ideals, that they sent him to the National Congress, so that the Nation, the world might know just who we are, just what the life and ideals of the people who love, labor, and live in the valley of the Cumberlands.

He so well represented the character and aspirations of our people that we were willing to keep him here until his

death did part him from us and from mankind in general whom he loved so well.

For over a quarter of a century he represented the Hermitage district. Then he came home to sleep and rest beside the waters of the Cumberland, covered by the same earth as covers the mortal remains of Andrew Jackson, James K. Polk, and many other illustrious Tennesseans whose noble works he carried on.

Born in Tennessee, typical of Tennessee in his life's work, Tennessee hugs his mortal remains close to her bosom—proclaims to the world that he was her own.

Meet the humblest man or woman on the roads of Stewart, Montgomery, Robertson, Sumner, Trousdale, Macon, or Davidson Counties, Tenn., and each one of them will tell you that JOE BYRNS was his or her personal friend, for the love and affection which existed here was Christlike. No misnomer existed when JOE BYRNS was officially listed as Representative from the Fifth Congressional District of Tennessee. Everyone with whom he came in contact recognized his manhood was resplendent; his personal honor spotless. Suspicion never glanced at him.

It must have been a glorious transition for him, living a mortal life of true democracy, among so many pretenders to that state, to reach the absolute democracy of the vast hereafter.

I can imagine, my colleagues, that Washington, Jefferson, Jackson, Lincoln, and all the rest of our departed illustrious great gave him a royal welcome 1 year ago today when he smilingly entered heaven. I can almost hear Old Hickory say, "Well done, Joe; by the eternal you were a Democrat."

Following his departure from our earthly councils and companionship, we can only shed a tear, express regret, tell his beloved family of our heartfelt sympathy. But a greater task is mine—to live up to the lofty precedents of duty he set.

JOE BYRNS, I now stand in your stead, representing your people, my people, telling your colleagues, my colleagues, the Nation, the world, all of whom you loved, that I dedicate my life, here and now, to the same service you rendered, God being my helper. Carry on, my friend, rest in glory; I will be true, just as you were, to the faith of our fathers.

A cornet solo, Nearer My God to Thee, was played by Oscar Short, of the United States Navy Band.

The Chaplain, Rev. James Shera Montgomery, D. D., pronounced the benediction:

The peace of God, which passeth all understanding, keep your hearts and minds in the knowledge and love of God and in His Son, Jesus Christ our Lord; and the blessing of Almighty God, the Father, Son, and Holy Spirit, be among you and remain with you always. Amen.

AFTER RECESS

The SPEAKER. Without objection, the proceedings had during the recess will be printed in the CONGRESSIONAL RECORD.

There was no objection.

ADJOURNMENT

Mr. RAYBURN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 7 minutes p. m.), in accordance with the order heretofore made, the House adjourned until Monday, June 7, 1937, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON FLOOD CONTROL

Will begin hearings at 10:30 a. m. Monday, June 7, 1937, on priority and emergency works in the lower Ohio Basin.

COMMITTEE ON MILITARY AFFAIRS

There will be a meeting of the Committee on Military Affairs in room 1310, New House Office Building, at 10:30 a. m. Tuesday, June 8, 1937, for the consideration of H. R. 4947, to amend the act entitled "An act for making further and more effectual provision for the national defense, and for other purposes", approved June 3, 1916, as amended, and for other purposes.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 o'clock a. m. Tuesday, June 8, 1937, to hold hearings on H. R. 6968, to amend the Securities Act of 1933.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

651. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the American Battle Monuments Commission for the fiscal year 1938 (H. Doc. No. 262); to the Committee on Appropriations and ordered to be printed.

652. A letter from the Chairman of the Reconstruction Finance Corporation, transmitting a report of the activities and expenditures of the Reconstruction Finance Corporation for the month of April 1937 (H. Doc. No. 263); to the Committee on Banking and Currency and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. DOUGHTON: Committee on Ways and Means. House Joint Resolution 375. Joint resolution to provide revenue, and for other purposes; without amendment (Rept. No. 935). Referred to the Committee of the Whole House on the state of the Union.

Mr. WOODRUM: Committee on Appropriations. H. R. 7363. A bill to continue the Federal Emergency Administration of Public Works for 2 years, and for other purposes; without amendment (Rept. No. 936). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. LEMKE: A bill (H. R. 7391) to relieve the destitute farmers in the drought area of the several States; for the resettlement and rehabilitation of the farmers in such area through the Resettlement Administration; and for other purposes; to the Committee on Agriculture.

By Mr. RANKIN: A bill (H. R. 7392) to provide for the creation of conservation authorities, and for other purposes; to the Committee on Rivers and Harbors.

By Mr. WHITTINGTON: A bill (H. R. 7393) to amend an act entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved June 22, 1936; to the Committee on Flood Control.

By Mr. JONES: A bill (H. R. 7394) to authorize projects for the conservation of water in the Great Plains; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARRY: A bill (H. R. 7395) for the relief of Cromwell Haslam; to the Committee on Military Affairs.

By Mr. CELLER: A bill (H. R. 7396) for the relief of Edward W. Gilkes; to the Committee on Immigration and Naturalization.

By Mr. COLLINS: A bill (H. R. 7397) for the relief of J. W. Blaker; to the Committee on Claims.

By Mr. HALLECK: A bill (H. R. 7398) granting an increase of pension to Augusta E. Robinson; to the Committee on Invalid Pensions.

By Mr. PIERCE: A bill (H. R. 7399) for the relief of William Edward Bennett; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2520. By Mr. BOEHNE: Petition of Madeleine Amiquet and Louis Amiquet, of Evansville, Ind., stating that the United States should extend the arms embargo to Germany and Italy because it is recognized that Germany and Italy are waging an undeclared war with Spain; to the Committee on Foreign Affairs.

2521. By Mr. CARTER: Petition of the California Society of the Sons of the American Revolution, recommending that this Congress enact legislation requiring all labor organizations to formally incorporate and assume legal responsibility for the acts of their respective organizations; to the Committee on Labor.

2522. By Mr. FITZPATRICK: Petition of the fifth assembly district, Bronx, New York City, branch of the American Labor Party, of New York State, urging the passage of the Wagner-Steagall housing bill; to the Committee on Banking and Currency.

2523. By Mr. LUTHER A. JOHNSON: Memorial of the House of Representatives, State of Texas, favoring extension of 3½-percent interest rate to farmers on Federal land bank farm loans; to the Committee on Agriculture.

SENATE

MONDAY, JUNE 7, 1937

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

O Thou eternal and unchangeable God, before whose face the days pass swiftly by and dying generations depart through the shadows to the place Thou hast appointed for them: Be very near to us at this the beginning of another day of service unto Thee and to our country; touch our lips with truth; fill our hearts with love, and suffer no ungenerous thought or mordant note to mar the music of Thy guiding spirit.

Bless us in our earthly loves, our joys and sorrows; pity us in our sicknesses and sufferings of body and of mind, and remember especially, O Father of mercies, our beloved friend and the members of his family in this hour of their great sorrow. Comfort them as only Thou canst comfort; yet somehow by the divine alchemy of Thy grace let the sacrament of our tender sympathy be a blessing unto them in this their time of utmost need. Be with all who are sad and lonely, change Thou their darkness into light, and let the gladness of Thy prayer-hearing love fall over every shadowed soul. We ask it in the name of Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. ROBINSON, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, June 3, 1937, was dispensed with, and the Journal was approved.

CONTROL AND PREVENTION OF CANCER—NOTICE OF ADDRESS BY SENATOR BONE

Mr. BONE. Mr. President, I desire to give notice that tomorrow I shall seek to obtain the floor for a few moments to discuss Senate bill 2067, which is a bill dealing with the question of cancer. My remarks in that connection will be very brief.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Megill, one of its clerks, announced that the House had passed the bill (S. 790) to repeal section 13 of the act entitled "An act to regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce of petroleum and its produces produced in violation of State law, and for other purposes", approved February 22, 1935, with amendments, in which it requested the concurrence of the Senate.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Vice President:

S. 430. An act conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of Elmer E. Miller;

S. 451. An act for the relief of Farley J. Holloman;

S. 522. An act for the relief of R. R. Purcell;

S. 556. An act for the relief of W. B. Greeley;

S. 733. An act conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment on the claim of Robert A. Watson;

S. 1081. An act for the relief of H. G. Carriere, Charles E. Livingston, and John Latham;

S. 1471. An act for the relief of Jordan Roberts;

S. 1479. An act for the relief of the estate of Charles White;

S. 1507. An act authorizing the return of the commission of John Baptiste Ashe as a major in the Continental Army to Martha B. Rogers, nee Ashe;

S. 1572. An act for the relief of Frank Fisher;

S. 1753. An act for the relief of James A. Fox;

S. 2059. An act to authorize Austin H. Clark and Ellsworth P. Killip, of the United States National Museum, to accept certain decorations, respectively, from the Danish and French Governments;

H. R. 856. An act for the relief of First Lt. R. G. Cuno;

H. R. 1232. An act for the relief of John W. Bolin;

H. R. 1304. An act for the relief of John E. Sandage;

H. R. 1502. An act to amend Public Law No. 626, Seventy-fourth Congress;

H. R. 1759. An act for the relief of Minnie D. Hines;

H. R. 1792. An act for the relief of John Kelley;

H. R. 2360. An act for the relief of Carter R. Young;

H. R. 2554. An act for the relief of Frank Cubero;

H. R. 2673. An act for the relief of Howard Hefner;

H. R. 3736. An act for the relief of Mr. and Mrs. Edward J. Pruett;

H. R. 3841. An act for the relief of Col. J. P. Barney;

H. R. 3874. An act to extend the times for commencing and completing the construction of a bridge and causeway across the water between the mainland, at or near Cedar Point, and Dauphin Island, Ala.;

H. R. 3963. An act for the relief of John Zarnick;

H. R. 4706. An act authorizing the State Roads Commission of the State of Maryland and the State Highway Department of the State of Virginia to construct, maintain, and operate a free highway bridge across the Potomac River at or near a point in the vicinity of Point of Rocks, in Frederick County, and a point near the south end of Loudoun County to take the place of a bridge destroyed by flood in 1936;

H. R. 4801. An act authorizing the county of Wahkiakum, a legal political subdivision of the State of Washington, to construct, maintain, and operate a free highway bridge across the Columbia River between Puget Island and the mainland, Cathlamet, State of Washington;

H. R. 4809. An act to authorize the Works Progress Administration to lend or give World War relics and other property at Fort Eustis, Va., to the American Legion Museum at Newport News, Va.;

H. R. 5136. An act to authorize the acquisition of land for cemeterial purposes in the vicinity of San Francisco, Calif.;

H. R. 5206. An act for the relief of Jacob G. Ackerman;

H. R. 5467. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River between St. Louis, Mo., and Stites, Ill.;

H. R. 6293. An act to adjust the rank of certain Coast Guard officers on the retired list; and

H. J. Res. 334. Joint resolution to protect the copyrights and patents of foreign exhibitors at the New York World's Fair, to be held at New York City, N. Y., in 1939.

CALL OF THE ROLL

Mr. LEWIS. I request a roll call in order to assure the presence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Connally	La Follette	Pope
Andrews	Copeland	Lee	Radcliffe
Ashurst	Davis	Lewis	Reynolds
Bailey	Donahey	Lodge	Robinson
Bankhead	Duffy	Logan	Russell
Barkley	Ellender	Lonergan	Schwartz
Berry	Frazier	Lundeen	Schwellenbach
Bilbo	Gerry	McAdoo	Sheppard
Black	Gibson	McCarran	Smathers
Bone	Gillette	McGill	Smith
Borah	Green	McKellar	Steiwer
Bridges	Guffey	McNary	Thomas, Okla.
Brown, N. H.	Harrison	Maloney	Thomas, Utah
Bulkley	Hatch	Minton	Truman
Bulow	Hayden	Murray	Tydings
Burke	Herring	Neely	Vandenberg
Byrd	Hitchcock	Norris	Van Nuys
Byrnes	Holt	Nye	Wagner
Capper	Hughes	O'Mahoney	White
Caraway	Johnson, Calif.	Overton	
Clark	Johnson, Colo.	Pittman	

Mr. LEWIS. I announce that the Senator from Virginia [Mr. GLASS] is absent because of a death in his family, and that the Senator from Utah [Mr. KING] is absent because of illness.

The Senator from Michigan [Mr. BROWN], the Senator from New Mexico [Mr. CHAVEZ], my colleague the junior Senator from Illinois [Mr. DIETERICH], the Senator from Georgia [Mr. GEORGE], the Senator from New Jersey [Mr. MOORE], the Senator from Florida [Mr. PEPPER], the Senator from Massachusetts [Mr. WALSH], and the Senator from Montana [Mr. WHEELER] are detained from the Senate on important public business.

Mr. McNARY. I announce that the Senator from Vermont [Mr. AUSTIN], the Senator from Minnesota [Mr. SHIPSTEAD], and the Senator from Delaware [Mr. TOWNSEND] are necessarily absent.

The VICE PRESIDENT. Eighty-two Senators have answered to their names. A quorum is present.

ORDER FOR CONSIDERATION OF UNOBJECTED BILLS

Mr. ROBINSON. Mr. President, I ask unanimous consent that at the conclusion of the morning business the Senate proceed to the consideration of unobjected bills on the calendar, commencing with Order of Business No. 428.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

THE INTERTERRITORIAL FREIGHT RATE PROBLEM

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was read, and, with the accompanying paper and report, referred to the Committee on Interstate Commerce, as follows:

To the Congress of the United States:

Herewith I submit a survey entitled "The Interterritorial Freight Rate Problem of the United States", which survey was conducted by the Board of Directors of the Tennessee Valley Authority, pursuant to Executive Order No. 6161 (June 8, 1933), by which I delegated to it certain powers granted to me by sections 22 and 23 of the Tennessee Valley Authority Act of 1933. I am also transmitting herewith a letter from the Chairman of the Board of Directors of the Tennessee Valley Authority, dated May 28, 1937, forwarding the aforesaid survey to me, and explaining its nature and purpose.

I invite particular attention to the suggestion, contained in Chairman Morgan's letter, that the report, with its accompanying maps and charts, be published as an official document.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 7, 1937.*

FRANK W. CARPENTER

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 1699) granting an annuity to Frank W. Carpenter, which were, on page 2, line 1, after "pay", to insert "out of any money in the Treasury not otherwise appropriated"; on page 2, line 6, to strike out "during" and insert "after"; and on page 2, line 6, after "enacted", to insert: ": *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

Mr. LODGE. I move that the Senate concur in the amendments of the House of Representatives.

The motion was agreed to.

S. T. DICKINSON

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 673) for the relief of S. T. Dickinson, which was, on page 1, to strike out lines 3, 4, and 5 and insert "That the Employees' Compensation Commission is hereby authorized and directed to pay, from the employees' compensation fund, to S. T. Dickinson, of Richmond, Va."

Mr. COPELAND. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

INTERSTATE SHIPMENTS OF PETROLEUM AND ITS PRODUCTS

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 790) to repeal section 13 of the act entitled "An act to regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce of petroleum and its products produced in violation of State law, and for other purposes", approved February 22, 1935, which were to strike out all after the enacting clause and insert "That section 13 of the act entitled 'An act to regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce of petroleum and its products produced in violation of State law, and for other purposes', approved February 22, 1935, is amended by striking out 'June 16, 1937' and inserting in lieu thereof 'June 30, 1939' "; and to amend the title so as to read: "An act to continue in effect until June 30, 1939, the act entitled 'An act to regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce of petroleum and its products produced in violation of State law, and for other purposes', approved February 22, 1935."

Mr. CONNALLY. I move that the Senate disagree to the amendments of the House, request a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. CONNALLY, Mr. LONERGAN, and Mr. TOWNSEND conferees on the part of the Senate.

JOSEPH N. WENGER

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 274) for the relief of Joseph N. Wenger, lieutenant, United States Navy, and for other purposes, which were, on page 1, line 8, to strike out "as reimbursement of" and insert "in full satisfaction against the United States for"; on page 1, line 11, to strike out "1933" and insert "1932"; and to amend the title so as to read: "An act for the relief of Lt. Joseph N. Wenger, United States Navy."

Mr. LOGAN. I move that the Senate agree to the amendments of the House.

The motion was agreed to.

APRIL REPORT OF RECONSTRUCTION FINANCE CORPORATION

The VICE PRESIDENT laid before the Senate a letter from the Chairman of the Reconstruction Finance Corporation reporting, pursuant to law, relative to the activities and expenditures of the Corporation for the month of April 1937, including statements of loan and other authorizations made during the month, etc., which, with the accompanying papers, was referred to the Committee on Banking and Currency.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following memorial of the House of Representatives of the State of Arizona, which was referred to the Committee on Appropriations:

A house memorial relating to the continuation of the functions of the Federal Emergency Administration of Public Works

To the President and the Congress of the United States of America:

Your memorialist respectfully represents—

The Congress of the United States of America has extended the Federal Emergency Administration of Public Works from time to time since its creation and has augmented the original appropriation to further the policy of the Federal Emergency Administration of Public Works by financing and aiding the construction of worthy and necessary public projects, and the Federal Emergency Administration of Public Works has effectively and efficiently discharged the public duties with which it has been entrusted.

The construction of projects of the type financed by the Federal Emergency Administration of Public Works is not solely a means of reemploying citizens of the State who are without employment, but is a means to stimulate industry in general by the construction of sound and useful public projects designed to meet social and economic needs, and the continuation of its program is necessary in order that unemployment may be reduced and absorbed by private industry.

The records of the Arizona State director of the Federal Emergency Administration of Public Works discloses that in excess of 50 applications are now pending in his office for the construction of public projects under the direction and supervision of the Federal Emergency Administration of Public Works.

Wherefore your memorialist, the House of Representatives of the State of Arizona, prays:

1. That the Congress of the United States of America continue the functions of the Federal Emergency Administration of Public Works, and authorize appropriations necessary to adequately provide for a continued program of public improvements.

2. That the secretary of state is authorized and directed to send copies of this resolution to the President of the United States, to the President of the Senate of the United States, the Speaker of the House of Representatives, to the Secretary of the Interior as Director of the Federal Emergency Administration of Public Works, and to each of the Senators and Representatives from the State of Arizona in the Congress of the United States of America.

The VICE PRESIDENT laid before the Senate the following joint resolution of the Legislature of the State of Wisconsin, which was referred to the Committee on Patents:

Joint resolution memoralizing Congress to enact legislation prohibiting racketeering on copyrighted music

Whereas corporations have been organized for the purpose of obtaining from composers and creators of musical compositions assignments thereof, securing copyrights thereon and obtaining, by various racketeering methods, from proprietors of public places where music is played in public by victrola, radio, individuals, or orchestra, money for the privilege of playing such music in any form; and

Whereas the racketeering methods used by such corporations in obtaining money from these businessmen include intimidation, threats of a lawsuit for alleged infringment of a copyright, sending out threatening letters over an attorney's signature, sending out investigators to obtain evidence for the basis of lawsuits, claiming to have secured such evidence and bringing of wholesale actions in Federal courts asking damages for alleged infringements on musical copyrights; and

Whereas through such tactics large sums of money have been taken from unsuspecting and innocent businessmen for which they have received nothing in return; and

Whereas said racket is now flourishing in the State of Wisconsin to the detriment of and financial loss to a substantial proportion of our businessmen; and

Whereas the tactics and methods of such corporations and their agents can be restrained or regulated effectively only by Federal legislation: Now, therefore, be it

Resolved by the senate (the assembly concurring), That the Legislature of the State of Wisconsin respectfully memorializes the Congress of the United States to enact legislation prohibiting such racketeering on copyrighted music; and be it further

Resolved, That properly attested copies of this resolution be transmitted to the President of the United States, both Houses of Congress, and to each Wisconsin Member thereof.

The VICE PRESIDENT laid before the Senate the following joint resolution by the Legislature of the State of California, which was referred to the Committee on Education and Labor:

Assembly joint resolution urging that Congress and the Federal Relief Administration direct their consideration to the wages of employees on work-relief projects

Whereas at the time relief wages were established on work-relief projects they provided only a meager living; and

Whereas since the establishment of wages on work-relief projects living costs have advanced very materially; and

Whereas the trend of the cost of living is up; and

Whereas many men on work-relief projects who have families to support are compelled to live on a level much below that adequate for health and decency: Now, therefore, be it

Resolved by the Assembly and the Senate of the State of California (jointly), That the President of the United States, Congress, and the Federal Relief Administrator are hereby respectfully urged to direct their consideration to the existing wages of employees on work-relief projects, with particular reference to the increasing costs of living and differences in sizes of families; and be it further

Resolved, That the Governor of the State of California is hereby respectfully requested to submit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to the Federal Relief Administrator, and to each Senator and Representative of the House of Representatives from California in the Congress of the United States.

The VICE PRESIDENT laid before the Senate the following joint resolution of the Legislature of the State of California, which was referred to the Committee on Military Affairs:

Assembly joint resolution relative to Federal aid to State or Territorial veterans' homes

Whereas there exists in the State of California one of the outstanding State homes of the Nation for the care of disabled veterans, who are disabled by age, disease, or otherwise, and by reason of such disability are incapable of earning a living; and

Whereas the per capita cost for maintaining such veterans has greatly increased due to advancing age and physical disabilities; and

Whereas the State of California is deluged with veterans who come from other States who become disabled and by reason of their becoming legal residents, must be cared for in California; and

Whereas the $120 per year per capita Federal aid represents a very small part of the total cost of maintaining a veteran in the California State facility: Now, therefore, be it

Resolved by the Assembly and Senate of the State of California (jointly), That the President and the Congress of the United States are respectfully urged to enact legislation that will result in increasing the Federal aid, provided that any State shall not be paid a sum exceeding one-half the per-capita cost of maintaining a veteran; and be it further

Resolved, That the Governor of the State of California is hereby requested to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House, and to the Senators and Representatives of the State of California in Congress.

The VICE PRESIDENT also laid before the Senate a telegram in the nature of a petition from District Council No. 9, Brotherhood of Painters, Decorators, and Paperhangers, of New York City, N. Y., praying for an appropriation to continue the operations of the W. P. A., and also the enactment of the pending low-cost-housing bill, which was referred to the Committee on Appropriations.

He also laid before the Senate a resolution adopted by the City Council of Waltham, Mass., favoring the enactment of the pending low-cost housing bill, which was referred to the Committee on Education and Labor.

He also laid before the Senate a resolution adopted by the Rhode Island Truck Owners' Association, favoring the repeal of the Federal gasoline sales tax and the surrender to the States exclusively of the power to tax such sales in the future, which was referred to the Committee on Finance.

He also laid before the Senate a resolution adopted by the National Society United States Daughters of 1812, at Washington, D. C., protesting against the enactment of legislation to enlarge the membership of the Supreme Court of the United States, which was ordered to lie on the table.

Mr. TYDINGS presented a petition of sundry citizens of Baltimore, Md., praying for the prompt enactment of the so-called Rogers old-age pension bill, which was referred to the Committee on Finance.

Mr. COPELAND presented resolutions adopted at the Russell Sage Foundation, New York City, by the Conference on Social Security for the Professions, and Local No. 171, Hos-

pital Employees' Union, of Greater New York, favoring the enactment of legislation to continue the public-works and relief program, which were referred to the Committee on Appropriations.

He also presented resolutions adopted by the board of directors, Metropolitan Section, of the American Society of Civil Engineers, of New York City, favoring the so-called Ickes plan for expediting the topographic mapping of the United States and also continuation of the activities of the Public Works Administration on a modified grant basis, which were referred to the Committee on Appropriations.

He also presented a resolution adopted by the Niagara Falls (N. Y.) Citizenship Alumni Association, favoring the appropriation of necessary funds to continue the adult-education program, which was referred to the Committee on Education and Labor.

He also presented resolutions adopted by Federal Local No. 19932, Wholesale Dry Goods Employees' Union, and Local Union No. 366, United Brotherhood of Carpenters and Joiners of America, both of New York City; the Common Council of the City of Buffalo; Branch No. 40, American Federation of Hosiery Workers, of Buffalo; the Fifth A. D. Bronx Branch of the American Labor Party of New York State, of the Bronx; the Central Labor Council of Jamestown; the Lackawanna Municipal Housing Authority, of Lackawanna; Aluminum Workers' Union, No. 19256, of Massena; the Women's Democratic Club of Syracuse; and Local No. 583, Hotel and Restaurant Employees' Alliance, of Troy, all in the State of New York, favoring the enactment of the pending low-cost-housing bill, which were referred to the Committee on Education and Labor.

He also presented a resolution adopted by St. Lawrence Chapter, No. 68, Disabled American Veterans of the World War, of Massena, N. Y., protesting against any reduction in pensions or compensation now being received by veterans of the World War for service-connected disabilities, which was referred to the Committee on Finance.

He also presented a resolution adopted by Federal Local No. 19932, Wholesale Dry Goods Employees' Union, of New York City, protesting against the enactment of the bill (S. 25) to prevent profiteering in time of war and to equalize the burdens of war and thus provide for the national defense and promote peace, which was referred to the Committee on Finance.

He also presented a resolution adopted by the United Rumanian Jews of America, of New York City, favoring the enactment of the so-called Dies bill, being House bill 6391, relating to the immigration of aliens, which was referred to the Committee on Immigration.

He also presented a resolution adopted by the Diocesan Convention of the Episcopal Diocese of Rochester, N. Y., favoring the enactment of the so-called Gavagan antilynching bill, which was referred to the Committee on the Judiciary.

He also presented the memorial of members of the Men's Class and the congregation of the Queens Baptist Church, of Queens Village, N. Y., remonstrating against the Government manufacture of or promotion of the use of rum from the Virgin Islands, which was referred to the Committee on Territories and Insular Affairs.

He also presented a resolution adopted by the New York Chapter of the United Daughters of the Confederacy, favoring the erection of the proposed Thomas Jefferson Memorial on a prominent hill on the Virginia side of the Potomac River, clearly visible from the Capital City, and in a style favored by Jefferson as expressed in his writing and architectural designs, rather than the erection of such memorial in the vicinity of the Tidal Basin in the District of Columbia, which was ordered to lie on the table.

Mr. SHEPPARD presented the following resolution of the House of Representatives of the State of Texas, which was ordered to lie on the table.

Whereas the Federal Government as a part of its comprehensive social-security program has established in each State of the Union camps for the housing and training of its Civilian Conservation Corps; and

Whereas the establishment and maintenance of such camps in this State has been of untold value to the people of Texas in that it has afforded opportunity for rehabilitation to thousands of young men of Texas of unfortunate circumstances because of the insecurity which has been occasioned by the turmoil of recent years; and

Whereas the continued maintenance of such camps in this State is deemed both highly desirable and necessary to the end that the youth of Texas be afforded the continued opportunity to avail themselves of the benefits of such training: Now, therefore, be it

Resolved by the House of Representatives of the Legislature of the State of Texas, That Congress be called upon to continue this beneficial program and to provide for the continued maintenance in this State of all existing camps for its Civilian Conservation Corps; and be it further

Resolved, That the clerk of the House of Representatives forward to each of the Members of Congress from Texas a copy of this resolution and shall forward copies to both of the Senators from this State in Washington, D. C.

Mr. DAVIS. Mr. President, I present for printing in the RECORD and appropriate reference a concurrent resolution adopted by the Legislature of the State of Pennsylvania relating to abnormal profits in time of war.

The concurrent resolution was referred to the Committee on Finance, as follows:

Whereas the members of the General Assembly of the Commonwealth of Pennsylvania are strongly in favor of the removal of abnormal profits during time of war; and

Whereas it is their belief that war should be prosecuted with special privilege to none and on the basis of equal service for all; and

Whereas there is now pending in the Federal Congress a bill which would not only accomplish these desirable results but by its enactment into law would do much toward the preservation and promotion of peace: And therefore be it

Resolved (if the senate concur), That the General Assembly of the Commonwealth of Pennsylvania hereby memorialize the Congress of the United States to pass the Sheppard-Hill bill (Senate No. 25, House No. 1954) at the earliest possible moment; and be it further

Resolved, That a copy of this resolution be transmitted to each of the Members elected from the Commonwealth of Pennsylvania to the House of Representatives and to the Senate of the Congress of the United States.

ANTILYNCHING LEGISLATION

Mr. WAGNER presented a letter from the secretary of the Episcopal Diocese of Rochester, N. Y., with an attached resolution, which, with accompanying paper, was referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

DIOCESE OF ROCHESTER,
Rochester, N. Y., June 3, 1937.

To the Honorable ROBERT F. WAGNER,
Senator from New York State,
Washington, D. C.:

I have the honor to report to you the enclosed action passed at a meeting of the Diocesan Convention of the Episcopal Diocese of Rochester held in the city of Rochester, May 11 and 12.

Respectfully yours,

FREDERICK CROSBY LEE,
Secretary of the Diocese of Rochester.

Whereas the House of Representatives of the United States has passed recently the antilynching bill; and

Whereas the same bill is to be presented to the Senate; and

Whereas the Constitution of the United States guarantees liberty, life, and the pursuit of happiness to its citizens: Be it

Resolved, That this convention, at its present session, heartily endorse the action of the House of Representatives in approving the bill; and be it further

Resolved, That a copy of this resolution be sent to the President of the United States, and to the Senators representing the State of New York.

LOW-COST HOUSING

Mr. WAGNER. Mr. President, I present and ask unanimous consent to have printed in the RECORD and appropriately referred certain letters and resolutions endorsing the pending low-cost-housing bill.

There being no objection, the letters and resolutions were referred to the Committee on Education and Labor and ordered to be printed in the RECORD, as follows:

AMERICAN LABOR PARTY,
NEW YORK STATE,
New York City, June 3, 1937.

HON. ROBERT F. WAGNER,
Senate Building, Washington, D. C.

DEAR SENATOR: I am pleased to enclose herewith a copy of a resolution adopted by the Fifth A. D. Bronx Branch of the American Labor Party in support of the Wagner-Steagall housing bill.

We need not labor you with the need for decent low-cost housing, but we urge you to bring all the pressure you can upon the committees holding said bill to act favorably on it and to bring same up for an immediate vote. This must not meet the fate of the late Wagner-Ellenbogen bill.

We have heard enough talk and now want to see some building.

Respectfully yours,

AMERICAN LABOR PARTY,
5th A. D., Bronx, N. Y.
By HARRY KAVESH,
Chairman, Committee on Housing and Public Affairs.

Whereas we, the 5th A. D. Bronx, New York City, are urgently aware of the bad housing conditions of workers here and elsewhere in the United States, of the acute housing shortage now rapidly growing worse, of the increases in rentals being demanded of tenants unable to pay same, of the inability of private enterprise or local initiative alone to remedy this situation, of the gallant but totally inadequate efforts of some municipalities to foster slum elimination and decent low-cost housing for workers, and of the suffering caused by chronic unemployment in the building and allied trades; and

Whereas the Wagner-Steagall housing bill, if enacted, would provide the first concrete step toward solving this tremendous national problem: Be it therefore

Resolved, That the 5th A. D. Bronx Branch of the American Labor Party of New York State, on behalf of its thousands of voters and their families in its district, heartily endorses the Wagner-Steagall bill and urges its immediate adoption by Congress; and be it further

Resolved, That we hereby petition Congress, in view of the alarming need for new, decent, low-rent housing, that the financial provisions be doubled, while the administrative set-up remains intact; and be it further

Resolved, That copies of this resolution be sent to the President, to the Senate Committee on Education and Labor, the House Committee on Banking and Currency, the Senators from this State, the Congressman of Bronx County, the New York members of the Senate and House committees, and to the press.

AMERICAN LABOR PARTY OF NEW YORK,
5th A. D. Bronx Branch,
1330 Wilkins Avenue, N. Y. C.
By HARRY KAVESH,
Chairman, Committee on Housing and Public Affairs.

JOINT BOARD OF THE CLOAK, SUIT, SKIRT, AND REEFER MAKERS' UNIONS OF GREATER NEW YORK,
New York, June 2, 1937.

Hon. ROBERT F. WAGNER,
The Senate, Washington, D. C.

DEAR SIR: Enclosed herewith please find copy of resolution expressing our sentiments toward your bill.

Our organization is heartily in favor of this measure and we have sent copies of the enclosed resolution to all the Congressmen of New York City.

Sincerely yours,

LOUIS E. LANGER, *Recording Secretary.*

The Joint Board of the Cloak, Suit, Skirt, and Reefer Makers' Union of Greater New York most emphatically requests the Congress of the United States to pass as soon as possible the Wagner-Steagall housing bill.

The housing situation in New York City as it affects wage earners has become steadily worse. Construction of new dwellings for the low-income groups has been at a standstill throughout the years of the depression. The attempts in New York City to raze firetrap tenements dangerous to life and health without the replacement of these new buildings has only worsened the housing shortage and has served as an additional factor in increasing the already exorbitant rentals prevalent. A condition exists in the city of New York, the largest and wealthiest city of the world, in which hundreds of thousands of workers and their families live in substandard homes injurious to their health and safety and a threat to the health and well being of the new generation growing up in such surroundings.

Nor can any construction program undertaken with the resources of the city of New York alone meet the present intolerable situation. A housing-construction program to be effective must be national in scope. We demand that new housing for the people of the United States be put on a par with education, public health, and public roads, and that the disgrace of slums and blighted areas be eliminated.

The Joint Board of the Cloakmakers' Unions, representing 30,000 workers in New York City and vicinity, calls upon our Representatives in Congress to do all in their power to promote the bill in order to insure its early passage and enactment.

UNITED BROTHERHOOD OF CARPENTERS AND JOINERS OF AMERICA, LOCAL UNION NO. 366,
New York, June 4, 1937.

Reference to the Wagner-Steagall bill, S. 1685.

Hon. ROBERT F. WAGNER,
United States Senate, Washington, D. C.

DEAR SIR: Whereas we in the Bronx are urgently aware of the bad housing conditions here and elsewhere, of the acute housing shortage now rapidly growing worse, of the inability of private enterprise or local initiative alone to remedy this situation, and of the suffering caused by chronic unemployment in the building trades; and

Whereas the Wagner-Steagall housing bill, if enacted, would provide the first concrete step toward solving this tremendous national problem: Be it therefore

Resolved, That the Local Union 366 of carpenters heartily endorse the Wagner-Steagall bill and urge its immediate adoption by Congress; and be it further

Resolved, That we heartily petition Congress, in view of the alarming need of low-rent housing, that the financial provisions be doubled whilst the administrative set-up remains intact; and be it further

Resolved, That we are heartily in favor of this bill without any change, and request that you please support it.

Respectfully submitted.

JAMES C. DUIGNAN,
Secretary, Local Union 366.

DEPORTATION OF ALIENS

Mr. CAPPER. Mr. President, I have just received from Mr. H. C. Colgrove, commander of the Kansas Department, United Spanish War Veterans, resolution no. 1 adopted by the Kansas department at its annual meeting in Salina, Kans., May 18.

This resolution reaffirms the position taken by the organization a year ago demanding that criminal aliens, and aliens who have been in the United States a sufficiently long time without taking out naturalization papers to evidence they have intention of becoming citizens, be deported and returned to their native land.

Mr. President, the position taken by the United Spanish War Veterans of Kansas that aliens illegally in the United States be deported as fast as they can be rounded up is the position I have taken for many years. I also am in sympathy with the proposal that aliens who refuse to take out citizenship papers after a reasonable length of time should be returned to their native land.

And I also say that American citizens should be taken care of first in the matter of relief and in the matter of jobs. I send the resolution to the desk and ask unanimous consent that it be printed in the RECORD and appropriately referred.

There being no objection, the resolution was referred to the Committee on Immigration and ordered to be printed in the RECORD, as follows:

Whereas there is much talk at this time of balancing the National Budget; and

Whereas there are at the present time unemployed persons in the United States variously estimated at from eight to twelve millions; and

Whereas Government officials estimate there are over 3,000,000 aliens in the United States who have illegally entered our borders, and there are over 5,000,000 aliens who have no intention of becoming citizens, as evidenced by their failure to take out citizenship papers although they have lived in this country for many years; and

Whereas many of these aliens are on relief and are being cared for at the expense of the American taxpayers; and

Whereas a large number of these aliens have secured jobs here, thus depriving American citizens of the opportunity of earning a livelihood; and

Whereas the United States would not have an unemployment or relief problem but for the presence of these unnaturalized aliens; and

Whereas most of the aliens residing in the United States have come from Europe, and these countries owe billions of dollars to our citizens for money borrowed for rehabilitation and repair of damage caused by the holocaust of 1914–18, in addition to the thousands of lives that were lost and the billions spent by us in saving from destruction other thousands of crippled veterans, for which no recompense was asked; and

Whereas these countries refuse to pay the money borrowed from us and which was loaned to them in good faith and out of the goodness of our hearts; and

Whereas these same countries are now spending billions for armaments and for preparation for another war; and

Whereas we are in full sympathy with the principle of charity but believing that charity begins at home; and

Whereas the return to their former homes of these various classes of aliens heretofore mentioned would practically restore normal conditions to this country, unemployment automatically would be much reduced, and the National Budget would be balanced without the curtailment of a single desirable Government function: Now, therefore, be it

Resolved by the Thirtieth Annual Encampment of the United Spanish War Veterans, Department of Kansas, in convention assembled at Salina, Kans., May 18, 1937, That we wish to reaffirm the action of the twenty-ninth annual encampment at Topeka last year, and we earnestly request and urge the Congress of the United States to take the action suggested in this resolution to the end that normal conditions may once more be restored in this country, and that prosperity may reign again; and be it further

Resolved, That certified copies of this resolution be forwarded to the Members of Congress from the State of Kansas and to the President of the United States.

SALINA, KANS., *May 18, 1937.*

TRAIN LIMIT—LETTER FROM REPRESENTATIVES OF TRANSPORTATION BROTHERHOODS

Mr. McCARRAN. Mr. President, I ask unanimous consent that there be printed in the RECORD at this point a letter signed by the heads of all the transportation brotherhoods of the United States bearing on the subject of Senate bill no. 69, the so-called train-limit bill.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., *May 28, 1937.*

Hon. PAT MCCARRAN,
United States Senate, Washington, D. C.

DEAR SENATOR: Reliable information has reached us that outsiders have caused to be circulated among Senators a rumor that the transportation brotherhoods are not solidly and sincerely supporting the train-limit bill (S. 69) introduced by Senator MCCARRAN, of Nevada, which bill has been favorably reported out by the Interstate Commerce Committee of the Senate and is now on the Senate Calendar.

The rumor is absolutely false. The brotherhoods we represent are wholeheartedly back of this legislation, and are most earnestly urging its early passage at this session of Congress.

We respectfully request your support of S. 69, and will be pleased to talk with you at any time regarding its merit.

Sincerely yours,

JOHN T. CORBETT,
Assistant Grand Chief Engineer and National Legislative Representative, Brotherhood of Locomotive Engineers.
ARTHUR J. LOVELL,
Vice President and National Legislative Representative, Brotherhood of Locomotive Firemen and Enginemen.
W. D. JOHNSON,
Vice President and National Legislative Representative, Order of Railway Conductors.
J. A. FARQUHARSON,
National Legislative Representative, Brotherhood of Railway Trainmen.

REPORTS OF COMMITTEES

Mr. MINTON, from the Committee on Military Affairs, to which was referred the bill (S. 947) to provide national flags for the burials of honorably discharged former service men and women, reported it with an amendment and submitted a report (No. 679) thereon.

Mr. BAILEY, from the Committee on Claims, to which was referred the bill (H. R. 2080) for the relief of Eleanora S. Richardson, reported it without amendment and submitted a report (No. 680) thereon.

Mr. BROWN of Michigan, from the Committee on Claims, to which was referred the bill (S. 178) for the relief of the estate of J. D. Warlick, reported it with amendments and submitted a report (No. 681) thereon.

Mr. SCHWELLENBACH, from the Committee on Claims, to which was referred the bill (S. 1044) for the relief of Thomas W. Seay, reported it with an amendment and submitted a report (No. 682) thereon.

Mr. SHEPPARD, from the Committee on Military Affairs, to which were referred the following bill and joint resolutions, reported them severally without amendment and submitted reports thereon:

S. 2531. A bill to authorize the transfer of certain military reservations to other agencies of the Government and to the people of Puerto Rico, and for other purposes (Rept. No. 683);

H. J. Res. 335. Joint resolution authorizing the Secretary of War to receive for instruction at the United States Military Academy at West Point, Olmedo Alfaro, a citizen of Ecuador (Rept. No. 684); and

H. J. Res. 339. Joint resolution granting permission to George E. Ijams, civilian employee of the Veterans' Administration, to accept and wear the decoration bestowed upon him by the Republic of France (Rept. No. 685).

Mr. TRUMAN, from the Committee on Interstate Commerce, to which were referred the following bills, reported them each with an amendment in the nature of a substitute and submitted reports thereon:

S. 2. A bill to amend the Interstate Commerce Act, as amended, by providing for the regulation of the transportation of passengers and property by aircraft in interstate commerce, and for other purposes (Rept. No. 686); and

S. 1760. A bill to promote the safety of scheduled air transportation (Rept. No. 687).

Mr. McCARRAN, from the Committee on the Judiciary, to which was referred the bill (S. 1375) to provide for the punishment of persons stealing animals moving in interstate commerce, and for other purposes, reported it with amendments and submitted a report (No. 688) thereon.

Mr. CONNALLY, from the Committee on the Judiciary, to which was referred the joint resolution (S. J. Res. 67) conferring jurisdiction upon the Court of Claims to hear and determine the claim of the estate of John F. Hackfeld, deceased, reported it with an amendment and submitted a report (No. 689) thereon.

Mr. HATCH, from the Committee on the Judiciary, to which were referred the following bills, reported them severally without amendment and submitted a report as indicated thereon:

S. 486. A bill to provide for the manner of inflicting the punishment of death (Rept. No. 690);

H. R. 2705. A bill to provide for the manner of inflicting the punishment of death; and

H. R. 5721. A bill to amend the Federal Register Act (Rept. No. 691).

TEMPORARY CLERK FOR COMMITTEE ON THE JUDICIARY

Mr. BYRNES. From the Committee to Audit and Control the Contingent Expenses of the Senate I report back favorably, without amendment, Senate Resolution 138, and ask unanimous consent for its consideration at this time.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution reported by the Senator from South Carolina?

There being no objection, the resolution (S. Res. 138) submitted by Mr. ASHURST on the first instant was read, considered, and agreed to, as follows:

Resolved, That Resolution 116, agreed to April 22, 1937, authorizing the Committee on the Judiciary to employ an assistant clerk for 2 months to be paid from the contingent fund of the Senate at the rate of $120 per month, hereby is continued in full force and effect for an additional period of 2 months.

DISTRICT OF COLUMBIA APPROPRIATIONS—REPORT

Mr. THOMAS of Oklahoma. Mr. President, I desire to submit a unanimous-consent request, but before doing so I wish to make a brief statement.

The subcommittee of the Committee on Appropriations having in charge the District of Columbia appropriation bill has completed its hearings, and today, at 2:30 will report the bill to the main committee. That committee, however, will not be able to report in time to get the bill before the Senate today, in all probability, because the Senate may adjourn before we complete our deliberations.

I ask unanimous consent that later today the Committee on Appropriations may be permitted to file its report on the District of Columbia appropriation bill even though in the meantime the Senate may have adjourned.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

Mr. THOMAS of Oklahoma subsequently, from the Committee on Appropriations, to which was referred the bill (H. R. 5996) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1938, and for other purposes, reported it with amendments and submitted a report (No. 692) thereon.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mrs. CARAWAY:

A bill (S. 2558) granting a pension to Florence L. Bailey; to the Committee on Pensions.

By Mr. BURKE:

A bill (S. 2559) granting a pension to Carrie L. Kron; to the Committee on Pensions.

By Mr. LONERGAN:

A bill (S. 2560) granting a pension to Lucy A. Thayer; to the Committee on Pensions.

By Mr. TYDINGS:

A bill (S. 2561) granting an increase of pension to Mary Watkins; to the Committee on Pensions.

By Mr. MINTON:

A bill (S. 2562) granting an increase of pension to Isaac A. Chandler; to the Committee on Pensions.

By Mr. JOHNSON of California:

A bill (S. 2563) for the relief of William H. Kelly; to the Committee on Pensions; and

A bill (S. 2564) for the relief of Charles Franklin Campbell; Sr.; to the Committee on Claims.

By Mr. BAILEY:

A bill (S. 2565) authorizing the Comptroller General to settle and adjust the claim of List & Clark Construction Co.; to the Committee on Claims.

By Mr. CAPPER:

A bill (S. 2566) for the relief of the Blue Rapids Gravel Co., of Blue Rapids, Kans. (with accompanying papers); to the Committee on Claims.

By Mr. WAGNER:

A bill (S. 2567) for the relief of James M. D'Arcy; to the Committee on Claims.

By Mr. ANDREWS:

A bill (S. 2568) for the relief of Vella Rush; to the Committee on Claims; and

A bill (S. 2569) granting a pension to Elise M. Lum; to the Committee on Pensions.

By Mr. McADOO:

A bill (S. 2570) to amend an act entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved June 22, 1936; to the Committee on Commerce.

By Mr. TRUMAN:

Abill (S. 2571) to incorporate the Bible Foundation; to the Committee on the District of Columbia.

By Mr. POPE:

A bill (S. 2572) to amend the Social Security Act to increase grants to States for aid to dependent children; to the Committee on Finance.

By Mr. SHEPPARD:

A bill (S. 2573) for the relief of Walter G. Harrell; to the Committee on Military Affairs.

By Mr. McGILL:

A bill (S. 2574) relating to the manufacture of naval aircraft in Government factories; to the Committee on Naval Affairs.

By Mr. COPELAND:

A bill (S. 2575) to increase the efficiency of the Coast Guard;

A bill (S. 2576) providing for the adjustment on the retired list of the Coast Guard of William Edward Reynolds;

A bill (S. 2577) to authorize the Secretary of Commerce to convey to the Commissioners of the Palisades Interstate Park, a body politic of the State of New York, certain portions of the Stony Point Light Station Reservation, Rockland County, N. Y., including certain appurtenant structures, and for other purposes;

A bill (S. 2578) to authorize the Secretary of Commerce to continue the existing system of classification and pay of positions of lighthouse keepers (with an accompanying paper);

A bill (S. 2579) to provide more effectively for the marking of wrecked and sunken craft for the protection of navigation, to improve the efficiency of the Lighthouse Service, and for other purposes (with an accompanying paper); and

A bill (S. 2580) to amend existing laws so as to promote safety at sea by requiring the proper design, construction, maintenance, inspection, and operation of ships; to give effect to the Convention for Promoting Safety of Life at Sea, 1929, and for other purposes; to the Committee on Commerce.

A bill (S. 2581) to extend the time within which Leo N. Munro may file suit on his war-risk insurance contract (T-4092077) under section 19 of the World War Veterans' Act, 1924, as amended; to the Committee on Finance.

By Mr. McCARRAN:

A bill (S. 2582) to amend the Classification Act of 1923, as amended; to the Committee on Civil Service.

A bill (S. 2583) to provide for the acquisition of certain lands for and the addition thereof to the Tahoe National Forest, in the State of Nevada, and for other purposes; to the Committee on Public Lands and Surveys.

By Mr. LEWIS:

A bill (S. 2584) to dispense with the necessity for insurance by the Government against loss or damage to valuables in shipment, and for other purposes; to the Committee on Finance.

Mr. ROBINSON. Mr. President, on behalf of the Senator from Massachusetts [Mr. WALSH] and at his request, he being unavoidably absent, I introduce a bill.

The VICE PRESIDENT. The bill will be received and appropriately referred.

By Mr. ROBINSON (for Mr. WALSH):

A bill (S. 2585) to provide that tax returns under the Social Security Act may be made without the formality of an oath, and for other purposes; to the Committee on Finance.

By Mr. CLARK:

A bill S. 2586) providing for deposits in the unemployment trust fund to the credit of certain States; to the Committee on Finance.

By Mr. THOMAS of Oklahoma:

A bill (S. 2587) providing for the sale of the two dormitory properties belonging to the Chickasaw Nation or Tribe of Indians, in the vicinity of the Murray State School of Agriculture at Tishomingo, Okla.;

(By request.) A bill (S. 2588) for the benefit of the Omaha and Winnebago Indians of Nebraska; and

(By request.) A bill (S. 2589) to authorize the sale of part of the lands belonging to the Palm Springs or Agua Caliente Band of Mission Indians, and for other purposes; to the Committee on Indian Affairs.

By Mr. COPELAND:

A joint resolution (S. J. Res. 158) to provide for the appointment of a delegate to the First Pan American Congress of Deaf Mutes; to the Committee on Foreign Relations.

A joint resolution (S. J. Res. 159) to preserve inviolate the integrity of patent rights, to insure patentees that even the Government cannot despoil them of their inventions, lawfully to acquire for national defense all patent rights to and proprietary interest in the patented Hubbell percussion device, and to authorize justice to be done the patentee as heretofore recommended by the Patent Committees of the United States Senate and House of Representatives; to the Committee on Patents.

SUSPENSION OF ASSESSMENT WORK ON MINING CLAIMS—AMENDMENT

Mr. McNARY submitted an amendment intended to be proposed by him to the bill (S. 187) providing for the suspension of annual assessment work on mining claims held by location in the United States, which was referred to the Committee on Mines and Mining and ordered to be printed.

RELIEF APPROPRIATIONS—AMENDMENT

Mr. BRIDGES submitted an amendment intended to be proposed by him to the joint resolution (H. J. Res. 361) making appropriations for relief purposes, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

At the proper place in the joint resolution to insert the following new paragraph:

"Of the amount specified for highways, roads, and streets, not less than $75,000,000 shall be allocated for the survey and construction of public highways on the Federal-aid highway system and not less than $50,000,000 for the survey and construction of

secondary or feeder roads, including farm-to-market roads, rural free delivery mail roads, and public-school bus routes. Such sums shall be apportioned in the manner provided by section 204 (b) of the National Industrial Recovery Act for expenditure by the State highway departments under the provisions of the Federal Highway Act, as amended and supplemented. Not less than $25,000,000 shall be allocated for the survey and construction of projects for the elimination of hazards to life at railroad grade crossings on the Federal-aid highway system and elsewhere, including the separation or protection of grades at crossings, the reconstruction of existing railroad grade-crossing structures, and the relocation of highways to eliminate grade crossings, and shall be apportioned and expended in accordance with the provisions of section 8 of the act of June 16, 1936, entitled 'An act to amend the Federal Aid Highway Act, approved July 11, 1916, as amended and supplemented, and for other purposes.' No part of the funds apportioned to any State or Territory under this paragraph need be matched by the State or Territory. The President shall prescribe rules and regulations for carrying into effect the provisions of this paragraph."

INTERFERENCE WITH UNITED STATES MAILS

Mr. BRIDGES. Mr. President, I submit a resolution for appropriate reference, which I should like to have read, and I ask permission to speak on the resolution for not to exceed 15 minutes.

The VICE PRESIDENT. Is there objection to the request of the Senator from New Hampshire that he be permitted to speak for 15 minutes on a resolution which he asks the clerk to read? The Chair hears none, and the clerk will read the resolution.

The legislative clerk read the resolution (S. Res. 140), as follows:

Resolved, That a special committee of five Senators, to be appointed by the President of the Senate, three from the majority political party and two from the minority political party, is authorized and directed to make a full and complete investigation (1) of all cases of alleged interference by any persons or organizations with the acceptance or delivery of mail tendered to or accepted by postal authorities for delivery to addresses within any business or industrial establishment in which industrial strife may be occurring, and (2) of all cases of agreements between postal authorities and persons or organizations whereby such authorities agree not to accept mail tendered for delivery to addresses within any such business or industrial establishment. The committee shall report to the Senate as soon as practicable the results of its investigations, together with its recommendations, if any, for necessary legislation.

For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Senate in the Seventy-fifth Congress, to employ such clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed $5,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

Mr. BRIDGES. Mr. President, in numerous metropolitan journals throughout the country on Saturday, June 5, appeared various articles having to do with censorship of the United States mails. I have on my desk a number of these publications, and wish to read for the purpose of the RECORD a quotation from an article appearing in the New York Herald Tribune of Saturday, June 5, as follows:

C. I. O. CENSORS THE MAIL FOR STEEL STRIKE PLANT, PROTEST TO FARLEY SAYS—UNION OFFICIALS PASSED ON PARCELS INTENDED FOR REPUBLIC'S NILES, OHIO, MILL, ATTORNEY CHARGES—MEDICINE IS OPENED FOR STRIKERS TO SEE—PICKETS "WILL NOT ALLOW IT", POSTAL AID ASSERTS IN EXPLAINING BAN ON "IRREGULAR" SHIPMENTS

WASHINGTON, June 4.—The Republic Steel Corporation today telegraphed a protest to Postmaster General James A. Farley on the basis of charges that postal authorities at Niles, Ohio, not only had permitted C. I. O. officials to inspect packages addressed to individuals in its strike-bound plant there but to pass upon their entry into the mails.

The charges were made by Lewis L. Guarnieri, attorney, of Warren, Ohio, who described how he had attempted unsuccessfully to mail packages of food to nonstriking workers in the corporation's plants there and at Niles. Bert Flaherty, the assistant postmaster at Niles, Mr. Guarnieri related, informed him no "irregular" packages were being accepted for delivery to the corporation and told him how "Mr. Payne and Mr. Galloway, of the union", had been summoned the day before to pass on the admissibility of a package of medicine.

[Mr. Flaherty, according to the Associated Press, admitted that leaders of strike pickets had examined the package of medicine with a Post Office Department inspector, but said that no further inspections were being permitted. The union men and the inspector, he said, were conferring on the question of mail for the Niles plant at the time.]

MEDICINE PACKAGE OPENED

The medicine package incident was brought to light today, Mr. Guarnieri said, after the assistant postmaster had refused to accept packages which he was attempting to send into the Niles plant.

"Flaherty", Mr. Guarnieri's statement related, "then went on to tell myself and the other three gentlemen present that yesterday a man brought in a package to the post office, saying that it was medicine for one of the Republic Steel employees. Mr. Flaherty said that they sent for Mr. Payne and Mr. Galloway, of the union; that the package was opened and that it was found to contain medicine, and that Payne and Galloway then gave permission to allow the package to go into the mills.

"A postal inspector was present at the time and he reached an understanding with Payne and Galloway, according to Bert Flaherty, that no 'irregular' mail would be permitted to go into the plant, such as food, clothing, newspapers, and the like, and Mr. Flaherty said:

"'You see, we cannot take these packages because they will not allow it.'

"I asked who he meant by 'they', and Flaherty said, 'Mr. Payne, Galloway, and the union pickets would not allow clothing or newspapers to be delivered, but they would allow the postal department to deliver regular parcel-post packages, such as, for example, a parcel-post package from Westinghouse Electric.'"

Similar articles have appeared in the great metropolitan dailies of the country, the article which I have read for the RECORD being a sample of those appearing in other newspapers. I do not know whether the purported facts stated in the articles are true or not, but I assume they have some basis or they would not have been published. If they are true, they present a situation which is a disgrace to the United States, a disgrace to the Postal Service, and a disgrace to the great traditions which the Postal Service of the United States has built up over a long period of years.

Down through the years in this country has been a tradition that the mails must go through. Back in 1934, when the air-mail contracts were canceled by the administration, the Army fliers were forced into that service and at that time eight fliers—12 persons in all—according to War Department information, paid with their lives for the sake of maintaining that tradition that the mails must go through.

The Federal Post Office inspectors and the authorities down through the years have built up a great reputation. In Canada the Northwest Mounted Police have a reputation for "getting their man." In this country in recent years Federal G-men have built up a similar reputation. Today the reputation built up by the Post Office Department goes by the board if the situation to which I have adverted is allowed to continue and if the statements made in this and similar articles are true. I am not quarreling with the Post Office Department on the question of whether or not that Department shall accept or reject regular or irregular mail. There may be some justification for its rejection or there may not be; but that is not the issue at stake. I can understand the feeling of the strikers at the particular plant in not wanting materials to go through to the men who are not on strike, but neither is not the point at issue. The point at issue is that, according to the stories published in certain newspapers private citizens, who in this instance happen to be representatives of a striking C. I. O. labor union, were permitted to censor the United States mails; were permitted to inspect packages in the United States mails to see what they contained, and then to tell the postal authorities whether or not they could go through; in other words, passing upon the type of mail that shall be accepted and delivered. If the facts are correctly set forth, an investigation by this body is warranted. If the purported statements are true, they present a situation which is a disgrace to this country and a reflection on the Postal Service which has had no major reflection cast upon it and which has been so outstanding down through the years.

Mr. ROBINSON. Mr. President, I ask that the resolution be referred to the Committee on Post Offices and Post Roads.

The VICE PRESIDENT. Without objection, it is so referred.

Mr. VANDENBERG. Mr. President, being in hearty accord with the observations just made by the junior Senator from New Hampshire [Mr. BRIDGES], I ask unanimous consent to have printed in the RECORD an editorial entitled "Whose Mail?" published in the Cleveland Plain Dealer on June 5, 1937.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Cleveland Plain Dealer of June 5, 1937]

WHOSE MAIL?

Grover Cleveland called out the soldiery to keep the mails moving at Chicago. Some such assertion of supreme authority seems to be needed to keep the mails moving at Warren, strike-tied Ohio town.

Instead, the acting postmaster at Warren, who represents or misrepresents the Department at Washington which Jim Farley directs, refuses to accept for delivery packages of food addressed to the manager of the Republic Steel plant. It is "irregular mail", he says, and for this reason may properly be refused.

At the same time the Youngstown local committee of the steel strikers' organization wires Postmaster General Farley urging "immediate application of ruling 'unusual shipments' to stop delivery of food and supplies" into the Republic plants "by parcel post."

Plants at Warren, Youngstown, and Niles are being operated by men billeted inside. The company, finding it impossible to get food to its workers by truck, resorts to the use of planes. The incidental use of the mails for this purpose is now challenged by at least one spokesman for the United States Government.

The layman does not know what "irregular mail" is; nor does he know what the term "unusual shipments" means as applied to the Postal Service. He cannot fail to remember, however, that one of the articles of his Government's creed relates to the invincibility of its mails.

Come blizzards or high seas, earthquakes, floods, or civic commotion, the mails go on. The Government makes a contract with its people that for the price of the required postage stamps it will deliver the article committed to its care, be it either letter or package, so long as the individual keeps within the recognized limitations of law or Executive order.

This seems now to be changed. If the attitude of the acting postmaster at Warren is upheld, the Government may autocratically limit you in the use of the mails. You may send a parcel-post package of food to your dear old aunt at Agawam, but the same package becomes "irregular" and hence unmailable if addressed to the manager of a steel plant which has chosen to operate in spite of a strike.

Trucks are forbidden access to the strike zone, for civil authority has broken down. Railroad trains carrying supplies have been stopped by mobs which chain ties across the rails; and the railroads, as special wards of the Government, should be entitled to some protection.

The crowning evidence of Government ineptitude will be seen if the Post Office Department upholds the ruling of its spokesman at Warren and insists that mail addressed to a beleaguered steel plant cannot be accepted for delivery because it is deemed "irregular."

Grover Cleveland kept the mails moving, and history reveres his memory as that of a man true to his oath of office. Some of the twenty-second President's courage and clear thinking is needed in high places today.

BONDS AND FUNDS FOR PUBLIC-WORKS PROPECTS

Mr. POPE submitted the following resolution (S. Res. 141), which was referred to the Committee on Education and Labor:

Whereas States, counties, municipalities, and other political subdivisions, sponsoring non-Federal projects have, in good faith and without notice of any change in the policy of the Federal Emergency Administration of Public Works and in reliance on then existing regulations, issued or caused to be issued bonds or have otherwise made funds available contingent upon a 45-percent grant from the Federal Emergency Administration of Public Works: Therefore be it

Resolved, That the Administrator of Public Works is hereby directed to file with the Senate a statement setting forth by States the number of public-works projects exclusive of school projects for which bonds have been voted or funds have otherwise been made available, and setting forth the amounts of loans and grants or loans or grants requested in the applications.

LABOR, CAPITAL, AND GOVERNMENT—ADDRESS BY SENATOR VANDENBERG

[Mr. WHITE asked and obtained leave to have printed in the RECORD a radio address delivered by Senator VANDENBERG on Saturday, June 5, 1937, on the subject of Critical Relationships Between Labor, Capital, and Government, which appears in the Appendix.]

TRADE RELATIONS BETWEEN MEXICO AND THE UNITED STATES

[Mr. SHEPPARD asked and obtained leave to have printed in the RECORD an address delivered by Dr. Francisco Castillo Najera, Ambassador from Mexico to the United States, at Dallas, Tex., May 21, 1937, and an address delivered on the same occasion by Hon. Josephus Daniels, Ambassador from the United States to Mexico, which appear in the Appendix.]

DEMOCRACY AND DICTATORSHIP—NEW YORK TIMES EDITORIAL

[Mr. BORAH asked and obtained leave to have printed in the RECORD an editorial, entitled "Democracy and Dictatorship," published in the New York Times of Sunday, June 6, 1937, which appears in the Appendix.]

WAR OR PEACE—ADDRESS BY SENATOR PITTMAN

[Mr. ROBINSON asked and obtained leave to have printed in the RECORD a radio address on the subject of War or Peace, delivered by Senator PITTMAN on June 3, 1937, which appears in the Appendix.]

RON STEPHENS

Mr. McKELLAR. Mr. President, on May 24 the Senate confirmed the nomination of Mr. Ron Stephens, of Oklahoma, to be State administrator in the Works Progress Administration for that State, but his name was incorrectly spelled. As in executive session, I ask unanimous consent to proceed to the consideration of the nomination in the correct name.

The VICE PRESIDENT. Is there objection to the request of the Senator from Tennessee that, as in executive session, the Senate may consider a nomination? The Chair hears none, and the nomination will be read.

The Chief Clerk read the nomination of Ron Stephens, of Oklahoma, to be State administrator in the Works Progress Administration for Oklahoma.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. McKELLAR. Yes; I yield.

Mr. NORRIS. When the Senate last met, the President sent a message withdrawing the name of this gentleman as first nominated, and sending the nomination again under the correct name.

Mr. McKELLAR. But his nomination has already been confirmed under the wrong name.

The VICE PRESIDENT. The question is, Will the Senate advise and consent to this nomination as now read by the clerk? Without objection, the nomination is confirmed; and, without objection, the President will be notified.

PREVENTION OF INCOME-TAX EVASION

Mr. BORAH. Mr. President, I give notice of a motion to reconsider the vote by which Senate Joint Resolution 155 was passed; and I now enter a motion to request the House to return the papers to the Senate.

Mr. ROBINSON. May I ask what the joint resolution is?

Mr. BORAH. It is the joint resolution introduced by the chairman of the Finance Committee, the Senator from Mississippi [Mr. HARRISON], concerning the appointment of a joint committee to investigate tax matters.

Mr. President, I wish to say that I do not desire to urge this matter at this time. Whether or no I shall urge it will depend upon what the House of Representatives does with reference to the joint resolution. The House is today considering certain amendments to the joint resolution. It may be that I shall withdraw my motion after the House shall have passed upon Senate Joint Resolution 155, the House having proposed certain amendments in which I am interested. I am entering the motion to preserve every right in case the House action is not satisfactory.

The VICE PRESIDENT. The motion of the Senator from Idaho will be entered.

CONSIDERATION OF UNOBJECTED-TO BILLS

The VICE PRESIDENT. Morning business is closed. Under the unanimous-consent agreement entered into earlier today, the Senate will now proceed to the consideration of unobjected-to bills on the calendar, beginning with Order of Business No. 428.

BILL PASSED OVER

The first business on the calendar under the unanimous-consent agreement was the bill (S. 69) to amend an act entitled "An act to regulate commerce", approved February 4, 1887, as amended and supplemented, by limiting freight or other trains to 70 cars.

Mr. ROBINSON. Mr. President, at the suggestion of the author of the bill, the Senator from Nevada [Mr. McCARRAN], who is not present, I ask that the bill go over.

The VICE PRESIDENT. The bill will be passed over.

JUVENILE COURT OF THE DISTRICT

The bill (H. R. 4276) to amend an act entitled "An act to create a juvenile court in and for the District of Columbia, and for other purposes", was announced as next in order.

Mr. COPELAND. Mr. President, I ask that the bill may go over today without prejudice. I wish to explain that a controversial matter is involved and an attempt is being made to iron out certain differences. I hope the next time the bill is reached on the calendar we may be able to pass it.

The VICE PRESIDENT. The bill will be passed over.

BILL PASSED OVER

The bill (S. 1040) placing provisional officers of the World War in the same status with emergency officers of the World War and extending to them the same benefits and/or privileges as are now or may hereafter be provided by law, orders, and/or regulations for said emergency officers, and for other purposes was announced as next in order.

Mr. McKELLAR. Mr. President, may we have an explanation of this bill?

Mr. SHEPPARD. Mr. President, it may take some time to explain the bill properly, and some Senators have expressed a desire that the measure be taken up on motion. Therefore, it may go over for the present.

The VICE PRESIDENT. The bill will be passed over.

FRENCH SPOLIATION CLAIMS

The bill (S. 2106) for the allowances of certain claims not heretofore paid, for indemnity for spoliations by the French, prior to July 31, 1801, was announced as next in order.

Mr. BURKE. Let the bill go over.

Mr. LOGAN. Mr. President, I ask the Senator who objected to withhold his objection for a moment.

Mr. BURKE. I withhold it so that the Senator may make his statement.

Mr. LOGAN. Mr. President, I wish to say that Senate bill 2106 is a very important matter to the persons whose names are mentioned in the report, and it is a very important matter to the national honor. The honor of the Nation is involved in the payment of these claims.

I am not going to ask to call up the bill today, in view of the objection; but I simply desire that the Members of the Senate read the report, and at the next call of the calendar I shall move to take up the bill notwithstanding the objection.

The VICE PRESIDENT. Objection being made, the bill will be passed over.

H. G. HARMON

The Senate proceeded to consider the bill (S. 885) for the relief of H. G. Harmon, which had been reported from the Committee on Claims with an amendment, on page 1, line 7, after the words "sum of", to strike out "$818" and insert "$400", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury allocated by the President for the maintenance and operation of the Civilian Conservation Corps, to H. G. Harmon, of Hampton, Iowa, the sum of $400 in full satisfaction of his claim against the Government for damages arising out of personal injuries to his wife and son and the destruction of his automobile, suffered when such automobile was struck and completely demolished by a Civilian Conservation Corps truck, on September 10, 1935, near Hampton, Iowa, and for expenses and losses resulting therefrom: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

JOINT RESOLUTION PASSED OVER

The joint resolution (S. J. Res. 68) providing for the appointment of a National Unemployment and Relief Commission was announced as next in order.

Mr. HATCH. Mr. President, I have had conversations about the joint resolution with several Senators who desire to have it go over at this time, and I ask that that may be done.

The VICE PRESIDENT. The joint resolution will be passed over.

NAOMI LEE YOUNG

The bill (H. R. 4457) for the relief of Naomi Lee Young was considered, ordered to a third reading, read the third time, and passed.

PARK B. BRANDON AND ROBERT G. TEER

The Senate proceeded to consider the bill (S. 2262) for the relief of Park B. Brandon and Robert G. Teer, which had been reported from the Committee on Claims with amendments, on page 1, line 7, after the words "sum of", to strike out "$10,000" and insert "$3,500"; in line 8, after the words "sum of", to strike out "$300" and insert "$248.49"; and at the end of the bill to insert a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury allocated by the President for the maintenance and operation of the Civilian Conservation Corps, to Park B. Brandon, of Braman, Okla., the sum of $3,500, and to Robert G. Teer, of Braman, Okla., the sum of $248.49, in full settlement of any and all claims against the Government for injuries sustained as a result of an accident involving a Government truck operated in connection with the Civilian Conservation Corps at Blackwell, Okla., on November 2, 1935: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MR. AND MRS. WALTER B. JOHNSON AND DAUGHTER

The bill (H. R. 2223) for the relief of Mr. and Mrs. Walter B. Johnson and Joy Johnson, a minor, was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 369) to allow credit to homestead settlers and entrymen for certain military service was announced as next in order.

Mr. ROBINSON. Mr. President, let us have an explanation of this bill.

The PRESIDENT pro tempore. An explanation of the bill is requested.

Mr. ROBINSON. The Senator from North Dakota [Mr. NYE] is the author of the bill. It was reported by the Senator from Colorado [Mr. ADAMS]. If no Senator is ready to discuss the measure, I suggest that it go over.

The PRESIDENT pro tempore. The bill will be passed over.

JAMES T. MOORE

The Senate proceeded to consider the bill (S. 1210) for the relief of James T. Moore, which was read, as follows:

Be it enacted, etc., That the President of the United States be, and he is hereby, authorized to summon James T. Moore, formerly chaplain with rank of first lieutenant of the Army of the United States, before a retiring board, to inquire whether at the

time of his honorable discharge, December 22, 1922, he was incapacitated for active service, and whether such incapacity was the result of an incident of service, and upon the result of such inquiry the President is authorized to nominate and appoint, by and with the advice and consent of the Senate, the said James T. Moore, a first lieutenant in the Corps of Chaplains and place him immediately thereafter upon the retired list of the Army, with the same privileges and retired pay as are now or may hereafter be provided by law or regulation for officers of the Regular Army: *Provided*, That the said James T. Moore shall not be entitled to any back pay or allowances.

Mr. McKELLAR. Mr. President, may we have an explanation of this bill?

Mr. SHEPPARD. Mr. President, the bill merely authorizes the claimant to go before a retiring board and have his claim heard and properly determined.

Mr. McKELLAR. I have no objection.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ROY CHANDLER

The bill (S. 2096) for the relief of Roy Chandler was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers Roy Chandler, late private, Company G, Thirty-ninth Regiment United States Infantry, shall be held and considered to have been honorably discharged from the military service of the United States as a member of said organization on August 17, 1918: *Provided*, That no back pay, pension, bounty, or other emolument shall accrue prior to the passage of this act.

SERGEANT-INSTRUCTORS IN THE NATIONAL GUARD

The bill (S. 2401) for the relief of sergeant-instructors, National Guard, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That payments heretofore made on account of rental of quarters for enlisted men of the Army on duty with the National Guard and authorized by law to be furnished with quarters at Government expense, and payments heretofore made to said enlisted men of monetary allowances in lieu of rations which now stand disallowed, or would hereafter be disallowed but for this act, on the ground of their relation to or connection with the aforesaid rental payments or transactions, are hereby ratified and validated as to the disbursing officers making the same, and the Comptroller General of the United States is hereby directed to allow credit in the accounts of said disbursing officers for and on account of all such payments: *Provided*, That such payments on account of rental of quarters for each enlisted man were not in excess of $35 per month, the maximum rate authorized by law to be paid for rental of such quarters.

SEC. 2. Payments described in the first section hereof shall be, and the same are hereby, ratified and validated as to the military personnel concerned, in such amounts as are approved by the Secretary of War, whose determinations shall be final and conclusive: *Provided*, That nothing herein shall be construed to prevent the collection from military personnel concerned of any amount determined by the Secretary of War to be due to the United States.

SEC. 3. Any amounts collected from any person to reimburse the United States on account of payments which are herein validated shall be refunded to said person upon presentation of a claim, approved by the Secretary of War, to the Comptroller General who is authorized and directed to certify the same to the Congress for an appropriation to pay therefor.

BILL PASSED OVER

The bill (S. 2097) providing for the advancement on the retired list of the Army of John E. Ketchum was announced as next in order.

Mr. ROBINSON. Mr. President, this appears to be a bill of somewhat unusual form. I should like to have an explanation of the bill before the Senate votes on it.

I suggest that the bill be passed over.

The PRESIDENT pro tempore. The bill will be passed over.

WHITMAN COUNTY, WASH.

The bill (H. R. 3411) to amend section 112 of the Judicial Code, to provide for the inclusion of Whitman County, Wash., in the northern division of the eastern district of Washington, was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 2157) authorizing credits to disbursing officers for expenses incident to the creation of subsistence homesteads corporations was announced as next in order.

Mr. ROBINSON. I think we should have an explanation of the bill. I do not wish to object to its consideration.

Mr. VANDENBERG. Let it go over.

The PRESIDENT pro tempore. The bill will be passed over.

IRVIN PENDLETON

The bill (H. R. 1013) for the relief of Irvin Pendleton was considered, ordered to a third reading, read the third time, and passed.

SAMUEL CRIPPS

The bill (H. R. 1084) for the relief of Samuel Cripps was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 3557) for the relief of the Coast Fir & Cedar Products Co., Inc., was announced as next in order.

Mr. McKELLAR. May we have an explanation of this bill? If not, let it go over.

The PRESIDENT pro tempore. The bill will be passed over.

SAMUEL RICHARD MANN

The Senate proceeded to consider the bill (S. 1457) for the relief of Samuel Richard Mann, which had been reported from the Committee on Claims with amendments, on page 1, line 4, after the word "charge" and the comma, to strike out "in the amount of $1,981.64"; on line 6, after the numerals "905813", to insert "in such amount as remains unpaid at the date this act becomes effective"; and on line 7, after the word "amount", to strike out "is" and to insert "will represent", so as to make the bill read:

Be it enacted, etc., That the Administrator of Veterans' Affairs be, and he is hereby, authorized and directed to cancel the charge, entered against Samuel Richard Mann, C-905813, in such amount as remains unpaid at the date this act becomes effective, which amount will represent the balance remaining due and unpaid on account of an overpayment of emergency officer's retirement award to the said Samuel Richard Mann due to an error of the Veterans' Administration.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CLAIM OF WILLIAM W. DANENHOWER

The Senate proceeded to consider the bill (S. 1438) to carry into effect the findings of the Court of Claims in the case of William W. Danenhower, which was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Sallie M. Danenhower, executrix of the estate of William W. Danenhower, deceased, the sum of $34,260, said sum to be in full and final settlement of all claims against the Government of the United States and the District of Columbia for damages caused by the depreciation in value of said William W. Danenhower's property situate in square 737 of the city of Washington, D. C., which said damages were caused by the elimination of grade crossings of railroads in pursuance to the act of Congress approved February 12, 1901 (31 Stat. L. 774), and acts supplemental thereto, as found by the Court of Claims and reported in Senate Document No. 2, Sixty-seventh Congress, first session: *Provided*, That one-half of said sum of $34,260 shall be chargeable to the District of Columbia and paid in like manner as other appropriations of the District of Columbia are paid: *And provided further*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. McKELLAR. Mr. President, may we have an explanation of this bill? It involves a large sum of money.

Mr. LOGAN. Mr. President, if the Senator from Tennessee will allow me, I will state that a similar bill was

passed at the last session of Congress, and similar bills were passed by one House or the other at several different sessions of the Congress. Last year the bill was vetoed by the President, the basis of the veto being that when the Union Station was built in Washington some acts were passed providing that in case of the acquisition of property the District of Columbia should pay one-half and the Federal Government one-half.

The bill before us is for the benefit of the creditors of Mr. William W. Danenhower, who is now dead. There was a trial, and the Court of Claims determined the value of the property which had been taken, and the damage which Mr. Danenhower had sustained was fixed at $34,000, or about that sum.

A bill was passed directing that the sum be paid out of the Federal Treasury, and the President, in his veto message, called attention to the old act, in which it was provided that the District of Columbia should pay half and the Federal Government half. The measure has been changed so as to correct the error pointed out by the President, and the bill has been approved by the Director of the Budget.

Mr. McKELLAR. I have not had time to read the bill with care; but it provides that one-half of the claim is to be paid by the District and one-half by the Federal Government?

Mr. LOGAN. It provides that one-half shall be paid out of the Federal Treasury. It goes no further than that, because the Federal Government is responsible for only half of the claim.

Mr. McKELLAR. Does it meet the objection raised by the President in his veto message?

Mr. LOGAN. The clerk of the Committee on Claims, who took the matter up and had full information about it, told me that it met the objections. It also received the approval of the Director of the Budget.

Mr. McKELLAR. I have no objection.

The PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ROY D. COOK

The Senate proceeded to consider the bill (S. 410) for the relief of the legal guardian of Roy D. Cook, a minor, which had been reported from the Committee on Claims with an amendment, on page 1, line 6, after the words "sum of", to strike out "$5,000" and insert "$2,500", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the legal guardian of Roy D. Cook, a minor, the sum of $2,500 in full settlement of all claims against the United States for injuries suffered in an accident caused by the falling of a large United States mail box at Thirty-ninth and Hazelfern Place, in Portland, Oreg., on or about January 12, 1935: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

DEAN SCOTT

The bill (H. R. 545) for the relief of Dean Scott was considered, ordered to a third reading, read the third time, and passed.

CLIFFORD Y. LONG

The bill (H. R. 3738) for the relief of Clifford Y. Long was considered, ordered to a third reading, read the third time, and passed.

MARGARET GRACE AND ALICE SHRINER

The bill (H. R. 4508) for the relief of Margaret Grace and Alice Shriner was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 4679) for the relief of John L. Summers and others was announced as next in order.

Mr. McKELLAR. Mr. President, may we have an explanation of this bill? As the Senator who reported the bill is not present, I ask that it go over.

The PRESIDENT pro tempore. The bill will be passed over.

JOSHUA L. BACH

The bill (H. R. 2042) for the relief of Joshua L. Bach was considered, ordered to a third reading, read the third time, and passed.

IMPROVEMENT OF THE ILLINOIS WATERWAY, ILL.

The Senate proceeded to consider the joint resolution (H. J. Res. 350) authorizing a modification in the existing project for the improvement of the Illinois Waterway, Ill., and the abandonment of a portion of the Calumet River, which was read, as follows:

Resolved, etc., That the existing project for the improvement of the Illinois Waterway, Ill., is hereby modified in accordance with the recommendation of the Chief of Engineers submitted in Rivers and Harbors Committee Document No. 19, Seventy-fifth Congress, first session.

SEC. 2. That the portion of the Calumet River, in the city of Chicago, County of Cook, State of Illinois, lying between the intersections of this river with the two lines described below, be declared by Congress to be a nonnavigable stream within the meaning of the Constitution and laws of the United States:

Beginning at a point on the south line of the north half of section 36, township 37 north, range 14 east, of the third principal meridian, 1,873.07 feet west of the east line of said section; thence northwesterly on a straight line to a point 3,280 feet west of the east line and 785 feet south of the north line of said section; and

Beginning at a point 585 feet east of the west line and 732 feet north of the south line of section 31, township 37 north, range 15 east, of the third principal meridian; thence north 46°30′ east along a straight line to the easterly water's edge of said river.

SEC. 3. That the right to alter, amend, or repeal this act is hereby expressly reserved.

Mr. McKELLAR. Mr. President, may we have an explanation of this measure?

Mr. COPELAND. Mr. President, this joint resolution involves no expenditure of money.

Mr. McKELLAR. Is it approved by the War Department?

Mr. COPELAND. It is not only approved by them but it was recommended by them. It came from the War Department.

Mr. McKELLAR. I have no objection.

The PRESIDENT pro tempore. The question is on the third reading of the joint resolution.

The joint resolution was ordered to a third reading, read the third time, and passed.

Mr. LEWIS subsequently said: Mr. President, observing that the clerk has reached Order of Business 686, may I inquire what action was taken concerning Calendar No. 680, being House Joint Resolution 350, authorizing a modification in the existing project for the improvement of the Illinois Waterway?

Mr. COPELAND. Mr. President, the joint resolution was passed. It relates to a realinement of the river.

Mr. LEWIS. I must say that I had promised certain individuals, who desired to express some views through a Member of the House from my State, as this relates to my State, that I would seek to get them a hearing. I am now anxious to have the measure passed, and the action of the Senate meets with my approval, but I desire to give notice that I will make such effort as I can at some future time so that these gentlemen may have an opportunity to be heard.

Mr. COPELAND. Mr. President, so far as I am concerned, as chairman of the Committee on Commerce, if the Senator from Illinois desires to have any witness heard, I will not object at all to the bill being returned to the Committee on

Commerce. The bill came to us from the Army engineers, and with their recommendation. However, if the Senator from Illinois desires further consideration, I shall not resist.

Mr. LEWIS. Mr. President, I feel that, unless the representations by those to whom I have referred seem to the chairman of the committee himself as worthy of interrupting further progress, I will not ask for a reconsideration. I submit that the matter remain as it is now. Later we will enter any new design that may be desired.

COAST GUARD AIR STATION AT SAN FRANCISCO AIRPORT

The bill (H. R. 4893) authorizing the Secretary of the Treasury to establish a Coast Guard air station at the San Francisco Airport; to provide for quick rescue facilities on the San Francisco Bay; to strengthen the Immigration and Customs Service patrol; and for other purposes was considered, ordered to a third reading, read the third time, and passed.

COAST GUARD STATIONS ALONG MAINE COAST

The bill (H. R. 3031) to provide for the establishment of Coast Guard stations along the Maine coast was considered, ordered to a third reading, read the third time, and passed.

DISPATCH OF VESSELS FROM CERTAIN PORTS OF CALL

The bill (H. R. 6438) to expedite the dispatch of vessels from certain ports of call was considered, ordered to a third reading, read the third time, and passed.

COAST GUARD STATION ON THE COAST OF MICHIGAN

The Senate proceeded to consider the bill (S. 119) to provide for the establishment of a Coast Guard station on the coast of Michigan, which had been reported from the Committe on Commerce with an amendment, on page 1, line 4, after the word "station", to strike out "on the coast of Michigan", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized to establish a Coast Guard station at or near Menominee, Mich., at such point as the Commandant of the Coast Guard may recommend.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to provide for the establishment of a Coast Guard station at or near Menominee, Mich."

COAST GUARD STATION AT OR NEAR MANISTIQUE, MICH.

The Senate proceeded to consider the bill (S. 1374) to provide for the establishment of a Coast Guard station at or near Manistique, Mich., which had been reported from the Committee on Commerce with an amendment, on page 1, line 7, after the word "recommend", to strike out the comma and the words "and appropriations for the establishment and construction thereof are hereby authorized, out of any money in the Treasury not otherwise appropriated", so as to make the bill read:

Be is enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized to establish a Coast Guard station at or in the vicinity of Manistique, Schoolcraft County, Mich., at such point as the Commandant of the Coast Guard may recommend.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

PROMOTION OF WARRANT OFFICERS

The bill (S. 2474) to provide a uniform method for examinations for promotion of warrant officers was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That no warrant officer shall be promoted to chief warrant officer until he shall have passed an examination before a board of commissioned officers as may be prescribed by the Secretary of the Navy.

SEC. 2. All laws or parts of laws inconsistent with this act are hereby repealed to the extent of such inconsistency.

ASSIGNMENT OF MARINE CORPS OFFICERS

The bill (S. 2521) to authorize the assignment of officers of the line of the Marine Corps to staff duty only as assistant quartermasters and assistant paymasters, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That officers of the line of the Marine Corps of the grades of major, lieutenant colonel, and colonel may, upon application, and with the approval of the Secretary of the Navy, be assigned to staff duty only as assistant quartermasters and assistant paymasters: *Provided*, That when so assigned they shall retain the lineal position and precedence which they now hold or may later attain and shall be promoted, retired, and discharged in like manner and with the same relative conditions in all respects as are now or may hereafter be provided for officers of the line of the Marine Corps, except as herein otherwise provided: *Provided further*, That the recommendation of selection boards in the cases of officers assigned to staff duty only shall be based upon their comparative fitness to perform the duties prescribed for them: *Provided further*, That officers of the grades of major and lieutenant colonel assigned to staff duty only in accordance with this act shall, on promotion up to and including the grade of colonel, be carried as additional numbers in grade: *And provided further*, That the number of officers assigned to staff duty only in accordance with this act in any one year shall be in accordance with the requirements of the service as determined by the Secretary of the Navy.

JOINT RESOLUTION AND BILLS PASSED OVER

The joint resolution (H. J. Res. 41) authorizing the disposal of certain lands held by the Panama Railroad Co. on Manzanillo Island, Republic of Panama, was announced as next in order.

Mr. McKELLAR. Mr. President, may we have an explanation of this measure? If not, let it go over.

The PRESIDENT pro tempore. The joint resolution will be passed over.

The bill (H. R. 4597) to amend the Canal Zone Code was announced as next in order.

Mr. VANDENBERG. At the request of the senior Senator from Oregon [Mr. McNARY], who is unavoidably absent, I ask that this bill and the next bill on the calendar go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 6144) to amend the Canal Zone Code was announced as next in order.

The PRESIDENT pro tempore. Under objection, the bill will be passed over.

The bill (H. R. 6436) authorizing cash relief for certain employees of the Panama Canal, not coming within the provisions of the Canal Zone Retirement Act was announced as next in order.

Mr. McKELLAR. Mr. President, I think this bill should also go over, and I ask that that course be taken.

The PRESIDENT pro tempore. The bill will be passed over.

JAMES LINCOLN HARTLEY

The Senate proceeded to consider the bill (S. 557) authorizing the naturalization of James Lincoln Hartley, and for other purposes, which was read, as follows:

Be it enacted, etc., That in the administration of the immigration laws James Lincoln Hartley, a native-born citizen of the United States who involuntarily lost his citizenship at the age of 7 years by reason of the naturalization of his father as a citizen of Canada, shall be held and considered to have been legally admitted to the United States for permanent residence.

SEC. 2. Notwithstanding any other provision of law, said James Lincoln Hartley may be naturalized as a citizen of the United States by filing a declaration of intention and taking the oath of allegiance in the manner prescribed in the naturalization laws before any court having jurisdiction of the naturalization of aliens.

Mr. ROBINSON. Mr. President, it is rather unusual to authorize naturalization by special act of Congress. I observe that the Senator from Washington [Mr. SCHWELLENBACH], the author of the bill, is present in the Chamber, and I should like to have him discuss the reasons for the proposed legislation.

Mr. SCHWELLENBACH. Mr. President, the man involved in this bill was born in the United States and was taken to Canada by his parents at the age of 3. He lost his American citizenship as a result of the fact that his father was naturalized in Canada and failed to safeguard the American citizenship of the boy. The son came back to the United States a number of years ago, told the facts to

the immigration officials, and they informed him that he was a citizen. As a matter of fact, all persons in his class had been deemed to be citizens until about 2 years ago, when the Circuit Court of Appeals for the Ninth Circuit held that persons in that status were not citizens. He came into this country as a citizen.

Mr. ROBINSON. Mr. President, does the Senator know, from his investigation of the subject, how many persons there are in this class, or about how many?

Mr. SCHWELLENBACH. I cannot answer that question; I do not know.

Mr. ROBINSON. What I am wondering is whether the matter might not be dealt with by general legislation rather than by a special bill. What is the class to which this individual belongs, in the Senator's understanding of the case?

Mr. SCHWELLENBACH. To the class of those who, as children, before 1912 were taken to Canada, whose parents were naturalized by the Canadian Government, and whose parents failed to reserve the right of the children to their American citizenship. There cannot be a large number. I think I know of two other cases as a result of the decision of the Circuit Court of Appeals for the Ninth Circuit to which I have referred.

Mr. ROBINSON. How long has the beneficiary of this bill been an actual resident of the United States?

Mr. SCHWELLENBACH. Since 1928. He is employed as a radio operator, and because of the fact that he came into this country and was told that he was a citizen, the immigration authorities now hold that for him to become a citizen by naturalization he must go back to Canada, spend a year there, give up his employment, have no work in Canada, and then come back into this country and attempt to become a citizen through the process of naturalization.

Mr. ROBINSON. I have no objection to the bill.

The PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 2416) relative to the citizenship of certain classes of persons born in the Canal Zone or the Republic of Panama was announced as next in order.

Mr. McKELLAR. Mr. President, there are several of these Canal Zone bills on the calendar. Those previously called have been passed over; and unless it is pointed out that this particular bill should not also be passed over, I think it should go over.

The PRESIDENT pro tempore. The bill will be passed over.

That completes the call of the calendar.

EXPENSES INCIDENT TO SUBSISTENCE HOMESTEADS CORPORATIONS

Mr. GILLETTE obtained the floor.

Mr. HAYDEN. Mr. President, will the Senator from Iowa yield to me?

Mr. GILLETTE. I yield.

Mr. HAYDEN. While I was temporarily absent from the Chamber, Calendar No. 668, being Senate bill 2157, was passed over by reason of a lack of explanation. I should like to explain the bill, if I may, and ask unanimous consent for its consideration.

The PRESIDENT pro tempore. The Senator from Arizona asks unanimous consent to return to Calendar No. 668, Senate bill 2157, and that the bill may be considered. Is there objection?

There being no objection, the Senate proceeded to consider the bill (S. 2157) authorizing credits to disbursing officers for expenses incident to the creation of subsistence homesteads corporations, which was read, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to allow credit in the accounts of disbursing officers for all otherwise proper payments heretofore made by them as fees and expenses incident to the creation or organization of subsistence homesteads corporations sponsored by the Secretary of the Interior pursuant to Executive Order No. 6209 of July 21, 1933.

Mr. HAYDEN. Mr. President, the occasion for the introduction of this bill was the disallowance by the Comptroller General of an account amounting to $181.04, being the expenses incurred by Mr. C. H. Tinker, of Phoenix, Ariz., who was asked to organize and become the agent for a corporation known as Rural Homes in Arizona, Inc. This was done when the subsistence homesteads were under the Department of the Interior; and on advice of the Attorney General it was suggested that in order to carry out the purpose, a separate corporation should be organized for each subsistence homestead. The Comptroller General ruled that there was no authority of law for the creation of such homesteads corporations, and, therefore, that any expense incident to their organization could not be paid by the United States. I took up the matter with the Comptroller General, and upon his suggestion introduced this bill, and he recommends its enactment.

The PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

INTERFERENCE WITH UNITED STATES MAILS

Mr. BARKLEY. Mr. President, will the Senator from Iowa yield to me in order that I may make a very brief statement in connection with the resolution submitted awhile ago?

Mr. GILLETTE. Certainly.

Mr. BARKLEY. Mr. President, the Senator from New Hampshire [Mr. BRIDGES] submitted a resolution providing for the appointment of a special committee to investigate certain matters in connection with the refusal of the Post Office Department to deliver certain mail in connection with industrial troubles now in existence The resolution has been referred to the Committee on Post Offices and Post Roads; but in connection with the submission of the resolution and the editorials placed in the RECORD by the Senator from Michigan [Mr. VANDENBERG], I think it not inappropriate to make just a brief statement.

There has been some publicity growing out of the fact that the Post Office Department has declined to deliver certain types of so-called mail in certain plants in which there are now pending industrial disputes. Before this immediate situation arose a few weeks ago in Philadelphia when certain employees of certain department stores and retail stores went on strike, the proprietors asked the Post Office Department to deliver goods purchased by customers. The Department declined to do so on the ground that it was not the function of the Post Office Department to walk in and take sides as between the contesting parties to a labor dispute, and they declined to use the trucks and mail carriers of the United States to deliver purchases made by customers in those retail stores. Nothing much was said about that; but in view of the magnitude of certain disputes now in progress in certain sections of the country, a good deal of publicity has been given to the fact that the Post Office Department has not felt disposed or authorized to undertake a delivery service never before asked for or engaged in by the Post Office Department.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. BARKLEY. I will yield in just a moment.

The facts are that in these industrial plants there are certain men who are not on strike. They are in the plants. Either they are forbidden to leave, or they have voluntarily remained there; and the proprietors or managers or owners of the plants have asked the Post Office Department to deliver groceries, clothing, hams, flour, and all sorts of vegetables and other supplies into the plants where the men are not on strike, but are confined within the plants. The Post Office Department has never before engaged in such service. It has never before made any such deliveries; and it is now engaged in the complete delivery to the offices of these plants of all the mail which has been delivered heretofore.

When asked why the managers themselves did not deliver these supplies, they replied that they were afraid their men might become involved in a riot, and that their employees

might be injured or their trucks turned over if any riot occurred or any physical difficulties arose because of the strike. They were asked why they did not get the railway express agency to deliver these supplies, and they said the railway express agency would not do it for the same reason; that they were unwilling to subject their trucks and delivery wagons and their employees to the possible risk of injury or interference insofar as the delivery of food supplies was concerned.

The Post Office Department, having never before rendered such service or been asked to render such service, did not feel authorized to use their facilities as delivery wagons for groceries and supplies, and thereby possibly cause their wagons and their postal employees to become involved in the same difficulty that might arise if private delivery wagons carried these products into the plants.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. VANDENBERG. The Senator was describing the episode at Philadelphia, among other similar alarming situations, where the stores, as I understood him to say, sought the use of postal facilities to make general deliveries during a strike. Do I understand that the stores offered merchandise to the parcels post in the regular course of business, offering the regular postage?

Mr. BARKLEY. I do not so understand. I understand that the main interference with the business in these stores affected deliveries over the city; that the customers came in as usual and bought their supplies, and the stores asked the Post Office Department to substitute postal delivery wagons for their own delivery wagons in order that they might afford to everyone who purchased a package the same sort of delivery that he enjoyed if the purchase were delivered by the company.

Mr. VANDENBERG. May I ask the Senator a further question? What would be the Senator's viewpoint if merchandise were offered in the regular course of parcels post operations, fully stamped, and asked to be delivered to the addressee? Has the Post Office Department, under those circumstances, any right to discriminate? Has it any right to choose what it shall or shall not deliver? Has it any obligation greater than to deliver the mails whenever and wherever offered in due process?

Mr. BARKLEY. I do not know that my viewpoint is of any importance. I am merely undertaking to state the facts as I have gathered them from the Post Office Department as the reason why they have felt that they ought not to subject their postal delivery employees and their postal delivery wagons to the possibility of the same sort of danger that might be involved in the delivery of supplies into their own plants by the employers themselves in their own private trucks.

Also, the statement has been made that pickets who were involved in these strikes had interfered with the delivery of packages and had inspected them. The Post Office Department advises me that there has not been a single interference with the delivery of mail matter or inspection made of it by anybody in any of these regions except by a duly authorized post-office inspector in the Department's ordinary course of business.

In connection with the resolution, I thought this statement ought to be made, so that there would be no misunderstanding as to the Post Office Department's attitude in reference to the matter.

Mr. ROBINSON. Mr. President, I may add to what the Senator from Kentucky [Mr. BARKLEY] has said that my purpose in moving that the resolution be sent to the Committee on Post Offices and Post Roads was to ascertain the true facts in the matter and whether the facts justify the investigation called for by the resolution.

Mr. BARKLEY. Mr. President, I think the Senator's course was eminently proper; but, inasmuch as some publicity probably will be given to the submission of the resolution, I felt that in justice to the Department this statement ought to be made.

Mr. VANDENBERG. Mr. President, will the Senator from Iowa yield?

Mr. GILLETTE. I yield.

Mr. VANDENBERG. I agree that the first necessity is the facts. I simply want to say a supplemental word in respect to my own point of view, because I did offer for the RECORD the editorial entitled "Whose Mail?", from one of the leading newspapers in Ohio, and I cordially concur in every word it says.

Mr. BARKLEY. I will say that I did not read the editorial, so I am not in a position to say that I concur.

Mr. VANDENBERG. If the proprietors of the business sought to substitute the regular postal equipment for their own delivery system and to use it outside the regular postal routine, certainly I would admit that the Department had no right to permit such substitution. But if mail was offered in the usual course of events, properly stamped at full value, the Post Office Department of the United States has no business whatsoever to inquire into the nature and extent of the transaction. When it does, it makes itself a direct party to the controversy on the other side. It is impartial only when it operates its facilities without fear or favor, regardless of which party to a labor dispute seeks these facilities.

Mr. BARKLEY. Mr. President, does the Senator think the Post Office Department ought to subject its own employees to a danger to which neither the employers nor other delivery agencies, such as the Railway Express Agency, are willing to submit their own employees and their trucks? Does the Senator think a subterfuge should be permitted to be taken advantage of in order to make the United States a party to the controversy by delivering hams and barrels of flour and suits of clothes and other supplies within the factory, when no packages of that kind were ever delivered there before?

Mr. VANDENBERG. Mr. President, I will answer the Senator just as frankly as I can. This is a question of sovereignty, and I am for the sovereignty of the United States Government. If the delivery of this material is outside of the regular postal system, the Department has no business undertaking the work. If it is offered in the regular course of parcel-post delivery, the Government of the United States had better say what sturdy Grover Cleveland said, and stick to it, or it has ceased to be the Government of the United States.

Mr. BARKLEY. If the Senator from Iowa will yield further, I will say that I am advised by the Post Office Department itself that the delivery of this mail is completely without the scope of and not similar to any delivery ever engaged in heretofore nor has the Department ever before been asked to engage in such delivery, that in order to be entirely neutral the Department has refused to take sides with either party to the controversy by the wholesale delivery of supplies within the plants in order that the men may remain in the plants.

FEDERAL TRADE COMMISSION'S REPORT ON AGRICULTURE

Mr. GILLETTE. Mr. President, a little over 3 months ago the Federal Trade Commission, complying with a resolution adopted by the Seventy-fourth Congress, filed a voluminous report. The report represented many months of painstaking investigation and also the expenditure of some $150,000 in assembling the material. So far as I am informed, there are only four copies of the report extant, two copies being in the hands of the respective Agricultural Committees of the two Houses, one with the Department of Agriculture, and one with the Federal Trade Commission itself. Through the foresight of the distinguished chairman of the Senate Committee on Agriculture and Forestry, I am informed that steps will probably be taken this week to secure the printing of the usual statutory number of this report. Because of its outstanding value, I feel justified in imposing on the Senate for a short time

in adverting to some of the phases of the report. Out of consideration for Senators, and for their guidance, I may say that it is a rather tedious subject to listen to and my remarks will require about half an hour.

Mr. SCHWELLENBACH. Mr. President, will the Senator yield?

Mr. GILLETTE. Certainly, I yield to the Senator from Washington.

Mr. SCHWELLENBACH. I noticed in one of the columns printed in a newspaper a week or so ago a reference to the report about which the Senator is speaking, and the writer of the column indicated that there had been some effort upon the part of the Senate Committee on Agriculture and Forestry to suppress the report. Before the Senator begins discussing the report, I should like, so that the record may be clear, and so that the members of the Committee on Agriculture and Forestry may not be subjected to that sort of criticism, to have him state to the Senate the facts concerning the manner in which the report has been handled by the committee. My understanding is that there has not been any effort to suppress it; that the author of the resolution upon which the report is based made a motion that it be referred to a subcommittee; and that the report has been available to anybody who wanted to examine it in the office of the Committee on Agriculture and Forestry. I should like to have the Senator, for the sake of the record, refute the criticism which was made of the Committee on Agriculture and Forestry.

Mr. GILLETTE. Mr. President, I am glad to comply with the suggestion of the Senator from Washington. The matter was presented in the Agricultural Committee of the Senate. At that time there was some discussion as to the voluminous nature of the report, and the fact that a summary had been filed at the same time influenced the committee to the conclusion that it might be best, in order to save expense, to limit the printing to the summary. But an investigation and a partial study of the report which demonstrated its outstanding value to every section of the country, and, in addition to that, the hundreds of requests that have come in for copies, influenced the committee unanimously to appoint a subcommittee for the purpose of investigating the advisability of recommending the printing of the entire report in the usual number, as provided by statute, which has been done. That was the unanimous finding of the Committee on Agriculture and Forestry.

Mr. President, Public Resolution No. 61, Seventy-fourth Congress, directed the Federal Trade Commission to investigate agricultural income, the distribution of the consumer's dollar for farm products, raw and processed, and other subjects pertinent thereto, including growth of monopolistic control of the purchasing, handling, and sale of such products, and what factor the cooperatives have been therein.

When the Congress passed that resolution on August 27, 1935, it did a splendid thing. The Federal Trade Commission's report in response thereto was filed with the Congress on March 2, 1937, with a supplemental report on certain phases yet to follow. I am informed that the supplemental report covering fruits and vegetables will be ready within the next few days.

The report is of necessity a long one, yet it is one of the most important reports that has come to Congress recently. As it affects the farmers and consumers of all sections of our country, it is as important as was the Commission's great utilities investigation to all users of electric light and power and of gas. Yet if this report is merely to be allowed to repose in the archives of Congress, its value will be entirely lost. I venture to hope that it shall not be thus forgotten and its value nullified. It is not my purpose or expectation to exhaust its possibilities. For example, the report contains important conclusions and recommendations as to cotton. This I shall leave for those more familiar with the problem than am I. But there are certain facts stated, conclusions reached, and suggestions made as to matters, some of which vitally affect the entire public and others which relate to agriculture generally, and still other parts which refer to those agricultural problems with which I believe I am somewhat familiar. The report contains a mass of information, coupled with sound recommendations, that must not be allowed to be filed away and forgotten.

The report contains several well-considered recommendations for legislation, at least one for a further important investigation, as well as a number of statements touching possible remedial action. It also mentions several matters as to which the Congress should have further specific information, not only from the Federal Trade Commission but also the Department of Justice and the Department of Agriculture.

The basically vital nature of what is under consideration is thus stated in the opening sentence of the Commission's conclusions. I quote:

> The Commission records with dismay its belief that the survival of independent farming by farmers who own their own farms and maintain an American standard of living is in jeopardy.

I commend for reading the assembly and array of data supporting this conclusion. It is convincing. And I dare say it may come as a shock to any who have regarded the farm and farmer's problems as something involving largely only complaints by the overquerulous.

LEGISLATIVE PROPOSALS

Let me first take up matters that call for consideration as to legislation.

First, the report states:

> The absence of any prohibition in section 7 of the Clayton Act with respect to acquiring the assets of a competing corporation is also an obvious obstacle to preventing the growth of monopolistic combinations.

This is specific. The matter heretofore has been called to the attention of the Congress at various times. A careful inquiry discloses no proposal now pending to remedy this situation. In my judgment, the time for action has come.

We of the Middle West well know some of the chief motivating factors which caused the passage of the Clayton Act. One was the local discriminations by the oil companies and line elevators and lumber yards against independents until such independents were practically down and out, when they were purchased, if there was anything left worth buying, by such monopolistic groups or chains.

But the Clayton Act struck only at capital-stock acquisitions. So it did not take lawyers long to discover the opening—big enough to drive a convoy of trucks through—that all their clients had to do in order to evade the act and escape its penalty was to acquire the assets—lock, stock, and barrel. This was easy, either directly or, once a controlling stock interest was in hand, and even though the control had been acquired contrary to the provisions of the Clayton Act, if by means of such control, so acquired, the assets were then quickly and completely acquired, the courts have held the units cannot be separated, and the remedy fails. In other words, though the first step is illegal, whenever it is followed by another step, which the illegal action has made possible, then the whole becomes immune. Whatever we may think of such reasoning, that is the exact situation which cries for remedy. The Commission states that it has "previously recommended repeatedly" amendment to cure this anomalous and intolerable situation.

Justice Brandeis, in December 1926, in a short dissent, joined in by Chief Justice Taft and Justices Holmes and Stone, from the opinion of the majority delivered by Justice McReynolds in *Swift & Co.* v. *Federal Trade Commission* (272 U. S. 554, 563), called attention to this anomalous situation. Justice Brandeis concluded that, although the institution of a proceeding by the Federal Trade Commission did not operate as an injunction against such use of stock control, when it was held in violation of section 7 of the Clayton Act, the Commission presumably had power, as a part of its order, to direct divestment of assets acquired after the proceedings had been instituted. He then concluded

that because the purpose of the law was to remedy the peculiar evils resulting, there was no reason why the Commission's power should not permit remedy, even when such acquisition through the illegally held stock control had occurred before the proceeding had been instituted. Thus Justice Brandeis pointed out clearly the need of amendment; for, of course, that dissent is not the law as declared by the majority of the Supreme Court.

In March 1934 the Supreme Court, by a majority of one, went a step further in immunizing those who had violated section 7 of the Clayton Act. In the case of *Arrow-Hart & Hegeman* v. *Federal Trade Commission* (291 U. S. 587) the decision of the Circuit Court of Appeals for the Second Circuit was reversed and the Commission's power to enforce effective remedy under the Clayton Act was defeated by corporate action after the Commission proceeding was commenced and while it was pending. By the device of distributing the illegally held shares to the stockholders, and then combining or merging the assets, the evasion and immunization were successfully accomplished, according to the majority of the Supreme Court. But the minority thought otherwise, and spoke forcibly. Justice Stone, with whom Chief Justice Hughes, Justices Brandeis and Cardozo concurred, used this language (pp. 599 and 600):

> It is now declared that, however gross the violation of the Clayton Act, however flagrant the flouting of the Commission's authority, the celerity of the offender in ridding itself of the stock before the Commission could complete its hearings and make an order restoring the independence of the competitors leaves the Commission powerless to act against the merged corporation.

While court decisions have whittled away other parts of the Clayton Act, I believe that the Congress itself must accept part of the blame for neglecting this specific thing.

I am not willing, however, to let the present Congress and its two predecessor Congresses take the blame for the depression into which agriculture has fallen. The very definite plunge was taken in 1921, when Mr. Andrew Mellon, either with purpose or without knowledge of the time required for farm turn-overs, compelled the calling of 50 percent of farm loans within 90 days—a sudden and heinous deflation which wrecked many farmers and rural banks, following, as it did, so closely upon the overexpansion of farming, which had resulted from their patriotic response to the wartime demand that they borrow and grow crops until it hurt.

The remedy in this specific matter has, however, already been too long delayed, and now we have its effect again squarely put up to us—this time, as it affects the whole agricultural situation. I hope and believe the present Congress will be responsive to such needed amendment. I have prepared and shall offer a bill, which I believe will go far in remedying that omission.

Mr. President, I next want to speak of the grain elevator situation. Here again we come upon a powerful factor of long standing in its adverse effect upon agriculture.

As I have already stated, the situation as to the monopolistic line elevators was one of the considerations that led to the enactment of the Clayton Act. I have referred to one cause of its ineffectiveness. Let me now quote what the Federal Trade Commission says about the control of those bottle necks or gateways through which practically all the farmers' merchantable crops do and must pass, viz: the terminal elevators, and the uneconomic effect of their present control upon the grain-growing farmers. After saying that due to "more adequate supervision of the grain exchanges following an earlier and very thorough investigation of the grain trade, many of the old evils have been considerably abated", the Commission states:

> One aspect of the situation, previously criticized by this Commission, remains as a sore spot on the grain trade, namely, the leased terminal elevators in central markets belonging to the railroads, particularly in Chicago. The futures contract for grain on the Chicago Board of Trade stipulates delivery of grain in Chicago. The control of terminal elevators at low rentals by large grain merchandisers and speculators gives them an undue competitive advantage in handling cash grain and in making delivery on futures contracts. These factors have favored manipulative squeezes and corners and often forced an uneconomic movement of grain to Chicago in order to make delivery.
>
> The present concentration of control of terminal grain elevators is even greater than formerly. The rentals received by the railroads for their elevators are often so low as not to cover even taxes, insurance, and maintenance, with nothing for depreciation.
>
> There have been several recent instances where these unhealthy conditions have resulted in a marked disturbance of the grain trade, affecting not only the futures in the speculative grain market, but also the price of cash grain.

Coming to its recommendations, the Commission quotes the recommendation in its earliest grain trade report, and already repeated it in substance twice since then. The first report used this language:

> "A possible remedy for the existing situation is to make it practicable for grain dealers not operating elevators to store grain in public elevators in competition with the big elevator merchandisers. * * *" and that "The railroads might be required to operate elevators for the convenience of their shippers; or the government, presumably the State government, might operate storage elevators at rates sufficiently low to permit dealers without elevators to compete with the elevator merchandisers. * * *"; and further that "The restoration of a normal situation as regards the use of public storage in the grain trade would apparently be so generally beneficial to the trade and to the public as to justify appropriate legislation."

In the present report the Commission now says:

> After the lapse of many years, there has been little or no improvement in the situations which led to the foregoing recommendations. Brokers and commission men are still both agents and principals. Exchange rules concerning defaults are still applied by exchange officials. Squeezes may still arise under the rules for delivery of grain in futures contracts. The warehouse storage situation is apparently worse today than at the time of the Commission's previous recommendations.
>
> This all points to the conclusion that the correction of these conditions cannot be left to the grain trade itself. In order, therefore, to correct the situation, the Commission is of the opinion that Federal legislation should be adopted providing for the following things:
>
> 1. That all deliveries of grain on futures contracts shall be made from public warehouses:
> (a) Licensed by Federal authority;
> (b) Subject to Federal regulation;
> (c) Not owned, operated, or controlled, directly or indirectly by any person, firm, or any other organization directly or indirectly dealing in grain.
>
> 2. That all deliveries of grain on any futures contracts shall be subject to:
> (a) Federal grading and inspection;
> (b) Federal regulation of the delivery of grain on such contracts.
>
> 3. That the storage charges for grain in public warehouses from which grain is deliverable on futures contracts as aforesaid shall be regulated by the Federal authority.
>
> 4. That every futures contract for grain on any futures market may be satisfied by the delivery of grain from any public warehouse operating in accordance with the provisions of paragraphs 1, 2, and 3 of these recommendations in not less than one market in addition to the market on which such contract is made, such outside market or markets to be determined in the discretion of the Federal authority.
>
> 5. That the railroads shall be required to operate all elevators owned or controlled by them either directly or indirectly as public elevators at rates regulated by the Interstate Commerce Commission subject to the proviso that in the event any such railroad desires to operate any one or more of its elevators as a public elevator from which grain is deliverable on futures contracts, such charges shall be prescribed by the Federal authority administering the other provisions suggested above.
>
> 6. That brokers, commission men, officers, and large stockholders of companies doing a brokerage or commission business in futures for customers shall be prohibited from speculating in grain futures for their own account.
>
> 7. That the car delivery rules and the settlement rule for defaulted futures contracts on the grain exchanges shall be interpreted and applied by an impartial person or tribunal.
>
> If the recommendations herein do not suffice to restore competitive conditions in the grain trade and eliminate the control of the large terminal elevator operators, the only alternative would appear to be to operate all elevator capacity by public authority as was stated in the Commission's previous reports.

How long must the farmers suffer from such uneconomic practices and abuses? Here we have an outstanding and impartial governmental body, at our request and at public expense, reporting the facts to us, telling us of the abuses and their widespread and harmful results, and suggesting definite remedies; yet, up to now, concerning this vicious system of close control of grain terminal elevators and the siphoning off of moneys from the great standard food and feed crops, we have merely received such repeated disclosures and recommendations and consigned them to the dusty archives. Let us hope they may soon accumulate

enough dust to cause a dust explosion which will blow the whole elevator situation wide open and keep it on the front page long enough to bring needed action from the Congress. If some other Member of this body more competent or experienced does not do so, I propose to have drafted and shall introduce one or more bills designed to terminate such close control and the unfair advantages and evils that have resulted therefrom.

FURTHER INVESTIGATIONS

No one goes very far in a study of the agricultural situation before he comes squarely up against these three propositions:

First. The actual producer of our food products receives too little of the dollar which we all must pay when we must eat.

Second. On the other hand, the consumer's dollar should buy more.

Third. The basic causes of both conditions are the same.

It was to give the Congress light and facts primarily on these three points that the resolution I am discussing was passed. The report of the Federal Trade Commission affords ample support to all three statements.

But by its limitations in time and money the Commission could not go sufficiently into one important factor, which many of us think may be a solution, or at least a substantial aid to the abolition of some of these adverse discrepancies and undue spreads of price. I refer to the cooperatives.

Although the report shows the volume and something of the character and method and results of their business the Commission states:

> The report gives a summary view of the growth of farmers' cooperatives for various kinds of farm products, including efforts to establish some system of orderly marketing.
>
> * * * * * * *
>
> The evaluation of the financial benefits to the farmer, apart from the fundamental advantage of not being at the mercy of a few overpowerful buyers, was too large a subject for the Commission to attempt in the brief time allowed for the preparation of this report, but adequate information of this sort is of great importance for the proper guidance of the farmer.

For one, I should like to see such evaluation of cooperatives made. Until the Congress has that information and the considered conclusion drawn from the facts, we are not in a position properly and wisely to legislate on the subject.

I am having prepared and hope soon to offer a resolution designed to carry out that specific recommendation.

While this investigation has touched on and made some recommendations as to grain commission men, the general commission business has a far wider impact on and importance to agriculture than that part handled by the grain commission houses. Of the consumer's dollar paid for agricultural products in the United States much less than one-half goes to the producing farmer, whereas in some European countries the producer receives 70 percent or even more of what the consumer finally has to pay. This means that, after all due allowances for transportation and other actual marketing expenses, some intervening interests are taking more than a fair return for services performed, if any.

Since about 1921 each Secretary of Agriculture, beginning with the father of the present Secretary, has, shortly after taking office issued a statement clearly recognizing this discrepancy of prices and flaws in the marketing procedure. But, unfortunately, the record is silent as to whether any Secretary of Agriculture, after his early vigorous proposal to investigate and act, has again taken definite steps for a comprehensive solution.

In this unfortunate situation the commission men undoubtedly play a large part. Therefore, in connection with the further investigation proposed as to cooperatives, there should be included a full investigation of the activities of the middlemen who deal in agricultural products, including especially perishables. I do not refer to necessary services and charges by commission men but to wasteful and, in many cases, racketeering charges. The resolution which I shall offer will include these matters.

CONTROL OF PROCESSING

But in addition to the commission men there are factors of close monopolistic control of the final processing of farm products which make possible a continuance of the unconscionable spread between producer and consumer prices; and for this the failure to put teeth into the Clayton Act, as I have shown, must in part be responsible.

The report sets out in considerable detail how agricultural income in various great staples was deflated to below-cost levels. It also shows that coincidentally the same situation appeared in certain processing and related business; but, I quote—

> On the other hand, some of the groups showed greater gains in parts of this period than in 1929, especially cotton middlemen, snuff manufacturers, and certain general tobacco manufacturers of medium size.

The report is especially valuable in showing into how few hands has come the bottle-neck control of vital processings of farm crops.

I cite only a few:

Three principal tobacco manufacturers in 1934 bought the equivalent of 46.2 percent of the tobacco crop. Taking out the one-third bought through other channels for export, the domestic control by those three rises approximately to 70 percent.

Flour-milling was once a numerous and widely scattered local industry, sung in poetry as to mill-wheel, mill-dams, and dusty millers. No longer is this so. The old stone mill and its idle wheel now survive chiefly as rehabilitated roadhouses for the seekers of good cheer.

In 1934, 13 flour-milling companies purchased in quantity the equal of 65.2 percent of the commercial crop of wheat. Of this crop, 3 of the 13 took 38.4 percent; and of the three, General Mills equaled the next two; namely, Pillsbury and Colorado Milling.

In livestock, for 1934, three packing companies bought 40.8 percent of the cattle and veal calves, and 25.3 percent of the hogs; and the two largest meat packers, Swift and Armour, also ranked third and fourth in handling milk products.

Such control over our food cannot be in the public interest. How this and other control over farm products and their processing and distribution has been obtained is thus summarized in the report:

> The method by which such extensive control was obtained is set forth briefly in this report. It is to a large extent the history of the well-known combinations or trusts, among which those in tobacco and in meat are the best known among agricultural products. In most cases this wide degree of control has resulted from the purchase of stock control of other companies in the same field of production—largely of competitors—or from buying up the properties of competitors and merging them with those of the buyer, or from combinations of competitors through the formation of holding companies or mergers.
>
> Sometimes these practices were facilitated by unfair methods of competition, or were preceded by price-fixing conspiracies, etc. The history of the great meat packers especially is characterized by a variety of unfair devices, such as railroad rebates, controlling the stockyards, and combining for the purchase of livestock by alloting the quantities to be purchased and thus keeping down the prices. In the sale of their meat products, agreements on selling prices, the possession of private car lines, and great chains of branch houses have helped in giving them the advantage over competing companies.
>
> Against many of these combinations or monopolies, the Federal Government has instituted numerous suits with varying degrees of success.

As to whether these suits have been "numerous", or have struck at the real danger spots, opinions may differ; but we can all agree that whatever success has been attained has indeed been of a "varying degree."

It is with renewed hope that I have read of the Attorney General's proposal for an active campaign against these monopolies, even to a restatement of the whole antitrust law structure, if that shall be determined to be necessary. As already stated, it is clear that one such necessity exists

to forbid acquisition of assets by competing concerns, in order to prevent further progress in these giant mergers.

NEED FOR CURRENT KNOWLEDGE

It was to be hoped that the report would demonstrate historically and conclusively how underbalanced and disproportionate agricultural income has always been as compared to industrial income. While it is true as a matter of common knowledge that in comparison with other business and industrial income, whether based on the number of persons employed or on the basis of plant and capital used, agricultural income has at all times been unduly deficient, both the difficulty and the value of acquiring accurate comprehensive figures for comparative statistics are thus reported by the Commission, with its suggestions for action under the authority already contained in its act, if funds are provided. Too often have large tasks been delegated to the Commission without the needed funds. I present its suggestion in this important matter for the serious consideration of the Congress:

Unbalanced relations between industry and agriculture: Corporation Reports: It is implied in the terms of the resolution under which this inquiry is conducted, and it is a frequent complaint, that the industrial and commercial corporations are unduly enriching themselves at the expense of the agricultural population, but the facts which are adduced are generally of a sporadic nature about individual companies because the information readily available is not sufficiently comprehensive, up-to-date, and reliable as an indication of the general situation. There is a fundamental economic need of adequate information on this subject to which this Commission has from time to time called attention. It is only because of the lack of sufficient funds that the Commission has not already provided such information. This Commission has statutory authority to collect such information if appropriation were made for that purpose. This Commission is specifically authorized under section 6, paragraph (b), of its organic act, to require annual and special reports from corporations engaged in interstate commerce, excluding certain classes, such as banks and common carriers.

Although a part of the instability of agriculture is due to peculiarities of agricultural production as such, a part is also due to the instabilities of industry, and insofar as these suggested reports would promote industrial stability, they should redound also to the benefit of agriculture.

The Commission here squarely calls to the attention of Congress a most powerful and useful function which Congress granted to it, but which has too long been allowed to remain in disuse. Continuation of past sins of omission in supplying the needed funds will, however, be no atonement for us of the Congress. I plead for funds and action that shall give to Congress the adequate and current information needed to enable us properly to legislate from time to time for agriculture. If the Trade Commission is given funds to keep current such information as to processing corporations, such information can then be set over against the farm statistics gathered by the Department of Agriculture, so that Congress may at all times have the needed comparative facts.

NATIONAL INDUSTRIAL CONFERENCE BOARD STUDIES

Speaking from an outside and entirely different angle and interest, the May 1936 report (No. 224) of the National Industrial Conference Board affords striking confirmatory evidence of the vital nature of the problems of agriculture. For that reason I want to digress briefly to bring its views to the attention of the Senate.

Please have in mind that the purpose of that Board has been "to draw the serious attention of industrial management to the situation of American agriculture." Its approach, then, is clearly from the industrial angle, and not from the farmers' angle. Whatever is said cannot, then, be special pleading by a direct party in interest. The reports may, then, properly be characterized as impartial reports of outsiders.

The Board's first report on agriculture was published in 1936. In the 1936 report, referring to its earliest reports, the Board says:

The problems they considered remain, and the need on the part of industry and business for understanding them and assisting in their solution is more imperative than ever.

The opening paragraph of the summary of the present report is in these words:

The prosperity of agriculture is vital to the life of the Nation, both for the large rural portion of the population and for the business groups which serve it. The challenge for both human advancement and business expansion is so great in this field that every possibility for permanent improvement deserves the careful consideration of all groups.

Under the first subchapter heading appears the following:

With an available farm productive capacity far in excess of the salable output, and confronted with new and highly desirable products of industry clamoring for customers, the farmers are restless when their sales bring them an income far below what is required to purchase their urgent wants. With abundance pressing on every hand, it is difficult to be contented with scarcity. Naturally, all programs which promise to break the deadlock in the distribution of this abundance receive at least a ready hearing from the farm population. At the same time the chief concern of the industrialists who have products to sell to the farms is that proposed measures to increase farm income should be effective.

Further on is quoted and commented on with approval the following from an Iowa farmer:

We must get the operation of our farms into the hands of owners, even if it takes two generations to pay for them. Long-term credits are essential and can be made on a sound basis.

The opportunity to establish a larger farm population is of national significance from a social as well as an economic point of view and calls for careful consideration and wise leadership.

The conclusion of chapter I indicates clearly the importance of a proper solution of the agricultural problem of the Nation:

The establishment and maintenance of the greatest possible number of self-providing family farms, family owned and family operated, will go far toward making possible the realization of a self-acquired economic and social security for the farmer and increased national prosperity.

Under the subheading, Income in Agriculture, I quote the following:

Progress in material welfare is dependent upon increase of the incomes of individuals, due allowance being made for price-level changes. The incomes of farmers and many other elements of the population are, and have been, too low in relation to the standards of living toward which our economic progress thus far has tended. Any adequately founded increase would be in the national interest.

On page 44 of this report is a most illuminating chart reproduced from a report of the Department of Agriculture, Bureau of Agricultural Economics, which I have caused to be enlarged so that Senators may see it. No chart could more graphically prove the point that over any considerable period the income of the industrial worker and of the farmer run through the same general course in prosperity and depression. Their welfare goes down and up together. There is, however, one marked difference in their course to which I wish to call attention, and that is this: While the average of the farmer's income is practically the same during any period of a year or more, such income is naturally subject to more violent fluctuations than the income of industrial workers, where the income is, generally speaking, from pay rolls rather than from crops and products marketed as they mature or are otherwise ready for market.

As a closing reference to this report I want to emphasize the conclusion of the Board on the curtailment of agricultural output. At page 45 of the report they reach this conclusion, based upon the charts and figures of the Department of Agriculture itself:

The charts and figures of the Department of Agriculture do show, however, that when all farm products are taken together under practical market conditions, reduction of gross output in the last decade has been of no help to the total farm income.

FARMER COOPERATIVES

Chapter 9 of this report deals with farmers' cooperatives, pages 1366 to 1720. It sketches briefly earlier efforts in this country. It then also briefly describes the deflationary period which followed the overequipment and overexpansion to meet food needs of the World War. This ensuing and sudden deflation focused attention upon any method that seemed likely to cushion and stay this calamitous situation, from which agriculture has not yet recovered. From the controlled group situation in most other industries, the enforced conclusion was that agriculture must, in self-defense, come together to prevent almost universal farm bank-

ruptcy. Such united efforts, sporadic as they were, have historically, both in Europe and in this country, been called cooperatives. Therefore, all of them are now so designated, regardless of their variations in form and specific objectives.

Originally there were few differences between the early form and objectives of business corporations and cooperatives. The principal difference was in numerical membership. Each was primarily for the advantage of its membership; but cooperatives comprehended a much wider or general commodity or particular product or production-industry membership, as against a rather limited and close financial combination in the ordinary business or industrial corporation. With participants so numerous and widely scattered as in the various types of agriculture, their organizations had to take the cooperative form to hope to be of any substantial value.

I have diverted to indicate this similarity in order to direct attention to and demonstrate the spurious character of the over-adverse propaganda against every form of cooperatives that has recently become so active. This propaganda, as Senators probably are all aware, has even gone to the extent of charging that these very necessary unions of agricultural interests have in them some sinister foreign influence. Nothing can be more ridiculous. They merely and actually represent logical and necessary efforts by agriculture to approach an economic balance with the closer controlled and highly financed corporate combinations in other businesses and industries. The adverse propaganda against cooperatives is then, in plain English, nothing but the efforts of such combined corporate interests to prevent any united efforts by the vast hitherto unorganized agricultural industry. It is nothing but the reassertion of the history-old maxim of attempting to keep divided any force that if united might be able to acquire and assert its just right and due. Presumably such efforts were, to some extent, factors in the none too straight course which these farm cooperatives have been compelled to travel, as the report shows. Nor does it require the wisdom of Solomon to know why this is. All the profiteering groups of speculators, brokers, and middlemen whose business and margins were threatened by the cooperatives were natural and active opponents. It must be admitted, however, that in addition there was the incompetence, or worse, that always insinuates itself into such new movements. But such sporadic lapses and back-sets cannot condemn the cooperative system, lessen its need, or block its progress toward general ultimate usefulness and success. Especially among farmers, the pioneer spirit still lives; and it is of the essence of that spirit that whatever obstacles are encountered will be surmounted.

Into this picture much more slowly than is desirable, and with certain to be expected sporadic back-sets, have moved forward, and I trust will move forward with an accelerated speed, these farm cooperatives, with the result that for the 1934–35 marketing season the total volume of business of farmers' cooperative selling associations has been estimated at over one and one-third billion dollars. The farmers' purchasing associations, on the other hand, reached a total for the same period of only approximately $187,000. This one and one-half billion dollars of selling and buying represented slightly over 10,000 associations with a membership of just over three and one-fourth million. Of the less than 9,000 selling associations, just over 6,000 are in the east and west North Central States. This 70 percent of the total number of associations, however, did only approximately 51 percent of the cooperative selling business. This is understandable when it is borne in mind that certain of the other cooperatives dealt in the higher-priced fruit crops, and so forth.

VALUE OF COOPERATIVES

Those of us who live in the great agricultural States know that after the farmer has passed the risk of drought or flood and pests, and has put his crop in his crib and granary, he is still far from immunity from speculative risk. At this point he is up against the uneconomic grain exchange and other speculators from the outside. He is up against his own urgent need of funds long delayed while growing and harvesting his crop.

These inside and outside exigencies are entirely beyond the ability of the average farmer to cope with. Here, then, is where the united strength of the cooperative enters. If it functions properly, it can resist the seasonal depressant speculative price at harvest times and properly spread the marketing. By the same functioning it enables farmers, either individually or as a part of a group, to keep title to their crops for the higher prices that must follow as the rush supply decreases and the normal demand increases. Nothing irks more than the loose talk so often heard by those who do not know, or do not want to know, about the farmer being well off when some time during the late winter and spring the prices of his products have reached a profitable level. Those who make such statements, often with ill-concealed sneering, entirely overlook the fact that in their individual unassociated situations a great majority of those farmers who need it most have long since had to dispose of their crops at the earlier prevailing low prices, with the result that such later increases not only do not benefit the farmer at all but harm him to the extent that such increases of farm products are reflected also in many of the things which he must purchase. How vitally this condition affects and perpetuates the sharecropper's situation has been graphically stated by the exhaustive surveys and reports recently made.

It follows, then, as day follows night, that cooperatives as universal as the farm industry and those engaged therein represent the most likely solution of at last bringing to something like an economic balance the great agricultural industry and population.

Although we have learned and are learning something of the need and the value of farm cooperatives, and though much is told in this report, the Commission itself has emphasized the need of a definite further study to evaluate fully the cooperatives. Considering the basic nature of the industry which provides our food and the material for much of our clothing, I heartily endorse that recommendation, and again, if other Members do not do so, shall accordingly take steps to have drawn and present a proper resolution to carry that work forward.

Mr. President, I do not desire to consume any more of the time of the Senate. The remarks I have made, as I warned at the outset, are tedious to listen to, but they are extremely important.

Perhaps I have consumed more of the time of the Senate than I should in this all-to-summarized statement of certain factors that seem to me so vital to our national welfare. If there be those who feel so, let me justify myself by reminding them of two propositions:

First, the whole course of the world's history shows that the downfall of any nation has not been far behind the destruction of its free and prosperous agrarian population.

Second, let those in other industries and businesses realize that they can have no permanent prosperity without the more than backlog of prosperous farmers. The tie-up is complete. Their routes may temporarily detour, but the general direction of their courses are parallel, and their objectives have to be identical. How aberrant is any other philosophy.

In that connection, I should like to invite the attention of the Senate to the chart on the rear wall of the Senate Chamber, which I will leave here today in case Senators care to see it. The particular thing to which I wish to direct attention is the matter just referred to—the parallel nature of the income of industry and farming, following almost identical lines, but farm income in the heavy marking showing violent fluctuations year in and year out, up and down, while it follows the general level.

Further, I wish Senators would note the fact that the high point in agricultural income occurs during the season of the year when the farmer has not anything to sell. That is the high point. By the time the farmer's marketing season rolls around it is the low point, where there is no

business in farming or anything else. Mr. President, agriculture cannot continue under a situation of that kind.

In all earnestness I desire that the proposals advanced shall not be regarded as mere gestures. I am well aware that they cannot be accomplished in a moment, and the road may be long and difficult. By the same token, however, I am pledging myself, as one Senator, to follow through, regardless of the time required. When we have asked a commission of this kind to spend months upon months in careful investigation and to spend around $150,000 of public money to secure the facts, and when the Commission has made its report with recommendations carefully thought out, carefully studied, and carefully presented, it seems to me the Congress of the United States would do well, out of consideration for the interests of the great agricultural industry, to give at least some consideration to the recommendations so made. I believe each of the recommendations has an important bearing on the future of agriculture.

INFLUENCE OF MONOPOLY ON AGRICULTURE AND FARM PRICES

Mr. BORAH. Mr. President, the interesting remarks made by the Senator from Iowa [Mr. GILLETTE] encourage me to say something upon the subject he has been discussing. That is the question of monopoly, and the influence of monopoly upon farm prices as well as upon all other prices in the United States.

My purpose to discuss this subject has been encouraged also by the address made by Robert Jackson before the Bar Association of Georgia on the subject of monopoly. I understand Mr. Jackson has been assigned by the Department of Justice to make a special study and consideration of antimonopoly and antitrust laws with a view to prosecutions under them; and from the address he has made I infer that he has given earnest and serious consideration to the whole subject.

In the address Mr. Jackson makes this statement:

> Concentration of ownership and control of American industry was never greater than today.

That is an extraordinary statement, and yet I think it is absolutely correct. I do not believe it is an overstatement. We know what the concentration of wealth in this country was in 1929. We ought to know what the effect of monoply was in bringing on the depression which followed. But after 6 or 7 years of the depression it is in the nature of a warning to be advised by Mr. Jackson that the concentration of ownership and control of American industry was never so great as at the present time. The evils of concentration are evident. It stands in the way of recovery, as recovery affects the great body of the people. It destroys the small competitor and adds to unemployment. It pushes up prices artificially and oppresses the poor and undermines purchasing power of the masses.

Again, Mr. Jackson says that at the end of this long road we read, like an epitaph, the statement of the Senator from New York [Mr. WAGNER] that—

> No one can state authoritatively what our national policy is—

With reference to the subject of monopoly.

Mr. President, notwithstanding other questions of great moment press for attention, we ought to give consideration to the question which is raised by the statement made by the able Assistant Attorney General. First, that this concentration of wealth is constantly increasing. Secondly, that no policy has been announced as to how we may deal with the subject.

The matter came up, incidentally, the other day in discussion and the able Senator from Arkansas [Mr. ROBINSON], the majority leader, indicated his desire to see the subject properly considered as soon as we could appropriately do so. There is scarcely a subject with which we are dealing in this Congress which is not affected by, and the success of which does not depend upon, the consideration and effective treatment of the question which I am now discussing.

Two bills dealing with this subject have been introduced in the Senate, one by the able Senator from Wyoming [Mr. O'MAHONEY], and the other by myself. There is really no conflict in the objectives of the two bills. In my opinion, they present the most effective remedy for the treatment of monopoly. The laws which we now have upon the statute books will always be helpful but if we are to have an effective national policy, I am firmly of the opinion that we must deal with the subject of monopoly through the regulations of the channels of interstate trade.

Monopoly has no more right to use the channels of interstate commerce for the purpose of effectuating price control, or the destruction of small industries, than the automobile thief, for instance, has the right to use the channels of interstate trade to effectuate his wrongful purpose. If you can say to the citizen you may not transport property from State to State in order to consummate a crime, you can say to a corporation, you shall not transport property or commodities from State to State to accomplish a purpose hurtful to society or contrary to national policy. Congress has a right to say to a corporation, you can use the channels of interstate trade upon such terms and conditions as conform to the public interest and upon no other terms. It seems to me axiomatic that Congress, through the power to regulate interstate commerce, may require those carrying on such commerce to desist from all practices calculated to work harm to the people or in contravention to the public interest.

By the labor bill which is before a committee of the Senate, it is proposed that the manufacturer who employs child labor shall not have the advantage of the channels of interstate trade in which to ship or transport his goods. Upon what theory? Not upon the theory that the goods created by the effort of the child working are inherently defective, or in any respect are objectionable as commodities, but for the reason that we do not propose that the channels of trade shall be open to the exploitation of child labor in the United States, that those exploiting children shall not have the means which the Government provides for the transportation of articles or commodities across State lines at their disposal if they indulge in practices which are contrary to what we deem to be sound national policy or the national welfare.

I think that is a sound proposition of law. I am aware that in a 5-to-4 decision the Supreme Court at one time held on the facts of that particular case a different view, but I am convinced that in the light of some three or four opinions upon this subject since rendered, there can scarcely be any doubt that Congress has a right to exclude from the channels of interstate trade any commodity the shipment of which works to the injury of the community or of the Nation, or which is inimical to the general welfare of the country.

I assume there is no doubt that the Congress has the same control over interstate commerce that the State has over intrastate commerce, and if it becomes necessary, for the purpose of effectuating a sound police policy with reference to the channels of interstate trade, Congress has the same right to put into operation such a policy through the enactment of law as the State would have with reference to intrastate matters.

Mr. Jackson, in testifying before the Committee on Education and Labor on this matter, stated:

> There is the power directly to regulate or prohibit movement across State lines of goods deemed for any reason to offend against sound national policy.

That is the principle upon which the entire labor bill is based, that the Congress has power to prohibit the shipment across State lines of commodities produced under conditions which are deemed to be contrary to a sound national policy. I take no issue with that proposition, but I do say that if it is possible to exclude from the channels of interstate trade commodities which have been manufactured through the efforts of children, or commodities which have been manufactured by those receiving a wage below what we deem to be a fair minimum wage—if commodities can be excluded from the channels of interstate trade upon that principle, commodities can be excluded from the channels

of interstate trade which are manufactured in violation of the laws of the United States, or are shipped to the detriment or injury of independent producers or independent manufacturers, or to the detriment of the consumers of the United States.

If a manufacturing establishment is operating under the auspices of monopolistic control and is fixing prices, contrary to the law of the United States, or contrary to the sound policy announced by the United States, is there any reason why the Government of the United States should permit that establishment to use the channels of interstate trade to effectuate its policies or its purposes? In my opinion, we can in the bill which is now pending, by a comparatively brief amendment, exclude from the channels of interstate trade the products of monopolistic manufacture. We can police the channels of interstate commerce and exclude therefrom all wrongdoing and deny them to all who seek to use them to achieve a purpose injurious to the people of the United States.

Again Mr. Jackson said:

> Products made under condition where workers are denied the right of self-organization by fear of labor spies and where their right to strike and to enforce collective bargaining is rendered ineffective by the use of professional strikebreakers—

may be excluded from the channels of interstate trade, purely as a police power, purely as a police regulation, purely for the purpose of preventing the execution of purposes which are supposed to be in contravention of a sound national policy. That is, the shipment of goods which may be manufactured through the efforts of those working at a wage below what is considered a reasonable minimum wage, or goods which are manufactured by reason of the efforts of children working upon the goods, is not prohibited because of any defect in the goods because they were produced by that kind of labor; it is because the Government desires to take from those who are engaged in such wrongful practices the advantage of interstate trade or interstate shipment.

Mr. Jackson said further:

> As pointed out by Prof. Thomas Reed Powell, of the Harvard Law School, and by other students of constitutional law, since Congress has the power to regulate conditions of competition as it has done through the antitrust acts, it may, likewise, prohibit the securing of a competitive advantage in interstate commerce through the adoption of oppressive and sweatshop labor conditions.

So likewise it may be said that they shall not have the advantage which comes to them by reason of adopting oppressive methods in the business world. We can protect business against oppressive methods, we can protect small business against monopolistic methods as effectually as we can protect labor against oppressive methods, and when we deal with one we are, in fact, dealing with both. What is the advantage of saying to labor this year that the minimum wage shall be so-and-so while over the laborer is the power to fix prices, which may make the minimum wage next year just as oppressive or inadequate as it was before? You cannot prevent the exploitation of labor while you permit the exploitation of the people, for, after all, labor must suffer when the body of the people are without means to buy. What advantage is it to labor to get a few cents more per day when the price of living can be artificially increased to take these few cents and some more? The laborer, the consumer, the producer may secure more dollars but that is a tormenting delusion so long as private interests control practically all the things they must have in order to make life better, and added to the control the power to fix prices.

I read another statement from Mr. Jackson:

> It (Congress) can foster the legitimate and helpful trade as well as stop the unwholesome trade.

I do not take issue with Mr. Jackson at all. If there is any objection to the labor bill, it is not, in my opinion, by reason of the question of power; it is by reason of the question of policy. We can prevent the shipment in interstate commerce of goods which have been manufactured under conditions which we think are hurtful to labor, which we think are hurtful to the children of the country, which we think are in contravention to sound national policy. It is clear to me we can do so.

Having accomplished that aim, can we not further say that those in the business world who are engaged in oppressive measures, competing unfairly with small business, who are fixing prices in contravention of law, or the public interests, shall not have the advantage of interstate trade so long as they are engaged in such enterprises?

The only way by which we can have a national policy on this subject understood and lived up to by all parties is to have it thoroughly embedded in the laws of our country that those who are engaged in interstate trade shall purge themselves of all violation of national law, and shall act in accordance with sound national policy.

There can be no doubt in this day, I presume, that Congress has the power to require that all business engaged in interstate commerce shall come under the corporate authority of the National Government. There can be no doubt that the National Government can write into the charters under which they do business such terms and conditions as the National Government may deem wise. And we can, by erecting over the channels of interstate trade a fair commission, to pass upon monopolistic practices and monopolistic manufacture of articles for shipment in interstate commerce, strip every interstate shipment, of all monopolistic practices. It can be said to the man who seeks to enter the channels of interstate trade, "You must purge yourself of all practices which have been condemned by the law of the land or the declared policy of the Government."

We can go ahead with our prosecutions and with the enforcement of criminal law, but, necessarily, Mr. President, that is of such a nature that we will not secure uniformity of action or uniformity of enforcement, or satisfactory enforcement. My own opinion is that there has never been any real purpose to enforce the law. But if the man engaged in interstate trade is required, before he shall have the advantage of interstate commerce, to comply with certain conditions, there is a policy which is fair to him and fair to the people of the United States as a whole.

We are often told that when we are discussing this question it is in the nature of another attack upon business.

There could not be anything, it would seem to me, more calculated to contribute to sound, successful business in the United States than to have business conducted by fair methods and according to sound principles. Certainly, Mr. President, if we are to have anything in the nature of universal or general success in the business world it is necessary to destroy oppressive methods which are engaged in now by many large business corporations, and that can best be done by laying down a rule which everybody must observe and everybody must follow. It may be that no law can be enforced against monopoly. It may be that we through connivance and cowardice have permitted the growth of a power which can defy all law. I am not ready to admit that. I want to see a law enacted which will bring all parties into the channels of interstate trade on a basis of fair dealing and honest practices. It will go far toward solving this problem—as pressing as it is perilous.

ESTATE OF ELMER W. LAUB, DECEASED

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 1936) for the relief of the estate of Elmer W. Laub, deceased, which was, on page 2, to strike out all of section 2.

Mr. DAVIS. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

JOSEPH M. CACACE ET AL.

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 470) for the relief of Joseph M. Cacace, Charles M. Cacace, and Mary E. Clibourne, which was to strike out all after the enacting clause and insert:

> That the clerk of the United States District Court for the Eastern District of Virginia at Norfolk is hereby authorized and directed to satisfy, of record, the judgment obtained by the United States

on November 30, 1934, against Joseph M. Cacace, Charles M. Cacace, and Mary E. Cliborne, who are hereby relieved of all liability to the United States for the payment of said judgment, which was entered against them as sureties on the criminal bail bond executed in behalf of John T. Cacace, the latter having failed to appear after he had willfully departed from the jurisdiction without the knowledge, consent, or connivance of said sureties. Said John T. Cacace subsequently voluntarily appeared on December 6, 1934, without cost to the Government, and was sentenced to imprisonment for conspiracy to violate the National Motor Vehicle Theft Act in accordance with his previous conviction of November 24, 1934.

Mr. BYRD. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

EXECUTIVE SESSION

Mr. ROBINSON. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. ROBINSON (for Mr. WALSH) from the Committee on Naval Affairs, reported favorably the nomination of Midshipman Wayne M. Brown to be a second lieutenant in the Marine Corps, revocable for 2 years, from the 3d day of June 1937.

Mr. CONNALLY (for Mr. DIETERICH), from the Committee on the Judiciary, reported favorably the nomination of Francis T. McDonald, of Sault Ste. Marie, Mich., to be United States attorney for the western district of Michigan, vice Jos. M. Donnelly, resigned.

Mr. SHEPPARD, from the Committee on Military Affairs, reported favorably the nomination of Capt. John Foxhall Sturman, Jr., for appointment, by transfer, to the Coast Artillery Corps, Field Artillery, with rank from August 1, 1935.

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nomination of Emily C. Squires to be postmaster at Hampton Bays, N. Y., in place of R. H. Warner. (Incumbent's commission expired Apr. 12, 1936.)

The PRESIDENT pro tempore. The reports will be placed on the Executive Calendar.

NOMINATIONS OF WEST POINT CADETS GRADUATING IN JUNE

Mr. SHEPPARD. Mr. President, the Senate Military Affairs Committee at its meeting on June 4, anticipating that the nominations of the 1937 graduates of West Point to be second lieutenants in the Regular Army of the United States would be received at an early date, ordered them to be reported favorably at such time as they should be received by the Senate and referred to the committee. This action was taken by the Military Affairs Committee because of the short time remaining before the West Point graduating exercises to be held on June 12.

These nominations have been received today and have been referred to the committee. I now report them favorably from the Committee on Military Affairs. Inasmuch as only 5 days remain before the graduating exercises on June 12, I ask unanimous consent that the West Point nominations be taken up at this time out of order and confirmed, and that the President be immediately notified of the Senate's action. The confirmation of these nominations at this time, and the immediate notification of the President, will permit the War Department authorities to proceed with the vast amount of routine work necessitated in the preparation and issuance of these 298 commissions as second lieutenants.

The PRESIDENT pro tempore. Without objection, the nominations of the 1937 graduates of the Military Academy at West Point to be second lieutenants in the Regular Army of the United States are confirmed and, without objection, the President will be notified.

If there be no further reports of committees, the clerk will state the first order of business on the Executive Calendar.

AMENDMENT TO INTERNATIONAL LOAD LINE CONVENTION

The legislative clerk read as follows:

Executive H (75th Cong., 1st sess.), an amendment of Annex II (6) (a) of the International Load Line Convention, signed at London, July 5, 1930.

Mr. WHITE. Mr. President, the pending amendment is to what is known as the Load Line Convention, which was signed at London in 1930. That convention applies to vessels engaged in international voyages. It calls for a survey of such vessels and for their marking with what are known as load lines, which fix the point beyond which vessels may not be safely submerged.

The original treaty recognized that conditions varied at different seasons of the year and in different parts of the oceans of the world, and so it provided for the establishment of zones and seasons, and for the application of different rules for the several zones and seasons. One of the zones established was in the South Pacific, just off the Australian coast, and that was designated as seasonal tropical zone. It happens that in that zone there are many harbors where the depth of water is such that vessels may not be loaded down to the load-line mark, and the practice has been for such vessels to leave that zone and go to a port immediately south of the zone and there complete their cargo loading and their submergence to the permitted point.

Mr. President, the port of Mackay, to which these vessels have gone for such completed loading, is in another zone, and another set of rules as to markings applies there. The purpose of this amendment is to permit the vessels leaving this seasonal tropical zone to go to the port of Mackay, there to load down to their marks as permitted by the rules in the seasonal tropical zone.

The effect of the amendment is to provide that Mackay shall be considered as upon the boundary line of this seasonal tropical zone; to be considered, as a matter of fact, for the purpose of the convention, as 75 miles farther north than it in fact is. The amendment has very little importance to the United States, because relatively few American vessels visit that area and utilize that port.

The amendment was suggested by other nations. It has been approved by our State Department and it has the approval of our Department of Commerce, which has to do with the enforcement of our load-line laws.

Mr. President, I know of no opposition from any source to the amendment.

I ask unanimous consent for the immediate consideration of the amendment.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the amendment to the International Load Line Convention, which was read the second time, as follows:

Insert in annex II (6) (a) thereof, after the words "south of latitude 11° S.", the words "Mackay to be considered as being on the boundary of the 'seasonal tropical' and 'summer' zones."

The PRESIDENT pro tempore. If there be no amendment to be proposed, the amendment to the International Load Line Convention will be reported to the Senate.

The amendment to the International Load Line Convention was reported to the Senate without amendment.

The PRESIDENT pro tempore. The resolution of ratification will be read.

The legislative clerk read as follows:

Resolved (*two-thirds of the Senators present concurring therein*), That the Senate advise and consent to the ratification of Executive H, Seventy-fifth Congress, first session, the amendment of annex II (6) (a) of the International Load Line Convention, signed at London July 5, 1930.

Mr. WHITE. I move the adoption of the resolution of ratification.

The PRESIDENT pro tempore. The question is on agreeing to the resolution of ratification. [Putting the question.] Two-thirds of the Senators present concurring therein, the resolution of ratification is agreed to, and the amendment to the convention is ratified.

UNITED STATES COAST GUARD

The legislative clerk proceeded to read sundry nominations in the Coast Guard.

Mr. ROBINSON. I ask that the nominations in the Coast Guard be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations in the Coast Guard are confirmed en bloc.

That concludes the Executive Calendar.

DISTRICT OF COLUMBIA APPROPRIATIONS

The Senate resumed legislative session.

Mr. ROBINSON. Mr. President, the Senator from Oklahoma [Mr. THOMAS], chairman of the subcommittee of the Committee on Appropriations on the District of Columbia general appropriation bill, secured permission to submit a report this afternoon, anticipating that the Senate probably would finish its labors today before the committee was ready to report. With a view to taking up that bill tomorrow, I am about to move that the Senate take a recess until 12 o'clock noon tomorrow. I understand very well that if objection to the consideration of the bill were made, it would have to lie over for a day, but I understand there is no objection in prospect.

Mr. CONNALLY. Mr. President, from a parliamentary standpoint, would it be possible to get consent to file the report today?

Mr. ROBINSON. Consent has been given to filing the report today. I shall move a recess instead of an adjournment.

I ask unanimous consent that if the subcommittee of the Committee on Appropriations on the District of Columbia general appropriation bill shall report today, it shall be in order to proceed to the consideration of the District of Columbia appropriation bill tomorrow.

The PRESIDENT pro tempore. Is there objection to the unanimous-consent request of the Senator from Arkansas? The Chair hears none, and it is so ordered.

(The report on House bill 5996, the District of Columbia appropriation bill, was subsequently submitted by Mr. THOMAS of Oklahoma, as appears on p. 5347 of the RECORD.)

RECESS

Mr. ROBINSON. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 1 o'clock and 58 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, June 8, 1937, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 7, 1937

DIPLOMATIC AND FOREIGN SERVICE

Robert F. Kelley, of Massachusetts, to be a Foreign Service officer of class 3, a consul general, and a secretary in the Diplomatic Service of the United States of America.

APPOINTMENT BY TRANSFER IN THE REGULAR ARMY

TO COAST ARTILLERY CORPS

Maj. Lawrence Locke Clayton, Signal Corps, with rank from August 1, 1935, effective July 1, 1937.

PROMOTIONS IN THE REGULAR ARMY

TO BE COLONELS

Lt. Col. William Whinery Hicks, Coast Artillery Corps, from June 1, 1937.

Lt. Col. Richard Herbert Somers, Ordnance Department, from June 1, 1937.

Lt. Col. Eugene Bonfils Walker, Coast Artillery Corps, from June 1, 1937.

Lt. Col. John Burges Johnson, Cavalry, from June 1, 1937.

TO BE LIEUTENANT COLONELS

Maj. Orva Earl Beezley, Field Artillery, from June 1, 1937.

Maj. Frank Elmer Parker, Finance Department, from June 1, 1937.

Maj. Edwin Fairbrother Ely, Finance Department, from June 1, 1937.

Maj. Raymond George Moses, Corps of Engineers, from June 1, 1937.

Maj. Wilhelm Delp Styer, Corps of Engineers, from June 1, 1937.

TO BE MAJORS

Capt. Josef Robert Sheetz, Field Artillery, from June 1, 1937.

Capt. Charles Paul Cullen, Infantry, from June 1, 1937.

Capt. Frederic Arthur Metcalf, Field Artillery, from June 1, 1937.

Capt. Harry Emerson Storms, Signal Corps, from June 1, 1937.

Capt. David Dean Barrett, Infantry, from June 1, 1937, subject to examination required by law.

Capt. Lawrence James Meyns, Ordnance Department, from June 1, 1937.

Capt. Thomas Harry Ramsey, Quartermaster Corps, from June 1, 1937.

APPOINTMENTS IN THE REGULAR ARMY

TO BE BRIGADIER GENERALS

Col. Ernest Dichmann Peek, Corps of Engineers, from July 1, 1937, vice Brig. Gen. Charles D. Roberts, United States Army, to be retired June 30, 1937.

Col. Frederic Harrison Smith, Coast Artillery Corps, from July 1, 1937, vice Brig. Gen. Alexander T. Ovenshine, United States Army, to be retired June 30, 1937.

Col. Philip Bradley Peyton, Infantry, from August 1, 1937, vice Brig. Gen. Thomas W. Darrah, United States Army, to be retired July 31, 1937.

Col. William Bryden, Field Artillery, from September 1, 1937, vice Brig. Gen. Sherwood A. Cheney, United States Army, to be retired August 31, 1937.

TO BE SECOND LIEUTENANTS WITH RANK FROM JUNE 12, 1937

Corps of Engineers

1. Arthur William Oberbeck.
2. Campbell Hodges Snyder.
3. David Bennett Parker.
4. Frederick James Clarke.
5. Eugene Joseph Stann.
6. Jack Norman Donohew.
7. Fred Earl Ressegieu.
8. Augustine Patterson Little, Jr.
9. Charles Francis Mitchim.
10. Frederick Miller Thompson.
11. William Bayer Strandberg.
12. Charles Moses McAfee, Jr.
13. Charles Stanley Kuna.
14. Gerard Joseph Forney.
15. John Dudley Stevenson.
16. Julian Vincent Sollohub.
18. Nils Olof Ohman.
19. George Lawrence Holcomb.
22. James Stephen Barko.
23. William Ray Clingerman, Jr.
24. Hamilton William Fish.
25. Ellis Edmund Wilhoyt, Jr.
27. Leigh Cole Fairbank, Jr.
29. John Manning Cromelin.
30. William Horace Lewis.
31. Fredrick Otto Diercks.
34. Walter Eckman.
35. Giles Lincoln Evans, Jr.
36. Jay Alan Abercrombie.
40. Richard Phillip Klocko.
41. Robert Francis Seedlock.
42. John Gamble Schermerhorn.
43. Robert Stanley Palmer.

44. Houghton Ross Hallock.
45. Charles Aloysius Pfeffer, Jr.
46. Noel Houk Ellis.
47. Eric Dougan.
48. Jack West Chapman.
49. George Henry Walker.
50. Harold Bell Wright.
51. George Joseph Murray, Jr.
52. Carlin Hamlin Whitesell, Jr.
53. William Clements Chenoweth.
56. Henry Alfred Byroade.
57. Robert Carl Miller.

Signal Corps

32. David Tice Griffin.
39. William Noel Snouffer.
63. Kenneth Sayre Wade.
74. Robert William Griffin.
76. Gale Eugene Ellis.
77. Richard Risley Barden.
79. Alfred Eugene Diamond.
81. Paul Bates Whittemore.
92. Whiteford Carlisle Mauldin.

Quartermaster Corps

61. Thomas Alexander Holdiman.
65. Donald Bowen Brummel.
102. LeRoy Hubert Rook.
123. Edgar Major Teeter.
124. Daniel Allen Richards.
160. Robert Maurice Stegmaier.

Cavalry

54. Alexander Day Surles, Jr.
73. Edwin Allen Russell, Jr.
86. Wilbur Harvey Stratton.
88. Richard William Fellows.
98. John Bowen Nance.
99. Bruce Keener Holloway.
108. Maurice Arthur Preston.
125. Edward Chrysostom David Scherrer.
128. Arthur Harrison Wilson, Jr.
132. Don Richard Ostrander.
136. Floyd Joaquin Pell.
137. Meyer Arendt Edwards, Jr.
145. George Haines Minor.
157. John Thomas Shields.
158. Richard Ellis Nelson.
166. Cecil Himes.
185. Carl Lawrence Lindquist.
190. Samuel Charles Gurney, Jr.
192. Harvey Charles Dorney.
198. Andrew Jackson Lynch.
201. Paul William Scheidecker.
205. James John Cosgrove.
206. Charles Andrews Sprague.
210. Walter Gibson Gleye.
215. William Emmett McDonald.
220. John Russell Ulricson.
222. Lawrence Augustus Spilman.
223. Kelton Seymour Davis.
224. William Grover Hipps.

Field Artillery

17. Charles Boes Hines.
20. Edward Chandler Spaulding.
28. Asher Burtis Robbins, Jr.
37. Douglass Phillip Quandt.
38. John Brockenbrough Randolph Hines.
55. Thomas Truxtun.
59. John Francis Batjer.
67. John Gordon Eriksen.
70. Elwyn Norman Kirsten.
72. Edgar John Ingmire.
75. Harry Francis van Leuven.
83. Horace Greeley Davisson.
91. John Martin Cone.
96. Elmer Carl Blaha.
107. Emmette Young Burton, Jr.
109. Philip Gatch Lauman, Jr.
112. Ivan Wilson McElroy.
113. William Kienle Horrigan.
116. Chester Lee Johnson.
120. Ben Welle Porterfield.
127. Thomas Charles Compton.
134. Albert Ollie Connor.
138. Robert Clyde Gildart, 2d.
139. Fred Pierce Campbell.
140. Robert Fales Lesser.
141. James Early Norvell.
144. George Caldwell McDowell.
146. Harry Leonard Stiegler.
147. James Young Parker.
148. Joseph Brady Mitchell.
149. Sam W. Agee, Jr.
151. Wilbur Emmet Davis.
152. Lukas Ernest Hoska, Jr.
154. Battle Malone Barksdale.
155. Martin Levering Green.
159. Luis Fernando Mercado.
164. Harold Everett Marr, Jr.
168. Joseph Harper Hodges, Jr.
169. Ferdinand Thomas Unger.
173. Coy Lyman Curtis.
178. Harry Edwin Hammond.
181. Edwin Borden Broadhurst.
183. Charles Bainbridge Westover.
187. Bernard Peter Major.
193. James Robert Johnson.
194. LeRoy Lutes, Jr.
195. Robert Heber Van Volkenburgh, Jr.
200. Conrad Henry Diehl, Jr.
203. Harry Walter Elkins.
204. John Whitelaw Browning.

Coast Artillery Corps

26. Charles Lewis Register.
58 Walter Cinn DeBill.
60. Donald Wilt Shive.
62 Perry Huston Eubank.
66 Raymond William Rumph.
69 Henry Mershon Spengler.
71 Milton Harvey Clark.
80. Victor Earl Mansfield.
82. Charles Louis Robbins.
84 Monte Jackson Hickok, Jr.
85 James Armitt Scott, Jr.
89 William George Easton.
90 George Franklin Leist.
95. Edward Morris Lee.
103. Alvord Rutherford.
104. John McMullan Gulick.
106. Godfrey Roland Ames.
111. Robert Harley Fitzgerald.
114. George Vernon Underwood, Jr.
115. William Jack Worcester.
117. Charles Stuart O'Malley, Jr.
118. Alan Doane Clark.
121. Robert Hensey Herman.
122. William Wise Bailey.
126. Linscott Aldin Hall.
129. Oscar Baker Steely.
130. David Bearse Nye.
131. Thomas McGarey Metz.
133. Thomas Denman Neier.
135. Stanley John Cherubin.
150. Robert Taylor, 3d.
167. Curtis Raymond Low.
170. Walter Clem Conway.
174. Richard Hilton Hackford.
175. Charles Glen Young.
176. Max Shields George.

Infantry

21. Walter Clarke Hyzer.
33. William Edwin Wilson Farrell.
64. John Graham Zierdt.
73. Amzi Rudolph Quillian.
87. John Franklin Foy.
93. William Perry Baldwin.
100. James Haynes Reeves, Jr.
101. Roy Lee Mapes.
105. Carlos Antonio Nadal.
110. William James Dunmyer.
119. James Nixon Peale, Jr.
142. Robert Henry Stumpf.
143. Homer Harvey Uglow.
153. Edward Marion Postlethwait.
156. Joseph Ludger Chabot.
161. Charles Janvrin Browne.
162. Maurice Wuchter Musgrave.
163. Woodrow Wilson Stromberg.
165. Dan Cashemere Russell.
171. John Laurence Powers, Jr.
177. Stanley Lowell Smith.
180. Jack Edward Caldwell.
182. Richard Frederick Hill.
184. James Stanfield Hatfield.
186. Horace Greeley.
188. Richard Gates Williams.
189. Joseph Alfred Miller, Jr.
191. John Hincks Montgomery, Jr.
196. George Maryan Maliszewski.
197. James Samuel Brierley.
199. Charles Robert Meyer.
202. Oscar Gordon Kreiser.
207. William Henry Traeger.
208. Robert Besson.
209. William Leslie Robinson.
211. James Ferris Pearsall, Jr.
212. Stanley Warren Connelly.
213. Charles Junious Harrison.
214. Kelsie Loomis Reaves.
216. Benjamin Franklin Taylor.
217. Robert Sorrel Kennedy.
218. Ernest Hertel Laflamme.
219. Jasper Newton Durham.
221. Alfred Allen Maybach.
225. John D. Haltom.
226. John Randal Weikel.
227. Hueston Richard Wynkoop.
228. Joseph George Focht.
229. Marshall Randolph Gray.
230. Wood Guice Joerg.
231. Parker Calvert.
232. Victor Edward Sinclair.
233. Augustin Mitchell Prentiss, Jr.
234. William Riddick Crawford.
235. Maxwell Awyn Tincher.
236. Charles Thomas Clagett.
237. John Houghton Hydle.
238. Bryan Coffield Arnold.
239. Robert Bronson Hubbard.
240. Carroll David Wood.
241. Philip Delano Brant.
242. Delk McCorkle Oden.
243. George Alexander McGee, Jr.
244. William Dawes McKinley.
245. Walter Ralls Lawson.
246. Winfield Lee Martin.
247. Charles Sherman Hoyt, Jr.
248. Colin Purdie Kelly, Jr.
249. Kenneth Witt Driskill.
250. Hugh Sawyer.
251. Woodrow William Dunlop.
252. William Allen Dodds.
253. Kelley Benjamin Lemmon, Jr.
254. Gilbert Fulghum Bell.
255. James Hunter Drum.
256. Kenneth Oliver Sanborn.
257. Elery Martin Zehner.
258. George Bidwell Sloan.
259. Arthur Kirkham Amos.
260. Edward Chynoweth Hobbs.
261. Carl Freeman Lyons, Jr.
262. Olen John Seaman, Jr.
263. John Jarvis Tolson, 3d.
264. Frederick John Dooley.
265. John Huff Van Vliet, Jr.
266. James Francis Faber.
267. Edwin Walter Richardson.
268. James Howard Skeldon.
269. Harold McDonald Brown.
270. William Joseph Cain, Jr.
271. James Wilson Duncan.
272. Noel Ambrose Menard.
273. Malcolm Green, Jr.
274. Thomas Everett Powell.
275. Ephraim Foster Graham, Jr.
276. Charles William Stark, Jr.
277. William Barrett Travis.
278. George Millard Simmons.
279. George Russell Cole.
280. Frank William Andrews.
281. John Oliver Frazier.
282. Raymond Clayton Cheal.
283. Gordon Custer Leland.
284. Morton David Magoffin.
285. Philip Columbus Sterling, Jr.
286. William Ragland Maxwell.
287. James Theo Posey.
288. Gordon Talmage Kimbrell.
289. Benjamin Turner Workizer.
290. Howard Norrington Smalley.
291. Wesley Skilton Calverley.
292. Eads Graham Hardaway.
293. William Brackett McClellan Chase.
294. Render Dowdell Denson.
295. Frank Ray Harrison.
296. John Fleming Polk.
297. John Powers Connor.
298. Charles William Blauvelt.

PROMOTIONS IN THE NAVY

Commander Preston B. Haines to be a captain in the Navy from the 1st day of June 1937.

Lt. Comdr. Henry B. Broadfoot to be a commander in the Navy from the 1st day of June 1937.

Lt. Comdr. James P. Compton to be a commander in the Navy from the 1st day of June 1937.

Lt. Walter R. Jones to be a lieutenant commander in the Navy from the 1st day of February 1937.

Lt. Michael H. Kernodle to be a lieutenant commander in the Navy from the 19th day of May 1937.

Lt. Jasper T. Acuff to be a lieutenant commander in the Navy from the 1st day of June 1937.

The following-named lieutenants (junior grade) to be lieutenants in the Navy to rank from the date stated opposite their names:

Alfred M. Aichel, May 8, 1937.
Paul R. Anderson, May 15, 1937.
William F. Raborn, Jr., June 1, 1937.
Robert T. S. Keith, June 1, 1937.

The following-named ensigns to be lieutenants (junior grade) in the Navy from the 29th day of May 1937:

Charles E. King	Charles W. Fielder
Richard L. Poor	Elmer C. Long
Hilary C. Rowe	Henry S. Monroe
Francis O. Iffrig	Edward B. McMillan
James R. Reedy	Thomas E. Norris
Edward E. Grimm	David McCampbell
James B. Denny	John N. Ogle
Raymond P. Zimmerman	Robert E. Magoffin
Albert H. Clark	James B. Barr
James A. Smith	Frank G. Selby

The following-named ensigns to be lieutenants (junior grade) in the Navy from the 31st day of May 1937:

Verne L. Skjonsby	Wilson M. Coleman
Arthur R. Gralla	Benedict J. Semmes, Jr.
William A. Brockett	Melvin H. Dry
Forrest R. Biard	Samuel Bradbard
Frank L. Pinney, Jr.	John F. McGillis
William W. Keller	Nels C. Johnson
James M. Wright	Arthur R. Manning
Edward G. Bauer	Harold D. Fuller
George F. Pittard	Robert A. Paton
Russell H. Maynard	Paul S. Savidge, Jr.
Claude S. Kirkpatrick	Stanley S. Daunis
William B. Brooks	William I. Martin
Francis J. Novitski	Arthur C. House, Jr.
William W. Walker	Benjamin C. Fulghum
William R. Smith, 3d	Willard E. Hastings
Reginald Rutherford	George B. Nicol
William M. McCormick	Ernest L. E. Ritson
Walter T. Griffith	Francis A. G. Kelly
Rollin E. Westholm	Louis Lefelar, Jr.
Charles Blenman, Jr.	Colin J. Mackenzie
Robert H. Close	Henry C. Corbin
John M. Phelps	William T. Dutton
John M. McMahon	George D. Hoffman
James D. Fulp, Jr.	Gordon A. Griffin
David S. Edwards, Jr.	James H. Ashley, Jr.
John G. Roenigk	Allen W. Moore
Arthur L. Newman	Charles H. Becker
Charles C. Mann	Henry L. Miller
Edward F. Dissette	Joseph S. Lewis
Beverly R. Van Buskirk	Frank G. Marshall, Jr.
James S. Shilson	Eugene W. Davis
Robert J. Hardy	Carl W. Schoenweiss
Robert J. Oliver	Clayton S. Clark
Alexander G. Hay	Archibald Stone, Jr.
Robert N. Robertson	Douglas L. L. Cordiner
Richard E. Nichols	Charles M. Bertholf
John B. Morland	John W. Geist
Walter H. Baumberger	James C. Bentley
William S. Maddox	Robert M. Lee
Carl W. Rooney	Thomas H. DuBois
William H. Lawrence	Albert P. Coffin

Assistant Paymaster Walter N. Gray to be a passed assistant paymaster in the Navy, with the rank of lieutenant, from the 15th day of May 1937.

Lt. (Jr. Gr.) Leland P. Kimball, Jr., to be an assistant paymaster in the Navy, with the rank of lieutenant (junior grade), from the 1st day of June 1936.

The following-named ensigns to be assistant paymasters in the Navy, with the rank of ensign, from the 29th day of May 1934:

Charles A. Blick	Thomas A. Long
Edward F. Metzger	Laurence A. White
Roy G. Buck	Frederick K. Longshore

The following-named ensigns to be assistant paymasters in the Navy, with the rank of ensign, from the 31st day of May 1934:

William I. Robbins	Edward M. Fagan
John W. Kearns	Raymond L. Abrahamson
Dennison C. Ambrose	Richard S. Klunk

The following-named ensigns to be assistant paymasters in the Navy, with the rank of ensign, from the 6th day of June 1935:

Holman Lee, Jr.	Henry P. Knowles
Graham P. Bright	John W. Bottoms
Louis M. Detweiler	Charles S. Sharrocks
John B. Cline	Barclay J. Woodward, III
Emory D. Stanley, Jr.	George S. Fuller
Fletcher McC. Lamkin	Edgar D. Vestel, Jr.
John G. O'Handley	Charles R. Beaman

Ensign Charles H. Keyser to be an assistant paymaster in the Navy, with the rank of ensign, from the 29th day of August 1935.

The following-named ensigns to be assistant paymasters in the Navy, with the rank of ensign, from the 4th day of June 1936:

Charles K. Phillips
Allen B. Reed, Jr.

The following-named naval constructors to be naval constructors in the Navy, with the rank of commander, from the 30th day of June 1936:

Norborne L. Rawlings
Joseph W. Fowler

Gunner Ted D. Fickes to be a chief gunner in the Navy, to rank with but after ensign, from the 16th day of October 1936.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 7, 1937

WORKS PROGRESS ADMINISTRATION

Ron Stephens to be State administrator in the Works Progress Administration for Oklahoma.

UNITED STATES COAST GUARD

Chester E. Dimick to be professor, with the rank of commander.

Stanley V. Parker to be captain.

Joseph Greenspun to be commander.

William M. Wolff to be district commander with the rank of lieutenant commander.

Frank E. Allison to be district commander with the rank of lieutenant.

APPOINTMENTS IN THE REGULAR ARMY

The cadets scheduled for graduation on June 12, 1937, at the West Point Military Academy, who were this day nominated to be second lieutenants in the Regular Army, with rank from June 12, 1937, were today confirmed. Their names will be found printed in full on pages 5365–5367 of the Senate proceedings under the title "Nominations."

HOUSE OF REPRESENTATIVES

MONDAY, JUNE 7, 1937

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Heavenly Father, today and in the days to come be within our memories and in our hopes. We thank Thee for Thy unwearied care in watching over us. Touch our lives helpfully that they may be gladdened and strengthened for true and patriotic service. We pray Thee to give us clear vision, clear perception, and the impulse of a wise purpose. Once more our hearts are bowed in sorrow. Death again has come into our midst and made short a career of vital usefulness to our country. He gave his best to his generation and a good name was the jewel of his soul. He has heard the call; he entered through the gates where no evil thing can find a home. Uphold and sustain the stricken family, assuage their grief, and comfort their sorrows. We praise Thee that earth's darkness vanishes before the golden floods of sunlight, radiating from the glorified tomb of our Savior. In His name. Amen.

The Journal of the proceedings of Friday, June 4, 1937, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed a concurrent resolution of the following title, in which the concurrence of the House is requested:

S. Con. Res. 11. Concurrent resolution requesting the President of the United States and the Administrator of Public Works to grant certain applications for non-Federal projects for the construction of schools to ameliorate or eliminate conditions which are hazardous to the lives of students.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries.

JOINT CONGRESSIONAL COMMITTEE ON TAX EVASION AND AVOIDANCE

Mr. SNELL. Mr. Speaker, I desire to make a point of order.

The SPEAKER. The gentleman will state the point of order.

Mr. SNELL. I make a point of order with respect to the reference of Senate Joint Resolution 155, to create a Joint Congressional Committee on Tax Evasion and Avoidance. This resolution was referred erroneously, in my judgment, to the Rules Committee. I will read section 35, rule XI:

All proposed action touching the rules, joint rules, and order of business shall be referred to the Committee on Rules.

I appreciate the fact that in making this point of order I am making it to the court who made the reference, and I am making this point of order under no misapprehension.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. SNELL. Not at present.

Mr. RANKIN. Well, tell us what the resolution is about.

Mr. SNELL. It is the resolution relative to the tax matters that was introduced, I do not know by whom, but the gentleman from North Carolina [Mr. DOUGHTON] brought it up on the floor the other day.

I appreciate the fact that the average investigation resolution goes to the Committee on Rules, because it has been determined that that was simply a change in the rules of the House providing for a new committee to make an investigation; but this Senate Joint Resolution 155 goes much further than any resolution of this kind that has ever come to my attention. This resolution is much more than an investigation; it is just full of legislation. In the first place, it authorizes an appropriation. It places new duties on the Secretary of the Treasury. It provides for the repeal of the law for publicity of income-tax returns under certain circumstances. It allows this committee to create positions, fix compensation, and so forth. It also delegates new authority to the employees of the Department of the Treasury. It is so full of legislation that even the chairman of the Rules Committee himself, under a reservation to object to the immediate consideration of the resolution last week, brought up the question of the legislation contained in the resolution. There are at least five definite legislative proposals in this bill.

As we all know, Rules Committee is not a legislative committee, and it has never been the custom of the House to refer legislative proposals to this committee. If the Chair needs any further proof that this is legislation, I refer to the fact that even the Parliamentarian of the House has placed this Senate Joint Resolution 155 on the Union Calendar, and I expect he did so because it authorized an appropriation of funds out of the Treasury of the United States.

I know the argument will be presented against my point of order that it comes too late, but I maintain it does not come too late. There has been no laches on my part as far as public notice of the reference of the resolution was concerned. I know this resolution was on the floor of the House last week and there was something said about it being referred to the Rules Committee, but I watched the calendar each day, and the first public notice that this was referred to the Rules Committee was in the RECORD of June 3, which came to the office on the morning of June 4, and the House has not been in session for business since that time. Therefore there are no laches on my part as far as the time of making the point of order is concerned.

I have looked over several decisions, and where a decision has been made against the erroneous reference of a bill, the Speaker who has made the decision has always referred to the fact that this bill had been in the hands of the committee for some time and the House had been asleep on the opportunity to raise the question of reference. At this time I make this because this is the first possible time to make a point of order against the reference of this Senate joint resolution. I know it will be argued by the majority that this is along the line of resolutions brought in by myself as chairman of the Rules Committee, but I have examined those references and no resolution sponsored by me was in any way similar in form or purpose to this resolution. This, in reality, is nothing but a legislative proposal. I think it was erroneously referred to the Rules Committee and that the Rules Committee had no jurisdiction whatever over matters of this character.

I ask a ruling from the Chair.

Mr. O'CONNOR of New York. Mr. Speaker, I can assure the gentleman at the outset that the reference of House Joint Resolution 155 to the Rules Committee was not sought by the Rules Committee. In fact, the Rules Committee would be perfectly content that some other committee had the honor.

On the 1st of June, as I recall it, the gentleman from North Carolina [Mr. DOUGHTON] introduced a House joint resolution, which was referred to the Rules Committee, an identical resolution. Senate Joint Resolution 155 passed the Senate on June 2, and when it came to the House the gentleman from North Carolina [Mr. DOUGHTON] asked unanimous consent to call up the Senate joint resolution. At that time the identical House joint resolution which had been introduced as an individual resolution by the gentleman from North Carolina [Mr. DOUGHTON] and had no connection with or authorship in the Ways and Means Committee was pending in the Rules Committee. Objection was made to the unanimous-consent request, and on the same day, as I have been informed, Senate Joint Resolution 155 was likewise referred to the Rules Committee.

As I understand it, the primary ground for referring both resolutions was that they proposed an investigation.

The language of Senate Joint Resolution 155 is practically identical with the joint resolution which created the Joint Committee on the Reorganization of the Executive Branches of the Government and which was likewise referred to the Committee on Rules and reported out by the Rules Committee.

This Senate Joint Resolution 155, not being a privileged matter, because it contains provisions as to expenditures required the reporting of a separate House resolution for its consideration. While the joint resolution, Senate Joint Resolution 155, is on the Union Calendar, No. 328, the other resolution from the Rules Committee, House Resolution 226, for the consideration of the joint resolution has been placed on the House Calendar, No. 113.

Mr. SNELL. That probably is correct.

Mr. O'CONNOR of New York. The situation is similar to that wherein the Rules Committee reports a resolution for the consideration of any other measure.

Mr. SNELL. Mr. Speaker, will the gentleman yield there?

Mr. O'CONNOR of New York. Yes.

Mr. SNELL. I have been as interested in the Rules Committee and have been as jealous of its jurisdiction as any Member of the House for a good many years. Would the gentleman maintain that the Rules Committee would have jurisdiction over matter such as is contained in Senate Joint Resolution 155?

Mr. O'CONNOR of New York. Oh, no; of course it would not. It would not have jurisdiction over appropriations. That is the only big question that I see.

Mr. SNELL. There is authorization for appropriation, also delegation of authority in the resolution and new duties for the Secretary of the Treasury. It also creates new positions. There are at least five definite subjects of legislation contained in the joint resolution.

Mr. O'CONNOR of New York. As to the delegation of duties to the employees of the Treasury Department, I do not believe that is any different than permitting this joint committee to employ the services of persons connected with those departments. Strictly under the rules, of course, under subsection 35 of rule XI, nothing is said about the Rules Committee having jurisdiction of investigations, but as far as I remember—and I served for at least 8 years under the distinguished chairmanship of the gentleman from

New York [Mr. SNELL]—as far back as I can remember, all of these investigating resolutions went to the Rules Committee. I think that is the basis of referring this resolution, that is based on precedent. It is a custom, a practice, that has grown up in the House.

Mr. SNELL. Mr. Speaker, will the gentleman yield further?

Mr. O'CONNOR of New York. Yes.

Mr. SNELL. I appreciate the force of the gentleman's statement, but those were simple investigating resolutions that did not carry matters that were definitely legislative in character. We have argued that on the floor a good many times, and we justified the reference of investigating resolutions to the Rules Committee on the ground that it was a change in the rules of the House and would naturally go to the Rules Committee, but I never favored anything carrying such legislation as there is in this bill.

Mr. O'CONNOR of New York. I do not believe that a careful analysis of this Senate joint resolution would show that it carries any legislative matter.

Mr. SNELL. The gentleman himself so stated on the floor the other day.

Mr. O'CONNOR of New York. I do not recall making such a statement. The resolution provides that the amounts appropriated for the expense of this committee shall be paid out of the contingent funds of both Houses.

Mr. SNELL. That is an authorization for the Appropriations Committee to make the appropriation.

Mr. O'CONNOR of New York. No; there is no authorization carried in the resolution.

Mr. SNELL. The Parliamentarian would not have referred this to the Union Calendar had there not been an authorization contained in the resolution.

Mr. O'CONNOR of New York. There is no authorization for appropriation contained in this resolution.

Mr. SNELL. Why is it on the Union Calendar?

Mr. O'CONNOR of New York. The language referred to was first developed in the joint resolution for the creation of the committee to examine into the executive branch of the Government; the reorganization committee. For the first time there appeared this language:

> Amounts appropriated for the expense of the joint committee shall be disbursed one-half by the Secretary of the Senate and one-half by the Clerk of the House.

When this language appeared in this resolution I raised the same question about it. It is not an appropriation; it is not an authorization. The only precedent I ever heard of was in the joint resolution on reorganization. The resolution was not privileged, because on page 2 it authorizes the committee to have such printing and binding done as it sees fit. As the gentleman well knows, ordinarily the Committee on Rules strikes out that language, because it defeats the privilege of the bill.

Mr. SNELL. In line 22, on page 2, it contains the language "to make such expenditures as it deems advisable." This, I should say, was an authorization.

Mr. O'CONNOR of New York. The resolution does contain extraordinary language.

Mr. SNELL. Is it an authorization?

Mr. O'CONNOR of New York. No; I do not think it is an authorization because they have not got the money yet.

Mr. SNELL. It is sufficient authorization, however, for the Appropriations Committee to make an appropriation.

Mr. O'CONNOR of New York. That is questionable because of the extraordinary language used in this resolution. It is not usual, I confess.

Mr. SNELL. It is in the resolution as reported to the House.

Mr. CANNON of Missouri. Mr. Speaker, there are few bills of all the thousands that are introduced in the House of Representatives which do not contain material that would warrant their being sent to any one of a number of committees. Some of them carry provisions which come within the jurisdiction of as many as six or eight committees of the House; and, on the other hand, few bills are referred to any committee which do not contain material which, if presented alone, would come within the jurisdiction of some other committee or committees of the House. It naturally follows that decision as to which one of a number of committees having some claim of jurisdiction bills are to be referred is a daily occurrence at the Speaker's table. But the rule followed in such references is that the bill goes to that committee having jurisdiction of the principal objective for which the bill was introduced. The primary purpose of the bill is to secure an investigation, and bills providing for investigations in effect propose changes in the rules, and therefore are referred to the Committee on Rules.

The SPEAKER. The Chair is ready to rule.

The gentleman from New York [Mr. SNELL] raises the point of order that Senate Joint Resolution 155 was improperly referred to the Committee on Rules for consideration by that committee. The gentleman from New York further makes the suggestion that although the Rules Committee had reported this resolution back to the House and that it had gone on the calendar, this is his first opportunity to raise a point of order against the jurisdiction of the Committee on Rules.

With reference to that particular phase of the gentleman's statement, section 2113 of volume 7 of Cannon's Precedents of the House of Representatives, states:

> After a public bill has been reported, it is not in order to raise a question of jurisdiction.

Although it may be true, as stated by the gentleman from New York, that this is his first opportunity to raise that question, in view of the fact the bill has already been reported by the committee to which it was referred, the Chair rules it is too late to raise that question.

On the general proposition raised by the gentleman from New York, the Chair may say this is not a matter of first impression. The question as to the jurisdiction of the Committee on Rules over joint resolutions creating joint committees to make investigations was decided by Speaker Longworth on April 1, 1930. On that occasion the gentleman from New York, Mr. SNELL, chairman of the Committee on Rules, reported from that committee House Joint Resolution 251, which authorized the appointment of a commission to be composed of Senators, Representatives, and persons to be appointed by the President. The commission was empowered to study the feasibility of equalizing the burden and to minimize the profits of war.

The report on this joint resolution was referred to the calendar and the Committee of the Whole House on the state of the Union.

On April 1, 1930, when Mr. SNELL called up the resolution for consideration, Mr. Stafford, of Wisconsin, raised the question as to the jurisdiction of the Committee on Rules to consider and report on the matters therein contained. In debating the point of order the gentleman from New York [Mr. SNELL], among other things, stated:

> We propose setting up a special committee to do a special piece of work, and that comes under the general provision of the rules, because it is a change of the rules for a specific purpose. As far as I know, there has never been any decision against it, and I believe it is entirely in accordance with the rules, because we are changing the rules for a specific purpose, namely, setting up a special committee to do a specific piece of work. As far as I know, all the decisions have been to the effect that such matters are privileged to come from the Committee on Rules.

That is the end of the argument made by the gentleman from New York at that time on this particular question.

The Speaker, Mr. Longworth, in deciding the point of order, said:

> It has been the common practice of the present occupant of the chair, and I think of many of his predecessors, to invariably refer bills and joint resolutions which create a joint commission, particularly composed of Members of the House, to the Committee on Rules. There is no other committee to which they could possibly go. It is a change in the rules, insofar as it permits and provides that Members of the House shall serve on the commission which it creates.

It appears to the Chair that the reasoning of the gentleman from New York, enunciated at that time, and the de-

cision of the then Speaker, Mr. Longworth, are sound in principle and in precedent. Acting upon that decision as authority, the Chair overrules the point of order.

EXTENSION OF REMARKS

Mr. WOODRUFF. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD by printing in the Appendix a radio speech delivered by my colleague the gentleman from Michigan, Mr. HOFFMAN.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent to extend my own remarks at this point in the proceedings of the House.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON of Missouri. Mr. Speaker, when the earliest pioneers from Virginia and the Carolinas first migrated to the motherly bosom of Missouri a century and a half ago, each settler brought with him his rifle, his Bible, and his pipe, and was equally proficient in the use of all three. There on the fertile alluvial Mississippi bottoms and the rich loam of the Missouri uplands he found Indian maize yielding corn with cobs of such durable texture and generous proportions that he abandoned the colonial clay and briar bowls of the Old Dominion and adopted the Missouri meerschaum, which has become today the standard of pipe comfort, luxury, simplicity, economy, and enjoyment throughout the world. Whether in London or Shanghai, on San Francisco Bay or the sidewalks of New York, buy a pipe at the nearest tobacconist's, and on the bottom of it you will read "Made in Missouri." Fill it up with the golden flakes of your favorite smoke, preferably old homespun from a Missouri hillside, aged and ripened and mellowed in the top rafters of an ancient log tobacco barn, and it will give you such joy and solace as it is seldom human privilege to enjoy.

Mr. Speaker, I have placed an assortment of this exceptional product of Missouri's soil and industry in the cloak room and shall be glad to have the Members of the House avail themselves of the opportunity to sample one of them. When you get crosswise with life or digestion is bad, when things go wrong and you want to kick the dog, when the wife is critical and your best friends are out of town, tamp down an extra-heavy charge in one of these friendly pipes and light it with a coal from the fireplace, and peace and contentment will attend you like a benediction, cares will vanish in dissolving rings of fragrant blue, and life once more will be worth the living.

PERMISSION TO ADDRESS THE HOUSE

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House at this time for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

Mr. RAYBURN. Mr. Speaker, I object.

CIVILIAN CONSERVATION CORPS

Mr. CONNERY submitted the following conference report and statement on the bill (H. R. 6551) to establish a Civilian Conservation Corps, and for other purposes:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 6551) to establish a Civilian Conservation Corps, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"That there is hereby established the Civilian Conservation Corps, hereinafter called the Corps, for the purpose of providing employment and training for citizenship for youthful citizens of the United States who are unemployed and in need of employment, and to a limited extent as hereinafter set out, for war veterans and Indians, through the performance of useful public work in connection with the conservation and development of the natural resources of the United States, its Territories, and insular possessions: *Provided*, That the provisions of this Act shall continue for the period of three years after July 1, 1937, and no longer.

"SEC. 2. The President, by and with the advice and consent of the Senate, is authorized to appoint a Director at a salary of $10,000 per annum. The Director shall have complete and final authority in the functioning of the Corps, including the allotment of funds to cooperating Federal departments and agencies, subject to such rules and regulations as may be prescribed by the President in accordance with the provisions of this Act.

"SEC. 3. In order to carry out the purpose of this Act, the Director is authorized to provide for the employment of the Corps and its facilities on works of public interest or utility for the protection, restoration, regeneration, improvement, development, utilization, maintenance, or enjoyment of the natural resources of lands and waters, and the products thereof, including forests, fish and wildlife on lands or interest in lands (including historical or archeological sites), belonging to, or under the jurisdiction or control of, the United States, its Territories, and insular possessions, and the several States: *Provided*, That the President may, in his discretion, authorize the Director to undertake projects on lands belonging to or under the jurisdiction or control of counties, and municipalities, and on lands in private ownership, but only for the purpose of doing thereon such kinds of cooperative work as are or may be provided for by Acts of Congress, including the prevention and control of forest fires, forest tree pests and diseases, soil erosion, and floods: *Provided further*, That no projects shall be undertaken on lands or interests in lands, other than those belonging to or under the jurisdiction or control of the United States, unless adequate provisions are made by the cooperating agencies for the maintenance, operation, and utilization of such projects after completion.

"SEC. 4. There are hereby transferred to the Corps all enrolled personnel, records, papers, property, funds, and obligations of the Emergency Conservation Work established under the Act of March 31, 1933 (48 Stat. 22), as amended; and the Corps shall take over the institution of the camp exchange heretofore established and maintained, under supervision of the War Department, in connection with and aiding in administration of Civilian Conservation Corps work-camps conducted under the authority of said Act as amended: *Provided*, That such camp exchange shall not sell to persons not connected with the operation of the Civilian Conservation Corps.

"SEC. 5. The Director and, under his supervision, the heads of other Federal departments or agencies cooperating in the work of the Corps, are authorized within the limit of the allotments of funds therefor, to appoint such civilian personnel as may be deemed necessary for the efficient and economical discharge of the functions of the Corps, in accordance with the civil-service laws and regulations made thereunder, and their compensation shall be fixed in accordance with the Classification Act of 1923, as amended: *Provided*, That the employment of employees of the Emergency Conservation Work and of the cooperating Federal agencies whose compensation is paid from Emergency Conservation Work funds, as of June 30, 1937, and for at least two months prior thereto, may be continued, and such employees who do not have a competitive classified civil-service status appropriate for the positions to be occupied shall be permitted to take an appropriate noncompetitive examination to be given by the Civil Service Commission within a period of ten months and those employees who do not receive an eligible rating as a result of said examination shall be dropped from the rolls not later than June 30, 1938: *Provided further*, That the provisions of this section shall not apply to Reserve officers on active duty with the Corps, enrollees of the Corps, or unskilled labor: *Provided further*, That notwithstanding any contrary provisions of this or any other Act the employment of Indians shall be in accordance with section 12 of the Act of June 18, 1934 (48 Stat. 984).

"SEC. 6. The President may order Reserve officers of the Army and officers of the Naval and Marine Reserves and warrant officers of the Coast Guard to active duty with the Corps under the provisions of section 37a of the National Defense Act and the Act of February 28, 1925, respectively.

"SEC. 7. The Director is authorized to have enrolled not to exceed three hundred thousand men at any one time, of which not more than thirty thousand may be war veterans: *Provided*, That in addition thereto camps or facilities may be established for not to exceed ten thousand additional Indian enrollees and five thousand additional territorial and insular possession enrollees.

"SEC. 8. The enrollees in the Corps (other than war veterans, enrollees in the Territories and insular possessions, Indians, not to exceed one mess steward, three cooks, and one leader per each company) shall be unmarried male citizens of the United States between the ages of seventeen and twenty-three years, both inclusive, and shall at the time of enrollment be unemployed and in need of employment: *Provided*, That the Director may exclude from enrollment such classes of persons as he may consider detrimental to the well-being or welfare of the Corps, except that no person shall be excluded on account of race, color, or creed: *Provided further*, That enrollments shall be for a period of not less than six months and reenrollments shall not exceed a total term of two years: *Provided further*, That in the discretion of the Director continuous service by the enrollee during his period of enrollment shall not be required in any case where the enrollee attends an educational institution of his choice during his leave

of absence: *Provided further*, That the Director shall be authorized to issue certificates of proficiency and merit to enrollees under such rules and regulations as he may provide.

"SEC. 9. The compensation of enrollees shall be in accordance with schedules approved by the President, and enrollees with dependent member or members of their families shall be required, under such regulations as may be prescribed by the Director, to make allotments of pay to such dependents. Other enrollees may make deposits of pay in amounts specified by the Director with the Chief of Finance, War Department, to be repaid in case of an emergency or upon completion of or release from enrollment and to receive the balance of their pay in cash monthly: *Provided*, That Indians may be excluded from these regulations: *Provided further*, That the pay of enrollees shall not exceed $30 per month, unless such enrollees are used as leaders or for special services for which an additional amount of pay is justified.

"SEC. 10. Enrollees shall be provided, in addition to the monthly rates of pay, with such quarters, subsistence, and clothing, or commutation in lieu thereof, medical attention, hospitalization, and transportation as the Director may deem necessary: *Provided*, That burial, embalming, and transportation expenses of deceased enrolled members of the Corps, regardless of the cause and place of death, shall be paid in accordance with regulations of the Employees' Compensation Commission applicable to employees injured in line of duty: *Provided further*, That the provisions of the Act of February 15, 1934 (U. S. C., 1934 ed., title 5, sec. 796), relating to disability or death compensation and benefits shall apply to the enrolled personnel of the Corps.

"SEC. 11. The Chief of Finance, War Department, is hereby designated, empowered, and directed, until otherwise ordered by the President, to act as the fiscal agent of the Director in carrying out the provisions of this Act: *Provided*, That funds allocated to Government agencies for obligation under this Act may be expended in accordance with the laws, rules, and regulations governing the usual work of such agency, except as otherwise stipulated in this Act: *Provided further*, That in incurring expenditures, the provisions of section 3709, Revised Statutes (U. S. C., 1934 ed., title 41, sec. 5), shall not apply to any purchase or service when the aggregate amount involved does not exceed the sum of $300.

"SEC. 12. The President is hereby authorized to utilize the services and facilities of such departments or agencies of the Government as he may deem necessary for carrying out the purposes of this Act.

"SEC. 13. The Director and, under his supervision, the cooperating departments and agencies of the Federal Government are authorized to enter into such cooperative agreements with States and civil divisions as may be necessary for the purpose of utilizing the services and facilities thereof.

"SEC. 14. The Director may authorize the expenditure of such amounts as he may deem necessary for supplies, materials, and equipment for enrollees to be used in connection with their work, instruction, recreation, health, and welfare, and may also authorize expenditures for the transportation and subsistence of selected applicants for enrollment and of discharged enrollees while en route upon discharge to their homes.

"SEC. 15. That personal property as defined in the Act of May 29, 1935 (49 Stat. 311), belonging to the Corps and declared surplus by the Director, shall be disposed of by the Procurement Division, Treasury Department, in accordance with the provisions of said Act: *Provided*, That unserviceable property in the custody of any department shall be disposed of under the regulations of that Department.

"SEC. 16. The Director and, under his supervision, the heads of cooperating departments and agencies are authorized to consider, ascertain, adjust, determine, and pay from the funds appropriated by Congress to carry out the provisions of this Act any claim arising out of operations authorized by the Act accruing after the effective date thereof on account of damage to or loss of property or on account of personal injury to persons not provided for by section 10 of this Act, caused by the negligence of any enrollee or employee of the Corps while acting within the scope of his employment: *Provided*, That the amount allowed on account of personal injury shall be limited to necessary medical and hospital expenses: *Provided further*, That this section shall not apply to any claim on account of personal injury for which a remedy is provided by section 10 of this Act: *Provided further*, That no claim shall be considered hereunder which is in excess of $500, or which is not presented in writing within one year from the date of accrual thereof: *Provided further*, That acceptance by any claimant of the amount allowed on account of his claim shall be deemed to be in full settlement thereof, and the action of the Director or of the head of a cooperating department or agency upon such claim so accepted by the claimant shall be conclusive.

"SEC. 17. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary for the purpose of carrying out the purposes of this act: *Provided*, That no part of any such appropriation shall be used in any way to pay any expense in connection with the conduct, operation, or management of any camp exchange, save and except such camp exchanges as are established and operated, in accordance with regulations to be prescribed by the Director, at such camps as may be designated by him, for real assistance and convenience to enrollees in supplying them and their supervising personnel on duty at any such camp with articles of ordinary use and consumption not furnished by the Government: *Provided further*, That the person in charge of any such camp exchange shall certify monthly that during the preceding calendar month such exchange was operated in compliance herewith.

"SEC. 18. This act, except as otherwise provided, shall take effect July 1, 1937."

And the Senate agree to the same.

WILLIAM P. CONNERY, Jr.,
MARY T. NORTON,
ROBERT RAMSPECK,
RICHARD J. WELCH,
FRED A. HARTLEY, Jr.,
Managers on the part of the House.

HUGO L. BLACK,
ROYAL S. COPELAND,
DAVID I. WALSH,
ROBERT M. LA FOLLETTE,
WM. E. BORAH,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6551) to establish a Civilian Conservation Corps, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The House bill (sec. 1) provided that the Civilian Conservation Corps is established for the purpose of providing employment as well as vocational training. The Senate amendment omits the matter relating to vocational training and substitutes therefor the purpose of training for citizenship. The conference agreement adopts the Senate provision.

Under the House bill (sec. 1 and sec. 8), only unemployed persons in needy circumstances were to be included within its provisions. The Senate amendment omits the requirement that such persons be in needy circumstances. The conference agreement limits the class to the unemployed who are in need of employment.

The House bill (sec. 1) contained a provision that at least 10 hours each week might be devoted to general education and vocational training. The Senate amendment and the conference agreement omit this provision.

Under the House bill (sec. 1), the act was to continue only for 2 years after July 1, 1937. The Senate amendment omits the House provision, thus making the act permanent. The conference agreement adopts the House provision except that the period is made 3 years after July 1, 1937 (1940).

The House bill (sec. 4) prohibited camp exchanges from selling to persons not connected with the corps. The Senate amendment omits this prohibition. The conference agreement adopts the House provision.

Under the House bill (sec. 5) civilian personnel necessary for the discharge of the functions of the corps were to be appointed without regard to the civil-service laws and regulations. The Senate amendment provides that such personnel shall be appointed in accordance with the civil-service laws and regulations and their compensation fixed in accordance with the Classification Act of 1923. It also provides that the employment of employees of the emergency conservation work and of cooperating Federal agencies may be continued and those who do not have a civil-service status are to be permitted to take a noncompetitive civil-service examination. Those who do not receive an eligible rating are to be dropped from the rolls not later than June 30, 1938. The amendment also provides that the section shall not apply to Reserve officers on active duty with the corps, enrollees, or unskilled labor, and that employment of Indians shall be in accordance with section 12 of the act of June 18, 1934. The conference agreement adopts the Senate provision.

Under the House bill (sec. 6), the President could order (among other persons) warrant officers of the Coast Guard to active duty with the corps. The Senate amendment omits this provision. The conference agreement adopts the House provision.

The House bill (sec. 8) authorized the Director to exclude from enrollment such persons as he considered detrimental to the well-being and welfare of the corps. The corresponding provision of the Senate amendment authorizes the exclusion of such "classes of persons" as are so considered. The conference agreement adopts the Senate provision.

The Senate amendment (sec. 8) inserted a provision, not contained in the House bill, under which enrollments are to be for a period of not less than 6 months and reenrollments may not exceed a total term of 2 years; that, in the discretion of the Director, continuous service by an enrollee shall not be required where he attends an educational institution during his leave of absence, and that the Director is authorized to issue certificates of merit to enrollees. The conference agreement adopts the Senate provision.

The House bill (sec. 9) provided that enrollees with family dependents were to be required, under regulations of the Director, to make allotments of pay to dependents. The Senate amendment makes this provision permissive and it applies to all dependents. The conference agreement adopts the House provision.

Under the House bill (sec. 9) only those enrollees who do not have dependent families were to be permitted to make deposits of pay with the Chief of Finance of the War Department. The

Senate amendment permits all enrollees to do so. The conference agreement adopts the House provision.

The Senate amendment omits the House provision (sec. 9) which limits to 10 percent the number of enrollees who may receive not more than $36 per month as leaders and a similar provision which limits to 6 percent the number of enrollees who shall receive $45 per month as leaders, and substitutes therefor a provision under which the ordinary $30 limitation may be exceeded in the case of enrollees used as leaders or for special services for which additional pay is justified. The conference agreement adopts the Senate provision.

The House bill (sec. 11) provided that funds allocated to Government agencies for "obligation" under the act were to be expended in accordance with laws and rules governing the agencies, except as otherwise provided in this act. The Senate amendment, in the corresponding provision, substituted the word "obligations." The conference agreement adopts the House provision.

The House bill (sec. 16) contained a provision expressly excluding claims under section 10 (claims by enrollees) from the provisions of section 16. The Senate amendment omits this provision. The conference agreement restores it.

Under the House bill (sec. 16), payment of claims by the Director or other agencies was to be conclusive if accepted by the claimant. The Senate amendment makes action upon any such accepted claim conclusive. The conference agreement adopts the Senate provision.

WILLIAM P. CONNERY, Jr.,
MARY T. NORTON,
ROBERT RAMSPECK,
RICHARD J. WELCH,
FRED A. HARTLEY, Jr.,
Managers on the part of the House.

COMMITTEE ON LABOR

Mr. CONNERY. Mr. Speaker, I ask unanimous consent that the Committee on Labor may sit jointly with the Senate Committee on Education and Labor during the sessions of the House for the next 3 days.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

EXTENSION OF REMARKS

Mr. DUNCAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an address made by the Postmaster General at St. Joseph, Mo., on May 25, on the subject of the pony express and its relation to the Department and the Postal Service.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes on next Wednesday, after the reading of the Journal and disposition of matters on the Speaker's table.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. RANKIN. Mr. Speaker, reserving the right to object, that will be Calendar Wednesday?

Mr. DICKSTEIN. Yes.

Mr. RANKIN. Mr. Speaker, does the gentleman mean after disposition of Calendar Wednesday business? I am not going to agree to anyone making a speech ahead of the disposition of business on Calendar Wednesday from now on until certain legislation is disposed of.

Mr. RAYBURN. I may say to the gentleman from Mississippi I have the same intention.

Mr. RANKIN. Let us have an understanding about the matter.

Mr. RAYBURN. I am going to object to the gentleman from New York speaking on next Wednesday before the Calendar Wednesday business is disposed of.

Mr. RANKIN. Let us have an understanding, because there was a misunderstanding in the House the other day, and I think certain Members of the House were not treated exactly as they should have been at that time.

I do not want the gentleman from New York to misunderstand me. If the gentleman will amend his request to provide that he may be permitted to speak after the disposition of business in order on Calendar Wednesday, I shall not object.

Mr. O'CONNOR of New York. Mr. Speaker, reserving the right to object, I thought it had been definitely settled that all these requests were subject to all privileged matters, to business in order on Calendar Wednesday, and to unfinished business. If they are not subject to them, the matter ought to be settled now.

Mr. RANKIN. Mr. Speaker, I am ready to go to bat on that.

Mr. SNELL. What would be the object of making a special request if you put in all these provisos?

Mr. RANKIN. May I say to the gentleman from New York that the other day there were three Members who, under special orders, had permission to address the House. The Committee on Rules brought in a rule for the consideration of a general bill, the "hot oil" bill. Under the construction, mentioned by the gentleman, any other privileged committee could bring up a resolution or a bill. We are not going to permit that practice in the future if it can be prevented, and we may as well understand it now. When a Member is given permission to address the House on a certain occasion, we should not permit the running in of general legislation ahead of it. Therefore, I think if the gentleman from New York [Mr. DICKSTEIN] will amend his request so every Member of the House will understand that his request is that he may address the House after the call of the calendar, I shall not object; otherwise, I am going to object.

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent that I may address the House for 10 minutes on Wednesday after the disposition of the business on the Speaker's table and the business in order on Calendar Wednesday.

The SPEAKER. The gentleman from New York modifies his request, and now requests that on Wednesday, after the disposition of matters in order on Calendar Wednesday, he may be permitted to address the House for 10 minutes. Is there objection to the request?

Mr. DEROUEN. Mr. Speaker, reserving the right to object, do I understand this will not interfere with Calendar Wednesday?

Mr. RANKIN. The gentleman is correct.

Mr. DEROUEN. My committee has the call on Calendar Wednesday.

The SPEAKER. The request is based upon the proposition the gentleman's committee shall have the call on Wednesday before the speech of the gentleman from New York [Mr. DICKSTEIN]. Is there objection to the request of the gentleman from New York?

Mr. O'CONNOR of New York. Mr. Speaker, I reserve the right to object in order to propound a parliamentary inquiry to the Chair.

The SPEAKER. The gentleman will state it.

Mr. O'CONNOR of New York. Will the Chair hold that on Wednesday, after the disposition of business in order on Calendar Wednesday, the address of my colleague the gentleman from New York [Mr. DICKSTEIN] will come ahead of the unfinished business of the House and privileged matters?

The SPEAKER. The gentleman propounds a parliamentary inquiry which is of some importance to the Chair. It is not the province of the Chair to undertake to say under what circumstances Members shall be allowed to address the House. The Chair thinks at this point there should be a firm decision and determination with reference to the particular question raised by the gentleman from New York. This matter arose a few days ago in the House, and the Chair stated at that time it was his understanding that all these consents which have recently been obtained have been based upon the premise that they would not be in order if there were a regular calendar call or if there were privileged matters which it was desired to call up before the speeches were made. Therefore, for the guidance of the Chair, the Chair thinks this matter ought to be definitely determined once and for all, inasmuch as the question has been raised.

Mr. RANKIN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. RANKIN. Would it not require an amendment to the rules of the House to establish a rule on this question? The far-reaching attitude assumed the other day would certainly amount to a change in the rules of the House, which must be submitted to the membership in written form.

Mr. O'CONNOR of New York. Will the gentleman yield to me for a question?

Mr. RANKIN. Yes; I yield to the gentleman from New York.

Mr. O'CONNOR of New York. I want the gentleman to get this certain. I am not advocating this procedure, I am trying to find out whether it has not on several occasions been definitely established, that is all.

Mr. DICKSTEIN. If the gentleman will yield, I may say it is peculiar that this does not work both ways.

Mr. RANKIN. Yes; I think so too.

Mr. DICKSTEIN. It appears that tomorrow we have on the calendar a bill from the Committee on Immigration, but I find from the calendar an hour and 45 minutes of speeches are ahead of the consideration of this bill. Therefore, it does not work both ways. It seems to me some Members are getting preference over others. If I have to make a speech, I am willing to make it and abide by the rules of the House. I think it is wrong to have Members get consent to take up 2 hours ahead of the business of a committee. However, I am willing to abide by any rule the House is willing to make.

Mr. O'CONNOR of New York. In regard to the specific case the gentleman from New York [Mr. DICKSTEIN] has mentioned, that the Committee on Immigration may have a bill up for consideration tomorrow, I may say that if the bill is brought up it will be brought up under a special rule. These speeches are set for tomorrow. I had believed the understanding of the House and the ruling of the Chair to be that a special rule, being a privileged matter, would precede these speeches.

Mr. DICKSTEIN. I am happy to hear that.

Mr. RANKIN. I may say to the gentleman from New York I was not here when those requests were made. If I had been, I would certainly have objected to any Member getting time to speak on Wednesday before the call of the calendar, because there is some legislation on the calendar in which we are interested.

Mr. DICKSTEIN. I am willing to wait until the committee is through. If there is time left, I am willing to take my time then.

The SPEAKER. In reply to the parliamentary inquiry of the gentleman from Mississippi [Mr. RANKIN] the Chair is of the opinion it would not require a change of the rules to effectuate the procedure which has been suggested, but the Chair upon reflection is of the opinion that if a request is made such as the gentleman from New York [Mr. DICKSTEIN] has just made, that on Calendar Wednesday after the call of the committee having the call, he may be permitted to address the House for 10 minutes, the Chair would feel it to be his duty under such an agreement to recognize the gentleman from New York for 10 minutes.

The Chair desires to make the further observation, that this is a matter entirely within the control of the membership of the House. The leadership of the House or any individual Member may interpose at the time such a request is made the condition that the request shall follow privileged business. In order to protect the Chair and to remove from the shoulders of the Chair any responsibility with respect to saying what are privileged matters and what matters should be considered, the Chair thinks it only proper that that rule should be established.

Mr. RAYBURN. Mr. Speaker, I have stated in the House over and over again that when any Member rises and asks the privilege of addressing the House for the moment or for any day in the future, any Member of the House can prevent this by a single objection. I further stated that wanting to accommodate the Members of the House insofar as we can and yet protect and expedite the legislative program, that when any Member asks consent to address the House, it must be understood I would interpose an objection unless the Member understood and agreed that the time so requested would be subject to privileged matters, such as conference reports, privileged bills from committees that have the right to report privileged bills, reports from the Committee on Rules, or special rules making certain legislation in order.

Mr. SNELL. Mr. Speaker, will the gentleman yield for a question?

Mr. RAYBURN. I yield.

Mr. SNELL. Does the gentleman consider that reports from the Committee on Rules are the same as matters on the Speaker's table and are privileged?

Mr. RAYBURN. No; I do not.

Mr. SNELL. There is a difference between privileged matters and privileged reports.

Mr. RAYBURN. I do not contend that, and I am simply saying I am going to interpose an objection in order to protect rules making in order legislation that is to be passed upon.

Mr. SNELL. There would be no use of Members getting unanimous consent to address the House with all the restrictions the gentleman has just stated, because the chairman of the Rules Committee always has a rule in his pocket, and if he wants to keep a Member from addressing the House, he can call up his rule.

Mr. RAYBURN. I may say that the gentleman from New York has been in this body long enough——

Mr. SNELL. "Long enough", I presume some people will say. [Laughter.]

Mr. RAYBURN. Long enough to know——

Mr. SNELL. I am pleased that the gentleman has added that. [Laughter.]

Mr. RAYBURN. To know that any Member of the House can interpose an objection to any other Member speaking at any time.

Mr. SNELL. I appreciate that very well, but with the restrictions the gentleman has just put on, there is no sense in getting unanimous consent to address the House.

Mr. RAYBURN. Insofar as protecting the legislative program is concerned, I have announced, and I think this is the sixth or seventh time, I would interpose an objection to any gentleman speaking if it interfered with the program of the House.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. RAYBURN. I yield.

Mr. RANKIN. That may be right where a program has been set, but if you are going to say to the Members of the House that when one Member has secured time to address the House on a certain day—and we have plenty of time, because we have been adjourning on Thursday or Friday night over Sunday—if we are going to have that kind of ruling, let me say to the gentleman from Texas that you absolutely take away from the entire membership of the House the right to secure a definite time to address the House on any special occasion or at any particular time. You absolutely take away that right, and the time so allotted to a Member is likely to be taken away by reason of any kind of legislation the Rules Committee may want to call up.

That is not fair; and I, for one, shall resist any such procedure.

Mr. TABER. I object to the request, Mr. Speaker.

The SPEAKER. The gentleman from New York [Mr. TABER] objects to the request of the gentleman from New York [Mr. DICKSTEIN].

Mr. DICKSTEIN. Mr. Speaker, do I understand that the gentleman objects to my request that after the disposition of business on the Speaker's table and following the business in order on that day, I may be permitted to address the House for 10 minutes?

The SPEAKER. The Chair so understood the gentleman from New York [Mr. TABER].

Mr. RICH. Mr. Speaker, I wish to propound a unanimous-consent request. I ask unanimous consent that on Thursday next, after the reading of the Journal and the

disposition of business on the Speaker's table, I may be permitted to address the House for 15 minutes.

Mr. RAYBURN. I object, Mr. Speaker.

SWEARING IN OF MEMBER

The SPEAKER laid before the House the following communication from the Clerk of the House:

JUNE 7, 1937.

The SPEAKER,
House of Representatives, Washington, D. C.

SIR: From the secretary of state of the State of California I have received the certificate of election, in due form of law, of Hon. A. J. ELLIOTT as a Representative-elect to the Seventy-fifth Congress from the Tenth Congressional District of that State to fill the vacancy caused by the death of Hon. Henry E. Stubbs.

Yours respectfully,

SOUTH TRIMBLE,
Clerk of the House of Representatives.

The SPEAKER. Unless there is objection, the Member-elect will present himself at the bar of the House and receive the oath of office.

Mr. A. J. ELLIOTT appeared at the bar of the House and took the oath of office.

PERMISSION OF SUBCOMMITTEE TO SIT DURING SESSIONS OF HOUSE

Mr. KENNEY. Mr. Speaker, I ask unanimous consent that the subcommittee of the Committee on Interstate and Foreign Commerce to which has been assigned H. R. 2252 be permitted to sit during the sessions of the House during Tuesday, Wednesday, and Thursday of this week.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. JARMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein the very able address delivered by our beloved Speaker at the commencement exercises at the University of Alabama in the district which it is my privilege and honor to represent.

The SPEAKER. Is there objection?

There was no objection.

Mr. DEMUTH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, together with some questions and answers thereto.

The SPEAKER. Is there objection?

There was no objection.

LEAVE TO ADDRESS THE HOUSE

Mr. ENGEL. Mr. Speaker, I ask unanimous consent that on Wednesday, after the disposition of business on the Speaker's table and all other business before the House, I be permitted to address the House for 20 minutes on the life and character of the late James Couzens.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

Mr. DICKSTEIN. Mr. Speaker, I object.

AIRPORT FACILITIES IN WASHINGTON, D. C.

Mr. PLUMLEY. Mr. Speaker, I ask unanimous consent to address the House.

The SPEAKER. Is there objection?

There was no objection.

Mr. PLUMLEY. Mr. Speaker, what is everybody's business is nobody's business. What I am going to talk about is really none of my business any more than it is the business of every Member of Congress, but the situation with respect to the airport facilities in Washington is absolutely indefensible, and somebody will have to make it his or their business to see that something is done, and that right soon, if Congress is to relieve itself from the responsibility which is its in regard to this matter. Here we are in the most magnificent Capital, or what will eventually be, the most magnificent governmental center to be found anywhere in the world, and any person, or the representative of any foreign country who undertakes to come to Washington by air, and every Congressman who undertakes to leave or arrive in Washington takes his life in his hands because of the obvious dangers which everybody knows exist at the landing field.

Travel by air has come to stay, and it is a matter of self-protection and self-preservation which is involved in my suggestion that this is one of the most important matters which this Congress can consider.

The expenditure of the necessary amount of money to give Washington such a landing field as it is entitled to have would be justified by the exigencies and for the purpose of permanent improvement and development.

The engineering problems involved are trivial and simple when compared with what the engineering brains of this country have already accomplished. Nothing justifies the delay, which delay imperils the lives of the traveling public, not to say those of us who travel by air.

It seems to me, Mr. Speaker, that before we have a major catastrophe incident to and because of the grossly inadequate and unsafe facilities for the landing of airplanes in this, the Capital of the greatest Nation on earth, it seems to me, I say, that somebody—and I mean the District Airport Commission—should count human life, the safety of those who travel by air, and the convenience of the public as compelling inducements to expedition and action, and that some site should be selected, and that right now, which will afford the necessary facilities, ample room, and that safety to which the air-traveling public is entitled.

It is a national disgrace that the present situation has been permitted already so long to exist. I am playing no favorites as to sites or location, but a safe, suitable, and adequate landing field for commercial and visiting planes must be provided eventually. Delays are dangerous.

The situation, as I see it, was pretty well covered by an editorial writer in the Times the other day, when he said:

NONE BUT THE BEST

The District Airport Commission, which was expected to report 4 or 5 months ago, has not yet made a report on the subject of locating an adequate air terminal for the National Capital.

The delay in the Commission's action is deplorable in itself and is also a cause of dismay among those who are interested in seeing a solution of a problem which has vexed the city for more than a decade.

The reason for the dismay is that rumors are afloat to the effect that the Commission is preparing to shelve the merits of the outstanding possible locations of the airport and select a site or sites on a compromise basis.

There is no occasion for compromising upon any site which is less than the best available and obtainable.

Interested real-estate owners with "white elephants" to unload should not be permitted to bring pressure which would force a sacrifice of the decent sites which can be obtained.

It is noticeable that some members of the Commission seem willing to disregard the possibilities of the site at Gravelly Point, a site already largely under Government ownership.

This, it is reported, is due to the fact that there has for years been a controversy between advocates of this site and advocates of the site of the present Washington-Hoover Airport.

In order not to offend the proponents of either of these sites it is understood that the Commission is planning to disregard the claims of both and recommend sites which are not up to the standard of either.

If the Commission follows this weak course it will have wasted all of the effort which it has exerted over the last year, for it will not make any contribution to the building of decent air facilities for Washington.

The location of the projected airport is not a matter to be settled by catering to the wishes of selfishly actuated persons who want to sell real estate to the Government.

It will be necessary for the Airport Commission to prove conclusively in its report that the site which it recommends has outstanding advantages over Gravelly Point before its recommendations will be accepted.

The Commission cannot hope to do this if it is placed in the position of yielding to the urgings of property sellers.

THE GIBSON BILL

The provisions of the pending Gibson bill should offer to the Airport Commission a reasonable basis of procedure.

Under that bill the Gravelly Point site would be filled in and developed as a model airport.

Pending that development the owners of Washington-Hoover would be given an opportunity to improve their present port by elimination of the bisecting Military Road.

That seems to be a sensible program designed to accommodate Washington aircraft.

Other programs are open to the suspicion that their objective is face-saving, not safe terminal facilities.

Senate bill 1449, which was introduced February 10 last by Senator GIBSON, undertakes to create a District Airport

Commission to establish a public airport at Gravelly Point; to provide temporary facilities by aiding the Washington-Hoover Airport by closing Military Road, or for leasing other suitable areas.

This may not be the solution, but it is a suggestion and it commends itself to me as a move in the right direction, but somewhere and some way it has been stalemated.

When life and death impend the greed and selfishness of human beings should not be permitted to control the situation. If it is the question of property rights and the sale of real estate and the price to be paid, we know how to proceed to obviate such barriers. Let us take the necessary property by the right of eminent domain for a public necessity. Let us do something right away, for whether you know it or believe it or not, there is not a pilot who makes a landing or leaves the ground at the present airport who does not do so with his fingers crossed and his heart in his mouth. It is dangerous, and that is all there is to it. The situation should be remedied or the airport closed.

EXTENSION OF REMARKS

Mr. CLUETT. Mr. Speaker, I ask unanimous consent to have printed in the Appendix of the CONGRESSIONAL RECORD an address I delivered on May 22, 1937, in Mechanicsville, N. Y., at the celebration honoring the one hundredth anniversary of the birth of Col. Ephriam Elmer Ellsworth.

The SPEAKER. Is there objection?

There was no objection.

INTERTERRITORIAL FREIGHT RATE PROBLEM OF UNITED STATES (H. DOC. NO. 264)

The SPEAKER laid before the House the following message from the President of the United States, which was read, referred to the Committee of the Whole House on the state of the Union, and ordered to be printed with illustrations:

To the Congress of the United States:

Herewith I submit a survey entitled "The Interterritorial Freight Rate Problem of the United States", which survey was conducted by the Board of Directors of the Tennessee Valley Authority, pursuant to Executive Order No. 6161 (June 8, 1933), by which I delegated to it certain powers granted to me by sections 22 and 23 of the Tennessee Valley Authority Act of 1933. I am also transmitting herewith a letter from the Chairman of the Board of Directors of the Tennessee Valley Authority, dated May 28, 1937, forwarding the aforesaid survey to me, and explaining its nature and purpose.

I invite particular attention to the suggestion, contained in Chairman Morgan's letter, that the report, with its accompanying maps and charts, be published as an official document.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 7, 1937.*

EXTENSION OF REMARKS

Mr. COFFEE of Washington. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a radio address delivered by myself.

The SPEAKER. Is there objection?

There was no objection.

LEAVE TO ADDRESS THE HOUSE

Mr. BEITER. Mr. Speaker, I ask unanimous consent that on next Monday, after the disposition of matters on the Speaker's desk, I be permitted to address the House for 10 minutes.

The SPEAKER. Is there objection?

Mr. RICH, Mr. TABER, and Mr. ENGEL objected.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Crockett, its Chief Clerk, announced that the Senate disagrees to the amendments of the House to the bill (S. 790) to repeal section 13 of the act entitled "An act to regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce of petroleum and its products produced in violation of State law, and for other purposes", approved February 22, 1935, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. CONNALLY, Mr. LONERGAN, and Mr. TOWNSEND to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 274. An act for the relief of Lt. Joseph N. Wenger, United States Navy, and for other purposes;

S. 673. An act for the relief of S. T. Dickinson; and

S. 1699. An act granting an annuity to Frank W. Carpenter.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar Day. The Clerk will call the first bill on the Consent Calendar.

MINIMUM SALARY, DEPUTY UNITED STATES MARSHALS

The Clerk called the bill (H. R. 6453) to increase the minimum salary of deputy United States marshals to $2,000 per annum.

The SPEAKER. Is there objection?

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

TO AMEND THE BANK-ROBBERY STATUTE

The Clerk called the next bill, H. R. 5900, to amend the bank-robbery statute to include burglary and larceny.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. HEALEY. Mr. Speaker, I offer an amendment.

Mr. WOLCOTT. Reserving the right to object, Mr. Speaker, when the bill was called 2 weeks ago I asked that the bill go over without prejudice in order that we might look into it further, having particularly in mind the fact that no distinction had been made in the penalty between felonies and misdemeanors. I understand the Committee on the Judiciary has met and plans to offer an amendment which corrects that feature, and for that reason I am sure there will be no objection to the bill. I feel certain the amendment will cure all objections which were originally made to the bill.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That subsection (a) of section 2 of the act of May 18, 1934 (48 Stat. 783; U. S. C., title 12, sec. 588 b), be, and the same is hereby, amended to read as follows:

"(a) Whoever, by force and violence, or by putting in fear, feloniously takes, or feloniously attempts to take, from the person or presence of another any property or money or any other thing of value belonging to, or in the care, custody, control, management, or possession of, any bank; or whoever shall enter or attempt to enter any bank, or any building used in whole or in part as a bank, with intent to commit in such bank or building, or part thereof, so used, any larceny or other depredation; or whoever shall take and carry away, with intent to steal or purloin, any property or money or any other thing of value belonging to, or in the care, custody, control, management, or possession of any bank, shall be fined not more than $5,000 or imprisoned not more than 20 years, or both."

With the following committee amendment:

Page 2, line 4, after the word "any", insert the words "felony or."

The committee amendment was agreed to.

Mr. HEALEY. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HEALEY: Page 2, line 4, after the word "larceny", strike out the remainder of the bill and insert in lieu thereof the following: "shall be fined not more than $5,000 or imprisoned not more than 20 years, or both; or whoever shall take and carry away, with intent to steal or purloin, any property or money or any other things of value exceeding $50, belonging to or in the care, custody, control, management, or possession of any bank, shall be fined not more than $5,000 or imprisoned not more than 10 years, or both; or whoever shall take and carry away, with intent to steal or purloin, any property or money or any other thing of value not exceeding $50, belonging to or in the care, custody, control, management, or possession of any bank, shall be fined not more than $1,000 or imprisoned not more than 1 year, or both."

The SPEAKER. The question is on agreeing to the amendment offered by the gentleman from Massachusetts [Mr. HEALEY].

The amendment was agreed to.

Mr. McCORMACK. Mr. Speaker, I move to strike out the last word and I ask unanimous consent to speak out of order for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. RICH. Mr. Speaker, I object and I make the point of no quorum.

Mr. McCORMACK. Mr. Speaker, I withdraw the pro-forma amendment.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

CALL OF THE HOUSE

Mr. RICH. Mr. Speaker, I make the point of order that there is not a quorum present.

The SPEAKER. The Chair will count. [After counting.] One hundred and seventy-eight Members are present, not a quorum.

Mr. COSTELLO. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 82]

Allen, Del.	Dixon	Hook	Schuetz
Allen, Ill.	Dorsey	Jenckes, Ind.	Scrugham
Allen, Pa.	Douglas	Kirwan	Sheppard
Amlie	Doxey	Kloeb	Smith, W. Va.
Anderson, Mo.	Eckert	Kvale	Somers, N. Y.
Andresen, Minn.	Ellenbogen	Lesinski	Starnes
Arnold	Fitzgerald	Lucas	Steagall
Bell	Flannagan	McGehee	Sweeney
Bernard	Fleger	McGranery	Swope
Bigelow	Ford, Miss.	McGroarty	Taylor, Colo.
Binderup	Frey, Pa.	McLaughlin	Thomas, N. J.
Bradley	Fulmer	Maas	Thomas, Tex.
Brewster	Garrett	Maloney	Tobey
Buckley, N. Y.	Gasque	Maverick	Transue
Cannon, Wis.	Gavagan	Mosier, Ohio	Treadway
Celler	Gifford	Mouton	Voorhis
Chapman	Gilchrist	O'Connell, R. I.	Wearin
Clark, Idaho	Gildea	O'Day	Weaver
Clark, N. C.	Goldsborough	Pace	Wene
Cravens	Green	Pearson	White, Idaho
Creal	Greenwood	Pettengill	Wilcox
Crosby	Gwynne	Peyser	Withrow
Crosser	Hancock, N. Y.	Phillips	Wood
Crowther	Hancock, N. C.	Reece, Tenn.	
Dempsey	Hill, Wash.	Robinson, Utah	
Disney	Hoffman	Sadowski	

The SPEAKER pro tempore (Mr. HARTER). Three hundred and thirty-one Members are present, a quorum.

On motion of Mr. COSTELLO, further proceedings under the call were dispensed with.

CONSENT CALENDAR

The SPEAKER pro tempore. The Clerk will call the next bill on the Consent Calendar.

MEMORIAL TO CERTAIN OFFICERS AND MEN OF THE UNITED STATES NAVY

The Clerk called the bill (S. 1120) authorizing an appropriation for the erection of a memorial to the officers and men of the United States Navy who lost their lives as the result of a boiler explosion that totally destroyed the U. S. S. *Tulip* near St. Inigoes Bay, Md., on November 11, 1864, and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. COSTELLO and Mr. TABER objected.

There being no further objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the sum of $2,000, or so much thereof as may be necessary, is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, to be expended under the direction of the Secretary of the Navy for the erection of a suitable memorial to the officers and men of the United States Navy who lost their lives as the result of a boiler explosion that totally destroyed the U. S. S. *Tulip* on November 11, 1864, such memorial to be erected on the site of the interment of such officers and men near St. Inigoes Bay, Md., and for the acquisition of the land constituting said site.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TO LIBERALIZE LAWS GOVERNING SERVICE-CONNECTED BENEFITS FOR WORLD WAR VETERANS AND THEIR DEPENDENTS

The Clerk called the next bill, H. R. 6384, to liberalize the provisions of existing laws governing service-connected benefits for World War veterans and their dependents, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COSTELLO, Mr. WADSWORTH, and Mr. BIERMANN objected.

INTEREST RATES ON LAND-BANK LOANS

The Clerk called the next bill, H. R. 6763, to extend for 1 additional year the 3½-percent interest rate on certain Federal land-bank loans, to provide a 4-percent interest rate on such loans for the period July 1, 1938, to June 30, 1939, and to provide for a 4-percent interest rate on Land Bank Commissioner's loans for a period of 2 years.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. RANKIN. Mr. Speaker, reserving the right to object, I just want to announce to the House that I have a petition on the Clerk's desk to bring out on the floor this Gold Star Mothers bill. If the Members are going to take this kind of attitude to kill the Gold Star Mothers legislation, we will petition it out and pass it anyway.

Mr. BIERMANN. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. BIERMANN. The gentleman has many good things in his bill, but he has many bad things in it also. I would suggest to him that he amend the bill.

Mr. RANKIN. No. What is bad about it?

Mr. BIERMANN. It is bad because it throws the door open to pensioning someone who was not hurt at all.

Mr. RANKIN. Oh, it does not. I may say to the gentleman from Iowa that we have held this bill down to the very limit. We have asked for a closed rule. These Gold Star Mothers, who sent their sons to the war and never saw them again, are now going off the rolls—their insurance payments are expiring. We intend to see that they are taken care of, and I ask every Member of the House to sign this petition, which I am now placing on the Clerk's desk.

The SPEAKER. Is there objection to the present consideration of the bill H. R. 6763?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That (a) effective July 1, 1935, the first sentence of paragraph "Twelfth" of section 12 of the Federal Farm Loan Act as amended (relating to reduction in interest rates on certain Federal land-bank loans), is amended by striking out the following: "occurring within a period of 2 years commencing July 1, 1935" and inserting in lieu thereof the following: "occurring within a period of 3 years commencing July 1, 1935, and shall not exceed 4 percent per annum for all interest payable on installment dates occurring within a period of 1 year commencing July 1, 1938."

(b) The fourth sentence of such paragraph "Twelfth" (relating to the time limit on payments made by the United States to land banks on account of such interest reduction) is amended to read as follows: "No payments shall be made to a bank with respect to any period after June 30, 1939."

SEC. 2. Section 32 of the Emergency Farm Mortgage Act, as amended (relating to loans by the Land Bank Commissioner), is amended by adding at the end thereof the following new paragraph:

"Notwithstanding the foregoing provisions of this section, the rate of interest on loans made under this section outstanding when this amendatory paragraph takes effect or made on or after such date, shall not exceed 4 percent per annum for all interest payable on installment dates occurring within a period of 2 years commencing on the date when this amendatory paragraph takes effect."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REVISION OF AIR-MAIL LAWS

The Clerk called the next bill, H. R. 4732, to revise the air-mail laws.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. LEA. Mr. Speaker, I ask unanimous consent that this bill may go over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

TO AUTHORIZE AN APPROPRIATION FOR INVESTIGATIONS UNDER THE FEDERAL RECLAMATION LAWS

The Clerk called the next bill, S. 48, to authorize an appropriation for investigations under the Federal reclamation laws.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WOLCOTT, Mr. TABER, and Mr. COSTELLO objected.

CONSTRUCTION OF SMALL RESERVOIRS UNDER FEDERAL RECLAMATION LAWS

The Clerk called the next bill, H. R. 2512, to authorize an appropriation for the construction of small reservoirs under the Federal reclamation laws.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, I notice that the recommendation of the Acting Secretary of the Interior with respect to an amendment has not been followed and that this authorization, if the bill is passed as it has been reported, will be chargeable against the Treasury and not against the reclamation fund. There is going to be objection to this bill, of course, if we authorize new funds to the extent of $500,000 for this purpose. I am not sure that there would be objection if the recommendation of the Acting Secretary were followed in that respect.

Mr. GREEVER. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. Yes.

Mr. GREEVER. Does the gentleman offer that as an amendment to the bill?

Mr. WOLCOTT. I had in mind offering that as an amendment, but I wanted some assurance from the committee or from the sponsor of the bill that it would be satisfactory.

Mr. GREEVER. That would be absolutely satisfactory to me, I may say to the gentleman from Michigan. I offered the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That from any funds in the Treasury not otherwise appropriated, there is hereby authorized to be appropriated the sum of $500,000 for expenditure by the Secretary of the Interior, under the Federal reclamation laws, in the construction of small storage reservoirs at such locations within the States subject to the Federal reclamation laws, as the said Secretary may select, no reservoir to be constructed hereunder the estimated cost of which exceeds $50,000.

Mr. WOLCOTT. Mr. Speaker, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. WOLCOTT: Page 1, line 3, strike out the words "any funds in the Treasury not otherwise appropriated" and insert "special fund in the Treasury of the United States created by the act of June 17, 1902, and therein designated the 'reclamation fund.'"

Mr. WOLCOTT. Mr. Speaker, I may say this amendment is the amendment recommended by Mr. West, Acting Secretary of the Interior, and makes these funds available from the reclamation fund and prevents the necessity of authorizing new funds for the purposes of the bill.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS THE STRAITS OF MACKINAC AT OR NEAR ST. IGNACE, MICH.

The Clerk called the next bill, S. 1104, granting the consent of Congress to the Mackinac Bridge Authority to construct, maintain, and operate a toll bridge or series of bridges, causeways, and approaches thereto across the Straits of Mackinac at or near a point between St. Ignace, Mich., and the Lower Peninsula of Michigan.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. MAPES, Mr. DONDERO, and Mr. MICHENER rose.

Mr. MAPES. Mr. Speaker, reserving the right to object, I am opposed to this bill, but I shall not object to its being considered by the House provided opportunity is given to discuss it thoroughly. I know that some of my colleagues are opposed to its being brought up by unanimous consent. Personally, if we can have ample opportunity to discuss it, I shall not object to its consideration.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. MAPES. Mr. Speaker, I wonder if we could have an hour in which to discuss this bill?

The SPEAKER. That is a matter not within the control of the Chair.

Mr. SCHULTE demanded the regular order.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. DONDERO, Mr. MICHENER, Mr. CRAWFORD, and Mr. MAPES objected.

PANAMA CANAL TOLLS

The Clerk called the next bill, H. R. 5417, to provide for the measurement of vessels using the Panama Canal, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. KNUTSON. Mr. Speaker, reserving the right to object, I feel this bill is of too great importance to be brought up by unanimous consent. It involves tolls in the Panama Canal. The membership of the House has had little or no opportunity to study the merits of the proposed legislation, and I therefore ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

Mr. BLAND. Mr. Speaker, reserving the right to object, this bill has been on the Consent Calendar since May 7. If objection is going to be made to its consideration by unanimous consent at this time, it is useless to pass it over for 2 weeks, and I object.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. KNUTSON, Mr. TABER, and Mr. WIGGLESWORTH objected.

SELECTION OF SITE FOR THE ALBERT GALLATIN STATUE IN WASHINGTON, D. C.

The Clerk called Senate Joint Resolution 56, authorizing the selection of a site and the erection of a pedestal for the Albert Gallatin statue in Washington, D. C.

The SPEAKER. Is there objection to the consideration of the joint resolution?

Mr. COSTELLO. Mr. Speaker, reserving the right to object, this particular bill, as I understand, provides for an appropriation of $10,000 in order to obtain and prepare a site and erect thereon a pedestal upon which to place a statue of Albert Gallatin, at one time a Secretary of the Treasury. I notice from reading the resolution, authority is given to any association organized within 2 years from the date of the approval of this resolution to provide for a statue and donate it to the Government to be erected upon this pedestal. It is my thought that in view of the fact apparently no association exists as the present time, and there are no funds with which to procure a statue, and apparently from reading the committee report there is no

statue in existence, it would seem to me illogical to provide a site and a pedestal upon which to place such statue.

Mr. SCHULTE. Will the gentleman yield?

Mr. COSTELLO. In just a moment. I was going to ask also——

Mr. SCHULTE. Mr. Speaker, I object.

The SPEAKER. One objection is heard. It requires three objections.

Mr. COSTELLO, Mr. SCHULTE, and Mr. FADDIS objected.

Mr. FRED M. VINSON. Will the gentleman from Pennsylvania yield?

Mr. FADDIS. I yield to the gentleman from Kentucky.

Mr. FRED M. VINSON. It is my understanding a group of patriotic folks have raised the money with which to meet every expense except for the construction of the pedestal. The report, as I understand it, does not show that the statue is in existence, but I am informed it is in existence and is ready to be erected upon a site to be selected by the Fine Arts Commission. This is to be a statue in memory of a great and patriotic American citizen, a distinguished son of Pennsylvania, a former Secretary of the Treasury, the man who was connected with the creation of the first Ways and Means Committee of the House of Representatives. I sincerely trust that the distinguished gentleman from Pennsylvania will not object.

The SPEAKER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That authority is hereby granted to any association organized within 2 years from date of the approval of this resolution for that purpose to erect a statue of Albert Gallatin, Secretary of the Treasury from May 14, 1801, to February 9, 1814, opposite the west entrance of the Treasury Building in the city of Washington within the grounds occupied by such building, or at such other place within such grounds as may be designated by the Fine Arts Commission, subject to the approval of the Joint Committee on the Library, the model of the statue so to be erected and the pedestal thereof to be first approved by the said Commission and by the Joint Committee on the Library, the same to be presented by such association to the people of the United States.

SEC. 2. That for the preparation of the site and the erection of a pedestal upon which to place the said statue, under the direction of the Director of Public Buildings and Public Parks of the National Capital, the sum of $10,000, or so much thereof as may be necessary, is hereby authorized to be appropriated out of any money in the Treasury not otherwise appropriated.

With the following committee amendment:

Page 2, line 8, after the word "the", strike out the words "Director of Public Buildings and Public Parks of the National Capital" and insert in lieu thereof "Secretary of the Treasury."

The committee amendment was agreed to.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

OLIVER WENDELL HOLMES MEMORIAL FUND

The Clerk called the joint resolution (H. J. Res. 19) for the establishment of a trust fund to be known as the Oliver Wendell Holmes Memorial Fund.

There being no objection, the Clerk read the joint resolution, as follows:

Whereas by the will of the late Oliver Wendell Holmes, admitted to probate on March 9, 1935, in the Supreme Court of the District of Columbia, the United States Government has been made the residuary legatee; and

Whereas the Treasurer of the United States will receive such bequest and it will be covered into the Treasury as miscellaneous receipts unless the Congress enact legislation for its application to a more specific purpose; and

Whereas that purpose should be a living and useful memorial of the testator, symbolic of his interest and achievements; and

Whereas he also left by his will his own private library to the Library of Congress, a large portion thereof consisting of books on jurisprudence; and

Whereas there could be no more fitting memorial of the distinguished jurist than a collection, developed upon the one thus bequeathed, of the fundamental works in the field of jurisprudence, to be maintained in the National Library, which serves also the Supreme Court of the United States, and to be perpetually known as the Oliver Wendell Holmes Collection of Jurisprudence: Therefore be it

Resolved, etc., That the residuary fund from the estate of the late Oliver Wendell Holmes be received by the Treasurer of the United States and immediately credited to the Library of Congress Trust Fund Board, as a special fund to be known as the Oliver Wendell Holmes Memorial Fund, and to be administered in accordance with section 1 of the act of March 3, 1925 (2 U. S. C., 157), creating such Trust Fund Board. The income of this fund shall be used for the purpose of building up and maintaining a collection of legal literature in the Law Division of the Library of Congress to be known as the Oliver Wendell Holmes Collection of Jurisprudence.

With the following committee amendment:

Page 2, line 12, strike out the words "Law Division" and insert "law department."

The committee amendment was agreed to.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL EDUCATION ASSOCIATION

The Clerk called the next bill, S. 709, to amend the act entitled "An act to incorporate the National Education Association of the United States", approved June 30, 1906, as amended.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 5 of the act entitled "An act to incorporate the National Education Association of the United States", approved June 30, 1906, as amended, is amended to read as follows:

"SEC. 5. The qualifications, classifications, rights, and obligations of members of said corporation shall be prescribed in the bylaws of the corporation."

SEC. 2. Section 6 of such act is amended to read as follows:

"SEC. 6. (a) The officers of the corporation shall be a president, one or more vice presidents, a secretary, a treasurer, a board of directors, an executive committee, a board of trustees, and such boards, councils, committees, and other officers as shall be prescribed in the bylaws.

"(b) Except as limited by this act, as amended, the bylaws of the corporation shall prescribe the powers, duties, terms of office, and the manner of election or appointment of the said officers, boards, councils, and committees; and the said corporation may by its bylaws make other and different provisions as to the numbers and names of the officers, boards, councils, and committees."

SEC. 3. Section 7 of such act is amended to read as follows:

"SEC. 7. (a) The board of trustees shall consist of four members elected by the board of directors for a term of 4 years, and the president of the association, who shall be a member ex officio during his term of office. At the first meeting of the board of directors held during the annual meeting of the association at which they were elected, they shall elect one trustee for the term of 4 years. All vacancies occurring in said board of trustees, whether by resignation or otherwise, shall be filled by the board of directors for the unexpired term; and the absence of a trustee from two successive annual meetings of the board shall forfeit his membership.

"(b) The invested fund now known as the 'Permanent fund of the National Educational Association', when transferred to the corporation hereby created, shall be held by such corporation as a permanent fund and shall be in charge of the board of trustees, who shall provide for the safekeeping and investment of such fund, and of all other funds which the corporation may receive by donation, bequest, or devise. No part of the principal of such permanent fund or its accretions shall be expended, except by a two-thirds vote of the representative assembly, after the proposed expenditure has been approved by the board of trustees and the board of directors, and after printed notice of the proposed expenditure has been printed in the Journal of the National Education Association at least 2 months prior to the meeting of the representative assembly.

"(c) The income of the permanent fund shall be used only to meet the cost of maintaining the organization of the association and of publishing its annual volume of Proceedings, unless the terms of the donation, bequest, or devise shall otherwise specify, or the bylaws of the corporation shall otherwise provide.

"(d) The board of trustees shall elect the secretary of the association who shall be secretary of the executive committee, and shall fix the compensation and the term of his office for a period of not to exceed 4 years."

SEC. 4. Section 8 of such act is amended by striking out in the proviso thereof the following: "by the board of directors, or otherwise."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INSURANCE ON VALUABLES IN SHIPMENT

The Clerk called the next bill, H. R. 6635, to dispense with the necessity for insurance by the Government against loss or damage to valuables in shipment, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That as soon as practicable after the approval of this act the Postmaster General shall, with the approval of the President, prescribe regulations governing the shipment of valuables by the executive departments, independent establishments, agencies, wholly owned corporations, officers, and employees of the United States, with a view to minimizing risks of loss and destruction of, and damage to, such valuables in shipment. After the effective date of such regulations, which shall be not more than 30 days after their issuance, it shall be the duty of every such executive department, independent establishment, agency, wholly owned corporation, officer, and employee, and of every person acting for him or it, or at his or its direction, to comply with such regulations in making any shipment of valuables.

SEC. 2. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $500,000 to be used, under the direction of the Secretary of the Treasury, for the replacement of valuables, or the value thereof, lost, destroyed, or damaged in the course of shipment effected pursuant to the regulations prescribed under section 1. There is hereby further authorized to be appropriated annually, beginning with the fiscal year 1939 and ending with the fiscal year 1948, inclusive, the sum of $200,000 for the said purposes, and from time to time such additional sums as may be necessary for the said purposes. There shall be in the Treasury of the United States a revolving fund, to be known as "the fund for the payment of Government losses in shipment" (hereinafter referred to as the fund), to be constituted of the said sum of $500,000 and the sums hereafter appropriated for the said purposes, together with all recoveries and repayments credited to the funds as hereinafter provided. There is hereby further authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $10,000 for expenditure under the direction of the Secretary of the Treasury, to be used for the payment of administrative expenses, including personal services, necessary to carry out the provisions of this act for the fiscal year 1938.

SEC. 3. In the event of loss or destruction of, or damage to, valuables, of which shipment shall have been made pursuant to the regulations prescribed under section 1, a claim in writing for replacement shall be made upon the Secretary of the Treasury, who, if he shall be satisfied that such loss, destruction, or damage has occurred and that shipment was made substantially in accordance with such regulations, shall cause replacement to be made out of the fund through such disbursing officers as he may designate. Notwithstanding any provision of law to the contrary, the decision of the Secretary of the Treasury that such loss, destruction, or damage has occurred or that such shipment was made substantially in accordance with such regulations shall be final and conclusive and shall not be subject to review by any other officer of the United States: *Provided, however,* That where the Secretary of the Treasury determines that such replacement can be effected, in whole or in part, without actual or ultimate injury to the United States, by a credit in the accounts of the executive department, independent establishment, agency, officer, employee, or other accountable person making the claim, he shall not resort to the fund, except to the extent that such replacement cannot be so effected by such credit, but shall certify such determination to the Comptroller General and upon receipt of such certification the Comptroller General is authorized and directed to make such credit in the settlement of accounts in the General Accounting Office: *And provided further,* That the fund shall not be available with respect to any loss, destruction, or damage affecting valuables of which shipment shall have been made by or on behalf of the Public Debt Service of the Treasury Department, insofar as such loss, destruction, or damage is chargeable against the indefinite appropriation, "Expenses of loans, act of September 24, 1917, as amended and extended" (U. S. C., 1934 ed., title 31, secs. 760, 761); nor shall it be available with respect to any loss, destruction, or damage affecting valuables of which shipments shall have been made at the risk of persons other than the United States, its executive departments, independent establishments, agencies, wholly owned corporations, officers, and employees. All recoveries and repayments on account of loss, destruction, or damage to valuables of which replacement shall have been made out of the fund shall be credited to it and shall be available for the purposes thereof.

SEC. 4. Payments received by a wholly owned corporation out of the fund shall constitute a debt of the corporation to be repaid, out of the corporation's surplus, to the Secretary of the Treasury for the credit of the fund. Repayment to the Secretary of the Treasury shall be in installments in such amounts and at such times as may be fixed by the Secretary of the Treasury, but the total amount of such installments required to be paid by any such corporation during any fiscal year shall not, unless the corporation and the Secretary of the Treasury shall agree otherwise, be less than 2½ percent nor more than 5 percent of the total debt. The corporation shall have the right to accelerate repayment in whole or in part, and in case of dissolution or liquidation of the corporation the unpaid balance shall be immediately due and shall receive priority as a debt due to the United States as though it were a debt due the United States within the provisions of section 3466 of the Revised Statutes (U. S. C., 1934 ed., title 31, sec. 191).

SEC. 5. On and after the effective date of the regulations prescribed under section 1, no executive department, independent establishment, agency, wholly owned corporation, officer, or employee shall expend any moneys, or incur any obligation, for insurance, or for the payment of premiums on insurance, against loss, destruction, or damage in the shipment of valuables except as specifically authorized by the Secretary of the Treasury. The Secretary of the Treasury may give such authorization if he shall find that the risk of loss, destruction, or damage in such shipment cannot be adequately guarded against by the facilities of the United States or that the circumstances are such that adequate replacement cannot be provided under this act.

SEC. 6. Every officer and employee of the United States and every person acting on behalf of a wholly owned corporation who makes a shipment of valuables in good faith pursuant to and substantially in accordance with the regulations prescribed under section 1 shall be deemed, insofar as there may be concerned the propriety with respect to such shipment of any act or omission governed by such regulations, to be acting in faithful execution of his duties of office and in full performance of the conditions of his bond and oath of office, if any.

SEC. 7. The Secretary of the Treasury shall have power, with the approval of the President, to make such rules and regulations as may be necessary for the execution of the functions vested in him by this act, and may for such purpose require persons making shipment of valuables or making claims for replacement to make such declarations or to furnish him with such other information as he may deem necessary.

SEC. 8. For the purposes of this act—

(a) The term "valuables" means any article or thing or representative of value in which the United States has any interest, or in connection with which it has any obligation or responsibility, direct or indirect, and which is of, or is similar to, a class or kind of article or thing or representative of value which it has been the practice heretofore of the United States to insure, as the insured party, against loss, destruction, or damage in shipment, and includes, but is not limited to, coin, specie, bullion, currency bonds, coupons, debentures, bills, notes, certificates of indebtedness, certificates of deposit, mortgages, assignments, certificates of stock, warehouse receipts, checks, trust receipts, warrants, stamps, and any other securities, papers, or materials of value, whether complete, incomplete, mutilated, in definitive form or represented by interim documents; the term "United States" as used in this subsection means the United States or any of its executive departments, independent establishments, agencies, wholly owned corporations, officers, or employees;

(b) The term "shipment" means the transportation, or the effecting of transportation, of valuables, without limitation as to the means or facilities used or by which the transportation is effected or the person to whom it is made, and includes, but is not limited to, shipments made to any executive department, independent establishment, agency, wholly or partly owned corporation, officer, or employee of the United States, or any person acting on his or its behalf, or at his or its direction;

(c) The term "wholly owned corporation" means any corporation, regardless of the law or laws under which it is incorporated, the capital of which is entirely owned, directly or indirectly, by the United States, and includes the duly authorized officers, employees, and agents thereof;

(d) The term "replacement" means payment, reimbursement, replacement, or duplication, or the expenses incident thereo.

SEC. 9. (a) Whenever it is clearly proved to the satisfaction of the Secretary of the Treasury—

(1) That any interest-bearing security of the United States, identified by number and description, payable to bearer or so assigned as to become, in effect, payable to bearer, has been wholly or partly destroyed, or so mutilated or defaced as to impair its value to the owner; or has been lost or stolen under such circumstances, and such a period of time having elapsed after it has matured or has become redeemable pursuant to a call for redemption, as in the judgment of the Secretary would indicate that it has been destroyed or irretrievably lost, is not held by any person as his own property and will never become the basis of a valid claim against the United States; or

(2) That any interest-bearing security of the United States, identified by number and description, which is not payable to bearer and which has not been so assigned as to become, in effect, payable to bearer, has been lost or stolen, so that it is not held by any person as his own property, or has been wholly or partly destroyed, or so mutilated or defaced as to impair its value to the owner; the Secretary, upon receipt and approval by him of a bond of indemnity, if and as required by subsection (b) hereof, shall, in the case of a security which has not matured or become redeemable pursuant to a call for redemption, issue a substitute marked "duplicate" and showing the serial number of the original security; or shall, in the case of a security which has matured or become redeemable pursuant to a call for redemption, make payment thereof to the owner, with such interest only as would have been paid had the security been presented when it became due and payable: *Provided,* That in the case of an interim certificate relief may be given by the issue of a definitive security, whether before or after maturity, rather than by the issue of a substitute or by payment: *And provided further,* That no payment shall be made on account of interest coupons claimed to have been attached to such original security unless the Secretary is satisfied that such coupons have not been paid and are in fact destroyed or can never become the basis of a valid claim against the United States.

(b) Except as hereinafter provided, the owner of such lost, stolen, destroyed, mutilated, or defaced security shall file with

the Secretary of the Treasury a bond, to indemnify the United States, in such form and amount and with such surety, sureties, or security as the Secretary of the Treasury shall require: *Provided*, That in case of securities payable to bearer or so assigned as to become, in effect, payable to bearer, the destruction of which has not been proved, a corporate surety, qualified under the provisions of the act of August 13, 1894, as amended (U. S. C., 1934 ed., title 6, secs. 6–13), shall be required on such bond of indemnity: *And provided further*, That a bond of indemnity shall not be required in any of the following classes of cases, except as hereinafter provided:

(1) If the Secretary of the Treasury is satisfied that the loss, theft, destruction, mutilation, or defacement, as the case may be, occurred without fault of the owner and while the security was in the custody or the control of the United States (not including the Postal Service when acting solely in its capacity as the public carrier of the mails), or of a person thereunto duly authorized as lawful agent of the United States, or while it was in the course of shipment effected pursuant to and in accordance with the regulations issued under the provisions of this act;

(2) If substantially the entire security is presented and surrendered by the owner and the Secretary of the Treasury is satisfied as to the identity of the security presented and that any missing portions are not sufficient to form the basis of a valid claim against the United States;

(3) If the lost, stolen, destroyed, mutilated, or defaced security is one which by the provisions of law, or by the terms of its issue, is transferable only by operation of law;

(4) If the owner is a State or political subdivision thereof, a corporation the whole of whose capital is owned by the United States, a foreign government, or a Federal Reserve bank:

Provided, however, That in any of the foregoing classes of cases the Secretary of the Treasury may require a bond of indemnity if he deems it essential to the public interest.

(c) The term "interest-bearing security of the United States" or "security" wherever used in this section, means any direct obligation of the United States issued pursuant to law for valuable consideration and which by its terms bears interest, or is issued on a discount basis, and includes (but is not limited to) bonds, notes, certificates of indebtedness and Treasury bills, and interim certificates issued for any such security.

(d) The Secretary of the Treasury shall have the power to make such rules and regulations as he may deem necessary for the administration of this section.

(e) Sections 3702, as amended, 3703, 3704, and 3705 of the Revised Statutes of the United States (U. S. C., title 31, secs. 735, 736, 737, and 738) are hereby repealed.

SEC. 10. Section 3646 of the Revised Statutes of the United States (U. S. C., 1934 edition, title 31, sec. 528), as amended, is further amended to read as follows:

"(a) Except as hereinafter provided, whenever it is clearly proved to the satisfaction of the Secretary of the Treasury that any original check of the United States is lost, stolen, or wholly or partly destroyed, or is so mutilated or defaced as to impair its value to its owner or holder, persons authorized to issue such checks on behalf of the United States are authorized, before the close of the fiscal year following the fiscal year in which the original check was issued, to issue to the owner or holder thereof a substitute, marked 'duplicate' and showing the number, date, and payee of the original check, upon the receipt and approval by the Secretary of the Treasury of a bond, to indemnify the United States, in such form and amount and with such surety, sureties, or security as the Secretary of the Treasury shall require; but no such substitute shall be payable if the original check shall first have been paid: *Provided, however*, That the authority herein conferred to issue substitute checks may, in the case of checks issued on account of public-debt obligations and transactions regarding the administration of banking and currency laws, be issued without limitation of time.

"(b) A bond of indemnity shall not be required under subsection (a) of this section in any of the following classes of cases except as hereinafter provided: (1) If the Secretary of the Treasury is satisfied that the loss, theft, destruction, mutilation, or defacement, as the case may be, occurred without fault of the owner or holder and while the check was in the custody or control of the United States (not including the Postal Service when acting solely in its capacity as the public carrier of the mails), or of a person thereunto duly authorized as lawful agent of the United States, or while it was in the course of shipment effected pursuant to and in accordance with the regulations issued under the provisions of the Government Losses in Shipment Act; (2) if substantially the entire check is presented and surrendered by the owner or holder and the Secretary of the Treasury is satisfied as to the identity of the check presented and that any missing portions are not sufficient to form the basis of a valid claim against the United States; (3) if the Secretary of the Treasury is satisfied that the original check is not negotiable and cannot be made the basis of a valid claim against the United States; (4) if the amount of the check is less than $50 and the Secretary of the Treasury is satisfied that the giving of a bond of indemnity would be an undue hardship to the owner or holder; (5) if the owner or holder is a State or political subdivision thereof, a corporation the whole of whose capital is owned by the United States, a foreign government, or a Federal Reserve bank, and the Secretary of the Treasury is satisfied that the interests of the United States can be adequately safeguarded without such bond: *Provided, however*, That in any of the foregoing classes of cases the Secretary of the Treasury may require a bond of indemnity if he deems it essential to the public interest.

"(c) The Secretary of the Treasury shall have the power to make such rules and regulations as he may deem necessary for the administration of the provisions of this section.

"(d) Notwithstanding the provisions of subsections (a), (b), and (c) of this section, whenever any original check of the Post Office Department has been lost, stolen, or destroyed, the Postmaster General may authorize the issuance of a substitute, marked 'duplicate' and showing the number, date, and payee of the original check, before the close of the fiscal year following the fiscal year in which the original check was issued, upon the execution by the owner thereof of such bond of indemnity as the Postmaster General may prescribe: *Provided*, That when such original check does not exceed in amount the sum of $50 and the payee or owner is at the date of the application an officer or employee in the service of the Post Office Department, whether by contract, designation, or appointment, the Postmaster General may, in lieu of an indemnity bond authorize the issuance of a substitute check or warrant upon such an affidavit as he may prescribe, to be made before any postmaster by the payee or owner of an original check or warrant.

"(e) Substitutes, marked as hereinabove provided, drawn on the Treasurer of the United States, shall, after the lapse of the period fixed by section 21 of the Permanent Appropriation Repeal Act, 1934 (48 Stat. 1235; U. S. C., 1934 ed., title 31, sec. 725 (t)), for the payment of the original checks, be payable only as the original checks would be payable thereunder.

"(f) The term 'original check' wherever used in this section means any check, warrant, or other order for the payment of money, payable upon demand and not bearing interest, drawn by a duly authorized officer or agent of the United States on its behalf against an account or funds of the United States, whether upon a bank or upon the Treasurer or other paying officer of the United States, but does not include money, coins, or currency of the United States nor instruments issued by any corporation or other entity owned or controlled by the United States, whether in whole or in part, against such corporation's or entity's own funds; as used in subsection (c) of this section it means such an instrument drawn by a duly authorized officer or employee of the Post Office Department."

SEC. 11. This act may be cited as the "Government Losses in Shipment Act."

SEC. 12. This act shall become effective on July 1, 1937.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

POST-OFFICE AND COURTHOUSE SITE AND BUILDING, LOUISVILLE, KY.

The Clerk called the next bill, H. R. 6899, to repeal the limitation on the sale price on the old post-office and courthouse site and building at Fourth and Chestnut Streets, Louisville, Ky.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the proviso (45 Stat. 179) contained in section 1, title I, of the act entitled "An act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1929, and for other purposes", approved March 5, 1928, Public Law No. 93, Seventieth Congress (45 Stat. 162), requiring that the old post-office and courthouse site and building at Fourth and Chestnut Streets, Louisville, Ky., shall not be sold for an amount less than $2,500,000, is hereby repealed.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. LANHAM. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point by including a further brief favorable report from the Acting Secretary of the Treasury with reference to the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. LANHAM. Mr. Speaker, I submit the following letter from the Acting Secretary of the Treasury with reference to the bill just passed:

TREASURY DEPARTMENT,
Washington, June 4, 1937.

Hon. FRITZ G. LANHAM,
Chairman, Committee on Public Buildings and Grounds, House of Representatives.

MY DEAR MR. CHAIRMAN: Reference is made to H. R. 6899 (75th Cong., 1st sess.), a bill to repeal the limitation on the sale price on

the old post-office and courthouse site and building at Fourth and Chestnut Streets, Louisville, Ky. That limitation, contained in the proviso (45 Stat. 179) in section 1, title I, of the act entitled "An act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1929, and for other purposes", approved March 5, 1928, Public, No. 93, Seventieth Congress (45 Stat. 162), requires that the property in question shall not be sold for an amount less than $2,500,000.

In the event of enactment of the bill, the property will become available for sale to the highest responsible bidder, after public advertisement under section 1 (c) of the act of August 27, 1935 (49 Stat. 885; U. S. C., title 40, sec. 304 (a)). Although possible purchasers have exhibited interest in the property, no one has been found willing to meet the minimum price of $2,500,000, which is believed to be excessive under present-day conditions. This Department is of the opinion that, if the minimum-price limitation be removed, it will be able to effect an advantageous sale.

In view of the foregoing, this Department recommends enactment of the bill. The bill is in accordance with the program of the President.

Very truly yours,

WAYNE C. TAYLOR,
Acting Secretary of the Treasury.

CONSENT CALENDAR

AMENDMENT OF THE INTERSTATE COMMERCE ACT

The Clerk called the next bill, H. R. 6049, to amend the Interstate Commerce Act.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 22 (1) of the Interstate Commerce Act is amended by inserting after the word "guide" the words "or seeing-eye dog or other guide dog specially trained and educated for that purpose."

Mr. COSTELLO. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: In line 3, after the figures "22 (1)", insert "of part I."

Mr. COSTELLO. I may say this is merely a clarifying amendment.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PREFERRED EMPLOYMENT OF AMERICAN CITIZENS BY THE GOVERNMENT

The Clerk called the next bill, H. R. 3423, to provide for the preferred employment of American citizens by the Government of the United States.

Mr. COSTELLO. Mr. Speaker, I ask that this bill be passed over without prejudice.

Mr. O'MALLEY reserved the right to object.

Mr. COCHRAN. Mr. Speaker, I desire to make the same request the gentleman from California has just made. The author of the bill, the gentleman from Alabama [Mr. STARNES], is unable to be here today, and has asked me to request that the bill be passed over without prejudice.

Mr. O'MALLEY. I did not know the author was not here. I want to see this bill acted upon.

The SPEAKER. Is there objection to the request of the gentleman from California and the gentleman from Missouri?

There was no objection.

RENEWALS OF OATHS OF OFFICE

The Clerk called the next bill, H. R. 6295, to dispense with unnecessary renewals of oaths of office by civilian employees of the executive departments and independent establishments.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That civilian employees of the executive departments and independent establishments of the United States who, upon original appointment, have subscribed to the oath of office required by section 1757 of the Revised Statutes, shall not be required to renew the said oath because of any change in status so long as their services are continuous in the department or independent establishment in which employed, unless in the opinion of the head of the department or independent establishment the public interests require such renewal.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ADDITIONAL UNITED STATES DISTRICT JUDGE, SOUTHERN DISTRICT OF TEXAS

The Clerk called the next bill, H. R. 2708, to provide for the appointment of one additional United States district judge for the southern district of Texas.

Mr. DIES. Mr. Speaker, reserving the right to object, I have an amendment to this bill which I have discussed with some of my colleagues who are interested in the matter. The amendment is, at the end of the bill, strike out the period, insert a comma and the following: "who is now a resident of such district." The purpose of the amendment is to insure that whoever is appointed as judge will be a resident of the district. I do not know whether or not there is any objection to the amendment.

Mr. O'MALLEY. Mr. Speaker, reserving the right to object, is this the usual amendment which is attached to a bill creating a new judgeship?

Mr. DIES. I do not know anything about the usual amendment, but this provides what I am sure no one would object to, that whoever is appointed as judge shall be a resident of the district.

Mr. O'MALLEY. Then, this restricts the appointment to the judgeship to a resident of the district?

Mr. DIES. The gentleman is correct.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. O'MALLEY. I object, Mr. Speaker.

Mr. WOLCOTT. Mr. Speaker, a parliamentary inquiry. Was the objection to the consideration of the bill?

The SPEAKER. The Chair so understood.

Mr. DIES. Mr. Speaker, I understand the gentleman is not objecting to the bill.

The SPEAKER. That was the question submitted. Does the gentleman object to the present consideration of the bill?

Mr. O'MALLEY. I withdraw the objection, Mr. Speaker.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WOLCOTT. I object, Mr. Speaker.

OPERATION OF LAWS WITH RESPECT TO EMPLOYMENT OF COUNSEL

The Clerk called the next bill, H. R. 4740, limiting the operation of sections 109 and 113 of the Criminal Code and section 190 of the Revised Statutes of the United States with respect to counsel in certain cases.

Mr. MICHENER. Mr. Speaker, reserving the right to object, this is another one of those cases where Congress is asked to make an exception and give to an individual exemption from the law of the land. That law was enacted after most careful consideration, and its wisdom has never been questioned. I do not believe an exception should be made in this case. The facts of this case are that a gentleman by the name of Blair was employed as an assistant in the Office of the Attorney General. He became familiar with certain pending cases in which the Government is interested. The gentleman received as compensation for full-time work as such assistant the sum of $9,000 a year. For that consideration he handled the cases in question along with other duties. After serving for a time in the Department of Justice, the gentleman felt it wise to resign his position and enter into the private practice of the law in Washington. He came to Washington from the State of Missouri as an Assistant Attorney General.

After the gentleman had resigned his full-time position with the Department of Justice, it was discovered that his services to represent the Government in the particular cases involved was indispensable. Therefore this bill was introduced. The Attorney General sent a letter to the Committee on the Judiciary recommending enactment of this legislation. The gentleman to be the beneficiary of the law—and whose services he at least thinks are indispensable to the Government in these cases—was the only witness who appeared in behalf of the legislation. It developed from his testimony that if this bill becomes a law his compensation cannot exceed $10,000 a year, and his best judgment is that

these Indian claims will require his attention for at least 3 or 4 years.

In other words, this is one of those cases where an attorney accepts employment in one of the departments of the Government. He becomes familiar with the work in the department. That experience undoubtedly adds to his value as an employee in the department. However, it seems to me that in these circumstances one should not be permitted to receive $9,000 a year for full time until he becomes familiar with a pending case, and resign and immediately seek reemployment with the same agency of the Government at a thousand-dollar-a-year increase for part-time work.

The practice of attorneys in the several departments of the Government obtaining information that might aid them in bringing suits against the Government was so common that the Congress recognized the necessity of passing a law placing a 2-year limitation on any of these Government employees practicing before the departments of the Government, the 2-year period to date from the time the employee severed his connection with the Government. This bill attempts to have that 2-year period run from the date Mr. Blair resigned as Assistant Attorney General and not from the date his service as special counsel in the instant case is concerned.

Mr. WALTER. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. Yes; to the able gentleman, a member of the Judiciary Committee.

Mr. WALTER. I want to call the gentleman's attention to the fact that the Department, after a great deal of persuasion, was able to convince this man that he owed a duty to the Government to continue in the prosecution of these oil cases. This man, perhaps, knows more about the subject than anyone else, and certainly more than anyone who is available at this time. The Department feels this is absolutely necessary in order to work out a proper solution of the matter and see that the best interests of the Government are preserved by the retention of this man in this position.

Mr. MICHENER. Yes; I appreciate the gentleman's position. I know about the letter that came from the Department. I was a member of the subcommittee of the Committee on the Judiciary giving consideration to this bill. I heard the testimony of the gentleman, Mr. Blair. I doubt not but that he is a good lawyer, but I do doubt that his service to the Government in this particular is indispensable. If he had been patriotically interested in these particular cases there was nothing to have prevented his remaining with the Government at $9,000 a year and looking after the cases. He seems most anxious to receive this retainer in these particular cases. I say retainer, and that is just what it amounts to. The Government should hire as little special counsel as possible, as long as we appropriate most adequately for the regular force in the Department of Justice. I do not care whether the man comes from Missouri, Ohio, or Michigan. I do not care what his politics is nor what his family connections are. There is an equitable law on the statute books and no exception should be made in this case. It is true that last year we passed a bill of this kind and it went through the House largely because that man was familiar with some Indian claim or some other claim, was a splendid old gentleman, and needed employment. It was hard to turn him down. He could work for the Government. He had been prosperous once but was not very prosperous at that time.

Mr. ROMJUE. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. Yes; I yield to the gentleman from Missouri.

Mr. ROMJUE. I want to say to the gentleman from Michigan that he has the cart before the horse. The statute we have against entering into practice prohibits the taking of cases against the Government. This measure provides that this gentleman may be retained to assist the Government, which is an entirely different matter; and I may say to the gentleman that the Department of Justice very strongly recommends the passage of this bill for the reason that this man who has been employed by the Government is in possession of a lot of information that will be helpful to the Government and they desire to employ him to assist the Government——

Mr. MICHENER. Yes; I understand the contention.

Mr. ROMJUE. And I may say further that it has been the practice for some time to pass acts of this kind and, in fact, it has not been long since we passed an act of this very nature extending the same privilege to a gentleman from the gentleman's own State of Michigan, as I recall.

Mr. MICHENER. Who was it?

Mr. ROMJUE. Mr. Weidemann, I believe—at least it has been an unbroken policy of the Government to enact measures of this kind when the particular man's services are needed.

Mr. MICHENER. I do not think so.

Mr. ROMJUE. Yes; from the gentleman's own State.

Mr. MICHENER. I never heard of the case.

Mr. ROMJUE. Well, I do not question that and I do not question the good faith of my friend the gentleman from Michigan.

I want the House to have a clear understanding of what this bill is. This is not to give any man the privilege of suing the Government. This is to give the Government an opportunity to avail itself of this man's assistance, which the Government desires to do, and have him help defend the Government.

Mr. MICHENER. Yes; someone else is appointed to take Mr. Blair's position as a $9,000 assistant, and Mr. Blair receives another assignment at $10,000 a year. The explicit purpose of this bill is to permit this man, who has resigned as an Assistant Attorney General, to be employed by the Government and receive $10,000 in one case, when he has resigned a position paying him $9,000 for his full time. It will extend his employment until the work is completed on this Indian case, I believe, and he thinks it will take about 4 years. The statute which makes it impossible for him to take cases against the Government until a period of 2 years has elapsed from the time he ceased to be employed by the Government, will have no bearing on this case if this bill is passed. Out of deference to the gentleman from Missouri [Mr. ROMJUE] I dislike to object, but I am opposed to making exceptions to laws of this kind under such circumstances.

Mr. ROMJUE. I will say to the gentleman that he is dealing with an assumption, because there has been no such contract.

Mr. MICHENER. Mr. Speaker, I think I have opposed every one of these exceptions, regardless of where the proposed beneficiary comes from, and I shall continue. It is a matter of principle. This type of bill cannot go through by unanimous consent, whether the man comes from Michigan or Missouri. In short, this creates another $10,000 a year job if special counsel is to be employed and if this is the only man who can do the job.

Mr. CANNON of Missouri. Mr. Speaker, will the gentleman yield?

The SPEAKER. Is there objection?

Mr. SHAFER of Michigan. Mr. Speaker, I object.

Mr. MICHENER. Mr. Speaker, I object.

ADDITIONAL UNITED STATES DISTRICT JUDGE, SOUTHERN DISTRICT, TEXAS

Mr. WALTER. Mr. Speaker, I ask unanimous consent to return to No. 261 on the calendar, H. R. 2708, to provide for the appointment of one additional United States district judge for the southern district of Texas.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent to return to H. R. 2708. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the President of the United States be, and he is hereby, authorized to appoint, by and with the advice and consent of the Senate, one additional United States district judge for the southern district of Texas.

Mr. DIES. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. DIES: Page 1, line 6, after the word "Texas", strike out the period, insert a comma and the following: "who is now a resident of such district."

The SPEAKER. The question is on agreeing to the amendment.

Mr. WOLCOTT. Mr. Speaker, I rise in opposition to the amendment.

The SPEAKER. Does the gentleman from Texas desire recognition?

Mr. DIES. Yes, I do; for a few minutes. The only purpose of this amendment is to insure that whoever is appointed the new judge of this district will be a resident of the judicial district. There should not be any objection to that. Certainly no one ought to be in favor of importing some outsider and making him a Federal judge in a district in which he has never lived, when there are plenty of lawyers capable of filling the position in the district.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. DIES. Yes.

Mr. MICHENER. I think the gentleman has made several speeches here asserting his faith in the President of the United States. The President will name the man who is to be the judge in this district and he must be confirmed by the Senate. Therefore, if the gentleman has faith in the President of the United States, he cannot believe that the President is going to do some carpetbagging down there and appoint some politician from outside.

Mr. DIES. I am not undertaking to legislate for the President or for the Senate. I am undertaking to incorporate a provision in the bill which will remove any temptation there might be for anyone to do otherwise.

Mr. ROBSION of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. DIES. Yes.

Mr. ROBSION of Kentucky. I am sure the gentleman has read the President's bill which provides for 44 roving judges hereinafter to be appointed.

Mr. DIES. I am not talking about the President's bill. I am talking about this bill.

Mr. TAYLOR of South Carolina. Mr. Speaker, will the gentleman yield?

Mr. DIES. Yes.

Mr. TAYLOR of South Carolina. The amendment that the gentleman proposes uses the word "now." The man must now reside in that particular district who is to be appointed. Suppose there should come a vacancy in that district later on and a man living there should be qualified but who is not now residing in that district. What then?

Mr. DIES. The "now" applies at all times, no matter if there is a vacancy.

Mr. TAYLOR of South Carolina. He has to be there now?

Mr. DIES. I do not think so.

Mr. WOODRUM. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. WOODRUM. As I have followed the proceedings, unanimous consent has been secured to return to this bill, but there never has been unanimous consent secured for its consideration. I am wondering what the parliamentary situation is. The gentleman from Texas offers an amendment, which was reported, but I do not recall that the Chair ever put the question of unanimous consent for the consideration of the bill.

Mr. WALTER. The unanimous consent was to return to the bill.

Mr. WOLCOTT. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. There is one parliamentary inquiry now pending.

Mr. WOLCOTT. Mr. Speaker, a point of order upon the inquiry. I assume that the House has taken action on the bill, and that if the House has taken any action on the bill it would be considered a waiver of the right of anyone to object to the consideration of the bill.

The SPEAKER. The Chair is inclined to think that the statement made by the gentleman from Michigan [Mr. WOLCOTT] is a correct one. The Chair cannot independently remember that he put the question, and he probably did not; but inasmuch as the House has agreed to receive the amendment, without objection, the Chair will hold that that is a waiver of any right to now interpose such objection.

Mr. WOODRUM. I was not interested except to find out the parliamentary situation.

The SPEAKER. The Chair is glad that the gentleman made the inquiry.

Mr. DIES. Mr. Speaker, the amendment as written contains the word "now." I ask unanimous consent to strike the word "now" from the amendment.

The SPEAKER. Without objection, the amendment will be so modified.

There was no objection.

The SPEAKER. The Clerk will now report the modified amendment.

The Clerk read as follows:

Amendment offered by Mr. DIES: Page 1, line 6, after the word "Texas", strike out the period, insert a comma and the following: "who is a resident of such district."

Mr. WOLCOTT. Mr. Speaker, I rise in opposition to the amendment.

Mr. Speaker, I have not any particular interest in this bill one way or the other. The judicial conference recommended that this district in Texas be given an additional judge, and I have decided that when the judicial conference makes such a recommendation I should have faith and confidence in their recommendation, because it is an impartial conference which makes no recommendation until they have made an exhaustive study of the conditions in the district. However, I think the amendment offered by the gentleman from Texas [Mr. DIES] requiring that the judge be appointed from the district is such a revolutionary change in procedure that we should consider it very cautiously before we vote to adopt it. It may be true in this particular instance that there is some political reason why they should appoint a judge in this district and confine it to this district in order to prevent the appointment of some particular individual whom the President might have in mind.

It seems to me you gentlemen are getting very presumptuous when you try to tell the President of the United States, who is charged with responsibility in the appointment of Justices, that he shall confine himself for the first time in the history of the United States to any given area. I doubt not but that the President will find our action is such a limitation upon the Executive that he will veto the bill. In order to save the bill and carry out the recommendation of the judicial conference, I am contesting our right to restrict the appointment of this judge to this area, because the law gives the President the right and the authority to make these appointments, subject to the advice and consent of the Senate. If you want to change your entire policy concerning the appointment of judges of district courts, the circuit courts of appeals and the Supreme Court of the United States, this is the entering wedge. If this is adopted as a precedent, there is no reason why we should not say to the President of the United States, "You shall appoint the next Justice of the Supreme Court of the United States from the corporate limits of the city of Baltimore or Detroit or San Francisco."

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. McCORMACK. The gentleman has stated that this constitutes a precedent. Does the gentleman know of any other bill that has ever passed and become a law that had this restriction upon it?

Mr. WOLCOTT. I do not. That is why I think it will be a precedent, because I have been informed and I believe that no bill was ever passed by the Congress of the United States limiting the appointment of judges of any court in the United States to a given area.

Mr. WALTER. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. WALTER. Two years ago that very question was discussed in the Committee on the Judiciary with respect to a bill creating an additional judge for Georgia. The committee took the position that the limitation ought not be placed in any bill. At that time we examined very carefully the precedents and we found that there was no precedent for a limitation of this sort. The bill was then reported out.

Mr. WOLCOTT. I contend that the Committee on the Judiciary has already found, as a matter of fact, that this does create a precedent, and that this House should act very cautiously in establishing precedents by which the appointment of members of the judiciary must come from a particular area.

The SPEAKER. The time of the gentleman from Michigan has expired.

Mr. BOILEAU. Mr. Speaker, I move to strike out the last two words. It seems to me that if this provision is good for this district in Texas it ought to be good for the country as a whole. It seems to me we ought to work out this policy for the country as a whole, and that the Committee on the Judiciary should give thought and consideration to the advisability of writing such a provision in each bill. It seems therefore that until such time as we do have a bill that will be general in its effect, applying to all districts throughout the United States, we ought not embark upon the policy through unanimous consent.

Mr. DIES. Mr. Speaker, will the gentleman yield?

Mr. BOILEAU. I yield.

Mr. DIES. Can the gentleman conceive of any more appropriate time to make a beginning? What is there to keep this Congress from establishing a precedent? The argument that because they have not done it in the past does not hold. We have done a lot of things since I have been here that have not been done in the past.

Mr. BOILEAU. As far as I know, there have not been any judges appointed in these district courts from any other district. There might have been an isolated case here and there, but I suppose, acting in good faith, the President must have felt in such instances that there was necessity for changing the policy. I would like to ask the gentleman what the necessity for changing the policy is here?

Mr. DIES. Does not the gentleman recall that Judge Ritter moved from some other State into the State of Florida?

Mr. BOILEAU. I believe he was a resident of the State of Florida at the time he was appointed.

Mr. DIES. He had been there a short while.

Mr. BOILEAU. Under the gentleman's amendment, a man could be living in California now and if he moves over into Texas before the appointment is made he would be qualified?

Mr. DIES. Oh, no.

Mr. BOILEAU. Oh, yes. The gentleman has stricken out the word "now." A man could be living in California now and move to the district before the appointment is made, and he would be qualified.

Mr. DIES. Oh, no. The amendment provides that he shall be a resident of the district.

Mr. BOILEAU. But the gentleman struck out the word "now", so it means a resident of the district at the time of appointment. I would like to ask the gentleman what is the necessity for this particular amendment on this particular bill?

Mr. DIES. Because I think it is a good precedent for this House to establish.

The gentleman knows perfectly well that it is absolutely wrong to permit a judge from one district to be sent over into another district.

Mr. BOILEAU. I agree with the gentleman as a matter of general policy. But I do not know of there being any violations of that general policy. In all the instances of which I know they do make the appointments out of the district unless there is no one qualified, unless there is some particular reason; and unless the gentleman has some particular reason in this instance I do not see why we should adopt this amendment.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. BOILEAU. I yield.

Mr. COCHRAN. There is a law that probably might be a precedent for the gentleman's amendment, although I do not think it should be adopted. In the last Congress the House and the Senate passed a bill which became a law, providing for the creation of a new judge in the State of Missouri, the judge to serve both in the eastern and western districts, wherever he was assigned by the circuit judges, depending upon the number of cases pending. That law provided that the judge could be appointed from either the eastern or the western district of Missouri. This amendment restricts the President's appointive power, and we know that Presidents have sent bills back to Congress that in any way restricted the power of the President to make an appointment. I do not know of any case where a President has appointed a man to serve in a United States district court that did not reside in the district.

Mr. BOILEAU. That was because there was an individual situation where a judge was being appointed to serve two different districts, and it provided that he might be appointed from either district rather than specifying that he should be appointed from one.

Mr. DIES. Mr. Speaker, I did not know that the gentleman from Minnesota was a stickler on precedent.

Mr. BOILEAU. I do not know what the gentleman means by that.

Mr. DIES. I mean by that that the gentleman has been very progressive in his ideas. Now, if this is a good principle, if the Members of the House believe it is right, why not incorporate it in a bill?

Mr. BOILEAU. That is just exactly what I am trying to bring out. I think we should ask the Judiciary Committee to bring out a bill general in its policy, general in its application, a bill which establishes a policy rather than apply the principle in one district when it does not apply to the others.

[Here the gavel fell.]

Mr. McCORMACK. Mr. Speaker, I rise in opposition to the pro-forma amendment.

Mr. Speaker, I want to ask the gentleman from Texas why he is so anxious to have this amendment on this bill. The bill will pass without the amendment. Why does the gentleman insist on this particular amendment? Will not the gentleman take the House into his complete confidence and tell us why?

Mr. DIES. I will be perfectly frank with the gentleman. I understand that in that district there is a fear that some nonresident will be imported into this judicial district.

Mr. McCORMACK. And the gentleman has some particular man in mind I suppose.

Mr. DIES. And since many Members are satisfied that this is a good principle I see no reason why the gentleman objects to it.

Mr. WALTER. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. WALTER. I wish to call the gentleman's attention to the fact that no Member of Congress would be eligible for this appointment. [Laughter.]

Mr. DIES. There is no question about that. I may say to the gentleman that I am not in any position to consider the appointment. [Laughter.]

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. MAY. I wish to inquire of the gentleman from Massachusetts on the subject of the constitutional question raised here by the amendment requiring the judge to be appointed from the district in which the vacancy exists. It is urged that that is beyond the powers granted by the Constitution. Congress has the power under the Constitution to fix the qualification of the judges for the district courts. It seems to me the question of residence is a question of qualification and that that brings it within the province of Congress.

Mr. McCORMACK. I am not interested in that at the moment. I was very much interested in finding a Member

who was getting a bill through insisting upon another amendment to it.

Mr. THOM. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. THOM. The gentleman has not yet succeeded in finding out who the gentleman from Texas was interested in.

Mr. McCORMACK. I do not intend to press the gentleman sufficiently to find out. The gentleman has answered enough for me to draw an inference, and I am not going to ask him to answer a question I would not want to have asked of myself were the positions reversed.

[Here the gavel fell.]

The SPEAKER. The question is on the amendment offered by the gentleman from Texas.

The question was taken; and there were—ayes 27, noes 91.

Mr. RICH. Mr. Speaker, I object to the vote on the ground there is not a quorum present.

The SPEAKER. The Chair will count. [After counting.] One hundred and seventy-six Members are present, not a quorum.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 179, nays 132, not voting 127, as follows:

[Roll No. 83]

YEAS—179

Allen, Ill.	Elliott	Lesinski	Reilly
Allen, La.	Englebright	Lewis, Colo.	Robertson
Amlie	Evans	Lord	Robsion, Ky.
Arends	Faddis	Ludlow	Rogers, Mass.
Atkinson	Farley	Luecke, Mich.	Rogers, Okla.
Barry	Ferguson	McGrath	Romjue
Beiter	Fernandez	McGroarty	Rutherford
Boehne	Fiannery	McLean	Ryan
Boren	Forand	McMillan	Schulte
Brooks	Gearhart	McReynolds	Seger
Brown	Goldsborough	Maas	Shafer, Mich.
Caldwell	Gray, Ind.	Maloney	Shannon
Carlson	Greever	Mapes	Sheppard
Carter	Griffith	Martin, Colo.	Short
Cartwright	Halleck	Martin, Mass.	Simpson
Case, S. Dak.	Hamilton	Mason	Sirovich
Church	Hancock, N. Y.	May	Smith, Conn.
Claypool	Harlan	Michener	Smith, Wash.
Cluett	Harrington	Millard	Snyder, Pa.
Colden	Hendricks	Mills	South
Cole, N. Y.	Hennings	Mitchell, Tenn.	Stack
Collins	Hill, Okla.	Moser, Pa.	Sutphin
Colmer	Hope	Mott	Taber
Cooley	Houston	Murdock, Ariz.	Tarver
Cravens	Hull	O'Connor, N. Y.	Taylor, S. C.
Crawford	Hunter	Oliver	Terry
Cummings	Izac	Parsons	Thurston
Daly	Jacobsen	Patterson	Tinkham
Deen	Jarrett	Patton	Transue
DeRouen	Jenks, N. H.	Pearson	Vincent, B. M.
Dickstein	Johnson, Okla.	Peterson, Fla.	Vinson, Fred M.
Dies	Johnson, W. Va.	Peterson, Ga.	Welch
Dingell	Kennedy, Md.	Pettengill	Whelchel
Dirksen	Kerr	Plumley	White, Idaho
Dondero	Kinzer	Powers	White, Ohio
Dowell	Kirwan	Quinn	Whittington
Doxey	Kitchens	Rabaut	Wigglesworth
Drew, Pa.	Knutson	Ramsay	Williams
Drewry, Va.	Kocialkowski	Randolph	Wolfenden
Duncan	Kramer	Rankin	Wolverton
Dunn	Lambertson	Reece, Tenn.	Zimmerman
Eberharter	Lamneck	Reed, Ill.	
Eckert	Lanzetta	Reed, N. Y.	
Eicher	Lea	Rees, Kans.	

NAYS—132

Aleshire	Cochran	Gehrmann	Kleberg
Allen, Del.	Coffee, Nebr.	Gingery	Kniffin
Andrews	Coffee, Wash.	Gray, Pa.	Lanham
Bates	Cole, Md.	Gregory	Larrabee
Biermann	Connery	Harter	Leavy
Bigelow	Cooper	Havenner	Lemke
Binderup	Costello	Healey	Long
Bland	Crowe	Higgins	Luce
Bloom	Culkin	Hildebrandt	Luckey, Nebr.
Boileau	Cullen	Hill, Ala.	McAndrews
Boland, Pa.	Delaney	Hobbs	McClellan
Boyer	DeMuth	Holmes	McCormack
Bradley	Disney	Imhoff	McFarlane
Buckler, Minn.	Ditter	Jarman	McKeough
Bulwinkle	Dockweiler	Johnson, Luther A.	McLaughlin
Burch	Engel	Johnson, Lyndon	Mahon, S. C.
Byrne	Fish	Johnson, Minn.	Mahon, Tex.
Cannon, Mo.	Fitzpatrick	Jones	Massingale
Champion	Fletcher	Kelly, N. Y.	Mead
Chandler	Fuller	Kennedy, N. Y.	Miller
Citron	Gambrill	Kenney	Mitchell, Ill.
Clason	Garrett	Keogh	Murdock, Utah
Nelson	Pfeifer	Schneider, Wis.	Thompson, Ill.
O'Brien, Ill.	Poage	Scott	Tolan
O'Brien, Mich.	Polk	Secrest	Towey
O'Connell, Mont.	Rayburn	Shanley	Turner
O'Connor, Mont.	Rich	Snell	Umstead
O'Malley	Richards	Sparkman	Wadsworth
O'Neal, Ky.	Rigney	Spence	Walter
O'Neill, N. J.	Sacks	Stefan	Weaver
Palmisano	Sanders	Sumners, Tex.	Wolcott
Patman	Sauthoff	Thom	Woodruff
Patrick	Schaefer, Ill.	Thomason, Tex.	Woodrum

NOT VOTING—127

Allen, Pa.	Douglas	Jenkins, Ohio	Robinson, Utah
Anderson, Mo.	Driver	Kee	Sabath
Andresen, Minn.	Eaton	Keller	Sadowski
Arnold	Edmiston	Kelly, Ill.	Schuetz
Ashbrook	Ellenbogen	Kloeb	Scrugham
Bacon	Fitzgerald	Kopplemann	Smith, Maine
Barden	Flannagan	Kvale	Smith, Va.
Beam	Fleger	Lambeth	Smith, W. Va.
Bell	Ford, Calif.	Lewis, Md.	Somers, N. Y.
Bernard	Ford, Miss.	Lucas	Starnes
Boykin	Frey, Pa.	McGehee	Steagall
Boylan, N. Y.	Fries, Ill.	McGranery	Sullivan
Brewster	Fulmer	McSweeney	Sweeney
Buck	Gasque	Magnuson	Swope
Buckley, N. Y.	Gavagan	Mansfield	Taylor, Colo.
Burdick	Gifford	Maverick	Taylor, Tenn.
Cannon, Wis.	Gilchrist	Meeks	Teigan
Casey, Mass.	Gildea	Merritt	Thomas, N. J.
Celler	Green	Mosier, Ohio	Thomas, Tex.
Chapman	Greenwood	Mouton	Tobey
Clark, Idaho	Griswold	Nichols	Treadway
Clark, N. C.	Guyer	Norton	Vinson, Ga.
Cox	Gwynne	O'Connell, R. I.	Voorhis
Creal	Haines	O'Day	Wallgren
Crosby	Hancock, N. C.	O'Leary	Warren
Crosser	Hart	O'Toole	Wearin
Crowther	Hartley	Owen	Wene
Curley	Hill, Wash.	Pace	West
Dempsey	Hoffman	Peyser	Wilcox
Dixon	Honeyman	Phillips	Withrow
Dorsey	Hook	Pierce	Wood
Doughton	Jenckes, Ind.	Ramspeck	

So the amendment was agreed to.

The Clerk announced the following pairs:

Until further notice:

Mr. Doughton with Mr. Treadway.
Mr. Warren with Mr. Jenkins of Ohio.
Mr. Smith of Virginia with Mr. Crowther.
Mr. West with Mr. Eaton.
Mr. Beam with Mr. Tobey.
Mr. Ford of Mississippi with Mr. Bacon.
Mr. Sabath with Mr. Gifford.
Mr. Taylor of Colorado with Mr. Taylor of Tennessee.
Mr. Vinson of Georgia with Mr. Guyer.
Mr. Steagall with Mr. Hoffman.
Mr. Ramspeck with Mr. Thomas of New Jersey.
Mr. Hancock of North Carolina with Mr. Douglas.
Mr. Greenwood with Mr. Andresen of Minnesota.
Mr. Maverick with Mr. Gwynne.
Mr. Lambeth with Mr. Brewster.
Mr. Flannagan with Mr. Hartley.
Mr. Fulmer with Mr. Burdick.
Mr. Starnes with Mr. Gilchrist.
Mr. Gasque with Mr. Smith of Maine.
Mr. Owen with Mr. Kvale.
Mr. Mansfield with Mr. Withrow.
Mr. Schuetz with Mr. Creal.
Mr. Cox with Mr. Bell.
Mr. Wilcox with Mr. Mouton.
Mr. Edmiston with Mr. Kloeb.
Mr. Boykin with Mr. Fitzgerald.
Mr. Sadowski with Mr. Allen of Pennsylvania.
Mr. Anderson of Missouri with Mr. Ellenbogen.
Mr. Lewis of Maryland with Mr. Scrugham.
Mr. McGehee with Mr. Lucas.
Mr. Arnold with Mr. Swope.
Mr. Boylan with Mr. Sweeney.
Mr. Buck with Mr. Phillips.
Mrs. Jenckes of Indiana with Mr. Dixon.
Mr. Celler with Mrs. Honeyman.
Mr. McSweeney with Mr. Clark of Idaho.
Mrs. Norton with Mr. Teigan.
Mr. Crosser with Mr. O'Toole.
Mr. Robinson of Utah with Mr. Kee.
Mr. Driver with Mr. Hart.
Mr. Merritt with Mr. Clark of North Carolina.
Mr. Gavagan with Mr. Fleger.
Mr. Ashbrook with Mr. Ford of California.
Mr. Frey with Mr. Somers of New York.
Mr. Meeks with Mr. Buckley of New York.
Mr. McGranery with Mr. Barden.
Mr. Fries with Mr. Casey of Massachusetts.
Mr. Sullivan with Mr. Mosier of Ohio.
Mr. Chapman with Mr. Gildea.
Mr. Nichols with Mr. Green.
Mr. Griswold with Mr. Haines.
Mr. Thomas of Texas with Mr. O'Connell of Rhode Island.
Mr. Voorhis with Mrs. O'Day.
Mr. Wearin with Mr. Crosby.

Mr. Kelly of Illinois with Mr. Wene.
Mr. Hill of Washington with Mr. O'Leary.
Mr. Wallgren with Mr. Curley.
Mr. Pace with Mr. Dempsey.
Mr. Hook with Mr. Pierce.
Mr. Dorsey with Mr. Keller.

Mr. FLETCHER, Mr. STEFAN, Mr. LUCKEY of Nebraska, and Mr. JOHNSON of Minnesota changed their vote from "yea" to "nay."

Mr. SHEPPARD changed his vote from "nay" to "yea."

The doors were opened.

The result of the vote was announced as above recorded.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SPECIAL STATISTICAL STUDIES BY DEPARTMENT OF LABOR

The Clerk called the next bill, S. 1967, to authorize the Department of Labor to continue to make special statistical studies upon payment of the cost thereof, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CRAWFORD. Mr. Speaker, reserving the right to object, will the gentleman from Massachusetts [Mr. CONNERY] explain just what the meaning of this bill is and some of the transactions that have been carried on under it?

Mr. CONNERY. Mr. Speaker, this is explained more fully in a letter written by the Secretary of Labor to Senator BLACK at the time the Senate took up consideration of this bill.

Mr. CRAWFORD. What type of investigations are conducted?

Mr. CONNERY. The purpose of the bill is to extend the act of April 13, 1934, which authorized the Department of Labor to make special statistical studies upon payment of the cost thereof. Since 1934 the Department has received approximately $9,000 from such representative organizations as the Joint Board of the Dress and Waist Makers Union, the Manufacturers Association, the National Manufacturing Association, the National Association of Wool Manufacturers, Ohio State University, and the New York State Department of Labor for making studies authorized under this act.

This permits them to get statistical figures upon payment by the person asking for the figures.

Mr. CRAWFORD. How is the cost arrived at that they are going to charge those who request this information? In other words, suppose I ask for a statistical study on wool production, we will say, on behalf of the growers of wool. Will they tell me in advance what I must pay for that study?

Mr. CONNERY. I think so. They will give you an estimated cost and then give you the figures which they collect, and you will pay for the collection of these statistics and all the expense that goes with it.

Mr. CRAWFORD. Do I pay in advance?

Mr. CONNERY. No.

Mr. CRAWFORD. Suppose they make the study and then find I am unable to make the payment?

Mr. CONNERY. They have not had any trouble that way. The Secretary says:

I feel the Department of Labor has been rendering an extremely desirable service which has not required any additional expense, and I earnestly recommend that authorization to render this service be extended.

Mr. CRAWFORD. Are these benefits limited to big corporations, trade associations, and such as that?

Mr. CONNERY. No.

Mr. CRAWFORD. Or are they subject to use by private individuals?

Mr. CONNERY. By private individuals.

Mr. CRAWFORD. A farmer, for instance?

Mr. CONNERY. Usually a private individual does not ask for this information. It is organizations that want to know about wages, hours, and this thing or that thing. Some of the statistics the Department has right at hand, and some they have to go out and get. The organization seeking the information pays for the whole thing.

Mr. CRAWFORD. Since the original act was passed there have been only $9,000 of income?

Mr. CONNERY. Since 1934 the Department has received approximately $9,000.

Mr. CRAWFORD. About $3,000 a year?

Mr. CONNERY. Yes. There evidently has not been a great demand for this service.

Mr. CRAWFORD. It seems to me the cost of securing such legislation, setting up machinery to carry it on, and so forth, is a great deal.

Mr. CONNERY. They do not have to set up the machinery. It is already there. This is to help manufacturers or labor organizations and others and is a service the Department will render for whoever pays for it.

Mr. O'MALLEY. Will the gentleman yield,

Mr. CRAWFORD. I yield to the gentleman from Wisconsin.

Mr. O'MALLEY. The Department already has its contacts for getting their own statistical information. When an association or a union wants additional information that Department can sometimes secure it by a series of letters, if the organization is willing to pay the bill. I think it is a good work.

Mr. CRAWFORD. Does the gentleman have considerable confidence in this work?

Mr. O'MALLEY. Yes; I know what they have done in a number of instances.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act to authorize the Department of Labor to make special statistical studies upon payment of the cost thereof, and for other purposes", approved April 13, 1934 (48 Stat. 582), as amended by the act approved April 11, 1935 (49 Stat. 154), and the authority therein conferred shall be, and hereby is, extended until April 13, 1939.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELIEF OF FORMER EMPLOYEES OF THE FEDERAL SUBSISTENCE HOMESTEADS CORPORATIONS

The Clerk called the next bill, H. R. 3058, for the relief of former employees of the Federal Subsistence Homesteads Corporations.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, this is a pretty big subject. I wish there was some member of the committee here who could clarify some of the provisions of this bill. If there is not a member of the committee present at this time who can explain the bill, I ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

NATIONAL CEMETERY AT FORT BLISS, TEX.

The Clerk called the next bill, H. R. 224, to authorize an appropriation for the purpose of establishing a national cemetery at Fort Bliss, Tex.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $25,000 to establish a national cemetery at Fort Bliss, Tex.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMERICAN PRINTING HOUSE FOR THE BLIND

The Clerk called the next bill, H. R. 4582, to amend the act approved August 4, 1919, as amended, providing additional aid for the American Printing House for the Blind.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act providing additional aid for the American Printing House for the Blind", approved August 4, 1919, as amended, is hereby amended to read as follows:

"That for the purpose of enabling the American Printing House for the Blind more adequately to provide books and apparatus for the education of the blind, there is hereby authorized to be appropriated annually to it, in addition to the permanent appropriation of $10,000 made in the act entitled 'An act to promote the education of the blind,' approved March 3, 1879, as amended, the sum of $115,000, which sum shall be expended in accordance with the requirements of said act to promote the education of the blind."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INDIAN CLAIMS COMMISSION

The Clerk called the next bill, S. 1902, to create an Indian Claims Commission, to provide for the powers, duties, and functions thereof, and for other purposes.

Mr. O'MALLEY. Mr. Speaker, I object.

SEVENTH WORLD'S POULTRY CONGRESS AND EXPOSITION

The Clerk called the joint resolution (H. J. Res. 365) authorizing Federal participation in the Seventh World's Poultry Congress and Exposition to be held in the United States in 1939.

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That pursuant to section 2 of Public Resolution No. 113, approved June 20, 1936 (49 Stat. 1568), authorizing and requesting the President to extend to the World's Poultry Science Association an invitation to hold the Seventh World's Poultry Congress and Exposition in the United States in 1939, and to extend an invitation to foreign governments to participate in and be represented by delegates and exhibits in such congress and exposition, the sum of $100,000, or so much thereof as may be necessary, is hereby authorized to be appropriated for the expenses of such meeting, including personal services in the District of Columbia and elsewhere without reference to the Classification Act of 1923, as amended; stenographic reporting and translating services by contract if deemed necessary, without regard to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5); rent; traveling expenses within the United States (and by indirect routes and by airplane if specifically authorized by the Secretary of State); purchase of necessary books, documents, newspapers, and periodicals; stationery; official cards; printing and binding; government exhibits; entertainment; hire, maintenance, and operation of motor-propelled passenger-carrying vehicles; and such other expenses as may be authorized by the Secretary of State, including the reimbursement of other appropriations from which payments may have been made for any of the purposes herein specified.

With the following committee amendment:

On page 2, after line 17, insert a colon and the following: "*Provided*, That the Secretary of State is authorized to transfer to any department or independent establishment of the Government with the consent of the head thereof any part of the funds appropriated pursuant to this act for direct expenditure by such department or establishment for the purposes specified in this act."

The committee amendment was agreed to.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SEVENTY-FIFTH ANNIVERSARY OF THE BATTLE OF ANTIETAM

The Clerk called the next bill, S. 102, to authorize the coinage of 50-cent pieces in commemoration of the seventy-fifth anniversary of the Battle of Antietam.

Mr. WELCH. Mr. Speaker, I object.

Mr. LEWIS of Maryland. Mr. Speaker, will the gentleman withhold his objection?

Mr. WELCH. Yes.

Mr. LEWIS of Maryland. I wonder if the gentleman is fully acquainted with the background and the merits of this legislation? The gentleman may perhaps be governed by considerations which would apply to other bills on this subject but do not apply to this bill.

Mr. WELCH. My purpose in objecting was to get further information.

Mr. LEWIS of Maryland. May I say to the gentleman this bill concerns the proposed commemoration of the Battle of Antietam, with which, of course, the gentleman must be familiar, one of the great and vital battles of the Civil War.

Mr. TABER. Mr. Speaker, will the gentleman yield for a question?

Mr. LEWIS of Maryland. If I can answer it, I will do so gladly.

Mr. TABER. Is it not a fact there has been a tremendous number of abuses with reference to the coinage of these 50-cent pieces all over the country? Committees have been appointed which have made large profits by promoting the sale of these coins, and this has become almost a public scandal wherever it has been done.

Mr. LEWIS of Maryland. I think perhaps that was the consideration which moved the objector. However, that consideration does not apply to this bill, may I assure the House. In this particular instance no racket is or can be connected with the disposition of the coins. A special commission has been appointed to administer the matter, of which a Representative from the State of Vermont is a member, and of which I myself also happen to be a member. Not a single one of these coins will get into the hands of the profit mongers.

Mr. PLUMLEY. Mr. Speaker, will the gentleman yield?

Mr. LEWIS of Maryland. I yield to the gentleman.

Mr. PLUMLEY. Mr. Speaker, I am embarrassed by the fact that I am in the first place a coin collector and opposed to this racket in coin collecting. No one is more opposed than I am to such a practice, and no man could be more opposed to it.

In the second place, I am a member of the Antietam Battle Commission, and I may assure the Members of the House that to fail to accord to the Battle of Antietam the recognition that is its due as the outstanding field battle of the war would be a serious error.

Mr. Speaker, heroism, patriotism, and valor wrote their names on history's page, all over the sanguinary field of Antietam, strewn with nearly 21,000 dead and wounded men—3,620 dead bodies North and South, and a total of 17,365 wounded men.

There engaged in mortal conflict 179 regiments of infantry, 14½ regiments of cavalry, 71 batteries of artillery, for the Confederates; 184 regiments of infantry, 15 regiments of cavalry, 50 batteries of artillery for the North. Rightly referred to as a "Hell of Artillery"—Antietam—the greatest single battle of the Civil War, 14 hours of carnage, a field sprinkled with the blood of brothers; 2,108 Union dead and 9,459 wounded; 3,500 Confederate dead, 16,399 wounded.

A sacrifice never equaled nor excelled in military history. A battleground historic in the annals of warfare. In fact, the greatest single battle of the war. Fourteen hours of carnage. From the standpoint of the military strategy employed, may I say that the strategy used at Antietam is unique and outstanding. McClellan's plan of attack used at Antietam was made, and is, historic, for the same strategy was used and followed by Lee at Gettysburg and by Marshal Oyama in the great Battle of Mukden. Antietam—of course, it is entitled to the recognition provided for by this bill.

Mr. ANDREWS. Mr. Speaker, I demand the regular order.

Mr. WELCH. Mr. Speaker, I ask unanimous consent that the bill may go over without prejudice.

Mr. LEWIS of Maryland. Mr. Speaker, will the gentleman defer that request for a moment?

Mr. ANDREWS. Mr. Speaker, I demand the regular order.

The SPEAKER. The gentleman from California asks unanimous consent that the bill may bo over without prejudice. Is there objection?

There was no objection.

Mr. LEWIS of Maryland. Of course, I would like to object to that course, but I am in a very delicate situation.

The SPEAKER. The Clerk will call the next bill on the Calendar.

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent that the gentleman from Maryland [Mr. LEWIS] may proceed out of order for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. LEWIS of Maryland. If the gentlemen will consult the report, I think they will feel reassured. The committee has not overlooked that circumstance, and in the report has stated bluntly that the report on this bill and the one following it from the State of Virginia, are not to be taken as indicative of any policy on the part of the committee.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. LEWIS of Maryland. I yield to the gentleman from Missouri.

Mr. COCHRAN. As a matter of fact, the committee had in mind that this bill passed the House during the last Congress and a small amendment was added in the Senate. They failed in the closing days of the Congress to agree to the amendment and therefore the bill was never sent to the White House. For this reason the committee agreed to report the bill favorably, taking into consideration the fact that Congress itself had provided for a commission, of which the gentleman from Vermont is a member, appointed by the Speaker or by the President, for the Congress to participate in this celebration. This was brought out in committee when the bill was favorably reported.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. LEWIS of Maryland. I yield.

Mr. DONDERO. Will this cost the Government of the United States any amount of money?

Mr. LEWIS of Maryland. Not a cent whatever.

Mr. DONDERO. I think we ought to commemorate the reddest day in the Civil War by coining these 50-cent pieces.

Mr. LEWIS of Maryland. I certainly think so.

Mr. PARSONS. Mr. Speaker, will the gentleman yield?

Mr. LEWIS of Maryland. I yield.

Mr. PARSONS. I may say for the benefit of the membership of the House that, in addition to what the gentleman from Maryland and the gentleman from Missouri have said, three amendments were placed on this bill and the bill that follows it on the calendar putting the sale of these coins under the direction of the Director of the Mint, so that they may try to eliminate any of the so-called racketeering in these coins that some of the Members have had the impression has been going on in the last 2 or 3 years; and because these two bills were passed last year by the two Houses but did not become law for the reasons explained by the gentleman from Missouri, the Committee on Coinage, Weights, and Measures reported them again at this session.

Mr. WOODRUM. Mr. Speaker, will the gentleman from Maryland yield to me so that I may ask the gentleman from Illinois a question?

Mr. LEWIS of Maryland. I yield to the gentleman from Virginia.

Mr. WOODRUM. Is it not true that the Committee on Coinage, Weights, and Measures has practically refused to report any other bills, but has made an exception in this case for the reason the gentleman has assigned?

Mr. PARSONS. That is true; until we can file the regulations that the Treasury has asked us to file, so that all Members may have an opportunity to study the regulations and have their bills conform to them in the future.

Mr. WOODRUM. So these two bills are the only bills reported by the committee?

Mr. PARSONS. Yes.

Mr. COCHRAN. The committee did agree to report a third bill, introduced by the gentleman from California [Mr. WELCH] but action was taken at such a late date that the chairman of the committee advised me that the gentleman from California [Mr. WELCH] did not desire his bill reported, and for that reason it was not reported.

Mr. MEAD. Mr. Speaker, will the gentleman yield?

Mr. LEWIS of Maryland. I yield.

Mr. MEAD. As a Member interested in one of the bills turned down, I hope this bill passes because the experience that will result from the passage of this bill will help the rest of us who have bills pending before the committee.

Mr. CITRON. Mr. Speaker, will the gentleman yield?

Mr. LEWIS of Maryland. I yield.

Mr. CITRON. Why is the number of coins limited to 50,000 in Senate bill 102?

Mr. LEWIS of Maryland. It was thought that some limit ought to be placed upon the number of such coins and this is also the view of the Treasury.

Mr. CITRON. If 50,000 commemorative coins are not sufficient for the demand in this country, a situation arises such as has often occurred in the past. While I desire to commemorate the Battle of Antietam, nevertheless I must agree with many of my constituents who have written me, complaining about what we have done in the past by limiting the number of such coins and helping to create a form of racketeering in this country. A few people obtain a large quantity of these coins, thus creating a scarcity on the market and forcing prices upward. I do not believe we should pass legislation which can be utilized by some people in such a manner. I believe such legislation should be surrounded with safeguards to protect us against these evils.

[Here the gavel fell.]

Mr. MEAD. Mr. Speaker, I ask unanimous consent that we may return to the bill sponsored by the gentleman from Maryland [Mr. LEWIS].

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER. Is there objection to the present consideration of the bill S. 102?

Mr. MARTIN of Massachusetts. I object, Mr. Speaker.

Mr. PARSONS. Mr. Speaker, was the request for consideration of the bill or to return to the bill in order to ask that it may go over without prejudice?

The SPEAKER. Objection was made to the original request, and the gentleman from New York [Mr. MEAD] asked unanimous consent to return to the bill, and that request was granted. The Chair then submitted the question of whether or not the bill would be considered, and the gentleman from Massachusetts [Mr. MARTIN] objected, and only one objection is required under the rule.

COINAGE OF 50-CENT PIECES, CITY OF NORFOLK, VA.

The Clerk called the bill (S. 4) to authorize the coinage of 50-cent pieces in commemoration of the three hundredth anniversary of the original Norfolk, Va., land grant and the two hundredth anniversary of the establishment of the city of Norfolk, Va., as a borough.

The SPEAKER. Is there objection?

Mr. WELCH. Mr. Speaker, I ask unanimous consent that the bill go over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

ACCEPTANCE OF STATUES OF WILLIAM JENNINGS BRYAN AND J. STERLING MORTON

The Clerk called Senate Concurrent Resolution 12, accepting the statues of William Jennings Bryan and J. Sterling Morton, presented by the State of Nebraska and placed in the Capitol of the United States.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the concurrent resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That the thanks of this Congress be presented to the Governor and through him to the people of the State of Nebraska for the statues of William Jennings Bryan and J. Sterling Morton, whose names are so honorably identified with the history of our country; that these works of art are accepted in the name of the Nation and assigned to places in the Capitol of the United States already set aside by Congress for the statues of eminent citizens; and that a copy of this resolution, signed by the President of the Senate and the Speaker of the House of Representatives, be transmitted to the Governor of Nebraska.

The SPEAKER. The question is on agreeing to the concurrent resolution.

The resolution was agreed to.

ADDITIONAL APPROPRIATION, UNITED STATES CONSTITUTION SESQUICENTENNIAL COMMISSION

The Clerk called House Joint Resolution 363, to authorize an additional appropriation to further the work of the United States Constitution Sesquicentennial Commission.

The SPEAKER. Is there objection?

Mr. MARTIN of Massachusetts. Mr. Speaker, I reserve the right to object. Will the gentleman kindly explain how much money is required here?

Mr. BLOOM. Mr. Speaker, this is the $150,000 additional that was taken out of the original appropriation the last time the bill was under consideration. The amount of the appropriation authorized last year in a similar bill was $350,000. Inasmuch as the full amount was not necessary during the term last year, $150,000 was taken out of it, making the amount $200,000. This is asking for the additional $150,000 that is necessary to continue the Commission for this year.

Mr. MARTIN of Massachusetts. Why should the Commission be continued for another year?

Mr. BLOOM. We have gone ahead and we have laid out our plans. If we do not go ahead now, all of the work that we have done up to this time would be wasted.

Mr. MARTIN of Massachusetts. How long is it going to continue; how many years?

Mr. BLOOM. Until April 30, 1939.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. BLOOM. Yes.

Mr. RICH. This is the celebration of the Constitution.

Mr. BLOOM. Yes.

Mr. RICH. Does the gentleman believe, after the way that they are trying to tear down the Supreme Court and the laws of the land, that we will last that long, so that we can celebrate the Constitution of the United States next year?

Mr. KRAMER. Mr. Speaker, will the gentleman yield?

Mr. BLOOM. Yes.

Mr. KRAMER. Does this appropriation include enough to enable the printing of those booklets which the gentleman from New York has sent out to some of the Members of Congress? I understand it will take about $150,000 to print them.

Mr. BLOOM. No. There would have to be an additional appropriation if the House should find it necessary to give each Member 1,000 or more of these books. You would have to appropriate specifically for that.

Mr. KRAMER. I have introduced a resolution to give each Member of Congress 2,500 additional copies without any expense. I sent out a few of these to the schools in my district and I have received some very fine reports. They say that the large volumes on the shelves of the libraries about the Constitution are not used, and this is very readily and easily understood, because the matter is handled in such a manner that it can very readily give the information in respect to the Constitution to the pupils of the schools.

Mr. BLOOM. The Commission would be very pleased to see to it that each Member gets a sufficient number of books, if we have sufficient money with which to do it.

Mr. MARTIN of Massachusetts. Mr. Speaker, I demand the regular order.

The SPEAKER. The regular order is demanded. Is there objection?

Mr. CULKIN. Mr. Speaker, I object.

NORTHWEST TERRITORY CELEBRATION COMMISSION

The Clerk called House Joint Resolution 380, to provide for the publication and sale by the Northwest Territory Celebration Commission of certain historical and educational material.

The SPEAKER. Is there objection?

Mr. TABER. Mr. Speaker, I reserve the right to object. I understand this bill carries a revolving fund. How much money is involved in that?

Mr. SECREST. Five thousand dollars is involved, but it will not be reappropriated unless the Committee on Appropriations of the House deems it advisable to do so.

Mr. TABER. The bill does not say that, does it?

Mr. SECREST. Yes; the bill says that.

Mr. TABER. Will the gentleman call our attention to the particular language of the bill that says that the money shall be appropriated in the regular way so that there will be a check-up on these things?

Mr. SECREST. The bill provides:

Sums received from the sale of such published material are hereby authorized to be appropriated as a revolving fund for the continued publication and sale of such material.

Mr. TABER. If it had said "may be appropriated", that would be all right. The Appropriations Committee would not have to perform any function with that language. Mr. Speaker, I ask unanimous consent that the bill go over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

MARKER FOR JEFFERSON DAVIS HIGHWAY

The Clerk called the next bill, S. 1468, authorizing the erection in the District of Columbia of a suitable terminal marker for the Jefferson Davis National Highway.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, I object.

FORT NIAGARA MILITARY RESERVATION

The Clerk called the next bill, H. R. 3123, to authorize the Secretary of War to lease to Old Fort Niagara Association, Inc., portions of the Fort Niagara Military Reservation, N. Y.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized to lease to Old Fort Niagara Association, Inc., a nonprofit membership corporation incorporated under the laws of the State of New York, that portion of the Fort Niagara Military Reservation, N. Y., known as Old Fort Niagara, including all grounds, buildings, and fortifications pertaining thereto which have been restored and rehabilitated by Old Fort Niagara Association, Inc., and the United States of America, for the purposes of maintaining and operating there an international patriotic shrine and historical institute, together with such additional adjacent areas and/or buildings as, in the discretion of the Secretary of War, may be or become necessary for such purposes, for such term or terms and subject to such conditions as, in the discretion of the Secretary of War, shall be advisable: *Provided, however*, That the consideration for any lease executed pursuant to this act shall be the maintenance by said Old Fort Niagara Association, Inc., of said premises in accordance with the terms of such lease, and every such lease shall reserve to the United States of America the right to resume possession and occupy said premises, or any portion thereof, whenever in the judgment of the President an emergency exists that requires the use and appropriation of the same for public defense.

With the following committee amendments:

Page 2, line 1, after the word "America", strike out the remainder of the line, all of line 2, and the words "historical institute", in line 3; line 5, after the word "necessary", strike out "for such purposes"; line 12, after the word "shall", strike out the remainder of the bill and insert "be revocable at will by the Secretary of War."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SPACE IN FEDERAL BUILDINGS FOR EMPLOYEES' CREDIT UNIONS

Mr. LANHAM. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 6287) to provide for space in Federal buildings for employees' credit unions.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. SNELL. Mr. Speaker, reserving the right to object, why should we jump over all the other bills on the calendar and take up this particular bill?

The SPEAKER. The Chair was informed by the gentleman from Massachusetts [Mr. McCORMACK], concurred in by the gentleman from Texas [Mr. LANHAM], that this was a bill that

should be acted upon at once. Unless that were done some disadvantage would be done to the public service. That is the only reason the Chair recognized the gentleman.

Mr. SNELL. What is the bill?

Mr. McCORMACK. These are Federal credit unions which have been occupying space in various Federal buildings. Six months ago the Comptroller General ruled there was no authority of law for this, and they gave them until June 1, which was the deadline, and the time has been extended pending congressional action.

Mr. SNELL. What does this bill seek to do?

Mr. McCORMACK. This permits the allocation of space in Federal buildings, which they have been occupying for a number of years, until the recent ruling by the Comptroller General.

Mr. LANHAM. May I say to the gentleman from New York this is favorably reported by all the departments, and this will be left within the discretion of the departments if space is available.

The SPEAKER. Is there objection?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That upon application by any Federal credit union, a majority of the shares of which are subscribed for by officers and employees of the Federal Government, to the officer or agency of the United States charged with the allotment of space in the Federal building in the community or district in which the union does business, such officer or agency shall allot adequate space in such building to such credit union. No rent shall be charged for the use of such space, but a reasonable charge shall be collected for heat, light, care, and services furnished to the union.

With the following committee amendment:

Strike out all after the enacting clause and insert:

"That the Federal Credit Union Act is amended by inserting at the end thereof the following new section:

"'SEC. 21. Upon application by any credit union organized under State law or by any Federal credit union organized in accordance with the terms of this act, the membership of which is composed exclusively of Federal employees, which application shall be addressed to the officer or agency of the United States charged with the allotment of space in the Federal buildings in the community or district in which said credit union or Federal credit union does business, such officer or agency may in his or its discretion allot space to such credit union if space is available without charge for rent or services.'"

Mr. McCORMACK. Mr. Speaker, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. McCORMACK to the committee amendment: On page 2, line 8, after the word "employees", insert "and members of their families."

The amendment to the committee amendment was agreed to.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

The title was amended to read: "A bill to amend Public Act No. 467, Seventy-third Congress, entitled 'Federal Credit Union Act.'"

OIL CONSERVATION

Mr. LEA. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 790) to repeal section 13 of the act entitled "An act to regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce of petroleum and its products produced in violation of State law, and for other purposes", approved February 22, 1935, with House amendments, insist on the amendments of the House, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California? [After a pause.] The Chair hears none and appoints the following conferees: Mr. COLE of Maryland, Mr. PETTENGILL, Mr. KELLY of Illinois, Mr. MAPES, and Mr. WOLVERTON.

FEDERAL EMERGENCY ADMINISTRATION OF PUBLIC WORKS

Mr. WOODRUM. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 7363) to continue the Federal Emergency Administration of Public Works for 2 years, and for other purposes.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Federal Emergency Administration of Public Works is hereby continued until July 1, 1939, and until such date is hereby authorized to continue to perform all functions which it is authorized to perform on the date of the enactment of this act. All provisions of existing law relating to the availability of funds for carrying out any of the functions of such Administration are hereby continued until July 1, 1939, except that the date specified in the Emergency Relief Appropriation Act of 1936, prior to which, in the determination of the Administrator, a project can be substantially completed is hereby changed from "July 1, 1938" to "July 1, 1939", and except that the amount of funds which the Administrator, upon the direction of the President, is authorized to use for grants from moneys realized from the sale of securities is hereby changed from $300,000,000 to $340,000,000: *Provided*, That after the date of the enactment of this act no allotment shall be made for any project the application for which has not been approved by the examining divisions of the Federal Emergency Administration of Public Works prior to such date: *Provided further*, That in addition to the funds available for administrative expenses for such Administration in the Independent Offices Appropriation Act, 1938, not to exceed $3,000,000 of the foregoing amount of $340,000,000 may be used by such Administration for administrative expenses during the fiscal year 1938.

The SPEAKER. Is a second demanded?

Mr. TABER. Mr. Speaker, I demand a second.

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The gentleman from Virginia [Mr. WOODRUM] is entitled to 20 minutes and the gentleman from New York [Mr. TABER] is entitled to 20 minutes.

Mr. WOODRUM. Mr. Speaker, I yield myself 5 minutes. I ask unanimous consent to extend my own remarks and to include therein a brief statement from the Public Works Administration.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. WOODRUM. I also ask unanimous consent that all Members may have 5 legislative days in which to extend their own remarks on this bill.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. WOODRUM. Mr. Speaker, this bill—not an appropriation bill as we all understand one—a legislative bill which for some reason unknown to me was referred to the Appropriations Committee—carries out as we believe the tentative understanding, the informal understanding, which was had during the consideration of the relief bill; in fact, it is more liberal than that understanding. Let me say, Mr. Speaker, that since the beginning of this program and the creation of the Public Works Administration, and as of March 31 last, 9,298 non-Federal projects have been taken care of at an estimated cost of $2,422,000,000. Out of this total cost the Federal Government has allotted $1,475,000,000 of which $724,000,000 are grants and $751,000,000 are loans; so this has been a large and a comprehensive program, and one which some of us think has been entirely justified.

The purpose of this bill, very briefly stated, is that it extends the life of the Public Works Administration for 2 years. It permits the Administrator to go ahead with the projects on which the P. W. A., as we saw fit to denominate it, was morally obligated; that is, that type of project where there have been bond elections or where there had been legislation making money available. It takes care of all these cases. In addition, it takes care of all so-called hazardous school projects. You will remember that when we discussed this matter the other day the President promised those gentlemen with whom he talked that he would take care of schools that were fire hazards. This bill takes care of all those schools that are fire hazards and in addition those that are regarded as a hazard to health.

We give the Public Works Administration authority to use $40,000,000 additional for grants which gives them an unobligated total of $132,000,000 for grants. We continue the

power to allocate funds for loans in the sum of $124,000,000, which amply takes care of their loan needs through the revolving fund, and we give them for administration in addition to the $10,000,000 carried in the independent offices bill, the sum of $3,000,000 for administrative expenses; so, in the judgment of the committee, after conferring with the gentleman from Texas [Mr. RAYBURN], the gentleman from New York [Mr. BEITER], to whom I shall yield time in a few moments, the committee feels that it has brought you a bill which has been fairly considered in the House. It has been debated here for days. We feel that we have brought you a bill which liberally carries out the tentative understanding had when the so-called Beiter amendment to the relief bill was withdrawn.

Mr. SNELL. Mr. Speaker, will the gentleman yield for a short question?

Mr. WOODRUM. I yield.

Mr. SNELL. Do I understand from the gentleman's statement that this bill makes provision for completing all of the school projects that already have been approved by the P. W. A.?

Mr. WOODRUM. That is correct.

Mr. MAY. Mr. Speaker, will the gentleman yield for a question?

Mr. WOODRUM. I yield.

Mr. MAY. Did I understand the gentleman to say that in addition to those which had already been approved, it included all school projects where there was a fire hazard and it had been so declared?

Mr. WOODRUM. If the applications were on file with the Public Works Administration.

Mr. MAY. Suppose application should be made to the P. W. A. by a community that has been building a schoolhouse.

Mr. WOODRUM. That does not come in.

Mr. MAY. That it is in process of consideration but has not yet been approved.

Mr. WOODRUM. It does not come in. May I say, Mr. Speaker, that 3,000 projects of various kinds already have been approved by the Public Works Administration. It would require $500,000,000 to take care of all of them. The door has to be shut somewhere.

Mr. MARTIN of Colorado. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. MARTIN of Colorado. Suppose it involves a municipal project where a tax levy has been made and the project approved.

Mr. WOODRUM. If it is a school project, it is taken care of in this bill.

May I say this before my time is gone, that I pay my respects to the gentleman from New York [Mr. BEITER], who has been so much interested in this matter and put so much time on it, and to the gentleman from Colorado [Mr. MARTIN], who has introduced a bill. These gentleman have worked laboriously, and I think each Member of the House and our constituents owe them a debt of gratitude for their industry in bringing this about and making it possible for these worthy and justifiable projects to be completed.

Some inquiries have been made of me as to the proviso on page 2, lines 7 to 11, inclusive, of the bill, which reads as follows:

Provided, That after the date of the enactment of this act no allotment shall be made for any project the application for which has not been approved by the examining divisions of the Federal Emergency Administration of Public Works prior to such date.

In response to these inquiries I am inserting the following letter from Colonel Hackett, the Assistant Administrator:

FEDERAL EMERGENCY ADMINISTRATOR OF PUBLIC WORKS,
Washington, June 7, 1937.

Hon. CLIFTON A. WOODRUM,
House of Representatives.

MY DEAR MR. WOODRUM: In response to your telephone request, the examining divisions of the Public Works Administration have completed their examination of practically all projects that have been received in Washington.

Consequently, the provision in H. R. 7363, lines 7 to 11, inclusive, on page 2, would include all projects contained in the seven lists enumerated below, as they will surely be examined before the date of enactment of this act.

	Loans	Grants
List no. 1. Elections subsequent to June 16, 1933 (approved projects)	$4, 956, 200	$37, 919, 893
List no. 2. Elections prior to June 16, 1933 (approved projects)	364, 000	9, 870, 855
List no. 3. Elections subsequent to June 16, 1933 (which are not finally approved)	785, 000	9, 019, 539
List no. 4. Elections prior to June 16, 1933 (which are not finally approved)		1, 090, 933
List no. 5. Legislative appropriations, approved projects	131, 000	6, 738, 980
List no. 6. Legislative appropriations, not finally approved	2, 231, 000	7, 388, 207
List no. 7. Hazardous school projects	10, 441, 965	60, 000, 000
Total	18, 909, 165	132, 028, 407

All other pending projects now on file in the central office of the Public Works Administration will also have been examined by the examining divisions and placed in an approved or disapproved status before the date of enactment of this act.

There are numerous other applications now on file in the State offices of the Public Works Administration that have not yet been received by the central office. These will not be forwarded to Washington for inclusion in the list of projects now pending before the Public Works Administration.

Sincerely yours,

HORATIO B. HACKETT,
Assistant Administrator.

Mr. TABER. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Speaker, I regret this important bill has been brought up for consideration under suspension of the rules without any opportunity to offer amendments and with debate limited to 20 minutes on each side. There are two amendments which I should like to have offered, one giving preference to American citizens over aliens in employment by the Public Works Administration, and the other to give preference to American veterans of the World War and the Spanish War. In view of the fact this important legislation is brought up under suspension of the rules, it is impossible to offer any amendments.

This raises another issue. Under the leadership of the distinguished Speaker of the House and the distinguished majority leader, there has been great latitude in permitting Members of the House to speak by unanimous consent. In the many years I have been a Member of Congress I do not recall any Speaker or majority leader who has been so generous and liberal in permitting individual Members to speak by unanimous consent. I regret, however, that a change in this salutary practice has been proclaimed here today, under which individual Members cannot obtain unanimous consent to speak except as subject to other legislation which may be called up to prevent them from speaking.

Mr. Speaker, the only remaining right the minority has is the right of protest. Let us say, vocal protest. The small Republican minority has not sufficient votes to control legislation. The only constitutional right we have as Members of Congress is to speak upon the floor of the House, criticize, protest, and express our views. Now it is proposed that Members will not be permitted to speak by unanimous consent except subject to being cut off by all kinds of so-called privileged measures. The gentleman from Pennsylvania [Mr. RICH] asked unanimous consent for time to speak on any day during the next 2 weeks. His request was denied.

I am not concerned with what the gentleman from Pennsylvania [Mr. RICH] is going to say. I do not know and I do not care, but he is a Member of the House and he has the right to be heard. That is his constitutional right. Over in the Senate of the United States a Senator can be heard at any time and speak out of order, which is one of the reasons that the Senate is so powerful and has the prestige and reputation for liberal debate and discussion of current issues.

I hope the leadership of the House on the Democratic side will not enforce the proposed restriction but will permit the greatest latitude and liberality in upholding the dignity and reputation of the House of Representatives for freedom of speech and freedom of debate. This is a serious question

and one that can be determined only by the House itself, as the Speaker stated.

We have only one more appropriation bill to be presented under which Members may speak in general debate. For this reason it is all the more important that individual Members on both sides may have the right to be heard by unanimous consent. There are Members who prepare their speeches in advance, who write them out and want to be heard at the time they get permission to address the House. I hope the House itself will see to it that the Democratic majority leader will not refuse consent to individual Members, particularly those on the minority side, when they want to be heard. That is not only their constitutional right but the right to criticize and protest is an inherent and essential power for any minority. Any attempt to deprive the minority of that right undermines the prestige of the House as a deliberative body, and any attempt to gag an individual Member abridges freedom of speech and interferes with freedom of debate, which are essential under our free institutions and American system of government based upon our three separate and independent branches of government.

[Here the gavel fell.]

Mr. WOODRUM. Mr. Speaker, I yield such time as he may desire to the gentleman from Indiana [Mr. LUDLOW].

Mr. LUDLOW. Mr. Speaker, the bill that is before the House for the extension of the Public Works Administration for 2 years for liquidating purposes seeks in the utmost good faith to carry out the agreement that was reached last week when differences were composed on a basis of mutual understanding.

Essential features of that understanding were that the President will rescind the Executive order limiting P. W. A. grants to the cost of relief labor on a project plus 15 percent, and that all projects that have been started will be completed in accordance with the original method of procedure where there is a moral obligation on the part of the United States Government to finish them.

While this is a liquidating bill it is not a harsh and untenable form of liquidation that is here proposed. The liquidation that is proposed in this bill is most generous and liberal. In some respects in its meticulous regard for the rights of applicants and in order to guarantee that no injustice shall be done, it goes beyond the verbal agreement that was reached in the conference between our majority leader, Mr. RAYBURN, and the President, and beyond bounds that might reasonably have been expected.

This is notably true in reference to schoolhouse projects. The scope of the understanding when it reached our subcommittee was that in respect to schoolhouses the language of the bill should include those school projects where a fire hazard is involved. Now, there are other hazards affecting schools besides fire hazards, and in the final determination we have made provision for all school applications. The Public Works Administration informs me that there are 1,171 of these applications pending, about half of which involve fire hazard.

The Public Works Administration advises that the school applications where fire hazard is the incentive of the application will require $35,000,000 in P. W. A. grants and $4,500,000 in P. W. A. loans, while the nonfire hazard applications will require $45,000,000 in grants and $7,000,000 in loans, so that the Appropriation Committee's liberal interpretation of the agreement in respect to schools means that more money will be paid out on non-fire-hazard school projects than on projects where fire hazard is involved.

Another circumstance illustrating the liberality of this bill as a liquidating measure is in its wide coverage of projects in which bond elections have been held. It was the wish of the President and was a part of the understanding that was reached when differences were composed that in every instance where there is any moral obligation to carry out the proceedings that were initiated by a bond election the Government shall not fail to do its part.

So far 803 bond elections have been held to qualify for P. W. A. funds, and of these, 497 were held prior to January 1, 1937. The act creating the Public Works Administration was signed and became effective on June 16, 1933. It is an interesting fact that 54 of the 803 bond elections referred to were held prior to June 16, 1933. In other words, they were held before the P. W. A. was in existence. Obviously these bond elections were not held for the purpose of qualifying for P. W. A. funds, for when they took place the P. W. A. was not in existence. When the P. W. A. sprang into being the various communities that had ordered these bond elections saw a chance to qualiy for Federal grants, and so switched their plans as to enable them to qualify for Government funds to pay for 45 percent of the cost of their projects.

What is the status of these 54 projects as regards the factor of "moral obligation"? It could hardly be said that there is any moral obligation to comply with a bond election that was held before the law creating the Public Works Administration was enacted.

It may be said, furthermore, that there is some doubt about the moral obligation resting upon the Government to carry out some of the other bond elections, particularly some of the 306 that have been held since January 1 last, when it was known to all men that P. W. A. was on a retrenchment basis. As far back as March 11, 1936, Col. Horatio B. Hackett, Acting Public Works Administrator, put all State directors and division heads of P. W. A. on notice that following that date new applications must be accepted only with the understanding that there was no commitment on the part of P. W. A. for the allocation of funds. I quote his letter as sent out at that time to State directors and division heads:

P. W. 51768

FEDERAL EMERGENCY ADMINISTRATION OF PUBLIC WORKS,
Washington, D. C., March 11, 1936.

Letter of instructions no. 52
Subject: Acceptance of new applications

In the future you are authorized to accept new applications submitted by applicants with the understanding that such acceptances carry no commitment on the part of the Public Works Administration for the allocation of funds.

State directors will not solicit applications, as the Public Works Administration has no funds for allocations to projects at this time.

Applicants must be informed fully that we are accepting these applications for their convenience and that they will be examined In the State offices and sent to Washington but that no assurance can be given that favorable action will be taken or funds allocated.

HORATIO B. HACKETT,
Assistant Administrator.

I only cite these facts to show that in allowing all school projects and all applications based on bond elections to come under the wire and qualify for P. W. A. funds your Committee on Appropriations certainly has not been narrow and parsimonious in its attitude but has been most liberal in framing this bill in a way that will do injury to none and justice to all. In other words, as stated before, we have made every effort to carry out in good faith and with the most liberal interpretations the agreement that was reached in regard to the disposition of this entire matter.

As stated heretofore, this bill will provide money to carry out all bond elections and all school projects, and it also provides money for all projects for which appropriations have been made by State legislatures. These "legislative" projects, so-called, will require $14,000,000 in Federal grants and $2,300,000 in Federal loans.

Obviously, with the return of better times and with the necessity of retrenchment so apparent, there is an imperative obligation resting upon Congress to close out the Public Works Administration as soon as it can be done in justice to all. I commend to your thoughtful consideration the following quotation from the report on this bill, which, I believe, embraces sound philosophy:

There has been great demand and pressure from many sources in the United States for continuation of the Public Works Administration and the making of grants. Naturally there would be and will be such a sentiment so long as the Federal Government continues to give to communities a substantial proportion of the cost of their public improvements, but with the return of more normal conditions of business and a continuing and improving prosperous condition in all sections of the country the Federal Government

must, of necessity, as soon as possible, withdraw from this emergency field. With the funds provided in the bill, the United States will be able to discharge all of the obligations that any community can reasonably expect in connection with Public Works Administration activities.

At the present time the Public Works Administration has 4,323 applications on hand which, if allowed, would involve the expenditure of Federal funds in the sum of $933,000,000—$643,000,000 for grants and $290,000,000 for loans. To qualify for these grants on a 45–55 basis, the States, counties, and other subdivisions sponsoring the projects would have to bond themselves in the stupendous sum of $785,000,000, thus enormously increasing their burden of debt and taxation. If, in addition to the grants, the loans that have been applied for were allowed, the debt of the local communities would be swollen by over a billion dollars.

The files of the Public Works Administration are stuffed with applications covering almost every conceivable kind of project, some sound and others fantastic. It is perfectly apparent that the Government cannot go on and on in this kind of activity. The bill before us terminates it in a gradual, humane, and proper way. It is my belief that it is a wholesome measure, and I hope it will pass.

Mr. TABER. Mr. Speaker, I yield myself 8 minutes.

Mr. PETTENGILL. Will the gentleman yield for a brief question?

Mr. TABER. I yield to the gentleman from Indiana.

Mr. PETTENGILL. Does this bill provide an absolute dead line on new applications not heretofore filed?

Mr. TABER. I think perhaps the best way I could answer that would be to read for the information of the membership the provisos.

Mr. PETTENGILL. This is a matter the entire House is interested in, and it ought to be a matter of record whether there is a dead line or not with respect to schoolhouses.

Mr. TABER. I will read the provisos, if I may be permitted to do so; then I shall attempt to answer the gentleman's question specifically.

On page 2 there is this proviso:

Provided, That after the date of the enactment of this act, no allotment shall be made for any project the application for which has not been approved by the examining divisions of the Federal Emergency Administration of Public Works prior to such date: *Provided further*, That in addition to the funds available for administrative expenses for such Administration in the Independent Offices Appropriation Act, 1938, not to exceed $3,000,000 of the foregoing amount of $340,000,000 may be used by such Administration for administrative expenses during the fiscal year 1938.

According to my understanding of the first proviso, only those projects which already have been approved by the P. W. A., for which bond issues have been voted, and in addition a small number of projects comparatively amounting to about $40,000,000, are included. This covers schools where there is a fire or health hazard and for which applications have already been submitted and approved tentatively by the P. W. A., but such bond issues have not yet been arranged. The whole amount runs approximately $132,000,000.

It is the understanding of the Administration—and I get this from the majority leader, the Budget, and representatives of the P. W. A. who appeared before the committee—that this activity shall cease with the expenditure of the $132,000,000, and in addition to that there will be required certain funds for taking up of bonds of municipalities and localities where the localities determine to float their bonds through the P. W. A.—and most of them do not. There are a few of them that have, and the authorities themselves estimate very little loss as a result of those bonds.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. My understanding is all schools that have been approved but where the money has not been available will come under this, provided there is a fire hazard in the school, or unsanitary or unhealthful conditions.

Mr. TABER. That is, providing the application is now pending and is contained within a certain list of projects, which total about $40,000,000.

Mrs. ROGERS of Massachusetts. Must it be in that list of projects?

Mr. TABER. Oh, yes. Only a certain group of projects are included, as I understand it.

Mrs. ROGERS of Massachusetts. But not the special schools. They are not named?

Mr. TABER. Oh, yes; that is my understanding.

Mrs. ROGERS of Massachusetts. Is that list available?

Mr. TABER. I understand it is. I have not the list myself, but I understand it is available.

Mr. PETTENGILL. Will the gentleman yield?

Mr. TABER. I yield to the gentleman from Indiana.

Mr. PETTENGILL. What happens to additional funds coming into the revolving fund from the sale of municipal bonds now in the portfolio?

Mr. TABER. Anything not required for obligations now existing or existing as a result of the act which we have before us reverts to the Treasury of the United States.

Mr. DOWELL. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Iowa.

Mr. DOWELL. May I inquire whether it is estimated that projects already approved amount to the $300,000,000 provided in this bill?

Mr. TABER. No. The projects which are already approved, which this act attempts to cover, amount probably to approximately $275,000,000 of which the Government would make grants of $132,000,000. The object of changing the limitation of $250,000,000 which the Reconstruction Finance Corporation can now hold at one time of the bonds which the P. W. A. has taken over from localities is to provide the funds for operation under this bill. There will be grants amounting to only $132,000,000 in all under this bill.

Mr. DOWELL. Does the gentleman mean to state that only $132,000,000 will be provided by reason of the enactment of this legislation?

Mr. TABER. One hundred and thirty-two million dollars of grants under the 45 percent rule, but no one can tell what amount of bonds there may be. It may run to $150,000,000, because 55 percent can be bonds. It will not, however, because a very large percentage of the communities float their own bonds directly to local people.

Mr. DOWELL. Independent of this legislation?

Mr. TABER. Independent of this legislation.

Mr. JOHNSON of Oklahoma. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Oklahoma.

Mr. JOHNSON of Oklahoma. The gentleman mentioned fire hazards and health hazards. As I understand the measure, it matters not how great the fire hazard or health hazard may be, if the application is not already in and is not included in a certain group of projects it would be out of the picture under this bill.

Mr. TABER. That is my understanding.

Mr. BOILEAU. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Wisconsin.

Mr. BOILEAU. As I understand it, the $340,000,000 is not here appropriated, but will come out of the $1,500,000,000 we appropriated the other day?

Mr. TABER. The $340,000,000 may mean nothing at all. This is simply a raising of the limitation of $250,000,000 which now exists as to the amount of securities which the R. F. C. may buy from the P. W. A. and hold at one time. Frankly I do not believe the R. F. C. would have to hold more than the $250,000,000 at any one time to carry out the purposes of this bill, because the R. F. C. has been accustomed to dispose of a very large percentage of the bonds it takes over from the P. W. A. immediately, so that it has never been anywhere near the limit of $250,000,000.

Mr. BOILEAU. Can the gentleman tell us how much of the billion and a half we appropriated in the relief bill could be taken for the purposes of this bill?

Mr. TABER. I suppose the President could allot the funds for certain purposes in connection with this bill, but not directly. He would have to create a set-up under the W. P. A. to construct buildings. It could not be just exactly as this bill would operate, or just exactly as the P. W. A. would operate, as I understand it.

Mr. BOILEAU. I am sure the Members of the House would be very much indebted to the gentleman if the gentleman could give information as to how much could possibly be taken out of the billion and a half for this purpose, so that we may have some idea of how much could be left for W. P. A.

Mr. TABER. The President could order the W. P. A. to construct buildings similar to those things the P. W. A. has done to the full extent of the billion and a half. The way the bill was passed in the House it is entirely up to the President to do as he pleases with it.

Mr. BOILEAU. Do the two bills have any relation one to the other?

Mr. TABER. They do not.

Mr. McCLELLAN. Mr. Speaker, will the gentleman yield?

Mr. TABER. Yes.

Mr. McCLELLAN. There is one thing which is not quite clear to me under the provision with reference to the time applications will be barred from further consideration. In other words, those which are not approved at the time this law goes into effect or those which have not already been approved cannot be considered? There are a number of projects, I understand, where bond issues have already been voted but which are not yet in an approved status.

Mr. TABER. My understanding—and I may not be correct, but I think I am—is that where bond issues have been approved this takes care of them absolutely.

Mr. McCLELLAN. In other words, they are supposed to have approved them before the date this law goes into effect to get the benefit from them?

Mr. TABER. Yes.

Mr. LEWIS of Colorado. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Colorado.

Mr. LEWIS of Colorado. Where financial arrangements have already been completed, although not through bond issues, would such projects be covered?

Mr. TABER. Oh, yes; absolutely. There is no question about that, if their application is filed in this group over at the P. W. A. offices.

Mr. MASSINGALE. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Oklahoma.

Mr. MASSINGALE. What is the gentleman's opinion under this proviso with reference to this situation? An application was made to construct a project under the W. P. A. a year or two ago, and was approved. Bonds of the municipality were issued. Subsequently they have concluded they can build the project more cheaply under P. W. A., and P. W. A. has taken jurisdiction of it, though I believe they have not finally approved it. However, the municipality had issued bonds when the W. P. A. had approved the project.

Mr. TABER. I do not know that I could say anything about that situation, which is evidently an arrangement operating between the W. P. A. and the locality. I would have to know all about the facts before I could answer the gentleman. I am afraid I cannot attempt to answer it here on the floor.

Mr. HEALEY, Mr. FITZPATRICK, and Mr. THOMASON of Texas rose.

Mr. TABER. I yield to the gentleman from Massachusetts [Mr. HEALEY], and then I must take the rest of the time myself.

Mr. HEALEY. Do I understand correctly that only projects where bonds have been issued can be considered under this bill? In other words, projects which have been approved but which have not arrived at the stage of issuing bonds cannot be carried out under this bill?

Mr. TABER. Projects with reference to the schools which are in this selected list of schools, which have been approved, where there is a fire or health hazard involved, can be considered under this.

I feel that I must go along and say two or three things I had intended to say. As I understand, this bill is the price which is being paid by the Treasury for persuading the gentlemen who reversed their stand on the allotment of funds the other day to vote for absolute discretion on the part of the President in the so-called relief bill.

I want to call the attention of the House to two or three facts which exist at the present time as we are considering this bill. We carried in the bill which was passed here last Thursday one and a half billion dollars direct and what was told to us by the Budget was $223,000,000 of reappropriations. In addition to this, the head of the W. P. A., Mr. Hopkins, told us there was $25,000,000 or $30,000,000 that would be the balance left over in addition to what the Budget estimated, and the head of the Resettlement organization told us there would be something like $25,000,000 in addition to what the Budget estimated in that case. So the total amount carried in the bill last Tuesday and made avaliable was something like $1,770,000,000. These are rough figures.

Mr. CANNON of Missouri. Mr. Speaker, will the gentleman yield?

Mr. TABER. Yes.

Mr. CANNON of Missouri. The gentleman will recall that it was testified before our committee and reported in the hearings that a working balance of approximately the amount the gentleman mentions must be retained at the end of each fiscal year.

Mr. TABER. I think that is true.

Mr. CANNON of Missouri. At the end of the coming fiscal year the same amount will have to be retained so that the amount actually provided by the relief bill as it passed the House was one and a half billion dollars. This charge was made so frequently and refuted so conclusively each time it was made during the debate on the relief bill that it has become trite.

Mr. TABER. The statement that the gentleman from Missouri has made would be correct if this were a continuing operation and as to a part of the funds, but for the fiscal year 1938 the major part of the two-hundred-and-seventy-odd million will be available absolutely for expenditure. In addition to that this bill carries $135,000,000, so that the total funds available for expenditure in 1938 that have so far been provided for the continuation of the current so-called relief items of the Government run approximately $1,900,000,000 instead of the $1,500,000,000 which has been talked about.

Mr. CANNON of Missouri. Will the gentleman yield right there?

[Here the gavel fell.]

Mr. TABER. Mr. Speaker, I yield the balance of the time to myself.

The SPEAKER. The gentleman has no time remaining.

Mr. WOODRUM. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. BEITER].

Mr. BEITER. Mr. Speaker, on Tuesday, June 1, the Members of the House who had previously voted to earmark for the Federal Emergency Administration of Public Works $300,000,000 of the 1937 relief appropriation, accepted a compromise offered by the administration with the understanding that a bill would be immediately introduced to extend P. W. A. for 2 years and provide funds sufficient to finance or aid in the financing of all pending moral obligation projects and school projects to relieve hazardous conditions. In order to fulfill the conditions of the compromise I introduced, on June 1, a bill designed to bring about

this end which was immediately referred to the Appropriations Committee. The bill is now before us for consideration, as redrafted and recommended by the Appropriations Committee. It does provide for the extension of P. W. A. until June 30, 1939, and while it does not insure sufficient funds to finance or aid in the financing of all the moral obligation and hazardous school projects, it does include many essential features which were included in the bill I introduced.

The footnote at the bottom of page 3 of the report of the Appropriations Committee accompanying this bill states that—

> The above figures are predicated on the assumption that the items under no. 2 and no. 3 above will yield, in the process of liquidation, a sum not less than $233,271,656.60, which represents the securities on hand and still to be purchased less the profit in the amount of $9,637,407.25 now being held by the Reconstruction Finance Corporation.

Of course, the political subdivision bond market is at a very low ebb and it may be that P. W. A. will be unable to sell the securities it now holds, the par value of which is $127,751,167.90, and the securities it is already obligated to purchase, having a par value of $115,157,895.95, without sustaining a heavy loss. Under existing law the Reconstruction Finance Corporation cannot purchase securities from P. W. A. in an amount beyond $250,000,000. The Reconstruction Finance Corporation is now holding P. W. A. securities in the amount of approximately $198,000,000; therefore it could not invest more than $52,000,000 additional in P. W. A. securities under existing law. The Appropriations Committee conscientiously assumes that P. W. A. will be able to sell at par value the securities it now holds and those which it is obligated to purchase, and let us hope this will be the case. It would have to sell these securities at par value in order to obtain the $124,000,000 for loans which will be necessary in order to carry out the program contemplated in this bill. P. W. A. will probably not be able to sell any of these securities until the bond market is more favorable unless ample provision for their sale is made by law. The bill I introduced contained a provision amending existing law so as to permit the Reconstruction Finance Corporation to purchase P. W. A. securities in an amount sufficient to insure the financing of all pending moral obligation and hazardous school projects, and I should have liked to have had some such provision included in this bill.

Coming to the grant side of the picture, the report of the Appropriations Committee accompanying this bill explains that under existing law P. W. A. is authorized to use not to exceed $300,000,000 of funds received from the sales of securities for making grants. Only $95,000,000 of these funds remain unencumbered for grants to aid in financing the program in question. The committee's report shows that $135,000,000 will be necessary. This bill provides for increasing the $300,000,000 permitted under existing law to $340,000,000, thereby providing an additional $40,000,000, which, together with the $95,000,000 on hand, will be sufficient for the grants required to carry out this program. Here, again, we are up against the sale of securities. Unless these securities can be sold, P. W. A. will be $40,000,000 short of sufficient funds to make these grants.

Analyzing the loan and the grant features of this bill, we find that P. W. A. will have to sell at par value the securities it now holds, the securities it is already obligated to purchase, and a portion of the securities it will receive for loans made under this new program in order to carry out the program contemplated in this bill. Under the present conditions of the political subdivision bond market, P. W. A. will have difficulty in disposing of these securities at par value unless existing law is amended so as to require the Reconstruction Finance Corporation to purchase them at par value. If P. W. A. sells these securities in the open market, it will necessarily have to sell them below par value. Under the terms of this bill, P. W. A. will be short the difference between the par value of these securities and the sale price in carrying out the contemplated program.

It is apparent that these essential financing features were overlooked in the present bill, and I hope that some such provision can later be made.

The Administration's compromise proposal included, among other things, a definite assurance that administrative order no. 197, fixing the grant P. W. A. could offer at 115 percent of the amount expended for relief labor, would be immediately withdrawn, and that P. W. A. would be authorized to use its unexpended balances on hand to make grants of 45 percent of the project cost on moral-obligation projects. I am advised that the order is being drawn today, and trust it will be ready for the President's approval in the next day or so.

There is another feature of the administration's compromise proposal which the P. W. A. supporters in the House, including myself, desire to see fulfilled concerning a provision for financing or aiding in financing all projects for which bonds had been voted or the sponsors' share of the project cost otherwise guaranteed on a 45-55 basis. As the bill now stands it provides a definite means for financing the projects it covers, but does not specifically include many projects for which the sponsors of such projects have appropriated or otherwise guaranteed their share of the project cost. The bill covers only those projects on which bond elections were held and carried prior to May 12, 1937, projects for which legislative appropriations were made prior to May 12, 1937, and hazardous school projects included in a list compiled by P. W. A. as of April 20, 1937. It leaves out many projects for which the sponsors' share of the project cost has been guaranteed, and in which many Members of the House are particularly interested. I believe the list of projects covered by this bill was compiled from P. W. A. lists which are not up to date. Since these lists were made up, bonds have been voted, legislative appropriations have been made, or the sponsors' share of the project cost on a 45–55 basis has been otherwise guaranteed for many projects which are not included in the lists upon which this bill is based. Such projects are as clearly moral obligation projects as those projects covered by the bill.

Now that this bill has been reported to the House under a suspension of rules, P. W. A. supporters will, I am sure, vote for its passage, with the hope that some provision will be made for financing the Government's share of all projects on a 45-55 basis, which have been assured of financing by the sponsors.

Statistics show that construction in this country is only 60 percent of normal and that the private construction which enters into this figure is principally home building, mill, and factory renovation to replace obsolete equipment and processes, and the transfer of mills and factories to more favorable locations. This type of private construction may decline sharply on account of the completion of many P. W. A. projects or be almost entirely abandoned if anything happens to adversely affect the confidence of the private investors involved. The bulk of construction now being carried on is public works, and by far the greater part of this construction is being financed in whole or in part by the Federal Government. If Federal aid is withdrawn from public-works construction, it will drop to almost nothing, which will result in the second largest industry in this country being again on the rocks. I heartily agree with the committee's report to the effect that the Public Works Administration has played an important part in national recovery. It not only has played an important part but it is still playing an important part, and it must play an important part for years to come if permanent recovery is achieved. Everyone who is familiar with construction statistics in this country knows that the Public Works Administration is one of the most important factors in the construction industry, and that no other single organization, Federal or private, in this country is doing so much to restore this industry to normalcy. Certainly it must be continued. [Applause.]

Mr. Speaker, I regret my colleague, Mr. CURLEY, of New York, is absent on account of illness. He has always been an

ardent supporter of P. W. A. and would have covered some of the points not included in my remarks. He has requested me to state to the House he would vote "aye" on this bill if he were able to be present.

Mr. WOODRUM. Mr. Speaker, I yield such time as he may require to the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK of Arizona. Mr. Speaker, I rise for a moment to explain that I am delighted that this bill has been introduced, although I wish it might have been somewhat modified. The legislature of my State has recognized the importance of P. W. A. work and has asked me to urge its continuance for at least 2 years to round out a general program. The city manager of Phoenix, the board of supervisors of Yuma County, and other officials have asked for it.

I do not feel that this present measure limits us in this very worthwhile work to a great extent, but that the President himself, as indicated to our floor leader prior to last Tuesday, will continue, through relief work, to do whatever additional construction may be needed to keep faith with those communities and projects where commitments have been made. We were assured last Tuesday that special consideration would be given schoolhouses and school projects. It was that assurance which caused me to withdraw from my earlier intention to earmark the relief bill $300,000,000 for P. W. A. and leave the administration of that part of the $1,500,000,000 relief fund entirely in the hands of the President.

Mr. WOODRUM. Mr. Speaker, I yield such time as he may require to the gentleman from West Virginia [Mr. RANDOLPH].

(Mr. RANDOLPH asked and was given permission to revise and extend his own remarks in the RECORD.)

Mr. RANDOLPH. Mr. Speaker, I feel that the continuation of the Public Works Administration is most advisable. I believe the Public Works Administration, through constructive and permanent improvements, has added to the recovery and well-being of the country.

It is generally agreed among impartial observers that the expenditures under this program have played a vital part in bringing about the restoration of prosperity that is taking place. The material wealth of the Republic has been augmented by worth-while projects from the largest cities to the smallest towns.

Public buildings, roads and bridges, waterworks, sewers, airports, parks and playgrounds, dams for conservation of water, flood control dykes and reservoirs, all have a permanent value. States, counties, and municipalities have sponsored undertakings which would have been impossible without Federal help.

In my district, and in the State of West Virginia, the Public Works Administration has inaugurated and carried forward a major program which has brought about improvements of social and economic value. I feel very strongly that continuation of P. W. A. is warranted by results attained.

Mr. WOODRUM. Mr. Speaker, I yield such time as he may require to the gentleman from Oklahoma [Mr. JOHNSON].

Mr. JOHNSON of Oklahoma. Mr. Speaker, I am not at all satisfied with the pending bill. I agree that the P. W. A. should be extended for a period of 2 years as provided in this measure, but I do not agree that this measure actually carries out the gentlemen's agreement that the House entered into with reference to the so-called Beiter amendment, which this body adopted by an overwhelming vote when the W. P. A. was being considered, but which we did not insist upon after the agreement was made that this bill should carry out the provisions of the amendment of the gentleman from New York.

When the pending bill was before the Appropriations Committee I raised the objection to the proviso, beginning on line 7, page 2:

> That after the date of the enactment of this act no allotment shall be made for any project the application for which has not been approved by the Examining Division of the Federal Emergency Administration of the Public Works prior to such date.

We have heard much talk this afternoon about all fire hazards and health hazards being taken care of, but the fact is that under this bill unless application has actually been made and approved by the Examining Divisions prior to the passage of this act that there is not a Chinaman's chance for such a school district to have any consideration whatever so far as the P. W. A. is concerned.

When the Appropriations Committee was considering this bill I suggested that this part of the measure be amended in order to take care of all worthy projects that had heretofore been filed, even though they had not actually been approved by the Examining Divisions. The committee ordered that an amendment be presented if it were found that such were needed to take care of the situation. Now we are told that all worthy projects where bonds have been voted will be O. K.'d by the Examining Divisions before the bill actually becomes a law. But certainly that will be an impossibility, and I am disappointed that the committee has brought this bill in without an amendment and under a rule that does not permit any kind of an amendment to be offered on the floor of the House.

Although this bill is supposed to and possibly will provide for all P. W. A. projects that have actually been approved by the Examining Divisions, it will also have the effect of not only preventing the filing of any new applications but will prevent many worthy projects that are now pending and being studied by the Examining Divisions from having any further consideration. That is certainly not in keeping with the agreement of those who supported the Beiter amendment in the hopes of getting many worthy projects finished.

Mr. Speaker, there is another matter that I desire to discuss at this time. We are told that the President is very much in favor of constructing new school buildings in every instance where such buildings are fire hazards or health hazards. Under this bill all such P. W. A. projects, where applications are approved before the President's final signature to the measure, will undoubtedly be taken care of. The question in my mind is why should a P. W. A. project be finished and at the same time, if the school district happens to file its application as a W. P. A. project it cannot be further considered. It is well known that all W. P. A. projects, like school buildings, are out of the picture unless the communities who were sponsoring these projects are able to put up a greater percentage of local contribution. In many instances this is absolutely impossible, as some school districts have voted bonds to the maximum amount and it is absolutely impossible to vote additional bonds to meet the requirements of the W. P. A.

Mr. Speaker, I expect to vote for this bill reluctantly, but again I want to protest against the action of the committee in refusing to permit the House to vote on the amendment to bring all worthy projects under the provisions of this act, and I hope when the bill goes to the Senate that it will be amended to include many worthy projects that are entitled to the same consideration provided for in the pending measure.

Mr. WOODRUM. Mr. Speaker, I yield such time as he may require to the gentleman from California [Mr. FORD].

Mr. FORD of California. Mr. Speaker, when the relief bill was being considered I voted against every amendment to earmark and stated at that time that if any one of the amendments were brought before the House in the form of a bill I would support it. For this reason I am supporting this bill to extend the life of the P. W. A. for 2 years.

We all recognize that the P. W. A. has been one of the major factors in the Roosevelt recovery plan.

Because of the many splendid projects that have been constructed, projects that have added to the Nation's permanent wealth, I am happy indeed to see that its important activities are to be extended for an additional 2 years.

I opposed the earmarking of the relief bill to the extent of $300,000,000, because I did not then believe, nor do I believe now, that the relief bill was the place to provide for permanent public works. For this reason I am glad to support this bill.

Mr. WOODRUM. Mr. Speaker, I yield the remainder of my time to the gentleman from Missouri [Mr. CANNON].

Mr. CANNON of Missouri. Mr. Speaker, it is a little unusual for the Committee on Appropriations to present a bill in this way. Suspension is such an arbitrary procedure that, as a rule, it should not be applied to bills of this character; but, Mr. Speaker, there are a number of circumstances which justify the consideration of this bill under suspension.

In the first place, the bill is reported unanimously by the committee. There was no dissenting vote, either in the subcommittee or in the committee en banc. So far as I know, every member of the committee has approved the bill in its present form and has approved its report to the House.

In the second place, it is in furtherance of an agreement reached by our distinguished leader, the gentleman from Texas [Mr. RAYBURN], in conference with the Members of the House who wished to amend the relief bill, and is approved by the administration, the House leadership, and, I take for granted, by the entire membership of the House, and inasmuch as its passage is largely a matter of formality, the enactment of a program so fully agreed upon and so exhaustively debated when it was before the House in the form of amendment to the relief bill, it was felt that further debate could add little to the information already deduced, and the procedure was adopted which would most expeditiously record the will of the House.

Mr. DISNEY. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. In just a minute, if the gentleman will permit.

Mr. HOUSTON. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. Just one word. And it is brought out in this form in order to facilitate the consideration of the relief program as a whole and to insure its enactment by the end of the fiscal year, the last day of the current month. With the P. W. A. bill and the relief bill definitely differentiated and messaged over in concrete form final consideration ought to be considerably simplified. For instance, if the P. W. A. bill had preceded the relief bill in the House as was originally contemplated—as a matter of fact, we held hearings on this bill before we began hearings on the relief bill—I feel certain that understanding the P. W. A. program in advance, there would have been no occasion for the long debate on the relief bill. Passage of the P. W. A. bill in this form would have removed, perhaps the greatest obstacle to the prompt and effective disposition of the relief bill, and prompt passage of this bill at this stage of the proceedings ought to simplify the remaining stages for both measures.

Mr. BEITER. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Pennsylvania.

Mr. BEITER. Has the gentleman any up-to-date information with reference to the revocation of the administrative order 197?

Mr. CANNON of Missouri. Of course, the gentleman understands that arrangements are already in progress to take early action on the matter.

Mr. BEITER. It is my understanding that they are working on it this afternoon, and it will be ready for the President's approval tonight?

Mr. CANNON of Missouri. That is my understanding.

Mr. DISNEY. Reference is made in the bill to approval by the examining divisions of the P. W. A., but the bill does not state that that shall be final approval of the projects. Does the gentleman understand that shall include tentative or contingent approvals?

Mr. CANNON of Missouri. The only proposition considered by the committee was approval.

Mr. DISNEY. For my part I understand that to mean approvals that might be contingent on some circumstances yet to arrive.

Mr. CANNON of Missouri. So far as I have been acquainted with their procedure they have either approved or disapproved.

Mr. DISNEY. Some times they have approved with conditions yet to be fulfilled.

Mr. CANNON of Missouri. Under such conditions it would seem reasonable to consider the project as approved upon the fulfillment of the conditions precedent.

Mr. DISNEY. Does the gentleman consider that the agreement announced by the floor leader [Mr. RAYBURN] is a part of the consideration for the passage of this bill?

Mr. CANNON of Missouri. Of course, the leader speaks for himself, and I would not presume to in any way supplement or enlarge upon his statement.

Mr. DISNEY. We do consider that the agreement announced on the floor by the floor leader is a part of the consideration of why so many of us voted the way we did on earmarking in the relief bill, and why we are for this bill in this form. We considered that as part of the debate here.

Mr. HOUSTON. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Kansas.

Mr. HOUSTON. I am very much in favor of this bill. There is one thing that I have not clear in my mind, and that is where a community had a bond election and presumably would come under the Executive Order 197, and then they thought it was held in abeyance until such time as they thought some kind of a bill might go through Congress extending P. W. A. Necessarily they have not got the approval of the P. W. A. What is their status?

Mr. CANNON of Missouri. We are advised that such instances are comparatively rare and that all such cases as are now on file in the central office of the Public Works Administration will have been examined and approved or disapproved before the date of the enactment of this bill. No doubt where an election has been held and bonds have been sold that fact would warrant a very sympathetic consideration by the examining officials and projects which otherwise complied with the requirements would be assured of favorable action.

Mr. HOUSTON. They have not sold the bonds. They just held the election.

Mr. CANNON of Missouri. It is not necessary that the bonds shall have been negotiated. If they have held the election and voted the bonds and are now prepared to proceed as soon as the Federal grant is available, they come within the purview of the law.

Mr. Speaker, this bill meets with the approval of all Members of the House. It is satisfactory both to those who are insisting on completion of the P. W. A. program and those who favor liquidation of the activity and discontinuation of emergency expenditures at as early a date as practicable. It extends the P. W. A.; provides $137,000,000 for grants and $124,000,000 for loans. It insures completion of all projects now under construction and all approved projects on which bond elections have been held and all approved school projects submitted in response to Senate Resolution 97, where existing buildings are deemed hazardous to life. At the same time it closes the door to other projects, and with the exception of the funds carried, practically places the Public Works Administration in a status of liquidation. It is one of the last steps in the great relief program under which the Nation is rapidly beating back to complete and permanent recovery.

The SPEAKER. The time of the gentleman from Missouri [Mr. CANNON] has expired.

All time has expired.

The question is, Shall the rules be suspended and the bill passed?

The question was taken; and two-thirds having voted in favor thereof, the rules were suspended, and the bill was passed.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. TABER. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. ENGEL. Mr. Speaker, I ask unanimous consent that on Wednesday next, after the disposition of business on the Speaker's table and all other business before the House, I may address the House for 25 minutes.

The SPEAKER. The gentleman from Michigan asks unanimous consent that on Wednesday next, after the disposition of business on the Speaker's table and Calendar Wednesday business, he may address the House for 25 minutes. Is there objection?

There was no objection.

The SPEAKER. The Chair wants it clearly understood, in order that there may be no misunderstanding, that the gentleman has the privilege to address the House for 25 minutes right after the call of the Calendar Wednesday business, without interposition of other matters.

PUBLICATION OF CERTAIN HISTORICAL AND EDUCATIONAL MATERIAL BY NORTHWEST TERRITORY CELEBRATION COMMISSION

Mr. SECREST. Mr. Speaker, I ask unanimous consent to return to House Joint Resolution 380, to provide for the publication and sale by the Northwest Territory Celebration Commission of certain historical and educational material.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

Mr. HENDRICKS. Reserving the right to object, for what purpose does the gentleman wish to return to that bill?

Mr. SECREST. The bill was passed over without prejudice. The commission has its budget set up and expects to have a meeting this week. It is imperative that we have some action before the 2 weeks' period. I think there is no objection to it.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

There being no objection, the Clerk read the House joint resolution, as follows:

Resolved, etc., That the joint resolution entitled "Joint resolution to provide for the observance and celebration of the one hundred and fiftieth anniversary of the adoption of the Ordinance of 1787 and the settlement of the Northwest Territory", approved August 2, 1935, is amended by adding at the end thereof a new section to read as follows:

"SEC. 5. (a) The Commission is authorized to prepare, publish, and sell such historical and educational material pertaining to the Ordinance of 1787 and the settlement of the Northwest Territory as it deems advisable for the dissemination of information and the advancement of knowledge concerning such Ordinance and settlement. Sums received from the sale of such published material are hereby authorized to be appropriated as a revolving fund for the continued publication and sale of such material.

"(b) The Commission is authorized to have printing, binding, photolithography, and other work done at establishments other than the Government Printing Office."

The House joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. SMITH of Virginia (at the request of Mr. BURCH), for 2 days, on account of important business.

To Mr. WILCOX, for 5 days, on account of important business.

To Mr. LAMBETH (at the request of Mr. UMSTEAD), for today, on account of important business.

To Mr. CURLEY, indefinitely, on account of illness.

To Mr. ALLEN of Pennsylvania (at the request of Mrs. HONEYMAN), for 1 day, on account of illness in family.

To Mr. MAVERICK, for 3 days, on account of important business.

ENROLLED JOINT RESOLUTION AND BILLS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H. J. Res. 394. Joint resolution making an appropriation for expenses of the Marine Band in attending the United Confederate Veterans' Reunion at Jackson, Miss., in 1937.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 274. An act for the relief of Lt. Joseph N. Wenger, United States Navy;

S. 609. An act for the relief of Edith Lewis White;

S. 673. An act for the relief of S. T. Dickinson; and

S. 1699. An act granting an annuity to Frank W. Carpenter.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H. R. 856. An act for the relief of First Lt. R. G. Cuno;

H. R. 1232. An act for the relief of John W. Bolin;

H. R. 1304. An act for the relief of John E. Sandage;

H. R. 1502. An act to amend Public Law No. 626, Seventy-fourth Congress;

H. R. 1759. An act for the relief of Minnie D. Hines;

H. R. 1792. An act for the relief of John Kelley;

H. R. 2360. An act for the relief of Carter R. Young;

H. R 2554. An act for the relief of Frank Cubero;

H. R. 2673. An act for the relief of Howard Hefner;

H. R. 3736. An act for the relief of Mr. and Mrs. Edward J. Pruett;

H. R. 3841. An act for the relief of Col. J. P. Barney;

H. R. 3874. An act to extend the times for commencing and completing the construction of a bridge and causeway across the water between the mainland at or near Cedar Point and Dauphin Island, Ala.;

H. R. 3963. An act for the relief of John Zarnick;

H. R. 4706. An act authorizing the State Roads Commission of the State of Maryland and the State Highway Department of the State of Virginia to construct, maintain, and operate a free highway bridge across the Potomac River at or near a point in the vicinity of Point of Rocks, in Frederick County, and a point near the south end of Loudoun County to take the place of a bridge destroyed by flood in 1936;

H. R. 4801. An act authorizing the county of Wahkiakum, a legal political subdivision of the State of Washington, to construct, maintain, and operate a free highway bridge across the Columbia River between Puget Island and the mainland, Cathlamet, State of Washington;

H. R. 4809. An act to authorize the Works Progress Administration to lend or give World War relics and other property at Fort Eustis, Va., to the American Legion Museum at Newport News, Va.;

H. R. 5136. An act to authorize the acquisition of land for cemeterial purposes in the vicinity of San Francisco, Calif.;

H. R. 5206. An act for the relief of Jacob G. Ackerman;

H. R. 5467. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River between St. Louis, Mo., and Stites, Ill.; and

H. J. Res. 334. Joint resolution to protect the copyrights and patents of foreign exhibitors at the New York World's Fair, to be held at New York City, N. Y., in 1939.

THE LATE PHILIP A. GOODWIN

Mr. SNELL. Mr. Speaker, it is with very deep regret that I announce to the Members of the House the death on yesterday of our fellow Member, PHILIP ARNOLD GOODWIN, at his home at Coxsackie, in the Twenty-seventh Congressional District of New York.

Mr. GOODWIN had been desperately ill for several weeks, yet the sudden notice of his passing comes as a shock to his many friends on both sides of the aisle.

Mr. GOODWIN had been a very conscientious, hard-working Member of the House and had made many friends among his colleagues. At a later date I shall ask for an opportunity to make more extended remarks on the life and character of

our friend, but at the present time I offer the following resolution (H. Res. 232) and move its adoption.

The SPEAKER. The Clerk will read the resolution.

The Clerk read as follows:

House Resolution 232

Resolved, That the House has heard with profound sorrow of the death of Hon. PHILIP A. GOODWIN, a Representative from the State of New York.

Resolved, That a committee of four Members of the House, with such Members of the Senate as may be joined, be appointed to attend the funeral.

Resolved, That the Sergeant at Arms of the House be authorized and directed to take such steps as may be necessary for carrying out the provisions of these resolutions, and that the necessary expenses in connection therewith be paid out of the contingent fund of the House.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

The resolution was agreed to.

The SPEAKER. The Chair appoints the following committee: Mr. REED of New York, Mr. TABER, Mr. LORD, and Mr. BYRNE.

The Clerk will conclude the reading of the resolution.

ADJOURNMENT

The Clerk read as follows:

Resolved, That as a further mark of respect this House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 55 minutes p. m.) the House adjourned until tomorrow, Tuesday, June 8, 1937, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the subcommittee of the Committee on Interstate and Foreign Commerce at 2 p. m., Tuesday, June 8, 1937, for the consideration of H. R. 2252.

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a. m., Tuesday, June 8, 1937, to hold hearings on H. R. 6968, to amend the Securities Act of 1933.

COMMITTEE ON MILITARY AFFAIRS

There will be a meeting of the Committee on Military Affairs in room 1310, New House Office Building, at 10:30 a. m., Tuesday, June 8, 1937, for the consideration of H. R. 4947, to amend the act entitled "An act for making further and more effectual provision for the national defense, and for other purposes", approved June 3, 1916, as amended, and for other purposes.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the Committee on Immigration and Naturalization at 10:30 a. m., on Wednesday, June 9, 1937, for the public consideration of H. R. 5565, H. R. 1474, and S. 779.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will resume public hearings in room 219, House Office Building, Washington, D. C., June 15, 1937, at 10 a. m., on H. R. 5719, known as the water carrier bill.

EXECUTIVE COMMUNICATIONS, ETC.

653. Under clause 2 of rule XXIV a letter from the Acting Secretary of the Treasury, transmitting a proposed bill to increase the efficiency of the Coast Guard, and for other purposes, was taken from the Speaker's table and referred to the Committee on Merchant Marine and Fisheries.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. DEROUEN: Committee on the Public Lands. H. R. 5472. A bill to authorize the exchange of certain lands within the Great Smoky Mountains National Park for lands within the Cherokee Indian Reservation, N. C., and for other purposes; with amendment (Rept. No. 937). Referred to the Committee of the Whole House on the state of the Union.

Mr. DEROUEN: Committee on the Public Lands. H. R. 5594. A bill to make available for national-park purposes certain lands within the area of the proposed Mammoth Cave National Park, Ky.; without amendment (Rept. No. 938). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROBINSON of Utah: Committee on the Public Lands. H. R. 5804. A bill to provide for the residence of the United States commissioners appointed for the national parks, and for other purposes; without amendment (Rept. No. 939). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROBINSON of Utah: Committee on the Public Lands. H. R. 5805. A bill to amend an act entitled "An act to provide for the exercise of sole and exclusive jurisdiction by the United States over the Hawaii National Park in the Territory of Hawaii, and for other purposes", approved April 19, 1930; without amendment (Rept. No. 940). Referred to the Committee of the Whole House on the state of the Union.

Mr. DEMPSEY: Committee on the Public Lands. S. 329. An act to further extend the period of time during which final proof may be offered by homestead and desert-land entrymen; without amendment (Rept. No. 941). Referred to the Committee of the Whole House on the state of the Union.

Mr. CARTWRIGHT: Committee on Indian Affairs. H. R. 4407. A bill authorizing the Five Civilized Tribes, in suits heretofore filed under their original Jurisdictional Acts, to present claims to the United States Court of Claims by amended petitions to conform to the evidence; and authorizing said court to adjudicate such claims upon their merits as though filed within the time limitation fixed in said original Jurisdictional Acts; with amendment (Rept. No. 944). Referred to the Committee of the Whole House on the state of the Union.

Mr. CONNERY: Committee on Labor. H. R. 7274. A bill to enable the Department of Labor to formulate and promote the furtherance of labor standards necessary to safeguard the welfare of apprentices and to cooperate with the States in the promotion of such standards; without amendment (Rept. No. 945). Referred to the Committee of the Whole House on the state of the Union.

Mr. KLEBERG: Committee on Agriculture. H. R. 5812. A bill to amend section 243 of the Penal Code of the United States, as amended by the act of June 15, 1935 (49 Stat. 378), relating to the marking of packages containing wild animals and birds and parts thereof; without amendment (Rept. No. 946). Referred to the Committee of the Whole House on the state of the Union.

Mr. CULLEN: Committee on Ways and Means. House Joint Resolution 288. Joint resolution to permit articles imported from foreign countries for the purpose of exhibition at the New York World's Fair 1939, New York City, N. Y., to be admitted without payment of tariff, and for other purposes with amendment (Rept. No. 947). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. O'CONNOR of Montana: Committee on the Public Lands. S. 727. An act validating homestead entry Billings 029004 of Lillian J. Glinn; without amendment (Rept. No. 942). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Immigration and Naturalization was discharged from the consideration of the bill (H. R. 5103) for the relief of Joseph Zebelian, and the same was referred to the Committee on Claims.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BARRY: A bill (H. R. 7400) to prohibit discrimination against anyone under 60 years of age in employment directly and indirectly under the United States; to the Committee on the Civil Service.

By Mr. BLAND: A bill (H. R. 7401) to authorize the Secretary of Commerce to convey to the commissioners of the Palisades Interstate Park, a body politic of the State of New York, certain portions of the Stony Point Light Station Reservation, Rockland County, N. Y., including certain appurtenant structures, and for other purposes; to the Committee on Merchant Marine and Fisheries.

Also, a bill (H. R. 7402) to provide more effectively for the marking of wrecked and sunken craft for the protection of navigation, to improve the efficiency of the Lighthouse Service, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. COLDEN: A bill (H. R. 7403) to amend the Merchant Marine Act of 1936 to provide aid for the construction of fishing vessels; to the Committee on Merchant Marine and Fisheries.

By Mr. HILDEBRANDT: A bill (H. R. 7404) to amend the Agricultural Adjustment Act, and for other purposes; to the Committee on Agriculture.

By Mr. McLAUGHLIN: A bill (H. R. 7405) to amend the act relating to the Omaha-Council Bluffs Missouri River Bridge Board of Trustees, approved June 10, 1930, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. O'CONNOR of Montana: A bill (H. R. 7406) to provide for a term of court at Miles City, Mont.; to the Committee on the Judiciary.

Also, a bill (H. R. 7407) to amend the act of June 7, 1935 (49 Stat. L. 327), providing funds for cooperation with public-school districts in Glacier County, Mont., in the improvement and extension of school buildings to be available to both Indian and white children; to the Committee on Appropriations.

By Mr. ROGERS of Oklahoma (by departmental request): A bill (H. R. 7408) for the benefit of the Omaha and Winnebago Indians of Nebraska; to the Committee on Indian Affairs.

Also (by departmental request), a bill (H. R. 7409) providing for the sale of the two dormitory properties belonging the Chickasaw Nation or Tribe of Indians, in the vicinity of the Murray State School of Agriculture at Tishomingo, Okla.; to the Committee on Indian Affairs.

By Mr. BUCK: A bill (H. R. 7410) to exempt college fraternities and sororities from the Social Security Act; to the Committee on Ways and Means.

By Mr. MEAD: A bill (H. R. 7411) to permit the printing of black-and-white illustrations of United States and foreign postage stamps for philatelic purposes; to the Committee on the Post Office and Post Roads.

By Mr. O'MALLEY: A bill (H. R. 7412) to adjust the salaries of rural letter carriers, and for other purposes; to the Committee on the Post Office and Post Roads.

By Mr. CONNERY: A bill (H. R. 7413) to provide for a census of unemployment, to prohibit the interstate transportation of certain articles and commodities produced under conditions which are inimicable to the public interest, to protect the health and provide for the welfare of the unemployed, to provide for the general economic welfare of the Nation, and for other purposes; to the Committee on Labor.

By Mr. CALDWELL: A bill (H. R. 7414) for the establishment of a Coast Guard station; to the Committee on Merchant Marine and Fisheries.

By Mr. CONNERY: A bill (H. R. 7415) to authorize payment of compensation to head charwomen, charwomen, and charmen of the custodial service of the Post Office Department, included in the Connery amendment to the Treasury and Post Office Appropriation Act (H. R. 4720) for the next fiscal year, and for other purposes; to the Committee on the Post Office and Post Roads.

By Mr. KENNEDY of Maryland: A bill (H. R. 7416) to provide additional revenue for the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. WHITE of Ohio: Resolution (H. Res. 233) requesting the Post Office Department to supply the House of Representatives with information concerning stoppage, interference, or denial of delivery in mail service; to the Committee on the Post Office and Post Roads.

Also, joint resolution (H. J. Res. 399) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. ROGERS of Oklahoma: Joint resolution (H. J. Res. 400) defining and classifying gratuity expenditures or disbursements allowable as offsets in favor of the United States and against claims of Indian nations, tribes, or bands; to the Committee on Indian Affairs.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Wisconsin, memorializing the President and the Congress of the United States to enact legislation prohibiting racketeering on copyrighted music; to the Committee on Patents.

Also, memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States to consider their Assembly Joint Resolution No. 52, relative to Federal aid to State or Territorial veterans' homes; to the Committee on World War Veterans' Legislation.

Also, memorial of the Legislature of the State of Arizona, memorializing the President and the Congress of the United States to consider their House Memorial No. 1, relating to the continuation of the functions of the Federal Emergency Administration of Public Works; to the Committee on Appropriations.

Also, memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States to consider their Assembly Joint Resolution No. 26, urging consideration to the wages of employees work-relief projects; to the Committee on Appropriations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BLAND: A bill (H. R. 7417) for the relief of Troxell Reynolds; to the Committee on Claims.

By Mr. BOEHNE: A bill (H. R. 7418) granting an increase of pension to John G. Hawkins; to the Committee on Pensions.

By Mr. CALDWELL: A bill (H. R. 7419) for the relief of the Citizens State Bank of Marianna, Fla.; to the Committee on Claims.

By Mr. CONNERY: A bill (H. R. 7420) granting the Distinguished Service Cross to William A. Sullivan; to the Committee on Military Affairs.

By Mr. GRAY of Pennsylvania: A bill (H. R. 7421) for the relief of E. D. Frye; to the Committee on Naval Affairs.

By Mr. GREENWOOD: A bill (H. R. 7422) granting a pension to Margaret M. Case; to the Committee on Invalid Pensions.

By Mr. GRIFFITH: A bill (H. R. 7423) to confer jurisdiction upon the United States District Court for the Eastern District of Louisiana to hear, determine, and render judgment upon the claim of Alex Smith, of St. Tammany Parish, La., and providing for the payment of any judgment, if any is so rendered; to the Committee on Claims.

By Mr. KITCHENS: A bill (H. R. 7424) for the relief of certain persons whose cotton was destroyed by fire in the Ouachita Warehouse, Camden, Ark.; to the Committee on Claims.

Also, a bill (H. R. 7425) for the relief of Junius Alexander; to the Committee on Claims.

By Mr. LUCKEY of Nebraska: A bill (H. R. 7426) for the relief of Howard U. Ballinger; to the Committee on Claims.

By Mr. MICHENER: A bill (H. R. 7427) granting an increase of pension to Mary Frost; to the Committee on Invalid Pensions.

By Mr. MOTT: A bill (H. R. 7428) for the relief of Lenore Embree Beckett; to the Committee on Claims.

Also, a bill (H. R. 7429) for the relief of Muriel C. Young; to the Committee on Claims.

By Mr. SABATH: A bill (H. R. 7430) for the relief of Mary Lucia Haven; to the Committee on Claims.

By Mr. SCOTT: A bill (H. R. 7431) granting a pension to Eleanor Ady; to the Committee on Invalid Pensions.

By Mr. STEFAN: A bill (H. R. 7432) granting an increase of pension to Mary E. Hall; to the Committee on Invalid Pensions.

By Mr. BACON: Joint resolution (H. J. Res. 401) to preserve inviolate the integrity of patent rights, to insure patentees that even the Government cannot dispoil them of their inventions, to lawfully acquire for national defense all patent rights to and proprietary interest in the patented Hubbell percussion device, and to authorize justice to be done the patentee as heretofore recommended by the Patent Committees of the United States Senate and House of Representatives; to the Committee on Patents.

By Mr. BARRY (by request): Joint resolution (H. J. Res. 402) directing the Secretary of the Treasury to reinstate or reappoint certain former employees of the Federal Alcoholic Tax Unit; to the Committee on the Civil Service.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2524. By Mr. BUCK: Memorial of the California Legislature, relative to Assembly Joint Resolution No. 26, urging that Congress and the Federal Relief Administration direct their consideration to the wages of employees on work-relief projects; to the Committee on Appropriations.

2525. Also, memorial of the California Legislature, relative to Assembly Joint Resolution No. 52, concerning Federal aid to State or Territorial veterans' homes; to the Committee on Appropriations.

2526. By Mr. COFFEE of Washington: Petition of the Associated Clubs of the South End, King County, Wash., C. R. Cottrell, secretary-treasurer, Kent, Wash., urging that grants of 45 percent of the cost of each Public Works Administration project be made to each school district which has filed an application for such a grant; to the Committee on Appropriations.

2527. Also, petition of the Labor's Nonpartisan League, State of Washington, Richard Francis, chairman, Renton, Wash.; Pat Guerin, executive secretary-treasurer, Olympia, Wash., expressing opposition to the Sheppard-Hill bill as an act which will foster and promote fascism under an excuse of war emergencies and will make war more inviting to the Du Ponts and others of the infamous Liberty League; to the Committee on Military Affairs.

2528. By Mr. CURLEY: Petition of the American-Labor Party of New York, fifth assembly district branch, Bronx, urging enactment of the Wagner-Steagall housing bill; to the Committee on Banking and Currency.

2529. By Mr. DALY: Resolution adopted by the Senate and House of Representatives of the State of Pennsylvania, memoralizing the Congress of the United States to pass Senate bill No. 25 and House bill No. 1954, to prevent profiteering in time of war; to the Committee on Military Affairs.

2530. Also, petition signed by 325 citizens and voters of the Fourth Congressional District of Pennsylvania, supplementing petition presented May 25, 1937, containing over 7,000 names, endorsing the President's proposal to enlarge the Supreme Court; to the Committee on the Judiciary.

2531. By Mr. KEOGH: Petition of the International Association of Bridge, Structural and Ornamental Iron Workers, Local Union No. 361, Brooklyn, N. Y., concerning the Wagner-Steagall housing bill; to the Committee on Banking and Currency.

2532. Also, petition of the Chamber of Commerce of the State of New York, concerning city-wide 2-cent postage rate for the Greater City of New York; to the Committee on the Post Office and Post Roads.

2533. Also, petition of the New York State Association of Manufacturing Retail Bakers, concerning House bill 6487, windfall tax; to the Committee on Ways and Means.

2534. Also, petition of the Disabled American Veterans of the World War, Kimble-Kowalski Chapter, No. 7, Bath, N. Y., requesting that disabled veterans be exempted in any plan for Federal retrenchment in Federal expenditures; to the Committee on Ways and Means.

2535. Also, petition of the United Shipyards, Inc., New York City, concerning the continuance of Public Works Administration projects; to the Committee on Appropriations.

2536. Also, petition of Izaak Walton League of America, concerning the transfer of the Forest Service from the Department of Agriculture to the Department of the Interior; to the Committee on Agriculture.

2537. By Mr. LEAVY: Resolution of the Central Labor Council of Spokane, Wash., urging continuation of Public Works Administration and requesting that it be carried on so that workers in the building trades may find employment without being required to become relief clients; to the Committee on Appropriations.

2538. By Mr. MOSER of Pennsylvania: Resolution of the House of Representatives, General Assembly of Pennsylvania, endorsing House bill 6704, Sheppard-Hill bill; to the Committee on Military Affairs.

2539. By Mr. O'MALLEY: Joint Resolution No. 39–S, of the Wisconsin State Legislature, memorializing the President and Congress of the United States to amend the Federal law so as to permit the States to tax national banks upon the same basis as State banks are taxed; to the Committee on Ways and Means.

2540. Also, joint resolution of the Wisconsin State Legislature, urging the Congress of the United States to appropriate adequate funds for the completion of the investigation by the subcommittee of the United States Senate Committee on Education and Labor; to the Committee on Banking and Currency.

2541. Also, joint resolution of the Wisconsin Legislature, memorializing the Congress of the United States to authorize a Milwaukee River flood-control project; to the Committee on Rivers and Harbors.

2542. Also, Joint Resolution No. 52–S, of the Wisconsin State Legislature, memorializing the Congress of the United States to establish Superior, Wis., as a subport of the port of Milwaukee, Wis.; to the Committee on Military Affairs.

2543. By Mr. PFEIFER: Petition of the New York State Association of Manufacturing Retail Bakers, New York City, concerning House bill 6487; to the Committee on Ways and Means.

2544. Also, petition of the National Federation of Federal Employees, Washington, D. C., concerning House bill 7331; to the Committee on Military Affairs.

2545. Also, petition of the Disabled American Veterans of the World War, Bath, N. Y., concerning reduction in Federal expenditures; to the Committee on Appropriations.

2546. Also, petition of the United Shipyards, Inc., New York, concerning continuance of Public Works Administration projects; to the Committee on Ways and Means.

2547. Also, petition of the Izaak Walton League of America, concerning transfer of the Forest Service from the Department of Agriculture to the Department of the Interior; to the Committee on Agriculture.

2548. Also, petition of the Chamber of Commerce of the State of New York, New York City, urging 2-cent postage rate on first-class mail for delivery within the corporate limits of the city of New York; to the Committee on the Post Office and Post Roads.

2549. By Mr. PETERSON of Georgia: Petition of citizens of Chatham County, Ga., concerning old-age pension bill (H. R. 2257); to the Committee on Ways and Means.

2550. By Mr. QUINN: Resolution of the Workers' Alliance of Allegheny County, Pa., urging that the Government enlarge the quota of nonrelief jobs for the benefit of home owners; to the Committee on Banking and Currency.

2551. Also, resolution of the General Assembly of Pennsylvania, memorializing the Congress of the United States to pass the Sheppard-Hill bill; to the Committee on Military Affairs.

2552. By Mr. ROMJUE: Petition of the Women's Auxiliary to the Central Trades and Labor Union of St. Louis, Mo., endorsing the Wagner-Steagall housing bill; to the Committee on Banking and Currency.

2553. By Mr. WITHROW: Joint Resolution No. 59–S, passed by the Wisconsin Legislature, memorializing the Congress of the United States to enact legislation prohibiting racketeering on copyrighted music; to the Committee on Patents.

2554. Also, Joint Resolution No. 62–A, passed by the Wisconsin Legislature, memorializing the Congress of the United States to enact an amendment to the Constitution of the United States to submit a declaration of war to a referendum of the people; to the Committee on the Judiciary.

2555. By the SPEAKER: Petition of the City Council of the City of Waltham, Mass., memorializing the Congress of the United States to enact the United States Housing Act of 1937, being Senate bill 1685 and House bill 5033; to the Committee on Banking and Currency.

2556. Also, petition of the Corona Taxpayers' Association, Inc., Corona, Long Island, concerning the interest on loans made by the Home Owners' Loan Corporation and bills before Congress introduced by Senator COPELAND and Representative CURLEY; to the Committee on Banking and Currency.

2557. Also, petition of the National Farm Loan Association, Montgomery, Ala., concerning rates of interest on all outstanding Federal farm loans; to the Committee on Agriculture.

2558. Also, petition of the Sakdalista Party, Manila, P. I., concerning the independence of the Philippines; to the Committee on Insular Affairs.

SENATE

TUESDAY, JUNE 8, 1937

(Legislative day of Monday, June 7, 1937)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

THE JOURNAL

On request of Mr. ROBINSON, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Monday, June 7, 1937, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States, submitting nominations, were communicated to the Senate by Mr. Latta, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Megill, one of its clerks, communicated to the Senate the intelligence of the death of Hon. Philip A. Goodwin, late a Representative from the State of New York, and transmitted the resolutions of the House thereon.

The message announced that the House had passed the joint resolution (S. J. Res. 56) authorizing the selection of a site and the erection of a pedestal for the Albert Gallatin statue in Washington, D. C., with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House insisted upon its amendments to the bill (S. 790) to repeal section 13 of the act entitled "An act to regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce of petroleum and its products produced in violation of State law, and for other purposes", approved February 22, 1935, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. COLE of Maryland, Mr. PETTENGILL, Mr. KELLY of Illinois, Mr. MAPES, and Mr. WOLVERTON were appointed managers on the part of the House at the conference.

The message further announced that the House had passed without amendment the following bills of the Senate:

S. 709. An act to amend the act entitled "An act to incorporate the National Education Association of the United States", approved June 30, 1906, as amended;

S. 1120. An act authorizing an appropriation for the erection of a memorial to the officers and men of the United States Navy who lost their lives as the result of a boiler explosion that totally destroyed the U. S. S. *Tulip* near St. Inigoes Bay, Md., on November 11, 1864, and for other purposes; and

S. 1967. An act to authorize the Department of Labor to continue to make special statistical studies upon payment of the cost thereof, and for other purposes.

The message also announced that the House had agreed to the concurrent resolution (S. Con. Res. 12), as follows:

Resolved by the Senate (the House of Representatives concurring), That the thanks of this Congress be presented to the Governor and through him to the people of the State of Nebraska for the statues of William Jennings Bryan and J. Sterling Morton, whose names are so honorably identified with the history of our country; that these works of art are accepted in the name of the Nation and assigned to places in the Capitol of the United States already set aside by Congress for the statues of eminent citizens; and that a copy of this resolution, signed by the President of the Senate and the Speaker of the House of Representatives, be transmitted to the Governor of Nebraska.

The message further announced that the House had passed the following bills and joint resolutions, in which it requested the concurrence of the Senate.

H. R. 224. An act to authorize an appropriation for the purpose of establishing a national cemetery at Fort Bliss, Tex.;

H. R. 2512. An act to authorize an appropriation for the construction of small reservoirs under the Federal reclamation laws;

H. R. 2708. An act to provide for the appointment of one additional United States district judge for the southern district of Texas;

H. R. 3123. An act to authorize the Secretary of War to lease to Old Fort Niagara Association, Inc., portions of the Fort Niagara Military Reservation, N. Y.;

H. R. 4582. An act to amend the act approved August 4, 1919, as amended, providing additional aid for the American Printing House for the Blind;

H. R. 5900. An act to amend the bank-robbery statute to include burglary and larceny;

H. R. 6049. An act to amend the Interstate Commerce Act;

H. R. 6287. An act to amend Public Act No. 467, Seventy-third Congress, entitled "Federal Credit Union Act";

H. R. 6295. An act to dispense with unnecessary renewals of oaths of office by civilian employees of the executive departments and independent establishments;

H. R. 6635. An act to dispense with the necessity for insurance by the Government against loss or damage to valuables in shipment, and for other purposes;

H. R. 6763. An act to extend for 1 additional year the 3½-percent interest rate on certain Federal land-bank loans, to provide a 4-percent interest rate on such loans for the period July 1, 1938, to June 30, 1939, and to provide for a 4-percent interest rate on Land Bank Commissioners' loans for a period of 2 years;

H. R. 6899. An act to repeal the limitation on the sale price on the old post-office and courthouse site and building at Fourth and Chestnut Streets, Louisville, Ky.;

H. R. 7363. An act to continue the Federal Emergency Administration of Public Works for 2 years, and for other purposes;

H. J. Res. 19. Joint resolution for the establishment of a trust fund to be known as the Oliver Wendell Holmes Memorial Fund;

H. J. Res. 365. Joint resolution authorizing Federal participation in the Seventh World's Poultry Congress and Exposition to be held in the United States in 1939; and

H. J. Res. 380. Joint resolution to provide for the publication and sale by the Northwest Territory Celebration Commission of certain historical and educational material.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Vice President:

S. 274. An act for the relief of Lt. Joseph N. Wenger, United States Navy;

S. 609. An act for the relief of Edith Lewis White;

S. 673. An act for the relief of S. T. Dickinson;

S. 1699. An act granting an annuity to Frank W. Carpenter; and

H. J. Res. 394. Joint resolution making an appropriation for expenses of the Marine Band in attending the United Confederate Veterans' Reunion at Jackson, Miss., in 1937.

CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Copeland	La Follette	Pittman
Andrews	Davis	Lee	Pope
Ashurst	Dieterich	Lewis	Radcliffe
Bailey	Donahey	Lodge	Reynolds
Bankhead	Duffy	Logan	Robinson
Barkley	Ellender	Lonergan	Russell
Berry	Frazier	Lundeen	Schwartz
Bilbo	Gerry	McAdoo	Schwellenbach
Black	Gibson	McCarran	Sheppard
Bone	Gillette	McGill	Smathers
Borah	Green	McKellar	Smith
Bridges	Guffey	McNary	Steiwer
Brown, N. H.	Harrison	Maloney	Thomas, Okla.
Bulkley	Hatch	Minton	Thomas, Utah
Bulow	Hayden	Murray	Truman
Burke	Herring	Neely	Tydings
Byrd	Hitchcock	Norris	Vandenberg
Byrnes	Holt	Nye	Van Nuys
Capper	Hughes	O'Mahoney	Wagner
Caraway	Johnson, Calif.	Overton	White
Connally	Johnson, Colo.	Pepper	

Mr. MINTON. I announce that the Senator from Virginia [Mr. GLASS] is detained from the Senate because of a death in his family.

The Senator from Utah [Mr. KING] is absent because of illness.

The Senator from Michigan [Mr. BROWN], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Georgia [Mr. GEORGE], the Senator from New Jersey [Mr. MOORE], the Senator from Massachusetts [Mr. WALSH], and the Senator from Montana [Mr. WHEELER] are absent on important public business.

The Senator from Missouri [Mr. CLARK] is unavoidably detained from the Senate.

Mr. McNARY. I announce that the Senator from Vermont [Mr. AUSTIN], the Senator from Minnesota [Mr. SHIPSTEAD], and the Senator from Delaware [Mr. TOWNSEND] are necessarily absent from the Senate.

The VICE PRESIDENT. Eighty-three Senators have answered to their names. A quorum is present.

APPLICATION OF MACKAY RADIO & TELEGRAPH CO., INC., TO ADD OSLO, NORWAY, AS A COMMUNICATION POINT

Mr. BORAH. Mr. President, I wish to call attention to the fact that some days ago the Senate adopted a resolution requesting the Communications Commission to make a report on a certain matter. That report has been received, but in the report there is the omission of what I think a very important feature, namely, the Engineer's report upon the subject which was then under investigation. I take it that by calling attention to the omission in the RECORD the Commission will make a full report upon the matter.

ALBERT GALLATIN STATUE

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the joint resolution (S. J. Res. 56) authorizing the selection of a site and the erection of a pedestal for the Albert Gallatin statue in Washington, D. C., which was, on page 2, lines 8 and 9, to strike out "Director of Public Buildings and Public Parks of the National Capital" and insert "Secretary of the Treasury."

Mr. BARKLEY. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

EARL W. THOMAS

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 1068) for the relief of Earl W. Thomas, which were, on page 1, line 8, to strike out "employ" and insert "performance of his duty as an inmate"; and on page 1, line 8, after "States", to insert "Industrial Reformatory."

Mr. FRAZIER. On behalf of the Senator from Minnesota [Mr. SHIPSTEAD], who is absent on account of illness, I move that the Senate concur in the House amendments.

The motion was agreed to.

RELIEF OF FLOOD SUFFERERS BY GOVERNMENTAL AGENCIES—DISASTER LOAN CORPORATION (S. DOC. NO. 78)

The VICE PRESIDENT laid before the Senate a letter from the Secretary of the Disaster Loan Corporation, reporting, in response to Senate Resolution 119 (submitted by Mr. MINTON and agreed to Apr. 22, 1937), relative to loans made to, and the relief of, sufferers by floods in 1937, which, with the accompanying statement, was ordered to lie on the table and to be printed.

VISITOR TO THE MILITARY ACADEMY

Mr. McKELLAR presented a letter addressed to the Senate, which was read, as follows:

To the Senate:

By virtue of the authority vested in me by the act approved May 17, 1928, I hereby appoint Senator F. RYAN DUFFY to represent the Senate Committee on Appropriations on the Board of Visitors to the United States Military Academy during the first session of the Seventy-fifth Congress, said authority to date from May 20, 1937.

KENNETH McKELLAR,
Acting Chairman, Committee on Appropriations,
United States Senate.

PETITIONS

The VICE PRESIDENT laid before the Senate the following joint resolution of the Legislature of the State of California, which was referred to the Committee on Finance:

Whereas there exists in the State of California a great need for a neuropsychopathic hospital for veterans of the World War; and

Whereas it is the accepted fact that it is the duty of a nation to provide for and care for needy war veterans who have so generously served their country; and

Whereas the United States Government could graciously perform its duty to neuropsychopathic veterans by providing additional hospitals in this State: Now, therefore, be it

Resolved by the Senate and the Assembly of the State of California, jointly, That the President and the Congress of the United States are hereby respectfully urged to enact legislation that would result in the construction of additional hospitals by the Federal Government; and be it further

Resolved, That the Governor of the State of California is hereby requested to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House, and to the Senators and Representatives of the State of California in Congress.

The VICE PRESIDENT also laid before the Senate a letter in the nature of a petition from Celerino Tiongco, acting president of the Sakdalista Party of the Philippines, praying on behalf of that party for the granting of immediate independence to the Philippine Islands, which, with the accompanying paper or petition addressed to the President of the United States and Members of the Congress, was referred to the Committee on Territories and Insular Affairs.

LOW-COST HOUSING

Mr. WAGNER. Mr. President, I present and ask unanimous consent to have printed in the RECORD and appropri-

ately referred a letter and resolution endorsing the pending low-cost housing bill.

There being no objection, the letter and resolution were referred to the Committee on Education and Labor and ordered to be printed in the RECORD, as follows:

WOMEN'S AUXILIARY TO THE CENTRAL TRADES AND LABOR UNION OF ST. LOUIS AND VICINITY,
St. Louis, Mo., June 5, 1937.

Hon. EDWARD C. STEAGALL,
House of Representatives, Washington, D. C.

MY DEAR MR. STEAGALL: We thought you might be glad to have a copy of our resolution which is in support of the Wagner-Steagall housing bill, and a copy of which resolution has been sent to our Congressmen and Senators from Missouri.

We shall be very happy to have any further information that you have on hearings on this bill as we are very intensely interested in its purpose.

Thanking you for the kind and understanding consideration that is shown in this bill, we beg to remain,

Respectfully,

MARY E. RYDER,
Chairman, Legislative Committee.

(Copy to Senator ROBERT F. WAGNER.)

Whereas the Central Trades and Labor Union Auxiliary of St. Louis desiring to supplement the ideals and objectives of the Central Trades and Labor Union of St. Louis whose splendid efforts to obtain decent living and working conditions for workers has occupied a long and honorable chapter in this field of endeavor; and

Whereas we are fully aware that the efforts of organized labor to establish standards of living that takes root right in the home by providing proper home environments free from the infection of slum life, and that they have gone a long way forward in helping to correct some of the vicious results of the frustrated lives of boys and girls who are raised in the atmosphere of slum life; and

Whereas we believe that slum life is directly responsible for the major portion of the delinquency among children. Statistics reveal that the lawbreakers average in age from 17 to 24 and that 20 percent of the major crimes committed in the United States are committed by children not old enough to vote and that on an average of 1,000 murders are committed each year by children; and

Whereas reports on crime show that the United States spends $13,000,000,000 annually to prevent crime and that we have more people in prisons in America than England, Wales, Belgium, and France combined. That these same reports show that 70 percent of this crime is committed by white Americans; and

Whereas we are pleased to note the efforts of the Wagner-Steagall housing bill and we believe this bill is a step to correct causes instead of costly measures to meet the effects. We believe it contains the germ of an effort that will do more to alleviate the conditions above described. Crime and poverty go hand in hand and slum life is as deadly an infection as it would be to subject the children raised in its atmosphere of slum life to typhoid and other dangerous health infections: Therefore be it

Resolved, That we do hereby endorse the Wagner-Steagall housing bill and that we send a copy of the resolution to our Senators and Congressmen and ask their unqualified support of this bill.

Respectfully submitted.

MARY E. RYDER, *Chairman,*
LAURA NESBIT,
Mrs. J. B. MCGINTY,
Mrs. CHRISTINE CAIN,
Mrs. A. M. LANRENCE,
Mrs. R. E. MCCLANAHAN,
Mrs. P. WALDRON,
Legislative Committee.

REPORTS OF COMMITTEES

Mr. McKELLAR, from the Committee on Appropriations, to which was referred the joint resolution (S. J. Res. 148) to provide for payment for nine airplanes obtained from the Stinson Aircraft Corporation by the Bureau of Air Commerce, Department of Commerce, and for other purposes, reported it with an amendment and submitted a report (No. 693) thereon.

Mr. COPELAND, from the Committee on Commerce, to which was referred the bill (H. R. 4213) to amend the Inland Waterways Corporation Act, approved June 3, 1924, as amended, authorizing the Secretary of War to extend the services and operations of the Inland Waterways Corporation to the Savannah River, reported it without amendment and submitted a report (No. 694) thereon.

Mr. WHITE, from the Committee on Commerce, to which was referred the bill (S. 1984) for the protection of the northern Pacific halibut fishery, reported it with an amendment and submitted a report (No. 695) thereon.

Mrs. CARAWAY, from the Committee on Commerce, to which was referred the joint resolution (S. J. Res. 57) to authorize the submission to Congress of a comprehensive national plan for the prevention and control of floods of all the major rivers of the United States, and for other purposes, reported it without amendment and submitted a report (No. 696) thereon.

Mr. POPE, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 432) to add certain lands to the Cache National Forest, reported it with an amendment.

"MORRO CASTLE" AND "MOHAWK" INVESTIGATIONS (REPT. NO. 184, PT. 2)

Mr. COPELAND. From the Committee on Commerce I submit a further report, prepared by a subcommittee thereof known as the Special Committee on Safety at Sea, on the *Morro Castle* and *Mohawk* investigations, which I ask to have printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

Mr. COPELAND, from the Committee on Commerce, submitted the following additional preliminary report (pursuant to S. Res. 7, 74th Cong., 1st sess.):

Supplementing the committee's Reports No. 776, submitted June 3, 1935; No. 776, part 2, submitted February 6, 1936; No. 776, part 3, submitted May 20, 1936; No. 776, part 4, submitted June 20, 1936; and Preliminary Report No. 184, Seventy-fifth Congress, first session, submitted March 17, 1937, the following additional preliminary report is submitted. This has particular reference to that portion of Senate Resolution 7 requiring "(1) (b) the inquiry into the *Morro Castle* disaster, and the actions taken in connection with or subsequent to such inquiry, by the United States attorney for the southern district of New York", and "(6) to investigate whether the laws governing liability for loss of life and property at sea, the laws and usages of salvage and the laws, usages, and practices of the business of marine insurance tend to encourage the installation and utilization of such devices and the promotion of such practices as are conducive to safety and to a paramount concern at all times for the preservation of life."

ACTION OF THE UNITED STATES ATTORNEY FOR THE SOUTHERN DISTRICT OF NEW YORK

The "Morro Castle"

Indictments were found by the grand jury in the District Court of the United States for the Southern District of New York against Eben S. Abbott, William F. Warms, the New York & Cuba Mail Steamship Co., and Henry E. Cabuad, in that each of the persons named had violated section 461, title 18, of the United States Code. The indictments were called for trial before the Honorable Murray Hulbert, district judge, and a jury on November 12, 1935. They were founded on section 461, title 18, of the United States Code, which reads as follows:

"Loss of life by misconduct of officers of vessels; liability of corporation officer: Every captain, engineer, pilot, or other person employed on any steamboat or vessel by whose misconduct, negligence, or inattention to his duties on such vessel the life of any person is destroyed, and every owner, charterer, inspector, or other public officer, through whose fraud, neglect, connivance, misconduct, or violation of law the life of any person is destroyed, shall be fined not more than $10,000, or imprisoned not more than 10 years, or both. When the owner or charterer of any steamboat or vessel shall be a corporation, any executive officer of such corporation, for the time being actually charged with the control and management of the operation, equipment, or navigation of such steamboat or vessel, who has knowingly and willfully caused or allowed such fraud, neglect, connivance, misconduct, or violation of law, by which the life of any person is destroyed, shall be fined not more than $10,000, or imprisoned not more than 10 years, or both."

The trial occupied approximately 11 weeks of the court's time. Eighty-six witnesses were sworn and examined on behalf of the Government. Twenty-three testified on behalf of the defense. Two hundred and thirty-nine exhibits were received in evidence or marked for identification during the course of the trial.

The issue was ably and exhaustively handled by counsel for the Government and the defendants. The trial judge demonstrated great ability in the conduct of an unusually difficult proceeding. There are few precedents which a judge may follow in the trial of an indictment of this character. No similar prosecution had been tried in the courts of this district since the year 1904. The last one was the *General Slocum* disaster, where several indictments were found, but only the captain of the steamer was prosecuted and convicted.

On January 25, 1936, the jury in the *Morro Castle* case brought in a verdict of "guilty" against all of the defendants, and on January 28, 1936, sentence was pronounced—defendant Abbott to a term of 4 years; defendant Warms to a term of 2 years; defendant Cabaud to a term of 1 year, with a fine of $5,000, the prison sentence to be suspended and the defendant to be placed on parole on condition the fine was paid. A fine of $10,000 was also levied against the defendant New York & Cuba Mail Steamship Co. Both fines were paid.

Defendants Abbott and Warms appealed to the United States circuit court of appeals, and they were admitted to bail pending

the appeal. The transcript of record is a voluminous structure. It contains 13,413 folios—4,471 pages. The briefs of counsel for the appellant and the appellee cover 215 pages more. The examination and review of a record of such volume in a cause of this character must have required a prodigious amount of work by the appellate court. The appeal was argued January 5, 1937, before Judges Martin T. Manton, Learned Hand, and Augustus N. Hand, and on April 7, 1937, the court handed down a decision which reversed the judgment of conviction as to both Warms and Abbott.

Stating the section of the code under which the defendants were indicted and giving the points of fact upon which negligence was charged and claimed during the trial to have been proved, the court says:

"The fire spread with great rapidity and cut off many of the passengers from access to the boats, but, in spite of the fact that the responsibility of Warms as master of the vessel was a new one, that the situation required management of passengers and crew in a terrible emergency, and that he maintained the best traditions of the sea by staying on his vessel until the bridge had burnt under him and no one else remained on board, it may be that there was enough proof of negligence rather than of mere errors in judgment to justify submission of the case against him to a jury. We do not need to decide this difficult question which depends on reasoning after the event about what ought to have been done at a time of storm and stress where the considerations for action were conflicting and doubtful.

"The chief difficulty in sustaining Warms' conviction is that some of the most important charges of neglect submitted to the jury were his alleged failure when acting as mate during the years he was on the vessel before the fire to conduct proper fire and boat drills. It is said that the neglect to hold proper drills accounted for the confusion and inefficiency of the crew when the fire broke out and contributed to the great loss of life. There was proof that the drills had been inadequate and failed to comply with regulations. But we think it cannot be said that the duty to regulate these drills devolved upon Warms and are of the opinion that he was only liable for neglect insofar as the conduct of drills was assigned to him and he failed properly to carry out what thus came within his province * * *. The evidence, we think, tends to show that Wilmott was in general charge of the drills before Warms joined the ship and that after the advent of the latter he continued his former practice. Wilmott, and not Warms, told the operating vice president of the line that he had decided not to lower the lifeboats to the rails, and Wilmott it was who excused the purser and the chief engineer from attendance. Moreover, it seems unlikely that, if Warms was in general charge, he would have been personally engaged in such routine activities as routing out members of the crew to take part in the drills * * *. It was certainly wholly consistent with such control and makes any conclusion to the contrary highly speculative * * *. It would be against all theories of maritime law that a mate should have any power or duty to control drills when the captain of the ship was on board unless the latter had delegated to him the authority. Not only is the above applicable to fire and boat drills but to the instruction of passengers in the use of life preservers. There is no evidence that Warms had that duty, which seems, by the direction of the master, to have been one of the stewards * * *. Wilmott apparently exercised control at all times. Indeed, the hesitation of the trial judge to believe that Warms was given control of drills by Wilmott is shown when he said at the time of sentence: 'There is a grave question in my mind whether Warms assumed the duty and task of the discipline of the crew or whether he merely carried out certain directions in that regard, as imposed upon him by the captain.'

"Now if we are right in concluding that the duty to conduct drills in accordance with the regulations devolved upon the master and any evidence that it devolved upon Warms was unsubstantial, then it was error for the court to leave it to the jury to determine whether the duty to conduct such drills was imposed upon the latter (fols. 12375–12376). This error in the charge was challenged by an exception (fols. 12393–12394) as well as by the refusal to charge defendant's request no. 33. Accordingly we think that the judgment must be reversed as to the defendant Warms."

As to the appellant Abbott, the court continues:

"We think the situation of the appellant Abbott is similar. He was charged (1) with failure to train the men in his department, (2) with neglect to go to his fire station at the time of the fire, (3) with neglect to maintain adequate water pressure, (4) with neglect to provide passengers with life preservers, and (5) with neglect of duty after he left the ship while he was in the lifeboat.

"The obligation to maintain water pressure was doubtless that of Abbott, but pressure was maintained until the fire prevented the electric pumps from working and it became inadequate only after the opening, in order to put out the widespread conflagration, of more hydrants than the system would stand. Even when the engine force was compelled to leave the engine room the steam pump was left running so that water was available for some time to protect passengers who had gathered at the after end of D deck. The claim that Abbott was responsible for furnishing life preservers to the passengers is quite without foundation and contrary to the evidence as well as to general experience. It is true that his acts on the ship during the fire seem to have been largely futile and in a practical sense were of little import except as they may have damaged his own case, but so far as we can see they could not have contributed to the death or injury of any of the unfortunate victims of the *Morro Castle* disaster. While he stayed out of the engine room to an almost inexplicable extent, everything there was properly managed by his subordinates, and until he got into lifeboat no. 1 we are inclined to the view that he was guilty of no fault which caused the death or injury of anyone.

"There was evidence that Abbott was placed in command of lifeboat no. 1 by Warms. The boat left the ship with 29 members of the crew and 3 passengers—only about one-half its capacity—and reached shore without taking on any other persons. It may be that there were no more passengers left on the forward starboard side of the ship, but there were plenty of them in the stern, where they had congregated to avoid the fire in the bow. It is clear that an attempt should have been made to take them into the lifeboat. This we believe is not disputed, but it is said that Abbott was too sick from the effects of smoke and fire exhaustion to direct movements at the time; that the motor did not work, and there was not enough power in the oars the seamen were pulling to bring the boat up to the stern of the ship. Whether Abbott was so disabled at the time that he could not direct operations is disputed and was a question of fact for the jury. Other lifeboats from the *Luckenbach* came to rescue passengers and were operated only by oars. They successfully reached the stern of the *Morro Castle*, took off passengers, and carried them over to the *Luckenbach*.

"It is doubtful whether the motor of the lifeboat was in fact out of commission or whether no serious attempt was made to operate it because Abbott was afraid of the danger of sparks from the steamer. Had it been put in operation there could certainly have been no difficulty in reaching the ship. We think the operability of the motor was a question of fact for the jury.

"The court when dealing with the liability of Abbott charged as follows:

"As to the defendant Abbott, as chief engineer, he had charge of the engine room and the maintenance and upkeep of the machinery and appliances connected therewith throughout the ship, subject to the directions of his superior officer, the master. He had charge of the men in the engine room. There is testimony, and it is for you to weigh that testimony, that in the event of an emergency the engine-room employees, not on watch, should report to him either in the engine room or at his office on the navigating deck, to receive instructions. There is testimony that he was assigned to command lifeboat no. 6, and that he was relieved from that duty by Captain Wilmott. There is testimony that he was ordered from the bridge by Captain Warms and directed to take charge of lifeboat no. 1, and that he did not do so, because of his physical condition, as a result of smoke and other causes. Neglect in respect to the engine-room operations is not to be attributed to the defendant Abbott, if you find that the engine room was properly operated and attended to in his absence. If the pumps in the engine room furnished all the service which they were capable of in respect to water pressure, the absence of Abbott from the engine room is not imputable to him—he cannot be held for a mere error of judgment but it is for you to say, upon all the testimony in this case with regard to the defendant Abbott, whether in the catastrophe that occurred on the *Morro Castle* on the date in question, from the time that he learned of the fire, he acted as a reasonably prudent man, considering his official position and his duties as chief engineer, would be expected to act, and whether the life of any person on board said vessel was destroyed due to his misconduct, negligence, or inattention to his duties." (Folios 12368–12371.)

"We have already said that in our opinion there was not sufficient evidence to go to the jury of any criminal neglect on the part of Abbott while he was on the *Morro Castle* which resulted in the death of any person. Yet it is entirely clear from the foregoing charge that the court instructed the jury that the conduct of Abbott while on the *Morro Castle* might afford sufficient basis for conviction under the statute and that no specific instructions were given as to the circumstances under which Abbott's neglect to rescue passengers after he was in command of the lifeboat might amount to criminal negligence.

"In other words, the jury may perfectly well have convicted Abbott because he neglected to train the men in his department to go to his fire station or to maintain adequate water pressure or to provide passengers with life preservers, though we hold that there was not sufficient evidence under any of these items. The only words in the charge which might permit a conviction because of conduct in the lifeboat were those stating generally that it was for the jury to say 'upon all of the testimony * * * whether in the catastrophe that occurred on the *Morro Castle* on the date in question, from the time that he learned of the fire he acted as a reasonably prudent man, considering his official position and his duties as chief engineer, would be expected to act, * * *'.

"In view of the insufficiency of the proof necessary to convict Abbott of misconduct while on board the *Morro Castle*, we think he could not be convicted for misconduct on the lifeboat under a charge which dealt with his acts thereon in such vague and general terms. It is true that there was no specific objection to the charge in respect to Abbott and that the court carefully instructed the jury that neglect was not to be attributed to him if the engine room was properly operated in his absence and if the pumps furnished all the service they were capable of in respect to water pressure. But inasmuch as there was lack of proof of criminal negligence on the part of Abbott while on board the *Morro Castle*, we think specific instructions as to his liability while on the lifeboat were necessary to sustain any conviction. As the excerpt from the charge shows there really were no such instructions, and the following requests,

which were 'refused, except as charged', ought to have been granted in order to render his liability for conduct while on the lifeboat intelligible:

"81. If while in the lifeboat Abbott was physically incapable of taking charge, or permitted a competent person to take charge, he may be deemed guilty of negligence in the operation of the lifeboat because of his failure to take charge * * *.

"83. If while in the lifeboat Abbott was physically incapable of taking charge of doing work therein, the failure to rescue passengers is not attributable to him; particularly if he advised that the lifeboat be kept in the vicinity of the ship * * *.

"We hold that in spite of the failure to except to the charge as delivered, the omission of any specific instructions as to the liability of Abbott while in the lifeboat which was raised by the foregoing refusals to charge was error. Indeed, if Abbott was to be convicted for misconduct while in the lifeboat, the instructions ought to have dealt with the issues of fact fully and clearly."

The effect of reversal of judgment as to Warms and Abbott will probably close the door to further criminal prosecution arising out of this fire. The appellate court gave Captain Warms a clean bill of health, and, although Abbott may find little comfort in the court's opinion concerning his conduct, it seems improbable that in the face of the court's findings the Government will devote the time and effort necessary to try Abbott again.

A settlement agreement has been in effect since the early part of September 1936, limiting the liability in the *Morro Castle* cases to $890,000, and on March 27, 1937, an order was granted and entered by Hon. John C. Knox, district judge, on the application of the Atlantic, Gulf & West Indies Navigation Co. and the New York & Cuba Mail Steamship Co., affirming this settlement agreement. A committee of counsel will pass upon approximately 400 death and injury claims. The amount of the aggregate settlement has been accepted by more than 95 percent of the claimants. This committee will fix the award on each claim, determining as to amount by the usual factors of age, income, and life expectancy on the death claims, and by the ordinary rules of damage upon the claims for injury or property loss.

It seems clear, therefore, that no further activity may be expected in connection with the *Morro Castle* fire.

The "Mohawk"

The New York board of local inspectors of the Bureau of Navigation and Steamboat Inspection (now the Bureau of Marine Inspection and Navigation), Department of Commerce, made its report on March 2, 1935, setting forth the results of their investigation of the foundering of the steamship *Mohawk*. This report dismissed the case without further action. The report found no cause for action against any of the surviving officers of the *Mohawk*. The motorship *Talisman*, which collided with the steamship *Mohawk*, was of foreign registry and, consequently, did not come under the jurisdiction of this board.

Between February 1 and March 1, 1935, before the January morning grand jury, by Martin Conboy, then the United States attorney for the southern district of New York, 14 witnesses testified. The grand jury was discharged on or about March 28, 1935, without finding indictments.

The United States Bureau of Investigation, Department of Justice, investigators interviewed all but two of the *Mohawk's* crew and all but five of the rescued passengers.

The United States attorney for the southern district of New York completed his investigation of the collision, which resulted in the sinking of the steamship *Mohawk*, in April 1936. No further material facts were developed. No indictments were found. The record also received the attention of the successor United States attorney. It is probable, therefore, that no further action may be expected in connection with the foundering of the steamship *Mohawk*.

The New York & Cuba Mail Steamship Co. has concluded an agreement of settlement with the *Mohawk* claimants to pay an aggregate of three hundred and sixty thousand ($360,000) dollars in full settlement of all claims. This amount to be apportioned by a committee representing the claimants. Of this, three hundred and forty-two thousand five hundred ($342,500) dollars is supplied by the New York & Cuba Mail Steamship Co., seventeen thousand five hundred ($17,500) dollars is supplied by the owners of the steamship *Talisman*.

OWNERS' LIABILITY INSURANCE, ETC.

Subdivisions 6 of Senate Resolution 7 directed the committee to investigate whether the laws governing liability for loss of life or property at sea, the laws and usages of salvage, the laws, usages, and practices of the business of marine insurance, tend to encourage the installation and utilization of such devices and the promotion of such practices as are conducive to safety and to a paramount concern at all times for the preservation of life. It is very doubtful, however, if any liability law has sufficient influence to induce the shipowner to respond to any great extent with special safety appliances for the reason that the percent of voyages on which liability is met is too small to offer any inducement for the expenditure of the money involved. It seems inevitable that this will always be so regardless of the extent of the owners' liability, because with proper management and operation the likelihood of incurring liability is almost nil.

Since the *Morro Castle* and *Mohawk* disasters the laws governing the owners' liability for loss of life or property have been considerably improved, but there is no reason to believe that this has affected the safety of the ships. In fact, it is almost certain that the action to improve the safety of ships has come from quite other laws.

So far as salvage is concerned, it does not appear that the laws governing salvage have any influence on the installation and utilization of devices and the promotion of practices such as might be conducive to safety "and to a paramount concern at all times for the preservation of life."

Salvage in its simple character is a service which volunteer adventurers spontaneously render to the owners in the recovery of property from loss or damage at sea, under the responsibility of making restitution and with a lien for their reward. It comes into play only after the casualty has occurred and has little concern with the cause of the casualty.

MARINE INSURANCE

In the matter of marine insurance, the underwriters' problems and rates of premium must be grounded on experience rather than on the particular arrangements or conditions of a ship. They apply the rules of indemnity to an existing condition in view of past experience. The owner places insurance on his ships as they are, not on what they might and should be.

From the insurance standpoint the risks are not so much in the ships themselves as in the hazards they encounter, whether through unusual perils of the sea or through mismanagement on the part of the operating personnel. If a ship is constantly damaged by encountering ordinary storms, it is very costly to the insurance underwriters; this condition brought about the organization of what are known as classification societies. The classification societies usually represent shipowners, underwriters, and shipbuilders, and they classify vessels in accordance with the satisfactoriness of their construction. Therefore, if an owner has his ship classed by one of the classification societies, the underwriters will write insurance on it on the basis of its classification; in general, it may be said that the more ships an owner operates and the fewer casualties his ships encounter, the lower will be his rates, regardless of whether his ships are satisfactorily equipped or not.

It does not seem possible, therefore, that the insurance companies are likely to go further in their demands for safeguards than their actuarial experience necessitates. The demands for safety will have to come from public interest rather than insurance underwriters. The duty of the Congress in this matter cannot be questioned. Safer ships built under advanced rules of construction and better personnel are demanded if safety at sea is to be promoted.

FURTHER REPORTS

We shall make a further report in order to complete the requirements of Senate Resolution No. 7.

ROYAL S. COPELAND.
MORRIS SHEPPARD.
WALLACE H. WHITE, JR.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BRIDGES:

A bill (S. 2590) to control and regulate interstate commerce of the products of child labor, and for other purposes; to the Committee on Education and Labor.

By Mr. WHITE:

A bill (S. 2591) granting a pension to Casper D. Boynton; to the Committee on Finance.

By Mr. FRAZIER:

A bill (S. 2592) to repeal section 178 of the Criminal Code, entitled "Issuing notes less than $1"; to the Committee on Banking and Currency.

By Mr. SHEPPARD:

A bill (S. 2593) to amend the laws of the District of Columbia relating to corporations; to the Committee on the District of Columbia.

A bill (S. 2594) authorizing the President of the United States to summon Sam Alexander before an Army retiring board, and for other purposes; and

A bill (S. 2595) to provide for the care and treatment of certain insane persons, and for other purposes; to the Committee on Military Affairs.

By Mr. COPELAND:

A bill (S. 2596) to provide for a special clerk and liaison officer; to the Committee on Civil Service.

By Mr. THOMAS of Oklahoma:

A bill (S. 2597) to authorize in-service training in the Indian Service, and for other purposes; to the Committee on Indian Affairs.

By Mr. DAVIS:

A bill (S. 2598) to provide for the advancement on the retired list of the Navy of Arthur W. Bass, a lieutenant (junior grade), United States Navy, retired; to the Committee on Naval Affairs.

By Mr. NEELY:

A bill (S. 2599) to provide local flood protection for the city of Huntington, W. Va.; and

A bill (S. 2600) to provide local flood protection for the city of Kenova, W. Va., and the town of Ceredo, W. Va.; to the Committee on Commerce.

(Mr. RUSSELL introduced Senate bill 2601, which was referred to the Committee on Claims, and appears under a separate heading.)

By Mr. LA FOLLETTE:

A bill (S. 2602) for the relief of George Yuhas; to the Committee on Claims.

By Mr. BONE (for himself, Mr. CLARK, Mr. NYE, Mr. POPE, and Mr. FRAZIER):

A bill (S. 2603) to provide for Government ownership and operation of shipbuilding facilities, and plants for the manufacture of Army and Navy ordnance and other war materials, and for other purposes; to the Committee on Naval Affairs.

REFUNDING OF TAXES UNDER CERTAIN ACTS

Mr. RUSSELL. I ask consent to introduce a bill which I request be referred to the Committee on Claims, and I ask also that the bill, together with a brief statement explaining it, may be printed in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

The bill (S. 2601) to provide for refund of amounts collected as tax under the Bankhead Cotton Act of 1934, the Kerr Tobacco Act, as amended, and the Potato Act of 1935, was read twice by its title and referred to the Committee on Claims, as follows:

A bill (S. 2601) to provide for refund of amounts collected as tax under the Bankhead Cotton Act of 1934, the Kerr Tobacco Act, as amended, and the Potato Act of 1935

Be it enacted, etc.—

SECTION 1. That the Commissioner of Internal Revenue, under regulations approved by the Secretary of the Treasury, is authorized and directed to refund any amount paid to or collected by a collector of internal revenue as tax (which for the purposes of this act shall include penalties and interest) under the Bankhead Cotton Act of 1934 (48 Stat. 598), as amended, Kerr Tobacco Act (48 Stat. 1275), as amended, and under the Potato Act of 1935 (49 Stat. 750).

SEC. 2. (a) Such refund may be allowed only to the person or persons who paid, or for whose account there was paid, the tax.

(b) In the case of amounts paid as tax under the Bankhead Cotton Act with respect to the ginning of cotton:

(1) Refund shall be allowed to the ginner of the cotton only to the extent that the ginner has not shifted the burden of the tax by including it in any charge or fee for ginning, or by collecting it from the owner or owners of the cotton ginned, or in any manner whatsoever.

(2) Refund shall be allowed to the owner or owners of the cotton at the time of ginning, to the extent that the amount of tax was shifted to such owner or owners by the cotton ginner and was not shifted by such owner or owners to other persons. In such cases, but only for the purposes of this act, the tax shall be considered to have been paid by the ginner to the United States for the account of such owner or owners.

(3) In the case of seed cotton sold by a producer prior to the ginning thereof, refund shall be allowed to such producer to the extent that the burden of tax was shifted to him.

(4) As to tax paid to a collector of internal revenue by a person other than the ginner, as in the case of tax paid under section 4 (f) of the Bankhead Cotton Act, refund shall be allowed to and claim therefor shall be filed by the person or persons who paid such tax to the collector of internal revenue.

(5) In the case of any claim for refund filed by a person other than the ginner of the cotton with respect to which the tax was paid, the Commissioner may require that there be submitted a waiver of refund executed by such ginner.

(c) No refund may be allowed of any amount paid as tax under the statutes referred to in section 1 with respect to which refund or reimbursement has been heretofore made by the Secretary of Agriculture or the Commissioner of Internal Revenue.

(d) For the purposes of this act, satisfaction of tax liability by surrender or submission of tax-exemption certificates, tax-payment warrants, or tax-exemption stamps shall not be considered as payment of tax.

SEC. 3. Except as authorized by this act, no refund shall be made or allowed, in pursuance of court decision or otherwise, of any amount paid as tax under the statutes set out in section 1.

SEC. 4. No refund shall be made or allowed, in pursuance of court decision or otherwise, of any amount paid by or collected from any person as tax under the statutes set forth in section 1 unless after the enactment of this act and prior to July 1, 1938, a claim for such refund of such amount by the person entitled thereto has been filed in accordance with regulations prescribed by the Commissioner with the approval of the Secretary. All evidence relied upon in support of such claim shall be clearly set forth under oath.

SEC. 5. Notwithstanding any other provision of law, no court shall have jurisdiction of any suit or proceeding, whether brought before or after the date of enactment of this act, for the recovery, recoupment, set-off, refund or credit of, or counterclaim for, any amount paid by or collected from any person as a tax under the statutes set out in section 1, (a) before the expiration of 6 months from the date of filing a claim therefor under this act, unless the Commissioner renders a decision thereon within that time, or (b) after the expiration of 2 years from the date of mailing by registered mail by the Commissioner to the claimant a notice of disallowance of that part of the claim to which such suit or proceeding relates. Any consideration or any action by the Commissioner with respect to such claim following the mailing of notice of disallowance shall not operate to extend the period within which any suit or proceeding may be brought.

SEC. 6. Concurrent with the Court of Claims, the district courts of the United States shall have jurisdiction of cases to which this act applies, regardless of the amount in controversy, if such district courts would have had jurisdiction of such cases but for limitations under the Judicial Code, as amended, on jurisdiction of such courts based upon the amount in controversy.

SEC. 7. No interest shall be allowed by the Commissioner or by any court with respect to any amount paid or collected as tax under the statutes set out in section 1, except with respect to amounts refund of which is made or allowed under this act.

SEC. 8. In the absence of fraud the findings of fact and conclusions of law of the Commissioner upon the merits of any claim presented under this act, and the mathematical calculations therein, shall not be subject to review by any other administrative or accounting officer, employee, or agent of the United States.

SEC. 9. No collector of internal revenue or internal-revenue officer or employee shall be in any way liable to any person for any act done by him in the assessment or collection of any amount as tax under the statutes set out in section 1, or for the recovery of any money exacted by or paid to him and paid into the Treasury in performance of his official duties under the said acts, or if such collector or officer acted under the direction of the Secretary or other proper officer of the Government.

SEC. 10. No claim for refund shall be denied upon the ground that a proceeding to recover had become barred by the limitation provisions of the statutes set out in section 1.

SEC. 11. The Commissioner shall, with the approval of the Secretary, prescribe such rules and regulations as may be deemed necessary to carry out the provisions of this act.

SEC. 12. There is hereby authorized to be appropriated the sums that may be necessary to carry out the provisions of this act.

The statement presented by Mr. RUSSELL relative to the bill is as follows:

STATEMENT ON SENATE BILL 2601

This bill is designed to authorize the repayment of taxes collected under the Bankhead Cotton Act, the Kerr Tobacco Act, and the Potato Act, and to provide a procedure whereby that refund may be made. The bill is patterned largely upon the provisions of title VII of the Revenue Act of 1936 dealing with the refund of Agricultural Adjustment Act taxes, which was declared constitutional in *Anniston Mfg. Co. v. Davis*, decided May 17, 1937. Like that title, the present bill is designed to insure the refunding of the taxes to the persons who actually bore the burden of the payment of that tax.

Specifically, the bill, by section 1, authorizes the refund of the amounts paid. By section 2, the persons who are entitled to the refund are defined. In the case of tobacco and potatoes, the burden of the tax was actually borne by the taxpayer, and there is, therefore, no need for further provision. In the case of cotton, however, the ginner, who was the taxpayer, did not in the usual case bear the burden of the tax, but shifted it to the person for whom the ginning was done. For that reason section 2 (b) (2) provides that such persons may recover to the extent that the amount of tax was shifted to them. In some cases the amount of the tax was borne by the producer even though he sold the cotton prior to ginning. Section 2 (b) (3) allows a refund to be made to him to the extent that the burden of the tax was shifted to him.

The bill is not designed to provide for satisfaction of amounts paid for tax-exemption warrants or certificates; consequently, section 2 (d) states that for the purposes of the act satisfaction of the tax by means of exemption warrants is not to be considered as a payment of the tax.

Sections 4 and 5 provide for the filing of a claim for refund under this act and for the procedure for contesting the determination of the Commissioner of Internal Revenue in the district courts. Section 6 allows the district courts complete jurisdiction to deal with such cases. Pending suit, however, based upon a denial of refund by the Commissioner of Internal Revenue prior to the passage of this act must be discontinued and a new claim for refund filed under the provisions of section 4.

The remaining sections deal with minor administrative matters. Section 7 provides that no interest shall be allowed except with respect to amounts refund of which is made under the act, and is similar to the provision in title VII of the Revenue Act of 1936. Section 8 makes the findings of fact and conclusions of law conclusive except insofar as they may be reviewed by the courts. Section 9 eliminates suits against collectors, a procedure which was held proper in the Anniston case, provided that an alternative remedy for the recovery of the tax was provided. There can be no question that such a remedy is provided by this act. Sec-

tion 10 resolves the doubtful question with regard to the taxes refund of which had become barred by the limitations of the Cotton and Tobacco Acts prior to the repeal of those limitation sections by providing that all taxes collected under the act shall be repealed irrespective of any period of limitations provided in the act under which they were paid.

HOUSE BILLS AND JOINT RESOLUTIONS REFERRED

The following bills and joint resolutions were severally read twice by their titles and referred, or ordered to be placed on the calendar, as indicated below:

H. R. 224. An act to authorize an appropriation for the purpose of establishing a national cemetery at Fort Bliss, Tex.; and

H. R. 3123. An act to authorize the Secretary of War to lease to Old Fort Niagara Association, Inc., portions of the Fort Niagara Military Reservation, N. Y.; to the Committee on Military Affairs.

H. R. 2512. An act to authorize an appropriation for the construction of small reservoirs under the Federal reclamation laws; to the calendar.

H. R. 2708. An act to provide for the appointment of one additional United States district judge for the southern district of Texas;

H. R. 5900. An act to amend the bank-robbery statute to include burglary and larceny; and

H. R. 6295. An act to dispense with unnecessary renewals of oaths of office by civilian employees of the executive departments and independent establishments; to the Committee on the Judiciary.

H. R. 4582. An act to amend the act, approved August 4, 1919, as amended, providing additional aid for the American Printing House for the Blind; to the Committee on Education and Labor.

H. R. 6049. An act to amend the Interstate Commerce Act; to the Committee on Interstate Commerce.

H. R. 6287. An act to amend Public Act No. 467, Seventy-third Congress, entitled "Federal Credit Union Act"; and

H. R. 6763. An act to extend for 1 additional year the 3½-percent interest rate on certain Federal land-bank loans, to provide a 4-percent interest rate on such loans for the period July 1, 1938, to June 30, 1939, and to provide for a 4-percent interest rate on land bank commissioner's loans for a period of 2 years; to the Committee on Banking and Currency.

H. R. 6635. An act to dispense with the necessity for insurance by the Government against loss or damage to valuables in shipment, and for other purposes; to the Committee on Finance.

H. R. 6899. An act to repeal the limitation on the sale price on the old post-office and courthouse site and building at Fourth and Chestnut Streets, Louisville, Ky.; to the Committee on Public Buildings and Grounds.

H. R. 7363. An act to continue the Federal Emergency Administration of Public Works for 2 years, and for other purposes; to the Committee on Appropriations.

H. J. Res. 19. Joint resolution for the establishment of a trust fund to be known as the Oliver Wendell Holmes Memorial Fund; and

H. J. Res. 380. Joint resolution to provide for the publication and sale by the Northwest Territory Celebration Commission of certain historical and educational material; to the Committee on the Library.

H. J. Res. 365. Joint resolution authorizing Federal participation in the Seventh World's Poultry Congress and Exposition, to be held in the United States in 1939; to the Committee on Foreign Relations.

MAXIMUM HOURS, MINIMUM WAGES, AND CHILD LABOR—AMENDMENTS

Mr. BRIDGES submitted amendments intended to be proposed by him to the bill (S. 2475) to provide for the establishment of fair labor standards in employments in and affecting interstate commerce, and for other purposes, which were referred to the Committee on Education and Labor and ordered to be printed.

USE OF BUILDINGS IN THE DISTRICT BY UNDESIRABLE INDUSTRIES—AMENDMENT

Mr. ANDREWS submitted an amendment intended to be proposed by him to the bill (S. 2286) to prohibit the use of buildings or premises in the District of Columbia for the carrying on of certain undesirable industries, which was referred to the Committee on the District of Columbia and ordered to be printed.

STATUS OF PROVISIONAL OFFICERS OF THE WORLD WAR—AMENDMENT

Mr. SHEPPARD submitted an amendment intended to be proposed by him to the bill (S. 1040) placing provisional officers of the World War in the same status with emergency officers of the World War and extending to them the same benefits and/or privileges as are now or may hereafter be provided by law, orders, and/or regulations for said emergency officers, and for other purposes, which was referred to the Committee on Military Affairs and ordered to be printed.

AMENDMENTS TO INTERIOR DEPARTMENT APPROPRIATION BILL

Mr. POPE submitted amendments intended to be proposed by him to the bill (H. R. 6958) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1938, and for other purposes, which were referred to the Committee on Appropriations and ordered to be printed, as follows:

On page 86, line 1, strike out "$65,500" and insert "$68,380."
On page 86, line 2, strike out "$52,000" and insert "$54,900."
On page 87, line 9, strike out "$615,000" and insert "$637,500."
On page 87, line 24, strike out "$240,400" and insert "$250,400."
On page 89, line 20, strike out "$305,000" and insert "$334,850."
On page 90, line 5, strike out "$82,690" and insert "$87,690."
On page 90, line 24, strike out "$274,790" and insert "$324,970."
On page 91, line 1, strike out "$200,000" and insert "$262,700."

WORLD PEACE—ADDRESS BY SENATOR PITTMAN

[Mr. HARRISON asked and obtained leave to have printed in the RECORD an address on World Peace, delivered by Senator PITTMAN to the Nevada Chapter of Phi Kappa Phi at the University of Nevada on May 8, 1937, which appears in the Appendix.]

DOMESTIC ECONOMY AND FOREIGN TRADE—ADDRESS BY SECRETARY ROPER

[Mr. COPELAND asked and obtained leave to have printed in the RECORD an address entitled "Relating Our Domestic Economy to Foreign Trade", delivered by Hon. Daniel C. Roper, Secretary of Commerce, at New Orleans, La., Monday, May 17, 1937, which appears in the Appendix.]

THE SUPREME COURT—ADDRESS BY WILLIAM H. LEWIS

[Mr. LODGE asked and obtained leave to have printed in the RECORD an address entitled "Mr. Roosevelt and the Supreme Court", delivered by William H. Lewis, Esq., of the Massachusetts Bar, which appears in the Appendix.]

DISTRICT OF COLUMBIA APPROPRIATIONS

Mr. THOMAS of Oklahoma. I move that the Senate proceed to the consideration of House bill 5996, being the District of Columbia appropriation bill.

The VICE PRESIDENT. The question is on the motion of the Senator from Oklahoma.

The motion was agreed to; and the Senate proceeded to the consideration of the bill (H. R. 5996) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1938, and for other purposes, which had been reported from the Committee on the District of Columbia with amendments.

Mr. THOMAS of Oklahoma. I ask unanimous consent that the formal reading of the bill be dispensed with, that it be read for amendment, and that the amendments of the committee be first considered.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

The clerk will state the first amendment reported by the committee.

Mr. McNARY. Mr. President, before the Senate proceeds to the consideration of the amendments I make an appeal to the Senator from Oklahoma, who has the bill in charge, to make a short statement of the contents of the measure, whether it involves an increase over the appropriations of the current law, and the differences between the bill as reported to the Senate and the bill as passed by the House.

Mr. BONE. Mr. President——

The VICE PRESIDENT. The Chair assumes that the Senator from Oklahoma [Mr. THOMAS] desires recognition in order to reply to the suggestion of the Senator from Oregon.

Mr. THOMAS of Oklahoma. Mr. President, I will make a very brief statement, as requested by the Senator from Oregon, and then, of course, the bill will be open for consideration, at which time the Senator from Washington may take the floor for such remarks as he may desire to make.

The pending bill proposes to make available money for the District of Columbia for the next 12 months, beginning on the 1st day of July. It is now obvious that unless additional taxes shall be raised, the revenue for the ensuing fiscal year will be from seven and a half million to $10,000,000 short of the sum which will be necessary to meet the appropriations carried by the pending bill.

The bill as now before the Senate suggests items of appropriation aggregating about $350,000 less than the Budget estimates; so that if the bill shall pass in its present form it will carry a sum less than the Budget estimates of approximately $350,000. There are some changes in the bill which are material.

Mr. BORAH. Mr. President——

The VICE PRESIDENT. Does the Senator from Oklahoma yield to the Senator from Idaho?

Mr. THOMAS of Oklahoma. I yield.

Mr. BORAH. Am I to understand the Senator to state that the appropriation bill carries about $7,500,000 more than will be raised unless additional taxes are imposed?

Mr. THOMAS of Oklahoma. The bill as now before the Senate, if passed by this body and approved by the House, will call for an increase in revenue from some source above what will be levied by existing law of at least $7,500,000 additional. It may run as much as $8,000,000 or $9,000,000.

Mr. BORAH. I take it the Appropriations Committee did not take into consideration how the necessary additional money should be raised?

Mr. THOMAS of Oklahoma. The committee did take it into consideration, but all revenue bills must originate in the House of Representatives. If we could have found in this bill some slight opening for attaching tax-raising legislation, we ourselves could have amended the bill to take care of that situation; but there is nothing in the bill that proposes to raise funds, so it cannot be considered to be a revenue-raising bill from any standpoint. Therefore, our committee could not suggest the amendment necessary to raise funds to take care of the additional appropriations in the bill.

However, we had information before the committee, submitted by the Commissioners and others, that the House is now considering measures which it is thought will raise the necessary money to make up the deficit which it is now apparent will ensue if the bill as now pending shall be passed. We think the House will pass the necessary revenue measures to raise additional taxes in the District to meet the now obvious deficit.

The main change in the bill is the transfer of Gallinger Hospital and one other hospital from the Board of Public Welfare to the Board of Public Health. The senior Senator from New York [Mr. COPELAND], an eminent authority on matters of the kind, after full consideration recommended that the House amendment making this change be approved by the Senate committee, so the Senate Committee on Appriations acted on his recommendation and we are asking the Senate to concur in the action of the House. Of course, the action of the House was only in the form of an amendment which was stricken out on a point of order, but the House desires that the transfer be made. Mr. COLLINS, chairman of the House committee, is very insistent that the hospitals be placed under the Board of Public Health instead of under the Board of Public Welfare.

There are other amendments in the bill of more or less importance. In times past the District of Columbia has been bearing all the expense of maintaining the judicial system of the District, both the District courts and the Circuit Court of Appeals, both 100-percent Federal agencies.

Mr. NORRIS. Mr. President, before the Senator leaves the matter of the transfer of Gallinger Hospital and another hospital, I wish he would explain just what the two boards are and what the change contemplates.

Mr. THOMAS of Oklahoma. In the District are two boards, one the Board of Public Welfare and the other the Board of Public Health. They are both positive entities in the District government. Heretofore the Board of Public Welfare has been taking care of and supervising the operations of Gallinger Hospital and another hospital. It is believed by eminent authorities that the supervision of these hospitals should be under the Board of Public Health rather than under the Board of Public Welfare. It may be a fancy, but the best authority appearing before us was in favor of the transfer.

Mr. NORRIS. How long have the hospitals been under the supervision of the Board of Public Welfare?

Mr. THOMAS of Oklahoma. Always, so far as I know.

Mr. NORRIS. What are the functions of the two boards? Do they conflict in any way?

Mr. THOMAS of Oklahoma. They have the same general end in view, but the Board of Public Health has more detailed work to perform than has the Board of Public Welfare. The Board of Public Health has to do more or less with sanitation and health, while the Board of Public Welfare has to do with public relief. It occurred to the committee that it was proper to transfer the hospitals to the Board of Public Health, which is more concerned with health than with public relief. The Board of Public Welfare has more to do with relief work.

Mr. BORAH. Mr. President——

Mr. THOMAS of Oklahoma. I yield to the Senator from Idaho.

Mr. BORAH. I wish to recur to the question of taxes in the District. It has been rumored that the committee had contemplated a sales tax in the District for the purpose of taking care of the deficit.

Mr. THOMAS of Oklahoma. Of course, I am not authorized to speak and am not advised, but I understand from the public press that a sales-tax proposal is under consideration. Whether it has been voted out by the committee in the House which has charge of the matter, I cannot say, but it has been under consideration.

Let me say for the benefit of the Senator from Idaho that there is a way to raise the additional sum needed without the passage of additional legislation; that is, by raising the general tax rates upon real estate in the District of Columbia. In the last analysis the Commissioners can raise the tax rates upon real estate sufficiently high to cover the deficit, but, of course, that would make the real-estate tax rather heavy in the District of Columbia, because in the District all real property is assessed at approximately 100 percent valuation.

Mr. BORAH. Does the subcommittee of which the Senator is chairman consider favorably the question of the sales tax?

Mr. THOMAS of Oklahoma. I may state that it has not been considered by the subcommittee; but personally I have always opposed a sales tax, and I oppose it now.

Mr. BORAH. I hope the Senator will continue to oppose it.

Mr. THOMAS of Oklahoma. I was referring to another important amendment in the bill. We have in the District of Columbia the United States District Court for the District of Columbia and the United States Court of Appeals for the District of Columbia. For a long time past the residents of the District of Columbia have been taxed to pay the entire expense of maintaining the United States district court and

the United States court of appeals. The evidence shows that 70 percent of the business coming before the court of appeals is Federal business, much of it originating outside of Washington, and only 30 percent of the business before that court originates in and should be taxed to the taxpayers of the District of Columbia. Because of this evidence the committee recommends that division be made of the money necessary to be raised to maintain the two courts. As to the United States district court, we suggest a division of 60 percent from the Federal Treasury and 40 percent from the District of Columbia. As to the United States court of appeals, we suggest 70 percent from the Federal Treasury and 30 percent from the District of Columbia. We think that is fair because the people outside of the District of Columbia who receive the benefits from the activities of these two courts should, in my opinion, bear a just proportion of the expenses of the courts.

If there be any question which may arise during the consideration of the various amendments, I shall do my best to explain the amendments. I do not care to take the time now to discuss the amendments further unless there be one of special interest to some Member of the body who desires to ask a question.

I suggest that the first amendment of the committee be stated, and then the Senator from Washington [Mr. BONE] may proceed.

The VICE PRESIDENT. The first amendment of the committee will be stated.

The first amendment of the Committee on Appropriations was, under the heading "General Expenses—Executive office", on page 3, line 22, to strike out "$121,360" and insert "$122,860", so as to read:

Building-inspection division: For personal services, $122,860.

CONTROL AND PREVENTION OF CANCER

Mr. BONE. Mr. President, I desire to express my very deep appreciation of the generous impulses which moved 94 of the Members of this body to place their signatures on a bill introduced a short time ago, being Senate bill 2067, which is intended to establish a research bureau or activity of the Federal Government in an effort to discover the causes of cancer. If Senators will bear with me briefly, I wish to discuss some of the practical and very terrifying aspects of the problem. I know the bill will make a very definite appeal to all Senators.

Ninety-four Members of this body introduced a bill March 29 for the high purpose of fighting one of the worst scourges of humanity. I refer to S. 2067, generally known as the cancer-research bill. It would provide $1,000,000 annually to be expended under direction of the Surgeon General of the United States to conduct research into the cause and cure of cancer.

There has lately come to my desk a book, Cancer, the Great Darkness, put out by the editors of Fortune magazine.

On the title page of this book is the statement:

Cancer, the Great Darkness, which engulfs 135,000 lives per year. It is partially penetrated by radium, X-ray, and surgery, but only a new light from the scientific laboratory could dispel it entirely. Yet United States endowments for cancer research total only $5,000,000, their incomes only $200,000.

The cancer research bill is designed to provide $1,000,000 annually to illuminate the cancer darkness with the light of well-organized research. My purpose today is to provide a factual statement about this disease and what can be done about it.

I refer again to the book put out by Fortune, because it is the latest thing on the subject. It asks and answers five pertinent questions. These are:

"What is being done to discover the cause of cancer?"

Answer: "Criminally little. This is largely due to public apathy and ignorance."

"Are deaths from cancer increasing?"

Answer: "Yes; the cancer mortality rate has increased 60 percent in this century."

"Is cancer infectious; is it hereditary?"

Answer: "Probably not; but you will have to wait until science somewhere finds the money to carry on the necessary research work to prove this before you can be sure."

"How long has cancer been recognized, if so little is known about it?"

Answer: "About 3,000 years. The ancient Egyptians used remedies as effective as many modern nostrums."

"Are quack cures still sold?"

Answer: "Yes. If this book can play a part in starting legislation to stop one of the most cruel frauds ever practiced on the American public, it will have further justified its publication."

Statistics show that 1 in each 10 persons past 35 years of age is destined to have cancer. This dread disease has been growing in importance in recent years until now it is second only to heart disease as a cause of death and outranks tuberculosis. Iit kills more persons in 2 years in the United States than were killed and wounded in battle in all our wars from the foundation of the Republic. Cancer in 2 years kills 270,000 human beings—our wars killed or wounded only 244,000.

Despite the importance of cancer as a killer, the amount spent for cancer research by the United States Public Health Service and by private research institutions yearly is less than the cost of building a few big guns. The death rate from cancer advanced from 86 per 100,000 population in 1921 to 116.2 per 100,000 population in 1935 in our country. In 1936 there was a further increase based on data in 21 States for which figures are available.

The following table is made up partly from figures given on May 18, 1928, in this Chamber by the Senator from West Virginia [Mr. NEELY] and from data given me by the United States Public Health Service. The Senator from West Virginia told the Senate at that time that "the naked facts and figures which record the rapid, progressive, and persistent advance of this frightful scourge are so appalling as to render superfluous any attempt to emphasize the tale of horror that they tell."

Deaths per 100,000 in the United States:

1921	86.0
1922	86.8
1923	89.4
1924	91.9
1925	92.6
1926	94.9
1931	98.9
1932	102.1
1933	102.2
1934	106.2
1935	116.2

The latter figure being for 23 States. In 1936 there was a further increase based on data in 21 States for which figures are available. The increase between 1921 and 1935 in the mortality per 100,000 population was 34 percent.

As the Senator from West Virginia [Mr. NEELY] pointed out, in 1928, because of the unusual susceptibility of the female to cancer, 60 percent of the victims were females and 40 percent males. I note that at that time the Senator from New York [Mr. COPELAND], who, of all Senators, because of his profession, knows best the ravages of cancer, said, "There is no suffering in the world equal to the torture of cancer." There are no "words strong enough to express the suffering of the human beings with that terrible disease."

Mr. President, I feel that I should be untrue to myself, and I do not believe that I should express what is in the hearts of Members of this body who visualize this frightful scourge at work, if I did not digress for a moment to pay a tribute to the Senator from West Virginia [Mr. NEELY], who made a gallant fight in this body in 1928 to secure money to handle this situation, which was then so rapidly developing. The Senator from West Virginia is an able Senator and a very fine gentleman, and he then made a gallant and noble fight; and if he did nothing else so long as he remains in this body, he would stamp himself as a statesman of a high order in visualizing the importance of this subject and in striving to do for suffering humanity what a man in a public body ought to do. If 140,000 persons in this country were burned over slow fires every year, it would stagger the moral conscience of the world; and yet here, we, a body with our fingers on the purse strings, have it in our power at least to try to do something to stamp out a disease which not only takes 140,000 lives each year but which claims them in such a hideous fashion.

The Senator from New York [Mr. COPELAND] has also given of his talent and ability here to draw attention to the situation; and I think it is now time for the Congress of the United States, having met other challenges of insect and parasitic life—the boll weevil and the Texas tick, parasites that infest cattle and animal life—to lay the ax at the root of this tragic problem that confronts it.

The extent to which cancer is claiming its victims is shown by figures supplied by the United States Public Health Service, as follows:

Number of deaths in 1931, exclusive of Texas	118,141
Number of deaths in 1932, exclusive of Texas	122,739
Number of deaths in 1933, all States	128,749
Number of deaths in 1934, all States	134,428

Medical science is able definitely to cure cancer of certain easily reached parts of the body in the early stages but does not as yet know how to prevent development of cancer by removing its cause, for it does not know the cause.

It is fortunate that the press and the radio are turning the spotlight of publicity on this frightful disease. An organization of which Mrs. Franklin D. Roosevelt is a leader is calling public attention to the fact that cancer is no longer entirely incurable; that radium, X-ray, and the knife can conquer this malignant growth if recognized in time; that there is no reason for the victim of this disease to cover the fact as though it were something to be ashamed of. Physicians have been much handicapped by the feeling of the public that if a person has cancer he should guard that fact as a secret, speak of it only in whispers, and that if someone dies of cancer his death should be attributed to some other cause.

The importance of obtaining and disseminating knowledge about cancer is indicated by the fact that four out of five cases of early cancer can be cured, but not even one out of five of late cases can be cured.

There may be those in this and other countries who have information about cancer that would be of great benefit to the medical profession if that information were properly tested by a Government research organization and approved. When an organization is set up to test every new finding, knowledge may be brought forth that will result in bringing health and surcease from suffering to millions.

It is pointed out by Dr. Ellice McDonald, director of the Biochemical Research Foundation of the Franklin Institute, that petty jealousies of scientists are holding up discovery of the cure for cancer. Dr. McDonald has been endeavoring to establish a plan for correlation of all work on cancer, believing this would prevent duplication and give investigators the advantage of each other's growing knowledge.

"I found", he stated in his report, "that university men were very jealous of their plans and results, as they considered their advancement within the university to be dependent upon their reputation as gained by publication, and that their results were their own stock in trade."

The New York Times, in an editorial on March 25, 1937, points out the need for coordinating the work of cancer research agencies. It calls attention to the outstanding contributions to science of such organizations as the Bell Telephone laboratories, where a research director heads the various types of work done by scores of specialists.

The New York Times says:

> In cancer research, on the other hand, cytologists, radiation experts, biochemists, pathologists, and geneticists go their own separate ways. Of planning, organization, teamwork, expert direction there is not a trace. The council—

Referring to the Cancer Council—

> would not approve formal attempts to regiment or to organize cancer research under the direction of a "supermind" or dictator. It thinks that no one person knows enough about physics, chemistry, surgery, biology, and other sciences. It ought to visit the Kodak laboratories and learn how Dr. C. Kenneth Mees, without presuming to be a dictator or a scientific Admirable Crichton, supervises the work of specialists in radiation, vitamins, photosynthesis, and the manifold and difficult branches of photochemistry and geometric optics.

In an article on March 15 in the Washington Herald by Gobind Behari Lal, Universal Service science editor, the statement was made that—

> The failure of science to discover a real cure for cancer was attributed by the Cancer Council here today to lack of money for research work.

There is a striking comparison between the lack of money spent to conquer this disease and the amount of money spent to conquer diseases that affect property, such as plants and animals. There was appropriated for the Bureau of Entomology and Plant Quarantine by the Seventy-fourth Congress $5,317,675 to safeguard the country against diseases affecting plants. For instance, $399,531 was appropriated for safeguarding fruits, grapes, and nuts from fruit insects; $366,000 for combating insects affecting truck crops, ornamental, and garden plants; and $372,229 to combat insects affecting cereals and forage.

The Seventy-fourth Congress appropriated for eradicating tuberculosis in livestock $2,631,616; for inspection and quarantine, including eradication of scabies in sheep and cattle, $681,174; for eradication of cattle ticks, $613,940; for investigating diseases of animals, $381,755; and for the eradication of hog cholera, $373,424.

I have no quarrel with expenditures for combating diseases of plants and animals. I only call attention to the grievous disparity between the expense to which we go to preserve property as compared with the small amount of money spent to preserve human life.

In closing, I would like to call attention to a letter I received from Willis R. Whitney, vice president in charge of research of the General Electric Co. In Mr. Whitney's opinion cancer research can and should be organized in somewhat the same way as the research work in an industrial organization such as the General Electric. I quote from Mr. Whitney's letter:

> We heartily endorse the undertaking authorized by this bill. Continuous intensive research in the physical sciences is insured by the necessities of industry. Research in the equally or more important fields of biology and sociology must for the most part be dependent on private endowment until the Government takes up this work of utmost importance to the welfare of all citizens.
>
> No better beginning could be made than in the study of cancer. Much excellent work on cancer is already in progress in a number of separate institutions.
>
> The Senate bill seems to make possible the gradual upbuilding of a cancer research laboratory or center possessing the advantages of systematic coordinated efforts. It means simply the establishment of facilities for maximum helpfulness of a group of research workers—helpfulness through interchange of plans for mutually supplementary, rather than unrelated or merely duplicative studies, and through the prompt combination of results to speed the fabrication of the growing structure of knowledge. Organization makes possible the union of effort, which multiplies manyfold the efficiency of the individual worker and the value of his results. It should not be repressive of initiative, but should widen opportunity. It should provide the most fertile soil for the growth and fruition of all the ideas of all its component individuals.
>
> A large organization possessing this character cannot be created overnight. It must have an organic growth, and time is needed for this and permanency so that fine quality young men will be willing to join as a life undertaking.
>
> I can visualize a procedure somewhat as follows: First, I would create an advisory committee composed, perhaps, of the presidents of the scientific societies covering the several fields which should contribute to cancer research. This committee might be comprised of presidents of such societies as the National Academy of Sciences, the American Medical Association, radiological societies, the chemical and physical and biological societies, and the American Association for the Advancement of Science. This committee should be purely advisory. All authority should be invested in the Surgeon General and exercised by the director of cancer research to be appointed by him.
>
> The selection of the director will be the first and by far the most important task of the Surgeon General. The director should possess youth, enthusiasm, judgment, tact, a research background, and a willingness to seek continually for the ablest research workers to be had, abler, if possible, in research than the director himself.
>
> No large and elaborate laboratory should be erected at the start. Space might be found in or adjoining some Federal hospital receiving cancer patients. Clinical material will always be important. One by one, as the right men were found, the director would build up his staff—biologists, chemists, and physicists, giving each man encouragement and facilities to expand his own ideas and researches, but maintaining close contact and helpful cooperation among all, and building up the esprit de corps which gives organic unity of effort.
>
> In this work the authority of the director should be absolute, subject only to the general supervision, the general policies, and the veto power of the Surgeon General.
>
> Since, under the prevailing governmental system, it is desirable that the annual appropriation be spent each year, and since the

building up of the new organization will and should take time, I would suppose that, for the first year or two, much of the money would be used by making grants-in-aid to institutions already engaged in cancer research. In deciding on the allocation and size of such grants, as well as in the selection of the director, such an advisory committee as I have suggested should be very helpful. But with the building up of the new organization, and with the growing experience and confidence of the director, the amount spent in grants should diminish, as more and more, and finally all, the appropriation is required for the work of the laboratory.

I have not commented in detail on the wording of the bill, as I understand it is simply an enabling act.

I believe that in this letter Mr. Whitney has made a substantial contribution to the body of facts needed in consideration of legislation of this kind. His letter, based as it is on many years of experience in operating a great research organization, will doubtless be of much value to the committee considering the bill.

I have also received a valuable letter from F. B. Jewett, president, Bell Telephone Laboratories, who says he will be most happy to put at the disposal of the Senate committee or at the disposal of the Public Health Service any information which he has as to methods of organization of scientific research. Mr. Jewett says he will be glad to appear before the committee and I hope that he and others of like capability will be given that opportunity.

Since the bill has been introduced I have received upward of 50 letters from persons and organizations in this and foreign countries asserting that they have valuable information in regard to the cause and cure of cancer. Perhaps some of them have—who knows? Certainly some of them have not, since it is obvious from many of the letters that the writers are talking from ignorance and not from knowledge.

If this bill passes, a central agency will be created which can sift the wheat from the chaff and I believe that it would perform a function of value to the public by condemning nostrums that delude cancer sufferers, in addition to its more important task of forwarding discovery of new information about cancer.

I know from the number of signatures on this bill that the Senate of the United States is fully alive to the necessity of providing the monetary ammunition to make an effective battle against cancer.

Mr. President, this bill was referred to the Committee on Commerce, the chairman of which is our good friend the senior Senator from New York, Dr. COPELAND, an able and eminent physician, and I know from what the Senator from New York has said that it is his desire to have the best technical, medical, and surgical information in the country made available to his committee in some sort of a hearing which I think he intends to have. I think we may look forward to a fine piece of work at the hands of Dr. COPELAND, who certainly knows more about this subject than any other Member of the Senate.

I again wish to say, before I conclude, that I think the people of the United States owe a great debt of gratitude to the senior Senator from West Virginia for having made the fight he did make many years ago. We are now approaching this matter realistically. We do not necessarily have to plow a fallow field. The conscience of the country has been touched by the ravages of this disease, and I hope that the splendid work done by the Senator from West Virginia, and the contribution and aid given to him by the Senator from New York at that time, will bear fruit in the enactment, before this session shall end, of the bill to which I have called attention.

Mr. COPELAND. Mr. President, I have listened with great interest to what the Senator from Washington has said about cancer. I may state that immediately on receipt of the bill he has been discussing, which was referred to the Committee on Commerce, a request was made of the Surgeon General of the Public Health Service that one official from his organization be assigned to make up a list of prospective witnesses. That information will be available, I may say to the Senator from Washington, within a very few days, and I hope that we may proceed then with the hearings, which are so desirable.

ENROLLED BILLS PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on June 7, 1937, that committee presented to the President of the United States the following enrolled bills:

S. 430. An act conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of Elmer E. Miller;

S. 451. An act for the relief of Farley J. Holloman;

S. 522. An act for the relief of R. R. Purcell;

S. 556. An act for the relief of W. B. Greeley;

S. 733. An act conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment on the claim of Robert A. Watson;

S. 1081. An act for the relief of H. G. Carriere, Charles E. Livingston, and John Latham;

S. 1471. An act for the relief of Jordan Roberts;

S. 1479. An act for the relief of the estate of Charles White;

S. 1507. An act authorizing the return of the commission of John Baptiste Ashe as a major in the Continental Army to Martha B. Rogers, nee Ashe;

S. 1572. An act for the relief of Frank Fisher;

S. 1753. An act for the relief of James A. Fox; and

S. 2059. An act to authorize Austin H. Clark and Ellsworth P. Killip, of the United States National Museum, to accept certain decorations, respectively, from the Danish and French Governments.

REFERENCE OF BILL CREATING REGIONAL CONSERVATION AUTHORITIES

Mr. COPELAND. Mr. President, a few days ago the Senator from Nebraska [Mr. NORRIS] presented a very comprehensive bill, a very worthy bill, relating to the establishment of a number of authorities to deal with all questions relating to flood control, navigation, the control of rivers, and other allied subjects, together with due consideration to erosion and forestation. The bill was referred to the Committee on Agriculture and Forestry. This morning the Committee on Commerce, by unanimous vote, directed the chairman to say to the Senate that it is the feeling of the committee that the bill to which I have referred properly belongs in the Committee on Commerce. Matters of the nature of those dealt with in the bill of the Senator have always been considered by the Committee on Commerce. A companion bill in the House of Representatives was referred, I believe properly, to the Committee on Rivers and Harbors.

A few days ago the senior Senator from Missouri [Mr. CLARK] gave notice of his intention to ask for the discharge of the Committee on Agriculture and Forestry from the further consideration of the bill and its reference to the Committee on Commerce. At this time the Senator from Missouri is at the bedside of his mother, who is seriously ill. I had word yesterday that he desires to press this matter. It is the desire of the Committee on Commerce that the matter be pressed, and I give notice that some time next week—early in the week, we hope, with the return of the Senator from Missouri—an effort will be made to present the question to the Senate in such a way that it will decide to send the bill where we believe it properly belongs.

I do not want it understood from anything I have said this morning that I am committed in any sense to opposition to the bill of the Senator from Nebraska. If it shall be referred to the Committee on Commerce, it will receive there the consideration which the importance of the subject demands. It will be the pleasure of the committee to extend an invitation to the Senator from Nebraska to be present and to participate in the discussion of the bill on a plane of equality with all the members of the Committee on Commerce. I myself am perfectly clear that the bill belongs in the Committee on Commerce, and the purpose of my comments this morning is merely to call attention to the fact that some time soon the Senate will be asked to determine whether or not the reference to the Committee on Agriculture and Forestry is the proper one.

Mr. NORRIS. Mr. President, of course the Senator has the right to make the motion to which he has referred. I recognize the right of any Member of the Senate to make a motion to discharge the committee having charge of any bill at any time, and that he can move to refer the bill to any other committee, even after the committee to which it was originally referred has reported the bill to the Senate.

I do not care at this moment to discuss the issue; but when the motion for change of reference of the bill is made I shall enter upon a discussion of the question in some detail. At this time I simply wish to call attention to the fact that the Senator from New York is just now enjoying the honor of having had referred to the Committee on Commerce a bill dealing with the subject of cancer, its cause and its cure. The Committee on Commerce now has before it the bill referred to so eloquently earlier in the day by the Senator from Washington [Mr. BONE], dealing with the study of the cause and the cure of cancer. Of course, as everyone can see, that is a question which directly affects commerce, and it is clear that such a bill should go to the Committee on Commerce. That situation, however, directs our attention to the broad jurisdiction of the Committee on Commerce, dealing, as it does, with subjects all the way from medical subjects to farming operations, and to the fact that bills dealing with such subjects should go to the Committee on Commerce.

I suppose in due time, when the motion is made, the Senate will have the right to vote by roll call, which I shall demand and which I will welcome, upon the matter of referring the bill in question to the Committee on Commerce.

Following the line of procedure and practice of many years, bills of the nature of the one in question have been referred by the Senate to the Committee on Agriculture and Forestry. That committee yesterday took up the bill and referred it to a subcommittee for hearings; and that subcommittee has today arranged for its first meeting in order to have, if possible, logical hearings upon the question. However, I presume it now will be the duty of the Committee on Agriculture and Forestry to stop operations, to wait until those who are versed in cancer cures shall decide whether this farm bill ought to go to a committee dealing with agricultural matters or should go to a committee which has charge of subjects relating to cancer, and deals directly with matters affecting commerce. In due time the question will come up, and we shall discuss it when it comes up.

Mr. COPELAND. Mr. President, I am sure the Senator does not intend to be sarcastic or trivial in his comments. If there is any other committee of the Senate which can properly deal with the subject of cancer, I shall be happy, indeed, to have the bill referred to that committee. We have no public-health committee, and so the bill may well go anywhere.

With respect to the bill referred to by the Senator from Nebraska, I wish to say that I recall very well the problem dealt with in connection with the Tennessee Valley, because I helped him at the time to do what in my humble way I could do to deal with it. But the question involved at that time was not flood control or the navigability of the river. The question involved was the making of fertilizer, essentially an agricultural product. That is why that subject went to the Committee on Agriculture and Forestry.

Mr. President, I have no disposition to split hairs with the Senator from Nebraska or with anyone else; but when a committee, the prime function of which is to deal, among other things, with commerce, with the control of floodwaters—a committee which has always dealt with such problems—is suddenly confronted with the fact that it is disregarded, and a bill the primary purpose of which has to do with flood control, with rivers, is sent to another committee, then I think that committee very well has the right to enter its protest, as it did unanimously this morning.

At the proper time we can discuss all the adventitious and auxiliary questions involved in connection with this matter; but I am sure the Senator from Nebraska, when he thinks about it, will come to the conclusion that, so far as the bill introduced by the Senator from Washington [Mr. BONE] is concerned, it might perhaps just as well go to the Committee on Commerce as to any other committee. However, so far as I am concerned, as chairman of the Committee on Commerce, I should be very glad to have the bill dealing with the subject of cancer referred to the Committee on Agriculture and Forestry.

Mr. BONE. Mr. President, since the bill dealing with cancer has been mentioned, I desire to say to all interested Senators that when the bill was prepared I understood generally that a Senator might suggest that it go to any committee. I am frank to say to my brethren here that I did not know where this kind of a bill ought to go; but the Senator from New York [Mr. COPELAND] being a physician, I talked to him about the bill before it was introduced and asked him, if it were sent to his committee, whether he would undertake its consideration. I did not know any Member of the Senate who was so well qualified as the Senator from New York to handle this particular type of bill.

When the bill was filed, I requested that it go to the Committee on Commerce merely because of the fact that its chairman is a physician, which perhaps will explain why I requested that this particular bill should go to the Committee on Commerce. Frankly I did not know where to ask that it be sent, but my problem was solved by the fact that the chairman of the Commerce Committee was a physician.

Mr. NORRIS. Mr. President, of course, I made no effort and I do not intend to make any effort to have the Senator's bill referred to some other committee. I have not objected and I do not now object to the reference of that bill to the Committee on Commerce. However, when the Senator says that offhand and without giving the matter any particular thought he did not know of any committee to which the bill relating to cancer should be referred, I should like to state that we have in the Senate a standing Committee on Education and Labor. I think it would be very appropriate that the bill should be referred to that committee. However, the Senator from Washington asked that his bill be referred to the Committee on Commerce, the chairman of which is the Senator from New York [Mr. COPELAND]—or I will say Dr. COPELAND—and, having such a wide scope of jurisdiction, there is not any doubt that the Committee on Commerce does have jurisdiction over almost any subject.

However, for over 20 years the Committee on Agriculture and Forestry has had jurisdiction of bills dealing with subjects similar to those dealt with by the bill under discussion. That committee has had months and months of hearings on the subject, and when the time comes I shall be able to show that bills on this subject by the dozen—yes; by the hundred—have been referred to the Committee on Agriculture and Forestry, have been reported favorably to the Senate, and have been passed by the Senate.

Mr. President, the question which will be involved in connection with the consideration of the bill is not a question of navigation, although that is the constitutional peg on which the proposed legislation hangs. It is not going to be a question of flood control, although that is a question which under the Constitution we are privileged to deal with. The enemies of the bill are fighting it for another reason—because the question of power is involved in it, and the private power companies of the country are going to try to send it to the Committee on Commerce or any other committee to get it away from a committee which has studied the subject for 20 years, has held hearings on it, and has favorably reported bills which have not suited the private power companies.

So let us not get away from the real point at issue. There is more in that bill pertaining to agriculture than anything else, although it has features which could very properly be considered by the Committee on the Judiciary. Many pages of the bill deal entirely with legal questions. Questions of navigation are involved in it. That is the constitutional reason why we can legislate on the subject. It also

deals with soil erosion; it deals with reforestation; it deals with control of submarginal lands.

After all, Mr. President, all the other reasons for the proposed legislation can fade away if we confine it to one thing—flood control. The farmers of America have lost millions of tons of soil and are still losing millions of tons of soil, especially in the Mississippi Valley. Fertile soil is going down the Mississippi River every year to be deposited in the Gulf of Mexico and the Atlantic Ocean. After all, when we get down to the bottom of it all, it is a matter having to do with conservation of our soil and the improvement of our farm life, having to do with the development of agriculture, upon which our industries, navigation, and everything else depend.

Mr. COPELAND. Mr. President, I wish to add one word to what has been said.

I do not like the implication of the words of the Senator from Nebraska about the power companies. I know nothing about the power companies. I have not been approached by any power company. I am here as a Senator to do my duty as best I can. I preside over a committee which this morning unanimously took this action. They made no reference to the power question.

The main problem of this bill, as I see it, is flood control and river control. The Senator from Nebraska, who perhaps thinks in other terms, thinks of it in terms of a farm bill. But since the projects in question head upon rivers and relate to the control of rivers, no matter what the incidental benefits to agriculture may be, the main question involved in every project is what it has to do with the control of water.

Mr. President, I do not know anything about the power companies. I am not at all interested in them. But I am interested to do my duty as a Member of the Senate in connection with the work to which I have been assigned and in which I was joined unanimously by my colleagues this morning.

Now, Mr. President, as we have finished that debate——

Mr. NORRIS. If the Senator is through with the subject, I want to say a word about power.

The Senator said that he knows nothing about power. Well, for God's sake, why not refer this bill that has power features in it to a committee that does know something about power? The Committee on Agriculture and Forestry has been studying the question for 20 years; they do know something about it, I think. Even that would be a reason for the reference to that committee, although such action is not advocated solely on that ground. It is no insinuation against the Senator——

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. NORRIS. I yield.

Mr. COPELAND. I did not say that we did not know about power.

Mr. NORRIS. I thought the Senator said he did not know anything about power.

Mr. COPELAND. The Senator talked about power companies and what they are seeking to do. My reply to the Senator related to the possible influence of power companies. We are just as competent in the Committee on Commerce to deal with power in connection with river and flood-control projects as are the members of any other committee of the Senate, and I think it is quite unfair for the Senator repeatedly to make implications which reflect upon the Committee on Commerce and its chairman.

Mr. NORRIS. Mr. President, I understood the Senator to say—and his statement will appear in the RECORD—that he did not know anything about power. If the Senator does know something about power, I take that all back; that is all right. There is no insinuation against the Senator or his committee or anybody else. I do not object to the private power companies trying to get an advantage, if they think they can get one. They know what to expect from the Agricultural Committee; but they do not know what they will get from some other committee, and they would rather jump into the dark and take a chance than to run up against a certainty as to what they might expect from the committee that has given the subject attention.

Mr. COPELAND. Mr. President, will the Senator yield further?

Mr. NORRIS. Yes.

Mr. COPELAND. Does the Senator think for one moment that it was because of the influence of the power companies and the utilities that this protest has been entered here?

Mr. NORRIS. I do not know who makes the protest or where it originates; so I cannot answer the Senator's question.

Mr. COPELAND. I can answer it.

Mr. NORRIS. The Senator has a right to answer it, of course.

Mr. COPELAND. I can answer that the attitude of the committee, so far as I know, has not been influenced in any manner whatever by the utilities.

Mr. NORRIS. It may be that is true. Here is a committee that the power companies, however, know nothing about, and here is another one with which they have had experience; they do not like it, and they would rather get away from it to another one that they do not know anything about.

Mr. COPELAND. And on that account they have influenced us to take this position? That is the natural implication of the Senator's words.

Mr. NORRIS. What is the implication?

Mr. COPELAND. That we are trying to get possession of this bill in order that we may serve the power companies.

Mr. NORRIS. There is not any such implication; the Senator has no right to draw that kind of a conclusion from anything I have said. Here, however, we have a case where for 20 years one committee has handled a certain line of bills. All at once, out of a clear sky, after they have handled such bills—and I think it can be demonstrated that the law from which the bill in question is copied has been the greatest example in the world of the comprehensive control of floodwaters, if you please—it is now proposed to take jurisdiction away from that committee and lodge it in some other committee. Is there any implication or insinuation against the Agricultural Committee that the Senator makes by his motion? I do not draw any. I concede he has a right to make it; but, if I were ticklish and tender-skinned, I could easily find a reason for asserting that it was an insult to the Agricultural Committee that, after many years of experience and labor, this work should now be taken away from them. If that is done, as the Senator wants it done on a roll call, I will have nothing more to say. If it is the desire of the Senate to relieve us of that kind of work, very well, go ahead. I am not taking it that the Senator who makes the motion or any other Senator who believes with those who think the motion ought to be made is casting an insinuation against the honesty or the fidelity of the Committee on Agriculture and Forestry; but when I resist the motion, then I am confronted with the suggestion, "Why, you are casting slurs or insinuations against another committee of this body." There is no foundation for that suggestion; there is no reason for it. I do not want to shear off the work of the other committee, and if the Senator thinks his committee ought to do this work, it will be up to the Senate to decide the question when he makes the motion.

Mr. BAILEY. Mr. President, I was not present at the meeting of the Commerce Committee this morning when the action was taken supporting the motion of the Senator from Missouri [Mr. CLARK] that the bill proposing an extension of the T. V. A. principle and to spread it over the whole country be considered by the Committee on Commerce. The chairman of the committee, however, telephoned me and asked for my consent to support the proposition if supported by the committee, and I readily gave it. I gave it for reasons, and of course I am willing to state the reasons.

I do not think the Senator from Nebraska [Mr. NORRIS] intended any reflection on the Committee on Commerce. I will say to him candidly, and, of course, courteously, that

when he made the expression in his remarks I wondered that he made it, but his second statement cleared my mind. I will call his attention to his expression. He said the power companies wished to get the bill before the Committee on Commerce.

Mr. NORRIS. Mr. President, will the Senator yield there?

Mr. BAILEY. I yield.

Mr. NORRIS. I think all I stated was that the power companies would be glad to get the measure away from the Agricultural Committee. If I used the language the Senator attributes to me, I should like to modify it in that way.

Mr. BAILEY. I do not think the Senator meant to reflect upon the committee, and I do not think the Senator has any reason for saying or suggesting—I do not think he meant to suggest—that the Committee on Commerce was a party to anything of that sort. I think we have cleared away that idea.

My reasons for supporting the motion of the Senator from Missouri and the action of the committee are very simple. I will agree that the bill creating the T. V. A. Authority was considered and reported by the Agricultural Committee, and I will agree that the Committee on Agriculture and Forestry did a great job and is entitled to the thanks of the Nation for its work; I raise no question about that. But on what basis was that done?

The Muscle Shoals Dam, Mr. President, was built in response to the then President's view of the necessities of national defense. He conceived, since our country did not naturally produce nitrates, that it was a wise and prudent and really necessary thing to find waterpower in the central portion of the country by means of which nitrate could be produced for war purposes. The war ended before the dam was completed. Then the question arose as to what we should do with the dam. A great deal of discussion and no end of difficulty ensued, but the general consensus was that we could use the power created at Muscle Shoals for the purpose of manufacturing nitrates from the air, and, of course, the nitrates would be for the benefit of the farmers in our country. Very naturally, under that theory, the Muscle Shoals measure, developing into the T. V. A. project, being centered in the objective of nitrates for farmers, was referred to the Committee on Agriculture and Forestry.

Now, Mr. President, we have quite a different situation. No one contends that the present purpose is to manufacture nitrates by means of the instrumentalities that are to be constructed all over the country; and if it were so contended I fear that the legislation would fall to the ground as being without authority. The proposition as it comes before us now by reason of the President's message is quite candidly and clearly based on flood control and navigation. Are flood control and navigation proper subjects for the consideration of the Committee on Agriculture and Forestry, or are they more properly subjects for the consideration of the Committee on Commerce. That is all the question we have before us. I know the Senator from Nebraska would not say that our committee is incapable of handling that subject. We have always handled measures affecting navigation; we have always handled measures affecting flood control. Why should there now be a change?

I have given the reasons why the T. V. A. and the Muscle Shoals bills rather logically fell under the jurisdiction and received the consideration of the Committee on Agriculture and Forestry. But now we have a departure. No longer is there involved a proposal to make nitrates. The objective primarily is no longer in the interest of the farmer. The necessary objective, the practical objective, is flood control, and it is flood control largely on the navigable streams. The secondary motive is navigation. The proposed legislation is to be justified on the basis of flood control and navigation. No one will contend that legislation, the primary and secondary motives for which are respectively flood control and navigation, should logically go to the Committee on Agriculture and Forestry. I am sure everyone will concede that it should logically go to the Committee on Commerce. That is the basis for the position we have taken.

I do not intend to give anyone any offense, and I do not intend to take any offense. I would be willing to have the matter disposed of at the present moment but for the fact that the Senator who made the motion is absent.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. BAILEY. Certainly.

Mr. NORRIS. The motion never has been made, and the Senator from Missouri [Mr. CLARK], before he went away, said to me he would not press the motion and authorized me to state that fact, if necessary, to the Senate. That is what happened.

Mr. BAILEY. That leaves me in some confusion. The Senator from Nebraska first said that the motion has never been made, and then said that the Senator from Missouri stated he would not press the motion.

Mr. NORRIS. I think the RECORD will not show the motion has been made.

Mr. BAILEY. Then how could he press the motion?

Mr. NORRIS. That is just what he said. That is not difficult to understand, it seems to me. I take it from what he said that he is not going to make the motion. He used the words, as I remember, "You are authorized to state, if it is deemed best, even in the Senate, that I will not press the motion."

Mr. BARKLEY. Mr. President, will the Senator from North Carolina yield?

The PRESIDING OFFICER (Mr. BERRY in the chair). Does the Senator from North Carolina yield to the Senator from Kentucky?

Mr. BAILEY. Certainly.

Mr. BARKLEY. What happened was that the Senator from Missouri, following a discussion which took place the other day——

Mr. BAILEY. Yes; I remember the discussion.

Mr. BARKLEY. No motion had been made, but during the discussion the Senator from Missouri [Mr. CLARK] indicated that he would at some time in the future make a motion to change the reference. Before the adjournment of the Senate on that day the Senator from Missouri rose and gave notice that upon his return from Missouri, where he was about to go, he would enter the motion; but the motion was not actually made.

Mr. BAILEY. That is perfectly clear, and I thank the Senator from Nebraska and also the Senator from Kentucky for the information. The difference is that a motion is not pending, but a notice of the motion has been given. That is modified by the statement of the Senator from Nebraska that the Senator who gave the notice has stated to him he would not press the motion. I believe that is a true statement of the situation. I was under the impression that the motion was pending and that we were not going to dispose of it until next week. I got that impression from the chairman of the Committee on Commerce. I take it we will have to wait until the Senator from Missouri returns in order that he may not press his motion.

Mr. President, under the circumstances, I think I can bring the matter to an issue. I am perfectly willing to make the motion that the Committee on Agriculture and Forestry be discharged from the further consideration of the bill and that the bill be referred to the Committee on Commerce, for the reason that the bill relates fundamentally, primarily, and necessarily to navigation and flood control. I make the motion, further disavowing any intention whatever of intending any offense to anyone.

Mr. McKELLAR. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McKELLAR. Would not a consideration of such a motion displace the appropriation bill which is now under consideration?

The PRESIDING OFFICER. It would require unanimous consent to make the motion at this time.

Mr. McKELLAR. I hope the Senator from North Carolina will not make the motion until after the pending appropriation bill shall have been disposed of.

Mr. BAILEY. Mr. President, I give notice that on behalf of the committee and in response to its action this morning, and on its merits and without the slightest intention of offending anybody or doing any injustice in the premises, I shall make the motion later. If the Senate shall adopt the policy—and that is what we would be doing—of referring bills relating to navigation and flood control to the Committee on Agriculture and Forestry and not to the Committee on Commerce, then that committee will understand the position of the Senate from that time henceforth.

Mr. COPELAND. Mr. President, I ask that the clerk may read the first section of the bill of the Senator from Nebraska [Mr. NORRIS] outlining the purpose and policy of the so-called Norris bill.

The PRESIDING OFFICER. Without objection, the clerk will read as requested.

The legislative clerk read as follows:

Be it enacted, etc., That this act may be cited as the Conservation Authorities Act of 1937.

PURPOSE AND POLICY OF THE ACT

SECTION 1. It is the purpose and policy of this act to develop, integrate, and coordinate plans, projects, and activities for or incidental to the promotion of navigation, the control and prevention of floods, the safeguarding of navigable waters, and the reclamation of the public lands, in order to aid and protect commerce among the several States, to strengthen the national defense, to conserve the water, soil, and forest resources of the Nation, to stabilize employment and relieve unemployment, and otherwise to protect commerce among the States, to provide for the national defense, and to promote the general welfare of the United States.

DISTRICT OF COLUMBIA APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 5996) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1938, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the first amendment of the Committee on Appropriations, which will again be stated.

The CHIEF CLERK. On page 3, line 22, under the subheading "Executive office", it is proposed to strike out "$121,360" and insert "$122,860", so as to make the paragraph read:

Building inspection division: For personal services, $122,860.

The amendment was agreed to.

The next amendment of the Committee on Appropriations was, on page 3, line 24, after the word "services" and the comma, to strike out "$43,160" and insert "$43,660", and in line 25, after the words "in all" and the comma, to strike out "$43,460" and insert "$43,960", so as to read:

Plumbing inspection division: For personal services, $43,660; two members of plumbing board at $150 each; in all, $43,960.

The amendment was agreed to.

The next amendment was, on page 4, line 10, after "(49 Stat., p. 1917)" and the comma, to strike out "$20,000" and insert "$20,500", so as to read:

Smoke and boiler regulation: For personal services, equipment, instruments, supplies, transportation, and other contingent expenses necessary for the enforcement of the Act entitled "An act to prevent the fouling of the atmosphere in the District of Columbia by smoke and other foreign substances, and for other purposes", approved August 15, 1935 (49 Stat., p. 653), and the act entitled "An act to provide for the inspection, control, and regulation of steam boilers and unfired pressure vessels in the District of Columbia", approved June 25, 1936 (49 Stat., p. 1917), $20,500.

The amendment was agreed to.

The next amendment was, under the subhead "Care of the District buildings", on page 4, line 22, after the word "hour" and the comma, to strike out "$99,526" and insert "$104,200", so as to read:

For personal services, including temporary labor, and service of cleaners as necessary at not to exceed 48 cents per hour, $104,200.

The amendment was agreed to.

The next amendment was, on page 5, at the end of line 4, to change the appropriation for personal services in the assessor's office from $209,920 to $223,500.

The amendment was agreed to.

The next amendment was, on page 5, at the end of line 6, to change the appropriation for personal services in the collector's office from $47,020 to $47,900.

The amendment was agreed to.

The next amendment was, under the subhead "Auditor's office", on page 5, line 8, after the word "services" and the comma, to strike out "$136,700, of which $10,000 shall be available immediately, for examination of estimates of appropriations, and for other purposes" and insert "$126,700", so as to read:

For personal services, $126,700; and the compensation of the present incumbent of the position of disbursing officer of the District of Columbia shall be exclusive of his compensation as United States property and disbursing officer for the National Guard of the District of Columbia.

The amendment was agreed to.

The next amendment was, under the subhead "Office of corporation counsel", on page 5, line 19, after the word "services" and the comma, to strike out "$113,360" and insert "$102,580", so as to read:

Corporation counsel, including extra compensation as general counsel of the Public Utilities Commission, and other personal services, $102,580.

The amendment was agreed to.

The next amendment was, under the subhead "Alcoholic Beverage Control Board", on page 5, line 21, after the word "services" and the comma, to strike out "including two inspectors in the field at $2,300 each", so as to read:

For personal services, streetcar and bus transportation, telephone service, not exceeding $1,000 for the purchase of samples, not exceeding $100 for witness fees, and other necessary contingent and miscellaneous expenses, $42,440.

The amendment was agreed to.

The next amendment was, under the subhead "Coroner's office", on page 6, line 4, to strike out "$10,600" and insert "$12,040", so as to read:

For personal services, including deputy coroners, in accordance with the Classification Act of 1923, as amended, $12,040.

The amendment was agreed to.

The next amendment was, under the subhead "Office of superintendent of weights, measures, and markets", on page 6, line 13, after the word "services" and the comma, to strike out "$63,880, including not exceeding $10,080 for the issuance of licenses under the act of July 1, 1932 (47 Stat., pp. 550–563)" and insert "$53,800", so as to read:

For personal services, $53,800.

The amendment was agreed to.

The next amendment was, under the subhead "Office of chief clerk, engineer department", on page 6, line 26, before the word "employment", to strike out "temporary", so as to read:

For personal services, $31,940, including $2,600 for the employment of one safety inspector.

The amendment was agreed to.

The next amendment was, on page 7, line 2, after the word "services" and the comma, to change the appropriation for personal services in the municipal architect's office from $56,980 to $57,980.

The amendment was agreed to.

The next amendment was, under the subhead "Public Utilities Commission", on page 7, line 13, after the word "services" and the comma, to strike out "$61,500" and insert "$69,000", so as to read:

For two commissioners, people's counsel, and for other personal services, $69,000, of which amount not to exceed $5,000 may be used for the employment of expert services by contract or otherwise and without reference to the Classification Act of 1923, as amended.

The amendment was agreed to.

The next amendment was, on page 7, line 19, to strike out "$1,000" and insert "$1,500", so as to read:

For incidental and all other general necessary expenses authorized by law, including the purchase of newspapers, $1,500.

The amendment was agreed to.

The next amendment was, on page 8, after line 3, to strike out:

The Public Utilities Commission is authorized to make an investigation of the Chesapeake & Potomac Telephone Co. with a view to ascertaining the reasonableness of existing rates, tolls, charges, and services.

The amendment was agreed to.

The next amendment was, under the subhead "Department of Insurance", on page 8, line 13, after the word "services" and the comma, to strike out "including one fire-insurance-rate expert at not exceeding $4,600 per annum, $29,220" and insert "$24,980", so as to read:

For personal services, $24,980.

The amendment was agreed to.

The next amendment was, on page 8, line 16, after the word "services" and the comma, to change the appropriation for personal services in the surveyor's office from $79,000 to $80,000.

The amendment was agreed to.

The next amendment was, on page 8, after line 19, to insert:

MINIMUM WAGE BOARD

For personal services in accordance with the Classification Act of 1923, as amended, $12,170.

The amendment was agreed to.

The next amendment was, on page 8, after line 22, to insert:

For contingent and miscellaneous expenses, including purchase of equipment, printing and binding, office equipment, telephone rental, postage, and other necessary items, $2,150.

The amendment was agreed to.

The next amendment was, on page 10, after line 4, to insert:

DEPARTMENT OF VEHICLES AND TRAFFIC

For personal services, $82,440.

The amendment was agreed to.

The next amendment was, on page 10, after line 6, to insert:

For purchase, installation, and modification of electric traffic lights, signals and controls, markers, painting white lines, labor maintenance of non-passenger-carrying motor vehicles, and such other expenses as may be necessary in the judgment of the Commissioners, including not to exceed $30,000 for the operation and maintenance of electric traffic lights, signals and controls, $93,000, of which not less than $25,000 shall be expended for the purchase, installation, and modification of electric traffic-light signals: *Provided*, That no part of this or any other appropriation contained in this act shall be expended for building, installing, and maintaining street-car loading platforms and lights of any description employed to distinguish same.

The amendment was agreed to.

The next amendment was, on page 10, after line 19, to insert:

For the purchase of motor-vehicle identification number plates, $20,000.

The amendment was agreed to.

The next amendment was, on page 10, line 23, after the word "services" and the comma, to change the appropriation for personal services under the register of wills from $73,500 to $74,940.

The amendment was agreed to.

The next amendment was, on page 11, line 7, after the word "services" and the comma, to change the appropriation for personal services under the recorder of deeds from $106,020 to $114,580.

The amendment was agreed to.

The next amendment was, on page 11, line 16, after the word "expenses" and the comma, to strike out "$10,000" and insert "$12,500", so as to read:

For miscellaneous and contingent expenses, including telephone service, printing, binding, rebinding, repairing, and preservation of records; typewriters, towels, towel service, furniture and equipment and repairs thereto; books of reference, law books and periodicals, streetcar tokens, postage; not exceeding $100 for rest room for sick and injured employees and the equipment of and medical supplies for said rest room, and all other necessary incidental expenses, $12,500.

The amendment was agreed to.

The next amendment was, on page 11, line 17, after the word "deeds" and the comma, to strike out "$12,600" and insert "$14,000, to be expended without reference to the provisions of section 6 of this act", so as to read:

For rent of offices of the recorder of deeds, $14,000, to be expended without reference to the provisions of section 6 of this act.

The amendment was agreed to.

The next amendment was, under the heading "Contingent and miscellaneous expenses", on page 11, line 21, after the words "law books", to insert "including $500 for law books for the office of corporation counsel", and on page 12, line 17, after the word "offices" and the comma, to strike out "$29,050" and insert "$29,550", so as to read:

For checks, books, law books, including $500 for law books for the office of corporation counsel, books of reference, periodicals, newspapers, stationery; surveying instruments and implements; drawing materials; binding, rebinding, repairing, and preservation of records; ice; traveling expenses not to exceed $2,000, including payment of dues and traveling expenses in attending conventions when authorized by the Commissioners of the District of Columbia; expenses authorized by law in connection with the removal of dangerous or unsafe and insanitary buildings, including payment of a fee of $6 per diem to each member of board of survey, other than the inspector of buildings, while actually employed on surveys of dangerous or unsafe buildings; not exceeding $3,000 for the settlement of claims not in excess of $250 each, approved by the Commissioners under and in accordance with the provisions of the act entitled "An act authorizing the Commissioners of the District of Columbia to settle claims and suits against the District of Columbia", approved February 11, 1929 (45 Stat. 1160), as amended by the act approved June 5, 1930 (46 Stat. 500); and other general necessary expenses of District offices, $29,550.

The amendment was agreed to.

The next amendment was, under the subhead "Central Garage", on page 14, after line 10, to insert:

For allowances for furnishing privately owned motor vehicles in the performance of official duties at a rate of not to exceed $264 per year for each automobile, $10,296: *Provided*, That allowances under this appropriation shall be made only to persons whose duties require full-time field service.

The amendment was agreed to.

The next amendment was, on page 15, line 22, after the words "total of", to strike out "$10,400" and insert "$8,900", so as to read:

The Commissioners are authorized, in their discretion, to furnish necessary transportation in connection with strictly official business of the District of Columbia by the purchase of streetcar and bus fares from appropriations contained in this act: *Provided*, That the expenditures herein authorized shall be so apportioned as not to exceed a total of $8,900: *Provided further*, That the provisions of this paragraph shall not include the appropriations herein made for the fire and police departments.

The amendment was agreed to.

The next amendment was, under the subhead "Sewers", on page 19, line 4, after the word "services" and the comma, to strike out "$180,030" and insert "$183,000", so as to read:

For personal services, $183,000.

The amendment was agreed to.

The next amendment was, on page 19, line 14, after the word "work", to strike out "$235,000" and insert "$245,000", so as to read:

For cleaning and repairing sewers and basins, including the replacement of the following motortrucks: One at not to exceed $2,500; two at not to exceed $975 each; and the purchase of one motortruck at not to exceed $2,500; and for operation and maintenance of the sewage pumping service, including repairs to boilers, machinery, and pumping stations, and employment of mechanics and laborers, purchase of coal, oil, waste, and other supplies, and the maintenance of non-passenger-carrying motor vehicles used in this work, $245,000.

The amendment was agreed to.

The next amendment was, on page 19, line 21, after the words "in all" and the comma, to strike out "$150,000" and insert "$175,000", so as to read:

For suburban sewers, including the maintenance of non-passenger-carrying motor vehicles used in this work, and the replacement of the following motortrucks: Two at not to exceed $975 each; one at not to exceed $750; and one at not to exceed $650; in all, $175,000.

The amendment was agreed to.

The next amendment was, on page 20, line 20, after the word "work" and the comma, to strike out "$150,000" and insert "$160,000", so as to read:

Sewage treatment plant: For operation and maintenance, including salaries and wages of necessary employees, supplies, repairs to buildings and equipment, purchase of electric power, fuel, oil, waste, and other necessary expenses including the maintenance of non-passenger-carrying motor vehicles used in this work, $160,000.

The amendment was agreed to.

The next amendment was, under the heading "Collection and disposal of refuse", on page 20, line 22, after the word "services" and the comma, to strike out "$130,000" and insert "$134,000", so as to read:

For personal services, $134,000.

The amendment was agreed to.

The next amendment was, on page 21, line 1, after the word "Commissioners", to insert "for cleaning snow and ice from streets, sidewalks, cross walks, and gutters in the discretion of the Commissioners,"; in line 8, after the word "equipment", to strike out the comma and "including not to exceed $5,620 for one street flusher"; and in line 9, after the word "expenses" and the comma, to strike out "$400,000" and insert "$409,350: *Provided*, That appropriations contained in this act for highways, sewers, and the water department shall be available for snow removal when specifically and in writing ordered by the Commissioners.", so as to read:

For dust prevention, sweeping and cleaning streets, avenues, alleys, and suburban streets, under the immediate direction of the Commissioners, for cleaning snow and ice from streets, sidewalks, cross walks, and gutters in the discretion of the Commissioners, including services and purchase and maintenance of equipment, rent of storage rooms; maintenance and repair of garages; maintenance and repair of non-passenger-carrying motor-propelled vehicles necessary in cleaning streets and purchase of motor-propelled street-cleaning equipment; and necessary incidental expenses, $409,350: *Provided*, That appropriations contained in this act for highways, sewers, and the water department shall be available for snow removal when specifically and in writing ordered by the Commissioners.

The amendment was agreed to.

The next amendment was, on page 21, line 20, after the word "expenses" and the comma, to strike out "$825,000" and insert "$850,000", so as to read:

To enable the Commissioners to carry out the provisions of existing law governing the collection and disposal of garbage, dead animals, night soil, and miscellaneous refuse and ashes in the District of Columbia, including inspection; fencing of public and private property designated by the Commissioners as public dumps; and incidental expenses, $850,000.

The amendment was agreed to.

The next amendment was, at the top of page 22, to insert:

TREES AND PARKINGS

For personal services, $26,600.

The amendment was agreed to.

The next amendment was, on page 22, after line 2, to insert:

For contingent expenses, trees and parkings, including laborers, trimmers, nurserymen, repairmen, teamsters, hire of carts, wagons, or motortrucks, trees, tree boxes, tree stakes, tree straps, tree labels, planting and care of trees, and tree spaces on city and suburban streets, purchase and maintenance of non-passenger-carrying motor vehicles, and miscellaneous items, $100,000.

The amendment was agreed to.

The next amendment was, under the heading "Public playgrounds", on page 22, line 11, after the word "services" and the comma, to strike out "$75,015" and insert "$127,780", so as to read:

For personal services, $127,780: *Provided*, That employments hereunder, except directors who shall be employed for 12 months, shall be distributed as to duration in accordance with corresponding employments provided for in the District of Columbia Appropriation Act for the fiscal year 1924.

The amendment was agreed to.

The next amendment was, on page 22, line 19, after the word "maintenance" and the comma, to strike out "$25,700" and insert "$40,800", so as to read:

For general maintenance, repairs, and improvements, equipment, supplies, incidental and contingent expenses of playgrounds, including labor and maintenance, $40,800.

The amendment was agreed to.

The next amendment was, on page 22, after line 20, to insert:

For the maintenance and contingent expenses of keeping open during the summer months the public-school playgrounds, under the direction and supervision of the Commissioners; for special and temporary services, directors, assistants, and janitor service during the summer vacation, and, in the larger yards, daily after school hours during the school term, $29,700.

The amendment was agreed to.

The next amendment was, under the heading "Public schools", on page 25, line 8, after the word "superintendents" and the comma, to strike out "$683,800" and insert "$687,000", so as to read:

For personal services of administrative and supervisory officers in accordance with the act fixing and regulating the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia, approved June 4, 1924 (43 Stat., pp. 367–375), including salaries of presidents of teachers colleges in the salary schedule for first assistant superintendents, $687,000.

The amendment was agreed to.

The next amendment was, on page 25, line 11, after the word "employees" and the comma, to strike out "$175,940" and insert "$190,240", so as to read:

For personal services of clerks and other employees, $190,240.

The amendment was agreed to.

The next amendment was, on page 25, line 22, after the word "twelve" and the comma, to insert "and including $10,000 for health and physical education teachers to supervise play schools of the central area bounded by North Capitol Street on the east, Florida Avenue on the north, the Mall on the south, and Twelfth Street on the west"; on page 26, line 4, after "to 2D" and the comma, to strike out "$7,157,820 and insert "$7,223,220"; in line 10, after the word "grades", to strike out the colon and the following additional proviso: "*Provided further*, That no part of this appropriation shall be used to pay the salary of any teacher performing any clerical work other than that necessary or incidental to the regular classroom teaching assignment"; and in line 19, after the word "examination", to strike out the colon and the following additional proviso: "*Provided further*, That the average of the salaries paid librarians in the public schools shall not exceed the average of the salaries paid employees performing the same grade of work in the Free Public Library", so as to read:

For personal services of teachers and librarians in accordance with the act approved June 4, 1924 (43 Stat., pp. 367–375), including for teachers colleges assistant professors in salary class 11, and professors in salary class 12, and including $10,000 for health and physical education teachers to supervise play in schools of the central area bounded by North Capitol Street on the east, Florida Avenue on the north, the Mall on the south, and Twelfth Street on the west; and including $4,000 for advancement of teachers from group 1A to 1B, group 2A to 2B, group 3A to 3B, and group 2C to 2D, $7,223,220: *Provided*, That as teacher vacancies occur during the fiscal year 1938 in grades one to four, inclusive, of the elementary schools, such vacancies may be filled by the assignment of teachers now employed in kindergartens, and teachers employed in kindergartens are hereby made eligible to teach in the said grades: *Provided further*, That teaching vacancies that occur during the fiscal year 1938 wherever found may be filled by the assignment of teachers of special subjects and teachers not now assigned to classroom instruction, and such teachers are hereby made eligible for such assignment without further examination.

The amendment was agreed to.

The next amendment was, under the subhead "Night schools", on page 27, line 5, after the word "schools" and the comma, to strike out "$94,180" and insert "$102,180", so as to read:

For teachers and janitors of night schools, including teachers of industrial, commercial, and trade instruction, and teachers and janitors of night schools may also be teachers and janitors of day schools, $102,180, of which $8,000 shall be for night-school instruction at Western High School.

The amendment was agreed to.

The next amendment was, under the subhead "Community Center Department", on page 28, after line 5, to strike out:

For personal services of the director, general secretaries, and community secretaries in accordance with the act approved June 4, 1924 (43 Stat., pp. 369, 370); clerks and part-time employees, including janitors on account of meetings of parent-teacher associations and other activities; for personal services for public playgrounds adjacent to and in the vicinity of school buildings; for keeping open public-school playgrounds, including playgrounds operated during the summer months and daily after school hours; for general maintenance, repairs, improvements, equipment, supplies, lighting fixtures, and other incidental and contingent expenses, including labor; and including $10,000 for health and physical education teachers to supervise play in schools of the central area bounded by North Capitol Street on the east, Florida Avenue on the north, the Mall on the south, and Twelfth Street on the west, $216,565.

And in lieu thereof to insert:

For personal services of the director, general secretaries, and community secretaries in accordance with the act approved June 4, 1924 (43 Stat., pp. 369, 370); clerks and part-time employees, including janitors on account of meetings of parent-teacher associations and other activities, and contingent expenses, equipment, supplies, and lighting fixtures, $102,000.

The amendment was agreed to.

The next amendment was, under the subhead "Care of buildings and grounds", on page 29, line 9, after the word "allowed" and the comma, to strike out "$942,705" and insert "$949,430", so as to read:

For personal services, including care of smaller buildings and rented rooms at a rate not to exceed $96 per annum for the care of each schoolroom, other than those occupied by atypical or ungraded classes, for which service an amount not to exceed $120 per annum may be allowed, $949,430.

The amendment was agreed to.

The next amendment was, under the subhead "Miscellaneous", on page 29, line 15, after the word "pupils" and the comma, to strike out "$20,000" and insert "$25,000", so as to read:

For transportation for pupils attending schools for tubercular pupils, sight-conservation pupils, and crippled pupils, $25,000.

The amendment was agreed to.

The next amendment was, on page 29, after line 18, to insert:

For the transportation of pupils in Bradbury Heights to the Randle Highlands-Orr School, $2,000: *Provided*, That expenditures for streetcar and bus fares from this fund shall not be subject to the general limitations on the use of streetcar and bus fares covered by this act.

The amendment was agreed to.

The next amendment was, on page 30, line 2, after the word "therewith" and the comma, to strike out "$60,000" and insert "$64,000", so as to read:

For purchase and repair of furniture, tools, machinery, materials, and books, and apparatus to be used in connection with instruction in manual and vocational training, and incidental expenses connected therewith, $64,000, to be immediately available.

The amendment was agreed to.

The next amendment was, on page 30, line 7, after the word "exceeding", to strike out "$10,000" and insert "$14,800", and in line 15, after the words "in all" and the comma, to strike out "$133,500" and insert "$150,600", so as to read:

For contingent expenses, including United States flags, furniture and repairs of same, including not exceeding $14,800 for the purchase of furniture and equipment for the Phelps Vocational School, stationery, ice, paper towels, and other necessary items not otherwise provided for, and including not exceeding $13,000 for books of reference and periodicals, of which $5,000 shall be available for the purchase of such books for the Wilson Teachers College, not exceeding $1,500 for replacement of pianos at an average cost of not to exceed $300 each, not exceeding $6,800 for labor; in all, $150,600, to be immediately available, of which not to exceed $1,200 may be expended for tabulating school census cards either by contract or by day labor as the Commissioners may determine.

The amendment was agreed to.

The next amendment was, on page 31, line 20, after the word "same" and the comma, to strike out "$15,000" and insert "$16,400", so as to read:

For purchase of apparatus, fixtures, specimens, technical books, and for extending the equipment and for the maintenance of laboratories of the department of physics, chemistry, biology, and general science in the several high and junior high schools, vocational schools, and teachers colleges, and for the installation of the same, $16,400, to be immediately available.

The amendment was agreed to.

The next amendment was, on page 31, after line 21, to insert:

For utensils, materials, and labor, for establishment and maintenance of school gardens, $2,400.

The amendment was agreed to.

The next amendment was, on page 32, line 3, after the words "motor trucks", to insert "including not to exceed $975 for the replacement of one 1½-ton truck and", and in line 6, after the word "stadium" and the comma, to strike out "$379,000" and insert "$414,475", so as to read:

For repairs and improvements to school buildings and grounds, repairing and renewing heating, plumbing, and ventilating apparatus, installation and repair of electric equipment, and installation of sanitary drinking fountains, and maintenance of motor trucks, including not to exceed $975 for the replacement of one 1½-ton truck and including $4,000 for improvements at the Central High School stadium, $414,475, of which amount $100,000 shall be immediately available.

The amendment was agreed to.

The next amendment was, on page 32, after line 11, to insert:

For the purchase, installation, and maintenance of equipment, for school yards for the purposes of play of pupils, $7,000: *Provided*, That such playgrounds shall be kept open for play purposes in accordance with the schedule maintained for playgrounds under the jurisdiction of the playground department.

The amendment was agreed to.

The next amendment was, under the subhead "Buildings and grounds", on page 35, line 2, after the word "Library" and the comma, to strike out "$400,000" and insert "$300,000", and in line 3, after the word "sum", to strike out "$15,000" and insert "$16,800", so as to read:

For beginning the construction of the Thomas Jefferson Memorial Junior High School and Library, $300,000, of which sum $16,800 shall be available for the preparation of plans, specifications, and administration; the employment of such personal services to be without reference to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5), the Classification Act of 1923, as amended, and civil-service requirements; and the Commissioners are authorized to enter into contract or contracts for such building or buildings at a cost not to exceed $800,000.

The amendment was agreed to.

The next amendment was, on page 36, line 3, after the word "Northwest" and the comma, to strike out "$450,000" and insert "$350,000", and in line 4, after the word "sum", to strike out "$25,000" and insert "$28,300", so as to read:

For beginning the construction of a new senior high school on a site already owned by the District of Columbia at Fifth and Sheridan Streets NW., $350,000, of which sum $28,300 shall be available for the preparation of plans, specifications, and administration; the employment of such personal services to be without reference to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5), or the Classification Act of 1923, as amended, and the Commissioners are authorized to enter into contract or contracts for such building at a cost not to exceed $1,350,000.

Mr. FRAZIER. Mr. President, regarding the amendment on line 3, page 36, I desire to say that the construction of a high school at Fifth and Sheridan Streets has been advocated for a number of years. As far back as 1930 a site was procured for the building, and the citizens' associations and the people in general of that section of the city have urged the building of a high school there. Two or three high schools have been built in the city—I do not remember just how many—since that site was purchased, and there is no question about the need of a high school at that point. Members of the citizens' associations have come before the committee year after year and have demonstrated that there is need for a high school in that district. They now send their children from the north, from what may be called the Manor Park or Takoma district, to high schools all over the city, and it results in adding to the congestion of traffic and bringing about a great deal of inconvenience to the people who live out there.

This year the Budget Bureau approved an amount of $450,000 for the commencement of this building, including

the plans, specifications, and so forth. The committee has cut down the amount from $450,000 to $350,000. I desire to say that ordinarily the first contract for a high-school building runs to seven or eight or nine hundred thousand dollars. The total amount authorized for this building, as provided in line 10, is $1,350,000. If only $350,000 is appropriated this year, as recommended by the committee, it will mean an appropriation next year—if the building is to be completed next year—of $1,000,000, and, of course, that will be a large appropriation. I understand that under the present tax system of the District of Columbia there will not be enough money raised to pay all the appropriations contained in this bill; but the House Committee on the District of Columbia now is working on a bill to raise some $7,000,000 of additional taxes in the District of Columbia to take care of the necessary appropriations that are included in this bill. I am told that $100,000 was taken out of the appropriation for this high school and $100,000 out of the appropriation for another high school and put in the new paragraph at the middle of page 36 for the commencement of a colored school on some playground.

It strikes me as just a little out of place for the Committee on Appropriations of the Senate of the United States to provide for building a colored school, or any other school, on a playground. We now have altogether too few playgrounds in the city; and to spoil one of the few we have by putting a high school or a grade school on it, it seems to me, is just a little out of all sense of propriety and justice; and so far as the children are concerned, I know that it will spoil the playground forever to have a school building erected on it.

I mention that because $200,000 is taken from the high school I have spoken of by the amendment on line 3, page 36, and from another high school to make this appropriation. I have no objection, of course, to building schools for colored children. They need them; but the point I make is that the citizens' associations in the territory that will be covered by the school at Fifth and Sheridan Streets NW. are in need of a high school, and they have been advocating it for years. Two or three sessions ago I secured the adoption of an amendment in the Senate providing money to begin the work there, but it was stricken out by the House conferees; and I ask the Senate to reject the Senate committee amendment on page 36, line 3, in regard to this high school.

Mr. THOMAS of Oklahoma. Mr. President, I desire to oppose the rejection of the committee amendment, as urged by the Senator from North Dakota [Mr. FRAZIER]

It is true that the District needs a school at this particular point. It is true that the authorization has been made to build a school at this particular point; and the first estimate submitted by the Budget Bureau was for $350,000 with which to start the construction of the school. That is the exact amount carried by this bill. The bill carries, as a direct appropriation to be made immediately available for starting the construction of the school, the exact amount of money which was recommended by the Budget Bureau; so no harm can be done by carrying the amount as recommended. This will permit the construction of the school to be started immediately. Of course, if the amount were increased by $100,0000, it might be that the District authorities could spend $100,000 more during the coming fiscal year; but the Congress will meet again in January. The authorization is the law; and if the authorities should run out of money by that time, one of the deficiency bills could carry a sufficient sum to carry on the construction work until the end of the next fiscal year, June 30, 1938.

Some complaint is made about building a school for the colored population on a playground. Mr. President, we already have the playground; and it was thought entirely proper to build this school on this colored playground, where the colored population are accustomed to assemble. The building of a school will not destroy the entire area for playground purposes but it will result in building a school on what is now a public playground. The fact is that all school-building grounds are used for public-playground purposes. There will be no change from the present condition in the case of this particular item after the school is built, and the ground there will be used for public-playground purposes.

Mr. President, I may say just one further word. The House of Representatives increased the items for white-school construction purposes considerably above the estimates. At the same time the House reduced the estimates for colored-school construction far below the estimates. A strong protest was registered with the committee against increasing the estimates for the white school population and against decreasing the estimates for the colored school population. In this city approximately one-third of the population can be classified as of the colored race. Two-thirds are white and one-third colored. That is not exact but it is approximately correct. Of the school population, probably a larger percentage than one-third are colored. In other words, out of a school population of 90,000, there are over 30,000 colored, and somewhat less than 60,000 of white-school population.

So, Mr. President, while we can make this additional $100,000 appropriation, it will increase the total amount that much. We face a deficit anyway of between seven and a half and ten million dollars, depending upon the amount of taxes raised next year. Since the school will be built as rapidly as humanly possible, there will be no delay because of lack of money either now or later, because Dr. Ballou, the head of the schools, states that with the amount recommended by the committee the authorities can start this school building and have it under way, and to take $100,000 off the appropriation now would not cause any substantial delay in the construction of the school building.

For these reasons I trust the amendment of the committee will be agreed to.

Mr. FRAZIER. Mr. President, I concede that the school will be started under the present provision of the committee, but $450,000 is claimed by the school board to be necessary to carry on the work this year. So far as getting more money later on is concerned, that would be a pretty difficult matter, and we do not know whether sufficient money will be provided to complete the school during the next year. We think that $450,000 is none too much; we think it is too little as it is, and should not be cut down. I have no objection whatever to authorizing the construction of a school for the colored students, but I do object to cutting down the appropriation for the high school at Fifth and Sheridan Streets, which has been needed for years and has been neglected in the past.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. FRAZIER. I am glad to yield.

Mr. COPELAND. The interest of the Senator from North Dakota in the section of the city involved has been well known to the committee, and this matter was discussed at considerable length in the committee. The Senator will observe that the Commissioners are authorized to enter into the contract for this school. In all human probability, the provision for $350,000 will be carried. Regardless of that, the officials of the District would be permitted to make a binding contract. I assure the Senator that, from my knowledge of what went on in the hearings, exactly what he has in mind will be accomplished.

As was stated, taking $100,000 from this appropriation and another $100,000 to provide for the plan to begin the construction did help in the erection of a building for the colored people. So exactly what the Senator has in mind will be accomplished, and at the same time provision will be made for a school for the colored pupils.

Mr. FRAZIER. I have no objection to the erection of a building for the colored children, and I think in all fairness they should have another school. But it seems to me that the District of Columbia, the National Capital, should be a model, especially for a school system.

I am very glad to note that the last paragraph on page 36 has been stricken out of the bill by the committee. It provided for the erection of two portable school buildings. Portable school buildings, as they have existed in the past, have been a disgrace to the city of Washington and a disgrace to the Nation. Since I have been a Member of the

Senate, schools in the District of Columbia have been housed in little portable buildings which were not fit for use as hog pens, I was about to say, and I think that is about the right comparison. I think practically all of them have been replaced or done away with, and I think they should be replaced.

Mr. COPELAND. Mr. President, I do not believe there is the slightest difference of opinion between the Senator and the committee. We took exactly the same view the Senator takes about the portable school buildings, and we discussed these other matters. I hope the Senator will not press his objection, because the building at Fifth and Sheridan Streets will be proceeded with at once, there will be no delay, and at the same time the school for the colored children will be erected.

Mr. FRAZIER. This is an unusually small amount with which to start a school building. It would leave still to be appropriated the balance of the authorization, amounting to a million dollars, and that would be a mighty hard sum to get another year.

Mr. COPELAND. The authorization will be made, and the building will be proceeded with.

Mr. FRAZIER. It will not be proceeded with until the money is made available.

Mr. COPELAND. I suppose someone will be taking a little chance about getting his money.

Mr. FRAZIER. There will have to be money for the contractors and for plans, although it is understood that the plans of another school building could be utilized and followed in this case. But the officials have raised the price of the plans from $25,000 to $28,300, to come out of the appropriation, leaving that much less for the erection of the school building.

Mr. President, I hope the amendment of the committee affecting the appropriation for this high school will be rejected.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee on page 36, line 3.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment of the Committee on Appropriations.

The next amendment was, on page 36, after line 10, to insert:

For the erection of a junior high school building on a portion of the site of the existing Banneker Playground, $200,000, of which sum $15,217 shall be available for the preparation of plans, specifications, and administration, and the Commissioners are authorized to enter into contract or contracts for such building at a cost not to exceed $724,650.

The amendment was agreed to.

The next amendment was, on page 36, after line 18, to strike out:

For the erection of two portable school buildings in the Bradbury Heights section southeast, on a site to be selected by the Board of Education with the approval of the Commissioners, such work to be performed by day labor or otherwise, in the discretion of the Commissioners, $8,000.

The amendment was agreed to.

The next amendment was, on page 37, line 1, after the words "In all" and the comma, to strike out "$1,548,000" and insert "$1,540,000", so as to read:

In all, $1,540,000, to be immediately available and to be disbursed and accounted for as "Buildings and grounds, public schools", and for that purpose shall constitute one fund and remain available until expended.

The amendment was agreed to.

The next amendment was, on page 37, after line 8, to insert:

For the purchase of land adjoining the site of the old Dennison School, to provide for the construction of an elementary school building.

The amendment was agreed to.

The next amendment was, on page 37, after line 11, to insert:

For the purchase of land for elementary school purposes in the vicinity of First and Pierce Streets NW.

The amendment was agreed to.

The next amendment was, on page 37, line 23, after the words "In all" and the comma, to change the appropriation for the purchase of school building and playground sites from $135,000 to $260,000.

The amendment was agreed to.

The next amendment was, on page 38, line 3, after the word "in", to strike out "the vicinity of the present school building" and insert "southwest Washington", so as to read:

The unexpended balance of the appropriation of $200,000 contained in the District of Columbia Appropriation Act for the fiscal year 1932 for the erection of a new school building for the Jefferson Junior High School is hereby made available for the acquisition of a site in southwest Washington for a new building for the Thomas Jefferson Memorial Junior High School and Library.

The amendment was agreed to.

The next amendment was, under the heading "Metropolitan Police—Salaries", on page 40, line 7, after the word "department" and the comma, to strike out "$3,386,730" and insert "$3,387,450", so as to read:

For the pay and allowances of officers and members of the Metropolitan Police force, in accordance with the act entitled "An act to fix the salaries of the Metropolitan Police force, the United States Park Police force, and the fire department of the District of Columbia" (43 Stat., pp. 174–175), as amended by the act of July 1, 1930 (46 Stat., pp. 839–841), including compensation at the rate of $2,100 per annum for the present assistant property clerk of the police department, $3,387,450.

The amendment was agreed to.

The next amendment was, under the subhead "Miscellaneous", on page 40, line 23, after the word "same" and the comma, to insert "horses", and on page 41, line 3, before the words "of which", to strike out "$69,375" and insert "$73,175", so as to read:

For miscellaneous and contingent expenses, including rewards for fugitives, purchase of gas equipment and firearms, maintenance of card system, stationery, city directories, books of reference, periodicals, newspapers, telegraphing, telephoning, photographs, rental and maintenance of teletype system and labor-saving devices, telephone service charges, purchase, maintenance, and servicing of radio broadcasting systems, purchase of equipment, gas, ice, washing, meals for prisoners, medals of award, not to exceed $300 for car tickets, furniture and repair thereto, beds and bed clothing, insignia of office, police equipments and repairs to same, horses and mounted equipment, flags and halyards, storage and hauling of stolen or abandoned property, and traveling and other expenses incurred in prevention and detection of crime and other necessary expenses, including expenses of harbor patrol, $73,175, of which amount not exceeding $2,000 may be expended by the major and superintendent of police for prevention and detection of crime, under his certificate, approved by the Commissioners, and every such certificate shall be deemed a sufficient voucher for the sum therein expressed to have been expended.

The amendment was agreed to.

The next amendment was, under the heading "Fire Department—Salaries", on page 42, line 20, after "(46 Stat. 839–841)" and the comma, to strike out "$2,211,900" and insert "$2,225,000", so as to read:

For the pay of officers and members of the fire department, in accordance with the act entitled "An act to fix the salaries of officers and members of the Metropolitan Police force, the United States Park Police force, and the fire department of the District of Columbia" (43 Stat. 175), as amended by the act of July 1, 1930 (46 Stat. 839–841), $2,225,000.

The amendment was agreed to.

The next amendment was, under the heading "Health Department—Salaries", on page 48, line 9, after the word "services" and the comma, to strike out "$304,963" and insert "$325,440", so as to read:

Tuberculosis Sanatoria: For personal services, $325,440.

The amendment was agreed to.

The next amendment was, on page 48, line 17, to strike out "$177,000" and insert "$203,000", so as to read:

For provisions, fuel, forage, harness, and vehicles, and repairs to same, gas, water, ice, shoes, clothing, dry goods, tailoring, drugs and medical supplies, furniture and bedding, kitchen utensils, medical books, school books, classroom supplies, books of reference, and periodicals not to exceed $500, maintenance of motor trucks, and other necessary items, $203,000.

The amendment was agreed to.

The next amendment was, on page 48, line 22, to strike out "$423,380" and insert "$455,560", so as to read:

Gallinger Municipal Hospital: For personal services, including not to exceed $2,000 for temporary labor, $455,560.

The amendment was agreed to.

The next amendment was, on page 49, line 8, after the word "expenses" and the comma, to strike out "$250,000" and insert "$270,000", so as to read:

For maintenance of the hospital; for maintenance of the quarantine station, smallpox hospital, and public crematorium, including expenses incident to furnishing proper containers for the reception, burial, and identification of the ashes of all human bodies of indigent persons that are cremated at the public crematorium and remain unclaimed after 12 months from the date of such cremation; for maintenance and purchase of horses and horse-drawn vehicles; for medical books, books of reference, and periodicals not to exceed $500; for maintenance of nonpassenger-carrying motor vehicles; and for all other necessary expenses, $270,000.

The amendment was agreed to.

The next amendment was, at the top of page 50, to strike out:

Health center: For the purchase of a site and construction thereon of a building for a health center, including necessary fixed equipment therefor, $200,000, of which sum $5,000 shall be available for the preparation of plans and specifications, administration, and inspection, including the employment of personal services without reference to the Classification Act of 1923, as amended.

And in lieu thereof to insert:

Health center: For the construction on the site of the Jones Elementary School at First and L Streets NW., of a building for a health center, including necessary fixed equipment therefor, $165,000, of which sum $7,000 shall be available for preparation of plans and specifications, administration and inspection, including the employment of personal services without reference to the Classification Act of 1923, as amended.

The amendment was agreed to.

The next amendment was, under the heading "Courts—Miscellaneous", on page 56, after line 7, to insert:

Except for the appropriations "Support of convicts" and "Writs of lunacy", 60 percent of the foregoing appropriations for the District Court of the United States for the District of Columbia, and 30 percent of the foregoing appropriations for the United States Court of Appeals for the District of Columbia, shall be paid from the revenues of the District of Columbia and the remainder from any moneys in the Treasury not otherwise appropriated.

The amendment was agreed to.

The next amendment was, under the heading "Public Welfare—Division of Child Welfare", at the top of page 58, to strike out:

For the operation of a system of boarding homes for temporary care of children under 17 years of age, $12,000, to be expended under regulations to be prescribed by the Board of Public Welfare with with the approval of the Commissioners.

The amendment was agreed to.

The next amendment was, on page 58, after line 5, to insert:

For the maintenance, under the jurisdiction of the Board of Public Welfare, of a suitable place in a building entirely separate and apart from the house of detention for the reception and detention of children under 17 years of age arrested by the police on charge of offense against any laws in force in the District of Columbia, or committed to the guardianship of the Board, or held as witnesses, or held temporarily, or pending hearing, or otherwise, including transportation, food, clothing, medicine, and medicinal supplies, rental, repair and upkeep of buildings, fuel, gas, electricity, ice, supplies and equipment, and other necessary expenses including not to exceed $19,120 for personal services, $38,000.

The amendment was agreed to.

The next amendment was, under the subhead "General administration, Workhouse and Reformatory, District of Columbia", on page 59, line 18, after the word "services" and the comma, to strike out "$422,300" and insert "$462,980", so as to read:

For personal services, $462,980.

The amendment was agreed to.

The next amendment was, on page 59, line 25, after the word "and", to strike out "motor bus; purchase of one bus, including exchange, for transportation of prisoners" and insert "motor busses, purchase of an additional bus for transportation of prisoners"; and in line 4, after the word "items" and the comma, to strike out "$414,300" and insert "including uniforms and caps for guards, $437,500", so as to read:

For maintenance, care, and support of inmates, rewards for fugitives, discharge gratuities provided by law, medical supplies, newspapers, books, books of reference and periodicals, farm implements, tools, equipment, transportation expenses, purchase and maintenance of livestock and horses; purchase, exchange, maintenance, operation, and repair of non-passenger-carrying vehicles and motor busses, purchase of an additional bus for transportation of prisoners, $7,500; fuel for heating, lighting, and power, and all other necessary items, including uniforms and caps for guards, $437,500.

The amendment was agreed to.

The next amendment was, on page 60, after line 9, to insert:

For replacing defective electric wiring and equipment of distribution system with underground construction at the District of Columbia penal institutions at Lorton and Occoquan, and moving electric generators from power-house at Occoquan to power-house at Lorton, $37,000.

The amendment was agreed to.

The next amendment was, under the subhead "National Training School for Girls", on page 62, line 8, after the word "services" and the comma, to strike out "$31,500" and insert "$33,500", so as to read:

Salaries: For personal services, $33,500.

The amendment was agreed to.

The next amendment was, on page 62, after line 8, to strike out:

For groceries, provisions, light, fuel, soap, oil, lamps, candles, clothing, shoes, forage, horseshoeing, medicines, medical attendance, transportation, sewing machines, fixtures, books, magazines, and other supplies which represent greater educational advantages; stationery, horses, vehicles, harness, cows, pigs, fowls, sheds, fences, repairs, typewriting, stenography, and other necessary items, and including compensation not exceeding $1,500 for additional labor or services; for identifying and pursuing escaped inmates and for rewards for their capture, for transportation and other necessary expenses incident to securing suitable homes for paroled or discharged girls, and for maintenance of non-passenger-carrying motor vehicles, $27,500.

And in lieu thereof to insert:

For groceries, provisions, light, fuel, clothing, shoes, forage, and farm supplies; medicine, medical service, including not to exceed $2,000 for medical care and not to exceed $600 for dental care; transportation, maintenance of non-passenger-carrying vehicles; equipment, fixtures, books, magazines, and other educational supplies; recreational equipment and supplies, including rental of motion-picture films; stationery, postage; repairs; and other necessary items, including not exceeding $2,500 for additional labor and services on a per-diem basis; funds for foster home placement of girls approved for such treatment by the Board of Public Welfare not to exceed $1,000, and other necessary expenses incident to securing suitable homes for paroled or discharged girls, $30,000.

The amendment was agreed to.

The next amendment was, on page 63, after line 10, to insert:

For an additional amount for the construction of buildings, $65,000, and the unexpended balance of the appropriation of $100,000 contained in the District of Columbia Appropriation Act for the fiscal year 1937 for the construction, repair, improvement, and extension of buildings at the National Training School for Girls, in accordance with plans to be approved by the Municipal Architect and the Commissioners; and for additional personnel and maintenance at that institution is hereby continued available during the fiscal year 1938.

The amendment was agreed to.

The next amendment was, under the subhead "District Training School", on page 64, line 3, after the word "labor" and the comma, to strike out "$99,270" and insert "$104,270", so as to read:

For personal services, including not to exceed $1,000 for temporary labor, $104,270.

The amendment was agreed to.

The next amendment was, under the subhead "Industrial Home School for Colored Children", on page 64, line 20, after the word "services" and the comma, to strike out

"$35,970" and insert "$39,800"; and in line 21, after the words "in all" and the comma, to strike out "$36,470" and insert "$40,300", so as to read:

Salaries: For personal services, $39,800; temporary labor, $500; in all, $40,300.

The amendment was agreed to.

The next amendment was, on page 65, line 2, after the word "machinery" and the comma, to strike out "$25,500" and insert "$30,000", so as to read:

For maintenance, including purchase and maintenance of farm implements, horses, wagons, and harness, maintenance of nonpassenger-carrying motor vehicles, not to exceed $1,250 for manual-training equipment and materials, and not to exceed $2,000 for laundry machinery, $30,000.

The amendment was agreed to.

The next amendment was, under the subhead "Public assistance", on page 66, line 20, after the name "District of Columbia" and the comma, to strike out "$1,411,500, and not to exceed 10 percent of this appropriation and of Federal grants reimbursed under this appropriation shall be expended for personal services" and insert "$1,465,000, of which not to exceed $200,000 shall be available for personal services", so as to read:

For the purpose of affordng relief to residents of the District of Columbia who are unemployed or otherwise in distress because of the existing emergency, to be expended by the Board of Public Welfare of the District of Columbia by employment and direct relief, in the discretion of the Board of Commissioners and under rules and regulations to be prescribed by the Board and without regard to the provisions of any other law, payable from the revenues of the District of Columbia, $1,465,000, of which not to exceed $200,000 shall be available for personal services.

The amendment was agreed to.

The next amendment was, on page 67, line 12, after the word "provide", to strike out "pensions" and insert "aid", so as to read:

Pensions for needy blind persons: To carry out the provisions of the act entitled "An act to provide aid for needy blind persons of the District of Columbia and authorizing appropriations therefor", approved August 24, 1935 (49 Stat., p. 744), $36,645.

The amendment was agreed to.

The next amendment was, on page 68, after line 16, to insert:

COLUMBIA POLYTECHNIC INSTITUTE

To aid the Columbia Polytechnic Institute for the Blind, located at 1808 H Street NW., to be expended under the direction of the Commissioners of the District of Columbia, $3,000.

The amendment was agreed to.

The next amendment was, under the subhead "Relief of the poor", on page 69, line 20, after the word "poor", to insert "at $1,200 each per annum", and in line 21, after the name "Board of Public Welfare" and the comma, to strike out "$13,000" and insert "$18,760", so as to read:

For relief of the poor, including medical and surgical supplies, artificial limbs, and for pay of physicians to the poor at $1,200 each per annum, to be expended under the direction of the Board of Public Welfare, $18,760.

The amendment was agreed to.

The next amendment was, under the heading "National Capital parks—Salaries, public parks, District of Columbia", on page 72, line 3, after the word "services" and the comma, to strike out "$351,910" and insert "$354,490", so as to read:

For personal services, $354,490.

The amendment was agreed to.

The next amendment was, under the subhead "General expenses, public parks", on page 72, line 14, after the name "District of Columbia" and the semicolon, to insert "placing and maintaining portions of the parks in condition for outdoor sports and for expenses incident to the conducting of band concerts in the parks"; and on page 73, line 3, after the words "and so forth" and the comma, to strike out "$373,500: *Provided*, That not exceeding $20,000 of the amount herein appropriated may be expended for placing and maintaining portions of the parks in condition for outdoor sports and for expenses incident to the conducting of band concerts in the parks; and not exceeding $10,000 for the erection of minor auxiliary structures" and insert "$382,500: *Provided*, That not to exceed $10,000 of the amount herein appropriated may be expended for the erection of minor auxiliary structures", so as to read:

General expenses: For general expenses in connection with the maintenance, care, improvement, furnishing of heat, light, and power of public parks, grounds, fountains and reservations, propagating gardens and greenhouses under the jurisdiction of the National Park Service, including the tourists' camp on its present site in East Potomac Park, and including personal services of seasonal or intermittent employees at per-diem rates of pay approved by the Director, not exceeding current rates of pay for similar employment in the District of Columbia; placing and maintaining portions of the parks in condition for outdoor sports and for expenses incident to the conducting of band concerts in the parks; the hire of draft animals with or without drivers at local rates approved by the Director; the purchase and maintenance of draft animals, harness, and wagons; contingent expenses; city directories; communication service; carfare; traveling expenses; professional, scientific, technical, and law books; periodicals and reference books, blank books and forms; photographs; dictionaries and maps; leather and rubber articles for the protection of employees and property; the maintenance, repair, exchange, and operation of not to exceed two motor-propelled passenger-carrying vehicles and all necessary bicycles, motorcycles, and self-propelled machinery; the purchase, maintenance, and repair of equipment and fixtures, etc., $382,500: *Provided*, That not to exceed $10,000 of the amount herein appropriated may be expended for the erection of minor auxiliary structures.

The amendment was agreed to.

The next amendment was, under the subhead "Park Police", on page 73, line 15, after the words "as amended" and the comma, to strike out "$175,470" and insert "$179,270", so as to read:

Salaries: For pay and allowances of the United States Park Police force, in accordance with the act approved May 27, 1924, as amended, $179,270.

The amendment was agreed to.

The next amendment was, under the heading "Street and road improvement and repair", on page 75, line 11, after the word "services" and the comma, to strike out "$243,280" and insert "$251,000", so as to read:

For personal services, $251,000, payable from the special fund created by section 1 of the act entitled "An act to provide for a tax on motor-vehicle fuels sold within the District of Columbia, and for other purposes", approved April 23, 1924 (43 Stat., p. 106), and accretions by repayment of assessments.

The amendment was agreed to.

The next amendment was, under the subhead "Gasoline tax, road and street improvements and repairs", on page 75, line 20, after the word "temporary", to strike out "per diem" and insert "personal"; in line 23, before the word "including", to insert "and"; and in line 24, after the word "necessary" and the comma, to strike out "and including trees and parkings, assessment and permit work, and the several purposes provided for in that paragraph", so as to read:

For paving, repaving, grading, and otherwise improving streets, avenues, and roads, including temporary personal services, surveying instruments and implements, and drawing materials, and the maintenance of motor vehicles used in this work, and including curbing and gutters and replacement of curb-line trees where necessary, as follows, to be paid from the special fund created by section 1 of the act entitled "An act to provide for a tax on motor-vehicle fuels sold within the District of Columbia, and for other purposes", approved April 23, 1924 (43 Stat., p. 106), and accretions by repayment of assessments:

The amendment was agreed to.

The next amendment was, on page 80, after line 18, to insert:

Northwest: Western Avenue, Rittenhouse Street to Broad Branch Road, $24,200.

The amendment was agreed to.

The next amendment was, on page 80, after line 20, to insert:

Northwest: Elder Street, Seventh Street to Eighth Street, $6,000.

The amendment was agreed to.

The next amendment was, on page 81, line 11, after the word "necessary" and the comma, to strike out "$175,000" and insert "$200,000", so as to read:

For construction of curbs and gutters, or concrete shoulders in connection with all forms of macadam roadways and adjust-

ment of roadways thereto, together with resurfacing and replacing of base of such roadways where necessary, $200,000.

The amendment was agreed to.

The next amendment was, on page 81, line 14, after the word "material" and the comma, to strike out "$400,000" and insert "$475,000", so as to read:

For the surfacing and resurfacing or replacement of asphalt, granite block, or concrete pavements with the same or other approved material, $475,000.

The amendment was agreed to.

The next amendment was, on page 81, line 16, after the word "bridges" and the comma, to strike out "including not to exceed $40,000 for repairs to the Pennsylvania Avenue Bridge over the Anacostia River, $84,540", and insert "$44,540", so as to read:

For construction, maintenance, operation, and repair of bridges, $44,540.

The amendment was agreed to

The next amendment was, on page 81, line 21, after the word "roads" and the semicolon, to strike out "for cleaning snow and ice from streets, sidewalks, crosswalks, and gutters in the discretion of the Commissioners"; and on page 82, line 1, after the word "work" and the comma, to strike out "$800,000: *Provided further*, That appropriations contained in this act for highways, sewers, city refuse, and the water department shall be available for snow removal when specifically and in writing ordered by the Commissioners" and insert "$900,000", so as to read:

For current work of repairs to streets, avenues, roads, and alleys, including the reconditioning of existing gravel streets and roads; and including the purchase, exchange, maintenance, and operation of non-passenger-carrying motor vehicles used in this work, $900,000.

The amendment was agreed to.

The next amendment was, on page 82, line 25, after the word "expenses" and the comma, to strike out "$100,000" and insert "$143,000; and the Commissioners are authorized to enter into contract or contracts for the completion of said bridge at a cost not to exceed $393,000", so as to read:

For completing the replacement of the superstructure, and such portions of the substructure as may be necessary, including relocation and reconstruction of approach roads of the Chain Bridge in accordance with plans and profiles to be approved by the Commissioners of the District of Columbia, including personal services, engineering and incidental expenses, $143,000; and the Commissioners are authorized to enter into contract or contracts for the completion of said bridge at a cost not to exceed $393,000.

The amendment was agreed to.

The next amendment was, on page 84, line 4, after the figures "$150,000", to insert a comma and "to remain available until June 30, 1939", so as to read:

To carry out the provisions of existing law which authorize the Commissioners of the District of Columbia to open, extend, straighten, or widen any street, avenue, road, or highway, in accordance with the plan of the permanent system of highways for the District of Columbia, including the procurement of chains of title, $150,000, to remain available until June 30, 1939.

The amendment was agreed to.

The next amendment was, on page 84, after line 9, to strike out:

For assessment and permit work, paving of roadways under the permit system, and construction and repair of sidewalks and curbs around public reservations and municipal and United States buildings, including purchase or condemnation of streets, roads, and alleys, and of areas less than 250 square feet at the intersection of streets, avenues, or roads in the District of Columbia, to be selected by the Commissioners, and including maintenance of non-passenger-carrying motor vehicles, $150,000.

The amendment was agreed to.

The next amendment was, on page 84, after line 18, to strike out:

For personal services, trees and parkings, $26,600.

The amendment was agreed to.

The next amendment was, on page 84, after line 19, to strike out:

For contingent expenses, trees and parkings, including laborers, trimmers, nurserymen, repairmen, teamsters, hire of carts, wagons, or motor trucks, trees, tree boxes, tree stakes, tree straps, tree labels, planting and care of trees, and tree spaces on city and suburban streets, purchase and maintenance of non-passenger-carrying motor vehicles, and miscellaneous items, $100,000.

The amendment was agreed to.

The next amendment was, on page 85, after line 2, to strike out:

For purchase, installation, and modification of electric traffic lights, signals, and controls, markers, painting white lines, labor, maintenance of non-passenger-carrying motor vehicles, and such other expenses as may be necessary in the judgment of the Commissioners, including not to exceed $30,000 for the operation and maintenance of electric traffic lights, signals, and controls, $93,000, of which not less than $25,000 shall be expended for the purchase, installation, and modification of electric traffic-light signals, including the installation of new traffic-light signals at the following street intersections: Northwest—Park Road and Mount Pleasant Street, Fourteenth and F Streets, Fourth and Massachusetts Avenue, Michigan Avenue and Park Place, Third and Massachusetts Avenue, Ninth and U Streets, Fourth and H Streets, Fifth and New York Avenue, Seventh and S Streets, Eleventh and U Streets, Seventh and Q Streets, Thirteenth and T Streets, Fourteenth and P Streets, Fourteenth and S Streets, Seventh and M Streets, Seventh and P Streets; Southwest—First Street and Independence Avenue, Seventh Street and Maryland Avenue; Northeast—Twelfth and H Streets, Sixth and H Streets, Seventh and H Streets, First and H Streets: *Provided*, That no part of this or any other appropriation contained in this act shall be expended for building, installing, and maintaining street-car loading platforms and lights of any description employed to distinguish same.

The amendment was agreed to.

The next amendment was, on page 86, line 5, after the word "exceed", to strike out "$2,769,140" and insert "$2,632,740", so as to read:

In all, not to exceed $2,632,740, to be immediately available; to be disbursed and accounted for as "Gasoline tax, road and street improvements and repairs", and for that purpose shall constitute one fund.

The amendment was agreed to.

The next amendment was, at the top of page 87, to insert:

MISCELLANEOUS ROAD AND STREET IMPROVEMENTS AND REPAIRS

For assessment and permit work, paving of roadways under the permit system, and construction and repair of sidewalks and curbs around public reservations and municipal and United States buildings, including purchase or condemnation of streets, roads, and alleys, and of areas less than 250 square feet at the intersection of streets, avenues, or roads in the District of Columbia, to be selected by the Commissioners, and including maintenance of non-passenger-carrying motor vehicles, $150,000.

The amendment was agreed to.

The next amendment was, under the heading "Water service—Washington Aqueduct", on page 89, line 6, after the word "therewith" and the comma, to strike out "$470,000" and insert "$540,000, including $40,000 for emergency repairs caused by the floods of the Potomac River in March 1936 and April 1937", so as to read:

For operation, including salaries of all necessary employees, maintenance and repair of Washington aqueducts and their accessories, including Dalecarlia, Georgetown, McMillan Park, first and second High Service Reservoirs, Washington aqueduct tunnel, the filtration plants, the pumping plants, and the plant for the preliminary treatment of the water supply, ordinary repairs, grading, opening ditches, and other maintenance of Conduit Road, purchase, installation, and maintenance of water meters on Federal services; purchase, care, repair, and operation of vehicles, including the purchase and exchange of one passenger-carrying motor vehicle at a cost not to exceed $650; purchase and repair of rubber boots and protective apparel, and for each and every purpose connected therewith, $540,000, including $40,000 for emergency repairs caused by the floods of the Potomac River in March 1936 and April 1937.

The amendment was agreed to.

The next amendment was, on page 90, line 1, after the word "exceed", to strike out "$2,500" and insert "$3,300"; in line 2, after the word "exceed", to strike out "$2,500" and insert "$3,500"; and in line 11, after the word "maintenance" and the comma, to strike out "$366,000" and insert "$372,300", so as to read:

For the maintenance of the water department distribution system, including pumping stations and machinery, water mains, valves, fire and public hydrants, and all buildings and accessories, and motortrucks, and motor vehicles such as are now owned, and the replacement by purchase and exchange of the following motor-propelled vehicles: One two-passenger coupe and one five-passenger sedan at not to exceed $600 each; three station wagons at not to exceed $750 each; one truck at not to exceed $500; four trucks at

not to exceed $750 each; one truck at not to exceed $800; one truck at not to exceed $3,300; and one special truck at not to exceed $3,500; and the purchase of the following additional motor vehicles: Five trucks at not to exceed $750 each; purchase of fuel, oils, waste, and other materials, and the employment of all labor necessary for the proper execution of this work; and for contingent expenses, including books, blanks, stationery, printing and binding, not to exceed $2,500; postage, purchase of technical reference books and periodicals not to exceed $275, and other necessary items, $7,500; in all for maintenance, $372,300, of which not exceeding $5,000 shall be available for operation of pumps at Bryant Street pumping station upon interruption of service from Dalecarlia pumping station.

The amendment was agreed to.

The next amendment was, on page 91, after line 2, to strike out:

The Treasurer of the United States is authorized to invest the sum of $750,000 in United States securities for the account of the water fund of the District of Columbia as funds are available to the Commissioners of said District during the fiscal year 1938, and such funds are appropriated for this purpose from the revenues of the water department.

And in lieu thereof to insert:

The Treasurer of the United States is authorized to invest in United States securities for the account of the water fund of the District of Columbia such funds as may be determined by the Commissioners to be available for that purpose during the fiscal year 1938, and such funds are appropriated for this purpose from the revenues of the water department.

The amendment was agreed to.

The next amendment was, on page 94, line 12, after the word "incurred", to strike out the colon and the following proviso:

Provided, That per-diem personnel employed under appropriations contained in this act shall be paid only for time actually worked, and savings effected thereby shall not be available for expenditure for any purpose.

The amendment was agreed to.

The next amendment was, on page 97, after line 19, to strike out the following section:

SEC. 7. No part of the appropriations contained in this act shall be used to pay any increase in the salary of any officer or employee by reason of the reallocation of the position of such officer or employee to a higher grade after June 30, 1937, by the Civil Service Commission, and salaries paid accordingly shall be payment in full: *Provided*, That the foregoing limitation shall not apply to the reallocation of positions where the salary is less than $2,000 per annum.

The amendment was agreed to.

The next amendment was, on page 98, after line 4, to strike out the following section:

SEC. 8. No part of this appropriation shall be available for any expense for or incident to the issuance of congressional tags except to those persons set out in the act of December 19, 1932 (47 Stat. 750), including the Speaker and the Vice President.

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments.

Mr. THOMAS of Oklahoma. Mr. President, on behalf of the committee, and by authority of the committee, I offer an amendment, which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 13, in line 15, after the sum "$7,000", it is proposed to insert:

Provided, That this appropriation shall not be available for the payment of advertising in newspapers published outside of the District of Columbia, notwithstanding the requirement for such advertising provided by existing law.

The amendment was agreed to.

Mr. THOMAS of Oklahoma. I offer another amendment, and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 13, in line 19, after "$5,500", it is proposed to insert:

Provided, That this appropriation shall not be available for the payment of advertising the delinquent tax list for more than once a week for 2 weeks in the regular issue of one morning or one evening newspaper published in the District of Columbia, notwithstanding the provisions of existing law.

The amendment was agreed to.

Mr. THOMAS of Oklahoma. I offer another amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 48, in line 8, after the word "sanatoria", it is proposed to insert the following:

, which, on and after July 1, 1937, shall be under the direction and control of the Health Department of the District of Columbia and subject to the supervision of the Board of Commissioners.

The amendment was agreed to.

Mr. THOMAS of Oklahoma. I offer a further amendment and ask to have it stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 51, line 11, after "$107,030", it is proposed to insert:

Provided, That upon occupancy of the new Police Court Building the Commissioners are authorized to transfer such part of this appropriation for payment of custodial employees as may be necessary to the appropriation in this act for "Care of the District buildings."

Mr. SCHWELLENBACH. Mr. President, on this amendment I raise a point of order. The amendment involves legislation and I call the attention of the Senate to the fact that the same or a similar amendment was introduced in the other House, and was ruled out upon a point of order as constituting legislation, and not properly a part of the appropriation bill.

Mr. O'MAHONEY. Mr. President, will the Senator call the attention of the Senate to the colloquy on that subject in the House?

Mr. SCHWELLENBACH. In response to the request of the Senator from Wyoming, I will say that the bill came up in the House on April 2; and on page 3108 of the RECORD Mr. NICHOLS said:

Mr. Chairman, I make the point of order on the language contained in the paragraph beginning in line 22 of page 48, after the "$107,030", which reads:

"*Provided*, That upon occupancy of the new Police Court Building the Commissioners are authorized to transfer such part of this appropriation for payment of custodial employees as may be necessary to the appropriation in this act for 'Care of the District buildings' "—

that it is legislation and changes existing law.

There was considerable discussion upon the question. The Chairman said:

Patently, the language referred to is legislation on an appropriation bill. Therefore, the Chair sustains the point of order.

Mr. THOMAS of Oklahoma. Mr. President, the issue in this case is very clear, and I shall be brief in presenting it.

The District has under construction a new Police Court Building. Under existing law the judges of the police court have jurisdiction over the Police Court Building, and the police court now has an old building which it is using. It is true that the present police court has jurisdiction over its present building. So, under existing law, when the new building is constructed, if the law is not changed, the police-court judges will have supervision over the new building.

The new building is a large structure, and for a long time perhaps the police court will not have sufficient personnel or business to occupy the entire building; so there will be vacant space in the building which should be available for use for other District purposes. If the police court retains jurisdiction it can make disposition of this extra space. If the jurisdiction is transferred to the Commissioners the Commissioners can use the extra space for some other and necessary purposes in connection with the District government.

There is one other point that I wish to suggest. At the present time, to the extent that the police court needs a force of plumbers, electricians, and custodial servants to take care of the building, it has them; but I understand that when the new building is constructed this force must be largely increased, so it would be an added expense to the District to keep the jurisdiction of this building under the police court. On the other hand, if the jurisdiction is changed to the Commissioners they can, when the need

occurs, assign their regular custodial force of electricians, plumbers, and so forth, to take care of the Police Court Building.

Of course, Mr. President, the amendment is legislation. Otherwise, it would not have been offered from the floor; it would have been placed in the bill. But if it had been placed in the bill, and a point of order had been made against it, it would have caused the entire bill to be sent back to the committee, and the committee did not desire that to be done.

Any Member has a right to make a point of order, and, of course, neither the chairman of the committee nor the committee itself has the power to resist such a point of order. I agree that if the point of order is made, and insisted upon, it must be sustained.

I make this statement, and respectfully ask the maker of the point of order to withdraw the point of order, if he can see his way clear to do so.

Mr. SCHWELLENBACH. Mr. President, the Senator from Oklahoma has discussed the merits of the question. On a point of order which is concededly well taken I do not feel that I should go at great length into a discussion of the merits of the proposition. It does involve a dispute over the question as to whether or not certain portions of the building shall be used for other than court purposes.

Those who are in charge of the court building have the feeling that as the needs for additions to the court occupancy of the building increase, if the Commissioners have control over the building there will be difficulty in meeting those needs in the time to come. I cannot agree with the Senator that it will mean any greater expense. It does not make any difference whether the custodian, janitors, and persons of that kind are hired by the court or are hired by the Commissioners. They must be paid, one way or another. I cannot see any difference so far as the question of expense is concerned. In all of our discussions these days about the superior ability of courts it seems to me that even those of us who have some doubts about the courts should recognize that a judge is capable of hiring a janitor. Perhaps there may be some dispute about other things, but certainly there is nothing about the duty of hiring a janitor and other employees which makes the court incapable of performing it.

I dislike very much to raise the point of order; but, since the amendment is subject to the point of order, and since I believe in my own mind that for the future the building should be left under the control of the judges, I am reluctantly compelled to insist upon the point of order.

The PRESIDING OFFICER. The point of order is sustained.

Mr. THOMAS of Oklahoma. Mr. President, since the point of order is sustained, it will be necessary to rearrange some figures carried in the bill; and I shall submit several clarifying or perfecting amendments to make the bill mean what it should mean with the point of order sustained.

I ask unanimous consent to reconsider the vote by which the committee amendment on page 4, line 22, was adopted, in order that I may offer an amendment to it.

The PRESIDING OFFICER. Is there objection to the reconsideration? The Chair hears none, and the vote is reconsidered.

Mr. THOMAS of Oklahoma. In the committee amendment on page 4, line 22, I move to strike out "$99,526" and insert "$96,700."

The amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.

Mr. THOMAS of Oklahoma. I offer another amendment, which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 5, line 2, it is proposed to strike out "$37,350" and to insert in lieu thereof "$30,000."

The amendment was agreed to.

Mr. THOMAS of Oklahoma. I offer another amendment, which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 51, line 11, it is proposed to strike out "$107,030" and to insert in lieu thereof "$114,530."

The amendment was agreed to.

Mr. THOMAS of Oklahoma. I offer a further amendment, which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 51, line 21, it is proposed to strike out "$4,250" and to insert in lieu thereof "$11,600."

The amendment was agreed to.

Mr. THOMAS of Oklahoma. I offer another amendment, which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 54, in line 4, after the word "justices", it is proposed to insert "marshal, $3,600, whose appointment is hereby authorized", and in line 8 to strike out "$111,800" and to insert in lieu thereof "$115,400."

The amendment was agreed to.

Mr. THOMAS of Oklahoma. I offer another amendment, which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 74, after the sum "$40,150", in line 14, it is proposed to insert the following:

Provided, That the Commission may procure supplies and services without regard to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5), when the aggregate amount involved does not exceed $50: *Provided further*, That a statement of expenditures from this appropriation shall be reported to Congress in the annual Budget.

The amendment was agreed to.

Mr. THOMAS of Oklahoma. I send to the desk another amendment, which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 82, line 5, after the numerals "$900,000", it is proposed to insert the following:

Provided, That the Commissioners of the District of Columbia, should they deem such action to be to the advantage of the District of Columbia, are hereby authorized to purchase a municipal asphalt plant at a cost not to exceed $30,000.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. THOMAS of Oklahoma. I submit another amendment, and ask that it may be read.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 83, after line 2, it is proposed to insert the following:

For the construction of a bridge to replace the bridge in line of Pennsylvania Avenue over the Anacostia River in accordance with plans and profiles to be approved by the Commissioners of the District of Columbia, including construction of and changes in sewer and water mains, travel expenses in connection with the inspection of material at the point of manufacture, employment of engineering or other professional services, by contract or otherwise, and without reference to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5), or the Classification Act of 1923, as amended, and engineering and incidental expenses, $325,000, and the Commissioners are authorized to enter into contract or contracts for the completion of said bridge at a cost not to exceed $2,000,000.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. THOMAS of Oklahoma. I submit a further amendment, and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 98, after line 9, it is proposed to insert as a new section the following:

SEC. 7. The Commissioners of the District of Columbia are hereby authorized and empowered, in their discretion, to secure and to install, at no expense to the said District, mechanical parking meters or devices on the streets, avenues, roads, highways, and other public spaces in the District of Columbia under the jurisdiction and control of said Commissioners; and said Commissioners are authorized and empowered to make and enforce rules and

regulations for the control of the parking of vehicles on such streets, avenues, roads, highways, and other public spaces, and as an aid to such regulation and control of the parking of vehicles the Commissioners may prescribe fees for the privilege of parking vehicles where said meters or devices are installed.

The Commissioners are further authorized and empowered to pay the purchase price and cost of installation of the said meters or devices from the fees collected, and thereafter such meters or devices shall become the property of said District and all fees collected shall be paid to the collector of taxes for deposit in the Treasury of the United States to the credit of the revenues of said District.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oklahoma.

Mr. BURKE. Mr. President, I raise the point of order that the amendment proposes legislation on a general appropriation bill, and is therefore repugnant to the rule.

The PRESIDING OFFICER. The point of order is sustained.

Mr. THOMAS of Oklahoma. Mr. President, I submit another amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 98, after line 9, it is proposed to insert as a new section the following:

SEC. 8. Credit is allowed in the accounts of the District of Columbia for disbursements made from the permanent and indefinite appropriation "Refund of erroneously paid taxes, District of Columbia", amounting to $3,229.90, covered by audit nos. 33568, 37304, 45549, 53546, 63399, and 70165, and General Accounting Office certificate no. F–5872–DC, dated July 24, 1933.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. THOMAS of Oklahoma. Mr. President, I ask that the Secretary may be authorized to change the totals to conform to amendments which may have been adopted by the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

If there be no further amendments to be offered, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. THOMAS of Oklahoma. I move that the Senate insist on its amendments, request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. THOMAS of Oklahoma, Mr. GLASS, Mr. COPELAND, Mr. KING, and Mr. NYE conferees on the part of the Senate.

PROPOSED DEBT SETTLEMENTS BY FOREIGN DEBTORS

Mr. LEWIS. Mr. President, I trust I am not interfering with the program of any other Senator. I was rather delayed this morning, for many reasons, principally a matter of health, but I ask the privilege of the Senate to say a few words upon a matter which I regard as very serious. If I am correct, it is seriously serious, and if there is any doubt about the situation, then the subject is worthy of investigation.

Mr. President, I have often addressed this body touching the matter of what we speak of as the debts due the United States by certain foreign debtors. From time to time of late there have come forward expressions indicating a willingness upon the part of the debtors to deal with our Government on the subject. There has of late come forth a proposal, quoted from abroad for its influence upon our own land, that has now taken a concrete form.

I beg to inform the Senate that I flatter myself I have accurate information that there will be shortly in this Capital a distinguished representative of the Government of Belgium in the person of the present Premier of that country. He comes ostensibly for conference with the President of the United States. Of course, we will welcome this dignitary of a distinguished nation, whose history for courage, bravery, and valor has no superior, and, in view of our associations of the past, we cherish the hope that our relationships with that Government will continue in the future to be of the same friendly character as they have been in the years gone by. But, Mr. President, Belgium is one of the nations that is in debt to us, and for the same reasons and for the same purposes is situated as are other countries to which we are today to make reference.

The Premier of Belgium is being authorized to bring to the United States of America and, I dare say, to the State Department, although I speak of the State Department with some hesitancy, as I am sensitive about intruding upon any part of the Government that regards it as a trespass to refer to it, much less to seek information from it, a suggestion, sir, that the principal debtors of the United States wish to follow out the declaration made by the former Premier of England on the 10th day of April when he was anticipating leaving his office that it might be turned over to his successor. Replying to a member of the Parliament representing the Labor Party who asked what was to be done before the Prime Minister resigned his office as to the debts due the United States, Premier Baldwin said:

> There has been some understanding that if the debtors of the United States can come together on some proposition that is practicable, it will be presented by the Government of Great Britain, and if there can be formulated a proposition that is agreeable to the United States in behalf of all the debtors, it will be acted upon concurrently.

Nothing more was said than that "it will be acted upon", and the intimation is now made that the proposition must come from the United States, leaving upon the public mind the impression that we are ready to suggest either the canceling of the debts or lessening them to such degree as would make the payment ridiculous and ourselves contemptible.

Mr. President, it now develops—and I assume, sir, we will hear more of this from a source more definite—that our principal debtors, particular, sir, Great Britain and France, have authorized Belgium to say, in their behalf and in the behalf of the other debtors, that they recognize that they have been spending large sums for armaments, and that the criticisms being made here in this Chamber and elsewhere in our land may be said to be justified, but they desire to present to the President of the United States, through the distinguished representative of the beloved Government of Belgium, that since the United States is now in danger of having its institutions overthrown by the same forces of tyranny and dictatorship that shadow with destruction certain governments of Europe, it must be assumed that the money that is being paid out for the increase of armaments and the multiplication of military undertakings is being expended in behalf of the United States. It is asserted that if the money due us, instead of being paid to us, is really being paid as is contended for increased armaments, it is being paid for that which it is understood, of course, is to be converted to our uses, and, because of the danger in which we stand, we should forgive these expenditures for agencies of death and world destruction upon the basis that, as they defend against the advance of countries called lands of tyranny, they are made also in behalf of the United States and the preservation of this Republic.

I fancy I am speaking to gentlemen to whom the idea is not new that our Government is advancing this money in its own defense, and that, therefore, having been paid out in its own defense, it could congratulate itself it has had the pleasure to lay to itself the exquisite unction of having defended itself against invaders who threatened to destroy it.

Now, Mr. President, I bring to your attention the suggestion that it will be said, as it is, indeed, now being said, that there is a trade treaty on the eve of being consummated by the State Department with these lands of our debtors, but particularly with England in behalf of Britain, and that this trade treaty, while accepting favors from us can only advance and is permitted to extend only such favors to us as are consistent with granting privileges and precedence to Canada and the other commonwealths of Britain under what is known as the Ottawa agreement, and that whatever

may be accorded to the United States in matters of trade must be accepted as being extended only upon the basis that always and ever precedence must be given to the commonwealths of Great Britain, including Canada, before any form of equality of similar favors can be accorded the United States.

Mr. President, these constant suggestions as to how this country, our United States, is to be taken in hand and befuddled from time to time, leaving us in the final end with nothing paid, nothing promised, and nothing done, should receive from us in some manner the protests of courageous spirits and a brave nation. Distinguished representatives are on the way, as is now publicly stated by Mr. Neville Chamberlain, who, being successor to Mr. Baldwin, says he is now for the same proposition as was suggested by Mr. Baldwin, that, if the debtors can get together on a plan agreeable to them, which may be advanced in some form to the point that the United States may make a proposition acceptable to itself, it will be highly agreeable to enter into some new understanding.

Mr. President, there have been seven different adjustments of this debt. There have been seven different alinements. If our honorable debtors cannot pay the bill or do not intend to pay it, an expression from them would enlighten the subject greatly.

Mr. BORAH. Mr. President——

Mr. LEWIS. I yield to the able Senator from Idaho.

Mr. BORAH. I think a practical assertion of that nature was made the other day in the House of Commons. The Senator will recall that when Mr. Chamberlain stated it was not fair to say that Great Britain had repudiated her debt, it created an uproar of laughter in the House of Commons, the House of Commons evidently being of opinion that they had already repudiated it.

Mr. REYNOLDS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from North Carolina?

Mr. LEWIS. Certainly.

Mr. REYNOLDS. I likewise recall that not long ago those in charge of financial matters in a certain country of Europe were boasting to the world that they had balanced their budget. As a matter of fact, if there was a balance it was without ever taking into consideration the vast amount of money that is due the United States of America. Is not that true?

Mr. LEWIS. Such was the statement publicly made.

Mr. McKELLAR. Mr. President, will the Senator from Illinois yield at that point?

Mr. LEWIS. Certainly.

Mr. McKELLAR. I was not in the Chamber when the Senator began his remarks. Does the Senator say that it is proposed in some way to deal with the debt question by a trade agreement? I am quite sure that cannot be correct. I do not see how it could possibly be correct.

Mr. LEWIS. I will say to the Senator that, so far as I am concerned, as he will gather in a moment wherein the trade matter particularly enters, he is correct.

I first reply to the Senator from Idaho [Mr. BORAH], who calls our attention to the fact that when some references to the debt were made to the Government of England they were met with a merry "roundelay" in Parliament. Why not? They have been able to indulge such a gesture under all circumstances, and it seems to be the most familiar form of acceptable illustration that country can offer as to how they feel about this obligation.

To the Senator from North Carolina [Mr. REYNOLDS] I say it is true our honorable debtors not only asserted that they had balanced their budget but added that they had put such extra sums into their tax funds that they were able to pay for the extra warships which were then being announced as exceeding both in volume and quantity, in quality and superiority, any form of naval ships then existing in the world.

Now, to reply to my friend from Tennessee [Mr. McKELLAR], I have said, and I now say, there is on the eve of negotiation between this Government and England what is called a trade treaty. This trade treaty is supposed to give to England such privileges as are accorded to other nations—a favored-nation clause; but in the meantime all England is to give us is the assurance that she recognizes the preference and superiority and the precedence of Canada and the commonwealths of Britain under what is known as the Ottawa agreement. So the only thing we really get, if we get anything at all, is something that may come to us after the preferences have been supplied to Great Britain and her commonwealths.

As to the debt, I answer my able friend from Tennessee that it is being proposed that in these adjustments of trade there shall be adjustments of the debt. It is suggested that such property or evidences of trade as are to be extended to the United States may be increased to some extent that can be credited to the debt and take on the form of a payment of the debt, as well as of exchange between the countries.

Mr. McKELLAR. Mr. President, may I interrupt the Senator again?

Mr. LEWIS. Certainly.

Mr. McKELLAR. I am utterly opposed to any further compromise of the debt. I believe we have already compromised it greatly, and I think Great Britain has repudiated it, but she ought to pay it. I certainly think it ought not to be dealt with in a trade agreement, and I do not believe it will be dealt with in a trade agreement.

Mr. BARKLEY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Kentucky?

Mr. LEWIS. Certainly.

Mr. BARKLEY. It is a matter of general knowledge, I presume, that negotiations have been carried on and are now in process looking toward an ultimate trade agreement between the United States and a number of other countries, including Great Britain. I do not know from what source the Senator obtains the information that as a part of this agreement which may ultimately be entered into any consideration is to be given to the Ottawa agreement, which was entered into 2 or 3 years ago between the Dominion governments and Great Britain, looking toward some preferential treatment of the dominions in the trade between England and those countries. Is the Senator able to give us the source of the information that the debts will be a part of the trade agreement when it is entered into, or is that just a general conclusion drawn from newspaper reports?

Mr. LEWIS. Mr. President, a statement was made in England that found its way to the Canadian Government and to the British commonwealths as an assurance to them that the proposed agreement, which the Senator from Kentucky says is on the way, is not in any wise to disturb the preferences which have been given to Canada under the Ottawa agreement.

Mr. BARKLEY. The information, then, is derived from British publications and not from any information given out in this country?

Mr. LEWIS. Completely from British publications and information conveyed to Canada as well as to the other British commonwealths.

Mr. BARKLEY. I may say further, with the permission of the Senator from Illinois, that I quite agree with the Senator from Tennessee. I do not think the Reciprocal Trade Act authorizes the President to deal at all with the question of the indebtedness of other countries to us. I am quite satisfied that he is not dealing with it in connection with the trade agreements.

I also agree with the Senator from Illinois and the Senator from Tennessee that every possible effort ought to be made to collect the debts in full, and that they ought not to be dealt with in connection with trade agreements which have relationship to commerce and mutual advantages that may be supposed to be derived by some relaxation of the barriers which exist among those nations with respect to trade. I do not see how the President would have any such authority, and I doubt whether he has considered dealing

with the question of the debts in connection with the trade agreements.

Mr. BORAH. Mr. President——

Mr. LEWIS. I yield to the Senator from Idaho.

Mr. BORAH. I suppose if the parties should undertake to deal with the debt question in a reciprocal-trade agreement, it would necessitate the agreement coming to the Senate for action. Certainly no authority has yet been granted to include a debt agreement with a reciprocal-trade agreement.

Mr. BARKLEY. Mr. President, if the Senator will yield further——

Mr. LEWIS. I yield to the Senator from Kentucky.

Mr. BARKLEY. I understand that under the original act passed by Congress, in which the effort was made to settle the debts, nobody has any authority to reduce them or to change their terms except Congress itself.

Mr. BORAH. Exactly; so, I say, the agreement would have to return to Congress, and consequently it might be a very good thing to have a debt agreement included in a trade agreement. It would have a tendency to restore constitutional government temporarily at least as to the treaty-making power if the trade agreements should come back here for consideration.

Mr. BARKLEY. But the act which provides for reciprocal-trade agreements does not contain any authority for the President to negotiate with respect to the debts; so it would be assuming that the President would go beyond his authority if we should assume that he would include any such consideration in trade agreements.

Mr. BORAH. I would not assume that, of course.

Mr. LEWIS. Mr. President, I conclude by reverting to the suggestion openly made, and which we are told by proper authority will be committed to the President and transmitted to his confidants, that, while the money which our debtors possess has not been paid to us as it should have been, but confessedly has been expended for increased armaments and multiplied materials for multiplied wars, we must realize that such wars are for the object of defending these countries against attacks upon their constitutional government and what they feel is an assault upon their democracy; that, therefore, when they defend their democracy and their constitutional government they are defending the United States of America, as we shall be the next in turn to be the object of destruction. Let us here, with proper delicacy, freely assert that they refer to Russia, Italy, and Germany as those from whom attacks may come; and let us say it is urged now that if this money has been expended and more is yet to be expended for the protection of these countries, as they anticipate, against certain dangers, that is really a protection to the United States, and to that extent is the payment of the debt; that it is the payment of our debt to ourselves by paying it out to those agencies of protection which they contend, while inuring to their advantage, are really addressed to the ultimate protection of the United States of America.

I said a moment ago, and I now repeat, that I think this contention must have a familiar sound to many of the ears around me, as they heard something of this before in very much the same tenor.

Mr. President, I do not upbraid the distinguished representative of the Belgian Government as the emissary of the greater governments in size for bringing the suggestion that the United States is to treat these expenditures for military preparation as really expenditures in behalf of the United States of America, and therefore that they should be credited by this Government as payment upon the debt that these debtors owe the Government of the United States. The suggestion has about it something of fascination. It is original; it is attractive; it is impudent; and, for that reason, it suggests how ignorant we have been in the past, and how ignorant, perchance, we shall continue to be for the future. But let us have the assurance that if this honorable body has in the past lent itself both to the gentle creation of ignorance and to the exercise of stupidity, it has learned its lesson from what it has been compelled to endure as the result. Now, it is not likely to find itself walking the same steps again, and to the same Gehenna.

Mr. President, I do not know exactly the reasons that bring the distinguished representative of Belgium to our country, other than that which the officials of the Belgian Government assert, some of whom are not in harmony with the Premier; and I do not know other than that which the larger governments, our debtors, are now freely stating, that this distinguished official comes with authority to present to the United States as an emissary suggestions that will serve to compose the debt. I must agree, however, with the Senator from Tennessee [Mr. McKELLAR], the Senator from Kentucky [Mr. BARKLEY], the Senator from Idaho [Mr. BORAH], and the Senator from North Carolina [Mr. REYNOLDS] that any move that looks to surrendering the debt completely, or the adjustment of it in a manner that robs us and continues to rob us to the degree that we are made the laughing stock of civilization and the object, sir, of the condemnation of common sense, should be interdicted. As soon as this honorable body may express itself as against such conduct, it should do so. I rise here to inform this honorable body that the move is afoot. The honorable gentleman is on his way. The session is set for the 20th day of June; and the session is to be characterized by the presentation and execution of the propositions that I have been free enough to lay before the Senate.

Sir, we are all hands for peace. We should also be for the maintenance of the constitutional governments of the lands of these our debtors. We are for anything that will preserve these political systems and likewise avoid any endangering of our country. Yet we cannot be beguiled, trapped, or tricked into the notion that we are being cheated for our benefit, and robbed for our profit. We must respectfully insist that we cannot see where the expenditure of this money in behalf of armaments of death to the countries of Europe is of benefit to the United States; and, while we hope to preserve and will join European nations in every manner we can to preserve the institutions of democracy and the constitutions of their republics, nevertheless we cannot under the guise of the mere name allow ourselves again, sir, to be brought into an understanding that partakes of a delusion and a fraud upon the sense of America and continue the course that has long been indulged of deliberate imposition and robbery of the United States. If it is on its way, I protest against it. If there be a doubt about it, I ask this honorable body to give it some attention as early as possible, that they may know how to deal with it as it approaches.

I thank the Senate for letting me break in at this time with these suggestions.

AUTHORITY FOR COMMITTEE ON APPROPRIATIONS TO REPORT BILLS

Mr. BARKLEY. Mr. President, it is contemplated that the Senate will take a recess until Thursday. I ask unanimous consent that in the meantime the Committee on Appropriations may be permitted to report bills if it shall be ready to do so.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. BERRY in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. McKELLAR, from the Committee on Appropriations, reported favorably the nomination of Newell S. Boardman,

of Wisconsin, to be regional director of the Resettlement Administration, vice R. I. Nowell, resigned.

Mr. WAGNER, from the Committee on Banking and Currency, reported favorably the following nominations:

James M. Landis, of Massachusetts, to be a member of the Securities and Exchange Commission for the term expiring June 5, 1942 (reappointment); and

T. D. Webb, of Tennessee, to be a member of the Federal Home Loan Bank Board for a term of 6 years from July 22, 1937 (reappointment).

The PRESIDING OFFICER. The reports will be placed on the Executive Calendar.

If there be no further reports of committees, the nominations on the calendar will be stated in order.

THE JUDICIARY

The legislative clerk read the nomination of Francis T. McDonald to be United States attorney, western district of Michigan.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

POSTMASTER

The legislative clerk read the nomination of Emily C. Squires to be postmaster at Hampton Bays, N. Y.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

IN THE ARMY

The legislative clerk read the nomination of Capt. John Foxhall Sturman, Jr., to be a captain in the Coast Artillery Corps.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

IN THE MARINE CORPS

The legislative clerk read the nomination of Wayne M. Brown to be second lieutenant.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

That completes the Executive Calendar.

DEATH OF REPRESENTATIVE GOODWIN, OF NEW YORK

The Senate resumed legislative session.

The PRESIDING OFFICER. The Chair lays before the Senate resolutions from the House of Representatives, which will be read:

The legislative clerk read as follows:

House Resolution 232

Resolved, That the House has heard with profound sorrow of the death of Hon. PHILIP A. GOODWIN, a Representative from the State of New York.

Resolved, That a committee of four Members of the House, with such Members of the Senate as may be joined, be appointed to attend the funeral.

Resolved, That the Sergeant at Arms of the House be authorized and directed to take such steps as may be necessary for carrying out the provision of these resolutions and that the necessary expenses in connection therewith be paid out of the contingent fund of the House.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

Resolved, That, as a further mark of respect, this House do now adjourn.

Mr. COPELAND. Mr. President, it was with a sense of great personal loss that I learned of the death of Representative GOODWIN. He has been for many years my friend, and I found him always a sweet, charming, lovely character, one of the finest Christian gentlemen I ever knew in my life. At a later time there will be appropriate proceedings relative to his untimely departure.

Mr. President, at this time I send forward resolutions, which I ask to have read and agreed to.

The PRESIDING OFFICER. The clerk will read the resolutions.

The resolutions (S. Res. 142) were read, considered by unanimous consent, and unanimously agreed to, as follows:

Senate Resolution 142

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. PHILIP A. GOODWIN, late a Representative from the State of New York.

Resolved, That a committee of two Senators be appointed by the Vice President to join the committee appointed on the part of the House of Representatives to attend the funeral of the deceased Representative.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

The PRESIDING OFFICER. The Chair appoints as the committee provided for in the resolution just agreed to the senior Senator from New York [Mr. COPELAND] and the junior Senator from New York [Mr. WAGNER].

Mr. COPELAND. Mr. President, as a further mark of respect to the memory of the deceased Representative, I move that the Senate take a recess until noon on Thursday next.

The motion was unanimously agreed to; and (at 2 o'clock and 34 minutes p. m.) the Senate took a recess until Thursday, June 10, 1937, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 8 (legislative day of June 7), 1937

JUDGES, UNITED STATES CIRCUIT COURT OF APPEALS

William Healy, of Idaho, to be judge of the United States Circuit Court of Appeals for the Ninth Circuit, vice a new position.

Hon. Albert Lee Stephens, of Los Angeles, Calif., to be judge of the United States Circuit Court of Appeals for the Ninth Circuit, vice a new position.

PROMOTIONS IN THE FOREIGN SERVICE OF THE UNITED STATES

From Foreign Service officer of class 2 to Foreign Service officer of class 1:

John K. Davis, of Ohio.
Ely E. Palmer, of Rhode Island.
Louis Sussdorff, Jr., of New York.
John C. Wiley, of Indiana.
North Winship, of Georgia.

From Foreign Service officer of class 3 to Foreign Service officer of class 2:

John P. Hurley, of New York.

From Foreign Service officer of class 4 to Foreign Service officer of class 3:

George L. Brandt, of the District of Columbia.
Homer Brett, of Mississippi.
Dudley G. Dwyre, of Colorado.
Joseph Flack, of Pennsylvania.
Frederick P. Hibbard, of Texas.
John D. Johnson, of Vermont.

From Foreign Service officer of class 5 to Foreign Service officer of class 4:

Hooker A. Doolittle, of New York.
William R. Langdon, of Massachusetts.
Robert D. Longyear, of Massachusetts.
Winthrop R. Scott, of Ohio.
Henry S. Waterman, of Washington.

From Foreign Service officer of class 6 to Foreign Service officer of class 5:

George Atcheson, Jr., of California.
Richard Ford, of Oklahoma.
Lynn W. Franklin, of Maryland.
Bernard Gotlieb, of New York.
Thomas McEnelly, of New York.
Edwin A. Plitt, of Maryland.
Christian M. Ravndal, of Iowa.
John Carter Vincent, of Georgia.

From Foreign Service officer of class 7 to Foreign Service officer of class 6:

Lewis Clark, of Alabama.
Cabot Coville, of California.
Fayette J. Flexer, of Illinois.
Edward J. Sparks, of New York.
Robert B. Streeper, of Ohio.
William Clarke Vyse, of the District of Columbia.

From Foreign Service officer of class 8 to Foreign Service officer of class 7:

Charles E. Bohlen, of Massachusetts.
James C. H. Bonbright, of New York.
James W. Gantenbein, of Oregon.
James W. Riddleberger, of Virginia.
Alan N. Steyne, of New York.
Edward G. Trueblood, of Illinois.
Edward T. Wailes, of New York.

From Foreign Service officer, unclassified, to Foreign Service officer of class 8, and from vice consul of career to consul:

Albert E. Clattenburg, Jr., of Pennsylvania.
Robert D. Coe, of Wyoming.
Robert English, of New Hampshire.
Randolph Harrison, Jr., of Virginia.
Frederick P. Latimer, Jr., of Connecticut.
Robert G. McGregor, of New York.
R. Borden Reams, of Pennsylvania.
John C. Shillock, Jr., of Oregon.
Stanley G. Slavens, of Texas.
Llewellyn E. Thompson, Jr., of Colorado.
Julius Wadsworth, of Connecticut.

PROMOTIONS IN THE COAST GUARD OF THE UNITED STATES

Commander (Engineering) Whitney M. Prall to be captain (engineering), to rank as such from June 1, 1937.

Constructor Rutherford B. Lank, Jr., to be constructor, with the rank of lieutenant commander, to rank as such from May 11, 1937.

Constructor Dale R. Simonson to be constructor, with the rank of lieutenant commander, to rank as such from May 11, 1937.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 8 (legislative day of June 7), 1937

UNITED STATES ATTORNEY

Francis T. McDonald to be United States attorney for the western district of Michigan.

APPOINTMENT, BY TRANSFER, IN THE REGULAR ARMY

Capt. John Foxhall Sturman, Jr., to Coast Artillery Corps.

PROMOTION IN THE NAVY

MARINE CORPS

Wayne M. Brown to be second lieutenant.

POSTMASTER

NEW YORK

Emily C. Squires, Hampton Bays.

HOUSE OF REPRESENTATIVES

TUESDAY, JUNE 8, 1937

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

The Lord God is a sun and a shield; the Lord will give grace and glory; no good thing will He withhold from them that walk uprightly. O Lord of Hosts, blessed is the man that trusteth in Thee. Lead me, O Lord, in Thy righteousness, because of mine enemies; make Thy way straight before my face.

Living up to Thy rule of right, may we come to a growing faith in the God of our fathers. Heavenly Father, without whom nothing is pure and enduring, may our light so shine before men that they, seeing our good works, may glorify our Father in heaven. We earnestly beseech Thee that a halo of Thy presence may be thrown over our country, and may our citizens shake themselves loose from the yoke of the tyrannies of injustice, lawlessness, and selfishness. Proclaim the voice of Thy eternal truth that changes not, and teach us to love mercy and to walk humbly with Thee. Forgive our follies and our crimes, and may we hear the conclusion of the whole matter: Fear God and keep His commandments, for this is the whole duty of man. In the name of our Redeemer. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment bills and a joint resolution of the House of the following titles:

H. R. 545. An act for the relief of Dean Scott;
H. R. 1013. An act for the relief of Irvin Pendleton;
H. R. 1084. An act for the relief of Samuel Cripps;
H. R. 2042. An act for the relief of Joshua L. Bach;
H. R. 2223. An act for the relief of Mr. and Mrs. Walter B. Johnson and Joy Johnson, a minor;
H. R. 3031. An act to provide for the establishment of Coast Guard stations along the Maine coast;
H. R. 3411. An act to amend section 112 of the Judicial Code to provide for the inclusion of Whitman County, Wash., in the northern division of the eastern district of Washington;
H. R. 3738. An act for the relief of Clifford Y. Long;
H. R. 4457. An act for the relief of Naomi Lee Young;
H. R. 4508. An act for the relief of Margaret Grace and Alice Shriner;
H. R. 4893. An act authorizing the Secretary of the Treasury to establish a Coast Guard air station at the San Francisco Airport; to provide for quick rescue facilities on the San Francisco Bay; to strengthen the Immigration and Customs Service patrol; and for other purposes;
H. R. 6438. An act to expedite the dispatch of vessels from certain ports of call; and
H. J. Res. 350. Joint resolution authorizing a modification in the existing project for the improvement of the Illinois Waterway, Ill., and the abandonment of a portion of the Calumet River.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 119. An act to provide for the establishment of a Coast Guard station at or near Menominee, Mich.;
S. 410. An act for the relief of the legal guardian of Roy D. Cook, a minor;
S. 557. An act authorizing the naturalization of James Lincoln Hartley, and for other purposes;
S. 885. An act for the relief of H. G. Harmon;
S. 1210. An act for the relief of James T. Moore;
S. 1374. An act to provide for the establishment of a Coast Guard station at or near Manistique, Mich.;
S. 1438. An act to carry into effect the findings of the Court of Claims in the case of William W. Danenhower;
S. 1457. An act for the relief of Samuel Richard Mann;
S. 2096. An act for the relief of Roy Chandler;
S. 2157. An act authorizing credits to disbursing officers for expenses incident to the creation of subsistence homesteads corporations;
S. 2262. An act for the relief of Park B. Brandon and Robert G. Teer;
S. 2401. An act for the relief of sergeant-instructors, National Guard, and for other purposes;
S. 2474. An act to provide a uniform method for examinations for promotion of warrant officers; and
S. 2521. An act to authorize the assignment of officers of the line of the Marine Corps to staff duty only as assistant quartermasters and assistant paymasters, and for other purposes.

The message also announced that the Senate agrees to the amendments of the House to bills and joint resolution of the Senate of the following titles:

S. 470. An act for the relief of Joseph M. Cacace, Charles M. Cacace, and Mary E. Clibourne;
S. 1068. An act for the relief of Earl W. Thomas;
S. 1936. An act for the relief of the estate of Elmer W. Laub, deceased; and

S. J. Res. 56. Joint resolution authorizing the selection of a site and the erection of a pedestal for the Albert Gallatin statue in Washington, D. C.

PERMISSION TO ADDRESS THE HOUSE

Mr. McGROARTY. Mr. Speaker, I ask unanimous consent to address the House for 30 minutes on Thursday next after the reading of the Journal and the disposition of matters on the Speaker's desk.

The SPEAKER. The gentleman from California asks unanimous consent that on Thursday of this week after the reading of the Journal and the disposition of other matters on the Speaker's table that he may be permitted to address the House for 30 minutes. Is there objection?

Mr. RAYBURN. Mr. Speaker, reserving the right to object, I think the gentleman from California will change his request to Wednesday, tomorrow, after the conclusion of Calendar Wednesday business and the special order heretofore entered.

The SPEAKER. Does the gentleman from California modify his request?

Mr. McGROARTY. Mr. Speaker, the only thing I do not like about the suggestion of the gentleman from Texas is that I shall speak tomorrow on a bill to be brought up by the Public Lands Committee and I do not want to take up too much of the time of the House with my eloquence.

The SPEAKER. Does the gentleman from California modify his request as indicated by the gentleman from Texas?

Mr. McGROARTY. Yes, Mr. Speaker.

The SPEAKER. The gentleman from California asks unanimous consent that on tomorrow, Wednesday, after the disposition of Calendar Wednesday business and a prior order of the House that he may be permitted to address the House for 30 minutes. Is there objection?

Mr. TABER. Mr. Speaker, reserving the right to object, it seems to me this idea of setting up special orders after the completion of 4 or 5 hours' work in the House is more or less of a monstrosity. I have no objection to the gentleman's speaking, I have no objection to the gentleman from New York [Mr. DICKSTEIN] speaking, but I think that the setting up of special orders in advance when we probably have 4 or 5 hours of business ahead of us on the calendar is a monstrosity. I feel that if special orders are to be made, and if the rule that has been adhered to so far is to prevail that the special orders should be made when the occasion is reached, when business fails and there is nothing to take up the time of the House. I shall feel obliged to object to special orders at this time.

Mr. RAYBURN. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. RAYBURN. The gentleman from California has been wanting to speak for some 10 days or 2 weeks but has put it off for reasons heretofore stated. The gentleman from Michigan [Mr. ENGEL] has secured time tomorrow after the disposition of Calendar Wednesday business. These gentlemen have asked for this time and we are trying to accommodate them. If it comes too late they can go over and not take the time. Those of us who desire to listen to them can stay and those who do not may go. I would very much like for the gentleman to withdraw his threatened objection.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. TABER. Yes; I yield to the gentleman from Pennsylvania.

Mr. RICH. Mr. Speaker, I have made requests of the majority leader for the past 2 weeks for 15 minutes' time. I do not wish to do anything detrimental to the interests of the House or its Members; I am here to assist. The practice has recently been established of requiring special orders to come after the business of the House, but the majority leader and the Members of the House know that I would not impose upon them after 6 o'clock. I have tried to get time. The majority leader has objected to it. I am not going to object to the request of the gentleman from California; I hope he gets his time; but I see no reason why the same privilege should not be accorded to all Members who want to address the House after the work of the House for the day is completed so long as it does not run into the wee hours of the night.

Mr. RAYBURN. The gentleman is stating my position exactly with reference to these requests.

Mr. RICH. I have tried to get time. I have asked the majority leader if he would set the time himself when I could have 15 minutes. I wanted to extend him that courtesy, and I would abide by his decision, but he would not grant it to me.

Mr. RAYBURN. Mr. Speaker, if the gentleman will yield, I may say to the gentleman from Pennsylvania that he has requested time before the business of the House was transacted. There has not been a time when I would not have agreed to the gentleman having time under the circumstances he has outlined any day in the week. I tell the gentleman that now, and I have told him that repeatedly. That is my position.

Mr. RICH. When I made my request the other day I so understood, and it was argued on the floor, argued by the gentleman from Mississippi and other Members of the House.

If my request is granted, and the business of the House does not run after 4 o'clock, I would take my time. If the business of the House should run until 6 o'clock, I would not want to take the time.

Mr. RAYBURN. I do not object to the gentleman from Pennsylvania speaking at any time any day under the arrangement that has been made.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. RANKIN. Mr. Speaker, reserving the right to object, the gentleman's request is to speak after the disposition of the Calendar Wednesday business?

Mr. McGROARTY. Yes.

The SPEAKER. Is there objection?

Mr. TABER. Mr. Speaker, I think I must object. I do not like to do so because I have no objection to the gentleman speaking, but I think it is an imposition on the Members who are going to speak and everybody else for a Member to attempt to speak at 5 o'clock or 6 o'clock or whenever we get through with the regular business. I think it is an imposition on the House and upon the Members who are trying to get the opportunity to speak.

Mr. FITZPATRICK. If they are satisfied, why should the gentleman not be satisfied?

Mr. TABER. The trouble is they will not be satisfied when it comes to the time to speak.

Mr. McGROARTY. Will the gentleman yield?

Mr. TABER. I yield to the gentleman from California.

Mr. McGROARTY. I have sat here patiently ever since this session began listening to the gentleman with great delight and profit, and to the gentleman from Pennsylvania [Mr. RICH], who comes from my native State, and to all the Members. This is the first time during the present session I have asked for 1 minute of time. If I have been glad and willing to listen to you all, as we say down South, why should you not give me 30 minutes, the first request I have made?

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WOOD. Mr. Speaker, I ask unanimous consent that on Friday next, following the disposition of business on the Speaker's desk, and after the business of the day has been transacted, I may be permitted to address the House for 30 minutes.

The SPEAKER. Will the gentleman restate his request?

Mr. WOOD. Mr. Speaker, I ask unanimous consent that on Friday next, after the disposition of business on the Speaker's desk and the disposition of the special orders heretofore made, I may be permitted to address the House for 30 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, what is on the program for Friday?

Mr. RAYBURN. There will be a rule from the Rules Committee making in order, in all probability and I think definitely, the extension of the so-called nuisance taxes. The gentleman's request is to address the House after that matter has been disposed of.

Mr. MARTIN of Massachusetts. His request does not say so.

Mr. WOOD. Following that.

Mr. MARTIN of Massachusetts. That is not the way the gentleman made the request.

Mr. WOOD. I shall modify my request so that it will follow that business.

The SPEAKER. The gentleman asks unanimous consent that on Friday next, after consideration of the matters set for consideration on that date, to wit, the extension of the nuisance taxes under a special rule, he may be permitted to address the House for 30 minutes. Is there objection?

Mr. RAYBURN. Mr. Speaker, reserving the right to object, I am in error, because the bill that will come up on Friday is a privileged matter and will not come up under a rule. It will, however, come up on that day for consideration.

Mr. RANKIN. What bill is it?

Mr. RAYBURN. It has to do with the extension of the so-called nuisance taxes.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. BOILEAU. Mr. Speaker, reserving the right to object, it seems during the last 3 or 4 weeks every time a request has been made it requires all the way from 2 to 6 minutes to dispose of the request. May I suggest to the majority leader if a definite formula were presented in making these requests, one that the Members generally would know about, it would save a lot of time.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. RICH. Mr. Speaker, I ask unanimous consent that on Tuesday next, after the reading of the Journal, the disposition of business on the Speaker's desk, and the disposition of special orders that have been laid down by the majority leader and the Speaker of the House, I may address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

EXTENSION OF REMARKS

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an address delivered by me before the North Carolina Merchants' Association at New Bern, N. C., on yesterday.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent that I may be permitted to address the House for 15 minutes next Monday, after the disposition of business on the Speaker's table, and disposition of the business of the day.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. LAMBERTSON. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes now.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

Mr. GOLDSBOROUGH. Mr. Speaker, reserving the right to object, I do not want to be deprived of the right to address the House.

The SPEAKER. The gentleman may object to the request.

Mr. MARTIN of Massachusetts. If the gentleman is going to speak for an hour, he should not object to a Member on this side speaking for 2 minutes.

Mr. GOLDSBOROUGH. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GOLDSBOROUGH. Will that deprive me of my time?

The SPEAKER. It will not. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. LAMBERTSON. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

THE SECOND THOMAS JEFFERSON MEMORIAL IN ST. LOUIS

Mr. LAMBERTSON. Mr. Speaker, the President of the United States, innocently on his part, but misguided by the influence of purported friends from St. Louis, was hornswoggled into allocating $6,750,000, two years ago this fall, to the proposed second Thomas Jefferson Memorial in St. Louis. This project was enjoined in the lower courts. Last week the Supreme Court refused to review the action of the lower courts, and now they are ready to go to work.

Mr. John L. Nagle, superintendent of the memorial project for the Park Service, is asking the owners to submit their 37 blocks of real estate so the properties will not have to be condemned. In the St. Louis Post-Despatch of June 5, Mr. Nagle says:

> The design adopted should give emphasis to the peaceful method by which the Louisiana Territory was acquired by President Jefferson.

He says further:

> That the nine million now available will be largely used up in acquiring and clearing the land.

And further:

> The National Park Service has always developed anything that it has taken over and when more funds are needed in any case it has asked Congress for them. It will do the same in this case. Of course, I cannot say what Congress will do, but I repeat that the Park Service has a record of carrying out what it starts.

Fellow colleagues, it is a crime for anyone to say that the National Park Service started this infamous unloading of 37 blocks of debunked real estate in the name of relief. In spite of the assurance from Mr. COCHRAN 12 times one afternoon on the floor of the House, on June 8, 1934—just 3 years ago today—that it would never cost the Government a dollar, it is now costing the Government six and three-fourths millions, and it is universally estimated that it will take twenty millions more to finish it, and the Government is expected to be soaked for all of what remains.

The President could stop this now and save the money. The bond election in St. Louis would be set aside if the ballot boxes could be opened, and it would end there. The Park Service, if they ever come to Congress for more money will come with bowed heads and in a whisper. I, for one, on the subcommittee of the Interior, will be here to meet them next winter and possibly some future winters. Think of the National Park Service leaving the lofty grandeur of the Yellowstone to dip into this cesspool in St. Louis. It never chose to do it; it was thrust upon them.

The words "fraud", "corruption", "graft", and "waste" are harsh terms which should not be indiscriminately used or applied to any project, but the records in this case justify their application.

To begin with, this memorial to Thomas Jefferson in St. Louis is neither a matter of public necessity, nor will it furnish any appreciable amount of work relief.

As you have previously been told, St. Louis now has a magnificent memorial to Jefferson, located in beautiful Forest Park, a tract of over 1,300 acres, the site of the Louisiana Purchase Exposition of 1904. This memorial obviated the necessity of a second one in the same city. The site for the proposed second memorial in St. Louis is an area of 37 blocks of commercial and business property lying between Washington Avenue and Poplar Street and extending

from the Mississippi River west to Third Street. In this area, which is the heart of downtown St. Louis, are 446 buildings where 290 firms with a capital investment of over $12,610,500 do an annual business of more than $60,000,000, and employ approximately 5,000 persons with annual pay rolls estimated at more than $12,000,000.

One particular firm, engaged in business in the area, in a financial statement of June 30, 1935, shows assets of $1,878,971.41. The working capital of this firm alone was $828,439.99.

Several concerns doing business in the district are rated at well over a million dollars. In the area are many large fur, wool, and hide companies and several large commercial printers and lithographers.

These people have been here for years, and St. Louis is known far and wide for its great fur industry.

All of these 446 buildings are to be demolished, and these firms forced into other and more costly quarters, in order that a group of real-estate operators may unload these properties onto the Federal Government, and through the destruction of the buildings on the site in which 5,084,010 square feet of warehouse, factory, and office space was in actual use in August 1935 create a shortage in available space of a similar character in St. Louis, which no doubt will be reflected in increased real-estate values and rentals in other sections of the city.

As party to this scheme, the Government, acting through the National Park Service at the direction of the President, now proposes to acquire this site of 37 city blocks, wreck the buildings, and commence the preservation of historic sites in this area, which will entail a final expenditure of not less than $30,000,000.

Of the sum now available, $6,750,000 has been allocated to the project from funds appropriated by the Emergency Relief Appropriation Act of 1935. An additional $2,250,000 has been contributed toward the project by the city of St. Louis. Each of these sums will be taken up in detail later.

Significant at this time should be the fact that of the entire nine million now available for the project, acquisition of the site itself is estimated to cost more than $7,000,000, and according to an affidavit filed in court here in Washington last June, only $600,000 of the whole amount will be spent for labor. Of this sum $450,000 will go to the employment of skilled workmen for 300,000 hours at $1.50 per hour, and the poor workingman who is in need and on relief will get but 300,000 man-hours of employment at 50 cents an hour. In fact, but $150,000 of this whole fund can be justly classed as going for work relief.

SCHEME REEKS WITH FRAUD AND DECEPTION

The entire affair, from its very inception down to the present hour, has been so grossly misrepresented, I charge the scheme reeks with fraud and deception and should be the subject of a congressional investigation.

Many of the Members will recall that when we acceded to the request of the promoters and passed the joint resolution creating the United States Territorial Expansion Commission, we were told that the States would finance this memorial and that Congress would not be asked for funds. This promise has technically been kept. They did not come to Congress for aid, but rushed the back door of the White House and received funds intended for relief for this real-estate scheme under the pretext of preserving historic sites.

Mr. Speaker, I now propose to give the Congress a full and detailed story of this memorial promotion. I propose to show that the historic sites are more a matter of fiction than of history. I propose to show that this memorial is neither a matter of necessity or common sense. I propose to show that it is not what the people of St. Louis were promised and that the contribution of the city of St. Louis for the project—that is, the $2,250,000 which has been received from the city of St. Louis—is the result of a bond-issue election, in which fraud has been revealed in each of the 19 wards of the city where the proposal carried. I propose to show that the bonds were issued and sold, although full knowledge of this fraud existed, and I propose to show that the bonds were sold only after the purchaser of $1,800,000 worth was given a bribe, or bonus, of $36,000 and assurance there would be no legal difficulty, but that would be taken care of. And they have taken care of all such difficulties by some mysterious influence which is sufficiently powerful in St. Louis to reach out and overwhelm both the courts and grand juries, which have been requested to investigate the fraud and corruption in connection with this bond-issue election of September 10, 1935.

At this point I want to place this fact before the Congress.

In St. Louis, prior to the bond-issue election of September 10, 1935, the project was represented as being a great improved national park or plaza, from which all buildings would be removed and in their places would be museums, lecture halls, a large underground space for the storing of automobiles, a small harbor for pleasure craft, and other educational and recreational facilities. No mention was made at any time of the present proposal to preserve historic sites.

I wish also to call attention to the fact that the Mississippi River is one of the most changeable streams. At flood tide it sometimes has a crest as much as 40 feet above the mean average water table. In seasons of exceptional drought the water may be very low at St. Louis. Along the levee there runs an elevated railroad track, and across the river are the stockyards and factories of East St. Louis, Ill. The site is between a series of lumber yards on the north and the river slums to the south, on which a few months ago stood the shacks of more than 200 unfortunate families. To improve 12 blocks of this river front and let the other 13 miles remain as they are is the present plan.

In other words, this memorial will be flanked by slums and faced by an elevated railroad line. With this picture in mind I present a preview of the proposition.

As before stated the area designated for the proposed second memorial to Jefferson in St. Louis is along the Mississippi River from the Eads Bridge south to Poplar Street, and extending west to Third Street, with the addition of one block between Market and Chestnut Streets and between Third and Fourth Streets. The entire area scales 4,379,158 square feet.

In the area are 446 buildings, with a total usable floor space of 9,290,000 square feet. Of this amount 5,084,010 square feet were in use August 20, 1935.

The occupancy was shared by 290 major firms, employing upward of 5,000 persons, and in addition there were several small retail establishments, groceries, and taverns in the district.

From 1917 through to 1933 many plans were discussed for river-front improvement, all of which would have had some meritorious features. In 1933 an association of citizens known as the Association of Citizens for River Front Improvement in St. Louis, filed with the Federal Power Commission a request for a preliminary permit to construct a hydroelectric power dam and a double-decked highway and railroad bridge across the Mississippi River at the foot of Marceau Street. This proposal, known as the Howard plan, would have cost an estimated $50,000,000 and furnished employment to from twenty to twenty-five thousand men for 3 years. It would have been a self-liquidating proposal and brought to the citizens of St. Louis and neighboring Illinois cities an abundance of electrical energy for heating purposes and industrial power. The plan was frowned on by special interests and fell by the wayside.

In 1934 Senator CLARK and Representative COCHRAN, of Missouri, introduced bills in Congress asking for $35,000,000 for the construction of a memorial to Jefferson on the banks of the Mississippi in St. Louis. Thus what had heretofore been projected as a river-front improvement now became, at first sight, a patriotic memorial movement.

These bills never got any further than the committees to which they were submitted.

However, the promoters, encouraged by the spending of the Government for work relief now, adopted new tactics, and here is the beginning of fraud.

With no known useful purpose to be filled by building a second memorial to Jefferson in St. Louis, and with money hard to raise locally, the committee again turned to Congress for some kind of aid.

On the 29th day of March 1934 a resolution creating the United States Territorial Expansion Memorial Commission was passed by the Senate.

The joint resolution reached the House on June 8, and after much discussion and protestations that the Congress would not later be asked for money, and on the special assurance of Congressman COCHRAN, the resolution was finally passed by a vote of 115 to 15. Thus about one-fourth of the membership of the House gave pregnancy to the Commission into which the breath of life was injected by the signature of the President June 15, 1934.

By the terms of the joint resolution the membership of the Commission established was limited to 15 persons. The members were to be appointed, three by the President, three by the Vice President, three by the Speaker of the House, and six by the Jefferson National Expansion Memorial Association, otherwise the St. Louis promoters.

The resolution, besides providing for the membership and their appointment, provided:

SEC. 2. The United States Commission, may, in its discretion, accept from any source, public or private, money or property to be used for the purpose of making surveys and investigations, formulating, preparing, and considering plans and estimates for the improvement, construction, or other expenses incurred or to be incurred.

SEC. 3. The United States shall not be held liable for any obligation or indebtedness incurred by the United States Commission, the State of Missouri, the Jefferson National Expansion Memorial Association, the city of St. Louis, Mo., or any agency or officer, employee or agent, or any of them for any purpose.

Thus limited by the resolution which created it, the committee held its first meeting December 19, 1934, at Hotel Jefferson in St. Louis. At this meeting a telegram from the President, as follows, was read:

[Copy of Western Union telegram]

All good wishes for the success of your Commission's efforts to recall and perpetuate the ideals, the faith, and courage of the pioneers who discovered and developed the great West.

FRANKLIN D. ROOSEVELT.

This telegram was acknowledged by Senator BARKLEY for the Commission.

This telegram from the President may later have been used as the basis for the promoters' claim that the Government was pledged to supply $22,500,000 for the memorial.

The next regular and official meeting of the United States Commission was held in Washington, D. C., February 1, 1935. At this meeting an executive committee was named. This committee then met in St. Louis, April 13, 1935, and authorized the forwarding to each member of the Commission a copy of a book containing various compilations for a memorial costing $30,000,000.

In this book, under the heading "Plan and Scope", we find the following:

The estimated cost of the project, including site, is $30,000,000. The site, which comprises 37 city blocks, it is calculated can be acquired by the United States Government through condemnation proceedings for $7,206,750. The city of St. Louis, by the act of the Missouri Legislature, can take the necessary steps to reimburse the United States Government, by bond issue or otherwise, for the cost of the site (not to exceed one-fourth of the total cost) up to $8,000,000.

This statement in the plan and scope preassumes that the Federal Government was interested in making a $7,216,750 real-estate purchase in St. Louis and a subsequent expenditure of $22,500,000 to improve this purchase.

The people began to wonder, Who authorized these views?

Along with this book, an expensive volume, limited to 500 copies, showing plans for the memorial was distributed.

At the St. Louis meeting of the executive committee, April 13, 1935, the minutes show there were present the following: J. Lionberger Davis, St. Louis banker; William T. Kemper, Democratic national committeeman from Missouri; Luther Ely Smith, St. Louis promoter.

All other members sent regrets and excuses.

The next regular meeting of the Commission was held in Washington, May 1, 1935.

At this meeting a report of the executive committee was made, and the chairman, Senator BARKLEY, received verbal reports from Architect LeBeaume; Claude B. Ricketts, manager of the Railway Exchange Building in St. Louis; and from Mr. W. C. D'Arcy, an advertising agency executive.

All three of these gentlemen had an interest, either direct or indirect, in the success of the memorial scheme. To Mr. Ricketts would come increased rentals in his building; to Mr. LeBeaume would come fees; and to Mr. D'Arcy added prestige as the publicity man.

Immediately after this meeting May 2, 1935, the chairman of the executive committee transmitted to Hon. Frank C. Walker, Chairman of the Applications Division of the Works Allotment Board, a complete synopsis of the plan for the St. Louis memorial with estimates that between five and six thousand men might be given employment in the clearance of the site and the construction of the terraces incident to preparations for the building of the memorial within the period expiring July 1, 1936.

This report, together with maps, plans, and other data, was received by Col. Horatio Hackett, who sent the papers to the P. W. A. office in the Buder Building in St. Louis for engineering inspection and approval, with the further information that the Commission, in order to get before the Department, would have to file a formal application for a grant of Federal funds on forms 153–159 of the Federal Emergency Relief Administration of Public Works, and that it would be necessary to file the application with the district engineer for the State of Missouri.

APPLICATION FOR LOAN AND GRANT

On June 10, 1935, forms were sent the Commission, and on June 15, 1935, Louis LaBeaume, acting advisory architect for the Commission, filed with the P. W. A. office in St. Louis an application for a loan and grant of $21,015,000.

This application became known as Missouri docket no. 1006.

That the application was within the scope of projects set up in the Emergency Relief Appropriation Act of 1935 is a matter of question. The law limited applications to State governments or organized divisions of government such as cities, counties, townships, or organizations having tax powers such as drainage or levee bodies.

It clearly was not the intent of Congress to delegate to the United States Commission or any board or private party the powers reserved to the Congress in the spending of public money.

More than this, it was clearly the intent of Congress that, as far as this particular Commission was concerned, any and all power to obligate the Federal Government had been disavowed.

So here we have a commission, shorn of any authority to obligate the Government in any way whatsoever, trying to masquerade under the guise of a patriotic fellowship, interested in work relief, sneaking in an application for a loan and grant of $21,015,000.

The dishonesty of the proposal can be construed from the following:

STATEMENT IN LIEU OF FINANCIAL INFORMATION

This is a national project, to be constructed by the United States or its qualified authority.

This statement is an outright attempt to connect the United States Government with the project contrary to law. The promoters of the memorial knew full well that only the Congress of the United States has the authority to provide funds for projects of this kind. They also knew that they were not a qualified authority of the United States Government in any matter obligating the Government or pledging the aid or cooperation of any department thereof.

Immediately after the filing of the application for a loan and grant the St. Louis promoters embarked on a campaign of publicity in St. Louis, declaring that the Federal Government was behind the memorial plan and had pledged the sum of $22,500,000 therefor.

As a part of this campaign of fraudulent publicity the promoters, using the letterheads of the Jefferson National Expansion Memorial Association, circulated letters requesting support for the plan at the bond issue election of September 10, 1935. In these circular letters it was set up, among other things, that the Federal Government had approved the project and the St. Louis plans for the memorial. Newspaper display advertisements further distorted the facts and misrepresented the Government's position in the matter, and although there is available sufficient evidence to warrant the charge that the mails have been misused in promoting the memorial matter, despite frequent requests for an investigation, the Post Office Department has evidenced no interest whatsoever in complaints which have been made to it.

It is worthy of mention that the public misrepresentation of the memorial project continued up to and including the day of the bond issue election, September 10, 1935.

In the bond issue election, strange results were recorded. In 9 of the city's 28 wards the results for and against the bond issue were about even, but in the remaining 19 wards, mostly the river wards and the Negro districts, the results were overwhelming for the proposal to bond the city.

In some wards the precinct vote, when analyzed, shows the impossibility of things happening that way. In some precincts more votes were stuffed into the boxes, all for the proposal, than the entire registration.

This lead to an investigation by the Citizen's Nonpartisan Committee, of which Paul O. Peters was the head.

The final result of this investigation led to the most startling disclosures of fraud and corruption in the voting machinery of St. Louis that have ever been made in any city of the United States.

During the summer of 1936 it has been established and published as a result of the investigation that more than 46,000 ghost names were carried on the registration books of the city of St. Louis.

It has been established by affidavit and by the confessions of judges and clerks of election that fraud existed in each of the 19 wards of the city of St. Louis, in which the bonds for the building of this memorial were approved.

The result of this fraud, while definitely known to all interested parties in the Government connected with the building of this memorial, has not served either as a stimulus to conduct an investigation or to halt the work of building the memorial.

It will be to the undying shame of the department heads if they insist on following out the Executive order and proceed with the condemnation of properties where hundreds are gainfully employed to build a second memorial to Jefferson, which will entail future expenditures for upkeep for many years to come.

Immediately after the election of September 10, 1935, charges of fraud were made directly to the Department of Justice, the Department of the Interior, and all Washington agencies having a possible connection with the building of the memorial. All without exception were either ignored or sidetracked. However, at one time, despite the denials of Secretary Ickes, an investigator for P. W. A., one Walter Kline on October 16 arrived in St. Louis and presented his credentials and asked for particulars of the fraud. Every assistance was rendered Mr. Kline, but somehow his industry and aggressiveness were not recognized, and he is no longer connected with the investigating division of P. W. A. The project in St. Louis is now being built under an Executive order issued December 21, 1935, declaring the area in St. Louis worthy of preserving under the Historic Sites Act of August 21, 1935.

The President named eight events as having taken place on the St. Louis water front as worthy of commemoration.

On February 13, 1936, the Baltimore Sun in a front-page feature debunked the historic sites, as did the Washington Post in a special article printed September 22, 1936, entitled "History in the Faking."

The President had declared that the river-front area was the place where the Sante Fe trail started, where the Oregon trail had its beginnings, and where Lewis and Clark started or prepared for their voyages of exploration and discovery.

None of these facts are supported by the historical evidence in the Library of Congress and are pure fiction.

Considering that the examining engineer for P. W. A. in St. Louis had said of the project:

> The proposed project has social desirability, but cannot be classed as a public necessity.

And with hundreds of people in St. Louis and other sections of Missouri living in abject poverty it ill becomes the Executive, who claims to be the great friend of the common people, to embark on a project of this magnitude in which only a small fraction of the money will ever reach those in need and which is designed principally to relieve the real-estate operators and the promoters, who have spent upward of $500,000 in promoting the project and lending protection to those who have despoiled the ballot in St. Louis.

In concluding may I again say that I have charged fraud. There was fraud and misrepresentation in the presentation of the project to the people of St. Louis and in the voting of funds for the project. This cannot be denied.

I have charged corruption. There was corruption of the electorate and the election officials of St. Louis on September 10, 1935. Some judges and clerks of election have confessed their part in the fraudulent effort to saddle a bond issue onto the taxpayers of St. Louis. This cannot be denied.

I have charged graft. The graft in this matter is so intermingled with the fraud and corruption that they are almost indistinguishable. Only a bunch of grafters would put up the money and hire lawyers to defend those who have debauched the ballot. Only a bunch of grafters would attempt to influence the courts and grand juries to prevent the opening of the ballot boxes in the bond-issue election.

If the promoters of this proposition were satisfied that everything was regular and in order, there should be no fear of a recount of these ballots on their part, yet, since September 1936 every legal technicality has been resorted to solely to keep the grand jury from inspecting the ballot boxes and fixing the guilt for the crimes which everyone above the age of 10 years in St. Louis knows have been committed.

The so-called civic leaders of St. Louis who have lent their names to this project have repeatedly been requested to come out into the open in the matter of the fraud and corruption.

The head of the Nonpartisan Committee has called on them to show their hands. They have maintained a discreet silence. The sphinx could do no better.

The newspapers of St. Louis have demanded an investigation, but the power of a powerful independent press has been of no avail. Even the great St. Louis Post-Dispatch, which was given the Pulitzer award in journalism for its disclosure of election frauds, has been unable to halt the steady march toward the building of the memorial.

The property owners and renters in the area who resorted to the courts in an effort to halt the project have been jockeyed around by technicalities and given no opportunity to present the causes for a fair hearing in any court of record. The city of St. Louis refuses to accept service and the Federal courts have held they are an indispensible party to any action to halt the waste of the taxpayers' money.

I have charged waste. It cannot be shown, but that the spending of public money to wreck buildings where people are permanently employed and where they would in all probability continue to be employed, to make way for a project of the character of this memorial, is both the height of folly and the zenith of waste.

Other projects of the administration have been severely criticized. We have at times spoken unkindly of such projects as de luxe dog pounds, swimming pools, and golf courses, but here is what will undoubtedly go down in history as the one boondoggle worst of all.

Mr. Speaker, every dog has his day. Some day, I feel sure, the underdogs of Missouri, who have been forced to submit

to the will of the Pendergast machine in Kansas City and those who have been brought to the heel of the Dickman machine in St. Louis, will rise up in righteous wrath against the bondage which betrays them and put an end to the political corruption which has enabled projects of no possible economic value, such as this memorial, to be foisted onto the taxpayers.

Mr. Speaker, the Congress has not heard the last of this $30,000,000 memorial in St. Louis. In a short time the promoters will be here asking for more money. They are contemplating it now. I hope that this Congress will, in their righteous indignation, take the steps which decency now demands and institute a full and complete investigation into the promotion of this memorial and the use of Federal funds for it. This is a duty we owe to citizens of St. Louis and to the taxpayers in every part of the Nation.

EXTENSION OF REMARKS

Mr. TURNER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on the life and character of our former Speaker, Hon. JOSEPH W. BYRNS.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. PLUMLEY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a Memorial Day address which I delivered over the radio.

The SPEAKER. Is there objection to the request of the gentleman from Vermont?

There was no objection.

NATIONAL SAFETY

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for one-half minute.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. It is not the temper of the House to listen to speeches today, but I ask unanimous consent to revise and extend my remarks at this point.

I have today introduced another national-safety bill which calls for an appropriation of $35,000 for our national safety. This is a small sum, Mr. Speaker. I earnestly hope the bill will pass. There are altogether too many deaths on our highways, on land, by sea, in the air, and in the homes. I believe thousands of them could be prevented.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. McFARLANE. Mr. Speaker, I ask unanimous consent that on tomorrow, after the reading of the Journal and disposition of business on the Speaker's desk, and following the call of committees and any special orders heretofore made, I may be permitted to address the House.

Mr. RANKIN. That means after the Calendar Wednesday business?

Mr. McFARLANE. Yes; after the calendar.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BEITER. Mr. Speaker, I ask unanimous consent that on Monday, following the address to be delivered by the gentleman from New York [Mr. DICKSTEIN] I may be permitted to address the House for 10 minutes.

Mr. DIRKSEN. Mr. Speaker, reserving the right to object, I may remind the gentleman from New York that we have District of Columbia day on Monday.

Mr. RAYBURN. That is protected, I may say to the gentleman. All of these requests are subject to the business from the Committee on the District of Columbia.

Mr. DIRKSEN. I should point out to the gentleman that, other things being equal, we may have a very heavy calendar, and the gentleman's remarks would come at a very late hour in the day. However, I have no objection.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

HEARINGS ON THE WAGES AND HOURS BILL

Mr. CONNERY. Mr. Speaker, I ask unanimous consent to proceed for one-quarter of a minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. CONNERY. Mr. Speaker, I merely wanted to announce that on next Monday, June 14, at 10 o'clock in the morning, the Committee on Education and Labor of the Senate and the Committee on Labor of the House, which are holding joint hearings, will hear Members of the House and Senate who care to speak on the wages and hours bill.

Mr. DICKSTEIN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. DICKSTEIN. A rule has been brought out by the Committee on Rules on behalf of certain legislation. I want to know whether this rule takes precedence over any special order on the calendar today, or if the special order precedes the rule?

The SPEAKER. The Chair does not regard that as a parliamentary inquiry. It is a matter of program, which will be handled from the floor.

Under the special order of the House, the gentleman from Maryland [Mr. GOLDSBOROUGH] is recognized for 1 hour.

NATIONAL MONETARY POLICY

Mr. GOLDSBOROUGH. Mr. Speaker, today I want to discuss the bill (H. R. 7188) entitled "A bill to provide a national monetary policy which will have a definite relationship to the requirements of domestic industry and trade under the conditions imposed by our power economy, which will increase production and consumption to the limit of the country's power to produce, and for other purposes."

The declaration of policy contained in the bill is as follows:

SECTION 1. It is hereby declared to be the policy of Congress to adjust and control the price of commodities sold at retail so as to make it conform to the volume of purchasing power in the hands of the public, and to regulate the purchasing power so that the production of wealth in this country shall be maintained in full measure.

SEC. 2. In pursuance of such policy interbank currency notes are to be issued for financing a discount on prices to consumers at retail, as hereinafter provided.

Mr. Speaker, the President of the United States in his message to Congress on May 24 stated the following:

The overwhelming majority of our population earns its daily bread either in agriculture or in industry. One-third of our population, the overwhelming majority of which is in agriculture or industry, is ill-nourished, ill-clad, and ill-housed.

The overwhelming majority of this Nation has little patience with that small minority which vociferates today that prosperity has returned, that wages are good, that crop prices are high, and that Government should take a holiday.

The truth of the matter, of course, is that the exponents of the theory of private initiative as the cure for deep-seated national ills want in most cases to improve the lot of mankind. But, well-intentioned as they may be, they fall for four evident reasons—first, they see the problem from the point of view of their own business; second, they see the problem from the point of view of their own locality or region; third, they cannot act unanimously because they have no machinery for agreeing among themselves; and, finally, they have no power to bind the inevitable minority of chiselers within their own ranks.

Though we may go far in admitting the innate decency of this small minority, the whole story of our Nation proves that social progress has too often been fought by them. In actual practice it has been effectively advanced only by the passage of laws by State legislatures or the National Congress.

Today you and I are pledged to take further steps to reduce the lag in the purchasing power of industrial workers and to strengthen and stabilize the markets for the farmers' products.

Mr. Speaker, in the Hearst papers on Sunday there appears a column called Editorial Drama. From this page in the issue of January 1, 1937, I quote the following:

Suppose that for months, or years, the sun had refused to shine, rain to fall, crops to grow, mines to yield their treasures.

Suppose that science, which can supply everything, had suddenly turned to idiocy, that steam would no longer expand and

yield power under the influence of heat, that falling cataracts could no longer be made to produce electricity, light, and power.

Then, indeed, men would have a right to complain and talk of a depression. But what right has this country to complain now? How can a nation excuse itself when it has everything that it can use and simply does not know how to distribute its wealth?

That is the great problem—distribution.

Men solved the production problem long ago. There is nothing they need that they cannot produce in superabundance. You may order one, or a hundred, or ten millions, of anything you can choose, and it will be supplied—if you can pay for it.

This is the richest country in the world, full of machinery and all its products, with infinitely more money than any other, but does not know how to distribute its money or how to distribute its products.

Mr. Speaker, with the permission of the House, I would like to form a background, if I can, to justify the bill I am discussing today.

When I was a boy my grandfather was a country doctor, and I drove with him from farm to farm in a rural district. I saw the farmers and their wives working from the time they could see in the morning until they could not see at night, and the farmer's wife working on the family sewing as long as she could keep her eyes open. I saw labor working for 50 cents a day and living on fat meat and corn bread. I wondered why it was that the people who got up early in the morning, before daylight came, and strove to make others rich and great were always in dire poverty and always in debt, with the mortgage of the farmer being inherited along with the farm from generation to generation.

I hope that what I saw then produced a divine unrest. This is a matter I do not know about, but it was on my mind continuously. When I came to Congress I had an opportunity for the first time to give the matter detailed consideration, and one day I was down at the Bureau of Industrial Statistics and I saw the index of wholesale prices going down from 1879 until 1896, culminating in the Bryan free-silver campaign of the latter year. Then I recalled that silver had been demonetized, that the people's money had been contracted, and that this condition of falling prices which tended to destroy the debtor and the producer was due to lack of money. Then I saw that index from 1898 to 1914 rising. Gold had been discovered in the Klondike, in Australia, and in South America, and under the impetus of this new money products of the producer began to rise in price. The debtor was able to liquidate his debt, and we had a period of prosperity such as the country had never known before. I began to visualize clearly the relationship between the people's medium of exchange and what the people were able to produce and consume.

So in 1922 I introduced a bill providing for the stabilization of the value of the dollar. For the first time in the history of the American Congress there were hearings on legislation looking to the stabilization of the value of money. These hearings were resumed in 1924. They were held in a sporadic manner from then until 1932, when a bill was introduced by me and passed through the House by a vote of 289 to 60, declaring that the policy of the Federal Reserve System should be to maintain the purchasing power of the dollar on a parity with what it was between 1921 and 1929.

When this bill got into the Senate it was emasculated by what was known as the Glass substitute, which simply provided, in effect, a partial repassage of the National Banking Act, giving the banks the right to issue money based on Government bonds; and, of course, that had no effect whatever.

In 1935 an amendment offered by me to the 1935 Banking Act provided for a free market for gold and for the stabilization of the price of basic commodities on a 1921–29 basis was defeated in this House by 4 votes. After the failure of this amendment I began to consider trying to get a better result by a different formula; and so, in September 1935, I introduced a bill (H. R. 9216, 74th Cong.) which provided, in essence, for two things.

First, that all of the money of the country should be real money; that if it required $60,000,000,000 to transact the business of the country we should have $60,000,000,000; that the right of the banks to create and destroy money by the system of fractional reserves should be done away with, so that our money could not be destroyed as it was between 1930 and 1934 to the extent of about $18,000,000,000.

The bill also provided for a discount to the ultimate consumer on retail sales, this discount to be estimated on the basis of the amount we could produce, but could not now distribute, or the difference between the actual production and the potential production of wanted goods and services. The bill contained necessary brakes to prevent inflation.

In April of 1936 we had hearings on this bill before the Committee on Banking and Currency of the House, and at the Insitute of Public Affairs of the University of Virginia, which was in session for 3 weeks in the summer of 1936, the first week was devoted entirely to a discussion of this bill; and on the 14th of April 1937 Alberta passed a law based on this bill.

In January I addressed the House on this bill (H. R. 31, 75th Cong.). I reached the conclusion that while I had no reason to suppose it was not fundamentally sound, that it would be better if I attempted to achieve the same result without interfering in any manner with the present banking set-up, and in order to arrive at a formula which would be sound I considered the things which are now being talked about in every thinking home in the United States.

First, the problem of taxes, the tremendous burden of taxation, is being universally discussed. Second, the balancing of the Budget is being discussed. Third, the problem of how we can have high wages and at the same time have low retail prices is being discussed. With those three things in mind, I endeavored to formulate proposed legislation which will solve those problems. As I said before, that is the bill H. R. 7188, which I would like to discuss at this time.

Mr. Speaker, the people of this country have been tremendously misled about this question of taxes. The people of the country have been told that our taxes are away below the taxes paid by the people of Great Britain. Our people have been told that our taxes are much less than the taxes paid by the people of Germany and by the people of France, and they have been misled, because in these calculations only Federal taxes in this country have been compared with governmental taxes of England, Germany, and France; but when we add to the Federal taxes our State and municipal taxes, which corresponding taxes are negligible in those countries, we find that our taxation problem is nearly as serious as the problem in Great Britain, and much more serious than in Germany or in France. On a basis of a ratio with Great Britain at 100, ours is 91, Germany is 87, and France is 77. Then, in the last 4 years, our Federal tax rates have increased 100 percent, while the tax rates of Great Britain have increased only 5 percent. So that whatever we may say, the tax problem is a problem that the American people have to solve, and they have to solve it promptly.

The problem of balancing the Budget is, of course, connected with the tax problem. We are collecting now in taxes four and a quarter billion dollars a year, and we are expending four and three-quarter billion dollars a year. How we can solve the tax problem and the problem of balancing the Budget was in my mind in the preparation of this bill. There is only one way that I could find, and that is to increase the consuming income of the country.

Mr. SIROVICH. Mr. Speaker, will the gentleman yield?

Mr. GOLDSBOROUGH. Yes.

Mr. SIROVICH. The gentleman stated that America had increased its tax rate by at least 100 percent and that during the same period Great Britain had increased her tax rate by 5 percent.

Mr. GOLDSBOROUGH. Yes.

Mr. SIROVICH. Is it not a fact that Great Britain's taxation begins with a taxable income of $500 a year, while ours begins with $1,500 for a single person and $2,000 for a married person, and if the base were the same in America as in England, and if economic royalists would pay their obligations as they should, the obligation would not be falling simply upon the lower middle classes?

Mr. GOLDSBOROUGH. That is a very interesting statement.

Mr. WOLCOTT. Mr. Speaker, will the gentleman yield?

Mr. GOLDSBOROUGH. Yes.

Mr. WOLCOTT. I know that the gentleman has given a great deal of thought to this discussion. I wonder if he has given any consideration to the part which the gold purchases play in maintaining an unbalanced Budget. We are told that in the last six months we have, with the taxpayers' money, borrowed money, purchased something like $750,000,000 worth of gold, and stored it away down in Kentucky. I wonder if the gentleman has given any consideration to the fact that if we could adjust that gold policy in some manner to relieve us of that obligation, the balancing of the Budget might be a simple matter?

Mr. GOLDSBOROUGH. I think the balancing of the Budget probably is not a particularly difficult matter, anyway, and that is what I am going to attempt to demonstrate with the permission of the House. I think the question of the gold purchases is outside of the issue which I am discussing. That is a matter of governmental policy, and was begun at a time and for the purpose of trying to restore confidence in the American people in American money, and it served a very useful purpose at that time.

Mr. WOLCOTT. The gentleman made the remark that in one of his bills he advocated a free gold market. I wonder if the gentleman is prepared to say that he thinks that at this time gold should find its value in a free gold market, other than by legislative or Executive fiat?

Mr. GOLDSBOROUGH. I would prefer, with the gentleman's permission, not to inject that into this particular speech; but if the gentleman is interested in my opinion, I would be very glad to discuss it with him at any time, either here or in his office or in mine.

Mr. WOLCOTT. I may say that I did not want to inject any subject into the gentleman's speech that he did not care to discuss as a part of his speech.

Mr. GOLDSBOROUGH. The income of the people of the United States is now about $65,000,000,000 a year. That income, by the operation of the legislation that I suggest, could be increased as gradually as necessary to $100,000,000,000 in at least 18 months. What would be the result of that increase? The percentage now of taxes in relation to income is about 6½ percent, yielding now about four and a quarter billion dollars. Without increasing the percentage of taxation on an income of $100,000,000,000 a year, we could raise six and a half billion dollars in taxation. By introducing that other $35,000,000,000 of wealth we would be able to release from relief and from governmental support about $2,000,000,000 of labor and services. In other words, the Federal Government would be relieved of about $2,000,000,000 of pressure that is now brought upon it, so that by increasing the national income to $100,000,000,000 you could balance the Budget and begin to pay off nearly $4,000,000,000 a year of the national debt.

Now, this bill undertakes to create a stabilization fund, to be managed by a Federal Credit Commission. The operation of this stabilization fund is roughly as follows:

The Federal Credit Commission, by using the various available services, such as the Bureau of Labor Statistics, the Brookings Institution, the various index numbers and index services which are available in this country, undertakes to decide on what is the unused capacity of wanted goods and services on the part of our people which could be produced. Then it furnishes to retailers a discount on prices to the ultimate consumer—not to be resold—but to the ultimate consumer, of an amount which will enable society to consume all that the country can produce. In other words, the difference between present actual production and potential production of wanted goods and services. That discount is taken by the retailer to his bank. His bank allows him credit for it just as if he had deposited the cash. Then the bank is allowed on the books of the National Credit Commission a credit in an equivalent amount. The bank is allowed to advance the amount of that credit to the retailer, dollar for dollar, but cannot use it for the purpose of his fractional reserves as he could his ordinary deposits. That money which is placed on the books of the Federal Deposit Commission on behalf of the banks can be used by the banks to settle interbank balances. It can be used, dollar for dollar, as a basis for credit.

Let us suppose a contingency which will not arise, but let us suppose that an inflationary condition appears. Let us suppose that the ordinary operations of the Federal Reserve System are not sufficient to control it; then the Federal Credit Commission can call in from the banks the interbank currency which it has issued, and the banks, in order to be able to return it, will have to reduce their loans. That will control any inflationary tendency. Why do I say that will never have to be used? I say it for this reason: That when that credit is introduced into the monetary system, it is backed by the goods which are produced and distributed by it. It is not inflationary, because it does not go into the market except to the ultimate consumer, and it is always, therefore, represented by goods; and as it is always represented by goods, it cannot cause inflation. If you have $50 and 50 bushels of wheat, you have a dollar representing a bushel of wheat. You can increase the $50 to $100, provided you produce another 50 bushels of wheat to match it. You have exactly the same relationship existing. As long as you do not put into the market money, except to match goods that are produced and carried into distribution and consumption, you cannot have inflation.

Now, it will be said, of course, that this national credit is fiat money. It will be said that this is simply another bill which will cause inflation. I ask the members of the press—I know I will not get it—but I ask the members of the press, which would naturally be hostile to this sort of legislation, to suspend their judgment. I say here and now with the utmost seriousness that I would like to discuss the validity of this proposed measure with any man in the world, and I am not at all afraid of the result of that discussion.

My friends that have been associated with me so long on the Committee on Banking and Currency, I believe, will bear me out when I say that I am cautious in making statements of that kind; but I have struggled with this thing too long not to believe that I do not know something about it. There is nothing unsound in the proposition. What are we doing now insofar as our national credit is concerned? Nothing could be more absurd, nothing could be more unsound than a national debt. What do we use when we create a national debt? We use the public credit and then we use private credit. In other words, expressed in another way, we buy our money twice. How do we do it? Society, of course, has the right to furnish its own medium of exchange and should furnish its own medium of exchange. When the Federal Government, in exchange for goods and services, pays out its money, society has furnished its own national or Federal or social money. Then what happens? After society has furnished itself its own medium of exchange for a particular transaction, it goes to a bank and borrows an equivalent amount for no reason on earth except to furnish a gratuity to the bank. [Applause.] There is nothing else to it. Money which would be furnished by this National Credit Commission and which would be a revolving fund, would be the same kind of money that you use every day when you use bank checks. It is an account, set up on the books of the Federal Credit Commission, backed by the Federal taxing power, just as a bond. When the Federal Government borrows $100,000,000, what happens?

The Federal Government prints bonds, carries the bonds over to a bank. The bank does not give back to the Federal Government anything, but it sets up a credit on its own books to the extent of $100,000,000. Then the Federal Government can check on the account. That is all that happens. The Federal Government, which has everything, borrows $100,000,000 from the bank which has relatively nothing, then lends it back to the bank by depositing it and begins to pay interest on it. Is not that a nice business transaction?

Mr. SIROVICH. Why is that being done?

Mr. GOLDSBOROUGH. It is perfectly evident that it is being done because of the tremendous influence which the banking system has always had on the Federal Government.

Mr. WHITE of Idaho. Mr. Speaker, will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. WHITE of Idaho. As a matter of fact, some control must be had over the issuance of circulation of money, and we have now carried our control to the borrowing power of the Government and the borrowing power of the individual. That is control. Anything beyond that would be called inflation, would it not?

Mr. GOLDSBOROUGH. My conception of inflation is this: When a country is producing all it can produce and when it is able to distribute all it can produce, and you then put more money into the market, that is inflation, real inflation.

Mr. WHITE of Idaho. As a matter of fact, under the Federal Reserve System, the issuance of money is controlled by the borrowing power of business to issue what is called eligible paper. The Federal Reserve System takes this eligible paper and issues securities against it. Does the gentleman call that inflation or not?

Mr. GOLDSBOROUGH. The difficulty is that the money value of the property which the business public has to put up as security with the banks is based cn the amount of money in circulation. When the banks become scared and begin to call in loans and begin, therefore, to decrease the circulating medium, and the price of everything goes down, then business does not have the security to offer the banks.

Mr WHITE of Idaho. That is what is called deflation. As a matter of fact, the only way money can be put into circulation is by the Government borrowing through the Federal Reserve System.

Mr. GOLDSBOROUGH. It is based on debt.

Mr. WHITE of Idaho. That is a control on the issuance of money.

Mr. GOLDSBOROUGH. It is based on debt.

Mr. WHITE of Idaho. The control of money today is exercised by the Government and private enterprise borrowing money. Anything issued beyond the ability to borrow is what we call inflation.

Mr. GOLDSBOROUGH. Mr. Speaker, I made a statement about how money is created and how irrational it is for a government to undertake to borrow from banks instead of issuing its own money; and I am going to quote from various authorities, some liberal and some conservative and reactionary.

Ralph M. Hawtrey, Assistant Secretary of the British Treasury, says:

> Banks lend by creating credit. They create the means of payment out of nothing.

Maj. L. L. B. Angas, author of a book entitled "Slump Ahead in Bonds", says:

> The modern banking system manufactures money out of nothing. The process is perhaps the most astounding piece of sleight of hand that was ever invented. Banks, in fact, are able to create and cancel modern deposit money. They can, in fact, inflate, mint, and unmint the modern ledger-entry currency.

Mr. Vincent C. Vickers, late director of the Bank of England, said:

> Can it be denied that a system which is based on and exists solely by the creation and enforcement of debt, much of which can never be extinguished, is the source of poverty, discontent, and discord at home and abroad, and constitutes a permanent incentive to war?

Another quotation:

> The money industry should consider their own position. Were they to do so they would—in my very humble opinion they must—arrive at the conclusion that the future welfare of the money industry, as it is at present constituted, depends entirely upon its own power to crush out the human impulse to go forward and upon its ability to override the will of the people and so to govern the world.

The Encyclopedia Britannica says:

> Banks create credit. It is a mistake to suppose that bank credit is created by any important extent by the payment of money into the bank. When a bank lends * * * the bank's debt is a means of payment. It is credit money. It is a clear addition to the amount of the means of payment in the community.

And again in speaking about Government borrowing immense sums from the banks, such as has been happening in this country since 1932, the Encyclopedia says:

> Banks lend by creating credit. They create the means of payment out of nothing.

Mr. Eccles, head of the Federal Reserve Board, is quoted in Collier's of June 8, 1935:

> The banks can create and destroy money. Bank credit is money. It is the money we do most of our business with, not with that currency which we usually think of as money.

Now, I am going to quote from a man who, as far as I know—and I say this with every respect—is as reactionary as any man with whom I have ever come into personal contact.

Lewis W. Douglas, former Director of the United States Budget, in the Atlantic Monthly, in the fall of 1935, said:

> The Nation's banks today hold approximately 53 percent of the entire Federal debt. Banks, when they buy Government bonds, rarely pay for them with cash that someone has deposited in the bank. Instead, they create a bookkeeping credit, against which the Government is entitled to draw. In a country in which more than 90 percent of all business is done by the use of checks, there is no essential difference between the creation of bank deposits by fiat and the creation of printing-press money.

Yet the banks are complaining about fiat money when they themselves by the creation of bookkeeping money out of nothing create fiat money all the time. The difference is that in the one case society is creating its own medium of exchange for which it only has to pay once and in the other case it is paying the bank's principal and interest for something that the banks never lent to the Government. They never had it to lend. The total capital, surplus, and undivided profits of all the banks of the country is less than $7,000,000,000 and yet the Government is undertaking to borrow from those banks in the neighborhood of $20,000,000,000. It is a perfecty ridicuous proposition.

H. Parker Willis, another, to say the least, conservative economist, former Secretary of the Federal Reserve Board, wrote in the American Mercury, as reported in the Reader's Digest, in September 1936, as follows:

> When a bank purchases United States bonds from the Treasury it merely credits the Government with the value of the securities; in other words it establishes a deposit account for the purchasing price. Then the Government draws checks on the sum so created.

In an article appearing in the magazine Time of February 10, 1936, there is shown a clear understanding of the money system, as follows:

> The principal medium of exchange in the United States is not currency, which accounts for only 10 percent of the total money supply; but credit money, which means checks. A banker can create deposits with the aid of a willing borrower and a good pen when a bank lends, say $25,000, which is an asset. Thus $25,000 worth of new credit money is turned loose in the country, passing from bank to bank in the form of checks. Not until the borrower pays off his loan does that money disappear from circulation. When the Treasury sells bonds to commercial banks, the banks manufacture new credit money with a pen, just as they do for private borrowers.

The Right Honorable Reginald McKenna, former Chancellor of the Exchequer, and chairman of the Midland Bank, one of the largest commercial banks in the world, says:

> I am afraid that the ordinary citizen will not like to be told that the banks can and do create and destroy money. The amount of money in existence varies only with the action of banks.

I was very much interested in a statement made in the course of an address by Mr. Winthrop W. Aldrich, chairman of the board of directors of the Chase National Bank, at the thirty-ninth annual dinner of the Illinois Manufacturers' Association, on December 8, 1936. Mr. Aldrich stated:

> Our last great boom was characterized by a very excessive expansion of bank credit and other credit, which means it was characterized by a very excessive creation of debt. Credit is the other name for debt. We call it credit in boom times and we call it debt when depressions come. We praise credit in the boom and we denounce debt in the depression. If we could learn to use periods of active business in such a way as to pay off debt instead of increasing it, we should have gone very far toward solving one of the greatest problems of prosperity and depression.

Mr. Aldrich, chairman of the greatest bank in the world, does not know that as soon as we begin to get prosperous and begin to be able to pay our debts we immediately create deflation, because when you pay off the bank debt you decrease the circulating medium just that much. If he is sincere—and we must assume he is sincere—he does not know there is no such thing in this country as paying our debts. Our money is created almost exclusively when we borrow from a bank. I borrow $25,000 from a bank. The bank does not give me $25,000. It gives me a bankbook and then states that there is on deposit that $25,000, which goes into circulation. As soon as I pay off the $25,000 that money is extinguished. It is wiped out. So that as soon as you begin to get prosperous and begin to pay your debts the money of the country begins to decrease, and you have another deflation. You cannot pay off the debt.

Mr. Speaker, in this measure an attempt is made to begin a system, not of scarcity but a system of abundance, a system based on the principle that it is the duty of a government, insofar as it can, to furnish to its people all that its people can produce and get rid of this idea of scarcity and this idea of having to destroy the good things that people want in order to have prosperity.

Mr. CRAWFORD. Will the gentleman yield?

Mr. GOLDSBOROUGH. I yield to the gentleman from Michigan.

Mr. CRAWFORD. Do I understand now that the primary purpose of this bill that the gentleman has been discussing is to put into operation those forces which will originate dollars against production as it comes into being, thereby furnishing money for its proper financing, and that as the production flows there can be no inflation because of the fact the production meets the dollars originated, and that it also makes it no longer necessary, theoretically or otherwise, to create money as we do through the making of bank loans?

Mr. GOLDSBOROUGH. May I just add this statement: And the credit is protected from any inflationary influence by virtue of the fact the credit does not come into being until the production goes to the consumer.

Mr. CRAWFORD. That is correct. I just wanted to see if I understood the presentation of the gentleman.

Mr. GOLDSBOROUGH. It has been carefully estimated that if our people were on a fair nutritional diet we could use 50,000,000 dairy cattle instead of the 25,000,000 of 1936, 17,000,000 beef cattle instead of the 15,000,000 of 1936, 15,000,000 veal calves instead of the 10,000,000 of 1936, 85,000,000 hogs instead of the 57,000,000 of 1936, 30,000,000 sheep and lambs instead of the 21,000,000 of 1936, 637,000,000 poultry instead of the 426,000,000 of 1936; could utilize 7,000,000 acres of vegetable truck instead of the 2,300,000 of 1936, 854,000 acres of citrus fruits instead of the 565,000 of 1936, and 10,000,000 acres of tree fruits and grapes instead of the 4,600,000 of 1936.

It is, of course, not the purpose of this administration, or, I am sure, of any administration, to continue any process of regimentation beyond a period of emergency. It is also true, however, that capitalism will be saved, that liberty will be saved, and that democracy will be forever preserved among a people who have the vision that it is the obligation of government to carry to all of its people all that its people can produce.

There never was a greater fallacy than the fallacy called the balance of trade. Why, when we send our good things to other countries and simply get obligations for them it is said that we have the balance of trade. They have the balance of trade, because they have the good things our people want. The balance of trade runs exactly opposite to what it is usually said to be, and this is because we are in an economy of scarcity, and have not been able yet to visualize clearly that the market we want is primarily the market of our own people. [Applause.]

I have endeavored in my brief discussion of this measure to give you an idea of what I am trying to do. I shall ask for a hearing before the Committee on Banking and Currency. I shall press for a hearing, press for a report, and press for passage through the Congress in an effort to improve all lines of business, including the banking business as now constituted, and to carry to all our people the riches we have in store for them if we are only permitted to do it. [Applause.]

EXTENSION OF REMARKS

Mr. WHITE of Ohio. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD concerning a proposed child-labor amendment which I have introduced yesterday.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

TAX EVASION AND AVOIDANCE

Mr. O'CONNOR of New York. Mr. Speaker, I call up House Resolution 226.

The Clerk read the resolution, as follows:

House Resolution 226

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of Senate Joint Resolution 155, a joint resolution to create a Joint Congressional Committee on Tax Evasion and Avoidance, and all points of order against said joint resolution are hereby waived. That after general debate, which shall be confined to the joint resolution and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Rules, the joint resolution shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the joint resolution for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the joint resolution and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

Mr. MARTIN of Massachusetts. Mr. Speaker, I make the point of order a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] One hundred and three Members are present, not a quorum.

Mr. BOEHNE. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 84]

Allen, Pa.	Dempsey	Jenkins, Ohio	Schuetz
Amlie	Disney	Keller	Smith, Va.
Anderson, Mo.	Douglas	Kopplemann	Smith, Wash.
Arnold	Eaton	Kvale	Smith, W. Va.
Barden	Fitzgerald	Long	Starnes
Bates	Fulmer	Lucas	Stefan
Bell	Gasque	McGehee	Sweeney
Bernard	Gearhart	McGranery	Swope
Boyer	Gifford	McGroarty	Taylor, Colo.
Buckley, N. Y.	Gilchrist	Maverick	Teigan
Caldwell	Gray, Ind.	Mosier, Ohio	Thomas, Tex.
Cannon, Wis.	Green	Murdock, Utah	Tobey
Cartwright	Greenwood	O'Connell, Mont.	Transue
Case, S. Dak.	Griffith	O'Day	Vincent, B. M.
Chapman	Hill, Wash.	Oliver	Vinson, Ga.
Clark, Idaho	Hoffman	Pace	Voorhis
Clark, N. C.	Hook	Peterson, Fla.	Wadsworth
Collins	Imhoff	Peyser	Wearin
Crosser	Izac	Rogers, Okla.	Wilcox
Curley	Jacobsen	Sadowski	Williams

The SPEAKER. On this roll call, 355 Members have answered to their names, a quorum.

On motion of Mr. BOEHNE, further proceedings under the call were dispensed with.

Mr. O'CONNOR of New York. Mr. Speaker, I yield 30 minutes to the gentleman from New Jersey [Mr. MCLEAN].

Mr. Speaker, because I believe this matter is of considerable magnitude and is not just the usual investigating resolution, I desire to refer from time to time to some written remarks so that there may be a better understanding of the situation.

Mr. Speaker, House Resolution 226, just reported, provides for the consideration of Senate Joint Resolution 155, to create a joint congressional committee to investigate tax evasion and avoidance.

It might be well at the outset to state the background of this proposal.

On June 1, 1937, the President transmitted to Congress his message embodying a letter from the Secretary of the

Treasury pointing out that that Department of the Government had unearthed certain instances of tax evasion and avoidance by sundry means employed, especially by wealthy taxpayers, whereby the Government had been deprived of estimated income-tax receipts of hundreds of millions of dollars.

The President's message, as founded on the letter of the Treasury Department, recommended that that Department be authorized to investigate further such matters in order to make recommendations to Congress to plug such loopholes in our tax laws.

Why the Treasury Department needed any further authority than existing law provides to make such an investigation was not made clear. The suggestion of publicity may be the answer. I assume that every Member of Congress, like myself, heartily endorses the President's proposal to make every effort by legislation to plug these loopholes and put a stop to this evasion and avoidance of our income-tax laws. On that there can be no disagreement. In a statement to the press yesterday a great financier defended the use of such loopholes and passed the blame to Congress for being so "stupid" as to leave the holes open. That, of course, is no answer in morals. Some taxpayers, in crawling through these loopholes, so stretch the holes that the world no longer recognizes them as holes.

It is not contended to any considerable extent that such evasions and avoidance constitute any fraud or noncompliance with the strict letter of the law. There is plenty of existing law to meet these cases. It is contended, however, that certain wealthy taxpayers have taken advantage of certain loopholes in the existing laws to avoid or evade paying the full amount of taxes expected under the provisions of our tax laws.

When the proposal for this investigation reached Congress it was suggested, at least in another body, that Congress was the proper agency to make this investigation. Thereupon a joint resolution was prepared to carry out that intent.

Why the other body should be joined in such an investigation is not yet clear to some of us. Under the Constitution all bills for raising revenue must originate in the House of Representatives, and under our rules our Committee on Ways and Means has jurisdiction over such legislation. The other body cannot even act on tax matters until our committee has reported a tax bill and the House of Representatives has passed the bill. Until that time the other body and its Finance Committee are impotent.

All that was needed to be done to make it a congressional investigation was the introduction of a resolution giving to the Ways and Means Committee of the House the power to subpena. Why that simple, direct, and constitutional procedure was not followed I do not know, unless it was because of the publicity proposal.

Suffice to say, however, that the suggestion of a joint inquiry prevailed somehow, and on June 1, 1937, on the date of the President's message, identical resolutions were introduced in both bodies—in the other body by Senator HARRISON, of Mississippi, Senate Joint Resolution 155, and in this House by the distinguished gentleman from North Carolina [Mr. DOUGHTON], House Joint Resolution 391. The latter resolution was referred to the Committee on Rules.

On June 2, 1937, the resolution—Senate Joint Resolution 155—was called up in the other body and passed without amendment. When that resolution was messaged over to the House, the distinguished gentleman from North Carolina [Mr. DOUGHTON], acting in his individual capacity, and in nowise representing our Committee on Ways and Means, of which he is the distinguished chairman, asked unanimous consent to call up and pass Senate Joint Resolution 155. Objection was made, and thereupon that resolution was likewise referred to the Rules Committee, which is the only committee having any jurisdiction of the two resolutions.

On the same day a hearing was duly held before your Rules Committee, and Mr. DOUGHTON and Mr. TREADWAY, of Massachusetts, were heard at length.

The Committee on Rules thereupon considered the Senate resolution and, within the powers lodged in all your committees, reported the same back to the House with three suggested amendments:

First. The original resolutions did not require that the proposed joint committee should be obligated to report to the House, or the other body, or to our Committee on Ways and Means, or the Finance Committee of the other body, or to Congress, any of the information the joint committee might obtain. The Rules Committee felt that at least the two tax committees of our two Houses were entitled to this information for the purpose of proposing legislation, and so provided by a proper amendment, which has been agreed to. Such a report does not become public, and any other report of such information to Congress is left discretionary with the joint committee.

Second. In the proposed joint resolutions it was provided that the joint committee could make public any information obtained from any taxpayer's returns or by any other method of investigation—by public hearing or otherwise. The Committee on Rules felt that such a proposal was an absolute reversal of the attitude of Congress, twice expressed within about 2 years against the publicity of tax returns, and recommended the elimination of the provision.

Third. Section 5 of the proposed joint resolution provided that any officer or employee of the Treasury Department could make investigations in the name of the joint congressional committee, and even hold hearings.

The Committee on Rules felt that this was an improper delegation of congressional prerogatives to an executive department, and that while the original proposal for an investigation by the Treasury Department had, at the insistence of Congress, been changed into a congressional investigation, such a proposal was a continued attempt to have the investigation conducted by the Treasury Department, with Congress but an empty shell, being used as a cloak for such a procedure.

Therefore the Rules Committee recommended the striking out of this grant of all-embracing power in the Treasury Department.

Some objections were made from certain sources to the three amendments suggested by your Rules Committee, with the result that on Thursday and Friday of last week, and again on Monday and Tuesday of this week, conferences were held between representatives of the Ways and Means Committee and the Rules Committee, with the result that all differences have been ironed out and the three amendments suggested by the Rules Committee in its report should be changed as follows:

The amendment that the joint committee must report the information it obtains to our Ways and Means Committee and to the Finance Committee still stands.

The proposal as to the joint committee giving out to the public information it obtains as to any taxpayer or his or its returns is modified to provide that the joint committee, acting as such and not through a subcommittee, or an individual member, shall determine in each instance and as to each taxpayer as to whether such information shall be made public. This places the responsibility fairly and squarely upon the joint committee and its individual members in each case.

Personally, this was a compromise entered into reluctantly on my part, because I do not believe the "weapon", as it is frankly called, of publicity is American. As to preparing legislation, it serves no purpose. It is proposed as a blackjack and is nothing less. The 3,000,000 taxpayers of this country get plenty of tossing around already. [Applause.]

As to information disclosed at a public hearing, the amendment agreed upon provides that any subcommittee of not less than two members of the joint committee, duly authorized by the joint committee, may hold public hearings, at which, of course, any information deduced would become public. It was agreed that such a provision was

necessary to enable Treasury officials and others to testify in public as to information they possessed. I trust this power will not be abused.

Such limited safeguards against unfair and un-American publicity are thus provided for in the amendments finally agreed upon after several days of conference.

Third, as to the Treasury Department, through its officers and employees really making the investigation in the nominal name of the joint congressional committee, and even by the method of public hearings at which no member of the joint congressional committee need be present, this has been completely changed by eliminating all reference in the resolution to the Treasury Department and providing that the joint committee may designate any person it may employ to conduct investigations but not to hold public hearings. It was felt that this was a salutatory amendment to preserve the responsibility of the congressional committee.

Therefore, when the Senate joint resolution shall be read for amendment, I shall, in behalf of the Rules Committee, request that the amendments as provided in the resolution be voted down, and I shall then offer the amendments now agreed upon among the Rules Committee, the representatives of the Ways and Means Committee, and the majority leadership of the House.

Mr. Speaker, what I shall now say in conclusion is not easy to utter, but I trust you, sir, especially, and I trust also that all my colleagues, particularly on the Democratic side of the aisle, will appreciate my heartfelt sincerity in what I am about to say. I am proud of Congress. I am proud to be one of 435 men and women duly elected out of that vast number of 130,000,000 of our inhabitants to represent them all in the House of Representatives, the legislative branch of our great Government. Never for one moment in my eight terms in Congress have I lost sight of that signal honor conferred on me. I love this House of Representatives and every man and woman in it. I shall pass on that love and respect as a treasured heritage to my four boys and their children, and their children's children. It looks now as though it would be their only patrimony.

But, Mr. Speaker, what concerns me, and especially so during this session of the Seventy-fifth Congress more so than in any previous meetings of our body, is, shall Congress, and especially our own body—I am not concerned about the other body—shall we surrender to so-called "brain trusters", not to the Executive, as it is often claimed, still bearing the print of the clout, and holding unimportant Government jobs to dictate not only the form but the policy of congressional action? May I suggest that those individuals drop their diapers of anonymity and bravely enter the political arena for election to Congress. Surely the people are entitled to decide who shall act for them in Congress.

I well know that such words of mine will call forth a continuance of the unjust criticisms of heretofore from certain quarters just referred to.

I well realize that threats of reprisal will be redoubled. Perhaps no one more than I realizes the stupendous futility of attempting to flay the windmills of the hour, especially when you do not have adequate support on your flank.

Candidly, Mr. Speaker, I sometimes despair that any humble, inept efforts on my part will count toward stemming the present urge from various quarters to infringe upon the prerogatives of the Congress.

With what little force or influence I have been able to exert I have for years contended for the preservation of the constitutional prerogatives of the legislative branch of the Government against any evasion by the executive branch through its subordinate departments or otherwise—yea, likewise do I contend against such invasion by the judicial arm of the Government. How many of these intruders have been elected by the people to their respective positions? I absolve the President himself from knowledge of this gratuitous intrusion.

In passing it may seem gratuitous for me to say that since March 4, 1933, I have supported the President, whom I deeply admire and even love and have personally known longer than most any Member of this body—100 percent in all his proposals. I challenge any reference to the record in refutation of that statement. Only the other day I was one of a lonely 13 in this House to sustain one of his vetoes—and in another body only 12 were found to watch with him. Possibly I could work myself up to feel like Prometheus, who in the olden days dared to defy the lightning and was thereupon chained to a rock where an eagle—mark you, not a donkey—daily devoured his liver, which was renewed each night. Unfortunately when mine shall be once devoured by the present onslaught I entertain little hope it will be renewed.

Mayhap I shall continue to be threatened with the fate of other men who have stood with their backs to the wall, fighting for a cause in which they firmly and conscientiously believed they were performing their consecrated duty.

Despairing of immediate results though I may be, I cannot but for the present still stand with my back to that wall, though, dear colleagues, if you do not care to support my position, to be honest to myself, I still must stand there, though I be barefoot and alone. [Applause.]

Mr. McLEAN. Mr. Speaker, I yield 10 minutes to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Speaker, I listened with interest to the very able remarks of my colleague from New York [Mr. O'CONNOR]. I think he represented the viewpoint of both sides in his fair statements, which, summed up, amount to this, that it is our duty to legislate. That is our constitutional duty. That is the function of the House of Representatives, particularly on revenue legislation. Unfortunately in recent years, as the gentleman intimated, we have abdicated and surrendered that right to others outside of Congress; to so-called "brain trusters" and college professors who have sent their programs to our committees and have practically told us to adopt their proposals as submitted. I am not a member of the Ways and Means Committee, but I have great respect for the membership of that committee. I am sure they held hearings and heard witnesses and experts.

Mr. COOPER. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield.

Mr. COOPER. The gentleman does not intend to convey the idea that he thinks that applies to revenue legislation reported by the Ways and Means Committee, does he?

Mr. FISH. I imply that it has been the general practice, and that applies to all committees; but I have great confidence in the gentleman and in his committee, and hope his committee has been an exception to the rule.

Mr. COOPER. I will say there has not been a single revenue bill brought in from the Ways and Means Committee during this administration but what was written by the Ways and Means Committee. [Applause.]

Mr. FISH. You have invited in many outsiders to advise you how to write that legislation, and, furthermore, some of the legislation reported by the Ways and Means Committee is practically identical with the recommendations of the executive departments.

Mr. COOPER. We have had the advice and assistance of the staff of the general committee on internal-revenue taxation, which is an agency of the House. We have had the assistance of such officials of the Treasury Department as the Ways and Means Committee might call before it to give us the benefit of such information as they might have. As far as drafting is concerned, the drafting service of the House, headed by Mr. Beaman, has done the drafting, along with the members of the committee.

Mr. KRAMER. Mr. Speaker, will the gentleman yield?

Mr. FISH. Yes; I yield.

Mr. KRAMER. I assume the gentleman has in mind that after legislation passes the House and Senate and is signed by the President it gets into a department, and some minor clerk or lawyer there rewrites the bill by what they call a system of regulations; and the entire law that was passed by the House and Senate and afterward signed by the President is relegislated into regulations of their own classification?

Mr. FISH. I think the gentleman is largely correct.

Mr. DOUGHTON. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield to the gentleman from North Carolina.

Mr. DOUGHTON. In addition to what the distinguished gentleman from Tennessee [Mr. COOPER] has stated about the drafting of bills that come from the Committee on Ways and Means, not only invariably does our drafting service prepare these bills after long, painstaking study by the committee, calling in such assistance as we think will be helpful, but this resolution itself was prepared by our own drafting service. The gentleman from New York adverted to the fact that not only the very form of the resolution but the resolution which I introduced, similar to the one now under consideration, was prepared by the executive department. Nothing is further from the fact. This very resolution itself was prepared by our own drafting service and not by the executive department.

Mr. FISH. I respect the gentleman and his committee, and I know it is an able committee and tries to function to the best of its ability; but it is rather unfortunate that we are faced with this circumstance, that your committee must take the blame, inasmuch as you have assumed it yourself, for writing legislation that has left loopholes so wide in our income-tax laws that you can drive a yacht right through the loopholes. [Applause.]

Mr. DOUGHTON. Will the gentleman yield further?

Mr. FRED M. VINSON. Mr. Speaker, will the gentleman yield?

Mr. FISH. Not for the moment. I do not want to antagonize any member of the Ways and Means Committee or discuss this issue further.

Mr. SHORT. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield to the only Republican Member from Missouri.

Mr. SHORT. Though we all have high regard and great admiration for the individual members of the Ways and Means Committee, we should not forget that that committee has reported more bills that have been held unconstitutional recently than any other committee of this House.

Mr. FRED M. VINSON. Mr. Speaker, will the gentleman yield?

Mr. FISH. No; I do not yield further, because that is not the issue before the House.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. FISH. I am sorry, but I must proceed.

Mr. RANKIN. I want to point out a loophole that the Rules Committee has left in this bill.

Mr. FISH. The gentleman can point it out in his own time.

Mr. RANKIN. I cannot get any time.

Mr. FISH. There is no question about the facts. The President of the United States, your President, has sent in a long message pointing out numerous loopholes that existed in the income-tax legislation that was written by the Ways and Means Committee and passed by the Congress. Those loopholes exist at the present time and should be plugged immediately. Even the chairman of the Ways and Means Committee is reported as saying that if you close up those loopholes we can save $300,000,000.

Mr. DOUGHTON. Will the gentleman yield?

Mr. FISH. I yield to the gentleman from North Carolina.

Mr. DOUGHTON. I have never said any definite amount could be saved.

Mr. FISH. How much can be saved?

Mr. DOUGHTON. We can tell better when we look into this matter and see how much we are being robbed of. We can tell then.

Mr. FISH. What are we legislating about? Are we not trying to save hundreds of milions, or is this investigation just another smoke screen?

Mr. DOUGHTON. If the gentleman will give us credit for stopping up the loopholes that the gentleman's own party left while they were in power, to the extent of two or three hundred million dollars, it would be more appropriate.

Mr. FISH. If the gentleman had made that statement a few years ago, it would have been all right, but his party has been in power for 4 years and has left the gates wide open.

Mr. DOUGHTON. The gentleman's party was in power for 40 years.

Mr. FISH. Yes; but the income-tax law is comparatively new. The loopholes have been there for 4 years. Necessity for action certainly exists. The loopholes are still there, and we are agreed that they ought to be stopped, and stopped immediately. It is the function of Congress to legislate. We should, therefore, adopt this bill and legislate before the adjournment of Congress to prevent further evasion or avoidance by big taxpayers.

I take this occasion to say that this administration has no financial policy whatever. If I were to indict the administration on one issue more than another it would be that it has no financial or fiscal policy. Its financial policy is simply to pile debt upon debt, deficit upon deficit by issuing more billions and still more billions of tax-exempt securities until the national debt now exceeds $35,000,000,000. I am inclined to think, although I am in favor of this legislation, that it is an alibi, that it is a red herring, because the Budget is not balanced. The President wants to blame the Congress for leaving these loopholes and thereby establish an alibi for not balancing the Budget. I do not want to blame the chairman of the Ways and Means Committee and the Ways and Means Committee for leaving these various tax loopholes, but he has assumed the blame. The fact is that the administration has no financial or fiscal policy; and while you are discussing this investigation of saving $300,000,000, I call attention to the fact that you have taken $800,000,000 out of the Treasury of the United States since the first of the year to buy foreign gold at $35 an ounce and bury it in the ground—gold which we do not need and for which we pay the British Empire and Soviet Russia twice the cost of production.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. FISH. I cannot yield; I have only a couple of minutes left.

The only financial policy of the administration that I can see is saving at the spigot—this is the spigot—and losing at the bunghole, and the bunghole is buying gold at $35 an ounce from nations that already owe us millions and billions, and paying twice the cost of production to those countries to enrich them and impoverish ourselves by adding to our deficits and increasing our already unbalanced Budget. That is the financial policy of this administration, and that is the one issue above all in which I think this administration has failed, and failed lamentably. I join you today, however, in trying to help the Ways and Means Committee do away with these numerous tax loopholes and recover a few hundreds of millions of dollars in order to try to balance the Budget and put our financial house in order. [Applause.]

[Here the gavel fell.]

Mr. O'CONNOR of New York. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. DIES].

Mr. DIES. Mr. Speaker, I feel sure that when the Members read these proposed amendments they will agree with us that they are absolutely necessary if we are to preserve the independence and dignity of this body. Under the original resolution the Treasury Department would have conducted public hearings and could have given out such information as the employees of the Treasury Department saw fit. While I am not indicting the Ways and Means Committee by saying that they would have wholly delegated this authority to the Treasury Department, it does seem to me that the time has come when the House of Representatives and the Congress of the United States should resume its legitimate and constitutional function of legislating for the people of the United States. I refuse to believe that the President of the United States for one moment desires this great body to delegate or continue to delegate its constitutional authority to a gigantic bureaucracy.

I have never been able to distinguish in my own mind the difference between bureaucracy and fascism. Gentlemen declaim against fascism and point to nations across the waters as illustrations of the terrible calamities that are visited upon

the children of men when they permit some fascistic state to be superimposed upon a democracy; yet I see these same gentlemen continue to support measures and policies the whole purport and intent of which is to build up a gigantic bureaucracy of governmental agents who are not amenable to the people, who do not go to the people for their election, who are not responsible to any public will. Under the present trend of public affairs these bureaucrats are day by day and hour by hour assuming the constitutional power and privileges of the Congress of the United States. Every one of us knows it. I say, therefore, Mr. Speaker, that it is not right for any committee of this House to have the authority to delegate to a departmental employee or clerk, or anyone else, the right to conduct a hearing in the name of the Congress of the United States and to decide when matters shall be made public.

Under the amendments that have been agreed to full publicity can be given in every case. The only requirement is that it shall be the duly constituted agency of the Congress that shall determine when the publicity shall be given and not some employee of some department. There are in the amendments proposed ample provision that will enable the subcommittees to hold public hearings and to give the information brought out in the hearings to the Nation. There is also ample provision for this joint committee acting upon its own responsibility as our duly authorized agent to release such publicity as it sees fit.

But I do say and I do declare with all deference to the great President we have, I do declare, Mr. Speaker, that no greater calamity could come upon this country, no greater disaster could come than for us through the course of the future months and years continually to delegate our authority until finally in the United States there will be a gigantic bureaucracy, self-perpetuating and self-governing, which will never have to go to the people for approval of their actions. [Applause.]

[Here the gavel fell.]

Mr. McLEAN. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. TREADWAY].

Mr. TREADWAY. Mr. Speaker, I concur heartily with the very able address made by the chairman of the Rules Committee, the gentleman from New York [Mr. O'CONNOR]. He has been most frank in explaining this resolution—where it comes from and what it originally purported to do. I think the Rules Committee is to be congratulated on the changes that it has made in the copy that evidently was sent to somebody to introduce.

I have the very highest regard for the Ways and Means Committee. But, Mr. Speaker, I do not want any Member of the House to think the Ways and Means Committee cannot make mistakes. I am very glad indeed to let the Chairman of the Ways and Means Committee take credit for the introduction of this resolution, because, so far as I know, it never was before the Ways and Means Committee in any way, shape, or form. I am only sorry the chairman endeavored to have it adopted without consideration by this House. That was the procedure which was going to be followed, but fortunately the gentleman from New York blocked it.

Mr. RANKIN. Will the gentleman yield?

Mr. TREADWAY. My time is very short, but I am always glad to yield to my friend, the gentleman from Mississippi.

Mr. RANKIN. As a matter of fact, the changes that the Rules Committee made in the bill were changes made in the bill that passed the Senate?

Mr. TREADWAY. Yes.

Mr. RANKIN. The gentleman talks about the bill being written and sent in here.

Mr. TREADWAY. It was. I may say to the gentleman it was introduced simultaneously in the Senate and House and was passed by the Senate without consideration. It was then brought over here with the expectation we could do the same thing, and the gentleman from New York [Mr. O'CONNOR] blocked that procedure. That is the history of the case. Now please do not take any more of my time.

Mr. RANKIN. It was reported by the Finance Committee of the Senate and passed by the Senate.

Mr. TREADWAY. With all due respect to the Senate, the gentleman knows how much consideration many measures get in that body.

Mr. DOUGHTON. Will the gentleman yield?

Mr. TREADWAY. I yield to the gentleman from North Carolina.

Mr. DOUGHTON. The gentleman is giving a great deal of credit to the chairman of the Committee on Rules for blocking this measure, which I do not criticize; but I call the gentleman's attention to the fact that before I requested unanimous consent for the consideration of the Senate resolution—in fact, the day before—I went to the distinguished gentleman from Massachusetts and conferred with him.

Mr. TREADWAY. I do not deny that.

Mr. DOUGHTON. And he had a whole day to study the resolution and to object, but he agreed to it and never raised any objection.

Mr. TREADWAY. But I did not see a copy of the resolution until the morning the gentleman called it up for consideration.

Mr. DOUGHTON. The gentleman could have asked for and received a copy of it.

Mr. TREADWAY. I did not see any resolution which delegated the power of this body to some Treasury employee. Now, do not let us get into a dispute. I think we understand each other. The gentleman was very anxious to get that resolution adopted without the Members of the House knowing its contents.

Mr. DOUGHTON. I do not care to enter into any bellowing contest with the gentleman from Massachusetts.

Mr. TREADWAY. Let us not have a misunderstanding. That is exactly the effort that was made. That is, to have the resolution adopted in the House as it was in the Senate, without knowledge of its contents.

Mr. DOUGHTON. The gentleman had 24 hours to look into the matter before he agreed to my unanimous-consent request.

Mr. TREADWAY. But the resolution was in the gentleman's pocket.

Mr. O'CONNOR of Montana. Will the gentleman yield?

Mr. TREADWAY. I yield to the gentleman from Montana.

Mr. O'CONNOR of Montana. I note that the Rules Committee struck out—

> And shall have the right to make public, in such cases and to such extent as it may deem advisable, any such information or any such returns.

Does the gentleman agree to striking those words out of the bill?

Mr. TREADWAY. I agree it is no duty of this body to investigate your income-tax return and mine for any ulterior purposes whatever, and that is what most of these publicity stunts are for.

Mr. O'CONNOR of Montana. Let me ask the gentleman this question.

Mr. TREADWAY. Hurry it up.

Mr. O'CONNOR of Montana. Are not the people of the United States entitled to know who the tax dodgers are in this country?

Mr. TREADWAY. Why, of course they are.

Mr. O'CONNOR of Montana. Why was that language stricken out?

Mr. TREADWAY. We have every authority to find out who they are, and if the gentleman will give me sufficient time, I will tell him.

Mr. O'CONNOR of Montana. Why were these words stricken out?

[Here the gavel fell.]

Mr. McLEAN. Mr. Speaker, I yield the gentleman 5 additional minutes.

Mr. TREADWAY. Mr. Speaker, I decline to yield further.

Mr. Speaker, the gentleman from New York referred to authority already resting in the hands of Congress to make

suitable investigations. Remarks have been made on this floor which amount to more or less of a slur upon the ability of the Ways and Means Committee.

May I say that we have tried conscientiously to find loopholes in the tax law for years, and we have made great progress in that direction. The Revenue Act of 1934 was a loophole-plugging bill. Certainly there is no greater expert on tax matters in the employ of Congress or anywhere else than Mr. Parker, Chief of Staff of the Joint Committee on Internal Revenue. He has devoted months to these studies. Why, it is ridiculous for the President of the United States to send us a message which carries the thought that tax evasion is something new. Tax evasions have been known ever since tax bills have been written. I do not believe this joint committee will be able to write new laws that will prevent further tax evasions.

I believe the gentleman from New York [Mr. FISH] very nearly hit the reason why this measure was brought in to us. It is just a "red herring" to cover up the erroneous estimates of the Treasury Department and the administration as to tax receipts to the extent of $600,000,000 in the current fiscal year and nearly $400,000,000 next fiscal year.

I hope they find the money, but they are not going to find it in preventing the incorporation of a yacht or in the incorporation of a private residence owned by a woman who pays her husband to run it. Those examples are all right, but how far are they going to get us in making up the deficit of the Treasury?

The trouble is that the President forgot to mention the biggest field for tax avoidance, namely, the tax-exempt securities now outstanding, which aggregate some fifty or more billions of dollars. The present Democratic administration has contributed about fourteen billions to this total. There is no use wasting our time plugging up loopholes in the income tax as long as wealthy persons can invest their money in State and municipal bonds, and wholly tax-exempt Federal bonds, and thereby escape any taxation whatever. The President speaks of the fact that the taxes which are avoided by the wealthy must be paid by others, but this is equally true of the taxes that are avoided by investment in tax-exempt securities. If it is immoral to incorporate a yacht, why is it not immoral to invest in tax-exempt securities?

For several years I have had pending a proposed constitutional amendment which would do away with tax-exempt securities, but the administration has effectively blocked action on any proposal of this character. If the President is sincere in wanting to prevent tax avoidance, he should forthwith suggest to Congress the submission to the States of a constitutional amendment along the lines of the one I have introduced. Other methods of tax avoidance are but a drop in the bucket compared to the revenue that is lost from tax-exempt securities, which must be made up by higher taxes on the people generally.

Mr. Walter Lippmann, in his syndicated column of last Sunday, suggests that the President's tax-evasion message, like the one on judicial reform, is another example of "misleading argument employed indirectly to achieve an unavowed purpose." What the President really wants, Mr. Lippmann says, is the authority from Congress "to put 'a minority of rich individuals' on trial before a committee." He goes on to say:

> Is it surprising that throughout the country there exists already a deep suspicion that the objective is not law enforcement and revenue but political propaganda designed to create popular prejudice and strengthen the administration's weakened political position?

There is undoubtedly some analogy between the President's tax-evasion message and his share-the-wealth tax message of 1935. That, also, was a political gesture.

Mr. Speaker, I am in favor of this resolution. I want to see every honest debt that any citizen owes to the United States Government paid, but let us not fool ourselves that by the appointment of this joint committee at the present time we are going to plug loopholes that cannot be unplugged later by brilliant lawyers.

The President states that the "decency of American morals" is involved in the tax-avoidance problem. But taking advantage of the tax loopholes is no more immoral than for the Democratic Party not to keep the pledges it made during the campaign to reduce expenses and balance the Budget. I think that is more immoral than telling a few taxpayers they are trying to fool the Government and are not paying a sufficient amount of tax into the Treasury. It is immoral and unfair to make promises to the people with no intention of keeping them.

That is what this administration has done time and again. It is just too bad, however, that they are smart enough to fool the general voting public that way. They have done it, and I will admit it. However, there must be an end to all good things. Possibly we may see the end of this sort of thing.

The statement has been made here that the Committee on Ways and Means has never been told what to write into a bill. This is an absurd statement. The work that Mr. Beaman and the other members of the legislative counsel do is to correct the errors in bills which are sent up from downtown to the majority of the Committee on Ways and Means. This is a task that Mr. Beaman with his efficient corps does most thoroughly. Unconstitutional measures? Of course they are. Why, they have been ridiculous, and they have been torn apart and asunder. Do you think counsel for the Treasury Department, in the person of Mr. Oliphant, in the first place wrote a proper bill regarding the surplus-tax measure? Not for one moment. The bill had to be rewritten by the experts of our committee. So I might go on indefinitely, Mr. Speaker.

[Here the gavel fell.]

Mr. O'CONNOR of New York. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. HARLAN].

Mr. HARLAN. Mr. Speaker, I have listened with a great deal of interest to my colleagues on the committee, my most respected and loved chairman, the gentleman from New York [Mr. O'CONNOR], and my congenial copatriot of the Rules Committee, the gentleman from Texas [Mr. DIES]. I agree with everything they have said in principle on the fact that this bill as originally presented to us did delegate a lot of power, which was unnecessary. However, I do not work myself up into a pitch of excitement in thinking there was much, if anything, ulterior in the motive back of this delegation. It looks to me as though we in the Committee on Rules simply got a second guess on this bill. We had an opportunity to criticize and discuss it in a different atmosphere than that surrounding its original drafting and we found ways of improving it. I think this is a much better bill than it was when presented to us.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. HARLAN. I am sorry, but I cannot.

I do not believe there are very many people trying to subrogate Congress to some selfish purpose of their own. This Congress is steering a course between two evils. If we do not have executive leadership involving bureaus, we are thrown into the hands of a lot of lobbyists. If we do have executive leadership, we are in constant danger of becoming the instrument of bureaus. I have been here when we had no executive leadership, and we were little but the tool of a lot of lobbies, 500 of them, with representatives surrounding this body in the halls and cloakrooms. This was in the administration of the last Republican President. Now that we have executive leadership, we must protect ourselves against an undue extension of bureaucratic direction, and this is what we have done in this bill. We have an excellent bill here. I am proud of my committee for the way they have handled it.

I want to speak also about publicity. I am not so sure that certain publicity is not a good thing. There are two factors controlling human conduct. One is the law and the other is public sentiment. How are we going to control human beings in an organized society if we cannot crystallize public sentiment when they are doing unsocial acts? How can those of you who read the statement of a great financier in this morning's paper keep from a feeling of

resentment when you read that statement? [Applause.] Here it is:

> You only do what you are compelled to do by law.

This is the greatest financier in the United States talking.

Mr. McFARLANE. Who is it?

Mr. HARLAN. J. P. Morgan.

That sentiment, Mr. Speaker, is rugged individualism in the raw. It is the directing sentiment of the confidence man, the cheat, and the exploiter. He owes nothing to society or human decency. He takes generously of the blessings of civilization, but only contributes what is taken from him by law. It is just as true now as of old, "The defense of sin is the law."

Mr. COLDEN. Mr. Speaker, will the gentleman yield?

Mr. HARLAN. I yield to the gentleman from California.

Mr. COLDEN. Does not the gentleman think these amendments which set up a star-chamber series of investigations and throw a cloak of security around these law violators are a great mistake?

Mr. HARLAN. I do not, for the reason there is ample opportunity for controlled publicity, combined with adequate public hearings.

Mr. McFARLANE. How?

Mr. HARLAN. Controlled publicity by the action of a congressional committee, not the type of publicity which seeks to put the members of the committee in the headlines of the papers or to damn someone for political purposes, but the type of publicity which will tend to control human conduct, to make us live together as patriotic citizens of this country.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. HARLAN. I cannot yield.

Suppose you and I did only those things which the law compels us to do? Most of us are lawyers. We all are controlled by the ethics of the profession. Outside of the law, where would the lawyers be if they did the things law alone compels them to do? Where would the merchants be if they followed the principle of the doctrine of caveat emptor? Where would almost any of us be, living by law alone? We need and must have the pressure of a properly informed public. [Applause.]

[Here the gavel fell.]

Mr. McLEAN. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota [Mr. KNUTSON].

Mr. KNUTSON. Mr. Speaker, I also want to commend the Committee on Rules of the House for having taken steps to preserve the prerogatives of this body. As a member of the Committee on Ways and Means I will admit we have been more or less a rubber stamp. This was particularly true up to the beginning of this Congress. The New Dealers, or the "brain trusters", rather, would send up legislation prepared by immature and inexperienced youths. We would go through a lot of shadow boxing by holding hearings, but every amendment offered for the improvement of the bill that was before the committee would be voted down on a strict party vote. Frequently we would hear it said, "The President wants it passed in this form", and that was enough. Many a time I have felt that in justice to the taxpayers we should have gone home and saved to the Treasury of the country $10,000 on each Member of this body. I am pleased to see that Congress is beginning to reassert itself. It is high time.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. KNUTSON. I have only 5 minutes.

The preceding speaker made reference to the preceding administration.

Mr. COX. I would like to make an observation.

Mr. KNUTSON. I will yield to the gentleman for an observation.

Mr. COX. I am afraid I find in the present discussion a note of criticism of the Committee on Ways and Means. I desire, in fairness to them, that it be made known that neither the chairman of the committee or the members of the committee who appeared before the Committee on Rules insisted on the language of the original resolution. All were interested in preserving the principle of Congress keeping control of the investigation. The members of the Committee on Ways and Means were most helpful to the Committee on Rules in working out these amendments, which will be offered by the chairman of the Committee on Rules. All differences have been composed and both committees are in accord in support of the resolution.

Mr. KNUTSON. Of course, Congress should keep this investigation in its own hands. We would not know to whom it would be delegated if it were turned over to the Treasury Department, and from what I have seen of the Treasury Department representatives, with one or two exceptions, most of them are hardly dry behind the ears.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. KNUTSON. Yes; I yield.

Mr. MAY. As an evidence of the extent to which Congress has delegated its authority, is the gentleman aware of the fact there are several bills pending to set up a court to construe the numerous regulations issued by the bureaus downtown and they have even limited the number of the members of the Court to nine.

Mr. KNUTSON. I am not surprised. The thing that surprises me is that they would stop at nine. [Laughter.]

Mr. O'CONNOR of Montana. Mr. Speaker, will the gentleman yield?

Mr. KNUTSON. No; I cannot yield further.

The preceding speaker proceeded to take the previous administration to task. Four years ago we heard a lot about driving the money changers from the temple, but, evidently, you have changed your technique—you are now taking them into the family. [Laughter.]

Mr. McFARLANE. Mr. Speaker, will the gentleman yield for a question?

Mr. KNUTSON. Yes.

Mr. McFARLANE. Is it not just a little bit difficult to drive them from the temple when the amendment offered here throws a cloak of secrecy around this proceeding and your committee has thrown a cloak of secrecy around it so that there is not any Member of the House who can get any information from the Treasury Department unless it comes through your committee, and under this resolution you are throwing another cloak around the whole business by prohibiting any kind of open public hearings or so that any exposures may be made.

Mr. KNUTSON. You have a 4-to-1 majority in both Houses; why do you not pass something you can defend?

Mr. McFARLANE. We have tried to do that.

Mr. FRED M. VINSON. Mr. Speaker, will the gentleman yield?

Mr. KNUTSON. I yield.

Mr. FRED M. VINSON. Of course, the gentleman from Texas is in error when he says that a cloak of secrecy is to be thrown around the investigation. Public hearings can be held by the Joint Committee, public hearings can be held by any subcommittee, and the only secrecy that is involved is in regard to any investigation that may be made by individuals other than a Member of Congress, who submit it to the Joint Committee and the Joint Committee may make that public if it so desires.

[Here the gavel fell.]

Mr. McLEAN. Mr. Speaker, I yield the gentleman from Minnesota 5 additional minutes.

Mr. KNUTSON. Of course, I realize that we on this side are in a hopeless minority but we would like to have you write something that would fill the bill and which would meet the objections raised by the gentlemen from Montana and Texas. We are helpless because the minute we try to help you, and God knows you need help, your leader says, "Sh-h-h, you are joining up with the black Republicans."

Mr. O'CONNOR of Montana. Mr. Speaker, will the gentleman yield?

Mr. KNUTSON. I presume it is the same cry they used to hush the wailing of babies down South years ago, but, my friends, there is a political realinement coming, and when it does come all the long-haired folk will get over on the other side of the fence. [Laughter.]

Mr. McFARLANE. What is going to happen to your side?

Mr. FRED M. VINSON. Mr. Speaker, will the gentleman yield?

Mr. KNUTSON. I yield.

Mr. FRED M. VINSON. When does the gentleman intend to hold memorial services for the present Republican Party?

Mr. KNUTSON. It is not customary to hold memorial services over the living. We will come back stronger than ever, once the people wake up.

Mr. DISNEY and Mr. O'CONNOR of Montana rose.

Mr. KNUTSON. I yield to the gentleman from Oklahoma.

Mr. DISNEY. The gentleman spoke about the helpless condition he is in over on that side. How long is that condition going to prevail?

Mr. KNUTSON. Until you quit corrupting the people with green checks. Of course, we cannot go out and defeat 26,000,000 checks going out every month. Neither can we defeat you folks when you steal 90,000 votes in Kansas City and 60,000 in St. Louis, and God knows how many in Philadelphia [laughter] and New York, and all other large cities. We cannot beat the avalanche of Government checks and highway robbery. [Laughter and applause.]

Mr. O'CONNOR of Montana. Mr. Speaker, will the gentleman yield for a question?

Mr. KNUTSON. Now, I yield.

Mr. O'CONNOR of Montana. Getting back to the amendment that we are discussing, does not the gentleman think that if these people who have been evading their taxes knew that the world would know, through the operations of this bill as it came to this House and before it was amended, that fact would have a deterrent influence upon people who are evading their honest obligations to the United States Government?

Mr. KNUTSON. I have not any confidence in the sincerity of this movement, because I recall last year you folks were going to go after the Huey Long machine for tax evasion, and then Jim Farley went down there and got in bed with them and said, "After all, we are all Democrats [laughter]; you support us and there will be no prosecutions", and there were not any prosecutions. You bought Louisiana out of the Federal Treasury. [Laughter and applause.]

Mr. O'CONNOR of Montana. Mr. Speaker, will the gentleman yield?

Mr. KNUTSON. I yield.

Mr. O'CONNOR of Montana. The fact is, the administration brought this bill into the House without this amendment, and it had the backing of the President of the United States and also of Jim Farley.

Mr. KNUTSON. Well, the President is going to get anything he wants. He does your thinking for you.

Mr. O'CONNOR of Montana. Apparently he is not in this case, because he is not for this amendment.

Mr. MILLS and Mr. O'CONNOR of Montana rose.

The SPEAKER. Does the gentleman yield; and if so, to whom?

Mr. KNUTSON. No; I cannot yield further.

A majority of this House is going to give the President exactly what he wants. You folks are not forgetting about all these vacant judgeships, and I notice from the Civil Service Reform League that you have found it necessary to remove 1,000 fourth-class postmasters since the first of the year in order to take care of the faithful. Now that you have filled every place with your own folks, you are again strong for civil service. Evidently you had to resort to picking up pins. There were not enough offices to go around without invading the classified service.

The SPEAKER. The time of the gentleman from Minnesota has expired. All time has expired.

Mr. O'CONNOR of New York. Mr. Speaker, I move the previous question on the resolution to final passage.

The previous question was ordered.

The SPEAKER. The question is on the adoption of the resolution.

The resolution was agreed to.

Mr. O'CONNOR of New York. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of Senate Joint Resolution 155, to create a Joint Congressional Committee on Tax Evasion and Avoidance.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of Senate Joint Resolution 155, with Mr. COLE of Maryland in the chair.

The Clerk read the title of the joint resolution.

Mr. O'CONNOR of New York. Mr. Chairman, I ask unanimous consent that the first reading of the joint resolution be dispensed with.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. O'CONNOR of New York. Mr. Chairman, I understand there is no request for general debate, and I ask that the Clerk read the joint resolution.

Mr. McLEAN. Mr. Chairman, I have one or two requests for time. I yield 5 minutes to the gentleman from Wisconsin [Mr. BOILEAU].

Mr. BOILEAU. Mr. Chairman, personally I cannot get very much exercised about this resolution. I know that anyone who pays taxes will pay as much as he is obliged to pay, and I have never run across very many people who have been willing to pay more than they have to pay. I think there is a good deal that can be said in behalf of the position that the amount of taxes due to be paid is a legal question rather than a moral question. If we permit loopholes to exist in our laws, we cannot absolve ourselves from blame by trying to place the blame upon someone else for making use of them. The responsibility is ours to pass laws without these loopholes, to block up these loopholes when they come to our attention, and not to be continually criticizing those who take advantage of the law as we pass it. I deplore the fact that these loopholes have existed, and when the President's message came which contained the letter from the Treasury Department reciting a number of individual instances wherein people have used these loopholes for the purpose of evading taxes it seemed to me almost unbelievable that we should have been passing laws that permit such practices. We are to blame; we the Congress of the United States are responsible for the passage of these laws, and when the inadequacy of the laws are brought to our attention it is our responsibility to take immediate action to block up the loopholes. I am not opposing this investigation. It may result in some good, but I am of opinion that we could best serve the interests of this country if the Ways and Means Committee would get busy tomorrow, instead of waiting for the results of this investigation, and start writing laws that would block up these loopholes.

Mr. COLDEN. Mr. Chairman, will the gentleman yield?

Mr. BOILEAU. Not now. We cannot say that we have not the necessary information. All of these instances have been related to us, one after another by the Treasury Department. We know now of many of the methods that have been employed for the purpose of evading the proper payment of taxes. We know where the law is weak, and we should get busy and pass laws at this session of Congress that will block up the loopholes. This resolution provides that this special investigating committee can work until February 1 next year. If the committee continues its investigation until that time, it may develop other information that will be of value to Congress and the country, but if it waits until that time before getting down to serious business, it will probably mean another year of tax evasion. We have the information now. This investigation may have a wholesome effect; I do not know. I am not opposing the investigation, but I take this opportunity to make my position clear, and that is that for one I believe we should start now at this session of Congress to block up these loopholes.

Mr. COLDEN. Mr. Chairman, will the gentleman yield?

Mr. BOILEAU. Yes.

Mr. COLDEN. The wisest steps that we could take would be to restore full publicity to income-tax returns and thereby protect the public.

Mr. BOILEAU. I thank the gentleman for bringing that to my attention. It seems to me very significant that all of these practices should come to light just after the repeal of the laws which provided for full publicity with reference to income-tax returns. We did not hear of this before, when we had full publicity of income-tax returns. We did not hear of these various devices being employed, but just after we repealed the publicity features of the law, lo and behold, these methods apparently, for the first time, came to the attention of the Treasury Department.

Mr. FRED M. VINSON. Mr. Chairman, will the gentleman yield?

Mr. BOILEAU. Yes.

Mr. FRED M. VINSON. The gentleman does not undertake to convey the idea that we have repealed all publicity?

Mr. BOILEAU. All effective publicity has been repealed; all effective means of the rank and file of the American citizens ever getting information with reference to income-tax payments have been repealed. There are no effective means of getting this information left in the hands of the American people.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. O'CONNOR of New York. The Clerk may read the bill, Mr. Chairman.

The Clerk read as follows:

Resolved, etc., That (a) there is hereby established a joint congressional committee to be known as the Joint Committee on Tax Evasion and Avoidance (hereinafter referred to as the joint committee).

(b) The joint committee shall be composed of six Members of the Senate who are members of the Committee on Finance, appointed by the President of the Senate, and six Members of the House of Representatives who are members of the Committee on Ways and Means, appointed by the Speaker of the House of Representatives. A vacancy in the joint committee shall not affect the power of the remaining members to execute the functions of the joint committee and shall be filed in the same manner as the original selection.

SEC. 2. It shall be the duty of the joint committee to investigate the methods of evasion and avoidance of income, estate, and gift taxes pointed out in the message of the President transmitted to Congress on June 1, 1937, and other methods of tax evasion and avoidance, and to report to the Senate and the House at the earliest practicable date, and from time to time thereafter, but not later than February 1, 1938, its recommendations as to remedies for the evils disclosed by such investigation.

Mr. FRED M. VINSON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise at this point to call the attention of the House, particularly the attention of the gentleman from Wisconsin, to the contents of section 2. There is much to be said for his thought that there should be action at the earliest possible moment. From a reading of section 2 we can all easily understand that it is the purpose to have legislation at this session of Congress.

Mr. BOILEAU. Mr. Chairman, will the gentleman yield?

Mr. FRED M. VINSON. I yield.

Mr. BOILEAU. Why not make that July 1 instead of February 1, 1938?

Mr. FRED M. VINSON. Because then we are circumscribing and limiting the time of the investigation.

Mr. BOILEAU. Why not make it August 1?

Mr. FRED M. VINSON. In other words, there are certain loopholes that are patent, but there are others, in which the gentleman from Wisconsin [Mr. BOILEAU] is very much interested, that might be more difficult to discover. If we would limit it to July 1 or August 1, of course, we would circumscribe the investigation.

The language in the bill says:

To report to the Senate and the House at the earliest practicable date, and from time to time thereafter, but not later than February 1, 1938, its recommendations as to remedies for the evils disclosed by such investigation.

In regard to publicity the gentleman from Wisconsin [Mr. BOILEAU], in the heat of debate, referred to the fact that all worth-while publicity had been repealed. I want to call to the attention of the gentleman and to the attention of the House the fact that the fullest publicity under any Federal statute up to date is provided for in the "green slip" legislation. It is broader; there is more comprehensive knowledge and data made public under the law that was passed last year than any existing prior statute.

Mr. COLDEN. We repealed that.

Mr. FRED M. VINSON. No, no. What we did a few weeks ago in this House was to repeal the statute that dealt with making public salaries of more than $15,000. We certainly did not repeal the "green slip" statute (which requires a copy of the income-tax return to be filed in the Bureau of Internal Revenue, to make that available to the taxing authorities of the State for the purpose of tax collection.

Mr. BOILEAU. Mr. Chairman, will the gentleman yield?

Mr. FRED M. VINSON. I yield.

Mr. BOILEAU. We repealed that so-called "pink slip" last year.

Mr. FRED M. VINSON. Oh, the gentleman is color blind. It was the "green slip"—the duplicate tax return—to which I referred.

Mr. BOILEAU. I know the gentleman says "green", but the important one was the pink or the red one.

Mr. COLDEN. Is not the "green slip" available only to the taxing authorities and not to the public?

Mr. FRED M. VINSON. That is correct, but I did not want the House to follow implicitly the statement of the very splendid gentleman from Wisconsin made in the heat of debate.

Mr. McFARLANE. Mr. Chairman, will the gentleman yield?

Mr. FRED M. VINSON. I yield.

Mr. McFARLANE. Is it the intention of the committee, in keeping with section 2 of this resolution, to bring back a bill early in this session for consideration which will eliminate these different loopholes that we now know about?

Mr. FRED M. VINSON. The committee has not been appointed; but what would be the use of those words "to report to the House and Senate at the earliest practicable date", if it did not refer to this session of Congress? When you say the final report must be made "not later than February 1, 1938", that means 1 month in the next session.

Mr. McFARLANE. I just wanted the gentleman's viewpoint, because he is a very able member of that committee, and I am sure he has some ideas as to what the recommendation of the committee will be so that we can eliminate a lot of these loopholes.

Mr. FRED M. VINSON. I am inclined to believe that the joint committee will report legislation to the House and Senate in this session of the Congress.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. FRED M. VINSON. I yield.

Mr. COX. Does the gentleman know of any member of this committee who does not entertain the idea that the committee will report legislation at this session?

Mr. FRED M. VINSON. No; I do not.

Mr. COX. In other words, it is contemplated there will be legislation prior to the date of expiration?

Mr. FRED M. VINSON. That is my view.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

The pro-forma amendment was withdrawn.

Mr. BOILEAU. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BOILEAU: On page 2, at the end of line 11, add "not later than July 15, 1937."

Mr. BOILEAU. Mr. Chairman, this amendment would not in any way interfere with a full and complete investigation by this special committee. It would provide, however, that the first report to this House would be made not later than July 15 of this year. It would give this special committee more than 1 month to report on the Treasury Department's statement regarding tax evasions as contained in the President's message. That would be a preliminary report and should contain proposed remedial legislation. There would then be preliminary legislation before this House that could be passed at this session of Congress, and we could then close up some of

the loopholes without delay. The committee could continue functioning until February 1 and make a full and complete investigation and then make a subsequent and final report, with recommendations, if it felt that the preliminary report and recommendations were insufficient or incomplete. If the House really and sincerely wants the committee to block these loopholes at this session, and if we want the Ways and Means Committee to immediately get down to business and work this problem out, it seems to me that we should adopt this amendment.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. BOILEAU. I yield.

Mr. CRAWFORD. In the absence of an amendment along the lines of that which the gentleman has introduced, what is there to catch the man who is legally avoiding tax obligations on his income for the calendar year 1937?

Mr. BOILEAU. Nothing, unless we make the legislation retroactive. That is the only thing that could be done.

Mr. FRED M. VINSON. Mr. Chairman, will the gentleman yield?

Mr. BOILEAU. I yield.

Mr. FRED M. VINSON. Even if it were not passed until January 15 of next year, if it were made applicable to the fiscal year 1937, it would still be in time.

Mr. BOILEAU. But it would be retroactive legislation.

Mr. FRED M. VINSON. I am answering the question of the gentleman from Michigan.

Mr. BOILEAU. Yes; and I made a similar statement to the gentleman.

Mr. CRAWFORD. Would the gentleman from Kentucky feel that it would be entirely in keeping to enact retroactive tax legislation on a proposition of this kind?

Mr. FRED M. VINSON. I did not say that. I call the attention of the gentleman, under the circumstances, to the fact that over $260,000,000 were given back to the big taxpayers of this country under the Coolidge administration by retroactive legislation. No one can deny that fact.

Mr. BOILEAU. Mr. Chairman, it seems to me that we should right now, during this session of Congress, tell these large-income taxpayers that they cannot avoid paying their just taxes by incorporating their yachts. We should tell these people that they may not incorporate their homes and make their husbands or wives manager of the home and thereby avoid their just payment of taxes. We should advise these people in the eight States where they have so-called community property laws that they can no longer evade the payment of taxes on the same basis as the taxpayers in other States. We should do these things now and let the country as well as the taxpayers know where they are at, and not wait until the next session to do it. [Applause.]

[Here the gavel fell.]

Mr. DOUGHTON. Mr. Chairman, I rise in opposition to the amendment of the gentleman from Wisconsin.

Mr. Chairman, the amendment of the gentleman from Wisconsin is offered in good faith, we know, but we read in the Good Book about a character who has zeal without knowledge; and that is very often the case with many of us, our zeal runs away with our understanding of the proposition we have to deal with. The amendment of the gentleman from Wisconsin provides a limitation upon the joint committee. I do not know whether he means a limitation on the action of the joint committee or a limitation on the action of the Committee on Ways and Means of the House and the Finance Committee of the other body.

Mr. BOILEAU. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON. I yield.

Mr. BOILEAU. I am afraid the gentleman has not gotten the force of this amendment. It provides: "And to report to the Senate and House at the earliest practical date not later than June 15, 1937."

Mr. DOUGHTON. It might be consistent to make a report in 2 weeks and it might on the other hand not be advisable to make a report within 2 months, no one can tell. I take it for granted that the Speaker of this House in appointing from the Ways and Means Committee of the House the members of this special joint committee will in the exercise of his discretion appoint men in whom this House will have confidence, men who will proceed as expeditiously as the facts will justify. To adopt the amendment of the gentleman from Wisconsin would be tantamount to saying that you do not have confidence in the action of the men whom the Speaker will appoint as members of the joint committee.

We have been criticized severely in this House for bringing out legislation which they say was half considered, or without consideration at all, yet now you propose to circumscribe and limit this joint committee and not give it time that in their judgment they will need to consider a matter of this magnitude. We are dealing with the taxpayers of this country. We are dealing with those who provide the very lifeblood that sustains the Government. We want to draw a fine line of distinction between those who are honest and those who are dishonest. We should go after the tax evaders and the rascals, but at the same time we do not want to pass legislation which will impose a hardship upon the honest taxpayers of the country. We cannot draft such legislation without time and the gentleman knows this, or should, if he would take time to think about it. If you have confidence in the Members who will be appointed to this subcommittee, vote down the amendment.

Mr. JENKINS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON. I yield.

Mr. JENKINS of Ohio. I am somewhat taken by the amendment offered by the gentleman from Wisconsin. It would seem to me that if the committee that is appointed does right—and I presume the gentleman from North Caroline will be chairman——

Mr. DOUGHTON. I do not know about that.

Mr. JENKINS of Ohio. He ought to be, anyway.

If the gentleman and his committee are not able to or do not expect to report until next February, all of the business of this year will have passed.

Mr. DOUGHTON. It says at the earliest practical moment, but not later than February. I have no doubt this joint committee will make a preliminary report as early as it has any information that will be worth anything to the House. Of course, it is stated they shall make various reports from time to time, the last report to be made not later than February, and I have no doubt but what a report will be made in ample time so that legislative action may be taken at this session of the Congress and just as early as possible with due regard to the responsibilities in the matter.

Mr. JENKINS of Ohio. I do not think that anyone would impute to the committee any improper motives at all; but here is the proposition: If we are going to pass legislation to reap these benefits, we have to do so in this session.

Mr. DOUGHTON. We all agree to that.

Mr. JENKINS of Ohio. We ought to be fair to the taxpayers, and we ought to try to pass this legislation during this session, and not wait until next February or March, then pass a tax bill that will apply to people who have made up their budget for the present fiscal year and who have closed their books at the end of December.

Mr. DOUGHTON. The gentleman does not subscribe to the proposition that we should proceed without having proper time to consider this matter?

[Here the gavel fell.]

Mr. McCORMACK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, like the distinguished gentleman from North Carolina, I agree that our distinguished friend from Wisconsin [Mr. BOILEAU] has a very meritorious objective in view in offering his amendment, but I also agree with the distinguished chairman of the Ways and Means Committee that it would be unwise to adopt the amendment offered by the gentleman from Wisconsin.

In all probability I will not be a member of this special committee, so I can speak with freedom. The special committee will be composed of Members that the House will have complete confidence in and it will do its work conscientiously and properly. In connection with tax avoidances, in all probability if it is within the special committee's powers it will bring in a report before the present session of Congress adjourns. To adopt the pending amendment would be in a sense tying the committee's hands. It is an amendment offered in good faith, but it constitutes a limitation which might seriously interfere with the work of the special committee.

Mr. BOILEAU. Will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Wisconsin.

Mr. BOILEAU. With reference to those particular matters pointed out in the President's message, does not the gentleman believe with respect to those items that legislation should be brought in during this session of Congress?

Mr. McCORMACK. I thoroughly agree with the gentleman, but I argue that the amendment should not be adopted; that we should leave it to the judgment of the special committee that will be appointed. We all know that the Members of the House constituting the special committee will have the President's message in mind, and they will try to act upon it at this session of Congress.

There are many factors which enter into the situation, and we should not directly limit the special committee. I have complete confidence that if it is within the power of the committee they will recommend legislation this year. If it is impossible to do so, it will be through no lack of effort on their part but because of conditions over which they have no control. Certainly we do not want to limit the power of the special committee and tie their hands.

Mr. COCHRAN. Will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Missouri.

Mr. COCHRAN. It has been stated there are a lot of corporation returns which are not in as yet, and they have to be studied in order to see if there are any loopholes.

Mr. McCORMACK. Yes. There are more extensions of payment this year than ever before. In the past year extensions ran from 15 to 18 percent, but this year they are running approximately 33⅓ percent of all income-tax returns.

Mr. COCHRAN. There may be loopholes in those corporation returns to be discovered?

Mr. McCORMACK. Yes.

Mr. BOILEAU. Will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Wisconsin.

Mr. BOILEAU. The discussion just had indicates that the gentleman believes before this special committee makes any report that all of these income-tax reports must be studied.

Mr. McCORMACK. Oh, no. The gentleman has read something into my statement that is not justified.

Mr. BOILEAU. Does not the gentleman believe the committee should wait until that time before making a report?

Mr. McCORMACK. The committee should be appointed without limitation. The House should have confidence in the committee that is appointed, and that committee should undertake to recommend legislation this year with reference to tax avoidance. Now, we could argue all day, but what good does it do? The gentleman is sincere, but the gentleman's amendment is one of limitation, and in my opinion, and honestly disagreeing with the gentleman, is unwise.

Mr. BOILEAU. Will the gentleman yield for a further question?

Mr. McCORMACK. Certainly.

Mr. BOILEAU. Does the gentleman believe it is possible to enact any legislation at this session unless a report is made by July 15?

Mr. McCORMACK. Why, yes; although I do not know. I hope we adjourn somewhere around July 15, or perhaps earlier. That is my own personal feeling. If you start putting amendments in here we will have to consider those things. The gentleman from Wisconsin might want to stay here all summer, but I do not.

[Here the gavel fell.]

Mr. FISH. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I want to speak on behalf of the amendment offered by the gentleman from Wisconsin. It seems to me it is a fair, sound, sane, and wise amendment. It in no way ties the hands of the committee. It calls merely for a preliminary report from the investigating committee, a perfectly proper thing to do. It provides that the committee shall report by July 15. If they did, and we were in session at that time, we could pass legislation covering the matters referred to by the President himself in his message to the Congress.

Mr. O'CONNOR of New York. Will the gentleman yield?

Mr. FISH. I yield to the gentleman from New York.

Mr. O'CONNOR of New York. Of course, the Ways and Means Committee of this House does not have to wait on any report from the joint committee. They can go to work right now and bring in legislation.

Mr. FISH. Precisely. Mr. Chairman, the gentleman from Wisconsin very properly in the opening of his remarks pointed that out. He said there was no reason why the Ways and Means Committee should not meet immediately. Why should they not meet immediately and take up the very questions raised by the President of the United States? I imagine if they recommended legislation covering what the President stated in his message to stop the tax loopholes it would be nine-tenths of all the work they will do anyhow after this investigating committee reports.

The gentleman from Wisconsin in all fairness suggests that a preliminary report be submitted by July 15. Every one has complete confidence in the investigating committee who are members of the Ways and Means Committee and the committee can report back at any other time, even next year. But I submit if you want action this year it is advisable to require a preliminary report by July 15.

However, I believe if you do not put in this limitation, the special committee, very probably, will not even meet until after Congress has adjourned, then they will report back next year and we will have only 2 months in which to write legislation and get it through both the House and the Senate. We may not even get it through by the 15th of March. If we do not get it through before then, it does not do any good. If we get it through just before then, it is not fair to the taxpayers. I submit there is no possible harm in this amendment, there can be no harm in it, and there is much merit in it. Therefore, it ought to be adopted without regard to partisanship.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. FISH. I yield.

Mr. McCORMACK. Can the gentleman refer to any other special committee ever appointed as the result of authorization of the House where, prior to the time it must make its final report, the House specifically required it to make a preliminary report?

Mr. FISH. I cannot understand the logic of the gentleman. This is not restricting the committee. We want action, and we want action at this time. There are many of us who believe we will get no action at this session of Congress unless the report of the committee is submitted by the 15th of July.

Mr. McCORMACK. Will the gentleman answer my question?

Mr. FISH. Yes; I am answering the gentleman's question. I say to the gentleman that this legislation deals with the President's message—and he also wants speedy action; why should we delay until the next session of Congress?

Mr. McCORMACK. Who says we are attempting to delay?

Mr. FISH. Well, if you defeat this amendment you will. I may say to the gentleman I think this has been done on innumerable occasions. I cannot specify the exact legisla-

tion, but, as I recollect, there have been many other occasions when we have set the date and required committees to report during sessions of Congress.

Mr. McCORMACK. The final date?

Mr. FISH. During sessions of Congress.

Mr. McCORMACK. I would like to have the gentleman refer to them.

Mr. FISH. I hope we are not going to extend this session much beyond the 15th of August. If the committee does not report before the 15th of July, probably nothing will be done at this session to stop up the loopholes that permit rich taxpayers to evade payment of millions of dollars to the Government.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. FISH. Yes.

Mrs. ROGERS of Massachusetts. Does this include an investigation of information given out by internal-revenue agents? As the gentleman knows, we have new agents coming in all the time, and they give out information to taxpayers who want to pay exactly what they should and do not try to evade or avoid taxation. I think it is extremely important, and I am sure the gentleman does also, that these internal-revenue agents give out to everyone the same, and accurate, information regarding the items for which the taxpayers can claim legitimate exemption. Your internal-revenue agents are sent to the Capitol to assist Members with their income-tax returns. Certainly the Members of Congress want to be as helpful to the taxpayers all over the country as possible. The House, I am sure, wishes to exact every penny possible under the law from the taxpayer. I am also sure it does not wish the Federal Government to tax the taxpayer more than it should under the law.

Mr. FISH. I cannot answer that question, but I imagine possibly some of the members of the Committee on Ways and Means can answer it.

However, I repeat that this is a fair and proper amendment, and it ought to be adopted by the House without regard to partisanship.

[Here the gavel fell.]

Mr. O'CONNOR of New York. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto do now close.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The pro-forma amendments were withdrawn.

The CHAIRMAN. The question now recurs on the amendment offered by the gentleman from Wisconsin [Mr. BOILEAU].

The question was taken; and on a division (demanded by Mr. BOILEAU and Mr. DUNN) there were—ayes 54, noes 84.

So the amendment was rejected.

The Clerk read as follows:

SEC. 3. (a) The joint committee, or any subcommittee thereof, shall have power to hold hearings and to sit and act at such places and times; to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents; to administer such oaths; to take such testimony; to have such printing and binding done; and to make such expenditures as it deems advisable. Subpenas shall be issued under the signature of the chairman of said joint committee, and shall be served by any person designated by him. Amounts appropriated for the expenses of the joint committee shall be disbursed one-half by the Secretary of the Senate and one-half by the Clerk of the House. The provisions of sections 101 and 102 of the Revised Statutes shall apply in case of any failure of any witness to comply with any subpena, or to testify when summoned, under authority of this joint resolution.

(b) The Secretary of the Treasury and any officer or employee of the Treasury Department, upon request from the joint committee, shall furnish such committee with any data of any character contained in or shown by any return of income, estate, or gift tax.

(2) The joint committee shall have the right, acting directly as a committee or by or through such examiners or agents as it may designate or appoint, to inspect any or all such returns at such times and in such manner as it may determine.

(3) The joint committee shall have the right to submit any relevant or useful information thus obtained to the Senate, the House of Representatives, the Committee on Ways and Means, or the Committee on Finance, and shall have the right to make public, in such cases and to such extent as it may deem advisable, any such information or any such returns. The Committee on Ways and Means or the Committee on Finance may submit such information to the House or to the Senate or to both the House and the Senate, as the case may be.

The CHAIRMAN. The Clerk will report the committee amendments.

The Clerk read as follows:

Committee amendments: Page 3, line 17, strike out the word "Senate" and insert in lieu thereof the words "Senate and."

In line 18, after the word "Representatives", insert "and shall submit such information to."

In line 19, after the word "Means", strike out the word "or" and insert the word "and."

In line 20, after the word "Finance", strike out the remainder of line 20 and all of lines 21 and 22.

Mr. O'CONNOR of New York. Mr. Chairman, I have asked that these committee amendments be voted down in order that proper amendments to meet the situation may be presented.

The CHAIRMAN. The question is on agreeing to the committee amendments.

The committee amendments were rejected.

Mr. O'CONNOR of New York. Mr. Chairman, I offer amendment.

The Clerk read as follows:

Committee amendment, offered by Mr. O'CONNOR of New York: Page 3, line 8, after the word "committee" where it occurs the second time, insert "(at a public hearing or otherwise, as the joint committee or a subcommittee thereof consisting of two or more members, may determine)."

The committee amendment was agreed to.

Mr. O'CONNOR of New York. Mr. Chairman, I offer an another committee amendment.

The Clerk read as follows:

Committee amendment: Page 3, strike out beginning with line 16 down through line 2 on page 4 and insert the following:

"(3) The joint committee shall have the right to submit any relevant or useful information thus obtained to the Senate and the House of Representatives, and shall submit such information to the Committee on Ways and Means and the Committee on Finance. The Committee on Ways and Means or the Committee on Finance may submit such information to the House or to the Senate or to both the House and the Senate, as the case may be. The joint committee (but no subcommittee or member of the joint committee) shall have the right to make public any such information, in such cases and to such extent as it may deem advisable, but no such information shall be made public with respect to any particular taxpayer unless specifically authorized by the joint committee; but this sentence shall not apply to information made public through the medium of a public hearing as provided in paragraph (1) of this subsection."

Mr. SABATH. Mr. Chairman, I rise in favor of this amendment. I should like to state that I am just as eager as the gentleman from Wisconsin [Mr. BOILEAU] or the gentleman from New York [Mr. FISH] to see legislation enacted at an early date that will eliminate any loopholes in our tax laws.

I am as strongly opposed to the usurpation of power by departments or bureaus as the chairman of the Rules Committee, the distinguished gentleman from New York [Mr. O'CONNOR], and I will as vigorously challenge any usurpation of powers by the judiciary.

At the same time, I am opposed to those who use the experience of years of service to promulgate rules and regulations which thwart and nullify acts of Congress.

The gentleman from Minnesota points out that we have been in power over 4 years, and says that we are responsible for some of the rulings made. There is some truth to that statement, but it should be recalled that most of these employees were appointed under former Presidents Coolidge, Harding, and Hoover. It does seem that in construing the law they have assumed the viewpoint of those who appointed them.

I believe that the amendment before us is one that will meet the objections that have been raised.

The Rules Committee, cooperating with the Ways and Means Committee, has shown its desire to have early action on this important subject. This is an amendment which will, in my opinion, protect the rights and interests of the House, the country, and taxpayers alike. I feel it should be adopted.

I have noticed with a great deal of pleasure the vote of my Republican friends in favor of early action. I hope they will continue to vote the same way when the legislation is submitted to the House.

I am ready to leave it to the best lawyers on the Republican, as well as the Democratic side, to draft a bill, one that in a short time the highly paid attorneys for big interests will not find a loophole in by which to evade the law. I also feel that if an honest tribunal were to give proper construction to questions now designated as legal, they would be found illegal and would be held to be an evasion of taxation on the part of the people involved. In almost every instance it would be found that fraud has been practiced upon the Government.

I was one of those, in conjunction with the gentleman from Wisconsin, who desired publicity as to those having an income of $15,000 or more a year. I strenuously opposed the action of the House in repealing that law a few months ago. I stated then and now reiterate that that provision was of incalculable aid to cities, counties, and States in collecting much money in taxes that could never have been collected were it not for the publicity given. Only a few days ago I read in one of the large Chicago Republican dailies a long list of those who have been evading county and State taxes or have paid but a small portion of taxes due on personal property. In every section of the country we have thousands and thousands of these tax-beaters, and those who are most outspoken against any publicity generally have the very obvious reason of wanting to conceal something themselves.

Mr. Chairman, the many abuses which the House has been told exist are but a drop in the bucket. From the work of the Select Committee to Investigate Real Estate Bondholders' Reorganizations during the past few months I know how evasions and frauds have been practiced upon the Government. Knowing this, I most heartily hope that this resolution, as amended, will be passed, and I also hope that at an early date we may bring about an elimination of the refunds that took place from 1920 to 1930, when nearly $2,000,000,000 was refunded upon technicalities during the Republican administrations.

The House cannot be blamed for the existence of loopholes. We all know that no matter how capably and carefully we legislate—and I can honestly say that Congress today legislates as intelligently as any Congress of which I have been a Member in 30 years—I repeat, no matter how carefully we legislate, paid experts will, within a short time, find a way to circumvent it.

I believe that this resolution, with the present amendment and those to follow, will give the joint committee, or its subcommittee, sufficient power to make a thorough investigation into this most despicable practice.

It was feared that the original resolution gave the Treasury Department too much power, but I am satisfied myself that there are as many capable men in that Department as in any department of the Government. I am sure they will render valuable assistance to the committee. [Applause.]

Mr. BURDICK. Mr. Chairman, I simply want to take this means of calling the attention of the House to the fact that some of these men who really have been avoiding the payment of taxes seem to take a lot of gratification from the fact we did not pass a law sufficiently strong to catch them. If Mr. Morgan is correctly quoted in the morning papers, he states he is willing to be caught if the Congress is smart enough to do it. [Applause.]

It is not possible for this Congress to legislate on any subject without making some mistakes, but as soon as we find out about these mistakes, it ought to be the duty of the Congress to rectify them.

I have every confidence in the chairman of the Committee on Ways and Means. I know of no man in this House whom I would more willingly follow on any matter of legislation than the chairman of this committee, my venerable friend from North Carolina, but I want you to make sure that under the resolution as it appears for passage, you have made ample provision to correct the wrongs that have crept into the system. Only through opposition to this amendment could I ask the chairman whether he is satisfied that the provision now before this body will correct the wrongs that have crept into the system we adopted at the last session. If the gentleman is satisfied that this will be accomplished and that these men cannot sit back and say, "Catch us if you can, but you do not know enough to do it", then I am satisfied.

Mr. DOUGHTON. I will say to my colleague and friend, as far as this resolution is concerned, I see no difference from the other, in effect—that is, in what may be accomplished with this resolution, as amended, or with the original resolution. There has been a change in phraseology or terminology, and if that is more satisfactory to the Committee on Rules, then that is entirely satisfactory to me. We worked together and reached a mutually satisfactory understanding. The resolution was drawn by our drafting experts. All we wanted was something with which to proceed, without restriction or limitation and with which to accomplish the objectives we have in mind.

Further, I express to my friend from North Dakota my appreciation of the compliment he paid me, and say in return that I have the highest regard for the gentleman and his integrity and ability, and I am quite sure that the joint committee—and I do not know that I shall be a member of it—would be glad to have his suggestions or anything that he may desire to contribute to its success. I am sure the joint committee would be pleased to have any suggestion he may care to make in regard to its work.

Mr. BURDICK. I have it in mind that when we struck out the language of the original bill this committee would then not have the right to make public certain information, and I thought when the gentleman's committee struck that language out he was injuring the bill, because there is nothing so valuable in correcting evasions as to make the matter public.

Mr. O'CONNOR of New York. Mr. Chairman, will the gentleman yield?

Mr. BURDICK. Yes.

Mr. O'CONNOR of New York. That is not stricken out. That was stricken out in the bill as presented, but the amendment that I now present provides that the joint committee can still give out the information to the public, but the joint committee must act in each instance as to each taxpayer before the information is given out.

Mr. BURDICK. Mr. Chairman, I am satisfied with the statement of the chairman of the Committee on Ways and Means and also with the statement of the chairman of the Committee on Rules, and I trust that within a reasonably short time this committee which we are now creating will make a report to this body, indicating the character of the tax evasions and also recommend appropriate legislative action. [Applause.]

Mr. JENKINS of Ohio. Mr. Chairman, I move to strike out the last two words.

Mr. O'CONNOR of New York. Mr. Chairman, will the gentleman yield?

Mr. JENKINS of Ohio. Yes.

Mr. O'CONNOR of New York. Mr. Chairman, I ask unanimous consent that all debate upon this section and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection?

Mr. McFARLANE. Mr. Chairman, I have an amendment that I desire to offer. I hope the gentleman will grant a little more time.

Mr. O'CONNOR of New York. Mr. Chairman, I amend the request and make it 20 minutes.

The CHAIRMAN. The gentleman from New York asks unanimous consent that all debate upon this section and all amendments thereto close in 20 minutes. Is there objection?

There was no objection.

Mr. JENKINS of Ohio. Mr. Chairman, I take this time for the purpose of asking a question of the chairman of the Committee on Ways and Means or the chairman of the Committee on Rules. I notice that the first committee amendment on page 3, line 8, provides "that at a public

hearing or otherwise as the joint committee or a subcommittee thereof, consisting of two or more members, may determine." Does the gentleman mean by that that two members of this committee can call for a public hearing?

Mr. O'CONNOR of New York. Yes.

Mr. JENKINS of Ohio. I do not believe the gentleman wants that.

Mr. O'CONNOR of New York. The joint committee would authorize a subcommittee as to whether or not this subcommittee could go out and hold public hearings, but to meet the question as to whether or not a representative of the Treasury Department could testify at a public hearing—a public hearing meaning that it immediately becomes public property—a subcommittee of not less than two members could so determine.

Mr. JENKINS of Ohio. Suppose this committee would send two members to Chicago to have a hearing and the understanding was when they started that they were going to hear certain witnesses who had been subpenaed, and that they would be heard in private, but when they got there it might develop that it would be highly desirable to have a public hearing. They surely would not have authority to call a public hearing, would they?

Mr. O'CONNOR of New York. There is nothing here to prevent it, but of course the joint committee ought to watch that situation carefully.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. JENKINS of Ohio. Yes.

Mr. COOPER. If the gentleman will read the proposed amendment in connection with the whole paragraph he will observe its application:

The Secretary of the Treasury and any officer or employee of the Treasury Department, upon request from the joint committee—

And there is where the language comes in—

at a public hearing or otherwise as a joint committee or subcommittee thereof may determine, with any data of any character contained in or shown by return of income, estate, or gift tax.

Mr. JENKINS of Ohio. The gentleman understands the point that I have raised. Is the gentleman entirely satisfied there will not be any danger in that respect?

Mr. COOPER. Oh, yes; because, after all, the joint committee is the one that is to control the question that the gentleman has asked.

Mr. FRED M. VINSON. Mr. Chairman, will the gentleman yield?

Mr. JENKINS of Ohio. Yes.

Mr. FRED M. VINSON. I want to say this. In the absence of specific instructions from the joint committee my understanding of this language is that the subcommittee could hold public hearings or have hearings in executive session in its discretion.

Mr. JENKINS of Ohio. Does not the gentleman think that would be rather dangerous?

Mr. FRED M. VINSON. I do not. If the joint committee does not want to lodge that discretion in them, then they would say it would be an executive hearing. The point discussed with the Rules Committee in section 5, in regard to an investigator—that is the agent that goes out and makes the investigation—was that he ought not to hold a public hearing.

Mr. JENKINS of Ohio. He should have no authority except what the committee would give him, and they should give him no such authority as that.

Mr. FRED M. VINSON. There might be a subcommittee of five, so we say in the bill "not less than two members." Consequently I think the subcommittee should have that discretion.

Mr. JENKINS of Ohio. I should like to ask the gentleman one other question. I believe if the House and the country have the idea that this committee is going to work immediately, it would relieve the anxiety of some who think we should have legislation at once. Does the gentleman have an idea that this committee would wait until September, or would it go to work immediately?

Mr. FRED M. VINSON. The gentleman knows the President's motto. It is "Action, and action now."

Mr. JENKINS of Ohio. And that is what the committee takes that to mean? Is that correct?

Mr. Chairman, I am not opposed to this program, but I doubt very much that it will produce any results. The whole program springs from the President's message read to us a few days ago. There was not much new about it, for it was a matter of current information that the revenues from the tax collections were many hundreds of millions short of what the President's advisors had guessed. The President thought this was a good time to advance some kind of a program to take the spotlight off of the weakened condition of the Treasury. There is no real reason for the appointment of this committee. In fact, it is a clear invasion of the jurisdiction of the Ways and Means Committee and the House, for the Constitution clearly reposes in the House of Representatives the power to initiate legislation for the raising of revenue. The Senate is not given this power, and to appoint a committee, half Congressmen and half Senators, is clearly a departure, and I doubt its legality. However, I am not objecting to that, but I am opposed to giving this committee the authority to select investigators and give them the authority to go out and hold hearings and give them the right to compel the attendance before them of taxpayers without any notice except a subpena, and to compel the production of all books, papers, and documents. This is going too far to give this authority indiscriminately to these men. This privilege should not be granted to a single member of the committee to act by himself, and especially it should not be granted to a clerk or a sleuth or snooper. There is some justification in giving it to a Congressman, who is an elected official, beholden as much to the taxpayer as to the Government, but a man from the department or some sleuth appointed and paid for investigating some individual against whom he may have a long-standing grievance might easily work a terrible unfairness toward a taxpayer. That is an improper granting of power. I think a better plan than that proposed in this resolution would be for the Ways and Means Committee to take the matter up at once and do all this investigating in a fair, open, and honest way.

Mr. O'CONNOR of Montana. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, when I asked the questions of the distinguished gentlemen from Massachusetts and Minnesota relative to whether or not they believed that publicity was a good thing and would deter tax evasionists from so dodging their obligations I did not know that the Rules Committee was going to propose an amendment which would practically reinstate the bill as it was sent to the House, presumably by the President of the United States.

I want to say to the Committee on Rules that they are to be congratulated upon amending this bill in such fashion that the Committee on Ways and Means may give to the world knowledge of who is evading an honest obligation. I believe with the President of the United States when he says—regardless of what J. P. Morgan says—that it is immoral, though it may not be illegal, for a man to avoid his honest obligation to the Government of the United States, which furnishes him every protection in every way and furnishes him the finest school system in the world for his children. I say to you this afternoon in adopting a bill which will give publicity to the men who are seeking to avoid paying their honest taxes for the support of this Government, we are writing history. We are writing history that our people will be proud of. I voted to repeal the law which furnished racketeers an opportunity of scattering throughout the country what was known as the "sucker list"; but this is a different list than that.

The sucker is on the other end here, and it is the United States Government, made so by these people avoiding and evading by dishonesty their true debts. This bill is for the purpose of finding this kind of taxpayer. When you give publicity to the world with regard to the man who is seeking to practice such trickery, you will deter even such a man

from exposing himself, his family, and his children to the iniquity of not doing the honest and decent thing by this Government.

I certainly hope this amendment will be adopted.

Mr. COLDEN. Mr. Chairman, will the gentleman yield?

Mr. O'CONNOR of Montana. I yield to the distinguished gentleman from California.

Mr. COLDEN. In our direct taxes on real estate the rolls are open to everybody.

Mr. O'CONNOR of Montana. Yes; certainly. I thank the gentleman for this contribution.

Mr. COLDEN. Is that not one of the best protections in the world against unjust taxes and also the avoidance of taxes?

Mr. O'CONNOR of Montana. Absolutely. Any man can go to the tax rolls in any county in the United States and see what the people are paying on their homes, upon their personal and real property, and that is the way it should be. We are all interested in these great incomes of these people. We are interested in the people who draw down $150,000 to $250,000 a year. The American people, the common man, is interested, because we know we are reaching the point of concentration of wealth. We know that the only means of distributing wealth in this country and putting it back where it belongs is by the route of taxation.

Mr. KELLER. Mr. Chairman, will the gentleman yield?

Mr. O'CONNOR of Montana. I yield to the gentleman.

Mr. KELLER. Is the gentleman aware that a Congressman cannot learn anything at all about income taxes?

Mr. O'CONNOR of Montana. Absolutely, unless he gets it indirectly.

Mr. KELLER. You cannot get it then.

Mr. O'CONNOR of Montana. My understanding is that the law is still intact—that where a stockholder of a corporation, if he owns a certain percentage of the stock, may find out what the officers of the corporation have drawn, provided it is over $20,000 and he might tell it.

Mr. KELLER. But a Congressman cannot learn anything about it.

Mr. O'CONNOR of Montana. The gentleman is correct.

Mr. KELLER. We tie our hands like a set of children.

Mr. O'CONNOR of Montana. The gentleman is absolutely correct.

[Here the gavel fell.]

The CHAIRMAN. Three gentlemen were on their feet seeking recognition at the time debate was limited.

The Chair will recognize those gentlemen insofar as possible. The gentleman from Texas [Mr. McFARLANE] is recognized for 3⅓ minutes.

Mr. McFARLANE. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. McFARLANE: In line 10 of the amendment, strike out the words "have the right to"; and beginning with line 11, strike down through the word "committee", in line 14, so that the last sentence of the amendment shall read "the joint committee but no subcommittee or member of the joint committee shall make public any such information, but this sentence shall not apply to information made public through the medium of a public hearing as provided in paragraph 1 of this subsection."

Mr. McFARLANE. Mr. Chairman, I have hurriedly prepared this amendment. What I believe the amendment will accomplish is to make all these hearings public. I think all this information, if we hope to get any good from it, ought to be open to the public.

We have heard a great deal here today about how the right of these tax-dodgers ought to be protected. No honest man fears the light, and the crooks ought to have plenty of it. Let me call the attention of the Members of the House to this, something that is going to come back to the attention of each of us sooner or later: The past several sessions of Congress have marched back down the hill and repealed almost all chances of anyone receiving any information concerning income-tax returns. When you pay your State, county, city, or school tax in your home district and State they are open to the public, and nothing but good has resulted from such publicity—in fact, I doubt if our people back home would permit this information to be kept secret. Why should not the Federal taxes be open also? This proposition allows the joint committee appointed from the tax committees under this resolution to hold these hearings secretly. This amendment allows them to be kept secret except what the committee wants to let be made public. I think that these hearings ought all to be public so that everybody can be heard and so everybody will know what is going on, and so that the press can keep the Nation informed as to what is really going on and what the records show.

Mr. O'CONNOR of New York. Mr. Chairman, will the gentleman yield?

Mr. McFARLANE. I yield for a question; yes.

Mr. O'CONNOR of New York. I want to point out a matter to the gentleman. He has offered an amendment to the amendment which I submitted. The amendment of this subsection 3 does not apply to public hearings at all. It applies to information which the joint committee gets other than at public hearings, which it gets at executive hearings or from investigators; so, when the gentleman strikes this out and directs that it be made public, he is not talking about hearings at all.

Mr. McFARLANE. Then, I shall rewrite the amendment and offer it at the proper place so as to permit full publicity at open hearings. I was dealing directly with the public hearings, because I think this whole thing ought to be public.

Mr. O'CONNOR of New York. If the gentleman were to say that the joint committee should always meet in public hearing they probably would not get started within 20 years because most of their work is going to be in executive sessions.

Mr. McFARLANE. Answering the gentleman, I would say that right at the present time the Treasury Department and a great many Members at least of the Ways and Means Committee have knowledge now of the existing loopholes, and the President in his message called our attention to many loopholes. Certainly this information is available and certainly it ought to be given to the public; and certainly plenty of information is available now by just reading the recent tax bills to show where these loopholes are. If anybody is wronged these tax dodgers have their opportunity to come forward and defend themselves. I can see no wrong. I can see only improvement. I would have these hearings public. What would have happened if the Senate Committee on Banking and Currency, Senator BLACK's utility hearings, Senator LA FOLLETTE's civil liberties committee, and other committees of the Senate had held their hearings in secret, had held them behind closed doors? I know and you know that it is because they had open hearings, aboveboard hearings, out where the public could get the benefit of it and the press could carry it, so that the people of the country were informed as to what was going on, that good resulted; and that is the only way we are ever going to reach these tax dodgers. This is the only way we are ever going to clean up this mess and stop up the existing loopholes in our revenue laws. I believe each and every Member of the House knows that this is true. [Applause.]

[Here the gavel fell.]

Mr. McFARLANE. Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. O'MALLEY. Mr. Chairman, I want to point out to the Members that in this bill we are executing a complete turn-about on the policy of the House as expressed in appropriation bills recently passed, where we adopted amendments that would deny to congressional investigating committees the right to use the facilities and the employees of the executive departments. You will recall that a few months ago there was a great deal of smoke, fire, debate, and

excitement over congressional committees using the facilities and personnel of the executive departments to help them out. You will remember the amendments that were adopted. I merely wanted to point out that this bill today is a reversal of the policy that the House then established when it passed amendments forbidding investigating committees to use Government personnel.

Mr. SABATH. Does not the gentleman think that this is a step in the right direction; that they should have that right?

Mr. O'MALLEY. I am happy that the reversal has occurred but sorry that it took tax evaders to bring it about, but it does prove that some good may come from even bad actors like the tax dodgers. Now, Mr. Chairman, if this resolution did no more than point out to the distinguished members of the Ways and Means Committee the fact that our net-income tax laws are outmoded it will have accomplished wonderful results. We have a tax structure that has been so patched up, so tinkered, bolstered, tied, wired, repaired, and so amended that no sane man today can remain sane after working out the average income-tax blank and studying the law to try to find out what he owes the Government each year. I know a man who had an employee of the Treasury Department make out his income-tax return. He sent the return to another city with his check. An employee of the income-tax department in that other city said it was wrong and that it had to be refigured and a different amount of tax paid. The Government employees themselves, charged with examining these income-tax returns, cannot agree on what the taxpayer owes nor what the law means. No wonder, then, the taxpayer becomes a candidate for a padded cell after each appearance of March 15 on the calendar.

What we need in this country is a gross-income-tax law that will tax a man or corporation on what he takes in and not what he can hide from the collector by trick deductions. Evasion is always possible under the present complicated tax laws. The Ways and Means Committee, in spite of the brilliant men who compose the membership of that committee, will never be able to draft a net-income-tax law that will not be full of loopholes. When we get a gross-income-tax law, such as the gross-income-tax laws now applied in several States, we will stop the tax dodgers. I hope if this resolution does nothing else it will convince the distinguished and able lawyers, the accountants, and the experienced legislators connected with the Ways and Means Committee that the way to stop the tax dodger is to junk our antiquated net-income-tax system and install a new one based on taxation of gross incomes.

I know one instance alone where a firm paid the Government less money for taxes than the fees paid to accountants and lawyers for figuring out their income-tax report. In that instance, as in scores of other instances, the lawyers and accountants make more than the Federal Government from our complicated and obsolete methods of levying taxes.

[Here the gavel fell.]

Mr. DISNEY. Mr. Chairman, I call the attention of the gentlemen on the Ways and Means Committee and the Rules Committee to the context of this resolution. Neither the Senate nor the House are courts for the purpose of meting out punishment for contempt. This resolution has a paragraph on that subject. It will be remembered that during the administration of President Grant the Sergeant at Arms of the House was sued for $100,000 by a witness arrested under an insufficient resolution and, after long and tedious litigation, a big verdict rendered against the Sergeant at Arms because the resolution did not refer to pending or proposed legislation, and his apprehension of the witness was by virtue of void process because the resolution of investigation was void, since it did not refer to present or pending legislation.

In the case of United States against Sinclair the issue involved in the Supreme Court was whether or not the language of the resolution refered to or related to proposed or pending legislation.

In lines 13 and 14, page 2, the reference is indirectly made to legislation, and the implication may be urged that the language might relate to legislation where the paragraph reads:

* * * The committee's recommendations as to remedies for the evils disclosed by the investigation.

I do not believe that we can necessarily imply that that language relates to legislation. It might relate to a criminal prosecution.

I call this to the attention of the members of the Rules Committee, because it may be that certain of these witnesses who may be needed for this investigation might decide not to obey the summons and we may have to enforce the process of the law against them. Unless this resolution relates to either proposed or pending legislation, this committee as created by the resolution would not have judicial power to bring them.

Mr. COOPER. Will the gentleman yield?

Mr. DISNEY. I yield to the gentleman from Tennessee.

Mr. COOPER. Does the gentleman have any doubt that the language appearing at the end of section 2 would clearly cover that point?

Mr. DISNEY. I do.

Mr. COOPER. It refers to recommendations and remedies. What remedies could possibly be provided other than by legislation?

Mr. DISNEY. What you suggest might be implied, but is not a necessary implication. A criminal prosecution or other remedy could be implied rather than legislation. It seems to me that the safer process would be to say what we mean. We are going to propose legislation. Why not say so?

Mr. BUCK. Will the gentleman yield?

Mr. DISNEY. I yield to the gentleman from California.

Mr. BUCK. Would not a criminal prosecution necessarily be dependent upon legislation hereafter to be enacted?

Mr. DISNEY. Not necessarily.

Mr. O'CONNOR of New York. Will the gentleman yield?

Mr. DISNEY. I yield to the gentleman from New York.

Mr. O'CONNOR of New York. I may say that point was never called to our attention before, and I hope the resolution is not defective in that respect.

Mr. DICKSTEIN. Will the gentleman yield?

Mr. DISNEY. I yield to the gentleman from New York.

Mr. DICKSTEIN. That law was amended a year ago and witnesses who are subpenaed but who fail to appear are subject to prosecution for a misdemeanor.

Mr. DISNEY. That is not the point.

[Here the gavel fell.]

Mr. DISNEY. Mr. Chairman, I ask unanimous consent to proceed for 1 additional minute to answer the question propounded to me by the gentleman from New York.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. DISNEY. Mr. Chairman, the point is that the Congress is not a court. The committees created by the Congress are not courts, and do not have judicial powers, unless the resolutions under which they are created and operate make reference to pending or proposed legislation. I do not think it ought to be done by indirection or implication, no matter how potent the implication may be implied from the language used. It ought to refer to the legislation proposed—by definite language to that effect.

Mr. PETTENGILL. Will the gentleman yield?

Mr. DISNEY. I yield to the gentleman from Indiana.

Mr. PETTENGILL. I want to know what the committee proposes to do about the biggest loophole there is, and that is tax-exempt bonds. The President of the United States in a message 2 or 3 years ago recommended that that loophole be stopped up. The responsibility for that is not in J. P. Morgan. It is in the Congress of the United States. I want to know when we are going to give attention to the biggest loophole of all, the tax-exempt bonds and securities.

Mr. DISNEY. I am not a member of the joint committee proposed. However, I am in accord with what the

gentleman says, and I am earnest in the opinion that we ought to go directly into that subject.

[Here the gavel fell.]

Mr. TREADWAY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. TREADWAY. Will the Chair inform me whether or not the amendment on page 3, line 8, reading as follows, has been agreed to?—

At a public hearing or otherwise, as the joint committee, or a subcommittee thereof consisting of two or more members, may determine.

Has that amendment been agreed to by the committee?

The CHAIRMAN. The amendment to which the gentleman refers has been agreed to.

Mr. TREADWAY. Is it open to further amendment at this time?

The CHAIRMAN. The amendment has been agreed to and it is not open to further amendment.

Mr. TREADWAY. It is now permanently a part of the resolution?

The CHAIRMAN. It is.

Mr. TREADWAY. The reason I raised the parliamentary question, Mr. Chairman, is to secure a little further explanation of the second line reading "A subcommittee thereof, consisting of two or more members, may determine." In other words, a subcommittee of two could make public the information obtained at a hearing without referring the matter back to the full committee. Is that the Chair's interpretation?

The CHAIRMAN. The amendment to which the gentleman refers has been agreed to. The language of the amendment is clear. If any explanation of the amendment is desired by the gentleman, the Chair suggests that the matter may be cleared up by the chairman of the Rules Committee.

Mr. TREADWAY. Mr. Chairman, is the paragraph subject to further amendment?

The CHAIRMAN. It is subject to further amendment, but all time has expired.

Mr. McFARLANE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McFARLANE to the committee amendment: In the last line of the amendment, after the word "subsection", insert a colon and the following proviso: *"Provided*, That all hearings held by this committee at which testimony is heard or evidence submitted shall be public."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. McFARLANE] to the committee amendment offered by the gentleman from New York [Mr. O'CONNOR].

The question was taken; and on a division (demanded by Mr. McFARLANE) there were—ayes 32, noes 98.

So the amendment to the committee amendment was rejected.

The CHAIRMAN. The question is on the committee amendment offered by the gentleman from New York [Mr. O'CONNOR].

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 4. The joint committee shall have power tc employ and fix the compensation of such officers, experts, and employees as it deems necessary for the performance of its duties, but the compensation so fixed shall not exceed the compensation fixed under the Classification Act of 1923, as amended, for comparable duties. The joint committee is authorized to utilize the services, information, facilities, and personnel of the departments and agencies in the executive branch of the Government and of the Joint Committee on Internal Revenue Taxation.

Mr. MOSER of Pennsylvania. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, during the discussion of the gentleman from North Dakota [Mr. BURDICK] in connection with the reference to the loopholes in our laws, something recurred to my mind which I thought might be of interest to the Committee. I approached the Chair for the purpose of getting just a moment in which to tell a little story of history, but this was impossible, which is why I have moved to strike out the last word at this time.

We are all familiar with the spectacle of a couple of years ago when a certain Mr. Morgan, who has been referred to in the debate this afternoon, said the reason he paid an income tax to Great Britain and none to our own country in the year 1932 was because our laws were different. Verily, there must have been loopholes.

However, this discussion brought to my mind a scene in Washington some years ago, when another Mr. Morgan, who preceded this particular individual—I refer to the same Mr. Morgan, who, one time played solitaire in the Lafayette Hotel while John G. Carlisle paid out the gold and President Grover Cleveland was forced to his knees and compelled to issue bonds to restore gold to the Federal Treasury—appeared before a senatorial investigation more than a score of years ago in this city, and was thereupon questioned as to whether or not he believed the late distinguished Elihu Root was a good lawyer. The answer of the elder Morgan was:

He is verily a good lawyer, because he not only shows me how the laws were written, but how to slip through their loopholes without getting caught.

Mr. Chairman, I yield back the remainder of my time.

[Here the gavel fell.]

Mr. ELLENBOGEN. Mr. Chairman, I rise in opposition to the pro-forma amendment.

Mr. Chairman and Members of the Committee, I am heartily in favor of the passage of this bill which will provide us with the facts concerning income-tax evasions by a few hundred individuals of extreme wealth.

It is important that we spend carefully and wisely and eliminate all unnecessary expenditures, but if we are to maintain government we must protect the revenue of the Government against tax evasions, and I want to add, also, against unjust exemptions.

INCOME-TAX EVASIONS AND EXCEPTIONS

We do not often stop to think of the benefits which the Government confers upon us every day. We do not realize that without Government, without the order which it creates and maintains, and the protection that it affords, industrial, commercial, or social activities of any kind would be impossible. From the earliest days, men banded themselves together for common protection and thus gradually developed the state for the protection of their lives and their property against foreign and domestic enemies.

Government and its manifold activities have become the basis upon which our business, our industrial, and our social life depend.

Without the protection provided by the Government and the facilities which it offers us in our daily lives, we could not engage in manufacture, in commerce, or in any other activities; we could not carry on our normal life at home, in the factory, or in business. We cannot have a government unless we pay taxes to support it.

TREASURY SHOCKED INTO INVESTIGATIONS

The income-tax collections of March of this year were so far short of estimates that they shocked the Treasury Department into action.

A quiet and hurried investigation was made to determine the cause of the deficiency. The results of this preliminary investigation were disclosed by a message sent by the President to the Congress a few days ago. This message and the letter from the Secretary of the Treasury attached to it contains astounding disclosures of evasion of our income-tax laws by a few multimillionaires.

It is important that taxes are levied justly and fairly according to ability to pay, so that everyone contributes to the support of the Government according to his means and ability.

RESULTS OF TAX EVASION

The failure of one to pay his just share of taxes, necessarily increases the tax of all others. By evading the payment of his share of the taxes, a tax shirker shifts his tax obligation to the shoulders of his fellow citizens.

Five and one-half million people filed income-tax returns last March. The great majority of them consisted of salaried men, of storekeepers, and of other taxpayers of modest income. They do not shirk their duty. They pay the taxes due by them according to the laws of the land. But a few extremely wealthy individuals have resorted to every trick and every device which their lawyers could conceive to avoid the payment of taxes justly due by them.

Let me cite to you just a few of the examples given by the President in his message to Congress.

A favored device of these tax dodgers is the setting up of personal holding companies in foreign countries that have lax corporation laws. For instance, American taxpayers formed 64 such companies in the Bahamas alone in 1925 and 1926, and 22 more companies were organized during the last 2 months. One American citizen formed a $3,000,000 company in the Bahamas to avoid paying income taxes to Uncle Sam or anyone else.

Another American of great wealth filed a personal income-tax return for 1936 showing a net loss. When the Bureau investigated it found that he had formed a personal holding company in Canada to which he had transferred his assets. During 1936 this holding company received one and one-half million dollars in dividends from American corporations alone.

Perhaps the most revolting case is that of a retired American Army officer with a tremendous income from American securities. This man wants to sell these securities at a great profit without paying the tax on such profits. To escape this tax and our income- and inheritance-tax laws he resigned his American citizenship, became a naturalized Canadian citizen, and 6 days later he organized six corporations in the Bahamas to sell his securities.

Another American millionaire organized no less than 96 personal holding companies all over the country so as to make it difficult, if not impossible, for the Treasury Department to follow his complicated financial transactions.

Some of our multimillionaires have incorporated their yachts and their landed estates so that they can deduct the expenses for their upkeep from their incomes and escape a tax thereon.

I could cite to you more schemes of income-tax avoidance and evasion which have been devised by high-priced lawyers for multimillionaires.

ORDINARY CITIZENS PAY INCOME TAXES

Let me remind you that the ordinary citizen is not involved in these tax schemes. The millions of American citizens who have taxable incomes, large or small, pay their taxes without subterfuge or evasion. But a few hundred multimillionaires are endeavoring to avoid the tax payments which are justly due from them according to the laws of this Nation and to shift their tax onto the millions of honest and good Americans.

Evasion of the large amount of taxes due by these few imposes a hardship on every one else.

Our Government cannot permit this condition to continue. We must plug these loopholes and nullify these pretty schemes, even if Congress has to be in session all summer and winter. Such action is necessary in the interest of the millions of hard-working Americans, whether their incomes be large or small, who honestly meet the tax payments imposed upon them.

Every citizen has a personal interest in the payment of all taxes justly due by all other citizens because that is the only way in which he can be assured that he himself will be called upon to pay only his just share and no more.

Respect for and observance of law is necessary for the preservation of the Union. It is a curious spectacle that those who scheme and connive to violate the tax laws have been especially loud in preaching observance of other laws. Disobedience to one law breeds disrespect for another law. Compliance with the tax laws is as necessary as compliance with the laws guaranteeing protection of person and of property.

All laws stand on an equal footing and all laws must be observed.

UNJUSTIFIED TAX EXEMPTION

I cannot, with propriety, discuss tax evasion without at the same time discussing tax exemption. Taxes should be laid upon every citizen according to his ability to pay. It is as unjust to exempt large groups of persons or specific kinds of property from taxes as to evade the payment of taxes legally assessed.

For many years the United States has been collecting income taxes when suddenly, in 1891, the Supreme Court of the United States, by a 5-to-4 decision, decided that income taxes were a violation of the Constitution of the United States. It took until 1913 to pass the sixteenth amendment to the Constitution, and thus to overcome this decision and to authorize income taxes. The sixteenth amendment reads as follows:

The Congress shall have power to lay and collect taxes on incomes, from whatever source derived * * *.

THE SUPREME COURT RESTRICTS THE SIXTEENTH AMENDMENT

This amendment seems to be as clear and as broad as human language can possibly make it. It says that "the Congress shall have power to lay and collect taxes on incomes, from whatever source derived * * *." In spite of this explicit language, the Supreme Court held that the Congress could not collect taxes on incomes derived from municipal or State bonds.

Thus the Court, contrary to the plain language of the amendment, nullified the sixteenth amendment to the Constitution as far as the holders of municipal and State bonds are concerned. Then, because Federal bonds could not be sold at their value if they were inferior to municipal or State bonds, they also were made exempt from taxation. Fifty-eight billion dollars of municipal, State, and Federal bonds have thus been exempted from all income-tax payments. Fifty-eight billion dollars!

Due to the ruling of the Supreme Court the holders of these $58,000,000,000 of bonds do not contribute to the upkeep of the Federal Government—a Government whose very existence is necessary in order to protect the value of these bonds.

We cannot have a sound system of Federal taxation until the income on these bonds is made to pay its proper share of taxes like every other income. The exemption of these $58,000,000,000 worth of bonds from income taxes is like a cancer which eats into the body politic. This cancer must be removed. It must be cut out from the political and economic body or else the whole body will become infested with the same disease.

THE SUPREME COURT CONTINUES TO WHITTLE DOWN THE SIXTEENTH AMENDMENT

But that is not all. By a line of decisions, the last of which was rendered this year by a divided Supreme Court, 5,000,000 State officers and State and local employees have been made exempt from the payment of the Federal income taxes. We should remember that most of these employees would not have to pay any Federal income tax, because incomes of married persons under $2,500 are exempt. An additional exemption of $400 is added for each child and dependent. The principle, however, which sets aside local or State employees as a privileged class, as a class free from income-tax payments, is utterly wrong. Public employees should pay income taxes in the same proportion and in the same manner as all other employees. There is no reason why a State, a county, a city, or any municipal employee should be exempt from the payment of income taxes if his income is sufficient to put him in the taxable class.

In order to correct a misconception which is widely held, let me state here that all Federal employees, except Federal judges, pay the regular income tax on the salary which they receive from the Federal Government. The President of the United States himself, United States Senators, Congressmen, and all employees of the executive and legislative departments pay their regular income tax like every other citizen. The only Federal employees who do not pay income taxes are Federal judges and that is due to an astonishing decision of the United States Supreme Court.

Directly contrary to the plain language of the sixteenth amendment, the Supreme Court held that the salaries of Federal judges are exempt from the payment of a Federal income tax.

It is important that taxes be levied justly and equitably. It is important that they be fairly administered and it is vital that all money received from taxes be prudently spent.

Realizing how difficult it is for our people to pay the taxes, the Government should be thrifty and should cut its expenditures as much as possible. Outgo should be balanced with income, and justice and equity should prevail in the interpretation as well as in the administration of our tax laws.

It is the purpose of our Government to relieve suffering and want and to protect and help the weak and to watch over the lives and safety of the persons and property of the American people.

To perform that function, proper taxes must be collected. Let us eliminate the tax chiseler, but let us also eliminate useless expenditures and unjust tax exemptions.

I hope that the House will pass this bill. Let us eliminate income-tax evasions and unjust exemptions.

The Clerk read as follows:

SEC. 5. The joint committee may authorize any one or more officers or employees of the Treasury Department to conduct any part of such investigation on behalf of the committee, and for such purpose any person so authorized may hold such hearings, and require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, administer such oaths, and take such testimony, as the committee may authorize. In any such case subpenas shall be issued under the signature of the chairman of the joint committee and shall be served by any person designated by him.

With the following committee amendment:

Strike out all of section 5.

Mr. O'CONNOR of New York. Mr. Chairman, I ask that the committee amendment be voted down, so that I may offer a substitute amendment.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was rejected.

Mr. O'CONNOR of New York. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Page 4, strike out lines 13 to 23, inclusive, and insert the following:

"SEC. 5. The joint committee may authorize any one or more persons to conduct any part of such investigation on behalf of the committee, and for such purpose any person so authorized may hold such hearings, and require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, administer such oaths, and take such testimony, as the committee may authorize, but nothing in this section shall be construed as authorizing a public hearing. In any such case subpenas shall be issued under the signature of the chairman of the joint committee and shall be served by any person designated by him."

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

Mr. KELLER. Mr. Chairman, I ask unanimous consent to return to section 4 for the purpose of offering an amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. KELLER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KELLER: Page 4, line 12, after the word "taxation", insert a colon and the following proviso: "*Provided*, That all Members of Congress shall have free access to all hearings under this act whether held by the full committee or subcommittees thereof, and shall have free access to all records made under the operation of this act."

Mr. COOPER. Mr. Chairman, I make a point of order against the amendment on the ground that it is not germane to the section to which it is offered or to the bill.

Mr. KELLER. I would like to be heard, Mr. Chairman, if that is the argument that is going to be presented, unless the Chair is ready to rule.

The CHAIRMAN. The Chair is ready to rule, but will be pleased to hear the gentleman.

Mr. KELLER. If the Chair is ready to rule, I am ready to listen.

The CHAIRMAN. The gentleman from Tennessee makes a point of order against the amendment of the gentleman from Illinois. The Chair is of the opinion that section 4 deals with the question of employment and the fixing of compensation of officers, experts, and employees, and has no reference whatever to Members of Congress, and therefore the Chair sustains the point of order.

Mr. KELLER. Mr. Chairman, I offer the amendment as a new section following section 5.

The CHAIRMAN. The gentleman from Illinois offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. KELLER, as a new section to appear after section 5: "*Provided*, That all Members of Congress shall have free access to all hearings under this act whether held by the full committee or subcommittees thereof, and shall have free access to all records made under the operation of this act."

Mr. COOPER. Mr. Chairman, I make the same point of order.

The CHAIRMAN. The Chair overrules the point of order.

Mr. KELLER. Mr. Chairman, I have not been very long in Congress, but I have been here long enough to know that the Members of this body have very great difficulty in getting any information about the income tax, or the people who are paying it, or the conditions under which it is paid. If you think you can get such information, you should try it a few times, and you will be a great deal wiser than you are now.

The truth of the matter is that this Congress, in my judgment, made a great mistake when it took from itself, by its own vote, the right to have free access to all information on this subject. I understand perfectly well the arguments made against general publicity; but if we are going to deny ourselves, as Members of Congress, the right to attend the hearings on this tax-dodging investigation and to know something about them, I want to see you go on record in that way. I want to know whether you are going to sit here and, if you do not want to go, deny any other Congressman the right to go. I want to go myself, because by going I can learn something that I have never been able to learn before, even after a great amount of research on the subject.

I want to announce now that I am going to offer an address on this subject of income-tax dodging that I delivered on the 16th day of July 1932 here in this House. I presented to this body an address in which I set out completely and entirely all of the methods of cheating the American people through return of income tax that have been submitted to the President by the Secretary of the Treasury just a few days ago. You will find it in the RECORD of the 16th day of July 1932, beginning on page 15743, and I shall present to this body and offer for reinsertion in the RECORD an address showing the whole thing, not only repeating the speech I made then but quoting the resolutions showing the dates, so that the people can see there is nothing new that has been submitted and that no amendment to the tax law calculated to prevent this cheating has ever been adopted.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. KELLER. Wait until I get done, and then I will be very pleased to yield.

I therefore am presenting this amendment to this pending joint resolution permitting the Members of Congress to attend these hearings and have access to the records so that the Members of this body can inform themselves and know what we are going to vote on finally when we come to vote on the amendment which will be intended to stop cheating and swindling and dodging of taxes due the people. If you want to know, this is your opportunity, and if you do not want to know, you ought to say you do not by your vote; and now I yield to the gentleman from Georgia.

Mr. COX. I recall the very great address of the gentleman, and I remember he clearly demonstrated in that wonderful speech his ability to advise the House in regard to matters of this character. But does not the gentleman think that the

adoption of his amendment might create an awkward situation whereby the joint committee——

Mr. KELLER. Pardon me, please, but I do not think so, and I am going to call attention in my speech that I am offering to this body the fact that I had the pleasure of introducing the original resolution which actually resulted in the great investigation by the Senate Committee on Banking and Currency, showing the frauds through the stock exchanges of this country. And I am going to show every bit of that in the RECORD, not from my words but from the record itself. I had the pleasure of attending many of those public hearings before the Senate Committee on Banking and Currency and learning a great deal. Any man here who wants to know about the income tax will learn more in one hearing before either the full committee or the subcommittee than he will get in 5 years sitting down around here listening to somebody else telling him about it. I want to know whether you want to help do that or whether you do not.

Mr. O'MALLEY. Mr. Chairman, will the gentleman yield?

Mr. KELLER. I yield to my young friend.

Mr. O'MALLEY. Does the gentleman believe that information with respect to these hearings, even though private, being held by the joint committee of Congress, would be denied to a Member of Congress?

Mr. KELLER. Of course they will deny it to you, young man, and when your hair is as white as mine you will know that. That is the full intention of this bill as finally amended—to deny information to this body which I regard as absolutely essential to Members.

Mr. Chairman, in closing this address permit me to summarize the actual results of the income-tax dodging. In my address of July 16, 1932, I called attention to the fact that accountants in touch with the tax dodging carried on through Canadian corporations alone had averaged $250,000,000 a year over the 10-year period prior to that date, or two and a half billions in the 10-year period out of which the American people had been cheated and chiseled. In view of the report of the Secretary of the Treasury on the same subject nearly 5 years later, as quoted in the President's message, it is perfectly evident this system has been followed on an ever-increasing scale during these intervening 5 years. It is apparent that during this last 5-year period at least another two and a half billions has been taken away from the American people. If we now had this five billions justly due there would be no necessity for scrimping and pinching to carry through the next winter.

Tax dodgers must be brought to book and made to pay their full part of carrying on the Government under whose protection they are permitted to pile up their fortunes.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. O'CONNOR of New York. Mr. Chairman, the amendment offered by the gentleman from Illinois [Mr. KELLER] is as bad, if not worse, than the previous publicity provisions that we have deliberately gotten rid of. The distinguished philosopher proposes that all of these returns and all of this information and all the data gathered by the joint committee, which is going to be available to the Committee on Ways and Means, shall be open to every Member of this House. I do not know why the gentleman does not include members of the State legislatures, who are just as much interested in the tax situation throughout the country. I do not know why the gentleman does not go the "whole hog" and include everybody in Washington, and all the citizens of the United States. If I did believe in the widest publicity of everybody's personal affairs as does the gentleman from Illinois, this proposal is something that I should never want to have within my province as a Member of this body, because once the joint committee examined a taxpayer in New York, for instance, all his competitors in business are going to ask me or some other Congressman to come down here and get the low-down on him and his return, and every Congressman is going to be buttonholed by constituents to get such information for somebody else so that they can check up on what this man or that man made in his business or claimed for his deductions. Why, Mr. Chairman, that would be the greatest headache that Congress ever imposed upon itself, to suggest that we be nothing more than errand boys for every taxpayer in the country trying to find out what another taxpayer has paid or how much he has deducted. I hope the amendment will be voted down.

Mr. McFARLANE. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Texas is recognized.

Mr. O'CONNOR of New York. Mr. Chairman, I ask that all debate upon this section and all amendments thereto do now close.

Mr. McFARLANE. Mr. Chairman, the Chair has recognized me.

The CHAIRMAN. The Chair has recognized the gentleman from Texas. Does the gentleman yield to the gentleman from New York to present a unanimous-consent request?

Mr. McFARLANE. I do not.

The CHAIRMAN. The Chair recognizes the gentleman from Texas.

Mr. McFARLANE. Mr. Chairman and members of the Committee, it is a little hard for me to understand why a little publicity is a dangerous thing. It is a little hard for me to understand why it is all right for the Ways and Means Committee to be able to control whatever information is available on these tax dodgers, and that you, as an individual Member of Congress, are willing to sit here and tie your hands and give them exclusive right to have this control over you so. And should you do this, how can you go back and tell your constituents that you are able to represent your district? Why should the Congress tie their hands and prohibit themselves from reviewing any of this information and turn this over entirely to the Ways and Means Committee and the Senate Finance Committee? Why should not Members of Congress, charged with the responsibility of passing legislation on this important question, have all the information available to them, so that they can at least vote intelligently on this matter if and when the committee makes its report?

Mr. O'CONNOR of New York rose.

Mr. McFARLANE. I am sorry, but I cannot yield. You have said by your vote that you do not want to hold public hearings so that the public can know who the tax dodgers are and how much they are beating the Government in taxes. Are you willing to go further and say that you, as a Member of Congress, are going to tie your own hands so that you personally cannot have this information and that it will not be available to you? I know that they are going to say to you that this information is available to you if you go to the Committee on Ways and Means and tell them what you want, and if and when they get ready they will let you have it. I tried that, but I did not get the information. And I have tried the Treasury Department and they refuse Members of Congress information. You all know you have to go through the Ways and Means Committee to get any tax information. If you want any information from the Revenue Department, you must secure it through the Ways and Means Committee. When this committee brought in legislation requesting this power, I and others opposed it, but it was passed and now we see where all this secrecy and concentration of power has gotten us. The President has to turn on heat to close some of the many loopholes accumulating in our tax laws. You are just a Member of Congress, yes; but you are an office boy in many different ways, and if we sit here and continue to tie our hands, how are we going to find out who these tax dodgers are and how are we going to be able to vote intelligently on the question of stopping up the loopholes?

Mr. O'MALLEY. We had evidence of a resurgence of independence here this afternoon, when it came to protecting these tax dodgers. Now we might hark back and get a further resurgence of independence when it comes to learning something about these things before we vote on this bill.

Mr. McFARLANE. Every officer of the Army and the Navy pays no income tax; he does not have to pay any taxes. He gets by because the Court of Claims down here says that he can. All of our constitutional judges pay no taxes. More than 5,000 of your State, county, and municipal employees pay no taxes. I could go on with this naming the loopholes ad infinitum. More than half your tax-exempt bonds are owned by a handful of bankers, and they pay no taxes. Yet your joint tax committee has recommended that they should be taxed, but our tax committees do not tax them.

How far are we going with this? When are we going to start to correct these loopholes? If we do not have this information, how are we going to get it?

Mr. PARSONS. Will the gentleman yield for a short question?

Mr. McFARLANE. I am sorry, but I have not the time. I am sorry, but I decline to yield, Mr. Chairman.

The CHAIRMAN. The time of the gentleman from Texas has expired.

The question is on the amendment offered by the gentleman from Illinois [Mr. KELLER].

The question was taken; and on a division (demanded by Mr. FRED M. VINSON) there were ayes 64 and noes 105.

Mr. O'MALLEY. Mr. Chairman, I ask for tellers.

Mr. KELLER. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed Mr. KELLER and Mr. O'CONNOR of New York to act as tellers.

The Committee again divided; and the tellers reported there were ayes 56 and noes 111.

So the amendment was rejected.

The Clerk read as follows:

SEC. 6. All authority conferred by this joint resolution shall expire on February 1, 1938.

With the following committee amendment:

Line 24, strike out "6" and insert "5."

Mr. O'CONNOR of New York. Mr. Chairman, I ask that the committee amendment be voted down, because this is now section 6.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was rejected.

The CHAIRMAN. Under the rule, the Committee will rise.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COLE of Maryland, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee had had under consideration Senate Joint Resolution 155, to create a Joint Congressional Committee on Tax Evasion and Avoidance; and, pursuant to House Resolution 226, he reported the resolution back to the House with sundry amendments adopted in Committee of the Whole.

The SPEAKER. Under the rule the previous question is ordered.

Is a separate vote demanded on any amendment?

Mr. ELLENBOGEN. Mr. Speaker, I ask a separate vote on the committee amendment on page 3, striking out a part of lines 20, 21, and 22.

Mr. Speaker, I withdraw the request.

The SPEAKER. If a separate vote is not demanded on any amendment, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the third reading of the Senate joint resolution.

The Senate joint resolution was ordered to be read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the resolution.

The Senate joint resolution was passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. PEARSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

CIVILIAN CONSERVATION CORPS—CONFERENCE REPORT

Mr. CONNERY. Mr. Speaker, I ask unanimous consent to recommit the conference report on the bill (H. R. 6551) to establish a Civilian Conservation Corps, together with the conference papers, to the conference committee.

The SPEAKER. The gentleman from Massachusetts asks unanimous consent to recommit the conference report on the bill H. R. 6551 to the committee of conference.

Is there objection?

Mr. MARTIN of Massachusetts. Reserving the right to object, what is this request?

Mr. CONNERY. This is on the conference report on the Civilian Conservation Corps bill. I made a gentleman's agreement with the gentleman from New York [Mr. SNELL] with reference to trying to get a separate vote on the items which the House had insisted on when we took up the original C. C. C. bill. The Senate struck out all after the enacting clause, and when we made our conference report we could not figure any parliamentary way, without voting it up or down, to get a separate vote. In view of that gentleman's agreement, I worked out with the Parliamentarian a scheme by which, if we can recommit this conference report, we can go back to the Senate and bring in another conference report which will permit a separate vote on each of these items.

Mr. MARTIN of Massachusetts. The gentleman says the minority leader requested that?

Mr. CONNERY. Yes. I made a gentleman's agreement with him on the floor on the day the bill was passed.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. CONNERY]?

There was no objection.

EXTENSION OF REMARKS

By unanimous consent, Mr. PETTENGILL and Mr. MURDOCK of Arizona were granted permission to extend their own remarks in the RECORD.

Mr. MAGNUSON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD on a subject pertaining to international fisheries, and I also ask unanimous consent to include therein an article written by a member of the International Fish Commission. It will take about half a page of the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. O'CONNELL of Montana. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a statement made by me to Secretary of State Hull with reference to an arms embargo against Italy and Germany.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

(Mr. COFFEE of Washington and Mr. O'CONNOR of Montana asked and were given permission to extend their own remarks in the RECORD.)

Mr. KELLER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein an address I delivered on the floor of the House on the 16th day of July 1932 and all resolutions in relation thereto.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

RECIPROCAL-TRADE AGREEMENT WITH CZECHOSLOVAKIA

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I hope that the Members who have textile mills in their districts, those who have tanneries in their districts, and those who have boot and shoe factories in their districts will join with me in making a protest against a lowered tariff which we fear will become a reality under the proposed reciprocal-trade agreement with Czechoslovakia. I hope to have a meeting of all those interested in this industry early next

week. Let us remember that in union there is strength. Let us remember also that if we lower these duties additional thousands of idle workers will be walking the streets.

Mr. CONNERY. Mr. Speaker, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield.

Mr. CONNERY. I have already protested to the Tariff Commission against this. Six million pairs of shoes were imported at the port of New York alone before we passed the Tariff Act.

Mrs. ROGERS of Massachusetts. Yes; and the situation might be a great deal worse if the tariff should be lowered on boot and shoe leather and textiles under a reciprocal-trade agreement with Czechoslovakia. Our cotton mills also are jeopardized and our tanneries are jeopardized. The gentleman from Massachusetts will remember the tremendous battle we had to secure protection for boots and shoes, leather, and textiles 8 years ago. We will continue to fight for their protection and protect the wages of thousands of workers.

SERVICES OF UNITED STATES MARSHALS

Mr. DOXEY. Mr. Speaker, I ask unanimous consent to proceed for one-half minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. DOXEY. Mr. Speaker, several days ago the gentleman from Michigan [Mr. WOLCOTT] made certain remarks with reference to the services of the United States marshal and his deputies. I have a constituent who served the public for some 40 years and he is now serving as United States marshal in the District of Columbia. He has submitted a short statement here in answer to some of the remarks made by the gentleman from Michigan.

I ask unanimous consent to extend my own remarks in the RECORD and to include therein a statement of James S. McCarthy, who is now serving in the United States district courts.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, what is this?

Mr. DOXEY. I conferred with the gentleman from Michigan [Mr. WOLCOTT] in regard to this matter, or I would not have asked unanimous consent.

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, may I say I have read this article and think it is substantially true, although very critical of my attitude on this matter. I understand the whole thing is to be settled in the conference report on the State, Commerce, and Labor bill. Therefore I can see no harm in the statement of the gentleman going into the RECORD, and I have no objection.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The statement referred to is as follows:

In an article, "From the Record", published in the News on the 22d instant, there was an attack by Representative WOLCOTT, Republican, of Michigan, on deputy United States marshals in the district courts of the United States, with special reference to those employed in the District of Columbia, I assume, which is so unfair, unjust, and so far from the facts that I feel called upon to reply to it, believing that a newspaper so fair as the News always is will be glad to publish it in order that the public may be advised of the very great wrong done a body of worthy men who work long hours, risk their lives daily, and serve the people of the District of Columbia in a perfectly conscientious way year in and year out.

According to the article referred to the distinguished Congressman from Michigan said:

"I have observed deputy United States marshals in the district courts of the United States and I have yet to see the first marshal who was worthy of his hire. It seems to me to give them an increase of salary and put them on the same plane as men who are actually doing work in other fields is a mistake. If there are some of them who are working they should be reclassified and called something else and given a raise in salary. A man who opens and shuts the door of a district court is not entitled to the same amount of money as a man who actually goes out and takes a chance with his life."

In reading what the statesman from the Wolverine State said, one would be justified in assuming that all we deputy marshals do is open and shut the doors of the courtrooms, but nothing could be further from the fact. Deputy marshals do many, many more things than open and shut doors. But even the job of opening and shutting the doors of our courtrooms requires a very high order of intelligence, especially in view of the fact that many of the most vicious criminals in the land pass the portals of those doors, and it takes a keen eye to spot persons who might be bent upon shooting up the court and freeing dangerous men to go out and rob and kill citizens of our city or kill some of our policemen in their efforts to flee the jurisdiction. About 3 years ago a white man was on trial in one of our criminal divisions on the charge of attempting to commit the heinous crime of rape on a little 6-year-old girl, and her father armed himself with a pistol and came to court with the avowed purpose of slaying the prisoner in open court, and had it not been for the alertness of the deputy assigned to open and shut the door on that particular day a terrible tragedy would have been enacted at the very bar of justice.

Who will say that an officer of the law so alert and keen as the deputy who averted this tragedy is not worthy of his hire? And, mind you, that very deputy, after serving in court until late in the afternoon, had to go out and serve legal processes until long after the usual dinner hour.

The marshal of the United States in and for the District of Columbia, with the very high regard he has for the welfare of the Government he so faithfully and efficiently serves, would not employ, even for one day, a man who did nothing but open and shut doors.

Twice in the 11 years I have been deputy marshal I had a pistol poked in my stomach, and was told I would be killed if I persisted in my efforts to serve the papers I had for that purpose. What has happened to me has happened to others, perhaps many times, and who will say we do not face danger in the perfor ance of our duty? In addition to this we have to swallow all kinds of vile epithets without answering back, because we happen to be guardians of the safety of the people, the honorable gentleman from Michigan included.

We have to be on hand at the office from 8:45 in the morning until the adjournment of the courts late in the afternoon, when we go out to serve processes, sometimes far into the night, and in slum holes, many, many times, that the gentleman from Michigan, brave as he may be, would not dare enter even in broad daylight.

I am in my sixty-seventh year of age, yet during January, February, and March of this year I served 1,059 legal papers of all kinds, issuing out of the several divisions of our court, and Mr. Harry Allen and Mr. George Killeen exceeded this number by a good deal. Frequently our men are required to be on the lookout for dangerous criminals wanted by the Federal Bureau of Investigation of the Department of Justice or on warrants issued by the United States commissioner. Then, too, we are called upon very frequently, and at all hours of the day and night, to accompany police officers and serve Federal warrants of search during raids on bootleg and gambling joints.

The truth is we are always in as much danger as any police officer, and our work is comparable to that of detective sergeant, and I think we earn and are entitled to the same pay, though I have never asked for it. I am sure I am entitled to more money than I get, but have never asked for it, as I felt sure our chief would plead our cause at the proper time before the proper committee of Congress.

One of our deputies—Mr. W. J. Kirkland—has been in the service 28 years, and now fills the very responsible position of bookkeeper in our office, though he still ranks as a deputy marshal. Several others are on the same work and are subject to orders to go out and serve papers day or night.

Our men also have to transport some of the most dangerous criminals that live to and from penitentiaries and elsewhere about the country.

Our office serves more papers than any other marshal's office in the country except that of the Southern District of the State of New York. Another thing, if we don't earn the money through papers coming into our office, we don't get it. In other words, our office must be self-sustaining. We are not paid out of the general fund of the Treasury.

In view of these facts, I am sure the distinguished gentleman from Michigan will be only too glad to right the wrong he has done, because I cannot believe one capable of a seat in the Congress of the United States would deliberately injure men performing long and faithful service to the Government they are sworn to protect.

JAMES S. MCCARTHY,
Deputy United States Marshal.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. KVALE (at the request of Mr. BOILEAU), for the balance of the week.

To Mr. COFFEE of Nebraska, for 1 week, on account of important business.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 410. An act for the relief of the legal guardian of Roy D. Cook, a minor; to the Committee on Claims.

S. 557. An act authorizing the naturalization of James Lincoln Hartley, and for other purposes; to the Committee on Immigration and Naturalization.

S. 885. An act for the relief of H. G. Harmon; to the Committee on Claims.

S. 1210. An act for the relief of James T. Moore; to the Committee on Military Affairs.

S. 1438. An act to carry into effect the findings of the Court of Claims in the case of William W. Danenhower; to the Committee on Claims.

S. 1457. An act for the relief of Samuel Richard Mann; to the Committee on Claims.

S. 2096. An act for the relief of Roy Chandler; to the Committee on Military Affairs.

S. 2157. An act authorizing credits to disbursing officers for expenses incident to the creation of subsistence homesteads corporations; to the Committee on Claims.

S. 2262. An act for the relief of Park B. Brandon and Robert G. Teer; to the Committee on Claims.

S. 2401. An act for the relief of sergeant-instructors, National Guard, and for other purposes; to the Committee on Military Affairs.

S. 2474. An act to provide a uniform method for examinations for promotion of warrant officers; to the Committee on Naval Affairs.

S. 2521. An act to authorize the assignment of officers of the line of the Marine Corps to staff duty only as assistant quartermasters and assistant paymasters, and for other purposes; to the Committee on Naval Affairs.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 545. An act for the relief of Dean Scott;

H. R. 1013. An act for the relief of Irvin Pendleton;

H. R. 1084. An act for the relief of Samuel Cripps;

H. R. 2042. An act for the relief of Joshua L. Bach;

H. R. 2223. An act for the relief of Mr. and Mrs. Walter B. Johnson and Joy Johnson, a minor;

H. R. 3031. An act to provide for the establishment of Coast Guard stations along the Maine coast;

H. R. 3411. An act to amend section 112 of the Judicial Code, to provide for the inclusion of Whitman County, Wash., in the northern division of the eastern district of Washington;

H. R. 3738. An act for the relief of Clifford Y. Long;

H. R. 4457. An act for the relief of Naomi Lee Young;

H. R. 4508. An act for the relief of Margaret Grace and Alice Shriner;

H. R. 4893. An act authorizing the Secretary of the Treasury to establish a Coast Guard air station at the San Francisco Airport; to provide for quick rescue facilities on the San Francisco Bay; to strengthen the Immigration and Customs Service patrol; and for other purposes;

H. R. 6438. An act to expedite the dispatch of vessels from certain ports of call; and

H. J. Res. 350. Joint resolution authorizing a modification in the existing project for the improvement of the Illinois Waterway, Ill., and the abandonment of a portion of the Calumet River.

BILL AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on the following dates present to the President, for his approval, a bill and joint resolution of the House of the following titles:

On June 7, 1937:

H. R. 6293. An act to adjust the rank of certain Coast Guard officers on the retired list.

On June 8, 1937:

H. J. Res. 394. Joint resolution making an appropriation for expenses of the Marine Band in attending the United Confederate Veterans' Reunion at Jackson, Miss., in 1937.

ADJOURNMENT

Mr. RAYBURN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 46 minutes p. m.) the House adjourned until tomorrow, Wednesday, June 9, 1937, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a. m. on Wednesday, June 9, 1937, to continue hearings on H. R. 6968, to amend the Securities Act of 1933.

There will be a meeting of the subcommittee of the Committee on Interstate and Foreign Commerce at 2 p. m. on Wednesday, June 9, 1937, to continue hearings on H. R. 2252.

COMMITTEE ON THE LIBRARY

A hearing will be held by the Committee on the Library in room 1536, House Office Building, on Wednesday, June 9, 1937, at 10 a. m., for the purpose of considering several small bills.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the Committee on Immigration and Naturalization at 10:30 a. m. on Wednesday, June 9, 1937, for the public consideration of H. R. 5565, H. R. 1474, and S. 779.

COMMITTEE ON FLOOD CONTROL

The Committee on Flood Control will continue hearings on Wednesday, June 9, 1937, at 9:30 a. m., on emergency and priority projects in the lower Ohio Basin.

COMMITTEE ON THE POST OFFICE AND POST ROADS

A hearing will be conducted by the whole Committee on the Post Office and Post Roads Thursday morning, June 10, 1937, at 10 o'clock, on the foreign air-mail bill, H. R. 7370.

COMMITTEE ON IRRIGATION AND RECLAMATION

There will be a meeting of the Committee on Irrigation and Reclamation at 10 a. m., Thursday, June 10, 1937, to hold hearings on H. R. 1499, H. R. 5853, and S. 413, moratorium bills, to extend relief to water users on United States reclamation and Indian irrigation projects.

COMMITTEE ON NAVAL AFFAIRS—POSTPONED

The meeting of the Committee on Naval Affairs called for the consideration of House Joint Resolution 296, suspending action by Navy selection boards, on Thursday, June 10, 1937, is postponed.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will resume public hearings in room 219, House Office Building, Washington, D. C., June 15, 1937, at 10 a. m., on H. R. 5719, known as the water-carrier bill.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. MANSFIELD: Committee on Rivers and Harbors. H. R. 6150. A bill for the completion of the construction of the Atlantic-Gulf Ship Canal across Florida; with amendment (Rept. No. 950). Referred to the Committee of the Whole House on the state of the Union.

Mr. O'CONNOR of Montana: Committee on Indian Affairs. H. R. 2701. A bill to amend an act approved December 17, 1928, entitled "An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment thereon in claims which the Winnebago Tribe of Indians may have against the United States, and for other purposes"; with amendment (Rept. No. 951). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. WOOD: Committee on War Claims. H. R. 3231. A bill for the relief of Capt. Roger H. Young; with amendment (Rept. No. 948). Referred to the Committee of the Whole House.

Mr. HILL of Alabama: Committee on Military Affairs. H. R. 7140. A bill to authorize J. Monroe Johnson, Assistant Secretary of Commerce, to accept a decoration and diploma from the Belgian Government; without amendment (Rept. No. 949). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mrs. ROGERS of Massachusetts: A bill (H. R. 7433) to advance a program of national safety and accident prevention; to the Committee on Interstate and Foreign Commerce.

By Mr. SUMNERS of Texas: A bill (H. R. 7434) to liberalize the laws relating to the making of illustrations of United States and foreign postage stamps, and for other purposes; to the Committee on the Judiciary.

By Mr. CULKIN: A bill (H. R. 7435) to amend the Social Security Act with respect to grants to States for old-age assistance; to the Committee on Ways and Means.

By Mr. DIMOND: A bill (H. R. 7436) to validate settlement claims established on sections 16 and 36 within the area withdrawn for the Matanuska settlement project in Alaska, and for other purposes; to the Committee on the Public Lands.

By Mr. JENKINS of Ohio: A bill (H. R. 7437) to authorize the prompt deportation of criminal and certain other aliens, and for other purposes; to the Committee on Immigration and Naturalization.

By Mr. SPARKMAN: A bill (H. R. 7438) to increase the lump-sum payment made under the Workmen's Compensation Act in cases of permanent total disability suffered prior to February 12, 1927; to the Committee on the Judiciary.

By Mr. ATKINSON: A bill (H. R. 7439) to amend the Tennessee Valley Authority Act approved May 18, 1933, and all amendatory acts by including the Cumberland River and its basin within the provisions of the act, and for other purposes; to the Committee on Military Affairs.

By Mr. MALONEY: A bill (H. R. 7440) to extend the times for commencing and completing the construction of a bridge across the Mississippi River between New Orleans and Gretna, La.; to the Committee on Interstate and Foreign Commerce.

By Mr. KNUTSON: Resolution (H. Res. 234) authorizing the appointment of a select committee to investigate the Federal land bank system; to the Committee on Rules.

By Mr. JENKS of New Hampshire: Joint resolution (H. J. Res. 403) to provide for the completion of the Navy and marine memorial; to the Committee on the Library.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CELLER: A bill (H. R. 7441) for the relief of Giovanni Venturella; to the Committee on Immigration and Naturalization.

By Mr. CHAMPION: A bill (H. R. 7442) granting an increase of pension to Virginia B. Schenck; to the Committee on Invalid Pensions.

By Mr. COFFEE of Nebraska: A bill (H. R. 7443) for the relief of Wilson H. Parks, Elsa Parks, and Jessie M. Parks; to the Committee on Claims.

By Mr. McLAUGHLIN: A bill (H. R. 7444) for the relief of Jean N. Burton and Laura Jones; to the Committee on Claims.

By Mr. SHAFER of Michigan: A bill (H. R. 7445) to provide for the bestowal of the Silver Star decoration upon Alton C. Britton; to the Committee on Military Affairs.

By Mr. SPARKMAN: A bill (H. R. 7446) for the relief of S. W. McFarlin; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2559. By Mr. CARTER: Resolution adopted by the California Bankers' Association, that the Federal Budget must be brought into balance; to the Committee on Appropriations.

2560. Also, Assembly Joint Resolution No. 52 of the State of California, relative to Federal aid to State or Territorial veterans' homes; to the Committee on World War Veterans' Legislation.

2561. Also, Senate Joint Resolution No. 22 of the State of California, memoralizing the President and the Congress of the United States to acquire the Petrified Redwood Forest in Sonoma County, Calif., as a permanent national monument; to the Committee on the Public Lands.

2562. By Mr. CURLEY: Petition of the Cloak, Suit, Skirt, and Reefer Makers Unions of Greater New York, endorsing the Wagner-Steagall bill; to the Committee on Banking and Currency.

2563. By Mr. FITZPATRICK: Petition of the United Brotherhood of Carpenters and Joiners of America, Local Union No. 366, of Bronx County, New York City, N. Y., urging the immediate adoption of the Wagner-Steagall housing bill; to the Committee on Banking and Currency.

2564. Also, petition of the Westchester County committee, the American Legion, Department of New York, urging the passage of House bills 4353, 4354, 4355, and 3423; to the Committee on Immigration and Naturalization.

2565. By Mr. FORAND: Petition of the Rhode Island Truck Owners' Association, memorializing the Congress of the United States to abolish the Federal gasoline sales tax and to surrender to the States exclusively the power to tax such sales in the future; to the Committee on Ways and Means.

2566. By Mr. FORD of California: Resolution of the State Legislature of California, urging enactment of legislation that will result in increasing the Federal aid, provided that any State shall not be paid a sum exceeding one-half the per-capita cost of maintaining a veteran in State or Territorial veterans' homes; to the Committee on World War Veterans' Legislation.

2567. By Mr. LUTHER A. JOHNSON: Petition of Luther Pearson, secretary-treasurer, Smetana Texas Agricultural Association, Bryan, Tex., favoring new agricultural legislation; to the Committee on Agriculture.

2568. Also, memorial of Pat Fain, secretary, Mexia Compress Co., Mexia, Tex., opposing legislation concerning erection of Government warehouses; to the Committee on Agriculture.

2569. By Mr. KRAMER: Resolution of the Assembly of the State of California, relative to memorializing the President and Congress to enact legislation to relieve California champagne makers from discriminatory regulations of the Federal Alcohol Administration; to the Committee on Ways and Means.

2570. Also, resolution of the Independent Bankers' Association of the Twelfth Federal Reserve District, relative to their objections to the passage by Congress of Senate bills 2347 and 2348, etc.; to the Committee on Banking and Currency.

2571. By Mr. PFEIFER: Petition of the Disabled Emergency Officers of the World War, Brooklyn and Long Island Chapter, Brooklyn, N. Y., concerning the Merritt bill (H. R. 5244); to the Committee on Military Affairs.

2572. Also, petition of the Chamber of Commerce of the Borough of Queens, Long Island City, N. Y., urging the passage of the Barry bill (H. R. 5474) to give city-wide 2-cent postage to New York City; to the Committee on the Post Offices and Post Roads.

2573. Also, petition of the Williamsburgh Nonpartisan League, Inc., Brooklyn, N. Y., concerning House Joint Resolution 346; to the Committee on the Civil Service.

2574. By Mr. SPARKMAN: Petition of Add Thompson and various other citizens of Madison County, Ala., urging the enactment of the old-age pension bill as embodied in House bill 2257, introduced by Representative WILL ROGERS, of Oklahoma; to the Committee on Ways and Means.

2575. Also, petition of J. R. Franks and various other citizens of Lawrence County, Ala., urging the enactment of

the old-age pension bill as embodied in House bill 2257, introduced by Representative WILL ROGERS, of Oklahoma; to the Committee on Ways and Means.

2576. Also, petition of Minnie W. Dudley and various other citizens of Jackson County, Ala., urging the enactment of the old-age pension bill as embodied in House bill 2257, introduced by Representative WILL ROGERS, of Oklahoma; to the Committee on Ways and Means.

2577. By Mr. SUTPHIN: Resolution by Captain Harry B. Doremus Post, No. 55, Department of New Jersey, the American Legion, that the Secretary of the Navy honor the State of New Jersey by naming the next battleship authorized by Congress the "New Jersey"; to the Committee on Naval Affairs.

2578. By Mr. WELCH: Resolution of the Senate and Assembly of the State of California (jointly), relative to memorializing the President and Congress of the United States to enact legislation that would result in financial aid in the construction of a neuropsychopathic hospital for veterans of the World War; to the Committee on Appropriations.

2579. Also, resolution of the Assembly and Senate of the State of California (jointly) relative to Federal aid to State or Territorial veterans' homes; to the Committee on World War Veterans' Legislation.

2580. By the SPEAKER: Petition of the Rhode Island Truck Owners' Association, Providence, R. I., with reference to gasoline sales tax; to the Committee on Ways and Means.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JUNE 9, 1937

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Heavenly Father, we entreat Thee to guide these, Thy servants and the Representatives of a great people, through the remaining hours of this day. In all deliberations we pray that the Congress may be wise, just, and efficient in statesmanship. Bring us all to listen to the Evangel of Nazareth, whose purpose is to bring men into the unity of brotherhood. Help us to seek Him more diligently, and thus free ourselves of selfish and ignoble desire. Grant, our Father, that peace and loyalty to our institutions may prevail throughout every State in the Union. By our works and examples may we inspire faith, hope, and devotion to the Republic round every fireside and in every schoolroom in all our land. Thine shall be the glory. Through Christ. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and joint resolutions of the House of the following titles:

On June 3, 1937:

H. R. 860. An act for the relief of Marion McGlothlin, the Baylor Hospital, Dr. F. M. Gilbert, and Dr. T. C. Gilbert;

H. R. 2469. An act for the relief of Hedwig Grassman Stehn;

H. R. 3268. An act for the relief of William Randolph Cason;

H. R. 3473. An act to authorize the Secretary of State to sell, for a price, transfer, and convey the title, rights, and interest of this Government in a lot situated at Sin Lu T'ou Jetty, Kulangsu, Amoy, China;

H. R. 4870. An act for the relief of Miles C. Baxter, Anse Cockran, Sam Cornett, Mrs. Louie Hesterly, and Mrs. George Lovell;

H. R. 5722. An act to reenact and amend provisions of the Agricultural Adjustment Act, as amended, relating to marketing agreements and orders; and

H. J. Res. 193. Joint resolution to authorize an appropriation for the expenses of participation by the United States in the Eleventh International Dairy Congress, Berlin, Germany, in 1937.

On June 7, 1937:

H. R. 3354. An act for the relief of the Great Northern Railway Co.

On June 8, 1937:

H. R. 3926. An act for the relief of Eliza Boykin; and

H. J. Res. 394. Joint resolution making appropriation for expenses of the Marine Band in attending the United Confederate Veterans' reunion at Jackson, Miss., in 1937.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Crockett, its Chief Clerk, announced that the Senate had passed, with amendments, in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 5996. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1938, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House thereon, and appoints Mr. THOMAS of Oklahoma, Mr. GLASS, Mr. COPELAND, Mr. KING, and Mr. NYE to be the conferees on the part of the Senate.

The message also announced that on June 8, 1937, the Senate had passed the following resolution:

Senate Resolution 142

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. PHILIP A. GOODWIN, late a Representative from the State of New York.

Resolved, That a committee of two Senators be appointed by the Vice President to join the committee appointed on the part of the House of Representatives to attend the funeral of the deceased Representative.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect to the memory of the deceased Representative, the Senate do now take a recess until 12 o'clock meridian on Thursday next.

STATE, JUSTICE, THE JUDICIARY, COMMERCE AND LABOR DEPARTMENTS APPROPRIATION BILL, 1938

Mr. McMILLAN. Mr. Speaker, I call up the conference report on the bill (H. R. 5779) making appropriations for the Departments of State and Justice, and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1938, and for other purposes, and ask unanimous consent that the statement may be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5779) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1938, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 6, 7, 13, 19, 55, 66, 67, 68, 69, 70, 82, 84, 85, 90, 91, and 92.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 8, 14, 20, 25, 27, 29, 30, 33, 34, 38, 43, 45, 46, 47, 52, 53, 59, 65, 72, 73, 74, 75, 80, 86, 89, and 93, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$2,220,480"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows: "and other miscellaneous items (not exceeding $50 for any one item) not included in the foregoing"; and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$20,000"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$563,500"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$150,100"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows: In lieu of the sum named insert "$1,889,660"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows: "and such other expenditures (not exceeding $50 for any one item) as may be necessary,"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$530,000"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$47,000"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$3,560,000"; and the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$563,040"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$455,000"; and the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$1,023,465"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows: "who shall be chief executive officer of the Department and who may be designated by the Secretary of Commerce to sign minor routine official papers and documents during the temporary absence of the Secretary and the Assistant Secretaries of the Department"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows: "; and all other necessary miscellaneous items (not exceeding $50 for any one item) not included in the foregoing"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: "$500,000, of which $10,000 shall be immediately available"; and the Senate agree to the same.

Amendment numbered 32: That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: "$628,000, of which $5,000 shall be immediately available"; and the Senate agree to the same.

Amendment numbered 35: That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: "$3,037,800, of which $7,500 shall be immediately available"; and the Senate agree to the same.

Amendment numbered 36: That the House recede from its disagreement to the amendment of the Senate numbered 36, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: "$2,000,000 and, prior to July 1, 1939, $2,000,000 additional may be obligated under contracts for such purchase, construction and installation of additional air navigation aids: *Provided further*, That the Secretary of Commerce before entering into any such contract shall personally certify that in his opinion it is necessary in the public interest: *Provided further*, That a full report of all such certifications and of all expenditures under this item shall be made to Congress on or before July 1, 1938"; and the Senate agree to the same.

Amendment numbered 37: That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: "$5,698,700, of which $58,500 shall be immediately available"; and the Senate agree to the same.

Amendment numbered 39: That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows: "and all other necessary expenses (not exceeding $50 for any one item) not included in the foregoing"; and the Senate agree to the same.

Amendment numbered 40: That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: "$1,582,000, of which $11,000 shall be immediately available"; and the Senate agree to the same.

Amendment numbered 42: That the House recede from its disagreement to the amendment of the Senate numbered 42, and agree to the same with an amendment, as follows: Strike out all the matter inserted by said amendment after the word "manuscripts" and insert in lieu thereof ", $292,000"; and the Senate agree to the same.

Amendment numbered 44: That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment, as follows: In lieu of the number inserted by said amendment insert "six"; and the Senate agree to the same.

Amendment numbered 48: That the House recede from its disagreement to the amendment of the Senate numbered 48, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$543,800"; and the Senate agree to the same.

Amendment numbered 50: That the House recede from its disagreement to the amendment of the Senate numbered 50, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows: "and all other necessary incidental expenses (not exceeding $50 in any one case) not included in the foregoing,"; and the Senate agree to the same.

Amendment numbered 54: That the House recede from its disagreement to the amendment of the Senate numbered 54, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows: "; and all other necessary incidental expenses (not exceeding $50 in any one case) not included in the foregoing"; and the Senate agree to the same.

Amendment numbered 57: That the House recede from its disagreement to the amendment of the Senate numbered 57, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows: "and all other necessary incidental expenses (not exceeding $50 in any one case) connected therewith,"; and the Senate agree to the same.

Amendment numbered 60: That the House recede from its disagreement to the amendment of the Senate numbered 60, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows: ", and for every necessary incidental expense (not exceeding $50 in any one case) not included in the above"; and the Senate agree to the same.

Amendment numbered 61: That the House recede from its disagreement to the amendment of the Senate numbered 61, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows: "; and for all other necessary expenses (not exceeding $50 in any one case) not included in the foregoing"; and the Senate agree to the same.

Amendment numbered 62: That the House recede from its disagreement to the amendment of the Senate numbered 62, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$778,000"; and the Senate agree to the same.

Amendment numbered 64: That the House recede from its disagreement to the amendment of the Senate numbered 64, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$143,800"; and the Senate agree to the same.

Amendment numbered 71: That the House recede from its disagreement to the amendment of the Senate numbered 71, and agree to the same with an amendment, as follows: In lieu of the number proposed insert "six"; and the Senate agree to the same.

Amendment numbered 76: That the House recede from its disagreement to the amendment of the Senate numbered 76, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows: "and all other necessary expenses (not exceeding $50 in any one case) in connection therewith,"; and the Senate agree to the same.

Amendment numbered 78: That the House recede from its disagreement to the amendment of the Senate numbered 78, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows: "and all other necessary expenses (not exceeding $50 in any one case) connected therewith,"; and the Senate agree to the same.

Amendment numbered 81: That the House recede from its disagreement to the amendment of the Senate numbered 81, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows: "and all other necessary expenses (not exceeding $50 in

any one case) connected therewith,"; and the Senate agree to the same.

Amendment numbered 87: That the House recede from its disagreement to the amendment of the Senate numbered 87, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows: "all other necessary miscellaneous expenses (not exceeding $50 in any one case) not included in the foregoing;" and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 4, 12, 28, 41, 49, 51, 46, 58, 63, 77, 79, 83, and 88.

THOS. S. MCMILLAN,
JAMES MCANDREWS,
ROBERT L. BACON,
Managers on the part of the House.

KENNETH MCKELLAR,
RICHARD B. RUSSELL, JR.,
KEY PITTMAN,
PAT MCCARRAN,
FREDERICK HALE,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5779) making appropriations for the Departments of State, Justice, for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year 1938, and for other purposes, submit the following statement in connection with the action of the conferees on such amendments:

On amendments nos. 3, 15, 26, 39, 50, 54, 57, 60, 61, 76, 78, 81, and 87: Eliminated language in various paragraphs throughout the bill which authorized expenditures for neccssary expenses not specifically named in the paragraphs making the appropriations. In the case of each amendment the House language has been retained authorizing these miscellaneous necessary expenditures but language has been inserted by the conferees limiting to $50 the amount that may be spent for each item not specifically authorized.

State Department

On amendment no. 1: Appropriates $2,220,480 for salaries in the office of the Secretary of State, instead of $1,927,700 as provided by the House and $2,224,940 as proposed by the Senate. The increase approved over the House figures look to the allowance of $205,540 for the Division of Trade Agreements, $4,540 for the Division of Communications and Records, $31,940 for the Division of Philippine Affairs, $6,500 for an additional position in the office of the Economic Advisor, and $40,500 for replacement of Foreign Service officers on detail in the Department with permanent personnel and payment of the salary of the Counselor.

On no 2: Corrects limitation figures to correspond with action taken on amendment no. 1.

On no. 5: Appropriates $20,000 plus the unexpended balance for public hearings in connection with the reciprocal treaty program, instead of $30,000 plus the unexpended balance, as proposed by the Senate.

On no. 6: Appropriates $125,000 for representation allowances, as proposed by the House, instead of $100,000, as provided by the Senate.

On no. 7: Appropriates $45,000 for expenses of the Telecommunication Conference in Cairo, Egypt, as proposed by the House, instead of $49,000, as proposed by the Senate.

On no. 8: Appropriates $10,000 for the expenses of the Delaware Valley Tercentenary Commission, as proposed by the Senate.

Department of Justice

On no. 9: Appropriates $563,500 for salaries in the Tax Division, instead of $548,140 as proposed by the House and $578,860 as proposed by the Senate.

On no. 10: Appropriates $150,100 for salaries in the Criminal Division, instead of $137,600 as proposed by the House and $162,800 as provided by the Senate.

On no. 11: Corrects a total and permits a 10-percent interchangeability privilege for appropriations carried under the office of the Attorney General, as proposed by the Senate.

On no. 13: Appropriates $800,000 for traveling expenses, as proposed by the House, instead of $840,000, as provided by the Senate.

On no. 14: Appropriates $275,000, as proposed by the Senate, for printing and binding, instead of $317,000, as provided by the House.

On no. 16: Appropriates $530,000 for salaries and expenses of Veterans' Insurance Litigation, instead of $500,000 as proposed by the Senate and $555,000 as provided by the House.

On no. 17: Appropriates $47,000 for salaries, District Court, Panama Canal Zone, instead of $48,300 as proposed by the Senate and $45,500 as provided by the House.

On no. 18: Appropriates $3,560,000 for salaries and expenses of deputies and marshals, instead of $3,585,000 as proposed by the Senate and $3,485,000 as provided by the House.

On no. 19: Appropriates $2,918,500 for salaries and expenses of district attorneys and assistants as proposed by the House, instead of $2,922,000, as provided by the Senate.

On no. 20: Makes appropriation for miscellaneous expenses, United States courts, available for expenses in connection with patent applications and contested proceedings involving inventions, as proposed by the Senate.

On no. 21: Appropriates $563,040 for medical and hospital service in penal institutions, instead of $581,000 as proposed by the Senate and $550,000 as provided by the House.

On no. 22: Corrects limitation figures to correspond with action taken on amendment no. 23.

On no. 23: Appropriates $1,023,465 for expenses of Federal jails, instead of $673,300 as provided by the House and $1,063,465 as proposed by the Senate. The amount allowed over the House figures in both this item and amendment no. 21 is for the expense incident to opening of the new Federal jail in Los Angeles, Calif.

Department of Commerce

On no. 24: Reinserts language, as proposed by the House, which was deleted by the Senate, authorizing the Chief Clerk of the Department to sign official papers under certain circumstances, amended to extend the authority of such clerk to the signing of only "minor routine" papers and documents.

On no. 25: Appropriates $352,000 for salaries in the office of the Secretary, as proposed by the Senate, instead of $362,000, as provided by the House.

On no. 27: Appropriates $126,842 as proposed by the Senate for contingent expenses, instead of $134,600, as proposed by the House.

On no. 29: Inserts language, as proposed by the Senate, making the appropriation for traveling expenses available for travel in connection with examinations for retirement for disability in the Lighthouse Service.

On no. 30: Appropriates $959,000 for traveling expenses, as proposed by the Senate, instead of $909,000, as provided by the House.

On no. 31: Appropriates $500,000 for printing and binding, instead of $492,000 as proposed by the House and $512,550 as provided by the Senate.

On no. 32: Appropriates $628,000 for departmental salaries in the Bureau of Air Commerce, as proposed by the Senate, instead of $543,000, as provided by the House, and makes $5,000 of such sum immediately available, instead of $10,000, as proposed by the Senate.

On no. 33: Eliminates language, as proposed by the Senate, in the paragraph for establishment of air-navigation facilities, Bureau of Air Commerce, which language proposed to make $50,000 of the appropriation available for certain research and investigation in connection with air-navigation aids. A new paragraph has been inserted to authorize this work, which will be explained under amendment no. 42.

On no. 34: Makes appropriation for establishment of air-navigation facilities, Bureau of Air Commerce, available for purchase, maintenance, operation, etc., of aircraft as proposed by the Senate.

On no. 35: Appropriates $3,037,800, as proposed by the Senate, for establishment of air-navigation facilities, Bureau of Air Commerce, instead of $2,862,800, as provided by the House, and makes $7,500 of such sum immediately available instead of $15,000 as proposed by the Senate.

On no. 36: Permits Secretary of Commerce to enter into contracts, prior to July 1, 1938, for purchase, construction, and installation of additional air-navigation aids in an amount not to exceed $2,000,000, as proposed by the House, instead of $6,000,000 as proposed by the Senate, and in addition thereto authorizes the Secretary to contract for such aids in the amount of $2,000,000 additional prior to July 1, 1939. Also provides that a report of all certifications and expenditures under the item for establishment of air-navigation facilities shall be made to Congress on or before July 1, 1938, instead of having the report made to the Secretary of the Senate and the Clerk of the House as proposed by the Senate.

On no. 37: Appropriates $5,698,000 for maintenance of air-navigation aids, as proposed by the Senate, instead of $4,798,700, as provided by the House, of which sum $58,500 is made immediately available instead of $117,000 as proposed by the Senate.

On no. 38: Increases the limitation on the amount that may be expended for purchase of aircraft under the appropriation for maintenance of air-navigation facilities, Bureau of Air Commerce, from $100,000, as proposed by the House, to $200,000 as provided by the Senate.

On no. 40. Appropriates $1,582,000, as proposed by the Senate, for aircraft in commerce, Bureau of Air Commerce, instead of $844,000, as provided by the House, and makes $11,000 of such sum available immediately instead of $22,000 as proposed by the Senate.

On no. 42: Appropriates $292,000 under a new item for safety and planning, Bureau of Air Commerce, as proposed by the Senate, and retains new language in the paragraph save that authorizing the purchase of a certain patent which has been eliminated.

On no. 43: Allows not to exceed $15,000 for expenses of packing, crating, and transporting household effects of employees in the Bureau of Air Commerce when transferred from one official station to another, as proposed by the Senate, instead of $10,000 as provided by the House.

On no. 44: Limits the total poundage for the expense item in amendment no. 43 to 6,000 pounds in any one case instead of 5,000 pounds, as provided by the House and 8,000 pounds as proposed by the Senate.

On no. 45: Increases the limitation under the Bureau of Air Commerce on materials and supplies purchasable without competitive bidding from $50 as proposed by the House to $100 as proposed by the Senate.

On no. 46: Makes the appropriation for salaries and expenses, Washington Commerce Service, Bureau of Foreign and Domestic

Commerce, available for administration of the China Trade Act as proposed by the Senate.

On no. 47: Eliminates language, as proposed by the Senate, intended to make the appropriation for salaries and expenses, Washington Commerce Service, Bureau of Foreign and Domestic Commerce, available for necessary expenses not specifically set out in the appropriating paragraph.

On no. 48: Appropriates $543,800 for salaries and expenses, Washington Commerce Service, Bureau of Foreign and Domestic Commerce, instead of $500,000 as proposed by the House and $553,800 as provided by the Senate.

On no. 52: Makes appropriation for customs statistics, Bureau of Foreign and Domestic Commerce, available for expenses connected with publication of statistics showing exports and imports by customs districts and destinations. The money available, however, will not permit this work to proceed.

On no. 53: Limits the amount that may be expended for personal services in the District of Columbia under the item for customs statistics, Bureau of Foreign and Domestic Commerce, to $120,000, as proposed by the Senate.

On no. 55: Appropriates $403,000 for customs statistics, Bureau of Foreign and Domestic Commerce, as proposed by the House, instead of $350,000, as provided by the Senate.

On no. 59: Makes appropriation for salaries and expenses, Foreign Commerce Service, Bureau of Foreign and Domestic Commerce, available to pay losses by exchange, as proposed by the Senate.

On no. 62: Appropriates $778,000 for salaries and expenses, Foreign Commerce Service, Bureau of Foreign and Domestic Commerce, instead of $728,000 as proposed by the House and $783,325 as provided by the Senate.

On no. 64: Appropriates $143,800 for transportation of families and effects of officers and employees and allowances for living quarters under the Bureau of Foreign and Domestic Commerce, instead of $142,000 as proposed by the House and $145,600 as provided by the Senate.

On no. 65: Inserts a proviso, as proposed by the Senate, limiting the allowance to any foreign commerce officer under the Bureau of Foreign and Domestic Commerce to a maximum of $1,700.

On no. 66: Appropriates $837,000 for testing, inspection, and information service under the Bureau of Standards, as proposed by the House, instead of $800,000, as provided by the Senate.

On no. 67: Appropriates $701,000 for research and development under the Bureau of Standards, as proposed by the House, instead of $667,000, as provided by the Senate.

On no. 68. Limits amount available for attendance at meetings concerned with the work of the Bureau of Standards to $3,000, as proposed by the House, instead of $4,500, as provided by the Senate.

On no. 69: Corrects a total.

On no. 70: Corrects a limitation figure.

On no. 71: Limits the number of pounds of household effects of employees of the Lighthouse Service that may be packed and transported as Government expense upon change in official station of an employee to 6,000 pounds, instead of 5,000 pounds as proposed by the House and 8,000 pounds as provided by the Senate.

On no. 72: Appropriates $729,900 for superintendents, clerks, etc., Lighthouse Service, as proposed by the Senate, instead of $720,000, as provided by the House.

On no. 73: Eliminates language, as proposed by the Senate, proposing to make the appropriation for miscellaneous objects, Coast and Geodetic Survey, available for certain objects not specifically named.

On no. 74: Makes the appropriation for propagation of food fishes, Bureau of Fisheries, available for acquisition of fish-cultural stations, as proposed by the Senate.

On no. 75: Appropriates $262,000, as proposed by the Senate, for inquiries respecting food fishes, Bureau of Fisheries, instead of $252,000, as provided by the House.

On no. 80: Makes appropriation for Alaska, general service, Bureau of Fisheries, available for pay of subsistence of certain employees, as proposed by the Senate.

On no. 82: Appropriates $274,000 for Alaska, general service, Bureau of Fisheries, as proposed by the House, instead of $266,875, as provided by the Senate.

Department of Labor

On no. 84: Appropriates $135,400, as proposed by the House, for the salaries and expenses of the Bureau of Labor Standards, instead of $155,000, as provided by the Senate.

On no. 85: Corrects limitation figure to correspond with action taken on amendment no. 84.

On no. 86: Inserts revised language, as proposed by the Senate, for certain expenses of employees of the Bureau of Labor Standards in attending meetings concerned with the work of the Bureau and increases the limitation available for this expense to $2,000, as proposed by the Senate, instead of $750, as provided by the House.

On no. 89: Appropriates $250,000 for printing and binding, as proposed by the Senate, instead of $260,000, as provided by the House.

On no. 90: Appropriates $9,586,600 for salaries and expenses, Immigration and Naturalization Service, as proposed by the House, instead of $9,089,900, as provided by the Senate. It is the sense of both the Senate and House conferees that not less than $340,000 of this appropriation shall be allocated to the work involving the deportation of aliens under existing law, which sum shall be used exclusively for such purpose.

On no. 91: Corrects a limitation to correspond with action taken on amendment no. 90.

On no. 92: Retains language in the bill, as inserted by the House and deleted by the Senate, requiring certain expenditures made by the Immigration and Naturalization Service to be made in strict compliance with certain other provisions of law.

On no. 93: Inserts language, as proposed by the Senate, prohibiting the use of money appropriated in the act for the payment of salaries of persons nominated to fill any position after the Senate has voted not to approve of said nomination.

THOS. S. MCMILLAN,
JAS. MCANDREWS,
ROBERT L. BACON,
Managers on the part of the House.

Mr. McMILLAN. Mr. Speaker, I yield 10 minutes to the gentleman from Georgia [Mr. TARVER].

Mr. TARVER. Mr. Speaker, having been unable as one of the House conferees to sign this conference report, I thought it might be appropriate that I should make a brief statement to the House outlining the reasons why I have not been able to agree with my colleagues. I realize, of course, that in all conference reports there are matters of difference, and that necessarily, in order for an agreement to be reached, the conferees must sacrifice their individual opinions about some items. I would not have failed to sign the conference report except for a reason which I consider to be one of major importance, and that reason has to do with the appropriation for the Bureau of Air Commerce.

I am not only not antagonistic to the development of aviation but I am an enthusiastic supporter of air transportation. I am willing at all times and in any way possible to do what I can to further its interest. However, I call your attention briefly to these facts.

The appropriation for the current fiscal year for the Bureau of Air Commerce is $6,850,000. The appropriation carried in the bill as it passed the House was $9,435,251, plus a contract authorization, which is the equivalent of an appropriation of $2,000,000. The appropriation as it passed the Senate was increased to $11,780,221 in cash, plus a contract authorization of $6,000,000, bringing the total amount to approximately $18,000,000 for the next fiscal year, as compared with the appropriation for the current fiscal year of $6,850,000. The conferees have reduced the amount of cash carried in the Senate bill by only $108,000, and they have reduced the contract authorization by only $2,000,000, leaving the amount agreed to in conference as $11,672,221 in cash, plus a contract authorization of $4,000,000, which is approximately 225 percent of the appropriation for the current fiscal year.

How did the increases in the bill after it passed the House come about? At the time the hearings were had before the House committee Mr. Eugene Vidal was Director of the Bureau of Air Commerce. The appropriations recommended by the House committee and adopted by the House were apparently satisfactory to him. Immediately after the House hearings were completed Mr. Vidal resigned. The understanding is that Mr. Vidal was forced to resign. Mr. Vidal's attitude with reference to the expenditures to be made or to be recommended by his Bureau were apparently not in accord with the wishes of the officials of the air transportation companies, whose ideas are reflected in this bill, and who seem to control the Bureau of Air Commerce. I was informed by a gentleman who was in position to know that Mr. Vidal lost his place because he was not willing to recommend the inordinate appropriations which are carried in this bill, and he resigned. A Mr. Fagg was appointed.

Mr. Fagg very promptly submitted through the proper official channels to the Bureau of the Budget and secured its approval of the additional estimates, which were thereafter transmitted to the Senate, received Senate approval, and subsequently received the approval of the conferees, bringing about, as I have indicated, an increase in the appropriation for this one Bureau to 225 percent, or approximately that percent, of the present year's appropriation, without the submission of any additional evidence as to the needs of this Bureau than the House committee had.

We have here some very interesting hearings—I hope you will get copies of them—held by our subcommittee after the

Senate amendments were adopted. I call your attention to the evidence of Mr. Fagg, set out on page 8 of these hearings. I may say, however, before I read this, that we also heard as the first witness before our subcommittee after the bill came back from the Senate a man whose evidence is not reported, a man named Colonel Gorrel, who is, you might say, the chief lobbyist for the air transportation companies, and the president of the Air Transport Association. The House part of our conference committee heard the evidence of Colonel Gorrel before it heard the evidence of any official of the Government, with reference to whether or not these Senate amendments were satisfactory to him. His evidence, as I have stated, is not reported. However, the evidence of Mr. Fagg, to which I have made reference, is as follows:

Mr. TARVER. And yet we claim we are economizing in order to try to balance the Budget.

Mr. FAGG. We do not claim that in this Bureau.

Mr. TARVER. You do not claim that?

Mr. FAGG. Not the slightest.

Mr. TARVER. Do you not think that it is time you were beginning to claim that and make some effort in that direction?

Mr. FAGG. Not in this field. It depends on what the Congress desires.

Mr. TARVER. You think that we should give you this increased appropriation for your particular work, and that the economies should be effected in other organizations of the Government?

Mr. FAGG. We do.

Mr. TARVER. Of course, it is natural for an enthusiast to entertain views of that character with regard to his work, but it is a little bit unusual to go to the extreme indicated by your expression.

I have no desire to make, and I trust that whatever I may say may not be understood to be, a criticism of my colleagues who have served on this conference committee; but I do believe that in times like these, when we are being called on by the President and by the country generally to try to bring about a balance between Federal expenses and Federal income, we should not undertake at one swoop to more than double the appropriation for one bureau of one department of the Government, and, as under the circumstances of this case, without this inordinate increase being thoroughly justified. If when the bill passed the House, if when the hearings were had before the House committee, the amount carried in the bill when it passed the House appeared to be reasonably sufficient to the officials of the Bureau of Air Commerce, then, certainly, some new developments, some new facts which ought to affect our judgment in the situation, should have been developed before the Senate was permitted to add approximately $4,000,000 to the amount of the bill as it passed the House. As a matter of fact, the officials of the air transport companies, as I have stated, have had their views reflected in the amounts of these appropriations. Their lobbyists are as thick in Washington as the locusts were in Egypt in the time of the plagues.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. TARVER. I yield to the gentleman from Pennsylvania.

Mr. RICH. Can the gentleman tell us what the total amount of the State, Justice, the judiciary, Commerce, and Labor appropriation bill is at the present time, since it has come out of the Senate?

Mr. TARVER. The exact figures of the total bill are not in the data which I have before me. Doubtless the chairman of our subcommittee will be able to give the gentleman this information. However, the unjustified and extravagant increase is contained, as I view it, in the appropriation for the Bureau of Air Commerce, to which I have made reference, and as to which I have given the gentleman specific figures.

Mr. RICH. Does not the gentleman believe Members of Congress should put their foot down on these bureaucrats who are desirous of increasing their budgets over and above that of a year ago, especially when it is beyond at least a 10-percent increase?

When it comes to an increase of 100 percent or 200 percent, it is only going to be a short time until we will be unable to cope with the situation of trying to finance these various bureaus.

Mr. TARVER. That is exactly the point I was endeavoring to make. Instead of following a policy of economy here we are following a policy of extravagance. We are likely to let our enthusiasm for air transportation run away with us in the same way, perhaps, as we did in the early history of the railroads of this country, when a large portion of the public domain was practically given away in an effort to foster the building of railroads, a very worthy objective, but one that we went about with too much enthusiasm.

[Here the gavel fell.]

Mr. McMILLAN. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. BACON].

Mr. BACON. Mr. Speaker, I do not yield to anyone in my desire to cut down appropriations. After this bill had passed the House supplemental estimates were sent to the Senate by the Budget and the Senate not only included these supplemental estimates but went beyond the Budget. The Senate was very insistent upon retaining the increased appropriations. Your conferees, however, did succeed in bringing the estimates for the Bureau of Air Commerce below the Budget figures, although the Senate had exceeded the Budget when they passed the bill. Therefore, although there has been a considerable increase in the appropriations for this Bureau over last year, I think your House conferees accomplished about all they possibly could. We did reduce the Senate appropriations below the Budget.

Mr. TARVER. Mr. Speaker, will the gentleman yield?

Mr. BACON. I will be pleased to yield.

Mr. TARVER. The only reduction you insisted upon with respect to the cash appropriation was $108,000, to which the Senate conferees acceded. The House conferees did not ask for any other reduction in the cash appropriations.

Mr. BACON. But the gentleman will concede that the total cash appropriation is within the total Budget estimates.

Mr. TARVER. I understand that, but I was talking about the way in which the additional Budget estimates were brought about beyond the estimates as considered by the House committee.

Mr. BACON. I would like to address myself to that particular point. There has been a reorganization of the Bureau of Air Commerce. Your subcommittee of the Committee on Appropriations for the past 2 years has felt there was a good deal of inefficiency and lack of direction in that Bureau. There has been a reorganization and a new man has come in. I myself am impressed with him. I myself believe that he knows his job and is efficient, and I believe he will do a good job.

The reason there has been an increase and the reason the Budget has recommended an increase over last year has been due to the investigations of a Senate committee headed by Senator COPELAND, of New York, which was appointed as a result of the air crash in which Senator Cutting lost his life. This Senate committee went into all of these air crashes most exhaustively, and as a result of their conclusions from this testimony there has been a reorganization, and the Budget has seen fit to increase the appropriations. We are a little below the Budget, but I personally believe that this increase is justified, and is justified for this reason: Three years ago and 4 years ago we made no appropriations to improve air navigation facilities and aids to make flying safe. Therefore the air transportation industry has developed much faster than Government facilities and navigation aids to make flying safe. It would have been better, perhaps, if we had not cut to zero the appropriations of 3 or 4 years ago, but we did. If we had gone along in an orderly way, we would not have to have this big appropriation today.

[Here the gavel fell.]

Mr. McMILLAN. Mr. Speaker, I yield the gentleman 2 additional minutes.

Mr. BACON. I will conclude with the statement that it seems to me that with the large increase of American citizens using the airways, there is an obligation on the part of the Government to see that these airways are safe. Only 30 percent of these airways are used by air transportation companies. The other 70 percent are use by private flyers, Army

and Navy flyers, and other people. Therefore I think the increase is justified.

I would have been willing to cut the amount further, but we had to compromise with the other body; and I think, as long as we are below the Budget, the House is justified in adopting the conference report.

Mr. McMILLAN. Mr. Speaker, I desire to take just a moment or two to further answer the statement made by our colleague, the gentleman from Georgia [Mr. TARVER], a member of the committee. The gentleman from New York [Mr. BACON], I believe, has briefly presented the picture to the House. But I would have the House membership reflect for just a moment and look at the picture of the development of aviation during the past few years. It is interesting to note that in 1926, just 10 years ago, there were only about 5,000 passengers carried by air in the United States. During the past year or two that number has increased, not by thousands but to hundreds of thousands, and not by thousands of miles of travel per year but to millions of miles of travel per year by the Army, the Navy, by private planes, and by commercial transportation. So I am sure the membership of the House is perfectly aware of the great progress that has been made in aviation in the last few years. That is the progress that has taken place. Years ago this Congress authorized the Department of Commerce to regulate and control air transportation in America; that is, by authority of law.

It takes money to maintain these airways. Human lives are at stake. I feel, as my committee felt, having this responsibility, that it is up to the membership of this Congress to see that these airways are properly maintained, and that we have safety by air as we would like to have it. That is what is responsible for this great increase in this bill this year for this purpose. Even with this great increase, we are $35,000 under the Budget estimate. The bill which passed the House provided an appropriation of some $9,000,000 for this Bureau. The Senate added a couple of million dollars to that, on the basis of supplemental estimates that came from the Budget to the Senate. The figures contained in the bill here presented are under the total estimates for the Bureau of Air Commerce by $35,000.

With regard to the money carried in the bill for all of the four departments, the total funds provided for in the bill under the conference agreement are $125,775,000. The total estimates submitted by the Budget amount to $129,854,000. There is a reduction of $4,078,250.40 under the estimate submitted by the Budget.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. McMILLAN. Yes.

Mr. RICH. The gentleman says that the bill carries $125,175,000.

Mr. McMILLAN. One hundred and twenty-five million seven hundred and seventy-five thousand nine hundred and seventeen dollars. That is the amount provided in the conference report.

Mr. RICH. The bill last year carried $117,803,000. The gentleman is $17,000,000 over the total amount of this bill for the year 1937. Is that the fact?

Mr. McMILLAN. No; last year it was $117,000,000, and this year it is $125,000,000, an increase of about $8,000,000 over the last year's appropriations, but we are $4,000,000 under the Budget estimates, as has been stated.

Mr. RICH. But we have to give some consideration now to the fact the Budget is budgeting too much for these various departments of the Government. The gentleman is chairman of a subcommittee of the Committee on Appropriations. I call his attention to the fact that we have now appropriated over $7,200,000,000 in this session of Congress. The gentleman knows that the income of this Government next year will not be over five and a half billion dollars. How are we ever going to balance the Budget if we keep on in this way? What I call the attention of the gentleman to is that you have to budget the Budget.

Mr. McMILLAN. Will the gentleman agree with us and join with us in cutting out some of these authorizations from year to year? There is where your trouble is.

Mr. RICH. There is no one in the House who has been voting to keep them down more than I, and I am here to help the gentleman.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. McMILLAN. Yes.

Mrs. ROGERS of Massachusetts. I understand the gentleman to feel that some of these accidents could have been averted if we had had proper equipment.

Mr. McMILLAN. There is no question about that. There are a great many miles of airways in America that have no maintenance or aids to navigation whatever.

Mrs. ROGERS of Massachusetts. There are thousands of miles.

Mr. McMILLAN. And with these funds available we will equip these airways with modern facilities and provide these aids to navigation that are essential if we are to take care of safety in air travel in America.

Mr. TARVER. Mr. Speaker, will the gentleman yield?

Mr. McMILLAN. Yes.

Mr. TARVER. The $125,000,000 figure given by the gentleman does not include the $4,000,000 contract authorization.

Mr. McMILLAN. Two of the four million dollars contract authorization are estimated for by the Budget.

Mr. TARVER. I am not questioning but that it is estimated for by the Budget. The point I make is that the $125,000,000 total given by the gentleman does not include the $4,000,000 authorization for the Bureau of Air Commerce. That is correct, is it not?

Mr. McMILLAN. That is correct, and it should not properly be considered in connection with the appropriations for 1938, as the appropriations to carry out the contract authorizations will be made in subsequent years and charged to the fiscal year in which they are made.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

Mr. McMILLAN. Mr. Speaker, I call attention to the fact that there are now some items in disagreement. They all have to do with the same subject matter, and I ask unanimous consent that they be considered en bloc.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The SPEAKER. Without objection the Senate amendments will be printed in the RECORD.

There was no objection.

The Senate amendments in disagreement are as follows:

Senate amendment no. 4: Page 4, line 24, after the figures "$78,410", insert ": *Provided*, That a detailed statement of expenditures from this appropriation shall be reported to Congress in the annual Budget."

Senate amendment no. 12: Page 35, line 4, strike out the period and insert ": *Provided further*, That a detailed statement of expenditures from this appropriation shall be reported to Congress in the annual Budget."

Senate amendment no. 28: Page 60, line 5, after the word "law", insert ": *Provided*, That a detailed statement of expenditures from this appropriation shall be reported to Congress in the annual Budget."

Senate amendment no. 41: Page 63, line 20, after the word "available", insert ": *Provided*, That a detailed statement of expenditures from this appropriation shall be reported to Congress in the annual Budget."

Senate amendment no. 49: Page 66, line 16, after the figures "$553,800", insert ": *Provided*, That a detailed statement of expenditures from this appropriation shall be reported to Congress in the annual Budget."

Senate amendment no. 51: Page 67, line 14, after the figures "$323,000", insert ": *Provided*, That a detailed statement of expenditures from this appropriation shall be reported to Congress in the annual Budget."

Senate amendment no. 56: Page 68, line 12, after the figures "$350,000", insert ": *Provided*, That a detailed statement of expenditures from this appropriation shall be reported to Congress in the annual Budget."

Senate amendment no. 58: Page 69, line 3, after the figures "520,000", insert ": *Provided*, That a detailed statement of expenditures from this appropriation shall be reported to Congress in the annual Budget."

Senate amendment no. 63: Page 70, line 12, after the figures "$783,325", insert ": *Provided*, That a detailed statement of expenditures from this appropriation shall be reported to Congress in the annual Budget."

Senate amendment no. 77: Page 92, line 24, after the figures "$73,600", insert ": *Provided*, That a detailed statement of expenditures from this appropriation shall be reported to Congress in the annual Budget."

Senate amendment no. 79: Page 93, line 15, after the word "Columbian", insert ": *Provided*, That a detailed statement of expenditures from this appropriation shall be reported to Congress in the annurl Budget."

Senate amendment no. 83: Page 94, line 12, after the word "immediately", insert ": *Provided*, That a detailed statement of expenditures from this appropriation shall be reported to Congress in the annual Budget."

Senate amendment no. 88: Page 100, line 5, after the figures "$100", insert ": *Provided*, That a detailed statement of expenditures from this appropriation shall be reported to Congress in the annual Budget."

Mr. McMILLAN. Mr. Speaker, I think at this point it would be well for me to call the attention of the House to the fact that these various amendments in disagreement have to do with an amendment that was put on the bill by the Senate. The Senate inserted an amendment requiring certain detailed statements of expenditures to be submitted to Congress in the Budget.

While perhaps some few Members of the House, as well as Members of the Senate, would have some use for these detailed statements, it has developed that the cost incident to the detailed statements regarding all of the various little expenditures on the part of a department would require a great deal of time and expense in preparation, as well as loading down the already voluminous Budget with a mass of detailed figures. I may add, furthermore, that these statements on any item may now be secured by a committee in charge of any bill if requests for the information are submitted to the Department. So while an amendment was made to that effect by the Senate, the Senate did agree, upon the insistence of the House conferees, to recede with an amendment cutting out the word "detailed", the effect of which will be, in my opinion, the continuation of the present expenditure statements now found in the Budget. I think that that explanation is sufficient. I now move, Mr. Speaker, that the House recede and concur in Senate amendments numbered 4, 12, 28, 41, 49, 51, 56, 58, 63, 77, 79, 83, and 88 with an amendment in each case striking out the word "detailed."

The Clerk read as follows:

Motion by Mr. McMILLAN: Mr. McMILLAN moves that the House recede and concur in amendments nos. 4, 12, 28, 41, 49, 51, 56, 58, 63, 77, 79, 83, and 88 with an amendment in each case striking out the word "detailed."

The SPEAKER. The question is on the motion of the gentleman from South Carolina [Mr. McMILLAN].

The motion was agreed to.

A motion to reconsider was laid on the table.

HYDROELECTRIC POWER PROJECT AT CABINET GORGE ON THE CLARK FORK OF COLUMBIA RIVER

Mr. WHITE of Idaho. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 114) to provide for studies and plans for the development of a hydroelectric power project at Cabinet Gorge, on the Clark Fork of the Columbia River, for irrigation, pumping, or other uses, and for other purposes, with a Senate amendment, disagree to the Senate amendment, and ask for a conference.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Idaho? [After a pause.] The Chair hears none, and appoints the following conferees: Mr. WHITE of Idaho, Mr. ROBINSON of Utah, Mr. GREEVER, Mr. GEARHART, and Mr. OLIVER.

MEETING OF COMMITTEE ON THE DISTRICT OF COLUMBIA

Mr. PALMISANO. Mr. Speaker, I ask unanimous consent that the Committee on the District of Columbia may meet during the session of the House today and tomorrow.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. CELLER. Mr. Speaker, I ask unanimous consent to extend my own remarks on the German situation.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. THOMAS of New Jersey. Mr. Speaker, I ask unanimous consent to extend my own remarks and include therein a telegram from the commissioner of banking and insurance of the State of New Jersey, and a few short letters from officials of banks in New Jersey relative to legislation which has been introduced.

The SPEAKER. Is there objection?

There was no objection.

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to extend my own remarks and include a radio address I am delivering today.

The SPEAKER. Is there objection?

There was no objection.

Mr. WALLGREN. Mr. Speaker, I ask unanimous consent to extend my own remarks on the proposed Mount Olympus National Park.

The SPEAKER. Is there objection?

There was no objection.

Mr. IGLESIAS. Mr. Speaker, I request the unanimous consent of the House to extend my own remarks and to include therein a study of the agricultural and sugar situation of Puerto Rico as it affects the economic and social conditions of the masses of producers of the island.

The SPEAKER. Is there objection?

There was no objection.

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to extend my own remarks on the Mackinac Straits development.

The SPEAKER. Is there objection?

There was no objection.

Mr. KITCHENS. Mr. Speaker, I ask unanimous consent to extend my own remarks and include therein a copy of an address delivered by the Postmaster General.

The SPEAKER. Is there objection?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my own remarks and include therein a statement by Mr. Labert St. Clair, of the Department of Commerce, explaining the work done in accident prevention last year under the provisions of a bill which I introduced last year and which became law.

The SPEAKER. Is there objection?

There was no objection.

PRINTING COSTS

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes to make a statement with reference to printing.

The SPEAKER. Is there objection?

There was no objection.

Mr. RICH. Mr. Speaker, I want to call attention to the fact that evidently a lot of "brain trusters" are bringing bills here and asking Members of Congress to introduce them.

I call attention to H. R. 7318, introduced by the gentleman from Wisconsin [Mr. AMLIE], a bill to regulate the flow of interstate commerce by increasing national income, by maintaining production, by abolishing unemployment, and so forth. This is a bill of 15 pages. An identical bill, H. R. 5325, was introduced by the gentleman from Texas [Mr. MAVERICK] on June 1. The same bill, the same contents exactly, bill H. R. 7332, consisting of 15 pages, was introduced by the gentleman from California [Mr. VOORHIS]. The same bill and the same contents, H. R. 7335, was introduced by the gentleman from Pennsylvania [Mr. ALLEN]. All these bills introduced on the same day, June 1, 1937, a gala day for the "brain trusters."

Now, if you expect the Printing Committee to print all the bills that are sent here by the "brain trusters" and the Members are going to introduce those bills on the floor, you will

never keep down the printing expenses of the Government. It seems to me that before any Member of Congress introduces a bill that somebody asks him to introduce he should ask that individual whether or not more than one Member of Congress is going to introduce it. I think it is ridiculous for us to permit these things to happen. No judgment is displayed by the Member carrying out this practice of introducing bills that are duplicated by other Members of Congress on the same day and sent to the same committee—the Ways and Means. One bill of a kind is enough.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

EXTENSION OF REMARKS

Mr. DIMOND. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, and include therein a short letter written by the Territorial highway engineer of Alaska concerning the roads in Alaska.

The SPEAKER. Is there objection to the request of the Delegate from Alaska?

There was no objection.

CALENDAR WEDNESDAY

The SPEAKER. This is Calendar Wednesday. The Clerk will call the committees.

ACQUISITION OF CERTAIN LANDS FOR YOSEMITE NATIONAL PARK (CALIF.)

Mr. DEROUEN (when the Committee on Public Lands was called). Mr. Speaker, I call up the bill (H. R. 5394) to provide for the acquisition of certain lands for, and the addition thereof to, the Yosemite National Park, in the State of California, and for other purposes.

The Clerk read the title of the bill.

Mr. SNELL. Mr. Speaker, may I ask the gentleman from Louisiana [Mr. DEROUEN] whether it is his intention to call up for consideration this afternoon the bill H. R. 2014, which has reference to the Everglades National Park?

Mr. DEROUEN. No. That bill is not to be considered today.

The SPEAKER. Under the rule, this bill, being on the Union Calendar, the House automatically resolves itself into the Committee of the Whole House on the state of the Union.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 5394, with Mr. MILLER in the chair.

The Clerk read the title of the bill.

The first reading of the bill was dispensed with.

The CHAIRMAN. The gentleman from Louisiana [Mr. DEROUEN] is recognized for 1 hour and the gentleman from California [Mr. ENGLEBRIGHT] is recognized for 1 hour.

Mr. DEROUEN. Mr. Chairman, this bill authorizes the Secretary of the Interior to acquire, either through negotiations to purchase or condemnation, some 7,500 acres of privately owned land adjacent to Yosemite National Park, and provides for the addition to the park of such of this land as may be acquired, together with approximately 476 acres of national-forest land. Some 6,700 acres of the privately owned land is heavily timbered, embracing one of the finest examples of virgin sugar-pine forest now in existence. The remaining 800 acres of privately owned land has been cut over, but should be included in the park to provide proper administration of the area.

All of the national-forest land involved is also heavily timbered, except for 40 acres, which have been logged.

The committee is of the opinion that the preservation of this forest as part of Yosemite National Park will add to the recreational values of the park, promote true conservation, and will be beneficial to the present and future generations of the Nation.

The basic authority for such land acquisition is contained in the act of March 31, 1933. Supplementing this authority, emergency appropriation acts have been passed making moneys available which may be used for acquisition of lands for Emergency Conservation Work and other purposes.

The proposed legislation would authorize the Secretary of the Interior to acquire the privately owned lands included in the area described in section 1 of the proposed bill and authorize the administration thereof, together with approximately 900 acres of national forest lands, as a part of the Yosemite National Park. The acquisition of the privately owned lands in the area described in section 1 of the proposed bill is authorized to be made from any funds or moneys made available for such purpose, except from the general fund of the Treasury.

The sugar pine is found exclusively in California and southern Oregon and nowhere else in the world. It is the largest and most magnificent of all pine trees. John Muir, a famous naturalist and author, in describing this tree, said:

> It is the largest, the noblest, and most beautiful of all the 70 or 80 species of pine trees in the world and, of all the conifers, second only to King Sequoia.

The sugar-pine forest has character unlike that of any other. It would seem proper at this time to acquire this area and place it in Yosemite National Park. It was once upon a time a part of the national park.

I therefore submit the bill for the consideration of the House.

Mr. MARTIN of Massachusetts. Will the gentleman yield?

Mr. DEROUEN. I yield to the gentleman from Massachusetts.

Mr. MARTIN of Massachusetts. I notice under section 4 the county is to be reimbursed for the tax it might lose through the sale of this land. Have we ever done that in the past? Has the Government ever paid taxes on land that it purchased?

Mr. DEROUEN. No. I may explain that was not contained in the original bill. The gentleman from California [Mr. ENGLEBRIGHT], who opposes this bill, formulated the amendment that the gentleman has reference to. The committee after much discussion finally agreed to let the matter come before the House as a precedent. The gentleman from Louisiana does not know of any other legislation that contains such a provision.

Mr. MARTIN of Massachusetts. Has the Department taken any action upon this amendment?

Mr. DEROUEN. I am not aware of any action, any more than a representative of the Interior Department was in the committee room at that time, and, if I recall correctly, he said he would not interpose any objection but would leave it to the Congress to decide. This is a very controversial matter because it is becoming prominent throughout the United States in reference to much of the land that is being bought for addition to the various forests. Some day the question will have to be solved.

Mr. UMSTEAD. Will the gentleman yield?

Mr. DEROUEN. I yield to the gentleman from North Carolina.

Mr. UMSTEAD. The gentleman states that his committee agreed to bring this amendment on the floor of the House for action. Do I understand the chairman of the Public Lands Committee now presents this bill with this amendment?

Mr. DEROUEN. I am in favor of submitting it to the House for decision.

Mr. UMSTEAD. Is the gentleman in favor of the amendment?

Mr. DEROUEN. I think there is merit in the amendment, and the House should pass upon it.

Mr. UMSTEAD. The gentleman still does not answer the question.

Mr. DEROUEN. I have answered it in my own way. That is my interpretation. I still believe the time will come when the Congress will have to provide for that or else stop buying land.

Mr. UMSTEAD. I ask the gentleman if he is in favor of the amendment?

Mr. DEROUEN. The gentleman is trying to put me on the spot. I will vote for the amendment.

Mr. UMSTEAD. The gentleman placed himself on the spot by bringing it in here.

Mr. DEROUEN. I disagree as to that, but I am following instructions from my committee. The gentleman asked me how I personally felt. I tried to say the committee thought the House should decide this question, since there are a large number of bills introduced, seeking tax reimbursement.

Mr. UMSTEAD. As a Member of the House I was seeking information from the chairman of the Public Lands Committee. He has heard all of the evidence in reference to this matter, and I wanted to know what his opinion was.

Mr. DEROUEN. The chairman of the Public Lands Committee very explicitly and in the best language he knew how, has presented you the facts.

Mr. COCHRAN. Will the gentleman yield?

Mr. DEROUEN. I yield to the gentleman from Missouri.

Mr. COCHRAN. This measure in no way takes any money out of the Treasury other than from the fund that may be used for this specific purpose?

Mr. DEROUEN. That is correct.

Mr. COCHRAN. And can be used only for this purpose.

Mr. DEROUEN. The gentleman is correct.

Mr. COCHRAN. In other words, it is not a charge upon the Treasury, nor on any appropriation other than the special fund referred to.

Mr. DEROUEN. Not at all; you have stated it correctly.

Mr. COCHRAN. The Bureau of the Budget approves of this bill?

Mr. DEROUEN. It does.

Mr. COCHRAN. Let me ask the gentleman one question with reference to section 4. I do not concur in the views of the gentleman that it should be adopted. Is it not a fact that if this bill becomes a law there will accrue to this county great benefit in the future by reason of the fact people from all over the United States who may be in that vicinity will go out to view the trees, and while they are there will spend plenty of money? Has the gentleman taken that into consideration?

Mr. DEROUEN. I believe it is a good investment.

Mr. COCHRAN. This county will receive more money by reason of the conservation of these sugar-pine trees, if this bill becomes a law, than it ever would get from taxes from those who now own the property.

Mr. DEROUEN. That is true, because those trees are to be cut and manufactured into lumber. After the trees are removed from this area the land will not be worth very much and will not yield any taxes or revenue whatever.

Mr. COCHRAN. The only ones who seem to be opposing this bill in California are small railroad and lumber interests which want to cut down these trees. Is not that true?

Mr. DEROUEN. I will answer in this way: The land is owned, as I stated, by a private corporation. The testimony of representatives of the railroad and the landowners was not altogether opposed to selling a part of the area, but their contention was that they should sell it for a large amount so as to take care of what they thought might be a loss.

Mr. COCHRAN. Will the gentleman tell the House if he has any information regarding how long it would take trees of this size to grow again in that forest area if they are removed?

Mr. DEROUEN. I will have to quote from the testimony of the forester, who stated that the very large trees will take 200 years.

Mr. COCHRAN. This is a real conservation measure if there ever was one?

Mr. DEROUEN. I believe that.

Mr. MARTIN of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. DEROUEN. Yes.

Mr. MARTIN of Massachusetts. Will the gentleman also tell how long it will take the thousand people thrown out of work to get jobs?

Mr. DEROUEN. When they are very anxious to work, it does not take very long.

Mr. MARTIN of Massachusetts. Is it not a fact many people will be put out of work by this legislation?

Mr. DEROUEN. Not very many.

Mr. MARTIN of Massachusetts. A thousand?

Mr. DEROUEN. Not very many. That was not disclosed in the testimony.

Mr. ROBERTSON. Mr. Chairman, will the gentleman yield?

Mr. DEROUEN. Yes.

Mr. ROBERTSON. I understood the gentleman to say the Director of the Budget had never approved section 4, which is a committee amendment providing for reimbursement of taxes. This point was not presented?

Mr. DEROUEN. No; it was not.

Mr. ROBERTSON. In one of these national parks there is agitation for a water-power development. My recollection is it is in this park. Will the gentleman state whether the provisions of section 3 authorize or prohibit such a water-power development?

Mr. DEROUEN. I would prefer to have the gentleman from California [Mr. MCGROARTY] answer these questions. The gentleman lives there and has all the information.

Mr. ROBERTSON. Does not section 3 involve water-power development in this park?

Mr. MCGROARTY. No; I do not believe there is any water-power development affecting this area at all.

Mr. DEROUEN. That was not brought into the hearings at all.

Mr. MCGROARTY. No. The gentleman is thinking of some other park.

Mr. ROBERTSON. I do not understand why section 3 would be pertinent if some water-power development is not involved, because it states that this new area shall be different from the rest of the parks so far as the Water Power Act is concerned. What is the meaning of that provision? Why should it be inserted?

Mr. DEROUEN. The gentleman from California wrote and introduced this bill. This point was not developed in the hearings. I refer the question to the gentleman from California.

Mr. ROBERTSON. We ought to know before we vote, because I have been advised by a conservationist that one of the purposes of some bill—and it must be this one—is to permit a water-power development in the Yosemite National Park.

Mr. MCGROARTY. That is absolutely untrue. There is no basis for that statement.

Mr. ROBERTSON. Will the gentleman explain why this was put in there, then?

Mr. MCGROARTY. I do not know why it was put in there.

Mr. ROBERTSON. We ought not to vote on this bill unless we know why this is in here.

Mr. DEROUEN. Will the gentleman permit me to make a statement?

Mr. ROBERTSON. Yes.

Mr. DEROUEN. This bill was debated in the Senate 2 weeks ago, on May 27. The RECORD plainly shows this question was not even brought up on the floor of the Senate. The bills are identical with the exception of the tax-reimbursement clause, and that was never brought in by the Senate. I believe the gentleman has reference to Yellowstone Park project.

Mr. ROBERTSON. The bill was brought up in the Senate and passed the Senate with section 3, making a different rule with respect to power development in this acquisition than in the remainder of the park, and that was not debated in the Senate.

Mr. DEROUEN. Not the power question.

Mr. ROBERTSON. The bill was reported by the gentleman's committee, but the gentleman does not know why this section is in here or to what it applies, or what it means?

Mr. DEROUEN. There was no discussion by the committee at all, because we know there is no power question involved in this bill.

Mr. ROBERTSON. If we vote on it, we will not know any more than will the gentleman with respect to why we make

an exception regarding this power development. Should we not know about that before we vote?

Mr. DEROUEN. I would not take it so seriously, because this is a conservation measure so far as the committee is concerned. We are not dealing with power, as I have stated before.

Mr. ROBERTSON. I would not take it seriously except for the fact I have been advised with respect to one of these parks that there is a power project proposed, and that its proponents are trying to get from Congress authority which they do not now have to put the development through. I suspect this section 3 is what they have been writing me about, in the absence of any definite proof.

Mr. DEROUEN. We have no information about that, and it was not discussed. It was not even considered, because we accepted the bill and know that no power development is involved, and I am sure it is not this bill. However, I believe the Yellowstone Park project contemplates water power.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. DEROUEN. Yes.

Mr. WHITE of Idaho. Answering the inquiry of the gentleman from Virginia [Mr. ROBERTSON], I think the language of the provision is specific in stating that the provisions of the Water Power Act do not apply to the land to be acquired under this bill.

Mr. ROBERTSON. Then there would be no objection to cutting out section 3?

Mr. WHITE of Idaho. If you cut out section 3, it might apply, while this language specifically prohibits it from applying.

Mr. ROBERTSON. The Water Power Act does not apply to national parks.

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. DEROUEN. Yes.

Mr. MOTT. I would like to clear up a point or two. This bill provides that the land shall be purchased by any funds available for the purchase of land except funds out of the General Treasury.

Mr. DEROUEN. Yes.

Mr. MOTT. It is my understanding that this money comes out of conservation emergency funds. Is not that right?

Mr. DEROUEN. Not necessarily; no.

Mr. MOTT. Will the gentleman explain where the money comes from?

Mr. DEROUEN. Yes; there were funds that were earmarked and set aside for such purposes, and it is the intention to use a part of the funds that have not been used heretofore.

Mr. MOTT. The funds with which this property is to be purchased are not funds derived from revenue through the sale of timber or anything like that?

Mr. DEROUEN. No.

Mr. MOTT. The funds used to purchase this property will be funds raised by taxation, will they not?

Mr. DEROUEN. No.

Mr. MOTT. Then where will the funds come from?

Mr. DEROUEN. All money used is raised by taxation. That language is very broad, but this money has been earmarked long ago and it is now unused and unspent, and a part of that money will be used to buy this area.

Mr. MOTT. I understand that, but this is money that was raised by taxation.

Mr. DEROUEN. All money of United States that we spend is raised by taxation in one form or another.

Mr. MOTT. Admitting for the sake of argument that is true, and any money with which this land will be purchased is money which was raised by taxation, what is the merit of the provision here that it shall not be money out of the Federal Treasury? It is at least money that is raised by taxation and not money produced by the land.

Mr. DEROUEN. The gentleman is well aware of the fact that every dime this Congress spends is raised by taxation.

Mr. MOTT. I wanted to get that clear.

Mr. DEROUEN. That is not even a question; but if the gentleman wants an answer, I may answer by saying that it will not require any new appropriation.

Mr. MOTT. And the reason for that is that the money has already been appropriated.

Mr. DEROUEN. The money has already been earmarked for certain purposes, and this is a part of the unexpended funds in the hands of the President.

Mr. MOTT. And it is that money that will be used to purchase the land?

Mr. DEROUEN. It is that money that will be used to purchase the land.

Mr. Chairman, I reserve the balance of the time.

Mr. Chairman, the gentleman from California [Mr. McGROARTY] introduced the bill, and I now yield to him such time as he may require.

Mr. McGROARTY. Mr. Chairman, I trust there will be no quibbling about the passage of this bill. It is simply a bill to save to the people of the United States and the people of the world, now and in the generations to come, a great forest.

This is a measure dear to the hearts of the Department of the Interior, the Forest Service, the National Park Service, and, I feel free to say, the President of the United States himself.

All this bill means is that we are either to destroy a great forest or preserve it. This forest is among the most beautiful of all the forests on the face of the earth. It is composed mainly of sugar-pine trees, and the sugar-pine tree is almost the most beautiful tree that grows on the face of the earth. The sugar pine attains a height sometimes of 300 feet. It has a diameter of from 12 to 14 feet.

There is one tree in this forest called the "Hermit's Cave." The trunk of this tree had been burned out and the decay of the tree had made a chimney, and this hermit moved into this tree and made his home there for years. He had room for a fireplace, for a kitchen, for a dining room, and it was one of the most splendid houses that any man had ever known, and God made it for him.

What may come up here is that some Members from the great cities and some Members from other parts of the Union may think it is just a local question out in California as to whether this forest shall be saved or given over to the sawmills. You must not think about it in that way. There was a man traveling on a railroad train one time, and when the conductor came through to collect his ticket he saw a trunk in the aisle and a fellow sitting in his seat beside the trunk, so the conductor said to him, "Take this trunk out of here and get it in the baggage car. This is no place for trunks." The fellow sitting in the seat beside the aisle did not say a word, did not open his mouth, and the conductor went through the train and was returning when he saw the trunk was still there, and he said again to the man, "I told you to take this trunk out of here. You must take it in the baggage car. This is no place for a trunk." The fellow never said a word.

Then the conductor said to him, "When I come back here through this train again, if this trunk is still here, the brakeman and I will take it and throw it off the train." The fellow said nothing, not a word. He never opened his mouth. So when the conductor did come back the third time there was the trunk in the aisle, and he called the brakeman and the two of them took the trunk, while the train was going about 50 miles an hour, and threw it off the train. He came back to the fellow and said, "I told you we would do that." Then the fellow spoke for the first time and said to the conductor, "I don't give a damn; it is not my trunk." [Laughter.] So, gentlemen, you must not think that this is not your forest. It is your forest. It is the forest of every man who breathes the breath of life on the face of the earth today. It is the forest for unborn generations to come. My friends, it took God 600 years to build this forest, and if we do not pass this bill, as the Senate has done, then a sawmill company is all ready now, while I am standing here, to move in on that forest and cut down those trees which it took God with His sunshine and rain 600 years to make, and in 4 years they will totally destroy that forest.

I wish I could picture that for you today. You know some poet has said that the groves were God's first temples. If you were with me in that forest this morning on the edge of the

Yosemite, you would see that you were in one of God's temples, in a stately cathedral, with huge gothic columns. Then as we rode through this forest, as I wish I were doing this morning with you, we would come to the edge of the Yosemite, and we would look into the valley of the Yosemite, God's last word in beauty, and as we rode into the valley of the Yosemite we would see around us waterfalls everywhere, it would look as if there was a waterfall there and there and there, water falling 5,000 feet from the rim of the Sierras, and on the floor of the valley we would wander by the shores of the Merced River, a stream called the Rio Merced by the Spanish pioneers—the River of Mercy, the River of Grace.

If my beloved colleague from my native State of Pennsylvania, Mr. MATTHEW DUNN, were with us at that time, MATTHEW DUNN could follow the Merced River without any assistance, because the wild azaleas grow into the very water of the Merced and from the fragrance of these marvelous flowers MATTHEW DUNN could follow the course of the river—just from their fragrance. You would see on the upland slopes of the valley the wild poppy, the golden and the blood-red poppy—every kind of flower. I always compare the Yosemite to a picture that Doré drew to illustrate Dante's Paradisio. It is like a place that must be in heaven.

Now, Mr. Chairman, this forest is necessary to the preservation of the Yosemite. Surely there is not a man here, surely there is no man on the face of the earth breathing the breath of life today, who wants to destroy so much beauty as the Yosemite. If this forest is to be destroyed by this sawmill company, which is poised to do it right now and to destroy it, and destroy in 4 years what it took God 600 years to make, then the Yosemite itself will suffer, these waterfalls will suffer, and some of them may be destroyed, and the Merced, the river of grace, with its wild azeleas and their fragrance, may be destroyed because this forest is a conservation forest. Destroy the forest and you diminish the water, and you destroy a watershed when you destroy this forest.

Mr. SIROVICH. And how does the gentleman propose to conserve it?

Mr. McGROARTY. Why, by passing this bill that is before us now.

Mr. ROBERTSON. Mr. Chairman, will the gentleman yield?

Mr. McGROARTY. Yes.

Mr. ROBERTSON. I do not want my distinguished friend to believe from the questions that I have previously asked that I am opposed to the principle involved or a matter of saving these trees, but section 3, I am afraid, is so worded that instead of preventing a development here which you want to keep as a park, it might permit it, and I think that should be considered very carefully.

Mr. McGROARTY. My friend, if you vote against this bill, glad as I am to know you, and much as I admire you, I shall be ashamed to know you from now on.

Mr. ROBERTSON. There may be no section 4 when we come to vote on the bill.

Mr. DEROUEN. Mr. Chairman, will the gentleman yield?

Mr. McGROARTY. Yes.

Mr. DEROUEN. I want to make this explanation of section 3. Section 3 of the act reads as follows:

SEC. 3. The provisions of the act approved June 10, 1920, as amended, known as the Federal Water Power Act, shall not apply to any of the lands added to the Yosemite National Park pursuant to the provisions of this act.

The gentleman from Virginia [Mr. ROBERTSON] asked the question, What does it do? It does exactly this. It prohibits that which the gentleman thought would be permitted. It excludes navigation or waterpower development or anything else. It prevents the very thing the gentleman fears.

Mr. ROBERTSON. The Water Power Act says that act shall not apply to national forests, and then you put a section in here providing that this Water Power Act shall not apply to this part of the national forest. Does not a double negative make an affirmative?

Mr. DEROUEN. Perhaps it may be ambiguous. I did not write this bill.

Mr. ROBERTSON. I did not think the gentleman did.

Mr. DEROUEN. But it does not permit them to go in there and do the thing to which you are opposed.

Mr. CARTER. Mr. Chairman, will the gentleman yield?

Mr. McGROARTY. Now, I was drawing a beautiful picture, and you fellows threw a monkey wrench into it. You threw a hammer through the canvas. Why did you do it? Why do you not wait until I get this House in the right mood? [Laughter and applause.]

Mr. CARTER. I am seeking information, and I did not want to wait until the gentleman had left the floor, because I wanted to be sure to get specific, reliable information.

Mr. McGROARTY. That is another catch question, I suppose. [Laughter.]

Mr. CARTER. I want to call the gentleman's attention to section 4 and ask him if he can tell the membership of this House to what extent that obligates the Treasury of the United States?

Mr. McGROARTY. To no extent at all. It does not take a dollar out of the United States Treasury. The money is in hand, long ago, for just such emergencies as this.

Mr. CARTER. No. This is for the payment of taxes. This is a case which, as far as I know, has never arisen before.

Mr. McGROARTY. What if it never did arise before? That poor, God-forsaken county up there has to have a few thousand dollars in taxes. Do you not want them to have it? The gentleman is from up there.

Mr. CARTER. I want to know how much we are obligating ourselves to pay that county. I think the House, in all fairness, ought to know that.

Mr. McGROARTY. I think $12,000 will pay the whole bill.

Mr. CARTER. Is that for all time?

Mr. McGROARTY. This is for the time it would take to destroy the forest, which would be about 4 years.

Mr. CARTER. Then it would be about $48,000?

Mr. McGROARTY. It may be. What about that?

Mr. CARTER. I simply wanted to know. I am not saying it is not right, only I would like to know.

Mr. McGROARTY. The first thing you know you will have Mr. RICH on my back.

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. McGROARTY. Well, yes. I had this House forgetting its troubles. I had them wandering through the Yosemite, through the great forest——

Mr. MOTT. But we want to get a little information about some of these things.

Mr. McGROARTY. I yield.

Mr. MOTT. Can the gentleman tell us how much it will cost to purchase this place?

Mr. McGROARTY. About $2,000,000, with a fair appraisement.

Mr. DIES. Mr. Chairman, will the gentleman yield?

Mr. McGROARTY. With great pleasure to my distinguished colleague.

Mr. DIES. I am wondering if this would not take care of the situation that prevails throughout many of our districts, where the Government has purchased a great deal of land and that land has been removed from local taxation and many schools are compelled to close. Is the gentleman's bill limited solely to the acquisition under this particular act?

Mr. McGROARTY. Yes; it is; but this is what will happen: If we do not pass this bill, the sawmill company will go in there and log the forest. Then they cannot raise a cent in taxes on it. It will never be taxed again, and all that will be left will be hideous stumps and rocks.

Mr. DIES. I am in deep sympathy with the idea that the Government ought to reimburse the local tax units for the taxes, but the departments take the opposite position. I have been trying for 3 years to get them to reimburse these taxes, and I am wondering if they will not veto this bill if it is passed.

Mr. McGROARTY. The Department knows all about this bill. The Department is entirely in sympathy with this

bill as it stands. The thing about it is to pass this bill and stop this sawmill company. If we do not pass this bill today, tomorrow that sawmill company will be moving in there with their logging machines, and it will be goodbye to your forest. Then what will you say to God when you meet Him? He will say, "Why did you not save my forest that I worked so hard for 600 years to create?" [Laughter.] The gentleman from Texas is the last man in the House I would expect to quibble about it.

Mr. DIES. I am not trying to quibble with the gentleman's bill, but for the purpose of making that statement with reference to other lands acquired by the Government generally over the country in which the same situation exists.

Mr. McGROARTY. That is for older and more able statesmen than me to decide. I do not know about that.

Now, Mr. Chairman, I have been interrupted. I am sorry you men have been dragged out of your trip along the Merced, now deep with azaleas, listening to the music of these waterfalls, by these practical men talking about little things. What does a few years' taxes amount to, what do these points that have been brought up about this bill matter in face of the fact that we are trying to save from destruction one of the most beautiful forests on the face of the earth, one of the most necessary forests? If you do not pass this bill and you ever come to California, I am going to find it out and I am going to put you in my car and drive you through these stumps and these rocks and show you what you did. Then you will be sorry. Then you will be ashamed.

This is not all poetry, Mr. Chairman. This is a very serious matter. I saw a river in France, a busy river, a river busy with commerce, and they told me that one time that river dried up because they had denuded the forests on either side of it. Then they put the forests back, and after years, when the forests grew, the river came back. Trees are the mothers of rivers. That is what we want—forests. God knows we have destroyed too many of them already. We want to save the few that are left. When I drive through my own native State of Pennsylvania and see the pitiful little second- and third-growth timber that has grown up where I saw great forests when I was a boy it makes my heart ache. You and I do not want to wait. We do not want to let this sawmill company come in and destroy this forest that it took God 600 years to grow.

We cannot wait 600 years more for them to grow another like it. We are here now. I invite you all out to California. Come on out.

Mr. RICH. Will the gentleman yield?

Mr. McGROARTY. I will put up tents around my place and take you to see the forest.

Mr. RICH. This is the second invitation the gentleman has extended the Members of Congress. I would not doubt that before the snow flies, or Christmas time, the gentleman will have every Member of Congress out there in California.

Mr. McGROARTY. I hope I will. I have lots of potatoes in my cellar and straw in the corners for you to sleep on. You will be as welcome as the flowers in May and I will be proud to see you.

When I go home I boast about the Members of the House. I did not want to come to Congress in the first place. I came reluctantly. The fool Democrats in my district bulldozed me into coming so that a Republican would not come here. Now that I have been here and have gotten to know you all I am proud of you, so that when I go home I am grateful that I have had the honor of being a Member of this great House of Representatives. If you will come out, I will show you off. I will show you to the people and they will be glad to see you, especially if I can say, "Now, folks, here are the men that saved the sugar-pine forests for Yosemite National Park." [Applause.]

Mr. ENGLEBRIGHT. Mr. Chairman, I yield myself 30 minutes.

Mr. Chairman, I doubt if any Member of the House has been a stronger conservationist or has sponsored more conservation measures with reference to the national parks, the forest reserves, and conservation measures in general than I. However, on this occasion, due to the impracticability, the purely theoretical, the lack of merit, or necessity for this legislation I find myself in opposition to the bill.

If this proposal were carried out a serious unemployment situation would almost immediately develop in the vicinity, and a total annual pay roll of $1,000,000 would be wiped out. One thousand men would be thrown out of employment, necessitating in most instances their going on relief. The majority of these men who will be thrown out of employment are heads of families, and it is reliably estimated that at least 2,500 people would suffer.

Not only would a productive lumber operation, employing between six and seven hundred men, with an annual pay roll approximating $560,000 to $700,000 annually, be taken from the economic structure of the State, but other important related industries would be forced out of business. A railroad 78 miles in length, which derives 70 percent of its gross freight revenue from the operation of the lumber company, would be unable to continue operations in the event the lumber company ceases its activity.

This railroad employs 125 men, with an annual pay roll of approximately $150,000. This in turn would deprive several large industries of transportation services, which would result in forcing such industries to discontinue.

The industries referred to include a large cement factory, which derives its raw material from a quarry located on the railroad mentioned, 67 miles distant from the cement mill, and employing approximately 135 men; several gold and nonmetallic mines, employing approximately 200 men, and would affect agricultural and horticultural development depending upon the railroad for transportation services.

It is estimated that with regard to the capital investment in the industries referred to, exclusive of the lumber company, approximately $10,000,000 would be wiped out, together with a combined purchasing power of the industries approximating $1,000,000 annually. Not only would it eliminate existing industries derived by the railroad, but it would make impossible any future development of natural resources in the territory served by the railroad.

Due to the topography of the country it is not practical or economical to substitute motor-truck transportation for the railroad service. The highway serving the same territory reached by the railroad crosses a summit approximately 3,000 feet above sea level, with severe grades, and the major tonnage of the railroad consisting of raw material, which is necessarily transported at a very low rate per ton-mile, would make it impossible to use motor-truck transportation for the industries mentioned above, or future development of the territory in question.

The bill has principally been supported by an organization that styles itself the Emergency Conservation Committee, with headquarters at 743 Lexington Avenue, New York City, N. Y. Its membership is composed of three people, viz: Mrs. C. N. Edge, of New York City, chairman; Mr. Davis Quinn, of New York City, secretary; Mr. Irving Brant, New York City, treasurer.

These people designate or elect themselves to the said positions and have no list of members or membership. These facts were stated by Mrs. Edge at a hearing on the bill before the Public Lands Committee. The matter has been unsuccessfully agitated since 1932. Two exhaustive public hearings were held in California by the California State Chamber of Commerce, one in 1932 and the other in 1936, at which all interested interests to the controversy were given full opportunity to express their views. In each instance the State Chamber of Commerce of California considered it to be to the best public interest to oppose the measure.

The basis upon which proponents of this measure have secured a degree of public support has been the statement that the timber in question represents America's finest and last remaining forest primeval stand of sugar pine, which is threatened with destruction.

Within the State of California and exclusive of that contained in the Yosemite Park there are 2,400,000 acres of sugar-pine type.

At the present time there are 100 square miles of the sugar-pine type within the boundaries of the Yosemite National Park, 15,000 acres of which contain the finest stand of sugar pine in the State of California. This statement can be verified by the testimony given by Mr. Horning, a member of the Forestry Division of the National Park Service, before the Public Lands Committee of the House of Representatives. This area is known as the Rockefeller purchase, which was made several years ago, at a cost of over $3,000,000, 50 percent of which was contributed by Mr. Rockefeller and the other 50 percent was paid by the Federal Government. It should be observed that when the Rockefeller purchase was made the National Park Service had a choice between the timber mentioned in the present proposal and the timber that was finally purchased. The selection that was made does not bear out the argument of the superlative and incomparable timber as used by the proponents of the bill.

The cost of acquiring the land included under this bill, which is an area of comparable land to that of the Rockefeller purchase, is 56 percent as great, and situated closer to the point of utilization of transportation facilities, when one considers possible severance damages in connection with such a purchase, it is my opinion that the sum would probably exceed $3,000,000.

In the hearings before the House Committee on the Public Lands every effort possible was made by the committee to secure from the proponents of the measure and actual land and timber owners a statement as to what values were involved. These questions were never answered.

Within the State of California we already have 1,246,367 acres of national parks of superlative character. In addition to this, there are two-million-and-some-odd acres of national monuments. In addition to the foregoing, there are 19,000,000 acres of national-forest lands, which rank second to none in the Nation for their recreational value. In addition to all of the foregoing, the State of California has just recently acquired property valued at $26,000,000 for State park purposes devoted entirely to recreational use. There are also 21,000,000 acres of public domain in California. These total acreages represent nontaxable land. The balance of the State must provide the tax revenue with which to operate the State, county, and municipal governments. The removal of the lands under discussion from the tax rolls will constitute a loss in taxes to one county alone of $15,000 annually.

Again referring to the economic significance of this proposal, the proponents would have us believe that the counties in question would be more than compensated for the tax loss sustained through the addition of this territory to the Yosemite National Park for additional tourist travel coming through their counties. It is questionable if the addition of this land to the Yosemite National Park will bring one additional tourist to the territory, due to the fact that the new proposed entrance to Yosemite from that direction does not traverse this territory, and the lands proposed to be added to the park being 15 miles from the floor of the Yosemite Valley.

At the opening session of the California State Legislature this year the proponents of this measure submitted a resolution for passage by that body memorializing Congress to take action favoring the purchase of the lands in question. It is significant that the California Legislature refused to pass the resolution.

I have received many protests from the boards of supervisors, county officials, public service clubs, fish and game associations, mining companies, chambers of commerce, and individuals.

Permit me to read to you a letter from Mr. C. H. Grayson, district attorney of Tuolumne County, Calif., which is as follows:

APRIL 17, 1937.

DEAR CONGRESSMAN ENGLEBRIGHT: This letter is addressed to you in relation to bill H. R. 5934, and to endeavor to point out to you why the bill should not pass in its present form.

The present proposed annexation meets with the utmost disapproval of the people of Tuolumne County because of the fact that we now carry an extremely heavy tax burden occasioned by tax-exempt lands in the county. Reasoning for our feeling can best be understood when I state that only approximately 25 percent of the lands and values in this county are assessed for taxation purposes, the remaining 75 percent being exempt from taxation by reason of Government ownership, by San Francisco's Hetch Hetchy water project, and by the irrigation districts impounding water and generating electric energy within this county but transporting the said water and electric energy into other counties for use. The Government is exempt by reason of the superior-agency theory, and Hetch Hetchy and the irrigation districts are exempt by reason of the provisions of the California constitution.

The exemption by reason of Government ownership is as follows: Yosemite National Park (U. S. Department of Interior), 731,000 acres, and Stanislaus National Forest (U. S. Department of Agriculture), approximately 555,000 acres. The present proposal would add to Yosemite National Park 9,000 acres, bearing the same species of growth as many thousands of acres already in the park.

In 1930, 11,225 acres were added to Yosemite National Park by the Government-Rockefeller purchase. In 1932 an attempt was made, through Senate bill 4472, known as the Nye bill, to annex 9,600 acres to Yosemite National Park, but final annexation was blocked by my efforts and the concerted action of the California State Chamber of Commerce, which action was brought about by the feeling that an injustice would be done to Tuolumne County by the removal of such area from the local tax rolls.

Without the present proposed annexation, 56.86 percent of Yosemite National Park lies within Tuolumne County, and this area contains the choicest trees, the most uniformly timbered land, and densest pine growth in the world. If it were on our tax rolls, it would represent a very handsome tax asset. The people of Tuolumne County are conservationists at heart and appreciate their forests possibly to a much greater extent than a majority of the persons entering Yosemite National Park, but we find that we must choose between being esthetic or tax-ridden. Our tax loss is substantial and the Government encroachment has placed a very definite tax burden upon the people of the county, which, as it would seem, is so unfortunate as to have so much magnificent forest placed by Nature within its boundaries.

Conservationists who are not taxpayers in Tuolumne County cannot understand our tax problem, nor can they understand how we can profess appreciation of our trees and forests, nor how we can classify ourselves as believers in conservation and at the same time object to the enlargement of Yosemite National Park. It is unjust for the conservationists to expect us to accede willingly to this enlargement. It is likewise unjust for the conservationists to expect us to live in apprehension, fearful lest this bill be adopted, and equally fearful of future completed, attempted, or threatened annexations. Likewise, it appears to us unjust that the lands from which the county obtains revenue in the form of taxes should be taken by the Government, taken by a strong superior from a weak subordinate.

In behalf of the taxpayers of Tuolumne County, I urge that this bill be not enacted in its present form.

May I call your attention to the fact the Yosemite National Park contains 731,000 acres of land. It occupies a large portion of Tuolumne and Mariposa Counties in California. The lumber operation is situated west of the Yosemite National Park. They are at the present time cutting sufficient lumber to employ in the neighborhood of 400 to 600 men in daily employment. The pay roll of that organization runs in the neighborhood of $560,000 per year.

If it were necessary to preserve this tract of land as an example of sugar pine for posterity to enjoy, regardless of the number of people employed or the amount of money going into industry, I would, I believe, support the measure. However, Mr. Chairman, that is not the fact. We already have in Yosemite Park an acreage and an area containing as fine a type of timber and larger in extent than is proposed to be added at the present time.

Mr. Chairman, in 1930 there was added to the Yosemite National Park some 15,000 acres of land that I call your attention to on a topographic map of the Yosemite National Park before you and indicated in green. This land was purchased by Mr. John D. Rockefeller, Jr., and the United States Government, each providing half of the purchase price, which was $3,298,865.50. The area called the Rockefeller Purchase was acquired for the specific purpose of preserving a fine type of sugar pine timber. At that time there were some comments made as to the timber that was being acquired for the park.

I am advised that Mr. Horace Albright, then Director of the National Parks, stated to certain newspapers in California to this effect:

We feel that we have saved the best of the sugar-pine forests, the most beautiful stand of timber. Very careful studies have

been made of all timber holdings in that section of the State, and it is generally agreed that we already have the best of the timber holdings now in Government ownership at the present time safe within the Yosemite Park. This is not belittling the forests still outside the national park, but we have taken the best of that which is available to preserve for posterity.

The legislation in this bill has largely been sponsored by a group of well-meaning propagandists based upon the assumption and upon the statement that this is the last remaining stand of sugar-pine timber.

Mr. Chairman, the sugar-pine timber extends from the State of Oregon down through the central portion of southern California. I have here a map prepared by the Bureau of Entomology for the purpose of blister-rust control on which that area is indicated on the map from the Oregon boundary to almost the southern boundary of California, a distance of 650 miles, and all of this area is of a sugar-pine type. The areas indicated in green, extending from the Oregon boundary to the central portion of the State of California, are the commercial sugar-pine areas. The trees are very large, very extensive, and a very beautiful stand of timber.

Let us for a moment consider how much sugar pine of this very superb type still exists in California. I take my information from a letter written by the United States Forest Service to Mr. Charles G. Dunwoody, a representative of the California State Chamber of Commerce, conservation division, and this organization also opposes the bill. This letter is signed by the Acting Chief Forester of the United States Forest Service.

The question is: What is the area of sugar pine in California and where does it occur?

The answer in the letter by the Forest Service is:

> The range of sugar pine extends from the Coast and Cascade Mountains of southern Oregon, along the Coast and the Sierra Mountains of California, through southern California, in scattered stands, and into Lower California and Mexico. The largest and heaviest stands are found in Tulare and Eldorado Counties in cool, moist sites on the western slopes of the Sierras.
>
> The area of sugar pine in California is not exactly known. There are, however, over 2,000,000 acres of commercial sugar-pine timber.

Yet the proponents of this bill have propagandized regarding the bill and have led a large number of well-meaning people to believe this area, as indicated on the blister-rust control map, to be the only remaining stand of sugar pine.

Mr. SIROVICH. Mr. Chairman, will the gentleman yield?

Mr. ENGLEBRIGHT. I am pleased to yield to the gentleman.

Mr. SIROVICH. After listening to the very eloquent and picturesque address of our colleague, the gentleman from California, and after listening to the gentleman I am under the impression this is a bill designed to save the trees for parks and not for sawmills.

Mr. ENGLEBRIGHT. This bill does propose to add the area included here to the park. However, I am trying to point out to the gentleman it is neither necessary nor advisable to put this area into the park, due to the industrial disaster which will follow, as I have already disclosed, and also the fact there are millions of acres of similar trees already in the State and in forest reserves, 15,000 acres of which are in the Yosemite National Park, 100 square miles of Yosemite National Park containing the sugar-pine type.

Mr. COLDEN. Mr. Chairman, will the gentleman yield?

Mr. ENGLEBRIGHT. Yes.

Mr. COLDEN. Is it not a fact that in a great deal of this area of which the gentleman speaks the timber is very scattered and is not accessible to markets, and that the timber really available to markets is in a very small amount? It seems to me the gentleman has exaggerated the amount of timber available for commercial purposes.

Mr. ENGLEBRIGHT. I think the gentleman is not correct in that statement. I beg to differ with the gentleman. I am very familiar with the sugar-pine areas of California. It is true this area has a railroad built into it, a railroad 70 miles in length, from Merced to El Portal. The railroad will be closed down if this area is put into the park. Other areas of California have railroad transportation. It is true this area is adjacent to the San Joaquin Valley, and there is a ready market, but that has nothing to do with the statement that this is the only type and the only area of sugar-pine timber left in California or the Pacific coast, which is the point I am bringing up.

Mr. COLDEN. Is not the chief use of this railroad of which the gentleman speaks to carry people and supplies to Yosemite Park? The railroad is not used to any great extent for commercial purposes between its terminals.

Mr. ENGLEBRIGHT. I regret the gentleman is so poorly informed. The railroad carries only 4,000 visitors out of 500,000 a year to Yosemite National Park. Seventy percent of its total revenue comes from carrying the logs from this timber operation.

Mr. O'MALLEY. Mr. Chairman, will the gentleman yield?

Mr. ENGLEBRIGHT. I am pleased to yield.

Mr. O'MALLEY. The gentleman makes considerable point of the fact this will cause an industrial disaster. After the timber is cut off, if it does not become part of the park and the sawmill gets it, the industrial disaster will occur. It is only a matter of time. It shows in this document that the company now has employed only 422 people, who own nothing in that area, and of these people 98 are aliens, Mexicans and Italians.

Mr. ENGLEBRIGHT. The gentleman misses the point entirely.

Mr. O'MALLEY. What is the industrial disaster the gentleman fears will occur if this becomes part of the park?

Mr. ENGLEBRIGHT. If the gentleman will let me proceed, I will give it to him in time. I will briefly answer the gentleman now. The lumber operation as now planned, along with other holdings the lumber company possesses, which will be made inaccessible if this stand is put into the park, has a life of from 15 to 20 years. The railroad company will have to cease its operations and discontinue the employment of 125 men, because 70 percent of its revenue comes from the lumber operation. Also, there is a large cement plant, employing 300 men, which depends entirely upon the cheap rates of the railroad company to haul lime rock 70 miles to Merced, truck transportation being out of the question due to grades and rates. Further, there are lead operations and gold mines in the vicinity, which likewise probably will have to be closed. If the gentleman will read the hearings, he will clearly see that 1,000 men—and this fact is admitted—will be thrown out of employment in 2 or 3 years, whereas otherwise there will be a normal operation of 20 years' duration, with industry building itself up, or, in other words, an indefinite operation.

Mr. O'MALLEY. The report of the Department indicates the Department does not believe the railroad will be in any way affected, and that, from its own financial statements, the railroad can continue to operate as it has done with very little revenue from lumber operations.

Mr. ENGLEBRIGHT. The report of the Department is contrary to the testimony of the manager of the railroad and the vice president, as the gentleman will see if he will read the hearings. The report of the Department is contrary to the statement of a railroad operator who brought before the committee in his statement and showed specifically what his revenues were. The report of the Department is contrary to the report of the Forest Service regarding the amount of timber in the area. Therefore, I may say to the gentleman the Department apparently has not given complete study to this——

Mr. O'MALLEY. That the railroad or the sawmill company has?

Mr. ENGLEBRIGHT. No; and the Department has not given study to the actual operations.

Mr. O'MALLEY. I may say to the gentleman: If I had to choose between two reports in order to cast my vote on the bill—the railroad and the sawmill companies on the one hand and the Department on the other—I would vote with the Department.

Mr. ENGLEBRIGHT. The gentleman has that privilege.

Mr. SIROVICH. Will the gentleman yield further?

Mr. ENGLEBRIGHT. Yes.

Mr. SIROVICH. Are the people of California, from which State the gentleman comes, in favor of the preservation of these parks, so that tourists can come from all over the world to see the majesty, the beauty, and the poetic quality of these parks, or are they in favor of having the timber go to the sawmills, destroying the forests, and keeping the people away?

Mr. ENGLEBRIGHT. The people of California are very proud of their national parks. There are some nineteen or twenty million acres of land in the State of California in national parks and forest reserves, and in this particular area over half of the area of the counties is in Government ownership, and we have reached the point when we already have enough acreage to take care of a population five times the number we have in the United States for recreational purposes, and therefore the question of taxation, of local sustenance, and welfare enters the picture, and the question of relief rolls also comes into consideration, and for this reason we are calling your attention to that phase of the matter.

Mr. TERRY. Mr. Chairman, will the gentleman yield?

Mr. ENGLEBRIGHT. I yield.

Mr. TERRY. What is the gentleman's idea about the fairness of the price that is to be offered for this timber?

Mr. ENGLEBRIGHT. We have no idea about that. During the hearings, along with others, every effort was made to bring out what the purchase price of this timber would be. The Department refused to give us any estimate based upon the idea that if they quoted any figure it would be detrimental to their negotiations. The lumber company likewise took the same position and they did not care to state a price. The only criterion that was before us was the purchase price of the so-called Rockefeller tract of 15,000 acres, which was purchased for $3,298,000. This did not include lumber mills, plants, railroads, and other assets that will be destroyed if this property is taken over.

Mr. TERRY. Is this land to be purchased on the same basis as the Rockefeller land?

Mr. ENGLEBRIGHT. We have not any idea about that. The bill provides for acquisition either by negotiation or by condemnation.

Mr. O'CONNOR of Montana. Mr. Chairman, will the gentleman yield?

Mr. ENGLEBRIGHT. I yield.

Mr. O'CONNOR of Montana. Like the gentleman, I heard the testimony offered before the committee. Is it the gentleman's idea that the United States Government, in the event this property is acquired for park purposes, is going to be required to purchase the railroad facilities that accommodate the sawmill and the personal property used in connection with the tract, as well as the purchase of these trees?

Mr. ENGLEBRIGHT. I am not an attorney, as the gentleman knows, but it is my opinion from experience that any court would undoubtedly take into consideration the million and a half that is invested in sawmills and the four or five hundred thousand dollars invested in rolling stock and railroad equipment, because they would become useless and would be destroyed if they could not be used in connection with the operation of the sawmills. So I believe that the courts would take into consideration the property that would be destroyed.

Mr. O'CONNOR of Montana. Having that fact in mind and using as a basis of valuation the Rockefeller purchase of the land adjoining, what, in the gentleman's opinion, will the Government be required to pay for the purchase of the property in question and the damages incident thereto as a total?

Mr. ENGLEBRIGHT. To be very fair, it is a hard question for me to answer——

Mr. O'CONNOR of Montana. What is the gentleman's best judgment about it?

Mr. ENGLEBRIGHT. My best judgment would be not less than $3,000,000, and I think this is a very conservative, fair guess or estimate, because if the gentleman has read the Senate report on this same bill he will recall it is stated in the Senate report, under the authority of the committee or the Park Service, I do not know which, that the property is estimated to cost from one to two million dollars, and that considers only timberland and not any equipment or rolling stock.

Mr. O'CONNOR of Montana. The gentleman will recall that before the committee inquiry was made with respect to the source from which the money is to be obtained to pay for this property.

Mr. ENGLEBRIGHT. Yes.

Mr. O'CONNOR of Montana. Where is the money to come from to be used for the purpose of purchasing this property as disclosed before the committee?

Mr. ENGLEBRIGHT. After a great deal of difficulty, as I recall, the committee finally obtained a statement from some of the members of the Park Service that this money was to come from relief funds. If the gentleman will read the Senate report on the bill he will find it is stated there that the money is to come from emergency conservation funds, funds that were to be used to put men to work, funds that were to be used for unemployment relief, and in the last paragraph of the Senate report, even the Park Service doubts the validity of any such allocation, because they state:

> It should also be stated at this time that under the regular procedure now followed by the Government, Executive orders are approved as to form and substance by the Attorney General. Therefore, before any emergency funds are allocated to purchase the Carl Inn area of sugar pines—
>
> The area now under consideration—
>
> it is safe to assume the highest legal authority of the United States will approve no order which did not fulfill the requirements of existing law.

Mr. MILLS. Mr. Chairman, will the gentleman yield?

Mr. ENGLEBRIGHT. I yield.

Mr. MILLS. Are the people of the gentleman's congressional district opposed to or in favor of the purchase of this land?

Mr. ENGLEBRIGHT. The land embraced within this area is in my congressional district——

Mr. MILLS. That is what I had understood.

Mr. ENGLEBRIGHT. The bill was introduced by the gentleman from California [Mr. MCGROARTY], who lives in Los Angeles County, several hundred miles from me. The people of the area or of the counties involved, including the boards of supervisors, chambers of commerce, the State Chamber of Commerce of California, and all people interested in the welfare of the locality are unalterably opposed to this bill.

Mr. MILLS. Mr. Chairman, will the gentleman yield?

Mr. ENGLEBRIGHT. Yes.

Mr. MILLS. Considering the future of the gentleman's State, does he think it advisable for the Government to purchase this land, considering the amount of revenue derived annually from tourists into the gentleman's State, taking into consideration the cost to the Government of the first purchase price?

Mr. ENGLEBRIGHT. Mr. Chairman, I might answer the gentleman in this way. There are already 731,000 acres in the Yosemite National Park. This proposes to add 7,200 acres in addition. The land to be added is 15 miles from the floor of the Yosemite Valley. I think it is conceded that the addition of this area will not bring one additional visitor. It is questionable whether anyone will go through that area at all. The purpose behind the bill apparently is to sell this tract of timber, and the lumber company is quite willing to sell it, because it will receive an amount for their timber that would be comparable to 14 or 15 years of operation, with the possibility of no profit, and it would receive the full amount for the value of that timber immediately, or at least as soon as the purchase price is settled by the courts. Otherwise they would have to operate 14 or 15 years to get their profits. The lumber company is very anxious to get this bill passed. The same lumber company sold 15,000 acres for over $3,000,000 to the Rockefeller Foundation. This has been very profitable

for this particular lumber company to sell its lands to the Government and thereby liquidate immediately what would nominally take from 10 to 15 years of operation.

Mr. COLDEN. Mr. Chairman, will the gentleman yield?

Mr. ENGLEBRIGHT. Yes.

Mr. COLDEN. Assuming we would saw and sell every tree in the Yosemite Valley, would it amount to anything near as great as the present recreational and tourist value of the Yosemite Valley to the State of California?

Mr. ENGLEBRIGHT. I think the gentleman is asking a question that anybody would say "no" to, because the matter of the destruction or the commercial use of the Yosemite Valley is incomprehensible in thought. That is not the question involved here. The question here involved is simply taking a small tract of land that is going to displace $10,000,000 worth of invested capital, that will put a thousand men probably on the relief rolls, and stop a great industrial development in a county that has been making progress under great difficulty, and all without any necessity for it. If there were any necessity for taking this tract of land, as I stated, I would be the first to join with my colleague from southern California in making this addition, but it is purely a matter that has been brought about by propaganda. The lumber company wants to liquidate, and I do not blame it for wanting to get the $3,000,000 immediately when it will take it 15 years of business operation otherwise. It will displace a pay roll of many thousands of dollars a month without any purpose, except to give the lumber company their immediate profit, when ordinarily it would take that company from 10 to 15 years to attain the same result.

Mr. SIROVICH. Is it true, as the gentleman from California [Mr. McGROARTY] stated, that this is a very beautiful forest, about which he painted a beautiful picture?

Mr. ENGLEBRIGHT. Yes; it is a very beautiful tract of land, but I call attention to the fact that there are 600 miles of similar beautiful tracts, under no immediate emergency with respect to this particular tract of land. You can make the entire State of California a great park if you so desire. If the Government of the United States wanted to put all the people of California—6,000,000—on relief, you could make a beautiful park of the entire State.

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. ENGLEBRIGHT. Yes.

Mr. MOTT. It has been stated in debate here that the acquisition of these 8,000 acres of sugar pine is necessary for the preservation of the watershed of the rivers tributary to the Yosemite Park. What is the gentleman's opinion about that?

Mr. ENGLEBRIGHT. The watershed to the rivers of the Yosemite National Park represent several hundred thousand square miles, while this area is of insignificant size compared with the entire watershed. It does not represent one one-thousandth part of the entire watershed. I would say that it has no value at all in that particular respect.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. ENGLEBRIGHT. Yes.

Mr. WHITE of Idaho. Could the gentleman give the Committee an idea of the distance north and south across the Yosemite Park as it now exists; also east and west?

Mr. ENGLEBRIGHT. It is in the neighborhood of 50 miles north and south and 50 miles east to west.

Mr. WHITE of Idaho. This proposed addition is to one side and would be less than 10 percent of the park as it now exists?

Mr. ENGLEBRIGHT. That is correct.

Mr. WHITE of Idaho. And the floor of the Yosemite Valley, with reference to the beautiful waterfalls, is many thousand feet below the land embraced in this tract?

Mr. ENGLEBRIGHT. Fifteen miles in an air line from them.

Mr. WHITE of Idaho. If a tourist went into the beautiful Yosemite Valley and saw the grandeur of those waterfalls, he would have to climb 3,000 feet to get to this tract and go 15 miles to one side of the park?

Mr. ENGLEBRIGHT. That is correct.

I now yield to the gentleman from Montana.

Mr. O'CONNOR of Montana. Suppose the Government were to buy these 7,000 acres, or thereabouts, what percentage of the sugar-pine timber that would then be enclosed in the Yosemite Park would be covered by the purchase of the land in question? In other words, what percentage would that purchase take up of the total percentage of the Yosemite Park of sugar-pine timber?

Mr. ENGLEBRIGHT. There is about 100 square miles of sugar-pine timber already in the Yosemite Valley. There are 6,700 acres. In other words, less than 10 percent of the area that is already in the park. It would be adding less than 10 percent.

Mr. O'CONNOR of Montana. Regardless of how much we are in favor of conservation—and I am a conservationist, with reservation, however—does the gentleman think under the circumstances, in view of the fact that it was developed in the committee that the pay for this property was to be taken out of relief funds, that the Government should add to the already 700,000 acres of land in the Yosemite Park these additional 7,000 acres, when they will have to pay for the personal property and railroad facilities the gentleman has already told us about?

Mr. ENGLEBRIGHT. Not by any means.

Mr. FITZPATRICK. Mr. Chairman, will the gentleman yield?

Mr. ENGLEBRIGHT. I gladly yield to the gentleman from New York.

Mr. FITZPATRICK. Is that in the ownership of one corporation?

Mr. ENGLEBRIGHT. One corporation; one lumber company.

Mr. FITZPATRICK. They will get the $3,000,000?

Mr. ENGLEBRIGHT. Yes, sir; and they are glad to sell. I do not blame them.

Mr. DOCKWEILER. Mr. Chairman, will the gentleman yield?

Mr. ENGLEBRIGHT. I yield.

Mr. DOCKWEILER. The gentleman has been a member of the Committee on Public Lands for many years. Can the gentleman recall any precedent in his committee whereby a bill which has for its purpose the purchase of land to bring into the public domain, also had a proviso that the counties involved shall be paid through the years the taxes they otherwise would lose?

Mr. ENGLEBRIGHT. I do not.

Mr. DOCKWEILER. Is that not an extraordinary precedent?

Mr. ENGLEBRIGHT. I have been a member of the Committee on Public Lands for many years, but the question of taxes in the counties involved is a very serious problem. Almost 75 percent of those counties are in Government ownership. Twenty-five percent have to support the entire area.

The loss to the counties involved will be about $15,000 per year. So it was felt that in justice—in other words, in order to keep the schools going and to keep the activities of the county going, the committee was willing to grant this amendment, and the representative of the Interior Department said there was no objection to it as far as the Department was concerned. In other words, if this purchase is to be made purely on the matter of somebody's caprice, without any reason or purpose, apparently they are willing to pay for it by compensating the counties for the amount. I am in favor of that. The counties should be compensated if their lands are going to be taken and put into public ownership. It is necessary that those counties be compensated.

Mr. DOCKWEILER. If this bill is passed, then the gentleman would prefer to see the committee amendment retained?

Mr. ENGLEBRIGHT. Out of fairness to the counties, out of fairness to the people of the localities, the amendment must remain in it, because this will close down

$10,000,000 worth of invested capital and take their taxing values from the counties.

Mr. PARSONS. Mr. Chairman, will the gentleman yield?

Mr. ENGLEBRIGHT. I yield.

Mr. PARSONS. For how many years do they propose to pay taxes or an amount in lieu of taxes to the county?

Mr. ENGLEBRIGHT. I can only answer that the duration would be the time which lumber company operation is to be calculated, and then in one lump sum they are to pay what that amount per year would amount to for the number of years that the lumber operation would continue.

Mr. PARSONS. Does not the gentleman know that in other national forests the revenue derived therefrom is returned to the counties to the extent of 25 percent, and that 10 percent is spent upon roads and trails?

Mr. ENGLEBRIGHT. Yes; in national forests.

Mr. PARSONS. Now, you are proposing in this departure from the old-established custom to pay here in a lump sum what it may be over the period of operation of the lumber industry, apportioned between the counties, regardless of what it may be. That is very unfair to the other units.

Mr. ENGLEBRIGHT. The gentleman is correct in his assumption with regard to the national forests, but in the national parks no portion of the revenue is paid to the counties in which they are situated. In other words, you are taking private property and putting it into a park, which will stop the tax revenue, and that is the reason the amendment is in this bill, because counties will get nothing back.

Mr. PARSONS. If the people want this private land to go into a national park——

Mr. ENGLEBRIGHT. Then they should pay for it.

Mr. PARSONS. Then they should pay for the private lands, but certainly they should not keep on paying taxes to the county for it.

Mr. WOODRUFF. Mr. Chairman, will the gentleman yield?

Mr. ENGLEBRIGHT. I yield.

Mr. WOODRUFF. Is it not a fact that even if the amendment is adopted the gentleman is not in favor of the bill?

Mr. ENGLEBRIGHT. I am unalterably opposed to it.

Mr. WOODRUFF. Even under those circumstances?

Mr. ENGLEBRIGHT. Yes.

Mr. HAVENNER. Mr. Chairman, will the gentleman yield?

Mr. ENGLEBRIGHT. I yield to my colleague from California.

Mr. HAVENNER. Does the acreage which it is proposed to acquire lie along the route of the so-called Oak Flat Road, which is the principal route into the Yosemite from the North and the Northwest?

Mr. ENGLEBRIGHT. I may say that about 2 miles of the present Big Oak Flat Road will pass through a corner of this tract.

[Here the gavel fell.]

Mr. ENGLEBRIGHT. Mr. Chairman, I yield myself 5 additional minutes.

About 2 miles will pass through a corner of this tract. But the State of California, by legislative appropriation, has already provided money for a timber screen on the Big Oak Flat Road, so there will be nothing disagreeable along the route.

Mr. HAVENNER. Is it not true, however, that the very widespread sentiment in California is in favor of the preservation of this road, and it is feared its destruction would destroy one of the most beautiful approaches to the Yosemite National Park?

Mr. ENGLEBRIGHT. I would not say there is any fear in California. I would say there was a very systematic propaganda put out by certain individuals through letters and newspaper advertisements, which have been placed in 50 of the leading papers of California, some of which read as follows:

Only God can make a tree. Help save the sugar pines of the Yosemite.

Then they state:

Officials in Washington have asked us to get immediate letters of endorsement. The most important is the letter to Congressman HARRY L. ENGLEBRIGHT, and send a carbon copy of ENGLEBRIGHT'S letter to Secretary Ickes. In addition, if you can write more letters of endorsement send them directly to President Roosevelt who, with Secretary Ickes, is greatly interested, and to each of the California Congressmen.

I do not believe there was any authority from either the President or the Secretary of the Interior for any such statement.

Mr. McGROARTY. The gentleman talks about propaganda. He does not accuse me of that?

Mr. ENGLEBRIGHT. No; I do not. The gentleman had nothing to do with that. The gentleman had nothing to do with trying to quote the President on this matter.

Mr. O'MALLEY. Will the gentleman yield?

Mr. ENGLEBRIGHT. I yield to the gentleman from Wisconsin.

Mr. O'MALLEY. I realize this is entirely a California matter, but since nobody told me it was a private fight I thought I might get into it.

Mr. ENGLEBRIGHT. There is no fight to it.

Mr. O'MALLEY. The gentleman gave us the impression this lumber company was willing to sell?

Mr. ENGLEBRIGHT. Yes.

Mr. O'MALLEY. From the testimony on page 76, I take it Mr. Hughes represented that company?

Mr. ENGLEBRIGHT. That is true, and I am glad the gentleman brought that up.

Mr. O'MALLEY. He objects to the Government purchasing the property unless the Government purchases all the physical equipment of the company besides. The Government can get this land by condemnation process, can it not?

Mr. ENGLEBRIGHT. Undoubtedly it could.

Mr. O'MALLEY. Without taking the equipment?

Mr. ENGLEBRIGHT. Does the gentleman believe any court of equity or otherwise would force that lumber company to sell its land and not compensate the company for its sawmills and railroad?

Mr. O'MALLEY. It would depend on the financial condition of the company, which, according to my information, is bankrupt. It was once reorganized, and the record shows that in the former bankruptcy proceedings that company placed false valuations on 90 percent of its stuff.

Mr. ENGLEBRIGHT. Those same valuations were used as a basis for compensation in the Rockefeller purchase. The same valuations were used and the same company involved.

Mr. O'CONNOR of Montana. Will the gentleman yield?

Mr. ENGLEBRIGHT. I yield to the gentleman from Montana.

Mr. O'CONNOR of Montana. Is it not a fact that under the law governing condemnation proceedings, if condemnation proceedings are brought by the Government and title to the land acquired in those proceedings, the Government, in addition to paying the value of the land, would be required under the law to pay as damages whatever damage the owner of the land suffered as an incident to the taking of the property under condemnation proceedings?

Mr. ENGLEBRIGHT. That is my understanding from personal experience in such matters.

[Here the gavel fell.]

Mr. ENGLEBRIGHT. Mr. Chairman, I yield myself 5 additional minutes.

Mr. DOCKWEILER. Will the gentleman yield?

Mr. ENGLEBRIGHT. I yield to the gentleman from California.

Mr. DOCKWEILER. Will the gentleman explain why it is under section 3 this land, after being purchased, would be exempt from the provisions of the Federal Water Power Act? What does that mean?

Mr. ENGLEBRIGHT. From my experience on the committee, covering some 10 or 12 years, I would say that provision is in most of the national-park acts. It is put in

there so that the Federal Water Power Commission, as I understand the provision, will not have jurisdiction over the streams in the park. The matter is entirely under the jurisdiction of the Park Service.

Mr. DOCKWEILER. Since they do not have jurisdiction, would it be possible for a private power company to intercede with the Interior Department in charge of public lands to permit this private power company to get a permit of some kind to operate a hydroelectric plant within the confines of a national park?

Mr. ENGLEBRIGHT. I do not believe so, because I have confidence in the Park Service and in the Interior Department on account of their many years' experience in handling such matters.

Mr. DOCKWEILER. This exemption is not unusual?

Mr. ENGLEBRIGHT. It is not unusual. I think the chairman of the Public Lands Committee will correct me if I am in error.

Mr. ENGEL. Will the gentleman yield?

Mr. ENGLEBRIGHT. I yield to the gentleman from Michigan.

Mr. ENGEL. The gentleman has stated it is proposed by the Department to spend $3,000,000 of relief money to make this purchase.

Mr. ENGLEBRIGHT. I did not say $3,000,000. I do not know what it is going to cost. It may be more. However, it is proposed to make the purchase from relief funds.

Mr. ENGEL. The result will be that a thousand men will be thrown out of work?

Mr. ENGLEBRIGHT. Correct.

Mr. ENGEL. In other words, by the passage of this act we will use $3,000,000 of relief money to put a thousand men on relief?

Mr. ENGLEBRIGHT. That is correct.

Mr. McGROARTY. I dispute that.

Mr. STEFAN. Will the gentleman yield?

Mr. ENGLEBRIGHT. I yield to the gentleman from Nebraska.

Mr. STEFAN. Do I understand the $3,000,000 is to come from the one and one-half billion dollars relief fund?

Mr. ENGLEBRIGHT. It says that it shall not come out of the Treasury of the United States.

Mr. STEFAN. The amount of land in the Yosemite Park amounts to 721,000 acres?

Mr. ENGLEBRIGHT. Yes.

Mr. STEFAN. There are now 9,000,000 acres of Government parks in the gentleman's State?

Mr. ENGLEBRIGHT. Over that.

Mr. STEFAN. It is intended to buy 7,000 additional acres?

Mr. ENGLEBRIGHT. Correct.

Mr. STEFAN. From relief funds?

Mr. ENGLEBRIGHT. Yes.

Mr. STEFAN. I may say to the gentleman from California that in my district of Nebraska we have a much prettier spot for a Government park, and it will not cost $3,000,000.

In fact, we will practically give it to you. There are more beautiful flowers up in the Devil's Nest near Lindy or down along the Niobrara River. We need it badly. We would not take it out of relief funds, and we would not destroy any industry, and the gentleman's county would not suffer any lack of taxes.

Mr. ENGLEBRIGHT. I am sure the gentleman has a very charming locality in a very wonderful State.

Mr. ALLEN of Illinois. Does the gentleman state this land is in the gentleman's district?

Mr. ENGLEBRIGHT. The gentleman is correct.

Mr. ALLEN of Illinois. Did the gentleman who introduced this bill do so with the gentleman's consent?

Mr. ENGLEBRIGHT. I had no knowledge the bill was going to be introduced.

Mr. ALLEN of Illinois. This territory is in the gentleman's district?

Mr. ENGLEBRIGHT. The gentleman is correct.

Mr. McGROARTY. May I ask the gentleman, what about that? What is the matter with that? I am under suspicion now of having committed a political crime here.

Mr. DOCKWEILER. Mr. Chairman, will the gentleman yield to me?

Mr. ENGLEBRIGHT. I am pleased to yield.

Mr. DOCKWEILER. I think many of us Californians are confused on this bill. We should like to be for anything which is good for California, naturally enough. I believe the gentleman has mentioned that with a gift of the Rockefeller Institute the land indicated on the gentleman's map before us in green was heretofore purchased.

Mr. ENGLEBRIGHT. Correct.

Mr. DOCKWEILER. I presume this was under the authorization act which the gentleman introduced some years ago?

Mr. ENGLEBRIGHT I introduced the bill which brought about the Rockefeller purchase.

Mr. DOCKWEILER. There must be something about the timber in that area which makes it very fine, because the Rockefeller Institute thought the timber was so exceedingly good it should not be destroyed that it extended its financial resources to purchase the timber. Why does not the same argument apply now for the yellow section we see on the gentleman's map, which seems to be contiguous to the Rockefeller purchase? Is the timber better in the green section than in the yellow section?

Mr. ENGLEBRIGHT. I may say to the gentleman, as indicated in the statement of Mr. Albright at the time of the Rockefeller purchase, the Rockefeller selection was of the finest of the sugar-pine timber. The reason the additional acreage should not be taken, in my opinion, is that we already have the finest stand of that type of timber. In addition, there are 650 miles of sugar-pine timber in California. Further, you are going to put out of operation $10,000,000 worth of industry in the locality. I say there is no reason to do this, and no reason to take relief funds and keep men out of work through making this purchase.

Mr. DOCKWEILER. I recall the arguments of the gentleman with regard to putting out of business the timber-cutting companies, and the like. However, as in so many sections of California, we find at certain spots a stand of trees which is exceedingly well preserved, the redwood trees, for instance, "Old Grizzly", where those old trees are, where the confines of a few acres contain all those famous trees. Would we not be making a mistake in not taking this stand because this particular stand of timber represents the most excellent specimens?

Mr. ENGLEBRIGHT. I may answer the gentleman by stating that in the forest reserve right adjacent to the park there is equally as fine timber, which could be placed in the park by Executive order or by an act of Congress without costing us 1 cent. Here we are going to pay a lumber company, which is glad and willing to sell, $3,000,000 of relief funds to make this purchase, without any reason therefor.

Mr. SABATH. Mr. Chairman, will the gentleman yield?

Mr. ENGLEBRIGHT. I yield to my friend, the gentleman from Illinois.

Mr. SABATH. I know something about this section of the country and about the park. I have visited that wonderful place many times. I was under the impression in 1930 that we had protected the approaches to the Yosemite Valley proper, but what I now understand is that it is necessary to acquire this additional area to protect new approaches to the wonderful Yosemite Valley, which is being used for camps and other recreational purposes. Is not this the reason which is given for the proposed acquisition of this land, to protect the approaches to the Yosemite Valley?

Mr. ENGLEBRIGHT. No; not even the proponents of the bill have claimed any such thing, I may say to the gentleman from Illinois. There are no approaches or anything of that sort to protect. The proponents claim this is the only stand of sugar pine left, whereas I have tried to point out to the Committee of the Whole that there are 100 square miles

of the same type already in the park, and 650 miles in the length of the State.

Mr. SABATH. There are only a few small spots where you can find these large old trees, which reach up 300 to 360 feet toward heaven, and which are perhaps the largest in the world.

Mr. ENGLEBRIGHT. No. There are other groves which are just as fine.

Mr. SABATH. They are not so close to the Yosemite Valley, though.

Mr. ENGLEBRIGHT. Yes. The whole Yosemite Valley is surrounded by them, if the gentleman will notice the green section here on this map.

Mr. SABATH. I have crossed that section many, many times, and I think I know every road in the Yosemite Valley and in that section of the country.

Mr. ENGLEBRIGHT. I thank the gentleman.

Mr. MARTIN of Colorado. Mr. Chairman, will the gentleman yield?

Mr. ENGLEBRIGHT. Yes.

Mr. MARTIN of Colorado. Is this tract of land above or below Yosemite Falls? Is it a part of the watershed of the Merced River?

Mr. ENGLEBRIGHT. It is west of Yosemite Falls some 15 miles. It might be called part of the watershed, inasmuch as it would represent maybe a thousandth part of the whole watershed. The whole watershed represents hundreds of thousands of square miles.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. ENGLEBRIGHT. I yield.

Mr. WHITE of Idaho. Does not the gentleman recall that in the hearings before the Public Lands Committee it developed that $1,500,000 of money was appropriated from C. C. C. funds and used to purchase land in the Smoky Mountains?

Mr. ENGLEBRIGHT. Yes; but I doubt the validity of the action.

Mr. O'CONNOR of Montana. Mr. Chairman, will the gentleman yield?

Mr. ENGLEBRIGHT. I yield.

Mr. O'CONNOR of Montana. I believe the gentleman is in error when he states that this would throw out of employment in the neighborhood of 1,000 men. I have reliable authority here that the Secretary of the Interior has just checked up the number of men that would be thrown out of employment and he has furnished the figures in a memorandum which was prepared on the 29th day of April, as follows:

> The labor employed by the lumber company is very largely of a migratory type. A census of the employees of this company taken in the last few days shows the total number of employees to be 422. Of this number, 98 are aliens, a majority being Mexican and Italian. The employees own no property in the sawmill town. The lumber company owns all the cottages and cabins occupied by the laboring people.

I want to be fair with the gentleman, and I should like to see the question put before the members of the committee just as it is; and if there is any correction to be made in these figures, I wish the gentleman would do so.

Mr. ENGLEBRIGHT. Is there any further statement made as to additional labor?

Mr. O'CONNOR of Montana. There is no further statement.

Mr. ENGLEBRIGHT. I want to be fair with the Department. The Department refers entirely to the lumber operation. The lumber operation at this time, as stated, is probably employing only about 400 men; but the lumber operation has had to go very slowly, because they do not know whether they are going to sell out or whether they are going to expand their operations. The normal number of men employed is about 600, as the hearings show, and, in addition thereto, there are 125 men employed upon the railroad, which is separate from the lumber company entirely and is a 70-mile railroad that would go out of business under the operations of this bill; and in addition there are several hundred men employed in the cement plant. So the statement that 1,000 men are involved is very conservative, if we take into consideration all of the industries that will be closed down in a year or two as a result of this purchase.

Mr. O'CONNOR of Montana. Then the gentleman states that the figures I have given are limited to the lumber company?

Mr. ENGLEBRIGHT. Entirely so, and I think the statement shows that.

Mr. O'CONNOR of Montana. Then what has the gentleman to say as to this memorandum furnished by the Department with reference to the railroad line?—

> The claim that the proposed purchase will render it impossible for the Yosemite Valley Railroad to continue operations is based on the assumption that the purchase will cause the Yosemite Sugar Pine Lumber Co. to cease operations almost immediately. As pointed out above, this is not likely to happen for a period of some years.

[Here the gavel fell.]

The CHAIRMAN. The time of the gentleman from California has expired. All time has expired, and the Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized to acquire, by purchase when purchasable at prices deemed by him reasonable, otherwise by condemnation under the provisions of the act of August 1, 1888, on behalf of the United States under any fund or moneys available for such purpose, except from the general fund of the Treasury, any of the following-described lands in the State of California now in private ownership, to wit: Section 25, lots 3, 4, 5, 8, and 9, section 34, northeast quarter, lots 1 to 10, inclusive, section 35, section 36, township 1 south, range 19 east; southeast quarter northwest quarter, east half southwest quarter, southeast quarter, lots 2, 3, and 4, section 30, section 31, township 1 south, range 20 east; sections 1, 2, and 3, east half section 10, sections 11 and 12, north half section 14, northeast quarter section 15, township 2 south, range 19 east, southeast quarter northwest quarter, east half southwest quarter, lots 3 to 7, inclusive, section 6, township 2 south, range 20 east, Mount Diablo meridian.

With the following committee amendment:

Page 1, line 8, after the word "purpose", insert "at the time of the passage of this act."

The committee amendment was agreed to.

The Clerk read as follows:

Page 2, line 2, after the word "quarter", insert "southeast quarter of the northwest quarter."

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 2. When title to the aforesaid privately owned lands has been vested in the United States, all of the lands described in section 1 hereof shall be added to and become a part of the Yosemite National Park and shall be subject to all laws and regulations applicable thereto: *Provided*, That nothing in this act shall be construed to affect any valid existing rights.

With the following committee amendment:

Page 2, line 12, strike out the remainder of line 12 and all of line 13 and insert in lieu thereof "When title to such of the aforesaid privately owned lands as may be acquired with funds made available therefor has vested in the United States, such lands and all federally owned lands."

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 3. The provisions of the act approved June 10, 1920, as amended, known as the Federal Water Power Act, shall not apply to any of the lands added to the Yosemite National Park pursuant to the provisions of this act.

With the following committee amendment:

At the end of line 25 insert the following:

"SEC. 4. That, as compensation for the loss of taxes to any county by reason of Federal acquisition of lands with standing timber, pursuant to the provisions of this act, the Secretary of the Treasury shall pay any such county in one lump sum, upon the order of the Secretary of the Interior and from any funds made available for acquisition of lands hereunder, an amount equal to the taxes that would have been produced by such lands had they remained in private ownership and taxable for such period, as in the determination of the Secretary of the Interior, would permit the removal of the timber therefrom. As a basis for determining the amount to be paid any county, the Secretary of the Interior shall take the rate of taxation prevailing therein for the last taxable year and the assessed value for the same year of

the lands with respect to which the payments so authorized are to be made.

"Payments received by any county under the provisions of this act shall be prorated, apportioned, and paid to the State, or its political subdivisions, in the same proportion as the taxes on lands in private ownership are prorated, apportioned, and paid to the State or its political subdivisions."

Mr. SAUTHOFF. Mr. Chairman, I rise in opposition to the committee amendment. This proposed section 4 of the bill in my judgment is utterly indefensible. It grants to this particular area something that has never before been granted to any section of the United States. My State has yielded thousands of acres to the Federal Government, and the Federal Government has never paid us 1 cent of tax. The bill provides in this proposed section 4 that not only shall the Federal Government pay all of the delinquent taxes, but no one has yet explained how much that amounts to, but the bill ties up the Federal Government to the proposition of paying taxes on this 7,280 acres for from 10 to 15 years.

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. SAUTHOFF. Not now. I shall when I have completed my statement. If that policy is to be adhered to, then every State in the Union has a right to come in here and demand that the Federal Government not only pay all future taxes on acreage in the various States, but in addition thereto all taxes from the time that the acreage was deeded over to the Federal Government should be paid for.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. SAUTHOFF. That would be on a par with this express provision in this proposed section 4. I yield to the gentleman from Missouri.

Mr. COCHRAN. I am against this committee amendment. Does not the gentleman feel that he should repeat here the statement made by the chairman that this amendment is placed in this bill for the specific purpose of having the House pass upon it, and, as he said, it would be a precedent for the future, if adopted. Adopt this amendment and every other bill of this character that comes before this House in the future will have a similar paragraph providing for the payment of taxes. Section 4 should be stricken from the bill.

Mr. SAUTHOFF. Correct. I hope the gentleman will join me in voting against any such provision. I now yield to the gentleman from Oregon.

Mr. MOTT. Are not the circumstances under which this land is to be purchased and conveyed to the Government different from the conditions under which the Government acquired land from the State of Wisconsin?

Mr. SAUTHOFF. No. When one is selling something, he is selling it and should get the best possible price. In this case they are trying to chisel out of the Federal Government something never before done, and for one I am opposed to it.

Mr. DEROUEN. Mr. Chairman, will the gentleman yield?

Mr. SAUTHOFF. Yes.

Mr. DEROUEN. As chairman, I stated very plainly that the committee was divided on this amendment and that the committee gave it very serious consideration and agreed to the amendment, provided it was left to the House to vote it up or down, because that question is going to be before the House. It would establish a precedent, and I think that the House should speak, so that bills of similar character, which are now before the committees, would be guided accordingly. It is the amendment of the gentleman from California [Mr. ENGLEBRIGHT].

Mr. SAUTHOFF. I understand, but let me answer the gentleman in this way: The gentleman from North Carolina [Mr. UMSTEAD] put the question squarely up to the gentleman three times, and he never answered it.

Mr. DEROUEN. Oh, yes; I did.

Mr. COCHRAN. Yes; he did.

Mr. SAUTHOFF. I want it answered squarely on a roll call. That is the way we will get everybody marked up on whether he is going to stand for this kind of a thing or not. I do not want to see such a policy pursued, and I for one hope we will be able to get a roll call on it and put everybody on record.

Mr. DEROUEN. I am agreeable to that and hope the gentleman will request a roll call on that amendment. I have explained this amendment several times.

Mr. MOTT. Mr. Chairman, I rise in support of the committee amendment. The gentleman from Wisconsin [Mr. SAUTHOFF] has stated that section 4, which is the tax loss reimbursement provision of this bill, is indefensible. In my opinion, without section 4 the bill certainly would be indefensible, no matter what other merit it may possess. Here are 8,000 acres of privately owned timber land upon which the owners at the present time are paying to certain counties in California an annual tax of about $15,000. These counties have the undisputed right to levy that tax in order to help defray the expense of their county governments, and they are levying and collecting it. In addition to that, as has been stated in debate, this land supports a pay roll of about 1,000 men, who are residents of these counties and who spend their wages in the counties.

Now, this bill proposes that this tax revenue producing timber land be taken off the tax rolls of the counties, that it be placed in the status of nonproductive national-park land, and that the private pay roll which it supports be destroyed. Under the provisions of this bill the land in question is not being taken under ordinary circumstances, and certainly not under the circumstances which undoubtedly prevailed when the land in Wisconsin, to which the gentleman has referred, was conveyed to the Federal Government.

This bill authorizes the Secretary of the Interior to bring condemnation proceedings against the owners of the land and to take the land by force. It authorizes the Secretary to deprive the counties in California, in which the timber is situated, of all of this tax revenue which the timber is now paying to the counties and to deprive the people of those counties of the pay roll which now exists. And it authorizes the Secretary to do this without the consent and against the will of the people of those counties.

The bill in my opinion is not a good bill, even with the tax loss reimbursement feature contained in section 4. But certainly if under any circumstances this land is to be acquired by the Federal Government against the will and over the protest of the counties which are now taxing it, then those counties in equity and good conscience should be reimbursed by the Government for their tax loss.

If the Government wants this land badly enough to force the owners to part with it and to force the people who now benefit from its tax to lose that tax, certainly the Government should make provision for tax-loss reimbursement. That is what section 4 of the bill proposes to do.

So far as the matter of precedent is concerned, I am very glad indeed that the Public Lands Committee has proposed a precedent in this bill in the way of tax-loss reimbursement out of the Federal Treasury, because in this particular case there is no other place from which the reimbursement can come. When the Government acquires land for expansion of the national forests—and this, by the way, can only be done by the consent of the State wherein the land is situated—provision for tax-loss reimbursement is always made by allotment to those States of a part of the revenue from the forest. This is the case also with revested forest grant lands and with lands purchased by the Government for grazing purposes. Where, however, as in this case, the land purchased produces no revenue in Government ownership, then the tax-loss reimbursement must come from the Treasury if reimbursement is to be made at all.

I am very glad the Department of the Interior has acquiesced in the establishment of that precedent, if indeed section 4 of this bill can properly be called a precedent. On that point, however, I think there is considerable doubt. Under existing law authorizing acquisition of land for slum clearance and for the construction of such Federal housing projects as Tugwelltown, Beltsville, and so forth, provision is made for tax-loss reimbursement through the actual payment of taxes on these housing projects by the Government or the governmental agencies in charge of the projects.

Therefore, it is doubtful whether section 4 establishes an actual precedent, because it provides for tax-loss reimbursement out of the Federal Treasury. But, however that may be, tax-loss reimbursement in one form or another, in cases where land has been taken off the tax rolls of States and counties, is not new. On the contrary, it is an established policy of the Government and has been for the last half century. There is no reason whatever why an exception to this policy should be made in the pending bill.

On account of the fact that in my opinion no sufficient evidence was presented to the Committee on Public Lands to warrant the enactment of this bill, I shall be obliged to vote against it upon final passage; but let me repeat that I am glad the committee has put in this tax-loss reimbursement feature. That has removed one of my principal objections to it, and if the bill comes to a vote with that feature retained in it, I will be content to let the remainder of the bill abide the decision of the House.

This is one of the most important matters, in principle, that the Congress will be called upon to consider in connection with Federal acquisition of land at this session, and I hope you give very careful consideration to the policy which some have advocated of the Government making wholesale acquisitions of private lands and taking that land off the tax rolls without making proper provision for tax-loss reimbursement to the people of the States and counties in which that land is situated.

The gentleman from Wisconsin has said if that is done in this case it should be done in every case, and I agree with him that in every case similar in principle to this one, tax-loss reimbursement should be made. I agree that whenever the Government takes private property off the tax rolls without the consent and against the will of the counties or States wherein the property is located, in the very bill or law by which it takes that property, it should make corresponding and proper provision for tax-loss reimbursement. A contrary view in this regard would, it seems to me, be utterly wrong and wholly indefensible.

Mr. O'MALLEY. Mr. Chairman, will the gentleman yield?

Mr. MOTT. I yield to the gentleman from Wisconsin.

Mr. O'MALLEY. This provides that the Government shall pay the delinquent taxes, taxes that they were never able to get from these private owners.

Mr. MOTT. That is proper, because all the delinquent taxes, if there are any, are collectible by the State and counties from that timber. If the law in California is the same as our law, the owner could not sell that timber until that tax was paid. The State and counties also have the remedy of tax foreclosure. There is no possible way by which the owner of valuable timber can escape payment of taxes.

The CHAIRMAN. The time of the gentleman from Oregon has expired.

Mr. O'CONNOR of Montana. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the Public Lands Committee had this bill under consideration and conducted several hearings. It was one of the most debated subjects we have had to deal with since I have been a member of the committee. As the distinguished chairman of the committee pointed out, the last section was extremely controversial, and we were all divided upon it, and some of us were divided upon the merits of the bill. If the bill is to be passed at all, I personally feel that section 4 should be stricken out. We cannot establish any such precedent as is claimed by the distinguished gentleman from Oregon [Mr. MOTT]. If the Government of the United States takes over land for public purposes, such as park purposes, there should be no obligation upon the part of the Government to pay any delinquent taxes or any taxes levied against the property from that time on.

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. O'CONNOR of Montana. I yield.

Mr. MOTT. If the gentleman's theory should be carried to its ultimate conclusion, what land would there be left to the States and counties to tax?

Mr. O'CONNOR of Montana. I am glad the gentleman brought that question up.

It will be necessary sometime to cease purchasing private lands, thereby taking them off the tax rolls and moving people from their homes, and so forth, and adding such lands to our national parks. It may be that this is the time to start. There have been other bills introduced in this Congress to increase the acreage of our parks in the United States. Should we continue our practice in this regard, ultimately, as the gentleman said, there will be no land left on which the States and counties could collect taxes. So, in my opinion, the way to prevent such a situation is to cease acquisition of private lands and placing them beyond the taxing authorities. Many thoughtful and well-informed people think that the parks are large enough at the present time.

To be fair to the author of the bill, I wish to say that I believe the gentleman from California is slightly in error with reference to the figures regarding the number of men employed concerning this particular matter when he says that the number amounts to approximately 1,000. However, I do not for one moment question his sincerity and honesty in making such statement, as, to say the least, the evidence was conflicting.

My recollection of the testimony is, independent of the figures given by the Secretary of the Interior, that there would be put out of employment somewhere in the neighborhood of 700 employees, including lumbermen and those engaged in the railway service.

I also want to get before the members of the committee what the Secretary of the Interior said with reference to the railway proposition. He said:

> The proposed purchase does not include all the timber owned by the lumber company. It will have left enough timber to continue its operations for a period of 5 to 10 years.

It is my opinion that if condemnation proceedings are brought and the land acquired by condemnation proceedings, the Government of the United States would have to pay for the damages that result on account of the taking.

While I am on that subject I think the gentleman from California is correct when he says that before this is over it will cost the taxpayers of the country in the neighborhood of $3,000,000.

The bill does not seem to me to be specific as to where the funds are to be secured with which to pay for this property. Therefore, I asked this question when the hearings were had before the committee:

> From what source is this money to be taken to pay for this land?

The answer was that it was from the relief funds. I said then, and I say now, using the words of the President of the United States, with one-third of our people hungry and one-third of them ill fed——

The CHAIRMAN. The time of the gentleman from Montana has expired.

Mr. O'CONNOR of Montana. Mr. Chairman, I ask unanimous consent to proceed for 1 additional minute.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. O'CONNOR of Montana. I say now, and I said before the committee, I cannot look hungry people in the face and vote for $3,000,000, take it out of relief funds, and pay for timber of which there appears to be an abundance. I am a conservationist with reservations. I think our resources should be used upon the theory that our Government has adopted wherever possible, namely, a sustained use.

Mr. THOM. Will the gentleman yield?

Mr. O'CONNOR of Montana. I yield.

Mr. THOM. Who said the money for this purchase is going to be taken out of the relief fund?

Mr. O'CONNOR of Montana. We had the testimony before the committee and the gentleman from California stated it a moment ago.

Mr. THOM. The relief bill was passed the other day and it practically allocates all the money.

Mr. O'CONNOR of Montana. Oh, no.

[Here the gavel fell.]

Mr. COCHRAN. Mr. Chairman, I rise in opposition to the pro-forma amendment. I am against this bill if section 4 is retained, but will support the bill if it is eliminated.

Mr. Chairman, it is stated that we are setting a precedent if section 4 of this bill is agreed to. I will tell the Members of this House you are not setting a precedent. The precedent has already been established, and it should never have been established. It was established in this House many years ago, and I well remember the time. Every year since that time the Treasury has paid to the State of the gentleman from Oregon [Mr. MOTT], who is supporting this amendment, $250,000 for taxes on land that had been taken back by the Government.

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. No; not right now; let me complete my statement. The Federal Government is paying $250,000 a year on land that the Government took back—land that it ceded to a railroad in Oregon. There was a distinguished Member of this House, who was a Republican chairman of the Ways and Means Committee, Mr. Hawley, and, if I am not mistaken, the gentleman from Oregon [Mr. MOTT] succeeded him. Mr. Hawley was so powerful during the Republican administration that he put that bill through this House, and a Republican Senate agreed to it. As I stated, we have paid $250,000 annually to the State of Oregon for land that now belongs to the Government that it had to take back from a railroad. I remember very well the argument advanced. They told the House the schools of Oregon would be closed if the Government did not pay the taxes. That law should be repealed because no State is entitled to receive taxes on lands owned by the Government. I am as anxious as any Member of this House to save these wonderful pine trees, and the statement that the money is coming out of relief appropriations is not justified. That chairman of the committee assures us that it is not correct that the money comes from the special fund in the Treasury that can only be used to purchase lands for this purpose, and that no specific appropriation from the General Treasury fund will be required. What does the first section of the bill say? I will read it:

> That the Secretary of the Interior is hereby authorized to acquire, by purchase when purchasable at prices deemed by him reasonable—otherwise by condemnation under the provisions of the act of August 1, 1888, on behalf of the United States under any fund or moneys available for such purpose, at the time of the passage of this act, except from the general fund of the Treasury.

That should convince anyone that the argument that the money is to come from the relief appropriation is not based upon facts. Let us meet the issue squarely. If the money came from the relief appropriation, I would not support the bill.

Mr. Chairman, this amendment is indefensible. The chairman of the Public Lands Committee, Mr. DEROUEN, tells us that it will be a precedent in the future for his committee. He frankly tells us he wants the House to say "yes" or "no" whether in the future we are going to pay taxes to States for lands that the Government takes over for conservation purposes. Well, let us say "yes" or "no." My vote is "no" now and in the future. Where is all the money going to come from to pay taxes if we are going to adopt the policy of paying taxes to the various States for land we take over?

We have taken over millions and millions of acres of land and added this land to our forest reservations. We have not paid one cent of taxes to the States and the States do not deserve any taxes, nor have they asked for taxes, because when we take over that land we benefit the locality. They make money out of the transaction. National parks and forest reservations attract people that would otherwise never visit the community. If the county involved in this bill is so poor it cannot get along without the taxes it is now receiving for the property involved, why does not that county merge with an adjoining county? [Applause.]

There is absolutely no reason why the Congress of the United States should go on record today as favoring the proposition that in the future we will pay taxes to the States for land that the Government takes over.

I hope the amendment will be defeated in committee and if is not defeated in the committee, I am going to use every parliamentary means at my disposal to get a roll call when we go back into the House and see that it is defeated.

I repeat, with the amendment in I will not support the bill, but if you vote down this amendment I will support the bill and I am sure a sufficient number of Members entertain the same views. You can pass this bill if you defeat this amendment. [Applause.]

[Here the gavel fell.]

Mr. CRAWFORD. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, the House is a little bit impatient. As a member of the committee I want to point out, as the gentleman from Missouri just stated, we at this moment are facing a most vital turning point in the taxing policy of this Nation. There are States in which the domain is being purchased by the Federal Treasury and converted back into public acreage. There are States in which that situation does not exist.

There is legislation pending before certain committees, which will be brought on the floor of this House very soon, no doubt, that will make this little piece of legislation look like 30 cents with the "3" off. Are we going to pay taxes to counties and States on land that is purchased by the Federal Government or not? That is the issue involved in this bill. Section 4 is something of importance for this House to act on, and it is the vital part of the bill.

In my own State the Government is purchasing a lot of acreage and putting it back into the public domain. You know what is being said by the Secretary of Agriculture and by the Committee on the Conservation of Natural Resources with reference to the purchase of millions of acres of land. What are we going to do? If we are going to pay taxes to the counties on the land after it is put back into the public domain, we better find different ways of raising taxes, because the money is not going to be forthcoming out of our present production and national income.

Mr. CULKIN. Will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from New York.

Mr. CULKIN. Is it not a matter of national policy that municipalities, States, and various governmental entities are always exempt from taxation so far as their property is concerned?

Mr. CRAWFORD. That has been the general rule up to date, but there is an exception to it which is going on at the present time, and the gentleman from Missouri pointed it out a while ago.

Mr. CULKIN. Is it not a fact if that was not true, municipalities, counties, and various political subdivisions could hardly exist?

Mr. CRAWFORD. I think that statement is correct. But there is brought into the picture a new proposition, and that is we go out here and recover or recapture, through purchase, lands that have heretofore been in the tax structure of the counties or States. If that is to be the new policy of government, and if we are to go out and buy forty, fifty, or seventy-five million acres of land, these counties have the right to raise the question, "Where are the tax dollars coming from?" Before going too far with this program of purchasing land, we better stop for a moment and consider the very question that we have before us this afternoon.

Mr. GREEVER. Will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Wyoming.

Mr. GREEVER. Does not the gentleman think there is a vast difference between land which originally belonged to the Government of the United States and is taken into some agency of the Government and land that is condemned or

purchased, thereby depriving the counties of the tax revenue on which they have built up their tax structure?

Mr. CRAWFORD. From the standpoint of primary settlement or primary disposition, there is a difference; but I am discussing the tax feature. That is the point I am talking about now.

[Here the gavel fell.]

Mr. McGROARTY. Mr. Chairman, I move to strike out the last three words.

Mr. DEROUEN. Mr. Chairman, I ask unanimous consent that all debate on this section close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

Mr. ENGLEBRIGHT. Mr. Chairman, reserving the right to object, there are several Members who would like 3 or 4 minutes apiece. May I request the gentleman to make his request 10 minutes?

Mr. DEROUEN. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

Mr. MOTT. Mr. Chairman, reserving the right to object——

Mr. DEROUEN. Mr. Chairman, I move that all debate on this section and all amendments thereto close in 10 minutes.

The motion was agreed to.

Mr. McGROARTY. Mr. Chairman, let me clear away all this fog. I did not offer this amendment and I am willing to have it taken out if anybody objects. I spoke awhile ago in reference to quibbling about these things. Whether Mariposa County receives this tax or not, in my judgment, is a very small matter and not big enough for the Congress of the United States to be concerned with. This Congress must be concerned with saving one of the last stands of sugar pine which is getting to be the scarcest tree on the face of the earth.

Mr. SIROVICH. Will the gentleman yield?

Mr. McGROARTY. I yield to the gentleman from New York.

Mr. SIROVICH. I am very glad to learn that the distinguished gentleman from California is willing to eliminate section 4, which is so controversial, because I am sure, with the elimination of this section, nearly every Member of Congress will support the bill of the distinguished gentleman from California.

In the hearings I noticed that Mr. LEMKE asked Mr. Cammerer a question, and Mr. Cammerer made the following answer:

> The sugar pine is found exclusively in California and southern Oregon, and nowhere else in the world. It is the largest and most magnificent of all pine trees. As John Muir, the famous naturalist and author, described it, it is "the largest, noblest, and most beautiful of all the 70 or 80 species of pine trees in the world, and of all the conifers second only to king sequoia."

Mr. McGROARTY. I thank the gentleman from New York for his contribution.

Now, we have John Muir, one of the greatest of all naturalists, saying this is the most beautiful of all pine trees, that it is known nowhere else in the world except in California and southern Oregon, not extending down into Mexico, as has been stated here. This locality is where it grows, and this is all there is left of it. Can I believe there is a thought in the mind of any Member of Congress to give this forest, the last we have, over to a bankrupt sawmill and take it away from the generations to come? This is all there is to the opposition.

Mr. SIROVICH. Mr. Chairman, will the gentleman yield further for a question?

Mr. McGROARTY. Yes.

Mr. SIROVICH. When the vote is taken on the committee amendment which would insert section 4, is it the gentleman's idea that all of us should vote in favor of the committee amendment?

Mr. McGROARTY. Yes.

Mr. MURDOCK of Arizona. Mr. Chairman, will the gentleman yield?

Mr. McGROARTY. Yes.

Mr. MURDOCK of Arizona. We have the word of the distinguished and scholarly gentleman from California that the sugar pine is the most beautiful tree in the world.

Mr. McGROARTY. Yes.

Mr. MURDOCK of Arizona. We do not really need to reenforce that word by the statement of the distinguished naturalist. I am willing to believe it in the first place.

Mr. McGROARTY. I thank the gentleman very much.

Mr. DOWELL and Mr. IZAC rose.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa for 2 minutes.

Mr. DOWELL. Mr. Chairman, I rise for the purpose of asking the chairman of the committee a question.

Mr. DEROUEN. I shall be glad to answer the gentleman.

Mr. DOWELL. It has been stated the money to be expended for this land is to come out of relief money which has been appropriated by Congress.

Mr. DEROUEN. That is not correct.

Mr. DOWELL. Will the gentleman state to the House if it is not correct that the money will be paid out of the relief funds?

Mr. DEROUEN. That is not correct.

Mr. DOWELL. Where does the money come from?

Mr. DEROUEN. I have made that explanation, but the gentleman was not on the floor at the time.

Mr. DOWELL. I have been on the floor all afternoon, I may say to the gentleman.

Mr. DEROUEN. I made the explanation in the opening of my remarks, but I shall be pleased to repeat it. This money will come out of money which was earmarked previously in the Emergency Conservation Act. So much money was earmarked. There was an unexpended part of this money which will be used to acquire this timber.

Mr. DOWELL. Then the gentleman is mistaken, and it does come out of the relief fund.

Mr. DEROUEN. If the gentleman wants to ask me the question, where does all the money come from, I may say it comes from taxation.

Mr. DOWELL. I am asking the gentleman where this money comes from. The gentleman has said it does not come out of relief funds, but now the gentleman says it does come out of relief funds appropriated by Congress.

Mr. DEROUEN. No; it was money to be used for an emergency; it was money set aside for land purchases, for additions to forest reserves or national parks. There was appropriated in this act a certain amount of money, and there is a balance left which will be used to acquire this area. New appropriations will not be required.

[Here the gavel fell.]

Mr. ENGLEBRIGHT. Mr. Chairman, I shall read this statement made by the Director of the National Park Service in the Senate hearings:

> The basic authority for the acquisition of lands for the relief of unemployment and the performance of useful public works is contained in the act of Congress approved March 31, 1933.

It is stated this money is to come from the emergency relief funds. The Director concludes his remarks with the following statement:

> It should also be stated at this time that under the regular procedure now followed by the Government, Executive orders are approved as to form and substance by the Attorney General. Therefore before any emergency funds are allocated to purchase the Carl Inn area of sugar pines it is safe to assume that the highest legal office of the United States will approve no order which did not fulfill the requirements of existing law.

Here is the statement in the Senate report that this money does come from the emergency relief funds.

[Here the gavel fell.]

The CHAIRMAN. The question is on agreeing to the committee amendment which appears as section 4 on page 3 of the bill.

Mr. SIROVICH. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. SIROVICH. A vote of "aye" is a vote to retain section 4, and a vote of "no" would mean the elimination of section 4?

The CHAIRMAN. The gentleman is correct.

The committee amendment was rejected.

Mr. DEROUEN. Mr. Chairman, I move the Committee do now rise and report the bill back to the House with sundry amendments.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MILLER, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 5394) to provide for the acquisition of certain lands for, and the addition thereof to, the Yosemite National Park, in the State of California, and for other purposes, had directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. DEROUEN. Mr. Speaker, I move the previous question on the bill and all amendments thereto to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them in gross.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. ENGLEBRIGHT) there were—ayes 56, noes 62.

Mr. SIROVICH. Mr. Speaker, I make the point of order a quorum is not present, and object to the vote on that ground.

The SPEAKER. Evidently a quorum is not present. The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 183, nays 128, not voting 121, as follows:

[Roll No. 85]

YEAS—183

Aleshire	Eckert	Kerr	Peterson, Fla.
Allen, La.	Edmiston	Kirwan	Peterson, Ga.
Allen, Pa.	Eicher	Kitchens	Pfeifer
Anderson, Mo.	Elliott	Kloeb	Phillips
Atkinson	Evans	Kramer	Poage
Barry	Faddis	Lanham	Ramsay
Beiter	Farley	Lanzetta	Randolph
Biermann	Ferguson	Larrabee	Rayburn
Bland	Flannagan	Lea	Reilly
Boland, Pa.	Fleger	Leavy	Richards
Boykin	Ford, Calif.	Lemke	Robertson
Brooks	Ford, Miss.	Lesinski	Robinson, Utah
Brown	Fries, Ill.	Lewis, Colo.	Romjue
Buck	Garrett	Ludlow	Ryan
Buckler, Minn.	Gildea	Luecke, Mich.	Sabath
Bulwinkle	Gray, Ind.	McAndrews	Sacks
Clark, Idaho	Gray, Pa.	McClellan	Sanders
Claypool	Green	McCormack	Scott
Cochran	Griffith	McFarlane	Scrugham
Coffee, Wash.	Guyer	McGranery	Secrest
Colden	Haines	McGrath	Shanley
Cooper	Hancock, N. C.	McGroarty	Sheppard
Costello	Harrington	McKeough	Sirovich
Cox	Hart	McReynolds	Somers, N. Y.
Crawford	Hartley	McSweeney	Sparkman
Creal	Havenner	Maloney	Spence
Crosser	Healey	Mansfield	Stack
Crowe	Higgins	Martin, Colo.	Sumners, Tex.
Cullen	Hill, Ala.	Merritt	Sweeney
Cummings	Hobbs	Mills	Teigan
Daly	Honeyman	Moser, Pa.	Thom
Deen	Hunter	Mosier, Ohio	Thomas, N. J.
Delaney	Imhoff	Mouton	Tolan
DeMuth	Izac	Murdock, Ariz.	Towey
DeRouen	Jacobsen	Murdock, Utah	Transue
Dickstein	Jarman	Nelson	Vincent, B. M.
Dies	Jenckes, Ind.	O'Brien, Mich.	Vinson, Fred M.
Dingell	Johnson, Lyndon	O'Connell, Mont.	Wallgren
Dockweiler	Johnson, Minn.	O'Connell, R. I.	Weaver
Dorsey	Johnson, W. Va.	O'Connor, N. Y.	Welch
Doughton	Jones	O'Leary	Wene
Drew, Pa.	Keller	O'Malley	Whelchel
Drewry, Va.	Kennedy, Md.	Oliver	White, Idaho
Driver	Kennedy, N. Y.	Patman	Wolverton
Dunn	Kenney	Patrick	Zimmerman
Eberharter	Keogh	Patton	

NAYS—128

Allen, Ill.	Fitzpatrick	Mahon, Tex.	Seger
Andresen, Minn.	Forand	Mapes	Shafer, Mich.
Andrews	Frey, Pa.	Martin, Mass.	Short
Bacon	Gearhart	Mason	Smith, Conn.
Bates	Gehrmann	May	Smith, Maine
Binderup	Gwynne	Meeks	Smith, Va.
Boyer	Halleck	Michener	Smith, Wash.
Bradley	Hamilton	Millard	Snell
Brewster	Hancock, N. Y.	Miller	South
Burch	Harter	Mitchell, Ill.	Stefan
Cannon, Mo.	Hildebrandt	Mitchell, Tenn.	Sutphin
Carlson	Holmes	Mott	Swope
Champion	Hope	O'Brien, Ill.	Tarver
Church	Houston	O'Connor, Mont.	Taylor, Tenn.
Citron	Hull	O'Neill, N. J.	Terry
Clason	Jarrett	Parsons	Thomason, Tex.
Cluett	Jenkins, Ohio	Patterson	Thompson, Ill.
Cole, Md.	Johnson, Luther A.	Pearson	Thurston
Cooley	Kelly, Ill.	Plumley	Tinkham
Cravens	Kinzer	Polk	Treadway
Crowther	Kniffin	Powers	Turner
Culkin	Knutson	Rankin	Umstead
Ditter	Kocialkowski	Reece, Tenn.	Walter
Dondero	Lambeth	Reed, Ill.	White, Ohio
Douglas	Lamneck	Rees, Kans.	Whittington
Dowell	Long	Rigney	Wigglesworth
Doxey	Luce	Robsion, Ky.	Williams
Eaton	Luckey, Nebr.	Rogers, Mass.	Withrow
Ellenbogen	McLaughlin	Rutherford	Wolcott
Engel	McLean	Sauthoff	Wolfenden
Englebright	Maas	Schaefer, Ill.	Woodruff
Fish	Mahon, S. C.	Schneider, Wis.	Woodrum

NOT VOTING—121

Allen, Del.	Colmer	Hoffman	Rabaut
Amlie	Connery	Hook	Ramspeck
Arends	Crosby	Jenks, N. H.	Reed, N. Y.
Arnold	Curley	Johnson, Okla.	Rich
Ashbrook	Dempsey	Kee	Rogers, Okla.
Barden	Dirksen	Kelly, N. Y.	Sadowski
Beam	Disney	Kleberg	Schuetz
Bell	Dixon	Kopplemann	Schulte
Bernard	Duncan	Kvale	Shannon
Bigelow	Fernandez	Lambertson	Simpson
Bloom	Fitzgerald	Lewis, Md.	Smith, W. Va.
Boehne	Flannery	Lord	Snyder, Pa.
Boileau	Fletcher	Lucas	Starnes
Boren	Fuller	McGehee	Steagall
Boylan, N. Y.	Fulmer	McMillan	Sullivan
Buckley, N. Y.	Gambrill	Magnuson	Taber
Burdick	Gasque	Massingale	Taylor, Colo.
Byrne	Gavagan	Maverick	Taylor, S. C.
Caldwell	Gifford	Mead	Thomas, Tex.
Cannon, Wis.	Gilchrist	Nichols	Tobey
Carter	Gingery	Norton	Vinson, Ga.
Cartwright	Goldsborough	O'Day	Voorhis
Case, S. Dak.	Greenwood	O'Neal, Ky.	Wadsworth
Casey, Mass.	Greever	O'Toole	Warren
Celler	Gregory	Owen	Wearin
Chandler	Griswold	Pace	West
Chapman	Harlan	Palmisano	Wilcox
Clark, N. C.	Hendricks	Pettengill	Wood
Coffee, Nebr.	Hennings	Peyser	
Cole, N. Y.	Hill, Okla.	Pierce	
Collins	Hill, Wash.	Quinn	

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Owen (for) with Mr. Taber (against).
Mr. Harlan (for) with Mr. Taylor of South Carolina (against).
Mr. Sullivan (for) with Mr. Rich (against).
Mr. Gregory (for) with Mr. Reed of New York (against).
Mr. Boileau (for) with Mr. Chandler (against).
Mr. Schuetz (for) with Mr. Cole of New York (against).
Mr. Kvale (for) with Mr. Tobey (against).
Mr. Bernard (for) with Mr. Gifford (against).
Mr. Gavagan (for) with Mr. Lord (against).
Mr. Bell (for) with Mr. Simpson (against).

Until further notice:

Mr. Collins with Mr. Arends.
Mr. Boehne with Mr. Wadsworth.
Mr. Fuller with Mr. Jenks of New Hampshire.
Mr. Greenwood with Mr. Dirksen.
Mr. Starnes with Mr. Carter.
Mr. Mead with Mr. Hoffman.
Mr. Steagall with Mr. Case of South Dakota.
Mr. Vinson of Georgia with Mr. Gilchrist.
Mr. Warren with Mr. Lambertson.
Mr. Taylor of Colorado with Mr. Burdick.
Mr. Wilcox with Mr. Amlie.
Mr. West with Mr. Byrne.
Mr. Pettengill with Mr. Casey of Massachusetts.
Mr. Ashbrook with Mr. Kee.
Mr. Lucas with Mr. Greever.
Mr. Wearin with Mrs. O'Day.
Mrs. Norton with Mr. Voorhis.
Mr. Fernandez with Mr. Gingery.
Mr. Beam with Mr. Allen of Delaware.
Mr. Pierce with Mr. Wood.
Mr. Griswold with Mr. Chapman.

Mr. Bloom with Mr. Hill of Washington.
Mr. Clark of North Carolina with Mr. Crosby.
Mr. Hennings with Mr. McGehee.
Mr. Schulte with Mr. O'Neal of Kentucky.
Mr. Dempsey with Mr. Rabaut.
Mr. Nichols with Mr. Kelly of New York.
Mr. Maverick with Mr. Colmer.
Mr. Boylan of New York with Mr. Arnold.
Mr. Dixon with Mr. O'Toole.
Mr. Fulmer with Mr. Boren.
Mr. Ramspeck with Mr. Curley.
Mr. Kleberg with Mr. Gambrill.
Mr. Gasque with Mr. Bigelow.
Mr. Smith of West Virginia with Mr. Cartwright.
Mr. Goldsborough with Mr. Fletcher.
Mr. Barden with Mr. McMillan.
Mr. Thomas of Texas with Mr. Connery.
Mr. Hook with Mr. Snyder of Pennsylvania.
Mr. Johnson of Oklahoma with Mr. Hendricks.
Mr. Pace with Mr. Duncan.
Mr. Lewis of Maryland with Mr. Fitzgerald.
Mr. Coffee of Nebraska with Mr. Disney.
Mr. Quinn with Mr. Sadowski.
Mr. Celler with Mr. Caldwell.
Mr. Hill of Oklahoma with Mr. Peyser.
Mr. Buckley of New York with Mr. Shannon.

Mr. CRAWFORD, Mr. DINGELL, Mr. BEITER, Mr. SPENCE, Mr. LUDLOW, Mr. TOWEY, and Mr. COOPER changed their votes from "no" to "aye."

The result of the vote was announced as above recorded.

A motion to reconsider the vote by which the bill was passed was laid on the table.

EXTENSION OF REMARKS

Mr. HEALEY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a letter written by the Attorney General to the President on the subject of identical sealed bids for steel products.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that on Tuesday next, June 15, immediately following the special permission granted to the gentleman from Pennsylvania [Mr. RICH], which is subject to the conditions expressed by the majority leader, I may be granted permission to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. DEROUEN and Mr. RANKIN rose.

The SPEAKER. Does the gentleman from Louisiana yield the floor?

Mr. DEROUEN. No, Mr. Speaker.

The SPEAKER. The Chair will be pleased to entertain personal requests after the call of the Calendar Wednesday business, but the Chair feels the gentleman from Louisiana is entitled to the floor, and is entitled to proceed with the consideration of the bills from his committee.

Mr. RANKIN. Mr. Speaker, will the gentleman yield to me to submit a unanimous-consent request?

Mr. DEROUEN. I do not yield the floor, but I yield to the gentleman to submit a unanimous-consent request.

EXTENSION OF REMARKS

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

PROSPECTING PERMITS

Mr. DEROUEN. Mr. Speaker, I call up the bill (H. R. 4277) to provide for the extension of certain prospecting permits, and for other purposes.

The SPEAKER. This bill is on the Union Calendar.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 4277) to provide for the extension of certain prospecting permits, and for other purposes, with Mr. MILLER in the chair.

The Clerk read the title of the bill.

The first reading of the bill was dispensed with.

Mr. DEROUEN. Mr. Chairman, it is my understanding there is no objection to the bill. May I ask if the gentleman on the other side desires any time?

Mr. CRAWFORD. Mr. Chairman, we have no requests for time on this side.

The Clerk read as follows:

Be it enacted, etc., That all prospecting permits which were extended until December 31, 1937, under the first proviso of the fourth sentence of section 13 of the act entitled "An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain", approved February 25, 1920, as amended, and all permits granted under the authority of any amendments thereof, shall be extended until December 31, 1939, subject to the applicable conditions of prior extensions, if any: *Provided*, That the Secretary of the Interior is hereby authorized to extend for an additional period of not to exceed 1 year any permit on which diligence has been exercised or on which drilling or prospecting has been suspended at the direction of the Secretary during the extension period hereby granted, but no extension of any permit beyond December 31, 1940, shall be granted under the authority of this act or any other act.

Mr. CRAWFORD. Mr. Chairman, I move to strike out the last word for the purpose of having the chairman of the committee very briefly explain the purposes of this bill.

Mr. DEROUEN. Mr. Chairman, this bill has to do with the extension of oil permits on the public domain.

On March 13, 1929, the issuance of oil and gas permits was suspended by the then Secretary of the Interior. Thereafter a large number of permits were canceled on the ground that no development had occurred and no equitable action by the permittees justified their extension. The remaining outstanding permits were extended upon a showing of expenditures and other equities, for not exceeding 2 years at a time, on the express condition that there be no drilling thereon for at least one-half of the period of extension. Because of an oversupply of oil and gas, the policy of the administration from 1929 to 1933 was to discourage or relieve from drilling and production upon existing permits.

April 4, 1932, the then Secretary of the Interior issued regulations permitting application for and issuance of new prospecting permits on the express condition that each applicant should agree to produce no oil or gas except pursuant to a plan of unit operation or other cooperative plans approved by the Secretary of the Interior.

Mr. CARLSON. Mr. Chairman, will the gentleman yield?

Mr. DEROUEN. I yield.

Mr. CARLSON. I notice from the report of the Secretary of the Interior that he is opposed to the enactment of this legislation. Will the distinguished chairman explain the opposition to this bill?

Mr. DEROUEN. It is true that the Secretary of the Interior interposed some objection. It is also true that when the act which we call the Unit Oil Act was passed they were given 2 years, but the Secretary of the Interior withheld any regulations for a year and some months, and therefore those who held permits could not do a thing. They could not operate because the Department of the Interior held off for over a year the regulations under which they were to act.

Mr. CARLSON. Is it not true that the Department of the Interior could now release these particular projects or issue new permits at great advantage to the Government instead of extending the old permits?

Mr. DEROUEN. No; the present law provides he may extend the time for 1 year. What we are seeking to do now is to provide that the permits will be extended 2 years instead of 1. The gentleman from Wyoming [Mr. GREEVER] will be pleased to go into the further details of the bill.

[Here the gavel fell.]

Mr. GREEVER. Mr. Chairman, I rise in opposition to the pro-forma amendment. In answer to the gentleman from Kansas [Mr. CARLSON] in connection with these extensions, on August 21, 1935, a new law was passed, covering the issuance of leases upon the public domain. For 15 years prior to that time the operations upon the public domain had been carried on under a permit system. Under the act of August 21, 1935, a 2-year extension was granted to all of these permittees. There were some 7,000 in number, many of whom

have been precluded from doing any work upon their permits because of the fact that there had been a policy from 1929 on up and practically to the present time, or at least to the passage of the act of August 21, 1935, in the interest of conservation of oil, and because of the general financial condition at that time, in which not only had liberal extensions been granted but also active discouragement of any drilling had taken place. When the act of August 21, 1935, was passed, it extended all permits up to December 31, 1937, but the regulations under that act were not promulgated until more than a year.

On September 22, 1936, the Secretary of the Interior issued rules in which he said no one could get an extension unless he went into the unit plan of operation. There was not sufficient personnel in the Interior Department to go over the unit plans of operation. I think 1,300 unit plans were submitted, and under the requirements up to the present time only 44 have been approved. One thousand and eighty-three, I think the hearings show, had been refused. I think it was due largely to the fact that they did not have time to go over them, and it made it impossible for these permittees to comply with the terms of their permits in that short time, and the committee unanimously felt that there should be an additional 2 years' extension.

A report was written against this bill by a member of the Geological Survey. If these people are forced to drill today it is going to bring into production a lot of oil that should not be in production today and further hurt the crude-oil market in this country.

Mr. CARLSON. It is the gentleman's view that this regulation will merely delay the operation of these prospecting permits instead of demanding immediate drilling?

Mr. GREEVER. Yes. It will cause orderly development.

Mr. CARLSON. In view of that statement, I shall not oppose the bill.

Mr. GREEVER. That is the purpose of it.

The CHAIRMAN. Without objection, the pro-forma amendment is withdrawn.

Mr. DEROUEN. Mr. Chairman, I move that the Committee do now rise and report the bill to the House with the recommendation that it do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MILLER, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee had had under consideration the bill H. R. 4277, and had directed him to report the bill back to the House with the recommendation that it do pass.

Mr. DEROUEN. Mr. Speaker, I move the previous question on the bill to final passage.

The previous question was ordered.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

EXTENSION OF REMARKS

Mr. BEITER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein certain extracts from certain letters.

The SPEAKER. Is there objection?

There was no objection.

RESIDENCE OF UNITED STATES COMMISSIONERS FOR NATIONAL PARKS

Mr. DEROUEN. Mr. Speaker, I call up the bill H. R. 5804, to provide for the residence of the United States commissioners appointed for the national parks, and for other purposes, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. The gentleman from Louisiana calls up the bill H. R. 5804 and asks unanimous consent that the bill be considered in the House as in Committee of the Whole. The Clerk will report the bill.

The Clerk reported the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That any United States commissioner appointed for any of the several national parks shall reside within the exterior boundaries of the park for which he is appointed or at a place reasonably adjacent to such park, the place of residence to be designated by the Secretary of the Interior.

SEC. 2. Any such commissioner heretofore appointed shall be entitled to receive the salary provided by law, which may have accrued at the date this act becomes effective, without regard to whether such commissioner may have resided within the exterior boundaries of the park for which appointed.

SEC. 3. All acts or parts of acts inconsistent with the provisions of this act are hereby repealed to the extent of such inconsistency.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

HAWAII NATIONAL PARK

Mr. DEROUEN. Mr. Speaker, I call up the bill (H. R. 5805) to amend an act entitled "An act to provide for the exercise of sole and exclusive jurisdiction by the United States over the Hawaii National Park in the Territory of Hawaii, and for other purposes", approved April 19, 1930, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. The gentleman from Louisiana calls up the bill H. R. 5805, and asks unanimous consent that the bill be considered in the House as in Committee of the Whole. The Clerk will report the bill.

The Clerk reported the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 6 of the act entitled "An act providing for the exercise of sole and exclusive jurisdiction by the United States over Hawaii National Park in the Territory of Hawaii, and for other purposes", approved April 19, 1930 (46 Stat. 228; U. S. C., title 16, sec. 395e), be amended by adding at the end thereof the following:

"That during such time or times as the office of the Commissioner for the Hawaii National Park shall be or remain unfilled, or when the presence of such Commissioner cannot be conveniently procured, any United States commissioner duly appointed by the United States District Court for the Territory of Hawaii and residing in such district shall have full power, authority, and jurisdiction to hear and act upon all complaints made with respect to offenses or violations of law or regulations occurring within the limits of the Hawaii National Park, as the United States Commissioner for the Hawaii National Park may now act with respect to offenses or violations of law or regulations occurring within the limits of said park."

SEC. 2. That section 9 of the said act of April 19, 1930 (46 Stat. 229; U. S. C., title 16, sec. 395h), be amended by adding at the end thereof the following:

"That any United States commissioner in and for the Territory of Hawaii, while acting in such capacity as United States Commissioner for the Hawaii National Park as authorized by section 6 hereof, shall be allowed the fees prescribed by section 21 of the act of May 28, 1896 (29 Stat. 184), upon the rendition of an itemized account."

SEC. 3. All laws or parts of laws, either Federal or Territorial, in conflict herewith are hereby repealed.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

CONVEYANCE OF CERTAIN LANDS IN THE STATE OF MINNESOTA

Mr. DEROUEN. Mr. Speaker, I call up the bill (H. R. 1649) to authorize the conveyance by the United States to the State of Minnesota of certain lands in Morrison County, Minn.

The Clerk read the title of the bill.

Mr. DEROUEN. Mr. Speaker, I ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized and directed to convey to the State of Minnesota, for park, recreational, and/or wildlife-refuge purposes, all right, title, and interest of the United States in and to the following-described lands:

Lot 1, section 14; lot 6, section 10; lots 1 and 5, section 25, township 42 north, range 32 west, fourth principal meridian; and lot 5, section 18, township 131 north, range 29 west, fifth principal meridian, Minnesota.

Such conveyance shall contain the express condition that the above-described land may, upon approval by the Commissioner of Conservation of Minnesota, be used for such military purposes as shall not conflict or be incompatible with the normal use of said land for park, recreational, and/or wildlife-refuge purposes.

Such conveyance shall further contain the express condition that if said State of Minnesota shall at any time cease to use such lots for such purpose, or shall alienate or attempt to alienate such lots, title thereto shall revert to the United States.

With the following committee amendments:

Page 1, line 5, strike out "and/or" and insert the word "or".

Page 2, line 6, strike out the words "and/or" and insert the word "or".

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF TIME FOR FINAL PROOF BY HOMESTEAD AND DESERT-LAND ENTRYMEN

Mr. DEROUEN. Mr. Speaker, I call up the bill (S. 329) to further extend the period of time during which final proof may be offered by homestead and desert-land entrymen.

The Clerk read the title of the bill.

Mr. DEROUEN. Mr. Speaker, I ask unanimous consent that this bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 1 of the act entitled "An act to extend the period of time during which final proof may be offered by homestead entrymen", approved May 13, 1932, as amended, is amended by striking out "December 31, 1935" and inserting in lieu thereof "December 31, 1936".

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DISPOSITION OF PUBLIC LANDS IN OKLAHOMA

Mr. DEROUEN. Mr. Speaker, I call up the bill (H. R. 4890) relative to the disposition of public lands of the United States situated in the State of Oklahoma between the Cimarron base line and the north boundary of the State of Texas.

The Clerk read the title of the bill.

Mr. DEROUEN. Mr. Speaker, I ask unanimous consent that this bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That whenever it shall be shown, under such regulations as the Secretary of the Interior may prescribe, that public land situated south of the Cimarron base line in Oklahoma and north of the north line of Texas has been used, improved, or cultivated in connection with abutting land, and has been held in good faith, in peaceful, open, adverse possession by a citizen of the United States, his ancestors, or grantors, for a period of not less than 10 years prior to the passage of this act, and until the submission of proof hereunder, such person, or persons, shall be entitled to enter such tract, not exceeding 160 acres, and to receive patent therefor upon payment of $1.25 per acre: *Provided*, That oil, gas, or other mineral deposits contained therein are hereby reserved to the United States; and said minerals shall be and remain subject to sale or disposal by the United States under applicable laws; and permittees, lessees, grantees, or agents of the United States shall have a right to enter upon said lands for the purpose of prospecting for and mining said minerals: *And provided further*, That any person entitled to patent under this act shall present his application within 1 year from the official filing of the township plat.

SEC. 2. That where any land included within said area has been included in town-site plats recorded on the county records in Texas or Oklahoma, and the lots, blocks, streets, alleys, highways, and other rights-of-way have been shown on the official United States township plats, according to such town-site plat, the title of the United States to town lots shown on such plats is hereby relinquished to and confirmed in those persons, their heirs, assigns, or successors, who would be the true and lawful owners if the lands had been owned in fee simple at the time of the recordation of such town-site plats. The township plats representing streets and alleys of any town site shall be considered as executed under the town-site laws, and shall constitute a dedication of the streets, alleys, public highways, and railroad rights-of-way shown thereon.

With the following committee amendment:

On page 3, line 5, after the word "thereon", insert a colon and the following: "*Provided*, That the oil, gas, or other mineral deposits in the land relinquished, confirmed, or dedicated by this section are hereby reserved to the United States for disposal as provided in section 1 hereof."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that further proceedings under Calendar Wednesday be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. SNELL. Reserving the right to object, Mr. Speaker, I would like to ask about the program for tomorrow.

Mr. RAYBURN. The program for tomorrow will be the so-called Dies immigration or deportation bill.

Mr. SNELL. That will come up tomorrow?

Mr. RAYBURN. The first thing tomorrow; and on Friday the extension of the so-called nuisance taxes.

Mr. SNELL. Does the gentleman expect to complete the bill from the Ways and Means Committee on Friday?

Mr. RAYBURN. We hope to. We will not be in session on Saturday, at least.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

COMMITTEE ON RIVERS AND HARBORS

Mr. PARSONS. Mr. Speaker, I ask unanimous consent that the Committee on Rivers and Harbors may sit Thursday and Friday during the sessions of the House.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

LON D. WORSHAM CO.—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 266)

The SPEAKER laid before the House the following veto message from the President of the United States, which was read by the Clerk:

To the House of Representatives:

I return herewith, without my approval, House bill 564, entitled "An act for the relief of Lon D. Worsham Co."

The bill proposes to authorize and direct the Secretary of the Treasury to pay the Lon D. Worsham Co., of Chattanooga, Tenn., the sum of $3,427.60 in full settlement of its claims against the United States for extra work and losses said to have been occasioned by delays caused by the Government in the construction of camps for the Civilian Conservation Corps.

The records show that on November 10, 1933, Lon D. Worsham Co. entered into a contract with the Quartermaster Corps of the Army for the construction of 28 camps for the Civilian Conservation Corps. It appears that the work was completed on January 3, 1934, and that the payments made to the contractor aggregated the sum of $131,585.87. The contractor presented two additional claims—one for the sum of $3,427.60 for work performed by him in addition to that required by the contract and one for the sum of $2,733.57 for alleged losses said to have been caused by delays on the part of the Government in furnishing materials which it had agreed to supply. The bill as originally introduced was for the aggregate of the foregoing sums. It was amended, however, so as to provide for the payment of the first of the above-mentioned amounts and was passed in that form.

The records indicate that no written orders were ever issued by the contracting officer for the performance of the

alleged extra work, as required by the contract. It further appears that some of the items constituting alleged extra work consisted of excavation. It is questionable whether such items properly constitute work in addition to that required by the contract, as the agreement seems to have contemplated the completion of whatever excavation would prove to be necessary. The records further disclose that some of the work under consideration appears to have been actually performed by members of the Civilian Conservation Corps.

The validity of the claim, and, if valid, its amount, are at best disputed matters. In view of this circumstance it should not be adjusted without a hearing before a judicial tribunal, which may consider the evidence of both parties and make findings of fact.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 9, 1937.*

The SPEAKER. The objections of the President will be spread upon the Journal.

Mr. RAYBURN. Mr. Speaker, I move that the message and the bill be referred to the Committee on Claims and ordered printed.

The SPEAKER. The question is on the motion of the gentleman from Texas.

The motion was agreed to.

The SPEAKER. Under special order of the House heretofore made, the gentleman from Michigan [Mr. ENGEL] is recognized for 25 minutes.

Mr. LONG. Will the gentleman yield?

Mr. ENGEL. I yield to the gentleman.

EXTENSION OF REMARKS

Mr. LONG and Mr. COLDEN asked and were given permission to extend their own remarks in the RECORD.

Mr. BREWSTER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein excerpts from an article on Katahdin National Park.

The SPEAKER. Is there objection to the request of the gentleman from Maine?

There was no objection.

Mr. PLUMLEY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, and include therein three brief tables.

The SPEAKER. Is there objection to the request of the gentleman from Vermont?

There was no objection.

THE LATE JAMES COUZENS

Mr. ENGEL. Mr. Speaker, I rise to pay tribute to one of America's great men who is with us no more—the Honorable JAMES COUZENS, who for 13 years represented Michigan in the United States Senate. Some men achieve greatness in one thing. JAMES COUZENS achieved greatness in many things. He was a great statesman. He was a great financier. His mental genius helped build one of the world's greatest industries. He was a great philanthropist. But he was greatest of all in his infinite love for the poor and handicapped children of his State and of his Nation. The poorest child, no matter how ragged, would draw his sympathy and interest as nothing else could draw that sympathy and interest. While he was in public life for years comparatively few people knew him or had met him personally. He refused to make political speeches or to campaign for public office. Most people of his State knew him only through the public press which, for political reasons, was not always friendly. It is because I want the people of my State to know "JIM" COUZENS as I knew him, particularly during the last 2 years of his life, that I am speaking today. I want to speak of him not as a great financier, not as a great industrialist, not as a statesman nor as a philanthropist. I want to talk about JAMES COUZENS—the man. I want to speak of the human side of this individual—of his unlimited love for the poor children of the land—those youngsters who have not had the opportunity in life he felt that they should have, children who because of environment, birth, and above all because of poverty, were handicapped in their unequal struggle to obtain a few of the better things in life. His great heart went out to every human being who suffered, regardless as to who that human being was. It went out particularly to these poor and handicapped children.

Senator COUZENS had in mind for years some plan whereby he could help these poor children of Michigan. On April 11, 1929, he created a trust fund of $10,000,000, and in creating that trust fund he wrote in part as follows:

On March 25, 1929, the Honorable Herbert Hoover, President of the United States, issued a proclamation stating that the future of our Nation rests with the children of today, and that the good health and protection of childhood is fundamental to national welfare. He designated May 1, 1929, as Child Health Day, and invited the people of the United States and all agencies and organizations interested in this most important subject to make every reasonable effort to bring about a Nation-wide understanding of the fundamental significance of healthy childhood and the importance of the conservation of the health and physical vigor of our boys and girls throughout every day of the year.

For several years I have had in mind the creating of a trust fund, the principal and income of which should be used, disbursed, and expended within a given period of time to promote the health, welfare, happiness, and development of the children of Michigan primarily, and elsewhere in the world.

To that end, I do hereby irrevocably create a trust fund of $10,000,000.

Senator COUZENS did not create the trust, then pass the work on to someone else, but he himself acted as chairman of the board which administered the fund during his lifetime. In the report of the children's fund and in a statement made by Senator COUZENS as chairman of the board, he again wrote as follows:

A nation which survives in this struggling world must be made up of citizens strong in body, seasoned in spirit, and supple in mind. Capacity to meet competition strongly with intelligence and zest determines the destinies of peoples as well as of individuals. If this is true, then it is equally true that the welfare of the Republic 30 years hence depends upon how well we adults of the present foster, upbuild, and train the myriads of children who throng our homes. These frail little folks who romp and weep and laugh about our knees today will be the masters of America in that time to come.

The good parent consecrates himself to this task. Every father and every mother worthy of the name has a tender and undying love for his children. Each of them works valiantly to open for his children better opportunities than he possessed himself, opportunity for good health, for better trained minds, and for well-adjusted personalities. But the job is bigger than the resources of the average parent. The obligation leaps beyond the confines of the home and offers a constant challenge to government and to wealth to join hands with parents in enlarging opportunities for childhood.

To my mind, the necessity of meeting this challenge fairly and squarely is simple and clear. The importance of child rearing overshadows all the more spectacular problems that receive attention in those tumultuous times. The children's fund of Michigan was founded 7 years ago with exactly this purpose, to open wider the gates of opportunity to Michigan's children.

Mr. Speaker, thus spoke JAMES COUZENS, not the statesman, not the financier, not the industrialist, but JAMES COUZENS, the humanitarian who loved children.

In November of 1934 Senator COUZENS supplemented his $10,000,000 donation by another donation of $2,100,000, and during the first 7 years of its operation the fund has expended approximately $4,575,000. During that period there were created 35 county or district health departments. There are now operating public nurses in 43 counties. A dental program is being carried on in 47 counties and an eye program in 42 counties. Each of these counties has its nurse, and is organized into a health district with a trained health officer in charge.

In 1921 I recall a conversation with Dr. Herman Kiefer, then State health commissioner of Michigan. He was very much alarmed at the high death rate in maternity cases in the northern part of Michigan. He spoke to me then of the need for such a service as we have now in certain counties in Michigan—counties which are too poor to finance their own health service. Many homes became motherless because the expectant mother knew nothing about what modern science teaches and has discovered with regard to prenatal care. Today the Couzens nurse goes into the smallest shack in the farthest and wildest part of Michigan, carrying scientific information to that home and educating the mother. I am informed that last year there were 26 counties in northern Michigan in which there was not a death due to childbirth.

Mr. Speaker, we have all seen the tragedy of a motherless home. I recall an instance not so long ago in a small town in my district which was particularly pathetic. The happy little family consisted of a young father and mother and two small children, Patsy and Colleen. It was Christmas time. The stork was hovering over that humble little home. They wanted a boy. The day before Christmas the mother prepared the Christmas tree, and around the tree were gifts marked "From mother to Patsy" and "From mother to Colleen." That night the mother went to the hospital. She stopped on her way through the "valley of the shadow of death." On Christmas Day in one room was the Christmas tree, with its gifts marked "From mother to Patsy" and "From mother to Colleen", and in the other room was the mother, lying in a casket, with a beautiful baby boy in her arms. Running about the house were Patsy and Colleen, too small to realize just what had happened. Many a tragedy such as this has been averted through the wonderful work done by the Couzens fund in Michigan.

Last July there was dedicated in my district a children's hospital, where the crippled and sick children can be brought; where they can be operated upon and given every care that modern medical science can give them. Mr. Speaker, I wonder how many of you have ever visited the children's ward in a great hospital. I wonder how many of you have seen those little tots with their backs strapped to boards or weights attached to their little limbs for months at a time, cheerfully smiling the weary hours and days and weeks and months away. I wonder how many of us appreciate the wonderful and miraculous work that is being done by modern science in bringing about the cure and recovery of these little sick and crippled children. Thousands of boys and girls are going to walk who have never walked before; are going to see who are blind; are going to be cured who are ill. Boys and girls whom we thought were condemned by fate to go through life hopeless cripples are going to lead normal lives, take their places in society as normal men and women, know the pleasure of having and supporting families, take their children in their arms, and know some of the joys as well as some of the sorrows of life. I wonder how many of us appreciate the wonderful and miraculous work that is being done by modern science in bringing about the recovery and cure of these little tots upon whom for some reason known only to Himself the Almighty God has seen fit to place the hand of misfortune.

Mr. Speaker, there is only one parallel that I can draw, and that is the great Master of Galilee walking up and down the highways and byways of Palestine, making the lame and halt walk, the blind see, and healing the sick. Is it not a most wonderful thing that divine Providence has endowed the human mind with that genius and the human hand with that cunning which makes the performance of these modern miracles possible? Miracles, none the less, because they take time to perform instead of being instantaneous like the miracles of old. And to me the most wonderful thing of all is that some of this work is to be done in my home community, in a little hospital at Traverse City, Mich., made possible by and through the generosity of JIM COUZENS.

I only wish the people of my State knew JIM COUZENS as I knew him, and could have felt that great human heart throb for these youngsters. During the summer of 1935 Senator COUZENS was very ill and had several major operations at Mayo Hospital. His life was despaired of, but somehow he recovered sufficiently to take up his ordinary work in life, take his seat once more in the United States Senate, and later make a trip to Traverse City to dedicate the children's hospital.

It was after his operation and shortly after St. Valentine's Day in 1936 that I went to the Senate Chamber with a group of friends. He was called to the door, where we visited for a few minutes. During the course of that conversation something was said about the children's fund and about the wonderful work that was being done. Immediately the Senator's eyes began to gleam with happiness, and his face turned into a smile as he told us how just a few short weeks before, and on St. Valentine's Day, he had received 12 valentines from Caspian, Mich. Each valentine was filled with the names of children from that vicinity, and opposite the name of each child was written the particular thing that had been done for that child by the fund, each child having written his or her own name. I never saw anyone so pleased as the Senator was about those simple little valentines. He spoke about them feelingly, and then he turned to me and said:

> You know I haven't long to stay here, but it means a great deal to me to know that some of these little tots are going to say "God bless you" after I am gone.

That was the real JIM COUZENS.

Mr. Speaker, nearly 1,000,000 children benefited in some way or another through the Children's Fund of Michigan during the past 2 years. Thousands upon thousands of boys and girls in years to come are going to receive help through this fund, and each night as they say their evening prayers they will say, "God bless daddy, God bless mamma, and God bless JIM COUZENS." And during the summer of 1935, when he was so ill and his life was despaired of, fathers and mothers knelt by the bedside of their little children and with them sent their prayers to the divine throne that JIM COUZENS might stay with us just a little while longer. He did live a little longer. He lived long enough to help to dedicate that little hospital at Traverse City, Mich., and see the wonderful success of his work. I shall always feel that he was permitted to remain with us a little longer because of those prayers, for surely a most merciful God could not turn a deaf ear to the prayers of those thousands of children for the greatest benefactor they had since that day, 20 centuries ago, when the Master said:

> Suffer the little children to come unto Me, and forbid them not, for of such is the kingdom of heaven.

Mr. Speaker, I want to join these millions of boys and girls of yesterday, today, and tomorrow in saying "God bless JIM COUZENS." Here in the Nation's Capital, in the Halls of Congress, where he served so faithfully and so well, he took part in writing his Nation's history. Into the record of that history let it be indelibly written that this man—a statesman who walked among the greatest of the land as one of the great, who had had political honors heaped upon him; this industrialist whose mental genius helped to create one of the greatest industries the world has ever seen; this financier at whose magic touch things seemed to turn to gold; this philanthropist who gave more than $30,000,000 to charity—found his greatest joy and happiness not in the applause of the masses, not in the creation of the great industry, not in the accumulation of wealth, but he found his greatest joy and happiness in the satisfaction of giving and in the "God bless you" of the little children he had helped.

PERMISSION TO ADDRESS THE HOUSE

The SPEAKER. Under a previous special order, the gentleman from California [Mr. MCGROARTY] is recognized for 30 minutes.

Mr. MCGROARTY. Mr. Speaker, in view of the lateness of the hour and for other reasons, I would like to withdraw my request to speak at this time and ask unanimous consent to address the House for 30 minutes on Friday next after the disposition of matters on the Speaker's table and the disposition of legislation in order on that day.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. MICHENER. Mr. Speaker, reserving the right to object, does the gentleman know what program is in order on that day?

Mr. MCGROARTY. No.

Mr. MICHENER. As I understand it, we are going to take up the tax bill, and if the present program is carried out it will be 9 o'clock probably before the gentleman will be able to address the House.

Mr. MARTIN of Colorado. Mr. Speaker, reserving the right to object, the gentleman from Tennessee [Mr. COOPER], a member of the Ways and Means Committee, is present. May I ask him if the tax bill is coming up for consideration on Friday?

Mr. COOPER. It is the purpose to bring up the extension of the excise tax bill Friday. That is the arrangement announced by the majority leader.

Mr. SNELL. The majority leader also announced he intended to finish that bill Friday and it will take a long time.

Mr. MARTIN of Colorado. The gentleman from California is going to discuss a question that I know will interest a great many Members of the House. I think he is much better fitted to discuss this question than any other Member. I would hate to see him waste his efforts on empty seats. I wish he might have an audience worthy of his address, but it is too late in the day to have a call of the House. I wish some arrangement could be made by which the gentleman from New York could have a half hour at the earliest possible date.

Mr. SNELL. Why does he not make an arrangement with the majority leader?

Mr. MICHENER. He will have to take his time about midnight on Friday.

The SPEAKER. The Chair thinks it proper to call the attention of the gentleman from California to the fact there is already pending one special order for Friday to address the House after disposition of the legislative program. The gentleman from Missouri [Mr. WOOD] has 30 minutes to address the House.

Mr. MARTIN of Colorado. What is on the calendar for tomorrow?

The SPEAKER. In the temporary absence of the majority leader, it is the program to call up the Dies immigration bill under a special rule.

Mr. McGROARTY. Mr. Speaker, how about Monday or Tuesday?

The SPEAKER. There are several special orders already for Monday and Tuesday. The gentleman could propound his request and take his chances on either one of those days.

Mr. DICKSTEIN. Mr. Speaker, I have time to address the House on Monday, and I would be willing to sacrifice my time and let the gentleman have the time on Monday, and I will not ask for the time. I ask unanimous consent, therefore, that the time heretofore granted me on Monday next may be used by the gentleman from California.

The SPEAKER. The gentleman from New York asks unanimous consent that the time heretofore granted him on Monday under the terms named in the order may be used by the gentleman from California. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. PATMAN asked and was given permission to extend his own remarks in the RECORD.

The SPEAKER. Under a previous special order of the House, the gentleman from Texas [Mr. MCFARLANE] is recognized for 30 minutes.

HOW THE WEALTHY ESCAPE PAYMENT OF TAXES THROUGH LOOPHOLES IN OUR TAX LAWS

Mr. MCFARLANE. Mr. Speaker, I feel that we should applaud the courageous action of our President in disclosing some of the glaring loopholes in our tax system which are being used by many of our millionaires to avoid their just share of the tax burden. It is hard to see how some of our wealthy citizens can expect to enjoy all the privileges and benefits conferred upon them by the country and then try by ingenious methods through schemes proposed by clever tax attorneys to escape their just burden of Federal taxes, and thereby causing a heavier burden to fall upon the rest of our citizens. Tax dodgers of this sort are unworthy of being called American citizens, and I hope immediate steps will be taken to prosecute those engaged in such schemes with the view not only of collecting taxes which are justly due but also of taking away from them their status as American citizens through criminal prosecution and conviction. We do not want such creatures in our midst.

PRESIDENT ASKS ALL LOOPHOLES BE ELIMINATED

Of course, the President could only speak of a few of the tax-dodging schemes. I have been for a long time of the opinion that our revenue laws and their administration should undergo a complete overhauling. It is only by this means that we can ever hope to make our tax burden equal and uniform and raise sufficient revenues for the support of the Government.

SIXTEENTH AMENDMENT SAYS TAX INCOME FROM WHATEVER SOURCE DERIVED—TAX LOBBYISTS TAKE CHARGE

When our income-tax law was first enacted following the adoption of the sixteenth amendment we proceeded in drafting our law, so as to tax as income everything that was income under the Constitution. However, it was not long before the lobbyists and tax dodgers began to make themselves felt in the writing of our tax laws. They soon began their systematic attack on the sixteenth amendment which provides "the Congress shall have power to lay and collect taxes on incomes, from whatever source derived * * *", and now we find by Supreme Court decisions and loopholes in our tax laws that far more revenue escapes taxation than is being collected annually.

CAPITAL GAIN-AND-LOSS LOOPHOLES

No better example of this can be found than in the special exemptions granted large chains of corporations and holding companies in the tax-free reorganization provision of the Revenue Act of 1924 and subsequent acts. See section 112 of the Revenue Act of 1936, which, in paragraph after paragraph, provides that "no gain or loss shall be recognized in these transactions." I mentioned this matter in my speech of last year but as nothing has been done about it I wish to bring it up again. These tax exemptions were first written into the statute by the Mellon-Mills interests during the Revenue Acts of 1921 and 1924. It should be remembered that it was this same crowd that succeeded in getting our excess-profits tax repealed.

Now, why did the Mellon-Mills interests take all the time and trouble to provide for the exemption of these transfers of property pursuant to corporation reorganizations? It was to prevent certain income which the Supreme Court held we had the power to tax under the Constitution from bearing its just share of Federal taxation. Under the revenue acts prior to the Mellon regime Congress taxed all gains from transactions involving exchanges and reorganizations in the year in which such gains were realized.

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. MCFARLANE. I yield for a question.

Mr. PATMAN. The gentleman has mentioned the excess-profits tax. I presume the gentleman is familiar with the fact that if the excess-profits tax had not been repealed after the war, the war debt and the entire national debt would have been fully paid by June 30, 1927. I inserted a statement, prepared by Government officials, in the CONGRESSIONAL RECORD within the past 2 years, which proves this statement to be true.

Mr. MCFARLANE. I thank the gentleman for his contribution. I know that is correct.

The Supreme Court in a number of cases arising under these earlier acts held that gain was realized, in fact, in the

year in which the exchange or reorganization took place. In order to dodge the effect of these decisions they succeeded in getting the exempting provisions enacted into law. A subcommittee of the Ways and Means Committee appointed in 1934 to investigate tax-avoidance methods recognized the clever Mellon-made device and recommended that the provisions should be repealed. It was then estimated that the annual tax saving to be effected would amount to $18,000,000. According to the Mellon crowd, these provisions merely postponed the tax.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include certain excerpts, tables, data, and provisions of the revenue law.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. McFARLANE. In connection with this I wish to quote the following from the report of the Ways and Means Subcommittee on the Prevention of Tax Avoidance, prepared in connection with the Revenue Act of 1934:

The statute provides that upon the sale or exchange of property the entire amount of gain or loss shall be recognized, with certain exceptions. The exceptions are the exchange and reorganization provisions already referred to. If a taxpayer desires to take a loss, it is easy to arrange a transaction falling without the exceptions. On the other hand, if it is desired to pay no tax on the gain, the transaction can be so arranged as to come within the exceptions. In addition, losses from the sale or exchange of stocks and bonds are limited, to a large extent, to the gains from such sales or exchanges, so in many cases a stock or bond loss, even if recognized, could not be utilized by the taxpayer.

Instead of increasing the Government revenues, these provisions appear to result in a considerable loss of revenue. The theory of postponing the gain by shifting the original cost basis of the transferor over to the transferee, or by requiring the transferor to keep his original cost basis for the property he receives in exchange, does not compensate the Government for exempting the prior transaction from tax. This is due to the fact that in the year which the taxpayer chooses to realize the gain he may have heavy losses or the tax rates may be different. Death and other elements may also enter in to create a new cost basis for the property.

One of the main objections to the reorganization provisions is that the recognition of gain depends more upon the form of the transaction than upon the essential facts, undue importance being given to "expert advice." Therefore, in practice the sections sometimes result in double taxes and sometimes in complete tax exemption. In many cases the shifting of the cost basis of property over to a transferee corporation frequently causes the tax burden to fall upon the backs of new stockholders who have paid full market value for their stock.

The following examples show how the provisions of the present law are availed of to avoid taxes justly due the Government:

CASE NO. 1

A owns a piece of undeveloped real property which cost him $100,000, but from which he is receiving no income. This property is now worth $600,000. He exchanges it for improved business property worth $600,000. Under the exchange provisions of existing law A realizes no gain from this exchange. Under the Revenue Act of 1913, and prior acts, he would have been taxable on a gain of $500,000. It is claimed that under existing law, A, by being required to retain his original cost of $100,000 for the improved property, does not escape tax on $500,000 gain, but that payment of such tax is postponed until such time as A sells the improved city property. However, this is not true. There are many ways in which A, under existing law, may escape the payment of any tax whatever on this gain or may materially reduce the amount of such tax. The following are some of the methods by which A may secure complete or partial tax avoidance with respect to this gain:

(1) He may elect to realize a gain in a year in which it is convenient to take substantial losses from other transactions, thereby materially reducing his tax or escaping tax altogether.

(2) If A had been taxed on the gain at the time of the exchange, he would have been subject to the full surtax rate if the undeveloped real property was acquired within 2 years prior to the exchange. By the exchange provisions he is enabled to convert such ordinary gain into a capital gain by holding the improved property for a period of 2 years computed from the time he acquired the unimproved property.

(3) If A dies before he sells the improved property, its cost basis is changed from the $100,000 cost of the original property to the value of such improved property at the time of his death. Thus, if the value of the improved property at the time of death is worth $600,000, and the executor or beneficiaries of A's estate sold the property, the Government would collect no income tax whatever on the transaction. Moreover, if the value at the date of death was $800,000 and the executor or beneficiaries sold the property for $600,000, there would be a deductible loss of $200,000.

(4) From a practical standpoint the exchange and reorganization provisions lead to tax avoidance, due to the difficulty of the persons administering the law in tracing the property through a series of exchanges and reorganizations.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. McFARLANE. I yield to the gentleman.

Mr. MICHENER. I was interested in the assertion of the gentleman from Texas [Mr. PATMAN] that if the excess-profits tax had not been repealed the war debt would have been paid. The gentleman from Texas [Mr. McFARLANE] immediately concurred in that statement and said it was a fact. We must realize that that is a mere presumption, based on the expectation business would have continued as it was during the war and the same amount of taxes would have been paid as were paid during the war.

Mr. McFARLANE. I yielded for a question. What is the gentleman's question?

Mr. MICHENER. If the prediction made a year ago by the administration as to what the taxes would be this year were to be the guiding star the statement the gentleman has made would be absolutely untrue, would it not?

Mr. McFARLANE. In answer to the gentleman I may say that I have the figures on that question and will be pleased to include them as a part of my remarks, bearing out the statement made by my colleague the gentleman from Texas [Mr. PATMAN].

Mr. MICHENER. It all depends on estimates.

Mr. McFARLANE. Such estimates have been carefully made and proper allowances made.

The gentleman from Tennessee, Hon. Claude Kitchin, chairman of the Ways and Means Committee, in submitting the report accompanying the revenue bill of 1918, says:

Your committee has determined the proportion of the cost of the war that should be financed by taxation and by bonds, not upon the basis of previous experience, for there is no analogy in history, but upon a careful consideration of the effect of the fiscal policy upon the morale of the people, upon the inflation of prices, upon production, and with reference to the relative ability of the people to pay taxes now and after the war.

The war expenditures for the fiscal year ending June 30, 1919, was about $24,000,000,000, and the Revenue Act of 1918 which was passed unanimously was estimated to produce a revenue of about $8,000,000,000. The late Speaker Longworth, in closing the debate in favor of the bill, on September 20, 1918, in part said:

We are providing in this bill a sum of money equivalent to nearly one-third of the amount that it has cost this Nation to live from the first inauguration of George Washington down to the second inauguration of Woodrow Wilson, and we have done it, in my belief, without inflicting a burden upon wealth under which it cannot at least stagger and without demanding from American industry that energy and initiative which it must necessarily possess if our war program is to be prosecuted to the limit. * * * In a few minutes there will be flashed around the world the announcement that the representatives of the American people have unanimously passed a bill carrying $8,000,000,000 in taxes to prosecute the war.

Thus you will note from the above quotations of the chairman of the Ways and Means Committee and the Speaker of the House at the time agreed that this tax bill, unanimously voted, was based upon the relative ability of the people to pay taxes then and after the war. Certainly the records of the Internal Revenue Department amply bear mute evidence to the accuracy of their statements for had the Republican Party not have repealed the war profits tax rates in 1921 but had allowed the rates included in the 1918 Revenue Act to continue in force, based on the actual amount of business transacted from 1918 to 1926 and the income received during those years we find was more than ample to have paid in full the national debt and have left a nice surplus, as shown by the following table:

Estimate of additional revenue that would have been derived under the income and excess-profits tax rates of the year 1918 continued in subsequent years, with effect upon the public debt by the application of such additional revenue thereto

INDIVIDUAL—INCOME TAX

Year	Actual net income	Actual tax	Theoretical tax	Excess
1918	$15,924,639,660	$1,127,722,000	$1,127,722,000	
1919	19,859,491,000	1,269,630,000	1,406,052,000	$136,422,000
1920	23,735,629,000	1,075,054,000	1,680,483,000	605,429,000
1921	19,577,213,000	719,387,009	1,386,067,000	666,680,000
1922	21,336,213,000	861,057,000	1,510,604,000	649,547,000
1923	24,777,466,000	661,666,000	1,754,245,000	1,592,579,000
1924	25,656,153,000	704,265,000	1,816,456,000	1,112,191,000
1925	21,894,576,000	734,555,000	1,550,136,000	815,581,000
1926	21,958,506,000	732,471,000	1,554,662,000	822,191,000
Total	178,795,247,000	6,758,085,000	12,658,705,000	6,400,620,000
1927	22,545,091,000	830,639,000	1,596,192,000	765,553,000
Total	201,340,338,000	7,588,724,000	14,254,897,000	7,166,173,000

CORPORATIONS—INCOME AND EXCESS-PROFITS TAXES

Year	Actual net income	Theoretical net income	Actual tax	Theoretical tax	Excess
1918	$8,361,511,000		$3,158,764,000		
1919	9,411,418,000	$8,031,704,000	2,175,342,000	$3,034,137,000	$858,795,000
1920	7,902,655,000	6,542,608,000	1,625,235,000	2,471,601,000	846,366,000
1921	4,336,648,000	3,399,895,000	701,576,000	1,284,378,000	582,802,000
1922	6,963,811,000	5,222,858,000	783,776,000	1,973,060,000	1,189,284,000
1923	8,321,529,000	6,241,147,000	937,106,000	2,357,743,000	1,420,637,000
1924	7,586,652,000	5,689,989,000	881,550,000	2,149,530,000	1,267,980,000
1925	9,583,684,000	7,187,763,000	1,170,331,000	2,715,350,000	1,545,019,000
1926	9,673,403,000	7,255,052,000	1,229,797,000	2,740,770,000	1,510,973,000
Total	63,779,200,000	49,571,016,000	9,504,713,000	18,726,569,000	9,221,856,000
1927	8,981,884,000	6,736,413,000	1,130,674,000	2,544,842,000	1,414,168,000
Total	72,761,084,000	56,307,429,000	10,635,387,000	21,271,411,000	10,636,024,000

Public debt June 30, 1926		$19,643,000,000
Additional revenue if rates continued through 1926	$15,122,476,000	
Probable saving in interest by annual payment of such additional revenue on public debt	2,450,000,000	
		17,572,476,000
Balance of debt 1926		2,070,524,000
Public debt June 30, 1927		18,510,000,000
Additional revenue if rates continued through 1927	17,302,197,000	
Probable saving of interest by annual payment of such additional revenue on public debt	2,750,000,000	
		20,052,197,000
Surplus after complete payment of public debt		1,542,197,000

NOTE.—It is assumed that business profits (net income) would not have been depressed by the high tax.

Let me quote further from the minority report of Mr. Kitchin to the Revenue Act of 1921:

An analysis of the statistics contained in the detailed report as to corporate incomes and excess-profits taxes * * * shows that 180 corporations making annually from $5,000,000 up to $3,000,000,000 and over (the Steel Corporation made over $500,000,000 net profits in 1918), had a net income of $2,554,000,000 in 1918, and while paying only $300,000,000 income tax, they paid $848,000,000 excess-profits taxes. One thousand and twenty-six corporations with a net income of $4,255,000,000, more than half of the total corporate income of all the 317,559 corporations, while paying only $533,000,000 income tax, paid $1,422,000,000 of excess-profits tax—that is, paid over one-half, or nearly two-thirds, of the entire excess-profits tax of all the corporations making reports. At a glance one will see that the proposed proposition is one to relieve a few hundred of the biggest profiteering corporations in the United States and not, as Secretary Mellon says, to unclog business.

An analysis of the returns as detailed in the reports of the Internal Revenue Commissioner from January 1, 1916, to January 1, 1921, shows that corporations in the United States made net profits of $47,000,000,000. After deducting all of the taxes they paid, including income, excess-profits tax, and other war taxes, they have a clear profit left of $38,000,000,000 * * * four-fifths of which was made by less than 10,000 corporations, and more than one-half of which was made by 1,026 of the big profiteering corporations.

Continuing, Mr. Kitchin said:

Let every Democrat and Republican bear in mind always that these same corporations were filling their coffers with these fabulous billions for the profits of their stockholders while our brave boys were spilling their blood in France for the protection and defense of their country. Remember, too, that not a large stockholder, officer, or director of one of these rapacious corporations ever faced a German gun, braved a danger, took a risk, made a sacrifice, or endured any suffering during the entire war, but stayed at home in safety, 3,000 miles from the danger line, and made of the war and its resulting stress on their Government and its people an opportunity to plunder and profiteer upon both to the extent of these inconceivable billions.

And from his deathbed he said further in this respect:

Why in the name of right and justice should these big profiteering corporations and millionaires and multimillionaires who filled their rapacious mouths with millions of blood money be relieved of taxation while we not only keep but increase the taxation of hundreds of thousands of weak corporations and keep the war income taxes on millions of our fellow citizens who, and whose sons, went to the trenches in defense and protection not only of our country but in defense of the profiteers and wealth of these same corporations and millionaires?

His words will live to forever haunt those who made possible the repeal of the war-profits taxes that relieve the war profiteers from paying their just portion of the tax burden heaped upon our country because of the war, and the repeal of these war-profits taxes allowed the above-mentioned well-known war profiteers to hold their huge profits made during the war and by repealing the war-profits rates allowed these war profiteers to escape their just portion of the tax burden and successive revenue acts have shifted the larger portion of the tax burdens from the rich to the poor, and deficits have been covered through successive bond issues which have averaged paying largely these same war profiteers, according to Government records, the sum of $15,826,225,907 in interest on their bond national debt from 1917 to May 29, 1937.

Mr. JOHNSON of Oklahoma. If the gentleman will permit, that would have included a fair tax on the war profiteers.

Mr. MICHENER. Yes; and there are no war profiteers after a war is over, so it makes it a physical impossibility.

Mr. McFARLANE. In that regard, as above pointed out, the tax would have taken some of the unfair and unjust profits the war profiteers made during the war and would have justly placed a sufficient amount of the vast surplus profits into the revenues to pay their just portion of the war debt.

Mr. JOHNSON of Oklahoma. Mr. Speaker, will the gentleman yield?

Mr. McFARLANE. I yield.

Mr. JOHNSON of Oklahoma. The gentleman has evidently read in the newspapers the report of an interview given recently by a gentleman in New York, Mr. J. Pierpont Morgan. I am wondering when the gentleman includes certain excerpts in his extension of remarks if he will not insert that as an excerpt.

Mr. McFARLANE. I shall be pleased to cover that situation in passing.

Mr. MASSINGALE. Mr. Speaker, will the gentleman yield for a question?

Mr. McFARLANE. Yes.

Mr. MASSINGALE. I think I know what the gentleman's train of thought is. It just occurs to me that the statement of J. Pierpont Morgan, if correct, is the equivalent of saying, "I would favor a general law against horse theft, but at the same time, if I had an opportunity, I would steal a horse and think I was lucky in discharging my duty to my country and society if I could get away with it."

Mr. McFARLANE. In answer to the gentleman I may say—and the records of the Bureau of Internal Revenue will, I think, amply bear out the statement—that the Mellon-Morgan crowd have been more directly responsible for the loopholes which have been written into the tax law, through which you could drive several wagons and teams and through which hundreds of millions of dollars have escaped taxation, than any other crowd in this country.

Mr. MASSINGALE. If the gentleman will yield further, I ask the gentleman if he would mind giving his estimate of the moral philosophy of the gentleman who uttered that statement, according to the press release?

Mr. MARTIN of Colorado. He has none.

Mr. McFARLANE. Right. I do not think Mr. Morgan and his tax-dodging friends have what we in this country consider much moral philosophy. They have clearly shown that from time to time by the way they have been consistent tax dodgers, although they have made many millions. Mr. Morgan's own sworn testimony before the Senate Banking and Currency Committee recently was that he had paid no taxes to the Federal Government in 1930, 1931, and 1932, while at the same time he was paying taxes to Great Britain.

Now, my colleagues, I am sorrry to say that the Ways and Means Committee failed to follow the recommendations of its subcommittee to strike out these special exemptions from the law. We still have these exemptions with us, an inheritance from the Mellon regime. And to make matters worse, the road to tax evasion in these transactions was made easier at the last session when a change was made in the definition of control in section 112 (h) of the Revenue Act of 1936, which change I at that time opposed—see CONGRESSIONAL RECORD, Seventy-fourth Congress, second session, page 6715.

These special exemptions are responsible to a large extent for the set-up of many of the personal holding companies designed to evade our income taxes. The schemes incorporating yachts and country estates or organizing foreign personal holding companies referred to by the President in his message would not have been resorted to if these millionaires had been forced to pay a tax when they exchanged their property for stock in these corporations.

Mr. KELLER. Mr. Speaker, will the gentleman yield?

Mr. McFARLANE. I yield.

Mr. KELLER. I wonder if the gentleman has had time to read the address which I inserted in the RECORD of yesterday on that very subject. In this address I point out that this is not a new thing at all we are encountering to which the President called attention in his message to the House, but that the practices at the time I wrote the speech which I delivered on the floor of the House on June 16, 1932, have been going on for at least 10 years. In that address I also pointed out that we were losing in Canada alone $250,000,000 a year, or for the 10-year period no less than $2,500,000,000. In view of the enormous increase in stealing and defrauding under that same law from that time to the present, if we can plug those loopholes we will have enough money to balance the Budget at the present time.

Mr. McFARLANE. May I say I have read the able address which the gentleman delivered in June of 1932, in which he mentioned some of the specific exemptions which have been pointed out by the President in his recent message. I am heartily in accord with the gentleman's statement, and am hopeful that in this House in the near future we will be able to have an opportunity to vote upon a measure which will eliminate the many known loopholes existing in our revenue laws.

CONGRESS TO BLAME FOR LOOPHOLES

By writing into the statute these exemptions we have actually encouraged this sort of tax avoidance as well as the building up of enormous chains of corporations. I say now, as I have repeatedly said here on the floor of the House, something must be done toward correcting this terrible situation. Our revenue laws are filled with provisions granting special relief to privileged classes.

I have spoken on this question, as the record shows, for the past several years, pointing out these loopholes. These loopholes have surely been known to the members of the Committee on Ways and Means and the Senate Committee on Finance, and to other Members of this House. While we have had insufficient votes to eliminate them, the record speaks for itself; some of us have tried our best to stop the loopholes and prevent our tax committees from continuing to provide more loopholes.

These special exemptions have crept in gradually when each revenue act has been enacted and have resulted in not only creating inequities toward the great mass of our Federal taxpayers but have also greatly cluttered up and made cumbersome the provisions of our statute itself.

BANKS PAY LITTLE TAXES

I will now mention a few of these special exemptions. I think you must all realize that the banks are among the most favored of all beneficiaries of Government exemptions. Not only does the Government give them aid in times of adversity but it also protects them from their just share of taxation in times of prosperity. We all know that it is a notorious fact that banks pay their employees low wages. Yet, in the Social Security Act, providing pensions for employees in their old age, we specifically exempt the banks and left the Government through relief appropriations to provide for these destitute employees in their old age. Moreover, our income-tax provisions have been so written that banks practically pay no income tax at all. Mr. Fleming, president of the American Bankers Association, and others have been quite active here looking after their interests.

The following table compares the gross income of the banks with their net income during the 3-year period from 1931 to 1933, inclusive.

NATIONAL BANKS

	Gross income	Net income
1931	$268,000,000	$24,000,000
1932	76,000,000	5,000,000
1933	48,000,000	9,000,000

STATE BANKS, PRIVATE BANKS, ETC.

1931	$516,000,000	$59,000,000
1932	148,000,000	10,000,000
1933	91,000,000	8,000,000

While it is difficult to compare income for revenue purposes with the actual income because of the fact that reports

from the Federal Reserve System are made on fiscal-year basis, the following comparison of the fiscal year 1933 with the calendar year's statistics shown by the Commissioner of Internal Revenue shows the great disparity between income of national banks as reported to the Federal Reserve System to that returned for income-tax purposes. National banks for the fiscal year 1933 reported an actual income of $216,000,000. These same banks for income-tax purposes showed, so far as those reporting income, a net of $5,353,000; so far as those reporting losses, an aggregate loss of $216,109,000. A tax of only $552,000 was paid by all the national banks for 1933.

Now, I do not want to be unfair to the banks. Of course, they have kept their paid lobbyists in Washington to represent their interests. But that is all right; they have a perfect right to do this. It is the fault of Congress in allowing their paid lobbyists to get these special exemptions written into our tax and other laws.

Mr. IZAC. Mr. Speaker, will the gentleman yield?

Mr. McFARLANE. I yield.

Mr. IZAC. Is it not true that the national banks are exempt from the payment of personal-property tax as well?

Mr. McFARLANE. I am not sure about that.

Mr. IZAC. I believe that is true.

Mr. McFARLANE. As I have just pointed out, they pay practically no income tax at all, and this is because of the laws Congress has written which exempt them from paying such income taxes.

TAX-EXEMPT SECURITIES

It is a well-known fact that a number of the banks hold tax-exempt securities. But not only is the interest on these tax-exempt securities exempt from taxation in the hands of the banks but they are allowed a deduction for interest paid on all deposits, even though such deposits are invested on tax-exempt income. See section 23 (b) of the Revenue Act of 1936. Why should a bank get a deduction for expenses incurred in connection with the earnings of tax-exempt income and all other taxpayers be denied relief?

In the Revenue Act of 1934 Congress limited the allowance of losses from the sale or exchange of capital assets to the amount of the gains from such exchanges, plus $2,000. This limitation was applied to all taxpayers with the exception of banks and trust companies. Banks and trust companies were permitted to take losses from bonds or other evidences of indebtedness regardless of the amount and apply them against their other income; and in the Revenue Act of 1936 levying a tax for the first time upon the undistributed profits of corporations banks were specifically excepted. See section 14 (d) (1) of the Revenue Act of 1936.

CHECK TAX REPEALED

We all remember what a good revenue producer the check tax was which was first imposed in the Revenue Act of 1932. If this tax were still on the books, we would be collecting about $50,000,000 annually. However, because the collection of this tax forced the banks to do some detail work in turning the proceeds over to the Government they did not like it; and through a powerful influence secured its termination, although a great many of our excise taxes which are more burdensome and should have come off first still remain on the books to plague the harassed and the heavy-laden.

INSURANCE COMPANIES FAVORED

Mr. KELLER. Mr. Speaker, will the gentleman yield?

Mr. McFARLANE. I yield.

Mr. KELLER. I would like to know why we cannot pass a penal statute for defrauding the Government by doing these things and put some teeth in it?

Mr. McFARLANE. The only answer I can give the gentleman is that we do not seem to be able to get any legislation of that kind out of the Tax and Judiciary Committees of the House and Senate. As the gentleman knows, we have to have legislation reported here on the floor in order to be able to offer amendments and consider the same; and such amendments must be held to be germane, under the rigid rules of the House, before we can have an opportunity of voting upon any measure of that kind.

Mr. KELLER. Why not write a criminal statute and let it go before the Judiciary Committee and be reported out as a separate matter?

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. McFARLANE. I yield for a question.

Mr. MICHENER. The answer to the gentleman's question is that there is plenty of law with teeth in it. The trouble is there is no law against doing the things that these people have been doing, and therefore we must close up the loopholes.

Mr. McFARLANE. In answer to the gentleman I may say that this Congress is directly responsible for the loopholes in the tax laws, placed there largely through the influence and at the direction of the lobbyists for the corporate and personal wealth of the Nation. We have no legitimate complaint about the many loopholes in the law. They are placed there by virtue of the action of Congress. However, most of the gentlemen sitting here before me voted against these loopholes, but we were in the minority. As shown by the records, about 80 percent of the known existing loopholes were inserted in another body but, of course, were agreed to by the House usually by agreeing to a little-understood conference report, usually presented late in the session. And, as is well known, under the rules of the House, these reports are usually acted upon without much explanation or debate.

Mr. MARTIN of Colorado. Mr. Speaker, will the gentleman yield?

Mr. McFARLANE. I yield.

Mr. MARTIN of Colorado. Four years ago Mr. Morgan came here to Washington and went before the Senate Committee on Banking and Currency and admitted that he and his 19 kings of finance had paid no income tax for 3 years, and got away with it, and went away from Washington popular for the first time in his life. Then we passed a revenue bill which was largely designed to plug up loopholes, and now, apparently, there are just as many loopholes in the law as before. It seems to be the same old story of the burglar and the safe.

Mr. McFARLANE. I think the record will speak for itself.

Mr. MARTIN of Colorado. The burglar seems to be always ahead of the game, and if the gentleman will permit me to say so, we will never get at the root of the thing until we put some of the biggest tax dodgers in this country in jail.

Mr. McFARLANE. In reply to the gentleman I may say I think he is correct. However, to do this we will have to tighten up our tax laws and particularly straighten out and reorganize our administrative set-up. If you will bear with me a short while, I am going to specifically point out these loopholes and explain how they got into our tax laws.

Mr. MEEKS. Mr. Speaker, will the gentleman yield?

Mr. McFARLANE. For a question; yes.

Mr. MEEKS. As a practical matter, when talking about closing loopholes, does the gentleman think we could devise an act that would eliminate major loopholes of any character or can pass any act and know what the future will be as to such loopholes?

Mr. McFARLANE. If the gentleman will study the Revenue Act of 1936, I believe he will agree with me that the loopholes in the existing law are known loopholes and are there by vote of the Congress, and, as the gentleman has suggested, it is hard to write a bulletproof law on any subject so that shrewd lawyers cannot find supposed flaws through which they may claim exemptions or find loopholes for their clients. However, most of the loopholes in our tax laws are clearly written provisions which permit these special-privilege groups to intentionally be exempt from tax payment, as I have already pointed out and will continue to point out.

Mr. MEEKS. Will not the ingenuity of tax experts, lawyers, and financiers always find loopholes?

Mr. McFARLANE. In answer to the gentleman I will say this, and I think the record bears it out: They did not find these glaring loopholes in the original revenue act when it

was first written into law, but since the Mellon-Mills machine, which was in control of the Government from 1921 to 1932, have rewritten our tax laws these loopholes have appeared, and that group largely has been responsible for writing loopholes into the revenue laws that are now there.

Mr. MEEKS. Can a revenue act be devised that will eliminate important loopholes, so-called? You may close these; but what about the future? Can we make a law that will be free from other big loopholes through which you can drive private trains and airplanes, or are we helpless in that regard? You know Mr. Morgan referred to Congress as being rather stupid in making these laws, and tried to put the blame on Congress. I am interested in knowing whether we are facing in a practical sense an impossible task.

Mr. McFARLANE. In answer to the gentleman, let me say that as Jefferson and other good Democrats have repeatedly said, eternal vigilance is the price of our democratic form of government. It just takes careful revision of the revenue laws and a tightening up of the administration of our laws all the way up and down the line. The loopholes or jokers once having been eliminated, it is then the duty of the people to keep Representatives in Congress who will not permit the wealthy to again place these unfair provisions in our laws. There is no doubt in my mind but that we can largely eliminate loopholes and when we get good administration and construction of the law by our courts, our tax difficulties will be largely solved.

Mr. MICHENER. Mr. Speaker, will the gentleman yield for a question?

Mr. McFARLANE. Yes; for one question, and then I must get along.

Mr. MICHENER. The gentleman has said that these loopholes originated during the Mellon regime from 1921 to 1932. Has he forgotten that we have revised the tax laws during the last 5 years under the Roosevelt administration at least 5 times, and that these loopholes of which he complains still seem to be present?

Mr. McFARLANE. If the gentleman had listened to all my remarks, he would know I have let the chips fall where they may, and I expect to continue doing that.

Mr. MICHENER. That is fine.

Mr. McFARLANE. I have traced the record as made and have pointed out the guilty parties, as to who placed those loopholes in the law. I want to give Mr. Mellon and the gentleman's crowd, the Republicans, proper credit for the loopholes they have put there, and I want to give proper credit to this administration for the loopholes written under it. It is very evident, however, that the tax lobbies and that group play no favorites, Republicans or Democrats. They are interested in evading the taxes, and they get the loopholes in there in every way possible, regardless of which party is in power.

INSURANCE COMPANIES FAVORED

Turning to the insurance companies, we also find they are in the privileged class. Under the Revenue Acts of 1917 and 1918 life-insurance companies were taxed in the same manner as other corporations. The insurance companies, however, did not like this and sought special legislation favorable to them. The result was special provisions were inserted in the 1921 act which only required them to include as income receipts from investments. From this figure, in addition to all investment expenses, a special arbitrary reduction was allowed of 4 percent of the mean of the reserve fund required by law and held at the beginning and end of the taxable year.

[Here the gavel fell.]

Mr. McFARLANE. Mr. Speaker, I ask unanimous consent to proceed for 15 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. McFARLANE. This turned out to be a much larger figure than was required to maintain the reserve. To the extent that this deduction was in excess of the requirements, the deduction constituted a gratuity to the life-insurance companies. The insurance companies, however, were not satisfied even with this gratuity, and as a result of litigation secured refunds in 1927 for back taxes in the amount of approximately $35,000,000, including interest.

PERSONAL HOLDING COMPANIES EXEMPT

The subcommittee of the Ways and Means Committee in its prevention-of-tax-avoidance report, made in connection with the Revenue Act of 1934, suggested a special tax upon personal holding companies and defined these companies as being any corporation, 80 percent of whose gross income for the taxable year was derived from rents, royalties, dividends, interest, annuities, and gains from the sale of securities, and whose voting stock to the extent of more than 50 percent was owned by not more than five individuals at the close of the taxable year. Before this recommendation was finally enacted into law, its effectiveness was considerably lessened by the lobby interests.

REAL-ESTATE DEALERS FAVORED

The real-estate people succeeded in exempting rents from this classification. Therefore, a personal holding company, 80 percent of whose income is derived from rents, is not subject to this special tax, even though its stock is owned by less than five individuals. (See section 351 of the Revenue Act of 1936.) This opens up an easy avenue for a rich man to avoid surtaxes, by incorporating an apartment house or an office building, and have his corporation collect and hold the rents.

PERSONAL HOLDING COMPANIES FAVORED

In addition to this special exemption the personal holding company itself is accorded an exemption which is denied to all other corporations. In the Revenue Act of 1934 and subsequent revenue acts the ordinary corporation cannot take a deduction for a capital loss in excess of its capital gains, plus $2,000. This limitation was placed in the law to prevent a corporation from wiping out its ordinary income by means of capital losses. However, personal holding companies are specifically exempted from this limitation. The losses which are disallowed to the ordinary corporation are specifically granted to the personal holding company by a special provision of law.

CONSOLIDATED RETURNS ABOLISHED THEN REVIVED

I was gratified that in the 1934 Revenue Act we succeeded in abolishing the consolidated returns, a haven by which the large corporations were able to secure great tax advantage at the expense of their small competitors. However, in the Revenue Act of 1936 there was inserted a provision which had the effect of restoring some of the privileges granted the large affiliated corporations. I refer to section 112 (b) (6) of the Revenue Act of 1936, the adoption of which I opposed because of the exemption which it gives to large corporations. (See CONGRESSIONAL RECORD, 74th Cong., 2d sess., p. 6715.)

A simple case will show how this section works out in practice.

Corporation A paid $100,000 for the stock of corporation B. It liquidates corporation B and receives on liquidation property which had a basis of $300,000 in the hands of B. Corporation A has realized a gain of $200,000. Under the Revenue Act of 1936 this gain is not only not recognized at the time of liquidation, but corporation A is permitted to take over the property of corporation B, at its basis in corporation B's hands, namely $300,000. Therefore, there is a gain of $200,000 which the Government will not be able to tax. This is certainly a gift to the large corporations, which paid little or nothing for the stock of their subsidiaries and which on liquidation has reaped an enormous profit from such investments.

I wish to point out that the Congress, while postponing the gain upon liquidation required in the Revenue Act of 1935 that the parent company use as its basis for the property received upon liquidation, the amount it paid for the subsidiary stock. In other words, if the parent company should dispose of the property received upon liquidation in the example given for $300,000, the Government would have collected under the Revenue Act of 1935 the $200,000 which

was postponed at the time of liquidation. But the lobbyists were not satisfied with this. They wanted a subsidy of this $200,000. They wanted the Government to exempt entirely this $200,000 from tax. And, Mr. Speaker, I am sorry to find that they got away with in the Revenue Act of 1936. This same crowd tried to exempt the loan sharks from the personal holding company too, but we did wake up in time to catch on to what they were doing and stopped the loan-shark amendment.

OTHER REORGANIZATION BENEFITS

Not only does this section operate unfairly against the corporation which has actually made a large cash investment in the stock of another corporation by denying to that corporation any opportunity to get back its investment before being subject to the income tax but it also permits corporations to buy out other corporations at a mere song and take over for the cost not the amount it invested in such corporations but the basis of the property held by such corporations, which in many cases is many times in excess of the investment.

Thus this section—section 112 (b) (6) of the Revenue Act of 1936—which was written into the 1936 bill by the Senate committee, follows in the footsteps of the Mellon crowd and creates a new field for tax evasion.

SAME OLD TAX LOBBYISTS CONTROL

This is another example of how unscrupulous lobbyists have succeeded in enacting in the closing hours of legislation special provisions to protect their interests. As a rule most of these lobbyists are the same old crowd. They operate successfully under both Republican and Democratic administrations. In fact, this is the same crowd which sought in the Revenue Act of 1932 to provide a special subsidy to the wealthy estates to let them out of the estate tax. This latter provision would not only have cost the Federal Government an enormous amount of revenue from the estate tax but would even have affected the death taxes collected by the States. In fact, it would have required refunds on the part of both the State and Federal Government of moneys which had already been collected and applied for public purposes. Indeed, it was at the insistence of Senator Reed, of Pennsylvania, because of pressure exerted from Pennsylvania tax authorities, that the effect of this scheme was brought to light and its iniquity disclosed. I am deeply concerned that these same people while unsuccessful in this attempt were successful in getting this special subsidy for their wealthy corporate clients enacted into law in the Revenue Act of 1936.

EXISTING LOOPHOLES PREVIOUSLY POINTED OUT

In my speech of last year I pointed out the history of the capital-gains provision of the present revenue laws. I showed how special interests had succeeded in enacting this measure under the guise of relief from some of the burdensome taxes in the case of "* * * the sale of farms, mineral properties, and other capital assets * * *."

I also pointed out that while the sponsors of this provision are continually pointing to the treatment of capital gains under the British tax laws as being exempt from tax, in contrast to our treatment of similar gains, that a survey of British law does not seem to support such a conclusion. These sponsors fail to tell you that this is a country of great speculation, in contrast to a reasonably stable price condition of property in Great Britain.

The enormous loss in revenue which the Government sustained in the years 1925 to 1929, inclusive, by the reason of this subsidy has been estimated by Mr. Herbert S. Wood, Washington, D. C., former Bureau of Efficiency expert, at $750,000,000—hearings before the Committee on Finance, United States Senate, Seventy-third Congress, second session, Revenue Act, 1934, page 174.

NEW LOOPHOLES ADDED UNDER THIS ADMINISTRATION

It also appears that the Ways and Means Committee attempted in 1934 to partly stop the loopholes created by the insertion of this provision in the revenue law. However, Mr. Wood also estimates that if the provisions which the Ways and Means Committee inserted in 1934—section 117 of the Revenue Act of 1936—had been in effect for the years 1925 to 1929, inclusive, the loss in revenue on this account would have been about $1,000,000,000. It thus appears that in attempting to partly stop the loopholes in 1934, the Ways and Means Committee created a greater avenue of tax avoidance. One of the major difficulties of the present scheme, like that of its predecessor, is that it encourages holding property for a period of years in order to secure a reduced rate of tax, thereby depriving the Government of its annual revenues. This has been condemned by many prominent tax economists as unscientific and arbitrary. It is especially designed to allow the maximum amount of tax exemption for stock-market manipulators in lieu of complete exemption as now advocated by the voices of the Wall Streeters. These provisions closely follow the method of operating in Wall Street, where the slogan is "Take your losses; let your profits run." Under section 117 of the Revenue Act of 1936, the quicker a speculator takes his losses the greater the deduction allowed him, while, on the other hand, there is less tax on the profits if he lets them "run."

NONRESIDENT ALIENS EXEMPT

And in the 1936 Revenue Act we completely exempted foreigners from the capital-gains tax, even though they realized enormous gains trading in our markets. This creates an unfair and discriminatory situation in favor of foreigners and to the detriment of our own citizens. Foreigners can now come to this country and make enormous profits on stocks and bonds sales in our markets and take the profits out of the country tax free. Our own American citizens cannot compete with these foreigners because our citizens have to pay the capital-gains tax, whereas foreigners are exempt—section 143 (b) of the Revenue Act of 1936.

Mr. LUCKEY of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. McFARLANE. I yield for a question.

Mr. LUCKEY of Nebraska. Theodore Roosevelt, former President, repeatedly made this statement, that many of these large corporations were employing the most astute and best lawyers to advise the corporations not how to comply with the law but how to evade the law. Could the gentleman suggest whether some measure could be employed to bring criminal actions against those attorneys who prostitute their high calling in advising their clients how to evade and circumvent the law?

Mr. McFARLANE. I think it is the duty of Congress to so write the law that these shrewd tax attorneys cannot twist and the courts construe it away. The blame lies largely right here with the Congress.

PENSION TRUST LOOPHOLE

The same old crowd which has succeeded in getting legislation for privileged classes in the past was responsible for the subsidy granted in the case of "pension trust" under the guise of helping the small-salaried wage earner of corporations. See section 165 of the Revenue Act of 1936. These trusts have been utilized by wealthy officers of corporations to permit them to accumulate tax free large sums of money. The effect of this legislation is well explained in the following quotation from the Commerce Clearing House Service for 1937, volume 3, page 7035:

> It is possible for a taxpayer to deduct as expenses of his business contributions to a pension trust for the benefit of all or some of his employees, although the employees are not taxable with respect to these contributions until they actually receive moneys from the trust. The trust itself is exempt from tax. The taxpayer may also prorate over a 10-year period a deduction for a reasonable amount contributed to the trust, as a pension reserve in respect of the services of his employees during prior years. Officers of a corporation will be included under the head of employees. This makes it possible for a corporation to take deductions during the current year for pensions to be paid to its key men which will not be taxable to them until received by them.

STOCK-TRANSFER MANIPULATIONS

We have attempted in the revenue laws to prevent paper losses by denying a taxpayer a loss from the sale of stock where he buys such stock back within a certain period. However, this provision may be easily circumvented by a bona-fide reacquisition of such stock by another member of the taxpayer's family. In addition, while we have restricted losses between members of a family or between

stockholder and a controlled corporation, by means of dealing through a third party, this provision can be made practically of no effect.

ARMY AND NAVY OFFICERS' RENTS AND RATIONS EXEMPT

The President mentioned in his message about a retired American Army officer establishing a Canadian citizenship to avoid his just share of American taxes. It is a well-known fact that Army and Navy officers do not pay an income tax on all their compensation. In addition to their salaries, they receive additional amounts for accommodation quarters and subsistence amounting to over $20,000,000 annually. They do not pay a tax on such additional amounts. On the other hand, if an ordinary taxpayer receives as compensation for his services rendered a salary and in addition thereto living quarters and rations, the value to such person of the quarters furnished is treated as income and subject to tax. Now, why is the Army and Navy given this special privilege? It is due to an absurd decision by the Court of Claims, letting the Army and Navy out of the tax and yet forcing all other taxpayers to pay.

COURT OF CLAIMS DECISIONS

This decision was, as I remember, the *Jones case* (60 Ct. Cl. 552), rendered under a Republican administration. The decision was so outrageous that Republican Attorney General Mitchell prepared to take steps to appeal it to the Supreme Court, but the powerful Army and Navy lobby exerted so much pressure that he was forced to abandon this appeal and let this decision of the Court of Claims stand as final; and because of this decision, Army and Navy people were given large refunds and exempted in the future from paying taxes on income to which all our other citizens were liable to pay taxes thereon.

Further, I wish to point out that the Supreme Court in *Miles* v. *Graham* (268 U. S. 501), held that a judge of the Court of Claims was not liable upon his salary. In this case Judge Graham, of the Court of Claims, sued to recover the income tax paid on his salary for the years 1919 and 1920. Now, as a result of this decision, all these judges whose cases were not barred by the statute of limitations received refunds of the taxes paid on their salaries in the past and refrained from paying any taxes on their salaries in the future.

This decision was based upon the misapprehension that the Court of Claims was a constitutional court and not a legislative court. In a subsequent case, the Supreme Court recognized its error in regarding the Court of Claims as a constitutional court and specifically stated that it was a legislative court and not a constitutional court. However, this case might be regarded as dicta in this respect as the Court in that case was not passing directly upon the status of the Court of Claims but upon the status of the Court of Customs and Patent Appeals. But in another case, the Court was directly passing on the status of the Court of Claims in determining whether or not the Economy Act was applicable to the salaries of those judges. It held in *Williams* v. *United States* (289 U. S. 553), that the Court of Claims was a legislative court and that, therefore, the constitutional prohibition against diminishing the salaries of its judges did not apply. Therefore, there is now no doubt that the decision of the Supreme Court in Miles against Graham was clearly erroneous and these judges, even under the decisions of the Supreme Court, should pay income taxes on their salaries. Since the judges of the Court of Claims must fully realize that the decision in the case of Miles against Graham is erroneous, I think it is their patriotic duty to pay into the Treasury the taxes which are properly due upon the inclusion of their salaries in income subject to the income tax. I understand that in the last year or two these judges have paid taxes on their current salaries but that they have not paid taxes on their back salaries or returned to the Treasury the moneys which were erroneously refunded to them under the Miles against Graham decision. I think it would be very helpful to the Congress if the Ways and Means Committee would secure from the Treasury information as to the years for which these judges have paid taxes on their salaries, the years for which erroneous refunds of the taxes paid on their salaries were made as a result of the Miles against Graham decision, and the amount of such refunds, if any, which were paid back into the Treasury by these judges, giving this information with respect to each judge now sitting on the Court of Claims.

Now, because the Court of Claims is a legislative court and its judges are our employees, the President cannot do anything about this court. This was clearly established in the *Humphreys case* (295 U. S. 602), in which the Supreme Court pointed out that the Court of Claims was independent of Executive control, but being a legislative court and not a constitutional court was directly under the control of the Congress, its creator. In making plans for the reorganization of the Government, the President's hands are tied so far as the Court of Claims is concerned. This court, being our creature, and its judges being our employees, the responsibility lies with us to see that it is composed of men who will reflect honor and credit upon the judicial office. Some of us have undoubtedly heard statements made that some of these judges represent the Mellon interests and even secured their appointment through the Mellon influence. I have not had the opportunity to fully investigate these charges, but in at least one instance these charges appear to have some foundation. I refer to the appointment of Benjamin Littleton to the Court of Claims. There appears to be ample justification from the hearings of the Couzens Committee investigating the Internal Revenue Bureau (vol. V, pp. 2644–2646 and pp. 2668–2664) that this plum was given to Benjamin Littleton as a reward for losing certain cases in western Pennsylvania involving violations of the liquor laws. I am putting into the RECORD the evidence brought out at this public hearing, but first I wish to state in my own words just what this evidence shows.

It appears that Benjamin Littleton came into the Bureau of Internal Revenue as an obscure attorney in the office of the Solicitor of Internal Revenue. When he was there, that office had nothing to do with the enforcement of the prohibition laws. There was in the Treasury at that time a Bureau of Prohibition and the legal department of the Bureau of Prohibition was headed by a man by the name of Britt, who does not appear to have even been acquainted with Mr. Littleton. Prosecutions for violations of the liquor laws were at that time handled entirely by the Department of Justice, under the direction of Mrs. Mabel Walker Willebrandt, who headed a division organized for that purpose. Now, Mrs. Willebrandt has pointed out that this division was amply staffed to take care of prohibition violations and did not need men from the Treasury for that purpose but there were certain indictments pending against certain persons in western Pennsylvania for violation of the liquor laws in which Andrew Mellon was vitally interested. He wanted these cases taken care of. What did he do? He took Benjamin Littleton, an obscure attorney, out of the office of the Solicitor of Internal Revenue, mind you, he was not even in the legal division of the Prohibition Bureau and had him appointed Special Assistant to the Attorney General to try these cases. Mrs. Willebrandt stated in the hearings that she did not know of any reason why this appointment should have been made to handle these cases and that she actually protested against this appointment, as her regular staff was quite capable of handling these cases. But Andy Mellon insisted upon this appointment and his request was granted. Here is what the record shows happened to these cases when they were put in Mr. Littleton's charge:

Mr. MANSON. What was the outcome of these cases?

Mrs. WILLEBRANDT. One case was tried. The Friedman case was tried and lost, and the rest of them at Mr. Littleton's request were nolle prossed. The request was made to nolle prosse the cases, and when the motion to nolle prosse was presented to the judge he refused to grant it.

Mr. MANSON. Upon what ground did he refuse to nolle prosse the cases? Is it not a fact the judge refused to nolle prosse those cases upon the ground that the case that was tried had not been properly presented?

Mrs. WILLEBRANDT. It was so reported to me; yes, sir.

Mr. MANSON. Did not you try one of these cases?

Mrs. WILLIBRANDT. I?

Mr. MANSON. Yes.

Mrs. WILLEBRANDT. Not any that Mr. Littleton had anything to do with.

Mr. MANSON. Was a conviction had in some of these cases, involving the same matter?

Mrs. WILLEBRANDT. Not any that Mr. Littleton had anything to do with. (Vol. V, hearings, Investigation of Bureau of Internal Revenue, p. 2644.)

And then the testimony at the hearings show that in other cases of this group involving bribery in western Pennsylvania, which Mr. Littleton had nothing to do with, convictions were obtained. And on page 2669 of these same hearings it is pointed out that in the only case Mr. Littleton tried he did not even call as a witness the principal witness upon whose testimony the grand jury relied in returning the indictment. So Mr. Littleton succeeded in doing a real favor for Andrew Mellon in getting these cases dismissed. At this point I wish to insert for the benefit of the House the full record on this matter, which appears in the published hearings of the Investigation of the Bureau of Internal Revenue by the Couzens' select committee, volume V, pages 2644–2646, and pages 2668–2669:

Now, this man Littleton, after these cases were disposed of, went back to his old job, but he did not have to wait long for his reward. When the Board of Tax Appeals was created in 1924 Andrew Mellon recommended this obscure attorney to be a member of the Board of Tax Appeals and succeeded in getting the appointment for him. He stayed on the Board of Tax Appeals for some years and then a vacancy was created on the Court of Claims. And he saw a chance to get a lifetime appointment on the Court of Claims. So his friend Andy Mellon succeeded in getting this plum, too. And there he sits in a lifetime job, drawing a salary of $12,500 a year, his reward for mishandling these prohibition cases. Is this the kind of a man we want in our judicial system? We must remember that the Court of Claims is our baby and our responsibility.

Of course, I know that there are some who will say that these judges cannot be touched because they are appointed for life. But this is not true. This is not a constitutional court and these judges have no vested right in their offices. I really feel that this matter ought to be fully investigated, and if these charges can be substantiated, I think that we ought to reorganize the court and purge it of the Mellon influence.

I also wish to make a few remarks about these judges resisting the provisions of the Economy Act when all Federal employees, including even Members of Congress, were forced to take a reduction in their salaries due to the depressed condition of the country's finances. Instead of patriotically accepting a reduction in their salaries, which all other Federal employees did, they brought suit to force the Government to pay them their full-time salaries even though they knew their country was in financial difficulties. And not only did the judges of the Court of Claims adopt this unpatriotic course but also the judges of the Court of Appeals of the District of Columbia.

The judges of the Court of Claims lost their case because the Supreme Court held that they were a legislative court, but the judges of the Court of Appeals of the District of Columbia won their case and took this money from their country in its hour of need. Now, let us see what array of attorneys were employed by these judges to raise legal obstructions to their moral duty to accept this reduction. Now, in the Court of Claims case a judge by the name of Williams was selected for the test case, and the attorneys handling this case for the judges were George A. King with whom George R. Shields and Herman J. Galloway were on the brief. It is a well-known fact that these attorneys make quite a specialty of handling cases before the Court of Claims, most of their business coming from this source. In the Court of Appeals of the District of Columbia, a judge by the name of O'Donoghue was selected for the test case, and the attorneys handling this case for the judges were John W. Davis, John S. Flannery, with whom George E. Hamilton and Daniel W. O'Donoghue, Jr., were on the brief. Now, both of these cases were argued at the same time before the Supreme Court, and I think the country ought to know what these judges paid for the services of this brilliant array of legal talent. Did these judges pay to these attorneys the same fees which these attorneys would have charged their ordinary clients for handling such matters? If they did not, if they did not charge them as much as they would have charged their ordinary clients, I think these attorneys have created for themselves an undue advantage with respect to cases which they might try before these courts to the disadvantage of attorneys handling the other side of such cases. If this is true, it cannot be longer said that these judges are exercising independent and unbiased judgment in handing down decisions in which those attorneys appear. So to remove any cloud of suspicion from those judges that they are no longer qualified to decide cases in an impartial manner, I think that it is their duty to make a public disclosure of the amounts they paid to these attorneys for their services.

SUPREME COURT DECISIONS

I spoke on February 18 and reviewed many of our Supreme Court decisions and pointed out from their decisions how they have repeatedly held in favor of the utilities and the wealthy of the Nation and against the rights of the masses. In reviewing only a few of these cases I pointed out how the Supreme Court had held in favor of the special interests, to the detriment of the masses, as follows:

Decision	Issue	Loss in revenue
Collector v. *Day*	Taxability of State, county, and municipal employees.	$165,000,000
Pollock case	Power to tax income	1,800,000,000
Eisner v. *McComber*	Stock dividends	1,060,000,000
National Life Insurance Co	Reduction allowance for reserves by tax-exempt interest.	97,500,000
Railroad Retirement Act	Constitutionality of act	100,000,000
Neiner v. *Donnan*	Gift in contemplation of death	5,000,000
Nichols v. *Coolidge*	do	10,000,000
Blodgett v. *Holden*	Gift tax	3,500,000
Guffey Coal Act	Constitutionality of act	1,000,000
Agricultural Adjustment Act	do	1,017,000,000
May v. *Heiner*	Creation of trusts	25,000,000
Power rate cases 6-year loss		6,000,000,000
Total		10,290,000,000

A complete showing of all cases, including a study of all excessive utility rates permitted under the Supreme Court decisions, it is believed on good authority, would more than double this amount.

Mr. DIES. Mr. Speaker, will the gentleman yield?

Mr. McFARLANE. I yield.

Mr. DIES. Our distinguished colleague from West Virginia [Mr. RAMSAY] has introduced this afternoon a bill which will make it a penitentiary offense for these big corporations to evade the law in the manner which was indicated in the President's message. Does not the gentleman think that is one way we can stop this evasion?

Mr. McFARLANE. That will be one of the many ways, but it will require a rewriting of the revenue act almost in its entirety to stop these loopholes. We will have to have that kind of relief before we can get very far.

Mr. DIES. I might call the gentleman's attention to the fact that in the morning paper there was a statement that under our tax-exempt bonds it is more profitable for a man with a million dollars to buy tax-exempt bonds than to operate an industry and make a million dollars and pay taxes.

Mr. McFARLANE. I think that is true. However, had the Ways and Means Committee followed the recommendations of one of their counsel and the decisions of the Supreme Court, they would have years ago enacted an excise tax that would have reached such tax-exempt securities (*Pacific Co.* v. *Johnson*, 285 U. S. 480).

PARTNERSHIP LOOPHOLE

The following, taken from the Brooklyn Law Review of May 1936, shows how wealthy families can avoid high surtaxes through partnership arrangements:

The case of *Commissioner* v. *Olds* is indicative of the lengths to which one can go in employing the partnership as a means of escaping the higher brackets of the income surtaxes without destroying the managerial control over the property by the family's principal breadwinner. The respondent, who conducted a dock and timber business had three daughters whom, according to the testimony, he desired to train in the handling of large sums of money and among whom he wished to divide his property during his lifetime so as to avoid any family disputes after his death. Accordingly, he entered into a written agreement to sell to each daughter a one-fourth interest in his business. Upon the execution of the agreement, each daughter executed to the respondent her promissory note for $400,000, payable on demand without interest. It was stipulated in the agreement that the business should be conducted by the respondent in his own or any other name that he might choose; that the daughters should draw out of the profits of the business only such amounts as he saw fit to pay them and as they might need for their living and comfort during his lifetime; that they should have the privilege of looking over the books of the company and everything pertaining to the business at all times; and that, if at any time any of them should become dissatisfied with the way the business was being conducted and should think her interest was being impaired, he would return to her her note and take over her interest.

Upon the completion of this partnership agreement, entries were made on the books of the business debiting the respondent and crediting the daughters with the amounts represented by the notes; the following year further entries were made showing that a one-fourth interest in the business had been transferred to each of the daughters; and in each succeeding year withdrawals of profits were debited to the parties receiving them, with the result that at the close of each business year the books showed net balances in favor of the parties in different amounts. The Commissioner of Internal Revenue claimed that the respondent was taxable individually with all of the profits made by the so-called partnership, but both the Board of Tax Appeals and the Circuit Court of Appeals held that a bona-fide partnership had been created and that consequently the respondent was taxable only as to one-fourth of the partnership income. * * *

Not only can a properly constructed family partnership, by avoiding the surtaxes, sharply reduce the total family income-tax bill, but it can also be employed to reduce inheritance and estate taxes. Thus, if a father makes a gift to his children of a portion of his interest in his business establishment, the agreement, although it constitutes an immediate transfer of a legal interest and therefore subject to the Federal gift tax, nevertheless, on that same principle escapes the higher Federal estate and State inheritance taxes. Moreover, if the business is prosperous, the value of each child's interest in the business upon the death of the father may be greater than that at the time of the gift; and to that extent, the inter-vivos transfer results in a net saving. And, finally, the facts of the Olds case indicate a technique for escaping even the gift tax. There the wife and children "purchased" a share in the business owned by their chief breadwinner and paid for their interests by giving him demand notes.

By annual gifts by the holder of the notes, small enough to fall within the exemption provisions of the Federal Gift Tax Act, he can gradually reduce their indebtedness to him so that at the time of his death they may own a substantial part of their interest outright, and the assets of his decedent estate no longer include the notes; and even if his premature death should prevent the complete liquidation of these notes, his annual gifts would reduce the size of his net estate and subject his estate to the lower brackets of the Federal and State death levies.

MELLON INFLUENCE STILL CONTROLS

It seems to me that our income-tax law has reached the peak of ridiculousness and has largely become a farce when a man can escape tax merely by drawing up so-called articles of partnership whereby he names his wife as a partner. Notwithstanding all this, it appears that during the reign of Andrew Mellon the Bureau of Internal Revenue and the Mellon-devised Board of Tax Appeals inaugurated and maintained a practice of approving husband-wife partnerships.

Unfortunately the rulings then issued still stand and other similar rulings have been added to the list. Thus, partnerships between a husband and wife are now recognized for income-tax purposes if made in the following States:

Alabama, Bellingeruth, 3 B. T. A. 11; Arkansas, G. C. M., 450, V. 2 C. B. 49; California, I, T. 1744, II 2 C. B. 179; Colorado, S. M. 296 4, IV. 1 C. B. 171; Connecticut, G. C. M. 433, V. 2 C. B. 177; District of Columbia, G. C. M. 3421, VII. 1 C. B. 106; Georgia, S. M. 5042, V. 1 C. B. 68; Iowa, I, T. 2321, V. 2 C. B. 52; Kansas, I. T. 2640, IV. 2 C. B. 60; Minnesota, S. M. 4277, IV. 2 C. B. 58; Mississippi, Virden, 6 B. T. A. 1123; Montana, Battleson, 22 B. T. A. 855; Nebraska, S. R. 6998, V. 1 C. B. 268; New York, G. C. M. 5761, VIII. 1 C. B. 109; North Carolina, G. C. M. 3034, VII. 1 C. B. 124; Ohio, Bartley, 4 B. T. A. 874; Pennsylvania, S. M. 5411, V. 1 C. B. 271; South Carolina, S. M. 3391, IV. 1 C. B. 42; South Dakota, Bartron, 3 B. T. A. 1262; West Virginia, Blackman, 24 B. T. A. 259.

GIFTS—CREATES BIG LOOPHOLES

Along the same line it could be noted that the oldest and simplest form of tax evasion is by way of family gifts. It also has the greatest possibilities for tax evasion. In this connection Mr. William M. Layman in the Tax Magazine of October 1936, states:

Perhaps the greatest possibilities for individuals to reduce the amount of their individual taxes will be found in their right to divide their estates, their income-producing property, among the members of their families, or others. This procedure results in breaking up the income from such property into smaller units, none of which would be subject to the more severe surtax which would be imposed on the same total income if it were kept intact and reported on the return of a single individual.

Furthermore, each of the individuals, except husband or wife or minor children, would be entitled to separate personal exemptions and credits for dependents, if any, which would actually reduce the total amount of income subject to tax.

This example of tax avoidance my be illustrated by the following example:

If an individual has property producing a net income of $100,000, and this constitutes his only income, the total surtax is $30,000. However, if he gives one-half of the property to his wife and each file separate returns, reporting $50,000 on each return, the total surtax is only $15,400, resulting in an evasion of approximately 50 percent of the tax.

ESTATES-TAX EVASION

It should also be noted that the same gift will also permit an evasion of an estate tax, for by making the gift to his wife the taxpayer will prevent any estate tax being assessed upon that amount when he dies, unless it is held that the gift is made in contemplation of death. Although gifts made in contemplation of death are thoroughly subject to the estate tax, in actual practice it appears that such provisions are defective. Thus it has been held that a gift by a man 84 years old was held not in contemplation of death (*Wanamaker Estate*, 16 B. T. A. 15).

It was for the purpose of correcting this situation that the gift tax was adopted for the purpose of taxing all gifts made during lifetime. However, the gift tax has gone only part of the way. Large tax savings can still be affected by gift during lifetime. For example, if an individual having $2,000,000 in property gives one-half of it to his wife, he will pay a gift tax of $166,950 upon such gift and the amount of estate tax assessable at his death upon the remaining $1,000,000 will amount to only $222,600. If he had not made the gift to his wife, the total estate tax upon the entire $2,000,000 would amount to $557,600, so that he escaped $168,050 by making the gift.

This easy method of tax evasion can be stopped. Instead of having estate tax and a gift tax there should be one tax, with one schedule of rates and as each succeeding gift is made it should be placed in the next higher bracket and taxed accordingly. This method is now followed under the gift-tax law but it only includes gifts made during a lifetime. It should be extended to include gifts, bequests, and devices under one tax.

Under the plan which I propose, the same amount of tax will be paid, no matter when the gifts are made, whether at death or during lifetime.

THE 1913 INCOME-TAX AMENDMENT

This 1913 income-tax amendment permits taxation of income from whatever source derived. Despite this broad language the Supreme Court has repeatedly restricted its scope. In the case of *Eisner* v. *Macomber* (125 U. S. 189) the Court held that stock dividends were not subject to income taxation, and over a period of 16 years thus lost to the Government $1,060,000,000 in revenue. In other words, if a person has a net income of $5,000, he must pay an income tax on it unless he is a State, county, or municipal employee, or comes under other exemption. However, a corporation with the same $5,000 net income can issue stock dividends and thus avoid payment of any income tax.

The Court has held that Congress cannot tax interest on bonds issued by State, county, or other local subdivisions. This act created a large field of tax-exempt securities, and this decision rendered despite the fact that Chief Justice Hughes as Governor of New York opposed the amendment, but as Chief Justice of the Supreme Court continues to adhere to the decision that Congress has no power to tax such bonds. The amount of securities from which the income is wholly exempt as a result of the Supreme Court action runs into billions. The figures for the 12 years, 1925 to 1936, are as follows:

	Amount of securities
1925	$16,645,000,000
1926	17,636,000,000
1927	18,846,000,000
1928	19,892,000,000
1929	20,957,000,000
1930	23,785,000,000
1931	25,750,000,000
1932	28,456,000,000
1933	31,804,000,000
1934	34,400,000,000
1935	36,146,000,000
1936	37,611,000,000

TAX-EXEMPT SECURITIES CAN BE TAXED

In 1934 a subcommittee of the Ways and Means Committee was appointed to investigate tax-avoidance schemes. Consideration was given to methods of curtailing the amount of tax evasion due to tax-exempt securities. In the report of the subcommittee there is an opinion by counsel of the committee suggesting a method by which as he says "most of the income from tax-exempt securities could be reached." Under this method there would be reached an excise tax upon the carrying on or doing business by corporations, measured by the net income from all sources, including interest from the so-called tax-exempt securities, and a similar excise tax on individuals engaged in any trade, avocation, or employment. As pointed out by one of counsel of the Joint Tax Committee on Taxation, this method of reaching tax-exempt securities is constitutional under the decision of the Supreme Court in the case of *Stone-Tracy Co.* v. *Flint* (220 U. S. 107). Furthermore, it appears that some of the States have used this method for taxing income from Federal securities, and this method has been upheld by the Supreme Court (*Pacific Co.* v. *Johnson*, 285 U. S. 480; *Educational Film Co.* v. *Ward*, 282 U. S. 379).

Thus if such a tax were adopted, for example, a corporation had a net income of $500,000 from its ordinary business transactions and $100,000 from interest on municipal securities, the entire $600,000 could be included in determining the amount of the excise tax upon the corporation. In this matter we could reach and tax the interest on all tax-exempt securities.

At least this is one of the ways by which it could be done. The best way, of course, would be to have a Supreme Court which would interpret the sixteenth amendment to the Constitution as it is written and not as the judges want it to be. It is provided in the sixteenth amendment that Congress shall have the power to tax income from whatever sources derived without any limitations being expressed. Nothing could be clearer than this language, and every effort should be made to unpack the Supreme Court, placing men thereon who could interpret the law as it is written and not as the Wall Streeters desire it should be construed for their own private profit. Therefore we cannot criticize the Supreme Court until the law is written so it will reach the interest on the tax-exempt securities. At the present time the income-tax laws specially provide that the interest from these securities is exempt.

Section 22 (b) of the Revenue Act of 1936 provides:

(4) Tax-free interest: Interest upon (a) the obligations of a State, Territory, or any political subdivision thereof, or the District of Columbia; or (b) obligations of a corporation organized under act of Congress, if such corporation is an instrumentality of the United States; or (c) the obligations of the United States or its possessions. Every person owning any of the obligations enumerated in clause (a), (b), or (c) shall, in the return required by this title, submit a statement showing the number and amount of such obligations owned by him and the income received therefrom, in such form and with such information as the Commissioner may require. In the case of obligations of the United States issued after September 1, 1917 (other than postal savings certificates of deposit) and in the case of obligations of a corporation organized under act of Congress, the interest shall be exempt only if and to the extent provided in the respective acts authorizing the issue thereof as amended and supplemented, and shall be excluded from gross income only if and to the extent it is wholly exempt from the taxes imposed by this title.

This section of the law should be repealed so as to give our unpacked Supreme Court, if and when established, a chance to function.

Mr. LEAVY. Mr. Speaker, will the gentleman yield?

Mr. McFARLANE. I yield.

Mr. LEAVY. In connection with the questions that have been submitted to the gentleman, is not the responsibility of passing a tax law that is as nearly perfect as can be, as nearly free from loopholes as possible to make it, directly upon this Congress?

Mr. McFARLANE. There is no doubt about that.

Mr. LEAVY. Then, in view of what occurred yesterday, when there was an opportunity to give to the Members of this Congress the real facts upon which to act intelligently, and in view of the fact the committees of this House and the House itself denied to the membership of this Congress the right to have the facts upon which to arrive at conclusions, are we not handicapped tremendously in intelligent action and intelligent views?

Mr. McFARLANE. In my opinion, the gentleman is striking at the crux of the situation. I was glad to note that the gentleman from Washington voted with us on yesterday in trying to have publicity and information furnished Members of Congress regarding tax matters. When we sit idly here and tie our own hands and refuse to allow others to receive information on revenue matters, as was done yesterday on the loophole investigation resolution, it seems to me we are just inviting more loopholes and tax dodging through such secret methods. If Members are not interested themselves in securing this information, so that they can vote more intelligently upon the revenue laws, so that we can eliminate the jokers in our revenue laws, such as has been pointed out to us, how can we expect to eliminate these loopholes when we refuse to give ourselves information concerning the matter?

TIGHTEN UP TAX ADMINISTRATION

However, before closing I wish to make a few remarks regarding the tax administration of our law. The purpose of the tax administration is to insure the collection of the greatest tax with the least possible cost. In so doing, I realize that the Commissioner should have such safeguards as will insure reasonable accuracy of determination. However, the present set-up of tax administration seems to have gone far beyond the requirements of accuracy. To illustrate, assume a taxpayer in my district having filed a tax return which requires a field examination. The revenue agent first verifies the return from the books. His report is then verified by his squad leader, the task of the Dallas office. If the taxpayer desires a conference, a third employee attached to the Dallas office is required to examine the case and discuss his findings with the taxpayer, after

which the report is transmitted to Washintgon, D. C. Upon reaching Washington, the case, in the ordinary course, is drawn by an auditor from the income-tax unit for examination. His findings, when reduced to writing, are submitted to a section unit auditor, who, if he approves it, then transmits the case to the reviewer for review.

Upon review a letter is mailed to the taxpayer, after which a conference is again afforded the taxpayer before the income-tax unit in Washington, where the case is discussed and adjustments may be made. The case is then referred to an auditor for action in accordance with the conferees' recommendations, after which his letter is again approved by the section unit auditor and returned before mailing to the taxpayer. At this point, if the taxpayer fails to acquiesce in the findings, the appeal may be taken to the Board of Tax Appeals. The taxpayer may then request his case be transmitted to the technical staff for settlement, where he may again appear in conference and discuss the case in its entirety with the employees of that division.

If he then is not satisfied, he may have the case transmitted to the legal division for trial, whereupon he may again enter into conference with the trial attorney and stipulate settlement of his case. At each of these conferences heretofore outlined and upon each review of the case, the taxpayer has the opportunity and may have succeeded in materially reducing his taxes at each step until at the time of the final conclusion of the case the tax collected may represent a very small portion of the tax originally found by the revenue agent to have been due. Indeed, it has been estimated by men familiar with the workings of the income-tax unit that the Government collects less than 25 percent of the tax found by the revenue agents to be due.

USELESS LITIGATION

Now, we come to the useless litigation; the taxpayer has three forums in which he may decide to bring his action. First, he may go before the Board of Tax Appeals, and if he receives an adverse decision from that Board, appeal to the Circuit Court of Appeals and eventually to the Supreme Court, or if he does not desire to go before the Court of Tax Appeals, he may pay his tax and file suit for refund either in his own district court or in the Court of Claims here in Washington. An astute taxpayer can, by selecting the proper forum, materially aid his case. For instance, if he finds that the Board of Tax Appeals has rendered a decision in another case involving a question similar to his own, and such decision was in favor of the taxpayer, he will act to go before the Board of Tax Appeals. On the other hand, if he finds that the Board has already decided a case similar to his own against him, he may want to try his luck out in his own district court. Or, if his district court is not so favorable to his cause, he may take a shot at the Court of Claims. By giving the taxpayer the election of the forum in which to have his case tried, the Government is materially on the losing end.

BOARD OF TAX APPEALS A MISTAKE

The Board of Tax Appeals has not lived up to its expectations. Instead of acting as an administrative body to determine whether the taxpayer is liable for the tax proposed against him by the Commissioner, it has assumed the function of a court and has rendered many long and conflicting opinions. Since the Board was established in 1924, over 35 large volumes of its decisions have been printed. These decisions, instead of clarifying the tax situation, add to its confusion. As a result of writing these long opinions the Board falling behind in its work and the burden of keeping tax cases current has been shifted to the least-paid technical staff of the Bureau of Internal Revenue, which in many cases reaches an agreement with the taxpayer before the petitions are filed with the Board.

These agreements and stipulations only receive approval by the Board, which does not attempt in such cases to go into the merits.

The following record taken from the Report of the Commissioner of Internal Revenue for 1936 discloses the small number of cases tried by the Board in comparison with the total settlement made as a result of administration action:

	1931	1932	1933	1934	1935	1936
Closed by agreed settlement, default, dismissal, etc	5,199	7,239	6,849	8,064	4,252	3,533
Closed by trial	1,329	1,143	1,537	1,518	1,615	1,519
Total	6,528	8,382	8,386	9,582	5,867	5,052

While the Board appears to have reduced the number of cases pending before it from 21,233 in 1931 to 10,102 in 1936, the latter figure, based upon the number of cases disposed of for the year 1936, is sufficient to require the attention of the Board for the next 2 years without any additional work from new cases that will be coming in.

JACKSON SHOWS UP THE BOARD

It was stated by the Assistant to the Attorney General, Mr. Robert Jackson, in his statement before the Finance Committee in connection with the Revenue Act of 1935, that—

It is stated by a retiring member of the Board of Tax Appeals that since 1925 the Government has lost two-thirds in the amount of its cases before the Board of Tax Appeals, the average tax case involving a deficiency of $28,000.

Mr. Jackson also pointed out that, due to the delay in decisions by the Board, some taxpayers become bankrupt or insolvent, and the Government is unable to collect taxes that were justly due and could have been collected at the time the deficiency was first imposed; moreover, he pointed out that while the Board has speeded up the number of cases disposed of, in recent years the total amount of tax outstanding by the Board has actually been increasing. It is certainly an expensive procedure for the Government to have all of this tax tied up before the Board of Tax Appeals awaiting a final decision, and as the figures I have given disclose, only about one-third of the decisions when rendered by the Board are actually sustained in the high courts.

This situation before the Board is in sharp contrast with that is cases before the district courts and the Court of Claims, where the taxpayer first has to pay his tax and file claim for refund before he can maintain an action. A much larger percent of tax is secured by the Government in the latter class of cases.

In this connection the following figures submitted by Mr. Jackson are interesting:

For the year ending June 30, 1935, trials in these two courts showed the following results:

Decisions in favor of the Government, or dismissals on the basis of decisions in favor of the Government, 252; amount claimed, $16,801,896.

Decisions in favor or partly in favor of the taxpayer, or confessions of judgment on the basis of decisions in favor of the taxpayer, 135; amount involved, $555,479.

Almost a complete reversal of the percentage where they pay first and sue for a refund that exists, as against where they do not.

In addition to this, 151 cases, involving $9,949,000, were dismissed by the taxpayers without refund.

CONFLICTING DECISIONS BIG LOOPHOLE

I think we should also give careful consideration to the large amount of conflicting tax cases in our circuit courts of appeals. This undoubtedly produces discrimination and causes a burden on our taxpayers. In fact, taxpayers living in one circuit may get relief while others in another circuit may be denied relief in tax cases involving the same identical question. I feel that we might well consider the possibility of establishing one tax court of appeals to take over the function of the circuit courts of appeals in tax cases. This would permit all taxpayers to be treated alike and provide for a uniformity of decisions.

ABOLISH SUITS AGAINST COLLECTOR

I also believe that we should consider abolishing suits against collectors. This is an antiquated relic of the Civil War days and adds to the confusion of our litigation. Since the United States is the real party in interest, there does not seem to be any good reason why suits should not be di-

rected against the United States and its duly authorized agent, instead of proceeding under the legal fiction of suing a collector in his personal capacity.

REWRITE AND CLARIFY THE LAW

Our revenue laws are becoming more and more obscure and difficult to apply to actual cases. Not only the taxpayer but the Treasury officials and the courts have difficulty in determining what the revenue laws mean. Beginning with the Revenue Act of 1918, which was enacted after the sixteenth amendment, we have had 13 revenue acts and the latest revenue act, the Revenue Act of 1936, is bewildering and the undistributed profits tax is the most complicated of them all. We have made our revenue laws unnecessarily verbose.

Moreover, in enacting our revenue laws, we have failed to consider our revenue system as a whole. Provisions which are already in force and under the decisions of the Supreme Court applicable to future taxes are often repeated in subsequent acts with no references to the former acts or any expressed intention to amend or repeal the same. Inconsistencies and discrepancies abound everywhere in the law.

Our draftsmen in an effort to be original scorn considering the language of statutes passed by State or other foreign governments, which in many cases if followed would materially cut down our litigation and make our internal-revenue laws more certain and show a decided tendency to ignore precedents or familiarize themselves with court decisions.

Mr. Hubbard, in his Preface to Federal Income Tax Laws, pages 3 and 4, has the following to say with respect to the substance of our present statute:

> The other defects of the present statute are chiefly due to the failure of its draftsmen to keep pace with the times and to modify the form according to the evolution of the substance. With a commendable affection for ancient tradition but with a distressing lack of courage to discard machinery long since obsolete they have sought laborously to fashion the canal boat into a zeppelin.

Obviously simplification of our revenue laws implies we must simplify our language and the avoidance of technical terms together with employment of general phrases to relieve unnecessary details wherever practical. More must be done to read the law and express it clearly and concisely. I feel that an effort to restate and clarify our revenue laws in simple language will be worth while both to the Government and the taxpayer alike and will remove many of the inconsistencies and duplications of our present system.

In doing this, we of course must consider not only the statutes themselves but the court decisions, regulations, rulings, and administrative practices as well as prior legislation.

The Treasury Department has a ruling which forbids its employees from accepting favors from persons interested in contesting internal revenue matters before the Department.

LIKE CEASAR'S WIFE—ABOVE SUSPICION

I believe that anyone who handles internal revenue matters for the Government should refrain from social contacts with those interested in these matters from the taxpayer's standpoint. In other words, Government employees should so conduct themselves that like Ceasar's wife, they will be above suspicion. It is only by such a course that we can be assured that their opinions are independent and unbiased.

Such a course as I have outlined is the only possible way by which tax avoidance may be prevented in this country on a large scale, if we may also expect our laws to operate fairly and consistently as between taxpayers similarly situated.

I believe the country is entitled to such an administration of the revenue system and it seems to me that one-quarter of a century of experience is sufficient on which to build permanently—it is time that we begin. [Applause.]

The SPEAKER. The time of the gentleman from Texas has again expired.

OIL CONSERVATION

Mr. COLE of Maryland submitted the following conference report and statement on the bill (S. 790) to repeal section 13 of the act entitled "An act to regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce of petroleum and its products produced in violation of State law, and for other purposes", approved February 22, 1935, for printing:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 790) to repeal section 13 of the act entitled "An act to regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce of petroleum and its products produced in violation of State law, and for other purposes", approved February 22, 1935, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House to the text and the title of the bill and agree to the same.

WILLIAM P. COLE, Jr.,
EDWARD A. KELLY,
CARL E. MAPES,
CHARLES A. WOLVERTON,
Managers on the part of the House.

TOM CONNALLY,
AUGUSTINE LONERGAN,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 790) to repeal section 13 of the act entitled "An act to regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce of petroleum and its products produced in violation of State law, and for other purposes", approved February 22, 1935, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying report:

The Senate recedes from its disagreement to the amendments of the House to the text and the title of the bill.

WILLIAM P. COLE, Jr.,
EDWARD A. KELLY,
CARL E. MAPES,
CHARLES A. WOLVERTON,
Managers on the part of the House.

Mr. COLE of Maryland. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill, S. 790. In doing so I wish to state to the House that the conferees have unanimously agreed on the position taken by the House this week, the Senate agreeing to recede from its original objection to the House amendment, and accepting the House amendment.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. COLE of Maryland. Mr. Speaker, I ask unanimous consent that the statement may be read in lieu of the report.

The SPEAKER. Without objection the Clerk will read the statement.

There was no objection.

The Clerk read the statement.

Mr. COLE of Maryland. Mr. Speaker, I move the adoption of the conference report.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. FADDIS, for 2 days, on account of important business.

To Mr. COLLINS, for 6 days, on account of important business.

To Mr. CHANDLER, for 3 days, on account of official business.

To Mr. BOEHNE (at the request of Mr. GRISWOLD), for 1 day, on account of important business.

EXTENSION OF REMARKS

Mr. MICHENER. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. WHITE] may extend his own remarks in the RECORD on the bill H. R. 5782, which he has introduced.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

(Mr. IZAC asked and was given permission to extend his own remarks in the RECORD.)

Mr. ENGLEBRIGHT. Mr. Speaker, I ask unanimous consent that all Members who addressed the House with reference to the bill H. R. 5394 may have 5 legislative days in which to extend their own remarks in the RECORD on that bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

SENATE CONCURRENT RESOLUTION REFERRED

A concurrent resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. Con. Res. 11. Concurrent resolution requesting the President of the United States and the Administrator of Public Works to grant certain applications for non-Federal projects for the construction of schools to ameliorate or eliminate conditions which are hazardous to the lives of students; to the Committee on Appropriations.

SENATE ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to enrolled bills and a joint resolution of the Senate of the following titles:

S. 470. An act for the relief of Joseph M. Cacace, Charles M. Cacace, and Mary E. Clibourne;

S. 709. An act to amend the act entitled "An act to incorporate the National Education Association of the United States", approved June 30, 1906, as amended;

S. 1068. An act for the relief of Earl W. Thomas;

S. 1120. An act authorizing an appropriation for the erection of a memorial to the officers and men of the United States Navy who lost their lives as the result of a boiler explosion that totally destroyed the U. S. S. *Tulip* near St. Inigoes Bay, Md., on November 11, 1864, and for other purposes;

S. 1936. An act for the relief of the estate of Elmer W. Laub, deceased;

S. 1967. An act to authorize the Department of Labor to continue to make special statistical studies upon payment of the cost thereof, and for other purposes; and

S. J. Res. 56. Joint resolution authorizing the selection of a site and the erection of a pedestal for the Albert Gallatin statue in Washington, D. C.

ADJOURNMENT

Mr. RAYBURN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock p. m.) the House adjourned until tomorrow, Thursday, June 10, 1937, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a. m., Thursday, June 10, 1937, to continue hearings on H. R. 6968, to amend the Securities Act of 1933.

COMMITTEE ON FLOOD CONTROL

The Committee on Flood Control will continue hearings on Thursday, June 10, 1937, at 9:45 a. m., on emergency and priority projects in the lower Ohio Basin.

COMMITTEE ON THE POST OFFICE AND POST ROADS

A hearing will be conducted by the whole Committee on the Post Office and Post Roads Thursday, June 10, 1937, at 10 a. m., on the foreign air-mail bill, H. R. 7370.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will resume public hearings in room 219, House Office Building, Washington, D. C., June 15, 1937, at 10 a. m., on H. R. 5719, known as the water carrier bill.

EXECUTIVE COMMUNICATIONS, ETC.

654. Under clause 2 of rule XXVI, a communication from the President of the United States, transmitting a supplemental estimate of appropriation for the United States Maritime Commission amounting to $10,000,000, and in addition thereto authority to contract for additional construction amounting to $150,000,000 (H. Doc. No. 265), was taken from the Speaker's table, referred to the Committee on Appropriations, and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC LLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. KELLER: Committee on the Library. H. R. 171. A bill to create a United States Board of Awards and to provide for the presentation of certain medals; without amendment (Rept. No. 952). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. GASQUE: A bill (H. R. 7447) to provide benefits on account of disability or death due to service in the armed forces of the United States in the event of war, and for other purposes; to the Committee on Military Affairs.

By Mr. HAINES: A bill (H. R. 7448) to provide for experimental air-mail services to further develop safety, efficiency, and economy, and for other purposes; to the Committee on the Post Office and Post Roads.

By Mr. MAAS: A bill (H. R. 7449) to amend the distribution of rank in the line of the Marine Corps; to the Committee on Naval Affairs.

By Mr. ROGERS of Oklahoma (by departmental request): A bill (H. R. 7450) to authorize the sale of part of the lands belonging to the Palm Springs or Agua Caliente Band of Mission Indians, and for other purposes; to the Committee on Indian Affairs.

By Mr. THOMAS of Texas: A bill (H. R. 7451) making the discharge of certain employees in the executive branch of the Government subject to the apportionment system; to the Committee on the Civil Service.

By Mr. KING: A bill (H. R. 7452) to enable the people of Hawaii to form a constitution and State government to be admitted into the Union on an equal footing with the original States; to the Committee on the Territories.

By Mr. KITCHENS: A bill (H. R. 7453) to provide for the development, safeguarding, and improvement of navigation on Ouachita River and its tributaries; for control and prevention of floods; use and reclamation of public lands; regulation of commerce among the States; conservation of water, soil, and forest resources of the Nation; for stabilizing employment and relieving unemployment; for agricultural and industrial development; for irrigation of lands; for restoration and preservation of water level; for development of electrical power for public use; and to provide for national defense and promote general welfare; to the Committee on Rivers and Harbors.

By Mr. CRAWFORD: A bill (H. R. 7454) to prohibit the exportation of pig iron, scrap iron, and scrap steel except under license from the Secretary of Commerce; to the Committee on Interstate and Foreign Commerce.

By Mr. MOTT: A bill (H. R. 7455) to authorize the Secretary of War to lend War Department equipment for use at the 1937 State convention of the American Legion, Department of Oregon, to be held at Albany, Oreg., during the month of August 1937; to the Committee on Military Affairs.

By Mr. RAMSAY: A bill (H. R. 7456) to prevent fraudulent avoidance of the payment of tax; to the Committee on Ways and Means.

By Mr. TINKHAM (by request): A bill (H. R. 7457) to amend section 3 of the act of October 15, 1914, entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes"; to the Committee on the Judiciary.

By Mr. O'MALLEY: Joint resolution (H. J. Res. 404) proposing an amendment to the Constitution of the United States providing that any law held unconstitutional by the

Supreme Court shall be valid if reenacted by Congress; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOREN: A bill (H. R. 7458) for the relief of John E. T. Clark; to the Committee on Claims.

By Mr. DIES: A bill (H. R. 7459) for the relief of Sam G. Cruse; to the Committee on Military Affairs.

By Mr. DUNCAN: A bill (H. R. 7460) for the relief of Mr. and Mrs. Roy Blessing; to the Committee on Claims.

By Mr. GARRETT: A bill (H. R. 7461) for the relief of Harry E. Phelps; to the Committee on Military Affairs.

Also, a bill (H. R. 7462) for the relief of Walter G. Harrell; to the Committee on Military Affairs.

By Mr. HENDRICKS: A bill (H. R. 7463) granting a pension to Elizabeth Smith; to the Committee on Invalid Pensions.

By Mr. KITCHENS: A bill (H. R. 7464) for the relief of the First National Bank of Lake Village, Ark.; to the Committee on Claims.

By Mr. LESINSKI: A bill (H. R. 7465) for the relief of Lawrence Campeau; to the Committee on Claims.

By Mr. PETERSON of Florida: A bill (H. R. 7466) granting a pension to Ella E. Huffman; to the Committee on Invalid Pensions.

By Mr. BURDICK: Joint resolution (H. J. Res. 405) to promote plans for limitation of armaments; to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2581. By Mr. BIERMANN: Memorial of the Congregational Christian Conference of Iowa, protesting against any universal draft laws; to the Committee on Military Affairs.

2582. By Mr. BUCK: Senate Joint Resolution No. 6 of the California Legislature, relative to memorializing the President and Congress of the United States to enact legislation that would result in financial aid in the construction of a neuropsychopathic hospital for veterans of the World War; to the Committee on World War Veterans' Legislation.

2583. By Mr. KENNEY: Petition of the Steamfitters and Helpers Local Union No. 475, United Association of Newark, N. J., endorsing the Wagner-Steagall housing bill; to the Committee on Banking and Currency.

2584. Also, petition of the Doremus Post, No. 55, Department of New Jersey, American Legion, requesting the United States Government, through its Secretary of the Navy, to name a battleship after the State of New Jersey; to the Committee on Naval Affairs.

2585. By Mr. KRAMER: Resolution of the Senate and Assembly of the State of California, relative to memorializing the President and Congress to enact legislation that would result in financial aid in the construction of a neuropsychopathic hospital for veterans of the World War; to the Committee on World War Veterans' Legislation.

2586. Also, resolution of the California Federation of Women's Clubs, relative to the President's proposal for judicial reform, etc.; to the Committee on the Judiciary.

2587. Also, resolution of the Assembly and Senate of the State of California, relative to urging that Congress direct their consideration to the wages of employees on work-relief projects; to the Committee on Appropriations.

2588. By Mr. O'MALLEY: Memorial of the Legislature of the State of Wisconsin, memorializing the Congress of the United States to enact an amendment to the Constitution of the United States to submit a declaration of war to a referendum of the people; to the Committee on the Judiciary.

2589. By Mr. SPARKMAN: Petition of J. R. Guerin and various other citizens of Madison County, Ala., urging the enactment of the old-age pension bill as embodied in House bill 2257, introduced by Representative WILL ROGERS, of Oklahoma; to the Committee on Ways and Means.

2590. Also, petition of Will Austin and various other citizens of Lawrence County, Ala., urging the enactment of the old-age pension bill as embodied in House bill 2257, introduced by Representative WILL ROGERS, of Oklahoma; to the Committee on Ways and Means.

2591. By Mr. SWOPE: Petition of Leonard Jackson and five other citizens of Dauphin County, Pa., favoring the enactment of an old-age pension bill as embodied in House bill 2257; to the Committee on Ways and Means.

2592. By Mr. WELCH: Resolution of the Assembly and the Senate of the State of California, urging that Congress and the Federal Relief Administration direct their consideration to the wages of employees on work-relief projects; to the Committee on Labor.

2593. Also, resolution earnestly and sincerely requesting and petitioning the National Park Service of the United States Government to do their utmost to secure the appropriation of funds for the purpose of grading and surfacing roads through the Joshua Tree National Monument, making the various beauty spots of this wonderland accessible to the general public; to the Committee on Appropriations.

2594. By the SPEAKER: Petition of the New Jersey Housing League, urging the Congress to enact Senate bill 1685 and House bill 5033; to the Committee on Banking and Currency.

SENATE

THURSDAY, JUNE 10, 1937

(Legislative day of Monday, June 7, 1937)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, June 8, 1937, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States, submitting nominations, were communicated to the Senate by Mr. Latta, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed without amendment the bill (S. 329) to further extend the period of time during which final proof may be offered by homestead and desert-land entrymen.

The message also announced that the House had passed the joint resolution (S. J. Res. 155) to create a Joint Congressional Committee on Tax Evasion and Avoidance, with amendments, in which it requested the concurrence of the Senate.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 790) to repeal section 13 of the act entitled "An act to regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce of petroleum and its products produced in violation of State law, and for other purposes", approved February 22, 1935.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5779) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1938, and for other purposes; and that the House had receded from its disagreement to the amendments of the Senate nos. 4, 12, 28, 41, 49, 51, 56, 58, 63, 77, 79, 83, and 88 to the bill, and concurred therein each with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House has disagreed to the amendment of the Senate to the bill (H. R. 114) to provide for studies and plans for the development of a hydroelectric power project at Cabinet Gorge, on the Clark Fork of the Columbia River, for irrigation pumping or other uses, and for other purposes, asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. WHITE of Idaho, Mr. ROBINSON, Mr. GREEVER, Mr. GEARHART, and Mr. OLIVER were appointed managers on the part of the House.

The message also announced that the House had recommitted to the committee of conference the conference report on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 6551) to establish a Civilian Conservation Corps, and for other purposes.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 1649. An act to authorize the conveyance by the United States to the State of Minnesota of certain lands in Morrison County, Minn.;

H. R. 4277. An act to provide for the extension of certain prospecting permits, and for other purposes;

H. R. 4890. An act relative to the disposition of public lands of the United States situated in the State of Oklahoma between the Cimarron base line and the north boundary of the State of Texas;

H. R. 5394. An act to provide for the acquisition of certain lands for, and the addition thereof to, the Yosemite National Park in the State of California, and for other purposes;

H. R. 5804. An act to provide for the residence of the United States commissioners appointed for the national parks, and for other purposes; and

H. R. 5805. An act to amend an act entitled "An act to provide for the exercise of sole and exclusive jurisdiction by the United States over the Hawaii National Park in the Territory of Hawaii, and for other purposes", approved April 19, 1930.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolutions, and they were signed by the Vice President:

S. 470. An act for the relief of Joseph M. Cacace, Charles M. Cacace, and Mary E. Clibourne;

S. 709. An act to amend the act entitled "An act to incorporate the National Education Association of the United States", approved June 30, 1906, as amended;

S. 1068. An act for the relief of Earl W. Thomas;

S. 1120. An act authorizing an appropriation for the erection of a memorial to the officers and men of the United States Navy who lost their lives as the result of a boiler explosion that totally destroyed the U. S. S. *Tulip* near St. Inigoes Bay, Md., on November 11, 1864, and for other purposes;

S. 1936. An act for the relief of the estate of Elmer W. Laub, deceased;

S. 1967. An act to authorize the Department of Labor to continue to make special statistical studies upon payment of the cost thereof, and for other purposes;

H. R. 545. An act for the relief of Dean Scott;

H. R. 1013. An act for the relief of Irvin Pendleton;

H. R. 1084. An act for the relief of Samuel Cripps;

H. R. 2042. An act for the relief of Joshua L. Bach;

H. R. 2223. An act for the relief of Mr. and Mrs. Walter B. Johnson and Joy Johnson, a minor;

H. R. 3031. An act to provide for the establishment of Coast Guard stations along the Maine coast;

H. R. 3411. An act to amend section 112 of the Judicial Code, to provide for the inclusion of Whitman County, Wash., in the northern division of the eastern district of Washington;

H. R. 3738. An act for the relief of Clifford Y. Long;

H. R. 4457. An act for the relief of Naomi Lee Young;

H. R. 4508. An act for the relief of Margaret Grace and Alice Shriner;

H. R. 4893. An act authorizing the Secretary of the Treasury to establish a Coast Guard air station at the San Francisco Airport; to provide for quick rescue facilities on the San Francisco Bay; to strengthen the Immigration and Customs Service patrol; and for other purposes;

H. R. 6438. An act to expedite the dispatch of vessels from certain ports of call;

S. J. Res. 56. Joint resolution authorizing the selection of a site and the erection of a pedestal for the Albert Gallatin statue in Washington, D. C.; and

H. J. Res. 350. Joint resolution authorizing a modification in the existing project for the improvement of the Illinois Waterway, Ill., and the abandonment of a portion of the Calumet River.

FEDERAL TRADE COMMISSION'S REPORT ON AGRICULTURE—QUESTION OF PERSONAL PRIVILEGE

Mr. SMITH. Mr. President, I rise to a question of personal privilege. I wish to state to the Senate that this is the first time in my experience of nearly 30 years when it becomes necessary for me to note a newspaper article reflecting not only on me but incidentally on the Committee on Agriculture and Forestry, of which I happen to be chairman; more particularly does it very falsely insinuate things which I know the members of my committee will bear me out in saying are without foundation; in fact, they have done so this morning in executive session.

On May 25 there appeared a syndicated article—mark the date, May 25—under the heading "Merry Go Round." Senators may have heard of the article and of the gentlemen who prepared it. I read:

MERRY GO ROUND

By Drew Pearson and Robert S. Allen

WASHINGTON, May 25.—If some Senator will reach into a certain filing cabinet of the Senate Agriculture Committee he will find a time bomb which will convulse the Farm Belt.

It is a public document which cost the taxpayers of the country $300,000 but for 3 months it has been carefully hidden.

The report deals with farm incomes and was compiled by the Federal Trade Commission under a Senate resolution.

Some of the dynamite-loaded facts revealed in the report are:

The first complete and detailed figures ever compiled on the sales, profits, and fancy salaries of packing companies, millers, and other big firms dealing in farm commodities.

The extraordinary profits made by dealers in farm produce—who were among the most violent foes of the Supreme Court invalidated A. A. A.

How grain and cotton speculators manipulated prices on commodity exchanges to the enrichment of themselves and the loss of tens of millions to growers and consumers. These operators also were vehement enemies of the A. A. A.

UNDERCOVER STRUGGLE

The behind-the-scenes story of the Trade Commission's struggle to unearth these closely guarded secrets is as remarkable as the facts uncovered. In some cases investigators were met with open defiance and the Commission had to go to the courts to compel the recalcitrants to open their books. In other instances firms produced their accounts only when threatened with citation for contempt of the Senate.

Virtually the entire economic staff of the Commission worked on the report, and experts who have seen it rate it as one of the most comprehensive and searching ever compiled by the agency.

Yet when it was sent to the Senate committee it was ordered impounded—

I want every member of the Committee on Agriculture and Forestry to hear this expression:

It was ordered impounded and merely a brief summary was released, giving no inkling of the sensational contents.

Chairman of the Agriculture Committee is Senator "Cotton Ed" SMITH. When the A. A. A. was in operation the veteran South Carolinian violently opposed amendments which would have empowered the Agriculture Department to examine the books of packers, millers, and other farm-produce processors and dealers.

Now, Mr. President, I wish to give a history of what happened concerning this report.

On August 27, 1935, the President approved a joint resolution introduced by the Senator from Montana [Mr. WHEELER] authorizing the Federal Trade Commission to conduct an agricultural income inquiry and directing the Commission to submit its findings to Congress.

On March 2, 1937, the report of the Federal Trade Commission on this subject was submitted to Congress and referred in the Senate to the Committee on Agriculture and Forestry and in the House to the Committee on Interstate and Foreign Commerce. Since this report has been in the congressional committees it has at all times been open to inspection by the public.

On April 20, 1937, upon the motion of the Senator from Montana, the author of the resolution providing for the investigation, the summary, conclusions, and recommendations contained in the report were ordered to be printed as a Senate document, No. 54, Seventy-fifth Congress.

On April 23, so numerous were the requests that came in for the report, the committee decided to appoint a subcommittee to take under advisement whether the expense which would be incurred in printing so voluminous a document would be justifiable. That subcommittee was duly appointed and had a hearing with the Federal Trade Commission. The subcommittee held a meeting on May 5, 1937, at which time officials of the Trade Commission appeared and testified as to the Commission's attitude toward having the report printed. The subcommittee, after hearing this evidence, decided to recommend to the full committee, despite whatever cost might be incurred, that the report in full be printed as a Senate document. That subcommittee has reported and the full committee has approved the report. Since the report was referred to the committee it has been at all times available to anybody who wanted to read it, and I may say that thousands have come into the office or made inquiry and have taken excerpts from the report.

Mr. McGILL. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from South Carolina yield to the Senator from Kansas?

Mr. SMITH. I yield.

Mr. McGILL. In line with what the Senator from South Carolina has just had to say, I wish to state that on occasions I have desired to see the report of the Federal Trade Commission I have gone to the room of the Committee on Agriculture and Forestry and called for it from the clerk of the committee, and the report has at all times been available to me. On one occasion the Senator from Washington [Mr. SCHWELLENBACH] and myself desired to consult the document and the report of the Federal Trade Commission in its entirety was available to us. There has never been any time of which I have known since the report was filed with the committee when all members of the committee, as well as anyone else who might desire to see the report, have not had an opportunity to see it. The report has always been available to us.

I wish in every way I know how to vindicate, if that be necessary, the chairman of the committee. He has at no time concealed the report from anyone, nor has there been any order made by the committee that it be impounded, nor has anything of that sort taken place. The only issue was, in the first instance, whether or not, due to the expense, the entire report should in its entirety be printed.

A motion was made that a brief summary of the report should be printed. The summary was printed. Later the committee appointed a subcommittee to determine whether the entire report should be printed. The subcommittee reported to the full committee and an order was made for the printing as a Senate document of the entire report of the Federal Trade Commission. I believe there is no justification of any kind or character for the article to which the Senator from South Carolina has referred, because it was not based on any facts of any kind or character.

Mr. SMITH. I am under obligation to the Senator from Kansas for his statement.

Mr. President, everybody knows the impulse which moves me to say a great many things that ought not to be said in this body. I was the subject of several antecedent articles written by these, this brilliant coterie of writers. I have received many letters from my constituents and others wanting to know for what purpose or reason I had suppressed or impounded the report. The insinuation that I did so is maliciously false. I believe in the freedom of the press when it tells the truth. I do not know that I would have taken any notice of this infamous article if it had related to me alone, but the insinuation was that the committee compounded a felony, that they were particeps criminis in suppressing what the public should have.

Let me say in passing that the insinuations are that I was fighting certain proposals which would be beneficial to the farmers. Members of this body will bear testimony that I handled the A. A. A. bill through the Senate and later the substitute for it known as the soil-erosion measure. I may have had my opinion as to certain of the amendments, but I handled the matter as best I knew how. The whole purpose of this article and similar articles is to create in the minds of the public a belief that I am a sinister influence in this body and carry my sinister work even to the committee, the respect of whose members I am proud to say I have.

Mr. President, I do not care to say anything further. As the syndicated letter went abroad in the land, I am glad to have in the RECORD the vindication of members of my committee.

Mr. GILLETTE. Mr. President——

The VICE PRESIDENT. Does the Senator from South Carolina yield to the Senator from Iowa?

Mr. SMITH. Certainly.

Mr. GILLETTE. In view of the fact that this matter was discussed by me last Monday, I think I ought to contribute something by way of assistance in conveying to the Senate an understanding of the absolute unfairness and injustice of the attack to which the Senator from South Carolina [Mr. SMITH] has adverted in his remarks.

I wish to state first that the distinguished chairman of the Committee on Agriculture and Forestry called this report to the attention of the committee as soon as it was filed, and asked what disposition they wished to make of it as to printing. Because of its unusually voluminous nature and because of the fact that a summary was filed at the same time, on motion of the Senator from Montana [Mr. WHEELER], the author of the original resolution which called for the investigation, it was thought advisable by the committee by unanimous action to authorize the printing of the summary alone; but when requests came from all over the country for copies of the report or opportunity to read the report, it being of a nature interesting to all sections of the country, the chairman of the committee, in the exercise of his duty and because of his interest in the public and in the report, again called it to our attention, and by unanimous approval of the committee he appointed a subcommittee, of which I had the honor to be the chairman, to confer with the Federal Trade Commission as to the advisability of printing the entire report. That subcommittee reported, and immediately on the filing of our report the full committee authorized the publication, in sufficient and reasonable number, of the complete report of the Commission, so it would be available to the entire country.

The intimation that the chairman of the committee was a party to or made any suggestion or took any action or by word or suggestion delayed any action, as stated in the article, is absolutely without foundation.

Mr. SMITH. Mr. President, I thank the Senator from Iowa. I think it is very well to warn those who publish syndicated articles that they had better be careful about the truth of the statements contained therein.

TRIBUTE TO SENATOR BANKHEAD

Mr. BILBO. Mr. President, I ask unanimous consent that resolutions adopted by the Southern Commissioners of Agriculture, meeting in Washington June 6–8, 1937, paying a splendid tribute to the junior Senator from Alabama [Mr. BANKHEAD] be printed in the RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

THE SOUTHERN COMMISSIONERS OF AGRICULTURE ASSOCIATION

Meeting at Washington, D. C., June 6–8, 1937.

Presiding: Harry D. Wilson, commissioner of agriculture, Baton Rouge, La.

Whereas Senator JOHN H. BANKHEAD has rendered great service in behalf of the cotton farmers by his tireless efforts to obtain higher and more equitable prices for their cotton: Be it

Resolved, That the Southern Commissioners of Agriculture, duly assembled, express our sincere and deep appreciation for this service rendered by Senator BANKHEAD; be it further

Resolved, That we commend Senator BANKHEAD for his efforts in behalf of the members and certificate holders of the cotton producers who were the original farmers who cooperated in the administration's agricultural program, and for his service to the 12-cent loan members; be it further

Resolved, That the secretary be authorized to deliver a copy of this resolution to Senator JOHN H. BANKHEAD.

I hereby certify that this is a true copy of the resolution passed by the Association of Southern Commissioners of Agriculture at a meeting held in Washington, D. C., June 8, 1937.

C. C. HANSON, *Secretary.*

TRIBUTES TO THE LATE SENATOR FLETCHER AND THE LATE SENATOR TRAMMELL, OF FLORIDA

Mr. BARKLEY. Mr. President, on the 18th of May the Legislature of Florida held a joint session which was a memorial service in honor of our former colleagues from the State of Florida, Senator Duncan U. Fletcher and Senator Park Trammell. At this joint session the senior Senator from Georgia [Mr. GEORGE] delivered a very able and beautiful address on the life of the late Senator Fletcher, and at the same time the junior Senator from Florida [Mr. PEPPER] delivered a similar address with respect to both the late Senator Fletcher and the late Senator Trammell.

I ask unanimous consent that both these addresses be printed in the RECORD. Heretofore the address of the senior Senator from Florida [Mr. ANDREWS] on the life and character of Senator Trammell has been inserted in the RECORD.

The VICE PRESIDENT. Is there objection to the request of the Senator from Kentucky?

There being no objection, the addresses were ordered to be printed in the RECORD, as follows:

MEMORIAL OF DUNCAN U. FLETCHER, LATE A SENATOR FROM THE STATE OF FLORIDA, BEFORE A JOINT SESSION OF THE FLORIDA LEGISLATURE, TUESDAY EVENING, 8:30 P. M., MAY 18, AT TALLAHASSEE, FLA.

By WALTER F. GEORGE, senior Senator, Georgia

Mr. President, Mr. Speaker, members of the senate and house, ladies, and gentlemen, the announcement at Washington in the early morning of June 17, last, of the passing of Duncan U. Fletcher, late a Senator from the State of Florida, brought sadness to the hearts and tears to the eyes of thousands throughout the Nation who honored and respected him.

Senator Fletcher was widely known. His sterling qualities of mind and character, his love of State and country, his capacity and energy, his contempt for hypocrisy, were known far and wide; nowhere better than at Washington. It is said that no member of the Congress was held in higher esteem by Presidents Taft, Wilson, Harding, Coolidge, Hoover, and Roosevelt.

Duncan U. Fletcher was just past 50 years of age at the time of entering the Senate, in 1909. He was in the prime of life. Well versed in political science and economy, he was able to cope with outstanding Republicans then in the Senate—among them Nelson A. Aldrich, of Rhode Island; Jacob H. Gallinger, of New Hampshire; Albert J. Beveridge, of Indiana; Chauncey W. Depew, and later Elihu Root, of New York; Philander C. Knox and Boies Penrose, of Pennsylvania; Robert M. La Follette, of Wisconsin; Henry Cabot Lodge, of Massachusetts; Charles A. Curtis, of Kansas; Stephen B. Elkins and Nathan B. Scott, of West Virginia; Reed Smoot, of Utah; Francis E. Warren, of Wyoming; Eugene Hale and William P. Frye, of Maine.

His energy, intelligence, and frankness at once commended him to such well-known Democrats then in the Senate as Joseph W. Bailey, of Texas; John W. Daniel, of Virginia; Augustus O. Bacon, of Georgia; John H. Bankhead, of Alabama; Thomas S. Martin, of Virginia; and Benjamin R. Tillman, of South Carolina.

Of those to enter the Senate for the first time along with Senator Fletcher only one survives, Senator ELLISON D. SMITH, of South Carolina. Senator WILLIAM E. BORAH, of Idaho, began his service 2 years prior and today ranks in point of length of service the oldest Member of that body. Senator SMITH is second in rank.

At the time Senator Fletcher entered the Senate that body was composed of 59 Republicans and 32 Democrats. There was one vacancy. There were then but 46 stars in the flag. William Howard Taft was President and James S. Sherman Vice President. Early in his career he was drawn into bitter tariff battles with Beveridge, Aldrich, Smoot, and other advocates of high protection. With great credit he defended the principles of the Democratic Party then enunciated in its platform. Ever after he was nationally recognized as a profound student of and an authority on foreign and domestic commerce.

Early in his career the "Ballinger-Pinchot controversy" arose, and Senator Fletcher was appointed a member of the committee to investigate the charges that the Interior Department had squandered national forest resources. By diligence, fairness, and patience he earned the admiration of his colleagues—Democrats and Republicans alike. Senator Fletcher's services in this historic investigation added greatly to his growing reputation and character both in and out of the Senate.

It was also during his early career that he was appointed a member of the committee to investigate charges of wholesale corruption in public office and election to office by fraud. One of the charges involved the election of Senator William Lorimer, of Illinois. It was specifically charged that friends had used and employed corrupt methods and practices and large sums of money in securing his election by the legislature. After the committee had conducted extensive hearings in Washington and Chicago and given careful consideration to all evidence, Senator Fletcher joined with a majority of the committee in reporting that the evidence presented did not justify unseating Lorimer, notwithstanding, after long debate, the Senate unseated him.

The charges which preceded the investigation, the investigation itself, long and bitter debate in the Senate and in the press, led to the submission by Congress of the amendment to the Constitution providing for the election of Senators by vote of the people. The ratification of that amendment was proclaimed by the Secretary of State May 31, 1913.

You and I know that Duncan U. Fletcher, always of judicious mind, was unconvinced of Lorimer's guilt—whatever conclusion others may have reached—for you and I know that he strongly opposed the seating of Newberry at a later time; and those of us who had some part in the fight against Vare and Smith at a still later time well remember the invaluable aid given us in those cases by Duncan U. Fletcher—cases in which fraud and corruption undeniably appeared.

The Pan American Financial Conference held at Washington in 1915 provided for the organization of the Inter-American High Commission. This Commission was entrusted with the duty of eliminating the existing obstacles to inter-American trade and commerce, to establish closer financial relations between the United States and the republics of Latin America, and to bring about greater uniformity of legislation in matters relating to finance and commerce.

WILLIAM GIBBS MCADOO, then Secretary of the Treasury, was made chairman of the Commission and Senator Fletcher became one of its most valued members. In 1916 a meeting of the Commission was held at Buenos Aires at which Senator Fletcher played a most important part. It was to his untiring efforts that we owe the removal of many serious obstacles to inter-American trade, the marked improvement in steamship communication between the United States and the Latin American countries, and the establishment of closer financial cooperation between the nations of the Western Hemisphere.

Of Senator Fletcher's service as a member of this Commission, the chairman of the Commission has said: "He was one of the first to appreciate the importance of bringing the United States closer to the countries of Latin America and he labored unceasingly to further this important purpose. Today we are witnessing the full fruition of his efforts in an America united as never before, giving to the world an example of unity of purpose as well as of increasing prosperity. For this service alone the people of this country owe to Duncan U. Fletcher a deep and abiding debt of gratitude."

It was largely through persistent efforts of Senator Fletcher that a commission was appointed by President Wilson to investigate and study at first hand rural conditions and credits in Europe. The Senator was chairman of that commission and, upon returning to the United States, made a number of addresses throughout the country. Those investigations, reports, and explanations of what could and should be done in this country to relieve farmers of the excessively high interest rates and charges then demanded by lending agencies resulted in Congress enacting legislation providing for the establishment of Federal land banks and other agencies to relieve some of the burdens of agriculturists and horticulturists and, indirectly, the burdens of many persons dependent upon the success of those industries.

It was due largely to the efforts of Senator Fletcher, in the face of strong, organized opposition on the part of foreign and American allied interests, that Congress enacted legislation to provide America with a naval auxiliary and ships to serve our exporters and importers. This was one of his outstanding accomplishments, one for which the Nation owes him a debt of gratitude. Had it not been for the building of ships in American yards, no one can with certainty say how the World War would have ended. Certainly the building of those ships contributed largely to the early ending of the war, thereby saving the lives of thousands of American boys who might have been called upon to make the supreme sacrifice. Moreover, Americans thenceforth have not been altogether dependent upon foreign ships to transport their merchandise.

With a great sense of sorrow, as Senator Fletcher often said to his friends, he voted for the declaration of war against Germany. During and after the war he spent much time making inquiry concerning the welfare of young men in training camps, on ships en route to Europe, on the battlefields, and in hospitals, and also in doing all he possibly could in their behalf and in behalf of their loved ones. After the war ended he assisted thousands of widows, mothers, and fathers to locate their dead, lost, and disabled, and otherwise comforted them directly and indirectly. No

appeal on behalf of a disabled veteran of any war was ever intentionally ignored by him.

During his entire service Senator Fletcher devoted his time to the enactment of legislation for the improvement of the rivers and harbors of the country. Millions of dollars have been spent for that purpose—I believe profitably. Your State and my State—in fact, all seacoast States—benefited largely by reason of his efforts in that direction.

Senator Fletcher was neither selfish nor sectional in his legislative endeavors. He favored legislation for the benefit of the people and the Nation as a whole. He considered the future as well as the present. His interest in reforestation and in conservation of the resources of this country is well known. He served during 1923 and 1924 as a member of the Senate Select Committee on Reforestation, which investigated forest and other conditions in practically all States. The outcome was enactment of legislation that encouraged National and State enlargement and protection of forest and other natural resources, which had for so long a time been sadly neglected and wantonly wasted.

From the beginning and throughout his 27 years at Washington Senator Fletcher served on important committees, among them Commerce, Military Affairs, Banking and Currency, and Joint Committee on Printing. He carefully considered all important matters coming before those committees. It was usual for him to make exhaustive studies of national and international questions, often remaining in his library until 2 o'clock in the morning. He was an industrious student at Vanderbilt University. There he laid the foundation for his intelligent and successful efforts in the Senate of the United States. At Washington he continued an indefatigable worker and student, in order better to represent his people and his party.

Born in Georgia of Scotch lineage, he was honest, industrious, and conservative. It is said that if the Senator had a fault, it was that of relying implicitly upon representations made by his friends. He was generous in forgiving those who did him an injustice. Upon more than one occasion he made the statement that the mistakes he made in life were those of the mind and not of the heart, and that he never intentionally did anyone an injustice.

Senator Fletcher was interested in many matters of Nation-wide interest, which, if time permitted, might be brought to mind. The duties and responsibilities of a United States Senator are but little understood and appreciated. The constructive work and accomplishments of Members of the Congress do not often make the front page. Comparatively little is generally known of or about them. Senator Fletcher was not a publicity seeker. Nevertheless his great virtues, his deep loyalties, his worth-while accomplishments are not "hidden under a bushel."

During recent years, especially since March 1933 and until his death, Senator Fletcher was chairman of that important committee, the Banking and Currency Committee of the Senate. He devoted practically all of his time, energy, and patience to investigating practices of stock exchanges, high financiers, and bankers. The outcome of those long, tedious investigations was the enactment of legislation which brought order out of the chaos that existed from late 1929 to early 1933. That legislation restored confidence in our financial institutions, without which there would be no prosperity, for confidence is, after all, the foundation of prosperity. Prosperity depends now, as ever, upon stable government, which in turn must rest upon the Constitution unimpaired.

Despite the warnings of close friends, despite their earnest entreaties to take a rest, Senator Fletcher worked on, day and night, without rest. He said days of relaxation were over for him. So another life was given in the public service. He died as we who knew him best, knew he would have wished to die—a Member of the United States Senate doing his duty simply, without dramatics, to the end. His faculties were undimmed and he was unafraid—fighting for that which he believed to be right and just in the sight of God. His going was peaceful. He was at peace with God and all mankind.

My office was near his in the Senate Office Building. We conferred frequently. I honored and respected him highly, as did all of those who knew him. He was generous, kind, and sympathetic—a lovable character. He was born in a Georgia county adjacent to the county in which I first saw the light of day. I was very close to him—probably as close as any other Member of the Senate. In the shadow of a great, simple, sincere life—such as Duncan U. Fletcher lived—we do not ask "if a man die, shall he live again." We know that surely if a good man die, "yet shall he live again."

The life and character of Senator Fletcher is an inspiration to each of us, especially to the young men and women who are today seeking knowledge in schools and colleges as the basis of service to God and country. His was a full life, well spent. His record of achievements as a public servant are surpassed by few, if by any. Floridians especially should ever revere and cherish his memory.

When Duncan Upshaw Fletcher passed to his reward, the State of Georgia mourned the loss of an illustrious son, the State of Florida the loss of a distinguished citizen, and the Nation the loss of a patriot and statesman.

Others will pay tribute to your distinguished citizen, Senator Park Trammell, who answered the summons but a little while before Senator Fletcher passed on. But before bidding you, my neighbors and friends, good night, I must add my personal tribute to the life and character and the useful public service of Park Trammell, for so many years your junior Senator, one time your Governor, and always your friend. I counted him friend also.

ADDRESS OF SENATOR PEPPER, OF FLORIDA, AT MEMORIAL EXERCISES FOR THE LATE SENATOR DUNCAN U. FLETCHER AND THE LATE SENATOR PARK TRAMMELL BEFORE JOINT SESSION OF THE FLORIDA LEGISLATURE AT TALLAHASSEE, FLA., MAY 18, 1937

Mr. President and Mr. Chairman, His Excellency the Governor and members of the Governor's cabinet, the honorable justices of the supreme court, the senate and the house of representatives, and my friends and fellow citizens:

I am glad that the privilege has come to me to participate in this memorial. I am glad that I have the opportunity to look into the faces of the members of the house and senate of the Legislature of Florida. It is not the first time that I have had the pleasure of being here, for in these two chambers have happened some of the events resulting in the happiest friendships and attachments of my life, and I see here in front of me the faces of the men with whom I have spent in happy comradeship the most eventful years of my past. They have experienced with me the pleasures and joys which have come to me. They have shared my heartaches. I have enjoyed a friendship with them for which I shall be forever grateful.

I think it is not an inopportune time to say that one of the compensatory qualities which there is about the public life, which you know has many vicissitudes and vexations, is the richness of the friendship it offers. Our being here this evening is an eloquent testimonial to that fact because, after all, we come not to honor two officials of state but to honor two friends.

I want to pay my tribute to the members of your joint committee, and to the house and the senate, whose thoughtfulness and consideration for the memories of these two honorable men have made these exercises a reality. I am sorry that it is necessary that our presence here shall be under the lengthened shadows of sorrow which move all of us as we contemplate, in regretful retrospect, the lives of the distinguished men whom we have come here to honor.

Since I come in his line of senatorial succession I have been requested to address my remarks to the life and career of Senator Fletcher. My colleague, following after Senator Trammell in succession, will speak of Senator Trammell.

A little while ago as I stood before the bier of Senator Fletcher in Jacksonville in the city hall, as I beheld above me his potrait, and all of him that was enshrouded in the beautiful tribute of flowers which had been given to him, I could not gaze upon that scene without some particular regard for the life and the career of that honorable man. Naturally, I turned back in retrospect to my own experiences with him, and I thought of the beautiful and sympathetic qualities of his character from incidents that came rushing into my consciousness. I remembered one day at Marianna, when I was on the platform with Senator Fletcher, about to address an assembly. The chairman, busy with the details of conducting the program, had not called upon me, who was the next speaker. I paid little attention to it, and I am sure no one else did, but three times I heard Senator Fletcher say to the chairman: "Don't forget that Mr. PEPPER has an advertised and prominent place on the program." Thoughtfulness and consideration for others symbolized his whole life.

Then I remember one time addressing a letter to him in Washington, asking him that he give me a letter of information about the lawyers who had attained high places in public life. I thought that was just a routine matter that some clerk in his office could attend to through proper channels, but to my astonishment I got back in a short time a letter directly from Senator Fletcher with the desired information, and in which he said: "You must have thought I didn't have anything to do all summer but get up this information for you." That matter, immaterial as it was, had come to him from one of his fellow citizens, and he proceeded to give to it the consideration of his personal attention.

Then I remember some of the repute with which he stood among his colleagues in Washington, as indicated by a testimonial spoken by one of the greatest of living Democrats, Senator HARRISON, of Mississippi. My former law partner, who was once Secretary to Senator HARRISON during the time he was a Member of the House of Representatives in Washington, asked that the Senator be good enough to give me counsel as to my duties and responsibilities in the Senate, and Senator HARRISON said: "Just tell him to be as nearly like Senator Fletcher as he possibly can, because we could all count on Senator Fletcher."

I don't suppose there is a person within the sound of my voice who has not given consideration to the life of Senator Fletcher. We all know the remarkable agility of his mind, and the fine qualities of his spirit, continuing through the latter years of his life. The thing at which I am personally so much astonished is that it seemed that his mind and his spiritual qualities were never affected by the natural deterioration of the body which time brings on. All who knew him in Washington say that even to the last day of his life he was leading the fight for the great program of liberalism, in the accomplishment of which he was so conscientiously assuming his part.

I would attribute to Senator Fletcher what I would define as a reasonable and reasoning liberalism. I have used those words advisedly—a man whose feet were on the ground, and yet whose mind penetrated into the ethereal realms of idealism; a man

whose heart beat in unison with the pulsations of the great masses of mankind, and who walked as a companion to the Nation's great and powerful; a man who both worked and dreamed, and who in the latter years of his life had such a fresh outlook and such an inspired and noble point of view, that instead of lagging behind he was in the forefront of those fighting for that kind of liberalism. I speak of a liberalism which manifested itself in his kind and liberal philosophy. His was an open conscience, sensitive to the anguish of men and women and little children who suffered, with a knowledge that they did suffer and which cared whether they suffered or not; his was also an honest, open mind which made him not wedded to any particular method of solving problems but was determined that the best possible means be employed to alleviate the burdens of all who suffered. These qualities, above all else, were exemplified in the noble career of Senator Fletcher.

And so it is that from the President to the simplest child, his fellow citizens and compatriots all loved him because of the noble simplicity of his life and the beauty of his character. I know that we can ascribe to him no more fitting epitaph than those noble words which Anthony uttered over the lifeless body of Brutus as it lay upon the battlefield—

> "His life was gentle, and the elements
> So mix'd in him that Nature might stand up
> And say to all the world, 'This was a man!'"

REPORT ON FRUITS, VEGETABLES, AND GRAPES

The VICE PRESIDENT laid before the Senate a letter from the Chairman of the Federal Trade Commission, transmitting, pursuant to law, a report on fruits, vegetables, and grapes (agricultural income inquiry), which, with the accompanying report, was referred to the Committee on Agriculture and Forestry.

PETITIONS

The VICE PRESIDENT laid before the Senate a resolution adopted by the New Jersey Housing League, Newark, N. J., favoring the enactment of the pending low-cost housing bill, which was referred to the Committee on Education and Labor.

Mr. LODGE presented petitions of sundry citizens of the State of Massachusetts, praying for the adoption of certain amendments to the Railroad Retirement Act as suggested by W. W. Royster, president of the Railroad Employees' National Pension Association, which were ordered to lie on the table.

Mr. TYDINGS presented a letter in the nature of a memorial from Samuel G. Hamilton, secretary of the Potomac Valley Citizens' Association, Brookmont, Md., remonstrating, on behalf of that association, against the enactment of income-tax legislation to be levied and expended for the benefit of the government of the District of Columbia, with such proposed tax also applying to residents of the State of Maryland who are employed in the District of Columbia, which was referred to the Committee on the District of Columbia.

Mr. McNARY presented the petition of the Southwestern Oregon Miners' Association, Grants Pass, Oreg., which was ordered to lie on the table and be printed in the RECORD, as follows:

Memorial to the United States Congress from the Southwestern Oregon Miners' Association, Grant's Pass, Oreg.

The Southwestern Oregon Miners' Association at its regular meeting June 3, 1937, instructed its officers and executive committee to prepare and forward to the United States Congress a memorial urging the enactment of pending legislation providing for the suspension of assessment work on mining claims held by location for the year ending July 1, 1937, and to request its publication in the CONGRESSIONAL RECORD in order that the entire membership of the Congress may be informed as to the urgent need of this legislation.

Now, therefore, in accordance with these instructions this petition is respectfully presented. That—

Whereas the Congress in the proper exercise of its duties to provide for the general welfare of all the people has seen wise to provide relief for various groups of citizens in distress and in many cases at a substantial financial cost to all the people; and

Whereas miners and prospectors have been and yet are suffering severely from the effects of an unprecedented depression; and

Whereas these prospectors and primary mineral resources developers are essential factors in promoting this great national industry; and

Whereas failure to provide the small relief asked by this group and at no financial cost to the Government will undermine their morale and discourage further attempts to discover and develop these very important national resources; and

Whereas many of these people have found it necessary to draw on their credit in order to maintain themselves and families during these trying times not only for food and clothing but also for medical, dental, educational, and other essential services the costs of which must be liquidated in preference to other expenditures in order to preserve their credit for future emergencies as well as in a spirit of common honesty; and

Whereas the benefits of increased wages and employment in large industries have not yet reached the remoter sections of the country, but have, on the contrary, contributed to substantial increases in the cost of living, especially in foodstuffs; and

Whereas at no time during recent years has it been more difficult to maintain in the mining regions even minimum standards of living; and

Whereas many of these people have over a period of years invested their savings and spare time in developing mining properties that must be lost to them unless this legislation is passed; and

Whereas such losses would inflict on them a grievous wrong depriving them of property for which they have labored and striven strenuously and which they have hoped would provide in many cases a competency for their declining years:

Now, therefore, your petitioners do respectfully submit that this group of citizens are entitled as a mere matter of primary justice to the granting of this small benefit, which is at no financial cost to the Government as against relief given other groups at enormous money cost.

Wherefore your petitioners most urgently request the immediate enactment of Senate bill No. 187 and House Resolution No. 2254, or similar acts to secure this suspension.

All of which the undersigned officers and executive committee of the Southwestern Oregon Miners' Association submit on behalf of their membership and a host of adherents whose all is in prospects they hope to develop into mines.

Respectfully,

ROBERT E. KELLY, *President.*
P. DINEEN, *Secretary.*
HAROLD LOCKE, *Treasurer.*
J. R. ELDER,
P. H. HAGBERG,
HORACE HAIR,
Executive Committee.

DELIVERY OF MAIL TO STEEL PLANTS IN OHIO

Mr. DAVIS. Mr. President, I ask unanimous consent to have printed in the RECORD a letter which came to Senators from Philip Murray, chairman of the Steel Workers Organizing Committee, and I ask that the letter be referred to the Committee on Post Offices and Post Roads.

There being no objection, the letter was referred to the Committee on Post Offices and Post Roads and ordered to be printed in the RECORD, as follows:

STEEL WORKERS ORGANIZING COMMITTEE,
Pittsburgh, Pa., June 8, 1937.

To the Members of the United States Senate:

DEAR SENATOR: The following telegram was forwarded to United States Senator BRIDGES, of New Hampshire, today. We request, in the interest of fairness, that you insist upon these amendments being added to Senator BRIDGES' resolution:

"Newspaper reports state that you introduced a resolution from the floor of the Senate yesterday asking for a Senate investigation of alleged irregularities with reference to the delivery of a package of goods at the Warren, Ohio, post office to strikebreakers employed within the plant of the Republic Steel Corporation, located at Warren, Ohio.

"The Steel Workers Organizing Committee has no objections to the appointment of a Senate committee for that purpose, but demand that the resolution be amended to include an investigation of the moral conduct of both parties to the strike—who precipitated it, and does the action of Republic Steel Corporation, Youngstown Sheet & Tube, and Inland Steel, in refusing to sign an agreement, although these corporations have agreed to accept the terms and conditions submitted to them by the Steel Workers Organizing Committee, constitute a violation of the Wagner Labor Relations Act.

"We would also like to have the resolution amended to include a senatorial investigation of the illegal holding of and use of machine guns, repeating rifles, and other war paraphernalia, which is now in possession of these corporations and being used without permits in violation of the State and Federal firearms statutes. We also demand an amendment to the resolution to provide for a senatorial investigation of the murder of 7 members of our organization and the maiming of 60 others by the Chicago police, in the city of Chicago, on Sunday, May 30. Likewise, we insist upon an additional amendment to the resolution providing for a senatorial investigation of the dropping of material upon pedestrians on the public highways by airplanes, these planes being chartered and used by the Republic Steel Corporation; also the swooping down of planes over meetings of citizens and strikers to disturb lawful and peaceable assemblages, and the importation of gunmen across State lines by Republic Steel Corporation for strikebreaking purposes in violation of the Byrnes Act.

"In absolute fairness to all concerned, we believe it necessary, and do insist, upon a senatorial investigation being conducted sufficiently broad in its scope to enable the Federal Government to have the fullest amount of information concerning this situation."

PHILIP MURRAY, *Chairman.*

REPORTS OF COMMITTEES

Mr. BARKLEY (for Mr. WAGNER), from the Committee on Interstate Commerce, to which was referred the bill (S. 2395) to amend an act entitled "An act to establish a retirement system for employees of carriers subject to the Interstate Commerce Act, and for other purposes", approved August 29, 1935, reported it with amendments and submitted a report (No. 697) thereon.

Mr. LOGAN, from the Committee on Claims, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H. R. 4575. A bill for the relief of A. R. Netterville, Sr. (Rept. No. 698); and

H. R. 5880. A bill to amend Private Act No. 210, approved August 13, 1935, by substituting as payee therein the Clark Dredging Co. in lieu of the Bowers Southern Dredging Co. (Rept. No. 699).

Mr. LOGAN also, from the Committee on Claims, to which was referred the bill (H. R. 2562) for the relief of Mr. and Mrs. David Stoppel, reported it with an amendment and submitted a report (No. 700) thereon.

Mr. HUGHES, from the Committee on Claims, to which was referred the bill (H. R. 1277) for the relief of William Hayes, reported it without amendment and submitted a report (No. 701) thereon.

Mr. BURKE, from the Committee on Claims, to which was referred the bill (H. R. 3203) for the relief of Rosalie Rose, reported it without amendment and submitted a report (No. 702) thereon.

Mr. SHEPPARD, from the Committee on Military Affairs, to which was referred the bill (S. 2408) for the relief of John H. Balmat, Jr., reported it without amendment and submitted a report (No. 703) thereon.

Mr. ADAMS, from the Committee on Banking and Currency, to which was referred the bill (S. 892) to repeal the act entitled "An act relating to Philippine currency reserves on deposit in the United States", reported it without amendment and submitted a report (No. 704) thereon.

Mr. BULOW, from the Committee on Mines and Mining, to which was referred the bill (S. 187) providing for the suspension of annual assessment work on mining claims held by location in the United States, reported it without amendment and without recommendation, and submitted a report (No. 705) thereon.

He also, from the Committee on Indian Affairs, to which was referred the bill (S. 2556) to authorize an appropriation to carry out the provisions of the act of May 3, 1928 (45 Stat. L. 484), and for other purposes, reported it without amendment and submitted a report (No. 707) thereon.

Mr. THOMAS of Oklahoma, from the Committee on Indian Affairs, to which was referred the bill (S. 2587) providing for the sale of the two dormitory properties belonging to the Chickasaw Nation or Tribe of Indians, in the vicinity of the Murray State School of Agriculture at Tishomingo, Okla., reported it without amendment and submitted a report (No. 708) thereon.

Mr. McGILL, from the Committee on Pensions, to which was referred the bill (H. R. 2887) to amend the provisions of the pension laws for peacetime service to include Reserve officers and members of the Enlisted Reserves, reported it without amendment and submitted a report (No. 706) thereon.

INVESTIGATION OF ACTIVITIES OF AMERICAN COTTON COOPERATIVE ASSOCIATION

Mr. SMITH, from the Committee on Agriculture and Forestry, to which was referred the resolution (S. Res. 137) to investigate certain activities of the American Cotton Cooperative Association in connection with the marketing of cotton financed by the Federal Government (submitted by him on May 24, 1937), reported it without amendment, and, under the rule, the resolution was referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

SPECIAL COMMITTEE TO INVESTIGATE UNEMPLOYMENT AND RELIEF

Mr. BYRNES, from the Committee to Audit and Control the Contingent Expenses of the Senate reported back favorably, without amendment, the resolution (S. Res. 36) creating a special committee to investigate unemployment and relief, submitted by Mr. HATCH and Mr. MURRAY January 6, 1937, and previously reported from the Committee on Education and Labor, which was read, considered, and agreed to as follows:

Resolved, That a special committee consisting of five Senators, to be appointed by the Vice President, is hereby authorized and directed to study, survey, and investigate the problems of unemployment and relief, including an estimate of the number of persons now unemployed by reason of the use of labor-saving devices, mechanical and otherwise, in operation in the United States, obtaining all facts possible in relation thereto which would not only be of public interest but which would aid the Congress in enacting remedial legislation. The committee shall begin its study, survey, and investigation as soon as practicable and shall continue such study, survey, and investigation expeditiously and with all possible dispatch and shall report to the Senate as soon as practicable with recommendations for legislation.

SEC. 2. For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Senate, during the Seventy-fifth and succeeding Congresses, to employ such experts and clerical, stenographic, and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, and to take such testimony and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per 100 words. The expense of the committee, which shall not exceed $10,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

Mr. HATCH subsequently said: Mr. President, earlier today the Senate adopted Senate Resolution 36, providing for a study of the causes and problems of unemployment. The Senator from Montana [Mr. MURRAY] and I have worked together for many months on that matter. When this particular resolution was introduced the name of the Senator from Montana was inadvertently omitted as one of the authors of the measure. I desire to correct the RECORD in that regard in order that the name of the Senator from Montana [Mr. MURRAY] may appear with mine as coauthors of Senate Resolution 36.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. HATCH. Mr. President, the Senator from Montana [Mr. MURRAY] and I have a joint resolution (S. J. Res. 68) pending on the calendar providing for the appointment of a national unemployment and relief commission. Both of us feel that the joint resolution should be considered and passed. I desire at this time to give notice that on the next call of the calendar we shall move that the Senate proceed to the consideration of the joint resolution, and shall ask that it be passed by the Senate.

ENROLLED BILLS PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on June 8, 1937, that committee presented to the President of the United States the following enrolled bills:

S. 274. An act for the relief of Lt. Joseph N. Wenger, United States Navy;

S. 609. An act for the relief of Edith Lewis White;

S. 673. An act for the relief of S. T. Dickinson; and

S. 1699. An act granting an annuity to Frank W. Carpenter.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

(Mr. CAPPER introduced Senate bill 2604, which was referred to the Committee on Finance, and appears under a separate heading.)

By Mr. BULOW:

A bill (S. 2605) to promote the general welfare of the Indians of the State of South Dakota, and for other purposes; to the Committee on Indian Affairs.

By Mr. DUFFY:

A bill (S. 2606) for the relief of the Chicago, Milwaukee, St. Paul & Pacific Railroad Co.; to the Committee on Claims.

By Mr. BARKLEY:

A bill (S. 2607) for the relief of Walter McKenzie; to the Committee on Claims.

By Mr. MOORE:

A bill (S. 2608) to advance a program of national safety and accident prevention; to the Committee on Commerce.

(By request.) A bill (S. 2609) for the relief of the First, Second, and Third National Steamship Cos.; to the Committee on Claims.

(Mr. THOMAS of Oklahoma introduced Senate bill 2610, which was referred to the Committee on Banking and Currency, and appears under a separate heading.)

By Mr. THOMAS of Oklahoma:

A bill (S. 2611) for the relief of Austin Baskin; to the Committee on Claims.

By Mr. NEELY:

A bill (S. 2612) to authorize the coinage of 50-cent pieces in commemoration of the one hundred and eightieth anniversary of the birth of John Beckley and the one hundredth anniversary of the founding of the city of Beckley, W. Va.; to the Committee on Banking and Currency.

By Mr. HATCH:

A bill (S. 2613) for the relief of certain applicants for oil and gas permits and leases; to the Committee on Public Lands and Surveys.

Br. Mr. HATCH and Mr. CHAVEZ:

A bill (S. 2614) authorizing the Secretary of the Interior to patent certain tracts of land to the State of New Mexico and Cordy Bramlet; to the Committee on Public Lands and Surveys.

By Mr. GREEN:

A bill (S. 2615) to exempt from taxation certain property of the Society of the Cincinnati, a corporation of the District of Columbia; to the Committee on the District of Columbia.

By Mr. GIBSON:

A bill (S. 2616) to amend the Canal Zone Code so as to provide for widows' annuities; and

A bill (S. 2617) to amend the Canal Zone Code so as to provide for 30-year optional retirement; to the Committee on Civil Service.

By Mr. MURRAY:

A bill (S. 2618) to provide for the construction and maintenance of roads and trails within national forests for the purpose of promoting the development of certain mineral resources within such forests; to the Committee on Agriculture and Forestry.

A bill (S. 2619) to amend paragraph (1) of section 22 of the Interstate Commerce Act, as amended; to the Committee on Interstate Commerce.

By Mr. TYDINGS:

A bill (S. 2620) to amend the Hawaiian Homes Commission Act, 1920;

A bill (S. 2621) to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue sewer bonds; and

A bill (S. 2622) to authorize the Legislature of the Territory of Hawaii to create a public corporate authority authorized to engage in slum clearance and housing undertakings and to issue bonds of the authority, to authorize said legislature to provide for financial assistance to said authority by the Territory and its political subdivisions, and for other purposes; to the Committee on Territories and Insular Affairs.

By Mr. GUFFEY:

A bill (S. 2623) to amend the act entitled "An act to recognize the high public service rendered by Maj. Walter Reed and those associated with him in the discovery of the cause and means of transmission of yellow fever", approved February 28, 1929, by including therein the name of John R. Taylor; to the Committee on Military Affairs.

By Mr. DUFFY:

A joint resolution (S. J. Res. 160) classifying fur-bearing animals brought into or born in restraint or captivity as domestic animals, or as livestock, for certain purposes; to the Committee on Agriculture and Forestry.

By Mr. McCARRAN:

A joint resolution (S. J. Res. 161) authorizing Bureau of Labor Statistics to collect information as to amount and value of all goods produced in State and Federal prisons; to the Committee on Education and Labor.

By Mr. TYDINGS and Mr. RADCLIFFE:

A joint resolution (S. J. Res. 162) to permit the States of Maryland, Virginia, West Virginia, Pennsylvania, and the District of Columbia to enter into a compact or agreement respecting the creation of a Potomac Valley conservancy district for the prevention or abatement of harmful pollution of the waters thereof; to the Committee on Commerce.

By Mr. GUFFEY:

A joint resolution (S. J. Res. 163) providing for the abolition of the Home Owners' Loan Corporation and the transfer of its duties and assets to the Federal Housing Administration for performance and liquidation; to the Committee on Banking and Currency.

EXCISE TAX ON PORK AND PORK PRODUCTS

Mr. CAPPER. Mr. President, I ask unanimous consent to introduce a bill which provides an excise tax of 6 cents a pound on imports of pork, bacon, hams, sides, shoulders, loins, and other pork, including fresh, chilled, frozen, cured, or cooked, steamed, prepared, or preserved; also 3 cents a pound on pork joints, sweet pickled, fresh, frozen, or cured. The bill would amend section 601 (c) of the Revenue Act of 1932 by adding the two items at the end of the present section.

Mr. NORRIS. Mr. President, I should like to ask the Senator from Kansas a question. From his statement, I judge he is introducing a bill to levy a tax on imports. Is not that a revenue measure, and, under the Constitution, would it not have to originate in the House of Representatives?

Mr. CAPPER. A similar bill is pending in the House of Representatives.

Mr. McNARY. The Senator's bill is a companion bill to the one in the other body.

Mr. NORRIS. But the Senate could not act on the subject unless it had a bill from the House providing for the tax, could it?

Mr. CAPPER. In any event, I hope we may find a route by which to remedy this situation.

Mr. President, the tremendous increase in imports of pork products, particularly hams, shoulders, and bacon, in the past 2 years is causing genuine concern to American farmers and packers. Up until 1935 imports of hams, shoulders, and bacon had averaged under 2,000,000 pounds; in 1934 the imports were only 968,000 pounds.

In 1935 the imports jumped to 5,228,475, and in 1936 totaled 26,009,706 pounds—more than in the previous 10 years combined. Imports of other preserved porks jumped from 484,373 pounds in 1934 to 1,223,352 pounds in 1935 and 2,806,787 pounds in 1936.

The value of these pork imports, only $483,710 in 1934, was $1,591,365 in 1935 and $7,754,052 in 1936, of which $7,020,696 was for hams, shoulders, and bacon in 1936.

Poland and the City of Danzig are responsible for most of the tremendous increase in the past few years, so far as hams, shoulders, and backs are concerned. In 1931 there were imported from Poland and Danzig only 1,399 pounds—never as much as 500,000 pounds until 1935, when 3,566,533 pounds were imported into the United States. Last year Poland and Danzig shipped into the United States 18,674,737 pounds of hams, shoulders, and bacon, and in the first 3 months of this year 9,712,640 pounds.

I have introduced this bill to protect the farmers of the United States. It is manifestly unfair to the American farmer to hire, threaten, or cajole him into reducing his production, and then allow Poland and Danzig and other foreign producers to come in and take away that much of

the American market. The American farmer is entitled to the American market, in return for having to pay much higher than world prices for American-manufactured products which carry high protective tariffs.

The VICE PRESIDENT. Without objection, the bill of the Senator from Kansas will be received and referred to the Committee on Finance.

The bill (S. 2604) to amend the Revenue Act of 1932 by imposing an excise tax on pork and pork products was read twice by its title and referred to the Committee on Finance.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred to the Committee on Public Lands and Surveys:

H. R. 1649. An act to authorize the conveyance by the United States to the State of Minnesota of certain lands in Morrison County, Minn.;

H. R. 4277. An act to provide for the extension of certain prospecting permits, and for other purposes;

H. R. 4890. An act relative to the disposition of public lands of the United States situated in the State of Oklahoma between the Cimarron base line and the north boundary of the State of Texas;

H. R. 5804. An act to provide for the residence of the United States commissioners appointed for the national parks, and for other purposes; and

H. R. 5805. An act to amend an act entitled "An act to provide for the exercise of sole and exclusive jurisdiction by the United States over the Hawaii National Park in the Territory of Hawaii, and for other purposes", approved April 19, 1930.

CHANGES OF REFERENCE

Mr. HAYDEN. Mr. President, on April 27 the Senator from Illinois [Mr. LEWIS] introduced a bill (S. 2280) to dispense with the necessity for insurance by the Government against loss or damage to valuables in shipment, and for other purposes. That bill was referred to the Committee on Post Offices and Post Roads. A few days ago the Senator from Illinois introduced a redraft of the measure, being Senate bill 2584, which inadvertently was referred to the Committee on Finance. In the meantime a bill relating to the same subject has passed the House of Representatives and has been referred to the Committee on Finance.

The proposed legislation properly belongs to the Committee on Post Offices and Post Roads, and, after consulting with the chairman of the Finance Committee, I ask unanimous consent that the Committee on Finance be discharged from the further consideration of the bill (S. 2584) to dispense with the necessity for insurance by the Government against loss or damage to valuables in shipment, and for other purposes, and also House bill 6635, having an identical title, and that the bills be referred to the Committee on Post Offices and Post Roads.

The VICE PRESIDENT. Without objection, the changes of reference will be made.

PROPOSED REORGANIZATION OF FEDERAL JUDICIARY—AMENDMENT

Mr. ANDREWS. I submit an amendment to Senate Joint Resolution 100, and ask that it be read into the RECORD at this time.

The VICE PRESIDENT. Without objection, the clerk will read.

The amendment intended to be proposed by Mr. ANDREWS to the joint resolution (S. J. Res. 100) proposing an amendment to section 1, article III, of the Constitution of the United States, relating to the judiciary, was read, referred to the Committee on the Judiciary, and ordered to be printed, as follows:

Amendment intended to be proposed by Mr. ANDREWS to the joint resolution (S. J. Res. 100) proposing an amendment to section 1, article III, of the Constitution of the United States relating to the judiciary

In lieu of the matter after the enacting clause insert the following: That the following amendment, when ratified by three-fourths of the several States, shall replace section 1 of article III of the Constitution of the United States of America:

"ARTICLE III

"SECTION 1. The judiciary power of the United States shall be vested in a Supreme Court, circuit courts of appeal, district courts, and such inferior courts as the Congress may from time to time ordain and establish. The Justices and judges of said courts shall be appointed by the President, by and with the advice and consent of the Senate. They shall hold their offices during good behavior as herein provided, and shall receive at stated times for their services a compensation which shall not be diminished during their continuance in office: *Provided*, That any Justice or judge of said courts having held a commission or commissions as such Justice or judge for at least 10 years, continuously or otherwise, may voluntarily retire upon attaining the age of 70 years, and shall automatically retire upon attaining the age of 75 years and, in either instance, shall thereafter receive the same annual compensation of which he was in receipt at the time of his retirement.

"The Supreme Court shall be composed of a Chief Justice appointed from the United States at large, and one Associate Justice appointed from the territory composing each of the circuit courts of appeal. No vacancy in the office of any Associate Justice of the Supreme Court which shall occur by reason of this amendment or for any cause, shall be filled by the appointment of any person who has not been a citizen for 10 years last past of the territory of a circuit court of appeals of which no incumbent Associate Justice was a citizen at the time of his induction to office: *Provided*, That if upon this amendment becoming effective the territory of a circuit court of appeals shall be represented on the Supreme Court by more than one Associate Justice, then no appointment to the extent of such excess representation shall be made from an unrepresented circuit until such excess representation shall cease.

"The respective circuit courts of appeal shall be composed of at least one judge from each State included within the territory comprising such court, the senior member of which shall be the presiding judge.

"This section shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the several States within 5 years from the date of its submission."

INVESTIGATION RELATIVE TO A NATIONAL PUBLIC-HEALTH POLICY

Mr. BLACK. Mr. President, on January 7, 1935, I submitted a resolution which was referred to the Committee on Education and Labor. The resolution provided for a study to be made of a system of health insurance. At that time the American Medical Association was not sympathetic with that study. Yesterday the newspapers carried the news that the American Medical Association is ready to cooperate with the Government in making such a study. I therefore submit a resolution pertaining to a national public-health policy, and ask that it be referred to the Committe on Education and Labor.

There being no objection, the resolution (S. Res. 143) was referred to the Committee on Education and Labor, as follows:

Resolved, That the Committee on Education and Labor is hereby directed and instructed, either acting through the full committee or through a duly appointed subcommittee, as soon as practicable, to make a full and complete investigation in order to determine the best and most effective kind of Federal legislation to provide a national public-health policy throughout the entire United States and to report to the Senate as early as practicable the recommendations outlining the kind of legislation it is believed will most effectively accomplish this purpose.

SPOTTING OF CARS ON INDUSTRIAL PLANT TRACKS—DECISION OF SUPREME COURT (S. DOC. NO. 79)

Mr. HAYDEN. Mr. President, at the request of the Senator from Montana [Mr. WHEELER], I ask unanimous consent that there be printed as a Senate document the decision of the Supreme Court in the case of the United States of America and the Interstate Commerce Commission against the American Sheet & Tin Plate Co.

The VICE PRESIDENT. Without objection, it is so ordered.

THE REPUBLICAN PARTY'S OPPORTUNITY

Mr. GIBSON. Mr. President, the people of Vermont are extremely fortunate in having a sanely progressive Governor. He is a farmer who knows the needs of the common folks and is serving all the people of the State to their entire satisfaction. He recently made a speech in Syracuse, N. Y., at a banquet given in honor of the election of Frank Costello to the New York Assembly.

I call attention to a few of the pertinent points made in that address:

If the Republican Party does not appeal to the millions of loyal but nonpartisan citizens of our country, then there will be no recourse for those citizens except to organize a new party.

It is high time for the Republican Party to discard the tall hat and get itself a blue shirt. We might as well admit that. Although our party is not alone in this respect, we have in some of the high seats those who have not, do not, and never can represent the ordinary fellow because they do not know how he thinks. We have just got to put in their places conscientious men and women from the ranks of labor and agriculture, men and women who work for a living and know what a day's work and a dollar are. And the leaders of the new Republicanism must take orders from no one but the American people.

We must get it out of the heads of the voters that we are the official organization of the holding companies and the speculators. If we do not do this, then no ten-million- or fifteen-million-dollar campaign fund is going to do us one bit of good in 1940. We have this opportunity. We can make the most of it or not.

I ask that the entire speech be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

ADDRESS OF GOV. GEORGE D. AIKEN, OF VERMONT, IN SYRACUSE, N. Y.

What I have to say may not meet with the approval of some of you, yet my views on matters on which I shall touch are well known to the people of my State who elected me by an increased majority over the vote of 1934, carrying 230 towns out of 248 towns and cities. But, in fact, I am not speaking to you as the Governor of a neighboring State, nor as one who is interested in placing party politics above public welfare, but rather I prefer to speak to you as one of several million American citizens who still have a high regard for the principles of self-reliance, frugality, and self-respect. It is not my intention to criticize the members of any other political party for errors of judgment and lack of perspective which they may have shown or are showing at the present time, for I firmly believe that, as good American citizens, we should at all times place the welfare of our Nation above the welfare of any political party. And that constructive planning is more essential just now than destructive criticism. By serving the public interests well we are doing that which will serve our party best, insure the respect and command the votes of the many who are definitely unattached to any party but upon whose support depends victory or defeat at the polls.

It is a privilege for me to be here as a citizen of a State which during the past few years, while the entire world, along with our own country, has been gripped with fear and uncertainty, has maintained what I believe to be a sensible attitude toward most of the problems with which we have been confronted. It is a tradition with Vermonters that towns and States, as well as individuals, should live within their means, and we have respected this tradition for over a hundred and fifty years. We have been taught that during hard times the town or the State or the individual must of necessity be compelled to do without some things which we might have under prosperous conditions. We have been taught from the beginning of our Commonwealth that the most precious thing in life is liberty, and our attitude was well expressed by the late President Coolidge when he stated that: "No method of procedure has been devised by which liberty could be divorced from local self-government."

To tell the truth, it has been a jolt to us people up in the hills to see the Federal Government use methods for restoring prosperity directly contradictory to those which have served us well and effectively for a century and a half. We recognize the fact that during business depressions it is necessary for those who have made a greater degree of success to contribute more liberally toward the support of those who have been less fortunate through physical, mental, or circumstantial handicaps, but we have felt that assistance granted during these periods should not be such as to deprive the recipient of self-respect or the desire to support himself with the return of better business conditions.

We recognize the fact that each succeeding generation finds itself faced with the advisability of administering its affairs more and more on a Nation-wide basis, but we hold firmly to the proposition that at no time should local government, even if it so desires, be wholly free from the responsibility for its own problems or the obligation to cope with them in accordance with its ability. It is also certain that no community can consistently protest Federal dominance while insisting that the Federal Government assume the responsibility and expense of problems that naturally devolve upon that community.

During recent years Vermont has accepted as beneficial and necessary certain State and Federal policies, and we have been faced with the necessity of appropriating funds for the support of these policies. We have raised the required revenue to meet these expenditures on a pay-as-you-go basis rather than by borrowing, with the result that during the 4 years between 1933 and 1937 we not only did not increase the obligations of our taxpayers but actually made a substantial decrease in our State departments.

We do not believe in the practice of trying to get as much as possible out of the Federal Government, under the delusion that somebody else is going to pay the bill, but have fairly allocable to our State in such manner as to get the greatest possible benefits from them.

Taxpayers' money well spent is a means of doing cooperatively what we as individuals or subdivisions of government cannot afford to do. Taxpayers' money spent wastefully results in the breaking down of the morale and sense of obligation to one's government, and actually hastens the day when the foundations of that government will become so weakened that it will collapse through its own topheaviness.

I like to think of our National Government as a massive monument set upon a base of stones of varying sizes representing our States, our counties, and our towns, all cemented together to provide a substantial foundation for the tower above them. Yet the monument which people gaze upon and admire would soon be lying in the dust if any considerable number of the smaller stones forming the foundation should crumble.

In Vermont we recognize that the Government is all the people, and that no government can be stronger than the collective wealth and ability of the respective States. Therefore, regardless of party lines, we hold strongly for local units to share in the responsibilities for local welfare, both financially and morally. We have found the grants in aid used for Federal participation in highway construction, mothers' aid, assistance for the blind and crippled, and for old-age assistance, with State administration, a highly satisfactory method. In our State between 96 and 97 cents of every dollar available for old-age assistance has actually been paid in benefits. The Vermont plan, in which political expediency has no part, in addition to being the most economically administered of any in the country, has been nationally recognized for its simplicity and common sense. When the burden of relief in other forms is placed on a more practical basis, it will be through an extension of the grant-in-aid policy. Vermont believes it would be a mistake to break down the plan of grants in aid to the States on a match basis, because such basis, with local units standing their share of the expense, results in a policy which is predicated on the maintenance of prudent administration. Only a shortsighted or dictatorial government would induce the States by coercion or distribution of favors to surrender the management of their local affairs.

In speaking here tonight in favor of the return to local communities of the duty of assuming local responsibilities and the right to administer local affairs, for which my own State definitely stands, I want to say that I do not feel that conservatism in this respect is inconsistent with liberalism in our attitude toward progress in human welfare.

Although Vermont since 1777 has stood steadfast on a pay-as-you-go policy for State government, yet we have never been ultraconservative in our political viewpoint. The first article of our Bill of Rights written in 1777 absolutely prohibited slavery of any kind and granted the right of suffrage to all men of 21 years and over. We guaranteed freedom of speech and freedom of the press. We held that "private property ought to be subservient to public use when necessity requires it", and that "the community hath an unalienable right to reform or alter government in such manner as shall be, by that community, judged most conducive to the public weal." These provisions of our State constitution were undoubtedly considered ultraradical in that day, yet in that same Bill of Rights which our State adopted was incorporated an article, lifted almost bodily from the old Virginia Bill of Rights which reads: "That frequent recurrence to fundamental principles and a firm adherence to moderation, temperance, industry, and frugality are absolutely necessary to preserve the blessings of liberty and keep government free."

In the early part of the nineteenth century Vermont had a State monopoly of all banks. For the first 60 years of our existence as a State we had a unicameral legislature. Child labor is practically unknown within our borders. Our old-age assistance law was one of the first, and it is in effect today practically unchanged from the time it was enacted. Vermont today stands alone as the first State to ratify an interstate compact for flood control, thus demonstrating our belief that working agreements among States are preferable to Federal administration of sectional interstate affairs.

Our attitude toward social security and other far-sighted measures for the alleviation of distress is most liberal. Our present State administration recognizes the right of labor to a just proportion of the fruits of its production and of the obligation of private industry to submit to proper regulation in order that the tendency among a few to acquire unearned profits at the expense of others may be curbed.

The drift toward socialism in America can be almost wholly attributed to the greediness of certain private industries and corporate monopolies to acquire that which is not rightfully theirs, and it is up to them to say to what extent this drift will continue. Unregulated monopolies are milestones on the road to State socialism or fascism.

We have long recognized the fact that agriculture has borne and is bearing far more than the proper share of the social and financial burden. I hope to see the day when through cooperative efforts, supported by adequate legislation, the American farmers, of whom I am one, will be able to reduce the unwarranted spread now existing between the price received by the producer and the price paid by the consumer to such an extent that a farmer may receive a fair reward for his honest efforts.

Now consider briefly, as a whole, the situation in which we find ourselves today. The business depression appears to have run its allotted course of years, as depressions have done from time immemorial, but the taxpayers' depression is becoming more intensified with no end in sight. We cannot continue to have Federal deficits indefinitely without disaster, and we know that the only way to stop this deficit is to reduce Federal appropriations and return the responsibility for much of the work done as emergency relief back to the States.

I was tremendously surprised 2 weeks ago to find that only one other Governor has expressed any willingness for his State to assume any portion of the relief work now being carried on under W. P. A. and other agencies. When I said that Vermont would accept a cut in Federal funds in the same proportion as other States I never guessed that I would be so much in the minority. It did not matter that a Democratic President proposed this reduction, for we should be patriotic American citizens first and Republicans afterward.

I think the time is not far distant when there will be an awakening tax consciousness in this country and our people will rise and demand an end to unwise and fruitless experimentation. During these years of experimentation, some plans have been put forward and found workable. I feel that, as Republicans, we have nothing to lose by freely acknowledging this and by bending every effort to help them operate successfully in the public interest, but there are many other schemes which have been far from successful and which should be dropped without delay.

It is becoming increasingly apparent that the party now in power in Washington will not be able to bring about the reforms necessary for a sound Federal financial policy. We know Federal expenditures must be reduced, but the papers last Sunday carried the information that the month of March saw a net gain of 2,860 in the number of Federal employees until the total has reached the astounding number of 821,193.

I can foresee little reduction in the number of Federal employees or the amount of Federal expenditures between now and 1940. No political party, having created jobs in wholesale quantities, is in a position to abolish them, especially when they are administered by the faithful. It is very evident that the tide of public opinion is turning every day. Your selection of Frank Costello by an amazing majority conclusively demonstrated this. It is now plainly up to the Republican Party to decide whether it will do that which is necessary to take advantage of that tide. By exemplifying our ability to administer sound and economical government in those States and cities where we now control and by putting and keeping our own house in order, we can, if we will, be in a position to solicit and obtain the votes of American citizens in 1940.

I am not a prophet. The State of Vermont recently enacted a law requiring fortunetellers to be fingerprinted and licensed, but so long as I am now out of the State I want to predict that any political party to be victorious in the next election must represent the common people and the conscientious voters of America.

We must get it out of the heads of the voters that we are the official organization of the holding companies and the speculators. If we do not do this, then no $10,000,000 or $15,000,000 campaign fund is going to do us one bit of good in 1940. We have this opportunity. We can make the most of it or not.

If the Republican Party does not appeal to the millions of loyal but nonpartisan citizens of our country then there will be no recourse for those citizens except to organize a new party.

It is high time for the Republican Party to discard the tall hat and get itself a blue shirt. We might as well admit that. Although our party is not alone in this respect, we have in some of the high seats those who have not, do not, and never can represent the ordinary fellow because they do not know how he thinks. We have just got to put in their places conscientious men and women from the ranks of labor and agriculture, men and women who work for a living and know what a day's work and a dollar are. And the leaders of the new republicanism must take orders from no one but the American people.

If we take this opportunity and put our party in such position that millions of working people in America have confidence in us, then they will flock to the new Republican standard and accept the new republicanism as their doctrine. They are sick and tired of waste and inefficiency. They are miserably distressed at the continued encroachment of centralized federalism into the fields of local self-government. They are disgusted at the continued expansion of Federal bureaus and the multiplication of Federal jobs. They want experimentation to stop for a while, to sift the results of that which has been done, to keep the percentage that has been found good and to discard the great bulk that has proven extravagant, inefficient, and un-American.

The average common-sense voter is looking for some party which he can support and which will carry out his heartfelt desires for a sanely progressive United States Government, which can and will be used for the purpose of cooperation among the States rather than a means of dominating them. I believe that the Republican Party can put itself in a position to merit the confidence of these voters—or it can take its place on page 319 of the schoolboy's history book.

Once again I say that this dinner here tonight may be considered a victory dinner for the Republicans of Onondaga County, but it is an opportunity dinner in a far greater sense. The citizens of the entire Nation are now looking to cities like Syracuse and States like Vermont to see what the new republicanism is like and what it can do. It is up to us to show the way, and I know we will not fail.

COMMENCEMENT ADDRESS BY HON. JAMES A. FARLEY AT LOUISIANA STATE UNIVERSITY

[Mr. OVERTON asked and obtained leave to have printed in the RECORD an address delivered by Hon. James A. Farley at the commencement exercises of the Louisiana State University, at Baton Rouge, La., May 31, 1937, which appears in the Appendix.]

NEW ENGLAND FLOOD COMPACT—HARTFORD TIMES EDITORIAL

[Mr. LONERGAN asked and obtained leave to have printed in the RECORD an editorial from the Hartford Times of Monday, June 7, 1937, entitled "The New England Flood Compact Situation", which appears in the Appendix.]

PARTY RESPONSIBILITY—ADDRESS BY HON. JOSEPHUS DANIELS

[Mr. SHEPPARD asked and obtained leave to have printed in the RECORD an address on Party Responsibility delivered by Ambassador Josephus Daniels before the Legislature of Texas at Austin, Tex., May 21, 1937, which appears in the Appendix.]

INTERSTATE SHIPMENTS OF PETROLEUM AND ITS PRODUCTS—CONFERENCE REPORT

Mr. CONNALLY submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 790) to repeal section 13 of the act entitled "An act to regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce of petroleum and its products produced in violation of State law, and for other purposes", approved February 22, 1935, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House to the text and the title of the bill and agree to the same.

TOM CONNALLY,
AUGUSTINE LONERGAN,
Managers on the part of the Senate.
WILLIAM P. COLE, JR.,
EDWARD A. KELLY,
CARL E. MAPES,
CHARLES A. WOLVERTON,
Managers on the part of the House.

Mr. ROBINSON. Mr. President, will the Senator state the terms of the report?

Mr. CONNALLY. I shall be glad to do so. The report has to do with the so-called "hot oil" measure. The Senate passed a bill making the "hot oil" law a permanent piece of legislation. The bill went to the House and the House amended it by limiting its operations to 2 years. The Senate conferees now ask the Senate to recede from its disagreement to the House amendment and agree to it. The House conferees were firm in their opposition. The fact that the act expires on June 15 makes it necessary to have it extended in order to prevent a lapse. Therefore, there was nothing for the Senate conferees to do but surrender because the House went on a sit-down strike.

The VICE PRESIDENT. The question is on agreeing to the conference report.

The report was agreed to.

PREVENTION OF INCOME TAX EVASION

The Vice President laid before the Senate the amendments of the House of Representatives to the joint resolution (S. J. Res. 155) to create a Joint Congressional Committee on Tax Evasion and Avoidance, which were, on page 3, line 6, after "committee" where it occurs the second time, insert "(at a public hearing or otherwise, as the joint committee, or a subcommittee thereof consisting of two or more members, may determine)"; on page 3, to strike out lines 14 to 23, inclusive, and insert:

(3) The joint committee shall have the right to submit any relevant or useful information thus obtained to the Senate and the House of Representatives, and shall submit such information to the Committee on Ways and Means and the Committee on Finance. The Committee on Ways and Means or the Committee on Finance may submit such information to the House or to the Senate or to both the House and the Senate, as the case may be. The

joint committee (but no subcommittee or member of the joint committee) shall have the right to make public any such information, in such cases and to such extent as it may deem advisable, but no such information shall be made public with respect to any particular taxpayer unless specifically authorized by the joint committee; but this sentence shall not apply to information made public through the medium of a public hearing as provided in paragraph (1) of this subsection."

And on page 4, to strike out all of section 5 and insert:

SEC. 5. The joint committee may authorize any one or more persons to conduct any part of such investigation on behalf of the committee, and for such purpose any person so authorized may hold such hearings, and require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, administer such oaths, and take such testimony, as the committee may authorize, but nothing in this section shall be construed as authorizing a public hearing. In any such case subpenas shall be issued under the signature of the chairman of the joint committee and shall be served by any person designated by him.

Mr. HARRISON. Mr. President, it is my intention to submit a motion that the Senate concur in the amendments of the House. It is very necessary for the joint committee which will be appointed to start its work.

Mr. McNARY. Mr. President, will the Senator explain the nature of the House amendments?

Mr. HARRISON. Yes. I do not believe the changes which have been made by the House in the joint resolution vitally affect the investigation.

The joint resolution as passed by the Senate provided that the committee could hold public hearings. A question was raised as to whether the committee could appoint some individual to go out and make investigations and have a public hearing, call witnesses, and so forth. Certain members of the committee believed that could be done, that any employee of the joint committee or anyone designated by the joint committee could hold a public hearing.

However, the House modified that provision of the joint resolution by restricting the holding of the public hearings to the discretion of the joint committee. There is no question about the holding of public hearings by the joint committee. However, under the present law relating to income-tax returns, those returns can be submitted by the Treasury or Treasury officials only to the Ways and Means Committee of the House, the Finance Committee of the Senate, the Joint Committee on Internal Revenue Taxation, or some special committee appointed by Congress with powers to investigate income-tax returns sitting in executive session.

Therefore we had to incorporate in the joint resolution a change in the present law in order to make public the income-tax returns. The House has modified the Senate joint resolution to the extent that while a subcommittee of the joint committee to be appointed under the provisions of the joint resolution may have a public hearing, yet any public hearing involving income-tax returns must be specifically ordered by the joint committee to be appointed by the two Houses or by a subcommittee consisting of two or more members. That is the major change; in fact, it is about the only change that was made by the House in the joint resolution, except certain restrictions placed upon agents of the committee in conducting investigations.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. HARRISON. I yield to the Senator from Kentucky.

Mr. BARKLEY. In the first part of the amendment of the House, which strikes out certain language and inserts other language, the joint committee seems to be given rather plenary power to hold public hearings, and where it does not hold public hearings to make public such information as it may see fit, or which it may regard as relevant.

On page 2, however, the House struck out all of section 5 and inserted a new section, in which it is provided:

The joint committee may authorize any one or more persons to conduct any part of such investigation on behalf of the committee, and for such purpose any person so authorized may hold such hearings, and require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, administer such oaths, and take such testimony as the committee may authorize, but nothing in this section shall be construed as authorizing a public hearing.

The joint committee, I believe, is to be made up of 12 persons, and it is authorized to appoint subcommittees of the joint committee. Is that language to be construed as meaning that no subcommittee of the joint committee could hold a public hearing, or does it apply only to the appointment of others than members of the joint committee as being authorized to hold hearings?

Mr. HARRISON. The language is that the joint committee, or a subcommittee of two or more members of the joint committee may be appointed, and may hold public hearings at which tax returns may be submitted. However, no agent or individual member of the committee may make public income-tax returns, and no member or subcommittee of the joint committee can make public any tax returns of any taxpayer unless at the order of the joint committee and unless a public hearing has been held at which the information with respect to the return has been submitted.

Mr. BARKLEY. The new section 5, which prohibits public hearings on the part of anybody designated by the joint committee, applies, then, I suppose, to others than members of the joint committee.

Mr. HARRISON. For instance, if the joint committee should want to send someone out to make an investigation that person would not have the power to hold a public hearing. Public hearings are to be under the direction of the joint committee, or a subcommittee of the joint committee consisting of two or more members.

Mr. BARKLEY. My inquiry is prompted by the fact that when members of the joint committee who may be designated as a subcommittee, or the joint committee as a whole, in the course of their investigation of the evasion of taxes, ferret out those who have violated the law or have resorted to artificial devices in order to keep from paying taxes, I do not believe such persons ought to be protected by secrecy on the part of members of the joint committee itself. I can appreciate the probable advisability of having such a prohibition apply to others than members of the committee; but I certainly should not like to see incorporated in the joint resolution a provision that would handicap the joint committee itself, or any subcommittee of the joint committee, either in making public the information it obtains, or in holding a public hearing.

Mr. HARRISON. I do not believe there is anything in the amendments adopted by the House that would restrict the joint committee in making public any matter relative to any of the revelations that may be made.

Mr. BARKLEY. Or holding a public hearing?

Mr. HARRISON. Or holding a public hearing on any matter contained in any tax return. I do not know who will be on the committee. I do not know whether or not I shall be a member of the joint committee. If I should consult my own convenience, I should not want to be on it; but I have not the slightest doubt that the searchlight of publicity will be thrown upon every one of the evasions that have been pointed out, or any others that may be ferreted out from any of the tax returns.

Mr. McKELLAR. Mr. President, I am glad to hear the Senator say that, and I am glad to hear him give that construction to the House amendments. In my judgment, if a taxpayer is evading the tax laws of the country, or is using subterfuges, or is resorting to any other dishonorable practice in an effort to escape taxes or avoid taxes, I think his name ought to be given, and I think the committee ought to hold public hearings, and the facts ought to be given the fullest publicity that can possibly be given them, because I think such men in high place ought not to be protected by a committee of this body or of the other body, or by a joint committee. I hope no action will be taken by the joint committee that will avoid publicity where the law has been violated or evaded.

Mr. HARRISON. I thoroughly agree with what the Senator says, and I am sure the joint committee that will be designated by the presiding officers of the House and the Senate will not stand for any secrecy in the matter.

Mr. BARKLEY. Mr. President, will the Senator yield further for just a moment?

Mr. HARRISON. I yield.

Mr. BARKLEY. I appreciate the Senator's attitude, and I know the Senator from Mississippi would be the last man in this body to protect by secrecy any deliberate violator of the law. I fully realize the undesirability of making public indiscriminately the reports of taxpayers who have made an honest effort to pay their taxes; but a different rule ought to be adopted as between honest taxpayers—those who have sought to pay all the taxes due the Government, although they may make a mistake now and then, and those who have deliberately resorted to the devices suggested and mentioned in the President's message the other day in order that they may evade the payment of taxes. I fully appreciate the Senator's attitude on that subject, and I am sure it will be carried out in good faith.

Mr. BORAH. Mr. President——

The VICE PRESIDENT. Does the Senator from Mississippi yield to the Senator from Idaho?

Mr. HARRISON. I yield to the Senator.

Mr. BORAH. The amendment offered by the House in reference to section 5 seems to be clear enough as to its purport. It provides:

> The joint committee may authorize any one or more persons to conduct any part of such investigation on behalf of the committee, and for such purpose any person so authorized may hold such hearings.

As I understand, the effect of that amendment is to take out of the hands of the Secretary of the Treasury the power to hold hearings, and to designate a representative of the committee to do so.

Mr. HARRISON. The Senator is right.

Mr. BORAH. The parties holding the particular hearings provided for in section 5, however, are not to make them public.

Mr. HARRISON. No; there is to be no public hearing by anyone except the full committee or a subcommittee.

Mr. BORAH. What I should like to know is the Senator's construction of the other amendment, because it is not very plain to me:

> The joint committee shall have the right to submit any relevant or useful information thus obtained to the Senate and the House of Representatives, and shall submit such information to the Committee on Ways and Means and the Committee on Finance. The Committee on Ways and Means or the Committee on Finance may submit such information to the House or to the Senate or to both the House and the Senate, as the case may be. The joint committee (but no subcommittee or member of the joint committee) shall have the right to make public any such information, in such cases and to such extent as it may deem advisable, but no such information shall be made public with respect to any particular taxpayer unless specifically authorized by the joint committee.

In the first place, I presume it is conceded that the joint committee may make public such information as it desires. May the committees of the Senate and of the House, under this provision, make public such information as they desire in the public behalf?

Mr. HARRISON. There is some question as to the exact meaning of the present law, which has been on the statute books for some time. The Ways and Means Committee of the House, or the Senate Finance Committee, or the Joint Committee on Internal Revenue Taxation may obtain from the Treasury Department income-tax returns; but the law specifically provides that it must be done in an executive session, and then the committee may report the matter to either the House or the Senate, and it shall be made public. That is the present law touching the regular committees of the House and Senate. The joint committee may hold public hearings, they may get the tax returns, they may make them public, or they may authorize a subcommittee of two or more members to make them public.

Mr. BORAH. After the joint committee has made its report to the Committee on Ways and Means and the Finance Committee, may not the Committee on Ways and Means and the Finance Committee use their discretion in making public such material as they desire to make public?

Mr. HARRISON. This provision applies to the hearings before the joint committee. It is my opinion that the joint committee which is appointed under this provision may make a full report to the Houses of Congress, and is also required to make a full report to the Ways and Means Committee and to the Finance Committee. I think that is what the joint resolution states.

Mr. BORAH. Assuming that the joint committee makes a full report to the Ways and Means Committee and the Committee on Finance——

Mr. HARRISON. And the joint resolution says to Congress, too.

Mr. BORAH. Then, what may those committees do with this information?

Mr. HARRISON. It is already public.

Mr. BORAH. Not necessarily. The committee may not have made it public.

Mr. HARRISON. I have not any doubt that the joint committee will have public hearings, and the testimony will be taken down and printed and distributed. It will be a Government record.

Mr. BORAH. What I should like to know is whether that is the Senator's construction or whether that is the language of the joint resolution.

Mr. HARRISON. That is the construction of the experts who helped to draw up this language in the House; and I have talked to the House Members who had the matter in charge, and that is their construction.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. HARRISON. Yes.

Mr. BARKLEY. At the bottom of the first page, the last sentence of the amendment provides that—

> The joint committee (but no subcommittee or member of the joint committee) shall have the right to make public any such information, in such cases, and to such extent as it may deem advisable, but no such information shall be made public with respect to any particular taxpayer unless specifically authorized by the joint committee; but this sentence shall not apply to information made public through the medium of a public hearing as provided in paragraph (1) of this subsection.

So if the information comes out in a public hearing, of course, it is public. It is public immediately upon its revelation; but if it is not elicited at a public hearing, under this language, nobody but the joint committee itself can make it public—not any subcommittee.

Mr. BORAH. That is what I supposed—that if it is information which has not been obtained by the public by reason of a public hearing, the sole authority to make it public is the joint committee. Is that correct?

Mr. HARRISON. The House has broadened the authority of the joint committee to say whether or not information shall be made public. Personally, I can envision, say, a community-property State where, because of the laws of that particular State, a person is not paying to the Government the amount that he would pay if the community-property law did not exist. I see no reason for advertising that particular person to the world and putting a castigation upon him when he was following the law; and I see no parallel between a case like that and the case of a man who goes into a contiguous country and organizes an insurance company in order to have policies issued to him, and borrows money on them and takes a deduction on his own income-tax return, or incorporates his yacht, or incorporates a farm down in South Carolina, because he might be a very wealthy man; or the case where the wife pays her husband a salary in order to get a deduction. Those are cases which ought to be published to the country, and the searchlight of publicity should be thrown on them. But there are certain other instances where I do not know that that should be done; if a man is not trying to defraud the Government we ought not to go out and try to harm him.

Mr. BORAH. I quite agree with the Senator; I think there is a difference between acts of evasion, and perhaps we would not want to make certain facts known as to certain individuals operating in a certain way, and in certain other cases we would. But what I want to know is, Who

is the sole authority to determine what is to be made public and what is not to be made public?

Mr. HARRISON. The joint committee appointed under the joint resolution would be given that authority.

Mr. BORAH. And the House of Representatives, through its committee, or the Senate, through its committee, would have no authority to do that whatever?

Mr. HARRISON. It comes under the authority of the joint committee appointed by the two Houses as to what is to be made public and what is not to be made public.

Mr. BORAH. I cannot understand why we should create a joint committee to ascertain facts and then rest with that joint committee the sole authority to determine what should be made public. It seems to me that the Senate has some authority in the matter which it ought not to surrender.

Mr. HARRISON. I may say again to the Senator that I have not the slightest doubt that every matter which deals with the inequities portrayed in the President's message will be made public, and a report on them will be sent by the joint committee to the Congress and to the respective committees, the Ways and Means Committee of the House and the Finance Committee of the Senate. These committees can in turn submit such information in a report to the House and to the Senate.

Mr. BORAH. I myself have no doubt that certain cases will be made public; but it does seem to me that we ought to retain to ourselves, as the Senate of the United States, some discretion as to which cases should be and which should not be publicized in this matter.

Mr. HARRISON. If the Senate should desire to write into the law a provision that the joint committee shall receive these returns and that they shall be made public, and that everyone appointed by the committee may go out and have a hearing, and that that should be public, and should be given to the press, the Senate could do that. I think it is very well to lodge the authority in the hands of the Members of this body and of the other body, because I do not believe they are going to impose on the privileges granted.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. HARRISON. I yield.

Mr. BARKLEY. The language of the first amendment is:

The joint committee shall have the right to submit any relevant or useful information thus obtained to the Senate and the House of Representatives—

That is, it will be within their discretion to submit any of this information to the House or the Senate—

and shall submit—

That is mandatory—

such information to the Committee on Ways and Means and the Committee on Finance.

Then the Committee on Ways and Means and the Committee on Finance may submit such information, given to them by the joint committee, to the House and the Senate; so that it will not be altogether locked up within the bosom of this joint committee. The joint committee may submit all this information to the two Houses of Congress. They are required to submit that information to the two committees, and the two committees may in their discretion submit that information to the House and to the Senate, and, of course, when they submit it, it becomes public property.

Mr. BORAH. Mr. President, if the Senator's construction is the correct construction, I am satisfied. As I understand the Senator, the joint committee shall submit this information to the Ways and Means Committee and the Committee on Finance.

Mr. BARKLEY. That is correct.

Mr. BORAH. And those committees, or either of them, may in their discretion make any such information public as they see fit?

Mr. BARKLEY. By submitting it to the House and to the Senate.

Mr. HARRISON. That is what the joint resolution states.

Mr. President, I move that the Senate concur in the amendments of the House.

The motion was agreed to.

STRIKES IN THE STEEL INDUSTRY

Mr. GUFFEY. Mr. President, at a recent session of the Senate the junior Senator from New Hampshire [Mr. BRIDGES] submitted a resolution (S. Res. 140) providing for an investigation into the delivery or nondelivery of mail to establishments where there are in progress industrial strikes. In a few minutes I shall send to the desk an amendment I desire to propose to the resolution, but before doing so I should like to address myself to the subject of the controversy.

Mr. President, in every form of business enterprise throughout the civilized world there is employed an instrument known as a written contract. The written and signed contract is now almost commonplace. It is used in the humblest business transaction and in transactions involving millions of dollars. It is used by honest men in dealing with other honest men, and by honest men in their dealings with dishonest men. In the first instance, where honest men deal with honest men, the signed contract takes the place of memory. In the second instance the signed contract is a necessity—a means of protection.

A written contract is simply the reduction to the typewritten or printed word of the agreement of minds previously reached by interested parties. A written contract, perhaps, is no more binding than an oral one. But honest men do not hesitate to reduce to writing and to sign their names to an agreement previously reached in verbal discussion.

I make these general observations about signed contracts because, unbelievable as it may seem, the question of a signed contract has brought to the Nation an industrial disturbance which already has cost the lives of five men in the Chicago district, has thrown into idleness some 90,000 workers in the steel industry stretching from Buffalo, down through the Mahoning Valley of Ohio, into Cleveland and along the lake front to the Middle West and the Calumet area.

To be more specific, the present steel strikes came about because Republic Steel Corporation, Youngstown Sheet & Tube Corporation, and Inland Steel Corporation have refused to sign contracts which will guarantee to their workmen certain wages, hours, and working conditions.

It is a situation which has no explanation in common sense, in morals, or justice. Perhaps we are here seeing the dying gasp of the so-called rugged individualists—Tom Girdler, Frank Purnell, and the Block brothers in Chicago.

Permit me to give you, Senators, a quick picture of the background of the present crisis.

About a year ago, in July 1936, the Steel Workers Organizing Committee set about, in answer to demands of the Nation's steel workers, to bring unionization into the steel industry. That industry had been antiunion for 40 years. It was the scene of many attempts at unionization and many bitter and bloody fights.

The success of the campaign, I know from personal investigation, was immediate. Workmen joined the union of their choice by the thousands. By March of this year, just a few months ago, the steel union was so strong, and the general trend of the times toward justice for the workingman so pronounced, that we witnessed a history-making epoch: The gigantic United States Steel Corporation did the wise and just thing by signing a union contract—I repeat, by signing a union contract—which brought the $5 day and the 40-hour week to the industry. That contract gave recognition to the union for its members.

That was the turning point of industrial America. The action of Myron Taylor, chairman of the board of United States Steel, and other officials of that corporation in signing a union contract will be remembered so long as the United States exists. It was a monumental step, a wise step and a peace-assuring step.

In the weeks and months that followed, 140 steel-producing, steel-fabricating, and steel-processing companies had also seen the wisdom of giving to their workmen the protection of signed contracts; and they, too, signed. So that today there are approximately 375,000 steel workers of the

Nation protected by signed contracts. I have before me here the list of the companies by name that have signed contracts with the Steel Workers' Organizing Committee, and I ask that that list be printed in the RECORD at this point as a part of my remarks.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The list referred to is as follows:

THE UNION MILLS

There are now 140 steel producing, manufacturing, and fabricating companies under contract with S. W. O. C. Covered by the agreements are approximately 375,000 employees.

Name of company and home office, and number of employees	
United States Steel Corporation:	
Carnegie-Illinois Steel Corporation, Pittsburgh, Pa	120,000
American Steel & Wire Co., Cleveland, Ohio	21,000
National Tube Co., Pittsburgh, Pa	17,000
Tennessee Coal, Iron & R. R. Co., Birmingham, Ala	10,000
American Bridge Co., Pittsburgh, Pa	6,000
Columbia Steel Co., San Francisco, Calif	5,000
Akron Lamp Co., Akron, Ohio	75
Allegheny Steel Co., Pittsburgh, Pa	7,500
Andrews Steel Corporation, Newport, Ky	2,500
Armstrong Products Corporation, Huntington, W. Va	450
Atlantic Foundry Co., Akron, Ohio	250
Babcock & Wilcox Co., Beaver Falls, Pa	2,500
Barlow & Seelig Manufacturing Co., Ripon, Wis	400
Frank S. Betz Co., Hammond, Ind	[1]
Birmingham Stove & Range Co., Birmingham, Ala	[1]
Blair Strip Steel Co., New Castle, Pa	300
Blaw-Knox Steel Co., Blaw-Knox, Pa	3,000
Braeburn Alloy Steel Co., Pittsburgh, Pa	350
Buda Co., Harvey, Ill	950
A. M. Byers Co., Pittsburgh, Pa	1,700
Caterpillar Tractor Co., Peoria, Ill	11,000
Chicago Malleable Iron Co., Chicago, Ill	500
Clayton & Mark Steel Co., Chicago, Ill	500
Columbia Steel Equipment Co., Philadelphia, Pa	[1]
Columbia Steel Shafting Co., Carnegie, Pa	400
Continental Gin Co., Birmingham, Ala	[1]
Continental Steel Co., Kokomo, Ind	3,800
Cooper-Bessemer Corporation, Grove City, Pa	2,500
Copperweld Steel Co., Glassport, Pa	500
Coshocton Iron Works, Monongahela, Pa	500
Crescent Forge & Shovel Co., Havana, Ill	250
Crown Pipe & Foundry Co., Jackson, Ohio	175
Henry Disston Sons Co., Philadelphia, Pa	1,700
Elliott Co., Jeannette, Pa	700
Enamel Metals Corporation, Etna, Pa	150
Enterprise Manufacturing Co., Akron, Ohio	350
Federated Metals Co., Pittsburgh, Pa	250
Ferro Enamel Co., Akron, Ohio	160
Fort Pitt Steel Castings Co., McKeesport, Pa	400
Foster Bros. Manufacturing Co., St. Louis, Mo	[1]
Gary Screw & Bolt Co., Gary, Ind	350
General American Car Transportation Co., East Chicago, Ind	2,000
Goslin-Birmingham Manufacturing Co., Birmingham, Ala	[1]
Hamilton Steel Co., Indiana Harbor, Ind	175
Hancock Manufacturing Co., New Cumberland, W. Va	1,000
Havana Metal Wheel Co., Havana, Ill	250
Hawkinsmith Wheel & Mine Car Co., Irwin, Pa	125
Heil Co., Milwaukee, Wis	[1]
W. J. Holliday Co., Hammond, Ind	75
Homestead Valve Manufacturing Co., Carnot, Pa	90
Hubbard & Co., Pittsburgh, Pa	700
Hunter Steel Co., Pittsburgh, Pa	300
Ingram-Richardson Manufacturing Co., Beaver Falls, Pa	650
International Nickel Co., Huntington, W. Va	1,800
Jeannette Steel Corporation, Jeannette, Pa	100
Jessop Steel Co., Washington, Pa	400
Keen Foundry Co., Griffith, Ind	90
Kickhaefer Manufacturing Co., Milwaukee, Wis	[1]
Kingston Products Co., Cleveland, Ohio	600
Knapp Bros. Manufacturing Co., Joliet, Ill	150
Liggett Spring & Axle Co., Monongahela, Pa	125
Lourie Manufacturing Co., Springfield, Ill	[1]
Mason Can Co., East Providence, R. I	300
Geo. J. Meyers Manufacturing Co., Milwaukee, Wis	1,200
Modell Friedman Steel Corporation, Detroit, Mich	1,200
Molybdenum Corporation of America, Washington, Pa	125
Monessen Foundry Co., Monessen, Pa	175
Morrow Manufacturing Co., Wellston, Ohio	60
The McKay Co., McKees Rocks, Pa	300
McKeesport Tin Plate Co., Pittsburgh, Pa	3,200
McWane Cast Iron Pipe Co., Birmingham, Ala	500
National Enameling & Stamping Co., Granite City, Ill	775
National Standard Co., Akron, Ohio	100
John J. Nesbitt Co., Philadelphia, Pa	120
Northwestern Barb Wire Co., Sterling, Ill	1,500
North End Foundry Co., West Allis, Wis	150
Outboard Motors, Evinrude Division, Milwaukee, Wis	300
Pacific Steel Boiler Corporation, Bristol, Pa	120
Paper Calmenson Co. and subsidiaries, Duluth, Minn., and Superior, Wis	450
Patterson Foundry & Machine Co., East Liverpool, Ohio	125
Penn Iron & Steel Co., Creighton, Pa	350
Pheoll Manufacturing Co., Chicago, Ill	500
Pittsburgh Bridge & Iron Works, Rochester, Pa	175
Pittsburgh Pipe & Coupling Co., Allison Park, Pa	125
Pittsburgh Screw & Bolt Co., Pittsburgh, Pa	600
Pittsburgh Steel Foundry Co., Glassport, Pa	850
Pittsburgh Tube Co., Monaca, Pa	350
Reed & Prince Manufacturing Co., Worcester, Mass	770
Reliance Steel Castings Co., Pittsburgh, Pa	200
Reliance Steel Products Co., Glassport, Pa	200
Rotary Electric Steel Co., Detroit, Mich	450
Samuel Stamping & Enameling Co., Chattanooga, Tenn	370
Sanitary Refrigerator Co., Fond du Lac, Wis	[1]
Sanymetal Products Co., Cleveland, Ohio	150
William B. Scaife Sons & Co., Oakmont, Pa	450
G. I. Sellers & Sons Co., Elwood, Ind	300
Seyler Manufacturing Co., Pittsburgh, Pa	125
Sharon Tube Co., Sharon, Pa	200
Smith Steel Foundry Co., Milwaukee, Wis	350
Spang-Chalfant & Co., Pittsburgh, Pa	4,000
Standard Steel Spring Co., Coraopolis, Pa	650
Superior Machine & Tool Co., with subsidiaries, Kokomo, Ind	240
Timken Roller Bearing Co., Timken Steel & Tube Co., Canton, Ohio	12,000
Tippton-Woods Co., Phillipsburg, N. J	125
Townsend Co., Beaver Falls, Pa	600
Treadwell Construction Co., Midland, Pa	350
W. W. Truxell Foundry, Jeannette, Pa	[1]
Vilter Manufacturing Co., Milwaukee, Wis	400
Vulcan Rivet & Bolt Co., Birmingham, Ala	[1]
Walworth Co., Greensburg, Pa	2,000
Weaver Manufacturing Co., Springfield, Ill	[1]
Wheeling Steel Corporation, Wheeling, W. Va	20,000
Wilson & Bennett Co., Chicago, Ill	900
Wisconsin Axle Co., Waukegan, Ill	[1]
Worcester Pressed Steel Co., Worcester, Mass	250
H. H. Robertson Co., Pittsburgh, Pa	350
United Foundry & Engineering, Vandergrift, Pa	800
Union Spring & Manufacturing Co., New Kensington, Pa	800
Apollo Steel Co., Apollo, Pa	1,600
J. G. Brill Co., Philadelphia, Pa	1,700
Bellmont Iron Works, Eddystone, Pa	380
Trenton Spring Products, Trenton, N. J	150
Peerless Steel Equipment Co., Philadelphia, Pa	100
South Chester Tube Co., Chester, Pa	650
Atlas Can Co., Brooklyn, N. Y	200
MacIntosh-Hemphill Co., Pittsburgh, Pa	600
Penn Metals Co., Parkersburg, W. Va	400
Ferro Alloys Co., Canton, Ohio	200
Stearns Magnetic Manufacturing Co., Milwaukee, Wis	[1]
National Can Co., Maspeth, Long Island	1,000
Union Electric Steel Co., East Carnegie, Pa	150
Jones & Laughlin Steel Corporation, Pittsburgh, Pa	27,000
Crucible Steel Corporation, New York City; Pittsburgh Crucible Steel Co., Midland, Pa.; National Drawn Steel Co., East Liverpool, Ohio	14,000
Sharon Steel Corporation, Sharon, Pa	6,000
Alan Wood Steel Co., Philadelphia, Pa	2,500
West Virginia Rail Co., Huntington, W. Va	1,000
American Car & Foundry Co., East St. Louis, Mo	4,000
Oliver Iron & Steel Co., Pittsburgh, Pa	800
Parkersburg Iron & Steel Co., Parkersburg, W. Va	300

[1] No accurate figure was immediately available on number of employees.

Mr. GUFFEY. Mr. President, one of the important features of these signed contracts is that peace in the industry is guaranteed by them, because proper grievance-settling machinery is set up. While strikes are not outlawed—nor should they ever be—by the contracts, the necessity for resort to that economic weapon is made virtually negligible. The fact is that companies under contract have had no strikes.

In that connection let me quote from a public statement issued by Philip Murray, chairman of the Steel Workers Organizing Committee, under date of March 21:

The contract establishes orderly methods for the adjustment of all disputes and grievances that may arise during the course of employment.

There must under no circumstances be any strike or other cessation of work while such disputes or grievances are in the process of adjustment.

And under date of March 19, the Pittsburgh Press had this to say editorially about the signed contracts between United States Steel and the union:

The contract signed is a sample of what can be done when both sides meet and peaceably negotiate.

Officials of United States Steel and of the Steel Workers Organizing Committee—the C. I. O. organizing agency—are to be congratulated upon entering into such a sensible agreement. Particular credit, we believe, is due to President Benjamin Fairless, of Carnegie, Ill., and to Philip Murray, head of the union. Both have shown a fine cooperative spirit in their dealings with one another.

They have demonstrated that reasonable and fair agreement can be amicably arrived at, when reasonable spokesmen do the negotiating.

We hope other strife-torn industries and other unions will follow the example of big steel and the C. I. O. in settling their labor problems.

Had the other steel companies, the so-called big independents, followed the lead of United States Steel and the 140 other steel companies and signed a union contract with the Steel Workers' Organizing Committee, there never would have been that recent Chicago massacre; there never would have been 90,000 workers idle; there never would have been the present threat to industrial recovery.

The sole responsibility for the present strike in the steel industry lies at the doors of Republic Steel Corporation, Youngstown Sheet & Tube, and Inland Steel. All these companies have to do to end this strike immediately is to sign the same kind of a contract that United States Steel and 140 other companies have signed.

This is the first time in the history of industrial America where the issue has revolved around the obstinacy of a few men in refusing to affix their signatures to a union contract. Most strikes heretofore have revolved around the question of recognition. Once that question was settled, nobody even gave a second thought to the question of signing what had been agreed upon. In the recent automobile strikes the question was recognition. When the degree of recognition was determined the heads of such important producers as General Motors, Chrysler, Hudson, and the others quickly signed the agreements.

Youngstown Sheet & Tube, Inland Steel, and Republic have announced they will recognize the steel union and will accept the terms of the contract but will not sign. And, believe it or not, Senators, they run to the Wagner law for solace.

They say that under the Wagner law they do not have to sign a contract. I say that the obvious intent of the Wagner law, once an agreement has been reached, is to sign such an agreement. It is true that specifically the Wagner law provides for collective bargaining; that is, the company must meet with representatives of its workmen and seek to reach an agreement. It is possible that an agreement cannot be reached in certain situations. Obviously, where there is no agreement there can be no signed contract.

But in the present instance these steel companies that have brought strikes to the Nation's No. 1 industry say they will accept the agreement. They have reached an agreement. But they will not sign.

Mr. BORAH. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Pennsylvania yield to the Senator from Idaho?

Mr. GUFFEY. I yield.

Mr. BORAH. I desire to ask the Senator from Pennsylvania if the sole question in dispute now is that of signing the contract?

Mr. GUFFEY. Yes; that is the sole question in dispute.

Mr. President, I contend that such an attitude taxes one's belief in their sincerity to carry out the terms of the agreement. Without a signed contract there is nothing to prevent Tom Girdler, for instance, from issuing an order tomorrow to cut wages and to lengthen hours.

Mr. MINTON. Mr. President, will the Senator yield?

Mr. GUFFEY. I yield.

Mr. MINTON. The real difficulty, the age-old difficulty, is that the industry does not want to recognize the union, and all that is involved in the signing of the contract is the recognition of the union?

Mr. GUFFEY. No, Mr. President; the difficulty and the question in dispute is the signing of the contract. Representatives of 70 percent of the steel industry have signed the contract. They have agreed on the terms.

Mr. President, of course, Tom Girdler's workmen could go on strike. But that is exactly why they are on strike. They want to be sure, through a written agreement, that their working conditions and wages and hours will be as provided.

Nor can those companies say they do not sign union contracts. The record shows that they have signed contracts in the past with the United Mine Workers of America. They will give written protection to coal miners, but they will not give the same protection to steel workers.

These steel companies also argue that they will not sign because they are opposed to the "closed shop." The best answer to that lies in the action of 140 other steel companies, including such independent producers, mark you, as Jones & Laughlin, Wheeling Steel, Crucible Steel, Allegheny Steel, and others. They signed, and I doubt if they are now any more in favor of the closed shop than they have ever been. Companies under contract with the steel workers organizing committee are union shops, not closed shops. It is nothing but an excuse for bringing strikes to the industry to say that 140 other steel companies, comprising nearly 70 percent of the entire industry, committed sin in signing contracts.

For my part, I should rather be condemned a million times for signing a union contract than to have the blood of those Chicago steel workers on my head. I am glad to know that the Department of Justice has sent investigators into the Middle West to learn just what is going on.

I confess, Senators, that this attitude on the part of Republic Steel, Youngstown Sheet & Tube, Inland Steel, and the others who are refusing to sign an agreement is one of the most amazing spectacles in our era. It smacks of an arbitrary frame of mind pretty close to dictatorship. It seems to me that the American people should be told of this great injustice being done to the steel workers; and it seems to me American public opinion should tell Tom Girdler, Frank Purnell, and the Block brothers that the just thing, the right thing to do is to sign a contract with the union.

Mr. President, I offer an amendment to Senate Resolution 140, authorizing an investigation of the delivery or nondelivery of mail to the establishments where industrial strife is in progress, and ask that it be printed in the RECORD and referred to the Committee on Post Offices and Post Roads.

There being no objection, the amendment was referred to the Committee on Post Offices and Post Roads and ordered to be printed, and to be printed in the RECORD, as follows:

On page 1, line 13, eliminate the period after the word "establishment", insert a comma, and add: "and (3) of the moral conduct of both parties to the industrial strife occurring and ascertain whether or not the action of the Republic Steel Corporation, the Youngstown Sheet & Tube Corporation, and the Inland Steel Corporation in refusing to sign an agreement constitutes a violation of the Wagner Labor Relations Act, and (4) of the illegal holding and use of machine guns, repeating rifles, and other war paraphernalia which is now in possession of these above-named corporations and being used without permits in violation of the State and Federal firearms statutes, and (5) of the dropping of material upon pedestrians on the public highways by airplanes chartered and used by the Republic Steel Corporation, the swooping down of planes over meetings of citizens to disturb lawful and peaceful assemblages, and the importation of gunmen across State lines by the Republic Steel Corporation for strikebreaking purposes in violation of the Byrnes Act."

AUTHORITY FOR COMMITTEE ON APPROPRIATIONS TO REPORT BILLS

Mr. ROBINSON. I ask unanimous consent that during the recess or adjournment of the Senate following today's session the Committee on Appropriations be permitted to submit reports.

Mr. McNARY. Mr. President, I discussed the matter earlier in the day with the able Senator from Arkansas. I think he has reference particularly to the bill carrying the relief appropriation?

Mr. ROBINSON. Yes; and I thought also it might be possible that another bill would be ready to be reported by the Committee on Appropriations.

Mr. McNARY. Certainly I have no objection to the order being made, provided it is understood that no vote will be taken on Monday if the relief bill is called up that day for consideration. There are some Senators who are absent who would like to be present at the time of the final disposition of that bill.

Mr. ROBINSON. I will say it is my expectation, if the bill should be reported during the recess or adjournment following today's session, to have it taken up Monday, but I should not expect or insist upon a vote on that day. I am satisfied the consideration of the bill will require a longer time than that, and in any event I will say to the Senator, I shall not insist upon a final vote on the bill on Monday.

Mr. McNARY. Then, Mr. President, I have no objection.

The PRESIDENT pro tempore. Without objection, the request of the Senator from Arkansas is granted, and the order is entered.

THE PRICE OF GOLD

Mr. THOMAS of Oklahoma. Mr. President, I desire to take a few moments at this time to call the attention of the Senate to the so-called gold controversy. I call the attention of the Senate to what might be termed "our gold policy." This policy is fixed and definite; yet the public press each day carries statements such as these:

Too much gold.
The new yellow peril.

The particular news item to which I refer appeared in the press on Tuesday, June 8, and I desire to read the last paragraph:

As it happens, Government officials have on more than one occasion taken the trouble to deny rumors of any change in the gold price.

Various publications have carried the statement that the administration is about to lower the price of gold, and apparently the public believes that at any time it sees fit the administration, or some official of the administration, is able to lower the price of gold. I will say now that no official of the Government has the power under any law to lower the price of gold below $35 per ounce.

I read further:

But these denials have not set at rest the fears of a change in the gold-purchase policy of the United States. There was a time when many felt that gold was better than dollars. Now the feeling seems to be that dollars are better than gold. A solution of the present gold crisis may, sooner or later, be found. But in the meantime Uncle Sam is suffering from the plague of Midas.

Mr. President, on June 6 the public press carried a statement from the United Press from which I wish to read one paragraph:

The chief fear is that the United States will change its gold policy. President Roosevelt Friday gave an element of cheer by announcing that no change was imminent, but even that has not completely eliminated the nervousness.

Mr. President, no responsible official of the Government has stated as yet that the price of gold could not be changed unless the Congress enacts additional legislation; but the fact is that, under existing law, there can be no reduction in the price of gold.

The amendment that was passed in 1933 gave the President the power to decrease the content of the gold dollar. Such amendment gave him the power to increase the price of gold per ounce. Under existing law he has the right to reduce the gold content of the dollar 50 percent. That means, when transposed into figures, that he has the right to bid up the price of gold from $20.67 an ounce to twice that amount, or $41.34 per ounce. As the weight of the gold dollar is decreased the price of gold, as measured in dollars, is arbitrarily and positively increased.

I call attention to another statement appearing in the New York Investment News of recent date, and I read just one or two sentences from this statement.

The gold problem continues to occupy a prominent place among current pressing worries, and fears raised by recent rumors of a possible reduction in this country's price of $35 an ounce for the metal have been difficult to allay.

A little further on I read:

Thus, at the moment it seems reasonable to expect the United States to continue to buy gold at the fixed purchase price despite the hardships entailed.

Then, Mr. President, on a subsequent date the American Banker, a publication serving the banking interests of the Nation, published an editorial from which I read one paragraph:

As we pointed out a week ago in this column, the Secretary of the Treasury is not limited as to the price he may consider as justifiable for gold, although the dollar may not, under present statutes, be revalued higher than 60 percent nor lower than 50 percent of its predepression gold content.

That states the law and likewise states the facts. It may be desired to lower the price of gold, but it cannot be done. So says the editorial in the American Banker, and the statement is exactly correct.

When the law was passed in 1933 the President had power to devalue the dollar 50 percent, but he did not exercise the full power granted him; he only devalued the dollar 40 percent; he took 40 percent of the content of the gold dollar from the dollar, leaving in the gold dollar 60 percent of its weight.

Then, in 1934 an amendment was added to the original act, providing that the President could not retain more than 60 percent of the old gold content in the dollar. So, as the law now stands the President's power is limited to an increase of the price of gold but he is without power to decrease the price below $35 per ounce. He has not the power now, and no official of the Government has the power now, to reduce the price of gold below $35 an ounce. What would be the effect if such power existed and such power were exercised?

At the present time we have in the Public Treasury, as per its statement of June 7, 1937, the sum of $12,098,366,985.58. We have that much gold in our Treasury. On the same date we had a large amount of silver in our Treasury, the sum being $1,333,944,980.06. The silver is not evaluated at its legal value but at its actual commodity value, the price at which it can be sold on the market, so the value of the silver that we had is measured in terms of gold, and as measured in terms of gold it amounted to $1,333,944,980.06. Adding those two sums together we find that on June 7, 1937, we had in our Treasury gold and silver to the amount of $13,432,311,965.64, and yet all kinds of money in circulation amount to only $6,487,000,000 or less than one-half of our gold and silver stock. This means that today we could redeem every dollar in circulation with a dollar's worth of gold and still have in the Public Treasury a like amount that would be unused. It could be used, and in my opinion it should be used.

I shall presently ask permission to place in the RECORD as a part of my remarks a statement which explains more fully the law and the limitations upon the powers of the President and the Treasury Department in this respect.

Mr. BONE. Mr. President, will the Senator from Oklahoma yield for a question?

Mr. THOMAS of Oklahoma. I am glad to yield.

Mr. BONE. Will the Senator advise us why it is the policy of the Treasury Department to buy gold in the open market and, in order to secure the money to buy it, why they issue bonds and increase the indebtedness of the Government and pay interest on the debt in order to buy the gold?

Mr. THOMAS of Oklahoma. Because that is the law of the United States.

Mr. BONE. What logic underlies that sort of activity?

Mr. THOMAS of Oklahoma. Some years ago when the persons who had money in the banks thought more of gold than they thought of money they took their checks and currency to the banks and demanded gold. Because of the demand for gold for hoarding our gold supply was being

rapidly depleted. Due to that situation, in 1933 Congress, following the recommendation of the President, authorized the abandonment of the gold standard by the United States. We announced to the world that no longer would the currency of this country be redeemed in gold. Because of that fact the administration issued that order taking the country off the gold standard, which order was later approved by the Congress of the United States.

It is true that at the present time we are issuing interest-bearing bonds and selling those bonds in order that we may get money or credit with which to buy gold; but I deny that the Treasury has directly bought a single ounce of gold. This is what has happened:

When we sell goods abroad such goods must be paid for. Foreigners can pay for our goods with only one of three things—either goods of their own manufacture, or gold, or perhaps silver. If we continue to trade with our foreign neighbors, we must trade with them and accept payment for our goods in their goods or in gold or in silver. The tariff walls are so high in this country that it is difficult for foreigners to pay the tariff and then sell their goods here at a profit; so our export trade is greater than our import trade.

That means that the balance of trade is in our favor, so when foreigners desire to purchase from us automobiles and other things we make in this country, they cannot pay us with goods and they have to pay us in gold. They get the gold and send the gold to the United States. It is handled through the banks. The moment the gold reaches the United States coast it becomes a sort of contraband. It is illegal for any bank to keep gold. The moment the bankers in New York or San Francisco or elsewhere get some gold in payment for goods they must turn such gold over to the Treasury under the law, and the Treasury must take it over under the law and pay the bank in some form of money, currency, or credit.

That is the reason why the United States has to issue interest-bearing bonds and sell such bonds to get the credit to take over the gold received in this country as payment for the goods which our merchants and manufacturers sell abroad.

As I have said, I deny that we are directly buying gold. The Treasury is following the law, taking over the gold as it appears in the United States.

Does that answer the question of the Senator from Washington?

Mr. BONE. I am wondering just what would be the result if the Government issued its own Treasury notes in payment for the gold, thereby adding to the circulating medium of the country, to be sure; but I am still filled with a sense of wonderment, if not bewilderment, as to why we should add to our national debt to acquire gold when we might issue Treasury notes against the gold we already have.

Mr. THOMAS of Oklahoma. The Senator anticipated my motive, because when I shall have concluded in a moment I shall introduce a bill proposing to authorize the Secretary of the Treasury to issue a form of currency, against our surplus gold. Of the $12,000,000,000 of gold now on hand there is almost $1,000,000,000 that is not allocated or pledged. For the balance of the gold we have issued gold certificates and those are now in the hands of the several Federal Reserve banks.

During the last few months we have ceased to issue these gold certificates so when the gold comes to the Treasury now it is paid for and no gold certificates are issued against it, and the gold is placed in the public Treasury. In the public Treasury we have now over $800,000,000 of gold unpledged, and unallocated, and there is no obligation whatever against it. My bill suggests that the Secretary of the Treasury may issue a form of currency against this surplus gold, which means against the $800,000,000 of gold now in the Treasury which is unpledged and unallocated.

My bill further provides that in the future, instead of selling interest-bearing bonds in order to get money with which to buy more gold, the Treasury Department may issue this same kind of currency and exchange it for gold as it may come to the United States.

This is a duplicate of the silver program. We have purchased over a billion ounces of silver. We paid for that silver not with interest-bearing bonds, but with silver certificates which we have issued to pay for the silver. Through this method we have placed in circulation over $700,000,000 of silver certificates. That has made money more plentiful and cheaper, and to that extent prices have been increased. I am free to admit that the silver program of this administration has been responsible directly for the increase in circulation of over $700,000,000, and raised prices to such a point that the producers of the country have a better chance to live than they had formerly.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. Certainly.

Mr. VANDENBERG. I am seeking information from the Senator. I know he has a great command of the subject. Referring to the suggestion that gold comes to us from abroad only in payment of trade balances, how does it happen that when our imports are greatly exceeding our exports we are still getting gold?

Mr. THOMAS of Oklahoma. I deny that that is correct. The Senator may be correct, and I cannot state positively, but it is my information that the balance of trade is in our favor.

Mr. VANDENBERG. Of course that is a provable fact; but it is my understanding that the imports do exceed the exports and yet we are still getting gold.

Mr. THOMAS of Oklahoma. Then, if the Senator is correct, my statement would be in error.

Because of the rumors that the United States might devalue or reduce the value of gold, that statement itself is calculated to induce foreigners to sell their gold when they can get $35 an ounce rather than hold the gold and perhaps get only $30 or perhaps $20.67 an ounce, as was the price prior to devaluation.

Mr. BARKLEY. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Oklahoma yield to the Senator from Kentucky?

Mr. THOMAS of Oklahoma. I yield.

Mr. BARKLEY. I have not examined the figures of imports and exports for the last 30 days; but, while it is true that the imports have increased, it is not my understanding that they now exceed exports. Certainly they do not exceed them very greatly even if they exceed them at all. I do not think they exceed the exports at all.

However, as the Senator from Michigan has said, that is a matter ascertainable from the Department. I think he will find if he looks into the matter that the Senator from Oklahoma is correct, that our exports exceed our imports, though not by as large a sum as during previous years.

Mr. BONE. Mr. President, will the Senator yield for a further question?

Mr. THOMAS of Oklahoma. I yield.

Mr. BONE. I think there is one question which probably is as much shrouded in obscurity to the average man, and perhaps to many Members of Congress, as anything can be; and it seems very strange, after all these years, that any obscurity should remain about this question.

It occurs to me that a couple of years ago, or perhaps within even less time than that, a resolution was introduced in the Senate asking the Secretary of the Treasury to answer this question:

Who owns the gold, amounting to some $12,000,000,000, that is impounded by the United States Government?

For instance, I take up the report of the Treasury today and find that there are outstanding—that is, outside of the Treasury—gold certificates amounting to nearly $3,000,000,000. Who is the owner of all this gold that is impounded by the United States Government? I think the people of the country are entitled to know who owns it. There is an impression that the Government owns it, but that is not true.

Mr. THOMAS of Oklahoma. It is very clear under the law that all the gold is owned by the United States Treasury, which means the United States Government, which means by 120,000,000 American citizens. It is true that, while we own this gold the Federal Reserve banks, which were forced to send the gold to the Treasury, are now holding what are called gold certificates. They may claim that those are gold receipts, and I know they are hoping the time will come when they can send those receipts to the Federal Treasury and have them redeemed and take back the gold. Then they are hoping that the dollar may be increased so far as weight is concerned, which means that the price of gold will be reduced, and that is exactly what they want.

Mr. President, what would be the effect if we should reduce the price of gold per ounce? At the present time we have $12,100,000,000 of gold at $35 an ounce. That means that we have several hundred million ounces of gold at $35 an ounce. If we should reduce the gold price per ounce, we should write off of the value of our gold the exact amount of the reduction. In other words, the present gold stock is valued at $12,100,000,000 on the basis of $35 an ounce. If we should reduce the gold valuation to $20.67 an ounce, as it was before we devalued the dollar, we should at one fell swoop reduce the value of our gold stock 40 percent. Forty percent of $12,100,000,000 is almost $5,000,000,000; so by reducing the price of gold per ounce we automatically and positively reduce the value of our gold in terms of dollars; and in the condition the Treasury is in today, I cannot understand who would favor that sort of a proposal.

But, Mr. President, that is not all the effect that would be sustained if we should reduce the price of gold below $35 per ounce. If we should reduce the price of gold below $35 per ounce, it means that we should put more gold in the gold dollar. As we put more gold in the gold dollar, we should make the gold dollar larger. To the extent that we made the gold dollar larger, we should make the gold dollar more valuable; and to the extent that we made the gold dollar more valuable we should decrease prices. A reduction in the price of gold means a more valuable dollar, and a more valuable dollar means a reduction in the price of everything produced in America. It means a reduction in wages. It means a reduction in the price of corn and hogs and cattle and wheat and human labor, and the standard of living as well.

So I cannot understand why anyone, save a very few, would favor a reduction in the price of gold below $35 per ounce, and I can tell the Senate who those few would be. They would be the holders of our bonds and mortgages. I can see why they would be in favor of reducing the value of gold per ounce, because it would mean making more valuable the dollars represented in their investments; and to the extent that gold is reduced in valuation, to the same extent we add value to every mortgage and every bond that is now outstanding.

Relative to the persistent rumor that the administration is considering reducing the value of gold per ounce below $35, I call attention to existing law relative to the matter.

On May 12, 1933, the President approved an act of Congress, providing as follows:

> In no event shall the weight of the gold dollar be fixed so as to reduce its present weight by more than 50 percent.

At that time the weight of the gold dollar was 25.8 grains of gold nine-tenths fine. On this basis gold was worth, in terms of dollars, $20.67 per fine ounce, so that the effect of the provision just mentioned was to give the President power to divide the existing gold dollar into two parts and call each part $1. This meant, in terms of prices, that the President had the power to increase the price of gold from $20.67 per fine ounce to $41.34 per fine ounce.

The President did not see fit to divide the dollar into two equal parts but, instead, he took out 40 percent of the weight or content of such dollar, leaving in such dollar 60 percent of its gold content. This action, when transposed into figures, meant that the President had bid up the price of gold from $20.67 to $35 per ounce.

The law which gave the President the power to devalue the gold dollar was amended by the act of Congress approved on January 30, 1934, such amendment being as follows:

> Nor shall the weight of the gold dollar be fixed in any event at more than 60 percent of its present weight.

As the law now stands the President has the power to still further reduce the gold content of the dollar from 60 percent weight of such original gold dollar to 50 percent weight of such original gold dollar, but he has no power to increase the gold content of the existing gold dollar.

Transposing the present power of the President into figures the President has absolutely no power, under the law, to reduce the value of gold below $35 per fine ounce, but he does have the power under existing law to still further increase the price of gold from the said $35 per fine ounce to $41.34 per fine ounce.

The law relative to the devaluation of the dollar and the price of gold at present is as follows:

Paragraph 2, of section 43, of Public, No. 10, Seventy-third Congress, as amended, reads as follows:

> (2) By proclamation to fix the weight of the gold dollar in grains nine-tenths fine and also to fix the weight of the silver dollar in grains nine-tenths fine at a definite fixed ratio in relation to the gold dollar at such amounts as he finds necessary from his investigation to stabilize domestic prices or to protect the foreign commerce against the adverse effect of depreciated foreign currencies, and to provide for the unlimited coinage of such gold and silver at the ratio so fixed, or in case the Government of the United States enters into an agreement with any government or governments under the terms of which the ratio between the value of gold and other currency issued by the United States and by any such government or governments is established, the President may fix the weight of the gold dollar in accordance with the ratio so agreed upon, and such gold dollar, the weight of which is so fixed, shall be the standard unit of value, and all forms of money issued or coined by the United States shall be maintained at a parity with this standard, and it shall be the duty of the Secretary of the Treasury to maintain such parity, but in no event shall the weight of the gold dollar be fixed so as to reduce its present weight by more than 50 percent. Nor shall the weight of the gold dollar be fixed in any event at more than 60 percent of its present weight.

As expressed in terms of the gold content of the dollar, the foregoing section means that, at present, the President has the power to fix the weight of such gold dollar at any point between 50 and 60 percent of the original weight of such gold dollar.

As expressed in terms of prices the President, under such section, has the power to fix the value of gold per fine ounce at any point between $35 and $41.34.

Without supplemental legislation the President is without power to fix the weight of the gold dollar at more than 60 percent of its former weight, which means that he is without power to reduce the price of gold below $35 per fine ounce.

Mr. President, a few days ago I was requested by Mr. O'Neal, the head of the American Farm Bureau Federation, to give him my interpretation of what would be the result if we should decrease the price of gold per ounce. I replied to Mr. O'Neal; and at this point I ask to have printed in the RECORD a copy of such reply.

There being no objection, the reply was ordered to be printed in the RECORD, as follows:

JUNE 1, 1937.

Hon. EDWARD A. O'NEAL,
President, American Farm Bureau Federation,
Munsey Building, Washington, D. C.

MY DEAR MR. O'NEAL: I have your favor of recent date, in which you request my "opinion as to what effect this accumulation of gold has on our monetary structure and our commodity dollar program", and, replying, advise that in order to give an opinion I must first state the facts relative to our monetary program.

Prior to 1933 the United States was on the single gold standard, which meant that all our money was based upon and redeemable in gold. In March of 1932 we had only some $4,500,000,000 of gold, and such gold had to support some $5,500,000,000 of currency and some $45,000,000,000 of credit or deposit money. Because of the depression and the uncertainties and fear which a panic develops, vast quantities of such gold was being withdrawn from the banks and the Treasury and hoarded. It was the alarming increase of gold losses in the early part of 1933 which caused the Government to stop redeeming currency and deposit money with gold coins. In addition to the stopping of putting out gold coin, the Government placed an embargo on the shipment of gold and, in addition, called in all monetary gold from all the banks and from all other sources public and private.

For many years gold, and gold alone, has been our basic primary money. Gold has always been considered as having intrinsic value; hence the redeemer of our currency. Because our currency has been redeemable in gold, every dollar of money—currency and deposit—in circulation has been considered to be of the value of the metal in the gold dollar.

In 1912, J. P. Morgan testified before the House Banking and Currency Committee that "money is gold and nothing else." It was in harmony with J. P. Morgan's definition, "money is gold", and for the following specific reasons, that our Government called in to the Treasury all monetary gold then in the United States:

1. Gold has always been considered basic primary money.
2. Until recently most of the nations were on the single gold standard.
3. For many years the currencies of all nations have been and are now constantly valued in gold.
4. Gold is universally recognized as the best medium for the settlement of international balances.

Today, while gold is still considered as money, gold coins are not in circulation in any country in the world. Today all nations, internally and domestically, have commodity money, yet their foreign exchange is always based upon gold. Within the United States we have commodity money only, yet every dollar of our money, the moment it leaves the States or figures in foreign exchange, becomes of the value of the gold content of such dollar heretofore fixed by the President by proclamation.

On this date, June 1, 1937, we have in our Treasury $12,000,000,000 in gold—a sum larger than all the gold owned and held by all the other nations of the earth. Because we own and possess this vast quantity of gold we are able to fix and maintain the price and value of such metal throughout the world. Formerly gold was priced and valued by our Government at $20.67 per fine ounce. In order to cheapen the dollar and raise the general price level the administration has raised the price of gold to $35 per fine ounce. Under existing law the President has the power to still further raise the price of gold to $41.34 per ounce, but he is without power to lower the price below $35 per ounce.

As stated, until legislation is enacted, gold cannot be lowered in price. It is obvious that only a small percentage of our people could possibly favor the lowering of the present price of gold. The reasons for the foregoing statement are as follows:

1. Inasmuch as we have a $12,000,000,000 stock of gold, made up of some 342,857,142 ounces at $35 per ounce, if we should lower the price per ounce we would immediately write off as loss the exact amount of such reduction.
2. Reducing the price of gold per ounce would have the automatic and positive effect of immediately increasing the weight and value of the dollar; hence, the extent of the reduction in price per ounce would be reflected immediately by a higher valued dollar and consequently by lower prices, lower wages, and general deflation.
3. Reducing the price of gold would restrict, curtail, and diminish our export trade.
4. Reducing the price of gold would have the effect of increasing the value of the dollar, thereby decreasing the price level which, for the vast majority of our people, would increase taxes, interest, and debts.
5. Reducing the price of gold would postpone the balancing of the Budget and prolong the lingering depression on the self-evident proposition that the value of the dollar controls prices and prices control income and prosperity.

From the foregoing it is obvious that gold is money, and the more gold we acquire the more money we will have in our Treasury. It is further obvious that to reduce the price of gold would be to commit financial if not national suicide. As stated herein, the United States, as well as the world, is on a commodity money basis. All nations are cheapening their money units rather than increasing their value. This means that all nations are, in effect, raising the price of gold instead of reducing such price.

Because of our vast gold holdings and because of our favorable trade balance, the United States is able to fix the value of gold as measured by commodities at any point we see advantageous and proper. As stated, under existing law we may increase the price of gold, but we cannot lower such price; however, without additional legislation we may either increase or decrease the value of gold as measured by commodities to any point to suit our own domestic economy.

Such increase or decrease in gold value, as measured by commodities, may be brought about by increasing or decreasing the amount of money and credit permitted in circulation. Our program of raising commodity prices has been carried out through the raising of the price of gold, which means the decreasing of the gold content of the dollar, and through our Silver Purchase Act, under which we have added over $700,000,000 to the amount of money in circulation.

By increasing our circulation we dilute the supply of money, make money more plentiful, thereby cheaper, and to the extent the dollar is cheapened prices are increased proportionately. To lower prices a reverse policy would be followed. We may decrease the amount of money in circulation, which would make money scarcer, thereby higher in value, and to the extent that the dollar increases in value, prices fall in proportion.

Based upon the foregoing statements of fact, my answers to your communication are as follows:

1. We are now on a commodity-dollar basis and at present there seems little, if any, chance that we will ever leave the commodity-dollar standard.

2. Inasmuch as basic primary money is gold, and gold is money, and in view of the following additional facts: That we have "one-third of a nation ill-housed, ill-clad, ill-nourished"; that our Budget is still unbalanced; that taxes are high and debts are heavy, it is obvious that no one can justly complain that the Treasury is acquiring too much gold, and therefore too much money.

Respectfully submitted.

ELMER THOMAS.

Mr. THOMAS of Oklahoma. Mr. President, I now ask permission, out of order, to introduce a bill. The bill contains but one paragraph. It is very short. I ask that it be read, and thereafter ordered printed and referred to the Committee on Banking and Currency.

The PRESIDING OFFICER. Without objection, the bill will be read.

The bill (S. 2610) to authorize the issuance of currency against the security of unobligated gold in the Treasury was read the first time by its title, the second time at length, and referred to the Committee on Banking and Currency, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized to issue currency in such form and denominations as he may determine against any gold in the Treasury of the United States, except the gold funds held as a reserve for any United States notes, Treasury notes of 1890, or other outstanding currency or obligations. The amount of such currency issued and outstanding shall at no time exceed the value, at the legal standard, of the gold so held against such currency; but the face amount of the currency so issued shall not be less than the cost of all gold purchased after the date of enactment of this act under the provisions of section 3700 of the Revised Statutes, as amended: *Provided*, That the currency issued under this act shall be legal tender for all purposes.

Mr. VANDENBERG. Mr. President, may I ask the Senator from Oklahoma a question before we leave the subject he has been discussing?

Mr. THOMAS of Oklahoma. I shall be glad to yield.

Mr. VANDENBERG. I ask the Senator to listen to the following computation: I am dealing now with the colloquy in which the Senator from Kentucky [Mr. BARKLEY] participated, based upon the suggestion that gold comes to us only to settle unfavorable trade balances.

I call the Senator's attention to the fact that our favorable trade balance of 1935 was $235,000,000; that it fell to $34,000,000 in 1936; and that the balance of trade for January and February 1937 is an unfavorable balance of $63,826,000. I also call the Senator's attention to the fact that in 1935, when our favorable balance of trade was only $235,000,000, our gold imports were $1,739,000,000, and that

in 1936, when our favorable balance of trade was only $34,000,000, our net gold imports were $1,117,000,000.

In the face of these figures, I am unable to see that the thesis can be sustained that gold comes to us only to settle merchandising balances of trade. I ask the Senator to comment on these figures.

Mr. THOMAS of Oklahoma. I am fearful that the Senator from Michigan does not take into account many of the things that we sell, and for which we expect payment. Not only do we sell automobiles abroad, and sell wheat abroad, and sell cotton abroad, but we sell many bonds and many securities abroad; and foreigners, when they desire to purchase our bonds and our securities, being without goods to deliver in payment, and having only gold, or being able to get only gold, must send gold here when they purchase our bonds and our securities.

Mr. VANDENBERG. I completely agree with the statement the Senator is now making. I have always contended that the foreigner was using our gold-purchase program to denude our markets of our best equities at bargain prices. The Senator's original statement related, as I understood him, to a merchandising balance of trade.

Mr. THOMAS of Oklahoma. I did not intend so to limit it, I will say to the Senator.

Mr. VANDENBERG. Of course, if the Senator is including alien speculation in our good equities, it certainly is true that this gold at the pumped-up price of $35 an ounce is coming here primarily to take away our best securities; and the net result is, as the Secretary of the Treasury himself to all intents and purposes has confessed, that we may find ourselves at the mercy of Europe some day when it wants to raid these equities and put them back into our market.

Mr. THOMAS of Oklahoma. Does the Senator object to the policy whereunder we have accumulated approximately $12,100,000,000 of gold? Does the Senator think that this gold is a dangerous commodity?

Mr. VANDENBERG. The Senator does.

Mr. THOMAS of Oklahoma. Mr. President, let me read a little colloquy which took place before the Banking and Currency Committee of the House of Representatives.

This is testimony taken before that committee on December 19, 1912. The colloquy was between Mr. Untermyer, the attorney representing the committee, and a man by the name of J. Pierpont Morgan. I should like to ask the Senator from Michigan if he knows either of these parties either personally or by reputation.

Mr. VANDENBERG. I think I have heard of them.

Mr. THOMAS of Oklahoma. Mr. President, while I am not qualified to pass upon the ability of this gentleman, or his truth and veracity, for that matter, I have always had the impression that Mr. J. Pierpont Morgan enjoyed a reputation, not only here but abroad, as knowing something about money. I wonder if the Senator agrees with me about that.

Mr. VANDENBERG. Yes; I think he had some such reputation.

Mr. THOMAS of Oklahoma. Then I will read the colloquy, in which Mr. Untermyer was interrogating Mr. Morgan:

> Mr. UNTERMYER. The control of credit involves a control of money, does it not?
> Mr. MORGAN. A control of credit? No.
> Mr. UNTERMYER. You do not think so?
> Mr. MORGAN. What I call money is the basis of banking.
> Mr. UNTERMYER. But the basis of banking is credit, is it not?
> Mr. MORGAN. Not always. That is an evidence of banking, but it is not the money itself. Money is gold and nothing else.

If Mr. Morgan is correct, we have not only $12,100,000,000 of gold, but we have $12,100,000,000 of the only kind of money that the orthodox financial world recognizes.

Mr. VANDENBERG. Mr. President, I do not desire to compete either with the Senator from Oklahoma or Mr. Morgan as a financial expert, but, as a matter of sheer, elementary common sense, I am unable to believe that the United States of America alone, by itself, can continue indefinitely to purchase all the loose gold in the world at an artificially high price. I think something has to intervene somewhere to save us from a Frankenstein.

The Secretary of the Treasury within the last week has been forced to issue additional Federal securities amounting to $800,000,000, as I recall the figures, for the purpose of overtaking another anticipated deficit, and $500,000,000 of that $800,000,000 is for the purpose of purchasing gold, which obviously is beyond any present or prospective necessity in the United States. I do not believe we can ever overtake our internal deficits so long as we are bonding ourselves to buy gold, then sterilizing the gold, and putting it back into the ground whence it originally came. Neither do I believe we can stabilize our economy if we continue to purchase Russian gold produced for $10 an ounce over yonder, South African gold produced for $16 an ounce over yonder, and take it into our Treasury automatically at $35 an ounce. I concede that the answer is entirely beyond my comprehension. I rose solely to deal with the figures which seemed to be involved in the thesis of the able Senator from Oklahoma. But we have been led into the other field, where, I freely confess, my observations are limited.

Mr. THOMAS of Oklahoma. Mr. President, because we devalued the dollar and increased the price of gold to $35 an ounce, the automobiles of Detroit were automatically, instantaneously, and positively reduced 40 percent abroad; and I make the statement—and ask the Senator if it is not correct—that it is because of such reduction in the price of automobiles abroad that their sales have increased so greatly in foreign countries.

Mr. VANDENBERG. That is probably true, although the Senator is aware of the fact that Secretary Hull, on the other hand, would undertake to give the whole credit to the trade treaties.

Mr. THOMAS of Oklahoma. Mr. President, I think it is a wise policy if it affords an opportunity not only of denuding America of some of her stocks and bonds but likewise of denuding Detroit of some of her surplus automobiles.

Mr. BONE. Mr. President, will the Senator from Michigan yield to me?

Mr. VANDENBERG. I yield.

Mr. BONE. I take it that the Senator from Michigan finds in foreign investments in American securities something that is challenging.

Mr. VANDENBERG. I certainly do.

Mr. BONE. I wonder, then, what the Senator thinks of the picture of American investments abroad, and hundreds, perhaps thousands, of factories owned abroad, that is, the stock, undoubtedly in corporate form, owned by Americans. I understand, and if my figures are inaccurate some one will correct me, that a thousand American factories are located in Canada. American investments abroad have run into billions of dollars. Does not the Senator feel that that is something which might well challenge our attention?

Mr. VANDENBERG. I entirely agree; and I am happy to say to my good friend from Washington that in the course of the tariff discussion 6 years ago I presented a complete analysis, which showed that 1,800 major American producers were operating plants abroad, which is virtually not only an exploitation of our capital but also an embargo against the opportunity to produce those goods in our own country and export them.

Mr. BONE. I think I have seen some of the studies the Senator put into the RECORD, and that is one of the reasons why I asked him the question. That has amounted to an export of American capital.

Mr. VANDENBERG. Precisely.

Mr. BONE. Which has been used in actively competing with American standards of living; in other words, American

capitalists have used their own money, literally, to beat down standards of living in this country to the plane of those of the cheap labor employed in foreign countries.

Mr. VANDENBERG. Since some question was raised regarding figures on exports and imports, I ask leave to have printed in the RECORD at this time a monthly summary of foreign commerce for March 1937, as furnished by the United States Department of Commerce.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Monthly Summary of Foreign Commerce, March 1937

SUMMARY OF EXPORTS AND IMPORTS BY MONTHS

	Merchandise (1,000 dollars)														
	Exports			General imports			Excess of exports (+) imports (−)	Imports for consumption							
	Total	United States merchandise	Reexports of foreign merchandise	Total	Entered for consumption	Entered for warehouse		Total	Entered for consumption	Withdrawn from warehouse	Free of duty	Dutiable	Net customs receipts		
													Amount collected	Percent of dutiable	
March:															
1932	154,876	151,403	3,473	131,189	117,686	13,502	+23,687	130,584	117,686	12,897	89,126	41,457	21,998	53.1	
1933	108,015	106,293	1,722	94,860	82,475	12,385	+13,155	91,893	82,475	9,418	59,666	32,227	16,478	51.1	
1934	190,938	187,418	3,520	158,105	130,836	27,269	+32,833	153,396	130,836	22,560	99,176	54,221	21,516	39.7	
1935	185,026	181,667	3,360	177,356	154,202	23,154	+7,670	175,485	154,202	21,283	104,926	70,559	30,012	42.5	
1936:															
March	195,113	192,405	2,708	198,701	170,516	28,185	−3,588	194,296	170,516	23,779	111,277	83,018	34,287	41.3	
April	192,795	189,574	3,222	202,779	175,401	27,377	−9,984	199,776	175,401	24,375	117,054	82,722	31,191	37.7	
May	200,768	197,015	3,753	191,697	164,441	27,256	+9,071	189,008	164,441	24,568	111,104	77,905	29,579	38.0	
June	185,680	181,373	4,307	191,077	169,057	22,020	−5,397	194,311	169,057	25,255	113,375	80,936	31,944	39.5	
July	180,300	177,000	3,384	195,056	171,942	23,113	−14,666	197,458	171,942	25,516	116,538	80,920	29,473	36.4	
August	178,974	175,825	3,149	193,073	173,682	19,391	−14,099	200,783	173,682	27,101	113,319	87,464	34,043	38.9	
September	220,538	217,925	2,614	215,701	190,778	24,922	+4,837	218,425	190,778	27,647	122,035	96,390	34,414	35.7	
October	264,934	262,157	2,777	212,692	181,132	31,559	+52,242	213,419	181,132	32,286	116,158	97,260	39,982	41.1	
November	226,364	223,920	2,445	196,400	168,599	27,801	+29,964	200,304	168,599	31,705	109,052	91,252	34,430	37.7	
December	229,800	226,666	3,134	244,726	205,775	38,951	−14,926	240,233	205,775	34,457	138,751	101,482	37,477	36.9	
1937:															
January	222,017	218,416	3,601	240,464	200,063	40,401	−18,447	228,749	200,063	28,687	132,662	96,087	38,716	40.3	
February	232,503	229,049	3,454	277,706	228,728	48,978	−45,203	260,221	228,728	31,493	149,527	110,694	40,711	36.8	
March	256,390	252,268	4,122	306,699	252,786	53,913	−50,309	295,928	252,786	43,142	162,305	133,623	51,066	38.2	
Cumulative totals, January–March:															
1934	525,910	516,612	9,299	426,564	351,411	75,153	+99,346	407,419	351,411	56,008	257,930	149,490	68,190	45.6	
1935	524,256	515,540	8,717	496,679	434,247	62,433	+27,577	496,212	434,247	61,966	306,783	189,429	77,756	41.0	
1936	575,700	567,475	8,225	578,957	494,064	84,893	−3,257	570,263	494,064	76,199	327,560	242,713	98,025	40.4	
1937	710,911	699,733	11,177	824,869	681,576	143,292	−113,958	784,898	681,576	103,322	444,495	340,403	130,493	38.3	
Calendar-year totals:															
1932	1,611,016	1,576,151	34,865	1,322,774	1,197,903	124,870	+288,242	1,325,094	1,197,903	127,191	885,536	439,558	254,201	57.8	
1933	1,674,994	1,647,220	27,774	1,449,559	1,253,651	195,908	+225,435	1,433,013	1,253,651	179,363	903,547	529,466	275,493	52.0	
1934	2,132,800	2,100,135	32,665	1,655,055	1,388,173	266,882	+477,745	1,636,003	1,388,173	247,830	991,169	644,842	289,210	44.8	
1935	2,282,874	2,243,081	39,793	2,047,485	1,762,328	285,157	+235,389	2,038,905	1,762,328	276,577	1,205,987	832,918	345,818	41.5	
1936	2,455,945	2,418,936	37,009	2,422,157	2,094,871	327,286	+33,788	2,423,960	2,094,871	329,109	1,384,937	1,039,043	400,558	38.6	

	Gold (1,000 dollars)			Silver (1,000 dollars)			Index numbers (1923–25 average=100)								
							Merchandise exports					Merchandise imports			
	Exports	Imports	Excess of exports (+), imports (−)	Exports	Imports	Excess of exports (+), imports (−)	Total, including reexports		United States merchandise, unadjusted			General imports		Imports for consumption, unadjusted [1]		
							Value adjusted [2]	Value unadjusted	Quantity	Unit value (price)	Value	Value adjusted [2]	Value unadjusted	Quantity	Unit value (price)	Value
March:																
1932	43,909	19,238	+24,671	967	1,809	−842	40	41	[3] 76	[3] 53	[3] 40	37	41	[3] 89	[3] 46	[3] 41
1933	28,123	14,948	+13,175	269	1,693	−1,424	28	28	[3] 61	[3] 48	[3] 29	26	29	[3] 73	[3] 39	[3] 28
1934	44	237,380	−237,336	665	1,823	−1,158	50	50	81	62	50	44	49	98	49	48
1935	540	13,543	−13,003	3,128	20,842	−17,714	48	49	76	64	49	49	55	110	50	55
1936:																
March	2,315	7,795	−5,480	237	8,115	−7,879	51	51	79	65	52	55	62	115	53	61
April	51	28,106	−28,055	535	4,490	−3,956	53	51	77	66	51	58	63	116	54	63
May	5	169,957	−169,952	203	4,989	−4,785	56	53	83	64	53	58	59	110	54	59
June	77	277,851	−277,775	197	23,981	−23,783	55	49	74	66	48	62	59	114	53	61
July	695	16,074	−15,379	138	6,574	−6,436	[4] 54	[4] 48	72	66	47	[4] 66	60	115	54	62
August	32	67,524	−67,493	143	16,637	−16,494	51	47	71	66	47	62	60	117	54	63
September	42	171,866	−171,824	204	8,363	−8,159	55	58	86	68	58	70	67	124	55	68
October	117	218,929	−218,812	268	26,931	−26,663	57	70	104	68	70	65	66	123	54	67
November	127	75,962	−75,836	411	4,451	−4,039	52	[4] 60	89	67	60	61	61	114	55	63
December	99	57,070	−56,970	236	2,267	−2,031	57	61	89	68	61	[4] 77	76	135	56	75
1937:																
January	11	121,336	−121,325	612	2,846	−2,234	57	58	85	69	59	74	74	125	57	71
February	-------	120,326	−120,326	611	14,080	−13,470	67	61	88	70	62	87	86	140	58	81
March	39	154,371	−154,332	346	5,589	−5,243	67	68	95	71	68	85	95	155	60	93
Cumulative totals, January–March:																
1934	4,809	691,949	−687,140	2,257	7,543	−5,286	-------	46	75	62	46	-------	44	88	48	43
1935	949	286,116	−285,167	6,037	56,279	−50,242	-------	46	71	65	46	-------	51	103	50	52
1936	26,290	60,778	−34,488	631	84,134	−83,504	-------	51	77	66	51	-------	60	113	53	60
1937	50	396,033	−395,983	1,568	22,515	−20,946	-------	62	89	70	63	-------	85	140	59	82
Calendar year totals:																
1932	809,528	363,315	+446,212	13,850	19,650	−5,800	-------	35	69	51	35	-------	34	79	43	34
1933	366,652	193,197	+173,456	19,041	60,225	−41,184	-------	37	69	54	37	-------	37	86	43	37
1934	52,759	1,186,671	−1,133,912	16,551	102,725	−86,174	-------	47	74	63	47	-------	43	86	50	43
1935	1,960	1,740,979	−1,739,019	18,801	354,531	−335,730	-------	50	78	65	50	-------	53	106	50	53
1936	27,534	1,144,117	−1,116,584	2,965	182,816	−179,851	-------	54	82	66	54	-------	62	117	54	63

[1] General imports through 1933. Imports for consumption beginning January 1934.
[2] Adjusted for seasonal variations.
[3] Monthly figures not available. Data are for first quarter.
[4] Revised.

Mr. BARKLEY. Mr. President, the Senator from Michigan realizes, I presume, that there was an acceleration of this exodus of factories from the United States due to the tariff and other artificial walls, or barriers, erected in the different nations of the world which were seeking to prevent the importation of goods. There is no law against an American investing in a factory or building a factory in any country in the world, and I do not know that any restriction could legally be placed upon such enterprises.

In addition to that, however undesirable it may be that foreigners should invest in American securities by their purchase on the security exchanges, there is no law against it. Does the Senator from Michigan feel that there ought to be any legal inhibition against a foreigner purchasing securities of corporations of the United States, while at the same time American citizens are at liberty to invest in foreign enterprises as much money as they see fit to invest?

Mr. VANDENBERG. I answer the Senator in this way: When I can get a reply from the Secretary of the Treasury to the series of questions on that subject I have been submitting to him for the last 6 months, I shall consider myself sufficiently informed to be able to reply, and I shall wait until I get the information.

Mr. BARKLEY. If the information and the figures will enlighten the Senator as to what policy should be adopted regarding any legal restriction to be imposed, I will be glad to wait.

STATUS OF PROVISIONAL OFFICERS OF THE WORLD WAR

Mr. SHEPPARD. Mr. President, I move that the Senate proceed to the consideration of Senate bill 1040, placing officers of the World War in the same status with emergency officers of the World War. I desire to deliver an explanation of the bill, and then I shall ask that the bill go over as the unfinished business.

The PRESIDING OFFICER. The question is on the motion of the Senator from Texas.

The motion was agreed to, and the Senate proceeded to consider the bill (S. 1040) placing provisional officers of the World War in the same status with emergency officers of the World War and extending to them the same benefits and/or privileges as are now or may hereafter be provided by law, orders, and/or regulations for said emergency officers, and for other purposes, which is as follows:

Be it enacted, etc., That all persons who served as provisional officers in the Army, Navy, or Marine Corps of the United States during the World War, and were honorably separated from such service prior to December 31, 1921, are hereby placed in the same status with all persons who served as emergency officers in the Army, Navy, or Marine Corps of the United States during the World War and extended the same benefits and/or privileges as are now or may hereafter be provided by law, orders, and/or regulations for said emergency officers: *Provided*, That application under this act for benefits and/or privileges must be made within 1 year after the passage of this act.

SEC. 2. That all acts and parts of acts in conflict with or inconsistent with the provisions of this act are hereby repealed.

PROTECTION OF NORTHERN PACIFIC HALIBUT FISHERY

Mr. SCHWELLENBACH. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of order of business 711, being Senate bill 1984, for the protection of the northern Pacific halibut fishery.

Mr. McNARY. Mr. President, of course we are not considering measures on the calendar today, and it is only by general accord that we can proceed in this fashion. What is the request of the Senator? Is it to lay aside temporarily the bill called up by the Senator from Texas, and consider his proposal?

Mr. SCHWELLENBACH. Yes. I do not believe it will take more than a minute or two, and the reason for the request at this time is that this bill is an enabling measure, carrying out the provisions of a treaty. It relates to a halibut treaty, entered into in 1930. When the ratification of the treaty comes to Washington we will have no act upon this subject, and it is necessary to have a law enacted as quickly as possible.

Mr. WHITE. Mr. President, I may say to the Senator from Oregon that the bill was pending before the Committee on Commerce of the Senate, and I was authorized to make the report for the committee. I concur in the views voiced by the Senator from Washington that there are very special reasons for the prompt enactment of the proposed legislation. It implements the treaty, and it ought to become law at the earliest possible date. So far as I know there is no objection to it from any source.

Mr. McNARY. I have no objection.

The VICE PRESIDENT. Is there objection to the request of the Senator from Washington?

There being no objection, the Senate proceeded to consider the bill (S. 1984) for the protection of the northern Pacific halibut fishery, which had been reported from the Committee on Commerce with an amendment, in section 6, page 8, to strike out, beginning with line 13, "*Provided*, That such duties as are imposed upon the collector of customs or any other person with respect to the seizure and forfeiture of a vessel under the customs laws shall be performed with respect to seizures and forfeitures under this act by the Secretary of Commerce or by such officers, agents, or other persons as may be authorized or designated for that purpose by the Secretary of Commerce" and to insert "*Provided*, That except as provided in section 5 hereof all rights, powers, and duties conferred or imposed by this act upon any officer or employee of the Treasury Department shall, for the purposes of this act, be exercised or performed by the Secretary of Commerce or by such persons as he may designate", so as to make the bill read:

Be it enacted, etc., That this act may be cited as the "Northern Pacific Halibut Act of 1937."

SEC. 2. When used in this act—

(a) Convention: The word "convention" means the Convention between the United States and Canada for the Preservation of the Halibut Fishery of the Northern Pacific Ocean and Bering Sea, signed at Ottawa on the 29th day of January 1937, and shall include the regulations of the International Fisheries Commission promulgated thereunder.

(b) Commission: The word "Commission" means the International Fisheries Commission provided for by article III of the convention.

(c) Person: The word "person" includes partnerships, associations, and corporations.

(d) Territorial waters of the United States: The term "territorial waters of the United States" means the territorial waters contiguous to the western coast of the United States and the territorial waters contiguous to the southern and western coasts of Alaska.

(e) Territorial waters of Canada: The term "territorial waters of Canada" means the territorial waters contiguous to the western coast of Canada.

(f) Convention waters: The term "convention waters" means the territorial waters of the United States, the territorial waters of Canada, and the high seas of the Northern Pacific Ocean and the Bering Sea, extending westerly from the limits of the territorial waters of the United States and of Canada.

(g) Halibut: The word "halibut" means the species of Hippoglossus inhabiting convention waters.

(h) Vessel: The word "vessel" includes every description of water craft or other contrivance used, or capable of being used, as a means of transportation in water.

SEC. 3. It shall be unlawful for—

(a) any person other than a national or inhabitant of the United States to catch or attempt to catch any halibut in the territorial waters of the United States;

(b) any person to transfer to or to receive upon any vessel of the United States, or to bring to any place within the jurisdiction of the United States any halibut caught in convention waters by the use of any vessel of a nation not a party to the convention, or caught in convention waters by any national or inhabitant of the United States or Canada in violation of the convention or of this act;

(c) any national or inhabitant of the United States to catch, attempt to catch, or to possess any halibut in the territorial waters of the United States or in convention waters in violation of any provision of the convention or of this act;

(d) any person within the territory or jurisdiction of the United States to furnish, prepare, outfit, or provision any vessel, other than a vessel of the United States or Canada, in connection with any voyage during which such vessel is intended to be, is being, or has been employed in catching, attempting to catch, or possessing any halibut in convention waters or the territorial waters of the United States or Canada;

(e) any person within the territory or jurisdiction of the United States to furnish, prepare, outfit, or provision any vessel of the United States or Canada in connection with any voyage during which such vessel is intended to be, is being, or has been employed in catching, attempting to catch, or possessing any halibut in violation of any provision of the convention or of this act;

(f) any person within the territory or jurisdiction of the United States or any national or inhabitant of the United States within

convention waters knowingly to have or have had in his possession any halibut taken, transferred, received, or brought in in violation of any provision of the convention or of this act;

(g) any person to depart from any place within the jurisdiction of the United States in any vessel which departs from such place in violation of the convention or of this act;

(h) any person in the territorial waters of the United States or any national or inhabitant of the United States in convention waters to catch or attempt to catch any halibut, or to possess any halibut caught incidentally to fishing for other species of fish by the use of or in any vessel required by the convention to have on board any license or permit, unless such vessel shall have on board a license or permit which shall comply with all applicable requirements of the convention, and which shall be available for inspection at any time by any officer authorized to enforce the convention or by any representative of the Commission;

(i) any person to take, retain, land, or possess any halibut caught incidentally to fishing for other species of fish, in violation of any provision of the convention or of this act.

SEC. 4. It shall be unlawful for the master or owner or person in charge of any vessel or any other person required by the convention to make, keep, or furnish any record or report, to fail to do so, or to refuse to permit any officer authorized to enforce the convention or any representative of the Commission to examine and inspect any such record or report at any time.

SEC. 5. (a) The provisions of the convention and of this act and any regulations issued under this act shall be enforced by the Coast Guard, the Customs Service, and the Bureau of Fisheries. For such purposes any officer of the Coast Guard, Customs, or Fisheries may at any time go on board of any vessel in territorial waters of the United States, or any vessel of the United States or Canada in convention waters, except in the territorial waters of Canada, to address inquiries to those on board and to examine, inspect, and search the vessel and every part thereof and any person, trunk, package, or cargo on board, and to this end may hail and stop such vessel, and use all necessary force to compel compliance.

(b) Whenever it appears to any such officer that any person, other than a national or inhabitant of Canada, on any vessel of the United States is violating or has violated any provision of the convention or of this act, he shall arrest such person and seize any such vessel employed in such violation. If any such person on any such vessel of the United States is a national or inhabitant of Canada, such person shall be detained and shall be delivered as soon as practicable to an authorized officer of Canada at the Canadian port or place nearest to the place of detention or at such other port or place as such officers of the United States and of Canada may agree upon.

(c) Whenever it appears to any such officer of the United States that any person, other than a national or inhabitant of the United States, on any vessel of Canada in convention waters, except in the territorial waters of Canada, is violating or has violated any provision of the convention, such person, and any such vessel employed in such violation, shall be detained and such person and such vessel shall be delivered as soon as practicable to an authorized officer of Canada at the Canadian port or place nearest to the place of detention, or at such other port or place as such officers of the United States and of Canada may agree upon. If any such person on any such vessel of Canada is a national or inhabitant of the United States, such person shall be arrested as provided for in subsection (b) of this section.

(d) Officers or employees of the Coast Guard, Customs, and Fisheries may be directed to attend as witnesses and to produce such available records and files or certified copies thereof as may be produced compatibly with the public interest and as may be considered essential to the prosecution in Canada of any violation of the provisions of the convention or any Canadian law for the enforcement thereof when requested by the appropriate Canadian authorities in the manner prescribed in article V of the convention to suppress smuggling concluded between the United States and Canada on June 6, 1924 (44 Stat. (pt. 3), 2097).

SEC. 6. (a) Any person violating any provision of section 3 of this act upon conviction shall be fined not more than $1,000 nor less than $100 or be imprisoned for not more than 1 year, or both.

(b) The cargo of halibut of every vessel employed in any manner in connection with the violation of any provision of section 3 of this act shall be forfeited; upon a second violation of the provisions of section 3 of this act, every such vessel, including its tackle, apparel, furniture, and stores may be forfeited and the cargo of halibut of every such vessel shall be forfeited; and, upon a third or subsequent violation of the provisions of section 3 of this act, every such vessel, including its tackle, apparel, furniture, cargo, and stores shall be forfeited.

(c) All provisions of law relating to the seizure, judicial forfeiture, and condemnation of a vessel for violation of the customs laws, the disposition of such vessel or the proceeds from the sale thereof, and the remission or mitigation of such forfeitures shall apply to seizures and forfeitures incurred, or alleged to have been incurred, under the provisions of this act, insofar as such provisions of law are applicable and not inconsistent with the provisions of this act: *Provided*, That except as provided in section 5 hereof all rights, powers, and duties conferred or imposed by this act upon any officer or employee of the Treasury Department shall, for the purpose of this act, be exercised or performed by the Secretary of Commerce or by such persons as he may designate.

SEC. 7. Any person violating section 4 of this act shall be subject to a penalty of $50 for each such violation. The Secretary of Commerce is authorized and empowered to mitigate or remit any such penalty in the manner prescribed by law for the mitigation or remission of penalties for violation of the navigation laws.

SEC. 8. None of the prohibitions contained in this act shall apply to the Commission or its agents when engaged in any scientific investigation.

SEC. 9. The Secretary of the Treasury and the Secretary of Commerce are authorized to make such joint rules and regulations as may be necessary to carry out the provisions of this act.

SEC. 10. This act shall take effect on the date of exchange of ratifications of the convention signed by the United States of America and Canada, on January 29, 1937, for the preservation of the halibut fishery of the Northern Pacific Ocean and Bering Sea, unless such date shall be prior to the date of approval of this act in which case it shall take effect immediately.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

STATUS OF PROVISIONAL OFFICERS OF WORLD WAR

The Senate resumed consideration of the bill (S. 1040) placing provisional officers of the World War in the same status with emergency officers of the World War and extending to them the same benefits and/or privileges as are now or may hereafter be provided by law, orders, and/or regulations for said emergency officers, and for other purposes.

Mr. SHEPPARD. Mr. President, the officers affected by this legislation received no compensation benefits under the 1924 Adjusted Compensation Act because they were excluded by its terms. They received no retirement benefits under the 1928 Emergency Officers' Retirement Act because they were held by the Comptroller General to be not entitled to retirement under that act on the ground that they had not served as emergency officers within the meaning of the act. Furthermore, unless they actually made application for disability retirement before leaving the service, they were further denied Regular Army retirement benefits for disability because the Judge Advocate General of the Army ruled that they could not be retired upon an application made after leaving the service. They constitute a group of World War officers who have been penalized because they held provisional commissions. The relatively few World War provisional officers who were given Regular Army retirement because of disability, or who were discharged under Regular Army retirement law with 1 year's pay, are excluded by a proposed amendment to this legislation from receiving its benefits. Evidently this class received the same consideration and benefits as any Regular Army officer received who was subject to retirement for disability or to discharge with a full year's pay.

The bill (S. 1040) provides that all persons who served as provisional officers in the Army, Navy, or Marine Corps of the United States during the World War, and were honorably separated from such service prior to December 31, 1921, shall be accorded the same status as those individuals who served as World War emergency officers. It stipulates that these provisional officers shall be entitled to the same benefits and privileges as are now or may hereafter be provided by law, orders, and regulations for World War emergency officers. It further provides that applications to obtain the benefits and privileges it extends must be made within 1 year following the date of the enactment of this measure.

Section 24 of the 1916 National Defense Act provided that all appointments to the grade of second lieutenant in the Regular Army, other than those of graduating classes from the United States Military Academy at West Point, should be provisional for a period of 2 years, and that all appointees receiving provisional commissions should be between the ages of 21 and 27. This provision was carried over in the National Defense Act of 1916 from existing law. The provision was originally enacted into law, and retained in the 1916 National Defense Act, on the theory that its operation would produce for permanent commissions in the Regular Army the best type of officer material outside the West Point graduate. An individual desiring a permanent commission in the Regular Army, other than a graduate of West Point, was required to pass through a 2-year provisional, or pro-

bationary, period, during which time he was carefully observed and rated by his superiors, and his efficiency ratings were closely studied and compared with those of other provisional officers. If, at the end of the 2-year probationary period, it was found that a provisional appointee was not desirable officer material, his provisional appointment was terminated, and he did not receive a commission in the Regular Army.

When it became apparent that the United States would become involved in the World War there was a heavily increased demand for Army officers. Section 24 of the 1916 National Defense Act at that time was the only law by which appointments could be made in the Regular Army other than appointments of graduates from West Point. Regulations were such that very few Reserve officers were available for assignment to active duty. Therefore the United States Government satisfied very largely its immediate demand for officer material at the beginning of the World War through the provisional appointments under section 24 of the 1916 National Defense Act. As the war proceeded the growing demand for officers was also met by additional war legislation.

A total of 4,968 provisional appointments were granted in the Regular Army between 1916 and 1920. Of these, 353 were commissioned from the Regular Army, the Philippine Scouts, and the National Guard, 577 from the Officers' Reserve Corps and the R. O. T. C. honor schools and colleges, and 3,167 came directly from civilian life. As to the remaining 871 there are no accurate statistics, but Army authorities agree that they came from the same sources in about the same proportion as did the other provisional officers.

It is readily seen that the men accepting World War provisional commissions, as did those accepting World War emergency officers commissions, came principally from civilian life.

Objection to this legislation is sometimes based on the contention that it would operate to grant certain benefits to those members of the Regular Army who accepted provisional appointments, which benefits were never intended to be extended to personnel of the Regular Establishment. In the first place, I direct attention to the fact that a very small number of those obtaining provisional commissions came from the Regular Army. Only 353 came from the Regular Army, the Philippine Scouts, and the National Guard combined. In the second place, attention is directed to the fact that provisional appointees from the Regular Army were enlisted men holding noncommissioned ranks and the moment they accepted a provisional appointment they lost every right they had ever possessed as enlisted men in the Regular Establishment and took their chances along with all other provisional appointees. If they did not release their provisional commissions by December 31, 1921, they obtain no benefits under this bill. It is unlikely that any of them reenlisted in the Regular Army after their separation from the service as officers, because if they had so elected they could have remained in the regular service as commissioned officers.

The appointment of provisional officers was discontinued by the National Defense Act of 1920.

Of the total of 4,968 men commissioned as provisional officers between 1916 and 1920, 2,744, or 55 percent, were separated from the service by December 31, 1921. Approximately 2,224 were commissioned in the Regular Army, and are, therefore, not included in this legislation inasmuch as the measure applies only to those World War provisional officers honorably separated from the service prior to December 31, 1921.

Mr. POPE. Mr. President, will the Senator yield?

Mr. SHEPPARD. I yield to the Senator from Idaho.

Mr. POPE. How many officers would receive benefits under this proposed legislation?

Mr. SHEPPARD. About 2,200 would be benefited by it.

Mr. POPE. I see by the report that the enactment of the bill would mean the expenditure of a little over $3,000,000.

Mr. SHEPPARD. Yes.

Mr. POPE. And that the Secretary of War, the Secretary of the Navy, and the Veterans' Administration have all reported adversely on the bill.

Mr. SHEPPARD. They have reported adversely because they do not want any change of policy in the matter of compensation at the present time. But the committee, after going into the matter thoroughly, and after studying the facts which I am laying before the Senate, felt that this consideration ought to be accorded these officers. They are the only retired officers left who have not received consideration in the adjusted-compensation law or in the emergency officers' retirement legislation or in retirement legislation pertaining to the Regular Army.

Mr. POPE. It is also reported that the bill is not in accord with the financial program of the President.

Mr. SHEPPARD. That is true, but the amount is comparatively so small and the injustice so great that the committee felt favorable action was justified.

Of the 2,744 provisional officers separated from the service prior to December 31, 1921, 135 were retired under Regular Army retirement law, 2,112 resigned, 202 died while in the service, 197 had their appointments terminated, 15 were discharged for inefficiency but received honorable discharges inasmuch as their inefficiency was not due to bad conduct or avoidable habits, 32 were honorably discharged under section 24b of the act of June 4, 1920, with 1 year's pay, 2 were discharged not honorably under section 24b of the act of June 4, 1920, 1 was discharged for physical disability held to be not an incident of the service, and for which the individual received a discharge other than honorable, 40 were dismissed under conditions other than honorable, 7 were dropped from the rolls, whose service is held not to be honorable, and one received his commission erroneously, but the commission was in force until November 21, 1918.

Senate bill 1040 affects the World War Adjusted Compensation Act, as amended, by making eligible for the benefits of that act the World War provisional officers who were honorably separated from the service prior to December 31, 1921. The Veterans' Administration advised the Senate Military Affairs Committee that insofar as adjusted compensation benefits are concerned the enactment of this legislation will occasion a cost of approximately $3,302,046.

This measure also affects the 1928 Emergency Officers' Retirement Act, in that it extends to World War provisional officers who were honorably separated from the service prior to December 31, 1921, emergency officer retirement benefits. The effect of the measure, so far as the 1928 Emergency Officers' Retirement Act is concerned, would be to extend to World War provisional officers honorably discharged prior to December 31, 1921, the right to file application under the 1928 act, and the right to have such application determined on its merits.

Based on applications which were filed by provisional officers under the 1928 Emergency Officers' Retirement Act before the Comptroller General in 1929 ruled that they were not entitled to the benefits of the act, the Veterans' Administration estimates that the cost of the retirement feature of the legislation under consideration would be approximately $10,000. However, as the Administrator of Veterans' Affairs points out in his communication to the Senate Military Affairs Committee of May 1, 1937, this figure cannot be taken as a maximum inasmuch as it takes into consideration only those claims which were filed prior to the ruling of the Comptroller General in 1929. It is possible that many provisional officers honorably discharged prior to December 31, 1921, who did not file for benefits under the Emergency Officers' Retirement Act before the Comptroller General's ruling of 1929, may file for benefits under the 1928 act within 1 year after the enactment of the pending bill.

The Senate Military Affairs Committee believes that these men who served as provisional officers during the World War, and who were honorably discharged from the service prior to December 31, 1921, are entitled to the benefits of the 1924 Adjusted Compensation Act and the 1928 Emergency Officers' Retirement Act. For all practical intents

and purposes they occupied a status during the World War similar to that held by emergency officers. Many of them were among the first to respond to the exigencies of war, leaving gainful pursuits in civilian life at the outset of the conflict to volunteer their services. They were all young men, between the ages of 21 and 27, and all of them entered in the grade of second lieutenant. It is true that these men were excluded by the 1924 Adjusted Compensation Act from its benefits on the theory that, having been given provisional appointments, they had the option of remaining in the Army. However, as the statistics show, over 50 percent of these men did not remain in the Army but left the service following the war, as did the emergency officers, returning to civilian life. It is this group of former provisional officers whom the pending bill is designed to benefit. Having entered the military service of their country voluntarily in time of war, they separated themselves from that service voluntarily when that emergency passed. This measure was under study for some weeks by the Senate Military Affairs Committee, and it was reported favorably with a recommendation that it pass. It has been on the Senate Calendar since May 11. The Senate Military Affairs Committee respectfully urges its passage.

As introduced in the Senate, it was believed that this bill included officers of the Navy who entered the naval service from civilian life during the World War and who resigned their commissions following the war. However, it appears that as now worded this group of former naval officers would not be benefited by the enactment of this measure, because the Navy Department holds that there were no provisional officers in the Navy. There are between four and five hundred men who were commissioned in the Navy during the World War and who resigned their commissions following the war. Rightfully, this bill should be amended so as to include them. They occupied in the Navy a status similar to that of the World War provisional officer in the Army. They entered the naval service from civilian life because of the war emergency, and they resigned their commissions when the war was over. The records show that not one of these men was retired for disability. Furthermore, not one of them received any compensation under the 1924 Adjusted Compensation Act or any retirement benefits whatsoever. I have conferred with the Senator from Maine [Mr. WHITE], and I understand that he has a proposed amendment which will bring under the provisions of the pending legislation this group of temporary World War naval officers. The proposed amendment is acceptable to the Senate Military Affairs Committee.

I suggest to the Senator from Maine that he offer his amendment now in order that it may be pending.

Mr. WHITE. Mr. President, if the Senator from Texas will yield, I offer the amendment at this time.

The VICE PRESIDENT. The amendment offered by the Senator from Maine will be stated.

The CHIEF CLERK. On page 1, line 5, after the word "War", it is proposed to insert "or who were appointed to commissioned or warrant grades or ranks in the Navy from civil life subsequent to April 6, 1917."

The VICE PRESIDENT. The amendment will be received, printed, and be considered as pending when the bill shall again be before the Senate.

Mr. SHEPPARD. I offer the amendment embodying modifications to which I have referred in the course of my address, and ask that they may be considered as pending.

The VICE PRESIDENT. The amendments submitted by the Senator from Texas will be received, printed, and lie on the table.

Mr. SHEPPARD. Mr. President, this measure, I assume, will become the unfinished business on the adjournment of the Senate today.

The VICE PRESIDENT. It will be the unfinished business when the Senate shall meet again.

Mr. SHEPPARD. I hope the bill will be taken up for consideration on Monday next.

PLANS FOR POWER PROJECT ON CLARK FORK OF THE COLUMBIA RIVER

The VICE PRESIDENT laid before the Senate the action of the House of Representatives disagreeing to the amendment of the Senate to the bill (H. R. 114) to provide for studies and plans for the development of a hydroelectric power project at Cabinet Gorge, on the Clark Fork of the Columbia River, for irrigation pumping or other uses, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. POPE. I move that the Senate insist upon its amendment, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. POPE, Mr. HATCH, Mr. ADAMS, Mr. MCCARRAN, and Mr. TOWNSEND conferees on the part of the Senate.

APPROPRIATIONS FOR THE DEPARTMENTS OF STATE, JUSTICE, ETC.—CONFERENCE REPORT

Mr. MCKELLAR submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5779) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1938, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 6, 7, 13, 19, 55, 66, 67, 68, 69, 70, 82, 84, 85, 90, 91, and 92.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 8, 14, 20, 25, 27, 29, 30, 33, 34, 38, 43, 45, 46, 47, 52, 53, 59, 65, 72, 73, 74, 75, 80, 86, 89, and 93, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$2,220,480"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment amended to read as follows: "and other miscellaneous items (not exceeding $50 for any one item) not included in the foregoing"; and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert "$20,000"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$563,500"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$150,000"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows: In lieu of the sum named insert "$1,889,660"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment amended to read as follows: "and such other expenditures (not exceeding $50 for any one item) as may be necessary,"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$530,000"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$47,000"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$3,560,000"; and the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$563,040"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and

agree to the same with an amendment as follows: In lieu of the sum proposed insert "$455,000"; and the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$1,023,465"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment, amended to read as follows: "who shall be chief executive officer of the Department and who may be designated by the Secretary of Commerce to sign minor routine official papers and documents during the temporary absence of the Secretary and the Assistant Secretaries of the Department,"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment amended to read as follows: "; and all other necessary miscellaneous items (not exceeding $50 for any one item) not included in the foregoing"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "$500,000, of which $10,000 shall be immediately available"; and the Senate agree to the same.

Amendment numbered 32: That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "$628,000, of which $5,000 shall be immediately available"; and the Senate agree to the same.

Amendment numbered 35: That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "$3,037,800, of which $7,500 shall be immediately available"; and the Senate agree to the same.

Amendment numbered 36: That the House recede from its disagreement to the amendment of the Senate numbered 36, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "$2,000,000 and, prior to July 1, 1939, $2,000,000 additional may be obligated under contracts for such purchase, construction and installation of additional air navigation aids: *Provided further*, That the Secretary of Commerce before entering into any such contract shall personally certify that in his opinion it is necessary in the public interest: *Provided further*, That a full report of all such certifications and of all expenditures under this item shall be made to Congress on or before July 1, 1938"; and the Senate agree to the same.

Amendment numbered 37: That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "$5,698,700, of which $58,500 shall be immediately available"; and the Senate agree to the same.

Amendment numbered 39: That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment amended to read as follows: "and all other necessary expenses (not exceeding $50 for any one item) not included in the foregoing"; and the Senate agree to the same.

Amendment numbered 40: That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "$1,582,000, of which $11,000 shall be immediately available"; and the Senate agree to the same.

Amendment numbered 42: That the House recede from its disagreement to the amendment of the Senate numbered 42, and agree to the same with an amendment as follows: Strike out all the matter inserted by said amendment after the word "manuscripts" and insert in lieu thereof "$292,000"; and the Senate agree to the same.

Amendment numbered 44: That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment as follows: In lieu of the number inserted by said amendment insert "six"; and the Senate agree to the same.

Amendment numbered 48: That the House recede from its disagreement to the amendment of the Senate numbered 48, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$543,800"; and the Senate agree to the same

Amendment numbered 50: That the House recede from its disagreement to the amendment of the Senate numbered 50, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows: "and all other necessary incidental expenses (not exceeding $50 in any one case) not included in the foregoing,"; and the Senate agree to the same.

Amendment numbered 54: That the House recede from its disagreement to the amendment of the Senate numbered 54, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment amended to read as follows: "; and all other necessary incidental expenses (not exceeding $50 in any one case) not included in the foregoing"; and the Senate agree to the same.

Amendment numbered 57: That the House recede from its disagreement to the amendment of the Senate numbered 57, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment amended to read as follows: "and all other necessary incidental expenses (not exceeding $50 in any one case) connected therewith,"; and the Senate agree to the same.

Amendment numbered 60: That the House recede from its disagreement to the amendment of the Senate numbered 60, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment amended to read as follows: ", and for every necessary incidental expense (not exceeding $50 in any one case) not included in the above"; and the Senate agree to the same.

Amendment numbered 61: That the House recede from its disagreement to the amendment of the Senate numbered 61, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment amended to read as follows: "; and for all other necessary expenses (not exceeding $50 in any one case) not included in the foregoing"; and the Senate agree to the same.

Amendment numbered 62: That the House recede from its disagreement to the amendment of the Senate numbered 62, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$778,000"; and the Senate agree to the same.

Amendment numbered 64: That the House recede from its disagreement to the amendment of the Senate numbered 64, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$143,800"; and the Senate agree to the same.

Amendment numbered 71: That the House recede from its disagreement to the amendment of the Senate numbered 71, and agree to the same with an amendment as follows: In lieu of the number proposed insert "six"; and the Senate agree to the same.

Amendment numbered 76: That the House recede from its disagreement to the amendment of the Senate numbered 76, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment amended to read as follows: "and all other necessary expenses (not exceeding $50 in any one case) in connection therewith,"; and the Senate agree to the same.

Amendment numbered 78: That the House recede from its disagreement to the amendment of the Senate numbered 78, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows: "and all other necessary expenses (not exceeding $50 in any one case) connected therewith,"; and the Senate agree to the same.

Amendment numbered 81: That the House recede from its disagreement to the amendment of the Senate numbered 81, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment amended to read as follows: "and all other necessary expenses (not exceeding $50 in any one case) connected therewith,"; and the Senate agree to the same.

Amendment numbered 87: That the House recede from its disagreement to the amendment of the Senate numbered 87, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment amended to read as follows: "all other necessary miscellaneous expenses (not exceeding $50 in any one case) not included in the foregoing:"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 4, 12, 28, 41, 49, 51, 56, 58, 63, 77, 79, 83, and 88.

KENNETH MCKELLAR,
RICHARD B. RUSSELL, Jr.,
KEY PITTMAN,
PAT MCCARRAN,
FREDERICK HALE,
Managers on the part of the Senate.

THOMAS S. MCMILLAN,
JAMES MCANDREWS,
ROBERT L. BACON,
Managers on the part of the House.

The report was agreed to.

The VICE PRESIDENT laid before the Senate the action of the House of Representatives on House bill 5779, the Departments of State, Justice, etc., appropriation bill, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, UNITED STATES,

June 9, 1937.

Resolved, That the House recede from its disagreement to the amendments of the Senate nos. 4, 12, 28, 41, 49, 51, 56, 58, 63, 77, 79, 83, and 88 to the bill (H. R. 5779) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1938, and for other purposes, and concur therein each with an amendment, as follows:

In the matter proposed to be inserted by each of the said Senate engrossed amendments strike out the word "detailed."

Mr. McKELLAR. I move that the Senate agree to the amendment of the House to each of the amendments of the Senate in question.

The motion was agreed to.

The VICE PRESIDENT. As the Chair understands, that completes the legislative action on the bill.

Mr. McKELLAR. That is my understanding.

AUTHORITY FOR APPOINTMENT OF COMMITTEES, ETC., DURING RECESS

Mr. BARKLEY. Mr. President, I ask unanimous consent that during the recess or adjournment of the Senate to be taken at the conclusion of today's business, the Vice President be authorized to appoint such committees, joint committees, or otherwise, and perform such other duties as may be incumbent upon him.

The VICE PRESIDENT. Without objection, it is so ordered.

WORKS PROGRESS ADMINISTRATION IN WEST VIRGINIA

Mr. HOLT. Mr. President, some time ago I requested the Works Progress Administration to furnish me with a list of the names, addresses, and salaries of those employed in administrative or supervisory capacities by the Works Progress Administration in West Virginia. I was advised that this was not the policy of the Works Progress Administration because, first, it would lead to solicitation by salesmen, and second, that it would subject its employees to the gossip of neighbors. I ask to have the reply of Mr. Williams inserted in the RECORD at this point.

The PRESIDING OFFICER (Mr. HATCH in the chair). Without objection, it is so ordered.

The letter is as follows:

MAY 15, 1937.

Senator RUSH HOLT,
Senate Office Building, Washington, D. C.

DEAR SENATOR HOLT: This is in reply to a telephone request from your office for names, addresses, and salaries of persons holding supervisory or administrative positions in the W. P. A. in West Virginia.

We have not made it a practice to give out information concerning the individual salaries and addresses of employees except those in a position to formulate policy or direct major portions of the operations. We have felt that the public could have no legitimate interest in such information and that its release would very possibly result in these persons being subjected to solicitation from salesmen and the gossip of neighbors.

We do feel that the public could and should have a very real interest in the total amount of our administrative pay roll, the various salary grades for different kinds of work, and the number of persons employed in the various categories. Upon request we are glad to make listings of this kind.

Very truly yours,

AUBREY WILLIAMS,
Acting Administrator.

Mr. HOLT. I immediately dispatched a reply to Mr. Williams, a copy of which I request may be printed in the RECORD at this point.

There being no objection, the reply was ordered to be printed in the RECORD, as follows:

MAY 25, 1937.

Mr. AUBREY WILLIAMS,
Works Progress Administration, Washington, D. C.

DEAR MR. WILLIAMS: I am in receipt of your letter of May 15. Since it is my duty as one of the Members of Congress to determine the amount of money to be spent by the Works Progress Administration during the coming fiscal year, I feel that the information requested is of much importance. Certainly, it is not being procured for solicitation of salesmen. As to gossip, I feel that a public pay roll is a public matter. The best way to stop gossip is to let the people know the facts. If anyone on the pay roll does not deserve to be there and is receiving far beyond what he should, I see no reason why neighbors should not talk about the matter, because the neighbors are the one who pay the bill. As you know, I unearthed a large number of individuals last summer on the W. P. A. pay rolls who were not entitled to be there on need or merit, and I feel that it has come to quite a state of affairs when a Member of the United States Senate, who is called upon to pass appropriations, cannot find out how much and who is being paid within his own State. Therefore, I request again that you furnish me with a list of names, addresses, and salaries of persons holding supervisory and administrative positions with the W. P. A. in West Virginia.

I cannot agree with you that the public could have no interest in such information. I feel that the public has a very important and definite interest. I do not agree with the contention that a public pay roll is a closed affair and that the people who pay the bill do not have a right to know the details.

Through a list last year I found very wealthy individuals receiving money from the relief administration. I found employees holding more than one job. I found employees placed on the relief pay rolls who were receiving many times their former private salaries. I found salaries increased by large amounts with no specific reason given or known for such advancement except political consideration. Could you mean that this is not legitimate for me to trace down such practices?

Yours very truly,

RUSH D. HOLT.

Mr. HOLT. I may say, in all fairness to Mr. Williams, that I do not believe the letter was actually the work of the Assistant Administrator, but that it was the work of Mr. Harry L. Hopkins, who has always maintained the policy, and has publicly expressed that policy, that the public is "too damned dumb to understand." In other words, he is the benevolent adviser to determine just what the public should know about relief. I desire to state briefly why I wanted the information which I requested of the Works Progress Administration.

First, I deem it advisable for the Members of Congress to know where and how the money is being spent. The power to appropriate is a power given to the legislative branch of the Government. Congress has seen developed in recent years a tendency to appropriate money and allow the disbursement to be at the discretion of the executive branch. Such a policy was excused on the ground that an emergency existed.

Today, with all the talk of prosperity, it is time that Congress is regaining the power of appropriation. I feel that I would be in position to know more about how the money was being spent in West Virginia than in any other State. It was not only my right to know where the money has gone, but it was my duty as a Senator from West Virginia to inform myself of these facts. Through this information I could have a better idea of how much was being spent properly and how much was being spent improperly. I could procure more data within my own State than I could if I should undertake to investigate the matter throughout the entire Nation, although I believe each Senator should know how the money is being spent in his State and each Member of the House of Representatives should know how the money is being spent in his district.

To vote for an appropriation bill for the continuation of a system without knowing the full facts about how that system is operated is not a proper approach to a problem by a Member of Congress. But this bureaucratic machine has said that it is not the business of the Senate to know how the money is being spent or where it is going, but that it is our duty to keep our mouths shut and our eyes closed and to do as they advise. So far as I am concerned, I am not going to keep my eyes closed nor am I going to keep my mouth shut when I see the public funds misused, wasted, and thrown away.

I have been advised that it was said that Mr. Hopkins was going to take the roll call in the House, earmark the Representatives who dared object to his policies, and use that earmarking within the various congressional districts. Such a state of affairs is a natural consequence of allowing a starry-eyed, egotistical bureaucrat to spend money at his own will and tell Congress that it is none of its affairs where the money is going.

Last year I did procure such a list from the Works Progress Administration, and I found on that list wealthy individuals who had no business nor right to be on the relief rolls. Officials of banks had gone on relief in West Virginia. Businessmen had found it more profitable to leave their businesses and secure W. P. A. employment; but may I say that employment was not at the rate of salary given to men in the ditch or women in the sewing rooms. I want to see if these same men are still maintaining their W. P. A. status.

I also found individuals who had been in private employment leaving their private employment because the W. P. A. offered them higher salaries for less work. Instances were found of individuals receiving three times as much as their former salaries. Some instances are similar to the Gov-

ernment's dollar-a-year men who were perfectly willing to help their country for a dollar a year plus, only these men are receiving the plus and a much higher salary. I want to see if this practice is still continued.

I found men who were interested in the manufacture and sale of supplies on the W. P. A. pay rolls in West Virginia. Some of these have returned to their former private employment. In this way they are in a better position to sell to the Federal Government. I want to see if this practice is still continued.

I want to see if the men who went around and got nickels, dimes, and quarters from the men working on the projects were rewarded for their ability to collect. I want to see how many of those who worked faithfully during the months of September and October on the W. P. A. pay roll, yet not at W. P. A. work, had their salaries increased. I know the individuals, but I want an official record from the Government in order that I may check them.

I have found that on some projects the cost of administration and supervision exceeded the amount of money paid the relief workers. I want to see if this practice is still continued.

I have found instances of individuals who worked in the district and State offices, and yet were charged to projects, although they had never seen them or worked upon them. This was to reduce the State administrative cost. I want to see if this practice is still being continued.

I have found on the pay roll one man who was placed there, according to their own statement in a letter which I have at hand, as being "a possibility toward healing a rift that certain of the opposition had in mind to make with the Italian vote." I want to see if that practice continues.

I found an instance of a certain individual being appointed, according to the letter I have in my possession—here is the letter—because "it would go a large way toward holding our line intact here in the county." I want to see if this practice is still being continued.

I want to see if the same large number of individuals whose duties were to write for the newspapers "to sell the W. P. A. to the people of West Virginia" are still employed at tremendously high salaries, when there are still many people in the State of West Virginia who are hungry and in need of relief.

I want to find out if Mr. Raymond Lewis, brother of the deep-voiced labor racketeer, John L. Lewis, has received more increases in his salary. I desire to advise the Senate that Mr. Raymond Lewis—not a resident of West Virginia, a man who never resided in West Virginia—was brought down from his residence in another State to help put over the W. P. A. program. He was listed as an engineer, and he must have been good because those in charge of W. P. A. found it very advisable to increase his salary. Of course, the fact that he is a brother of John L. Lewis may have had something to do with it. It may be, although I am not certain, that he has continued to improve and that his salary has been increased again and again. Of course, you know, Mr. President, that Mr. Hopkins would not want Mr. Lewis to be subjected to the gossip of neighbors. Of course, his neighbors do not know him so well, because he has not been in West Virginia very long, and, of course, they would want to check into that. I want to see if that practice is being continued in the State.

I understand that certain individuals have been released from the pay roll because they questioned certain equipment contracts and the use of certain equipment. I feel that it would be well to know if that practice is being continued.

I want to see if those officials who are assisting the C. I. O. to try to wreck the American Federation of Labor and who are receiving their money from the W. P. A. as Federal employees—not as C. I. O. employees, but as W. P. A. employees—are receiving the same salaries as they would have received before the C. I. O. drive got under way. I want to see if that practice continues in West Virginia.

I am sure that neither Mr. Hopkins nor any of his close associates would be desirous of subjecting to the gossip of neighbors the individuals who have been guilty of some of the things mentioned; and they certainly would not want salesmen to knock at the doors and say, "I understand you have had your salary increased three times over what you were formerly getting, and that you are required, according to the social needs of the W. P. A., to look your best to please the eyes of those who come from Washington to investigate the W. P. A. You should buy this product. It will make you look more lovely than ever, and therefore your salary should be increased."

That is what I am interested in. That is why I wrote the letter. I am interested to know how much money is going to those who need relief, and how much is going to those who get relief and do not need it.

I shall discuss the issue more fully when the relief appropriation bill comes on the floor of the Senate next week; but I do want to let Mr. Hopkins know why I want that list of officials of the W. P. A. in the State of West Virginia.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. McGILL in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

REPORTS OF COMMITTEE ON FOREIGN RELATIONS

Mr. PITTMAN, from the Committee on Foreign Relations, reported favorably the nomination of Robert F. Kelley, of Massachusetts, to be a Foreign Service officer of class 3, a consul general, and a secretary in the Diplomatic Service.

He also, from the same committee, reported favorably the nominations of sundry citizens for promotion in the Foreign Service, effective as of June 1, 1937.

He also, from the same committee, to which were referred the following treaties, conventions, and an additional protocol, reported them favorably and submitted reports thereon:

Executive J (75th Cong., 1st sess.). A treaty terminating article VIII of the treaty of December 30, 1853, signed by the Secretary of State and the Mexican Ambassador at Washington on April 13, 1937 (Ex. Rept. No. 9);

Executive M (75th Cong., 1st sess.). An additional protocol relative to nonintervention, signed at Buenos Aires on December 23, 1936, by the respective plenipotentiaries of the United States of America and the other 20 American republics represented at the Inter-American Conference for the Maintenance of Peace, held at Buenos Aires in December 1936 (Ex. Rept. No. 10);

Executive N (75th Cong., 1st sess.). A treaty on the prevention of controveries signed at Buenos Aires on December 23, 1936, by the respective plenipotentiaries of the United States of America and the other 20 American republics represented at the Inter-American Conference for the Maintenance of Peace, held at Buenos Aires in December 1936 (Ex. Rept. No. 11);

Executive O (75th Cong., 1st sess). An Inter-American Treaty on Good Offices and Mediation signed at Buenos Aires on December 23, 1936, by the respective plenipotentiaries of the United States of America and the other 20 American republics represented at the Inter-American Conference for the Maintenance of Peace held at Buenos Aires in December 1936 (Ex. Rept. No. 12);

Executive Q (75th Cong., 1st sess.). A Convention on the Pan-American Highway signed at Buenos Aires on December 23, 1936, by the respective plenipotentiaries of the United States of America and 19 of the other American republics represented at the Inter-American Conference for the Maintenance of Peace held at Buenos Aires in December 1936 (Ex. Rept. No. 13);

Executive R (75th Cong., 1st sess.). A Convention for the Promotion of Inter-American Cultural Relations, signed at

Buenos Aires on December 23, 1936, by the respective plenipotentiaries of the United States of America and the other 20 American republics represented at the Inter-American Conference for the Maintenance of Peace, held at Buenos Aires in December 1936 (Ex. Rept. No. 14); and

Executive S (75th Cong., 1st sess.). A Convention Concerning Artistic Exhibitions, signed at Buenos Aires on December 23, 1936, by the respective plenipotentiaries of the United States of America and the other 20 American republics represented at the Inter-American Conference for the Maintenance of Peace, held at Buenos Aires in December 1936 (Ex. Rept. No. 15).

The PRESIDING OFFICER. The reports will be placed on the Executive Calendar.

If there be no further reports of committees, the clerk will state in their order the nominations on the Executive Calendar.

FEDERAL HOME LOAN BANK BOARD

The legislative clerk read the nomination of T. D. Webb, of Tennessee, to be a member of the Federal Home Loan Bank Board.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

SECURITIES AND EXCHANGE COMMISSION

The legislative clerk read the nomination of James M. Landis, of Massachusetts, to be a member of the Securities and Exchange Commission.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

RESETTLEMENT ADMINISTRATION

The legislative clerk read the nomination of Newell S. Boardman, of Wisconsin, to be regional director of the Resettlement Administration.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

That concludes the Executive Calendar.

RECESS TO MONDAY

The Senate resumed legislative session.

Mr. BARKLEY. I move that the Senate take a recess until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 2 o'clock and 28 minutes p. m.) the Senate took a recess until Monday, June 14, 1937, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 10 (legislative day of June 7), 1937

UNITED STATES DISTRICT JUDGE, CANAL ZONE

Charles Harwood, of Rye, N. Y., to be United States district judge of the Canal Zone, vice Hon. Richard C. P. Thomas, whose term has expired.

JUDGE, CIRCUIT COURT OF HAWAII

Hon. Louis LeBaron, of Hawaii, to be first judge, Circuit Court, First Circuit of Hawaii, vice Hon. Norman D. Godbold, Sr., deceased.

UNITED STATES ATTORNEYS

Jim C. Smith, of Alabama, to be United States attorney for the northern district of Alabama. (Mr. Smith is now serving in this office under an appointment which expires July 1, 1937.)

George Earl Hoffman, of Florida, to be United States attorney for the northern district of Florida. (Mr. Hoffman is now serving in this office under an appointment which expired May 19, 1937.)

T. Hoyt Davis, of Georgia, to be United States attorney for the middle district of Georgia. (Mr. Davis is now serving in this office under an appointment which expired May 27, 1937.)

John A. Carver, of Idaho, to be United States attorney for the district of Idaho. (Mr. Carver is now serving in this office under an appointment which expires June 13, 1937.)

James R. Fleming, of Indiana, to be United States attorney for the northern district of Indiana. (Mr. Fleming is now serving in this office under an appointment which expired June 5, 1937.)

Val Nolan, of Indiana, to be United States attorney for the southern district of Indiana. (Mr. Nolan is now serving in this office under an appointment which expired June 5, 1937.)

Carl C. Donaugh, of Oregon, to be United States attorney for the district of Oregon. (Mr. Donaugh is now serving in this office under an appointment which expires June 13, 1937.)

Joseph A. McNamara, of Vermont, to be United States attorney for the district of Vermont. (Mr. McNamara is now serving in this office under an appointment which expires June 13, 1937.)

UNITED STATES MARSHALS

Edward B. Doyle, of Georgia, to be United States marshal for the middle district of Georgia. (Mr. Doyle is now serving in this office under an appointment which expired May 26, 1937.)

Al W. Hosinski, of Indiana, to be United States marshal for the northern district of Indiana. (Mr. Hosinski is now serving in this office under an appointment which expired May 27, 1937.)

Frank L. Middleton, of Elko, Nev., to be United States marshal for the district of Nevada, vice Harry C. Gravelle, resigned.

W. Joe Ballard, of Oklahoma, to be United States marshal for the western district of Oklahoma, vice W. C. Geers, whose term expires June 13, 1937.

Guy McNamara, of Texas, to be United States marshal for the western district of Texas. Mr. McNamara is now serving in this office under an appointment which expires June 13, 1937.

COLLECTOR OF CUSTOMS

William H. Gilliland, of Port Arthur, Tex., to be collector of customs for customs collection district no. 21, with headquarters at Port Arthur, Tex. (Reappointment.)

POSTMASTERS

ALASKA

Alice E. Gurtler to be postmaster at Nenana, Alaska. Office became Presidential July 1, 1937.

ARKANSAS

Louise May Scarlett to be postmaster at Parkin, Ark., in place of W. B. Hunter, deceased.

Joe L. McClellan to be postmaster at Pine Bluff, Ark., in place of C. E. Duvall, retired.

CALIFORNIA

Carla Egan to be postmaster at Agnew, Calif., in place of E. F. Morris, removed.

Genevieve P. Dutra to be postmaster at Alvarado, Calif., in place of Frances Luna, removed.

Della Carrillo to be postmaster at Camarillo, Calif., in place of R. G. Glover, resigned.

William A. Koppe to be postmaster at Leevining, Calif. Office became Presidential July 1, 1936.

Sadie Tippett to be postmaster at Plymouth, Calif., in place of A. M. Lepley, deceased.

COLORADO

Mary Burrous to be postmaster at Genoa, Colo., in place of J. A. Hames, resigned.

CONNECTICUT

William Liberty to be postmaster at Voluntown, Conn. Office became Presidential July 1, 1936.

FLORIDA

Mamie M. Carnell to be postmaster at Ormond, Fla., in place of F. A. Carnell, deceased.

GEORGIA

Ulysses S. Lancaster to be postmaster at Gray, Ga., in place of E. G. Bragg. Incumbent's commission expired January 25, 1936.

Mamie E. Harvey to be postmaster at Pembroke, Ga., in place of S. G. Purvis. Incumbent's commission expired March 10, 1936.

HAWAII

Jack Y. Ouye to be postmaster at Hakalau, Hawaii. Office became Presidential July 1, 1936.

James Takeo Yahusaki to be postmaster at Papaikou, Hawaii, in place of Alexander Moir. Incumbent's commission expired February 5, 1935.

ILLINOIS

Joseph A. Schneider to be postmaster at East Dubuque, Ill., in place of J. E. Heffron. Incumbent's commission expired April 27, 1936.

Delos Solterman to be postmaster at Evergreen Park, Ill., in place of R. W. Stott. Incumbent's commission expired June 23, 1936.

William J. Dolamore to be postmaster at Franklin Park, Ill., in place of F. R. Shannon, removed.

Eleanor Onken to be postmaster at Gibson City, Ill., in place of P. R. Main. Incumbent's commission expired October 10, 1933.

Charles E. Hibbs to be postmaster at Grand Ridge, Ill., in place of F. W. Neuman. Incumbent's commission expired March 28, 1936.

Francis Hayes to be postmaster at Gridley, Ill., in place of S. H. Rich. Incumbent's commission expired February 9, 1936.

Muriel V. McNeil to be postmaster at Hazel Crest, Ill., in place of Earl Cory. Incumbent's commission expired January 7, 1936.

Henry Dwyer to be postmaster at Ladd, Ill., in place of J. V. Campeggio. Incumbent's commission expired February 9, 1936.

Iona M. Blair to be postmaster at Leaf River, Ill., in place of W. D. Newcomer, removed.

Basil R. Dawson to be postmaster at Lexington, Ill., in place of E. K. Welch. Incumbent's commission expired February 9, 1936.

Carl E. Farrell to be postmaster at Louisville, Ill., in place of C. E. Gillespie, resigned.

Virginia E. Turner to be postmaster at McLean, Ill., in place of L. E. Wilcox. Incumbent's commission expired May 10, 1936.

David E. Woolsoncroft to be postmaster at Roberts, Ill., in place of L. L. Boyle, deceased.

Hugh D. Stine to be postmaster at Saybrook, Ill., in place of Alta Winn. Incumbent's commission expired May 10, 1936.

Walter W. Lesch to be postmaster at Washburn, Ill., in place of W. W. Lesch. Incumbent's commission expired January 7, 1936.

Alyce M. Wilson to be postmaster at Wenona, Ill., in place of W. A. Myers. Incumbent's commission expired May 10, 1936.

INDIANA

Richard Chester Fields to be postmaster at Carbon, Ind., in place of W. H. Bradshaw, resigned.

Georgia M. Mougeotte to be postmaster at Lagro, Ind. Office became Presidential July 1, 1936.

Eva M. Schantz to be postmaster at Lyons, Ind., in place of J. W. Sappenfield, deceased.

Harry W. Behlmer to be postmaster at Sunman, Ind., in place of H. P. Price, resigned.

IOWA

Clyde B. Richardson to be postmaster at Keosauqua, Iowa, in place of B. J. Stong, deceased.

KANSAS

Olga Warner to be postmaster at Arlington, Kans., in place of C. T. Taylor, deceased.

Henry Burden to be postmaster at Cawker City, Kans., in place of J. B. Searle. Appointee deceased.

LOUISIANA

Jesse D. McBride to be postmaster at Bastrop, La., in place of I. C. Fife, removed.

Walter L. Huckabay to be postmaster at Bienville, La., in place of H. A. Toms. Incumbent's commission expired January 9, 1936.

Delta A. Bourg to be postmaster at Le Moyen, La., in place of J. L. Goudchaux, removed.

MASSACHUSETTS

George Arnold Rice to be postmaster at Pepperell, Mass. Office became Presidential July 1, 1936.

MICHIGAN

Neva J. DuVall to be postmaster at Coloma, Mich., in place of H. C. DeField, removed.

Tella C. Hunter to be postmaster at Gagetown, Mich., in place of C. P. Hunter, deceased.

Lulu H. O'Rourke to be postmaster at Richmond, Mich., in place of J. S. O'Rourke, deceased.

MINNESOTA

Alta R. Dickson to be postmaster at Big Falls, Minn., in place of W. L. Dickson, removed.

MISSOURI

Egbert F. Arnold to be postmaster at Lewistown, Mo., in place of F. F. Rudd. Appointee deceased.

MONTANA

Amy P. Bartley to be postmaster at Fort Benton, Mont., in place of F. P. Bartley, removed.

NEBRASKA

Donald W. Flory to be postmaster at Saint Edward, Nebr., in place of F. R. Hall, removed.

NEW JERSEY

Louis Quinby to be postmaster at Longport, N. J., in place of Louis Quinby. Incumbent's commission expired February 4, 1935.

NEW YORK

John H. Otten to be postmaster at Blauvelt, N. Y. Office became Presidential July 1, 1936.

Gus Di Savino to be postmaster at Chadwicks, N. Y., in place of W. G. Fisher. Incumbent's commission expired January 27, 1936.

NORTH CAROLINA

Clara B. Rosser to be postmaster at Broadway, N. C. Office became Presidential July 1, 1936.

OHIO

Wilmer Harvey Driggs to be postmaster at Cambridge, Ohio, in place of R. M. Hutchison, resigned.

SOUTH CAROLINA

William J. Hughes to be postmaster at Loris, S. C., in place of W. J. Hughes. Incumbent's commission expired April 29, 1936.

TEXAS

Jack Jones to be postmaster at Bivins, Tex. Office became Presidential July 1, 1936.

Thomas M. Sherman to be postmaster at Rusk, Tex., in place of A. R. Odom, removed.

WISCONSIN

Edmund P. Johnson to be postmaster at Rosholt, Wis., in place of W. C. Anderson. Incumbent's commission expired February 10, 1936.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 10 (legislative day of June 7), 1937

FEDERAL HOME LOAN BANK BOARD

T. D. Webb to be a member of the Federal Home Loan Bank Board.

SECURITIES AND EXCHANGE COMMISSION

James M. Landis to be a member of the Securities and Exchange Commission.

RESETTLEMENT ADMINISTRATION

Newell S. Boardman to be a regional director in the Resettlement Administration.

HOUSE OF REPRESENTATIVES

THURSDAY, JUNE 10, 1937

The House met at 12 o'clock noon.

The Reverend John W. Rustin, pastor of the Mount Vernon Methodist Episcopal Church South, Washington, D. C., offered the following prayer:

Gracious God, Father of us all, high above us and yet living in each one of us, forgive us, we pray Thee, that too often when we pray we do it as a matter of form and do not actually enter into Thy spirit.

Bless, we pray Thee, this group of men who have been placed in such responsible positions in a time like this. Grant that they may feel the need of Thy divine guidance and not be dependent on their own strength.

Forgive us that too often our eyes are closed to the major issues of life by prejudice, greed, and selfish interest.

May we ever be mindful of our brothers, so that when we pray we can actually say, "Thy kingdom come in earth as it is in heaven."

Breathe, Thou Breath of God, into our restless world, that we may this day hear that still, small voice of calm speaking to our inner souls, bringing quietness and peace to our troubled lives. Through Jesus Christ, our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

HOUR OF MEETING TOMORROW

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow; and coupled with that request, I ask unanimous consent that there may be four hours and a half of general debate on the resolution (H. J. Res. 375) extending the excise taxes, the time to be equally divided between and controlled by the gentleman from Massachusetts [Mr. TREADWAY] and myself.

Mr. RICH. Mr. Speaker, reserving the right to object, I should like to ask the gentleman from North Carolina if they are going to have in the tax bill anything with reference to the undistributed surplus taxes this year?

Mr. DOUGHTON. We hope to later.

Mr. RICH. That is fine. I hope the gentleman will see we get that bill.

Mr. BOILEAU. Mr. Speaker, reserving the right to object, I should like to ask the gentleman from North Carolina whether or not the committee has made any amendments to the House joint resolution as originally introduced?

Mr. DOUGHTON. None.

Mr. BOILEAU. No committee amendment at all?

Mr. DOUGHTON. None at all.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. SIROVICH. Mr. Speaker, I ask unanimous consent that on Friday, June 18, after the reading of the Journal and the disposition of the legislative business of the day, I may be permitted to address the House for 1 hour.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

EXTENSION OF REMARKS

Mr. MEAD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD by inserting therein a copy of a speech delivered by my colleague the gentleman from Massachusetts [Mr. CONNERY] on the new hours and wages legislation.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. ELLENBOGEN. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes in order to discuss the violation of the National Labor Relations Act by the Republic Steel Corporation, the Inland Steel Corporation, and the Youngstown Sheet & Tube Co.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

Mr. RAYBURN. Mr. Speaker, under the system we have adopted I feel constrained to object.

Mr. ELLENBOGEN. Will the gentleman withhold his objection for a moment?

Mr. RAYBURN. I will, if it does not take much time.

Mr. ELLENBOGEN. I believe, Mr. Speaker, we should have an opportunity to discuss an important matter like this, and should be given time to do so. This is as important as any matter which may come before the House.

Mr. RAYBURN. Mr. Speaker, the gentleman understands there will be no objection to his speaking this afternoon after the business of the day has been completed. I cannot agree to the gentleman speaking at this time.

Mr. ELLENBOGEN. That will probably be about 5 or 6 o'clock, when everybody is tired and wants to go home.

The SPEAKER. Objection is heard.

DEPORTATION OF CRIMINALS AND CERTAIN OTHER ALIENS

Mr. DIES. Mr. Speaker, I call up House Resolution 229.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 6391, a bill to authorize the prompt deportation of criminals and certain other aliens, and for other purposes. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Immigration and Naturalization, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

Mr. DIES. Mr. Speaker, I yield 30 minutes to the gentleman from Tennessee [Mr. TAYLOR].

The SPEAKER. The gentleman from Texas is recognized for 30 minutes, and the gentleman from Tennessee [Mr. TAYLOR] will be recognized for 30 minutes.

Mr. DIES. Mr. Speaker, the Dies bill (H. R. 6391), which will be under consideration when the rule is adopted, is a compromise measure. As is well known, for some 5 or 6 years there has been an attempt, heretofore futile, to work out some sort of fair compromise on the deportation question as well as in reference to the meritorious cases. It was a most difficult task to find any common meeting ground, because on this question, particularly, as well as on practically every other question, there are extreme views on both sides. We know, of course, that legislation of all kinds and character is necessarily the result of compromise.

When the original proposal, the Kerr-Coolidge bill, was before the House, many of us opposed its passage for certain reasons which I will hereafter explain. All of the labor organizations were likewise opposed to the passage of that measure. This compromise measure has been worked out by and between opposing groups and factions. It now has the unqualified support of the American Federation of Labor and John L. Lewis, the head of the Committee for Industrial Organization.

Mr. Speaker, at this point I ask unanimous consent to place in the RECORD the letter from William Green in support of this measure, as well as the letter from John L. Lewis, who also endorses the measure.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The letters are as follows:

AMERICAN FEDERATION OF LABOR.
Washington, D. C., May 7, 1937.

Hon. MARTIN DIES,
House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN: As a result of a careful examination and analysis of H. R. 6391, of which you are the author, by capable

representatives of the American Federation of Labor, I am writing you advising you of our endorsement of this measure.

This revised immigration measure seems to be reasonably satisfactory. I am transmitting this information to you so that you might be acquainted with the official attitude of the American Federation of Labor toward this proposed legislation.

Very truly yours,

W. GREEN,
President, American Federation of Labor.

UNITED MINE WORKERS OF AMERICA,
Washington, D. C., May 14, 1937.

MR. EDWARD J. SHAUGHNESSY,
Acting Commissioner, Immigration and Naturalization Service, United States Department of Labor, Washington, D. C.

DEAR MR. SHAUGHNESSY: House Resolution 6391, authorizing the deportation of criminals and certain other aliens, has been given careful consideration. I am of the opinion that the bill, as it now stands, should be enacted by Congress.

It provides for a wider discretion in the Secretary with respect to the more humane treatment of aliens on limited stay in this country, and, at the same time, enlarges the statutory grounds for deporting objectionable aliens.

As the bill provides that quotas under existing laws shall not be disturbed, we think that the objectives of this bill are praiseworthy and I am glad to give it our endorsement.

Very truly yours,

JOHN L. LEWIS.

Mr. DIES. Not only does this measure represent the views and wishes of these labor organizations, but in its present form meets the objections those organizations had to the Kerr-Coolidge bill. It follows to a large extent the recommendations contained in the platform of the American Legion adopted in its last convention. I hold in my hand the platform of the American Legion relative to deportation. You will observe that this bill contains in many instances language almost identical to that adopted by the American Legion. For instance, the American Legion platform states:

We recommend the deportation of any alien who has been convicted of violation of any narcotic law of any State, Territory, insular possession, or the District of Columbia.

That identical language is incorporated in this measure.

The American Legion also recommended the following:

We recommend the deportation of any alien who has knowingly encouraged, induced, assisted, or aided anyone to enter or try to enter the United States in violation of law.

This recommendation, with certain exceptions which I will hereafter explain, is also incorporated in the present law.

Mr. STARNES rose.

Mr. DIES. If the gentleman will not ask me to yield now, I will try to yield later.

Then, also, the American Legion said:

We recommend that designated persons holding supervisory positions in the Immigration and Naturalization Service be given power to issue warrants of arrest for persons believed to be subject to deportation.

This recommendation is also carried in this bill.

Also, the American Legion said:

We recognize, however, the possibility of meritorious exceptions arising and the necessity of judicial interpretation of appeal from strict enforcement of the foregoing deportation provisions, and therefore recommend the power to exempt from deportation be vested in judges of the respective United States district courts, before whom all such appeals should be heard.

The language of the present act, as I shall hereafter explain, recognizes the principle of discretion in meritorious cases subject to deportation, but unlike the recommendation of the American Legion, the present bill vests such limited discretion with the Department of Labor, whereas the American Legion in their convention, recommended the vesting of that discretionary power in a board of review.

Likewise the American Legion recommended the deportation of any alien who has been convicted in the United States within 5 years of the institution of deportation proceedings against him of a crime involving moral turpitude or a felony.

This provision, not exactly in that language, is to a large extent incorporated in this measure.

Now, Mr. Speaker, I shall undertake to discuss the provisions of this bill fairly, so that the facts in regard to it will be well known to all of the Members present.

The first section deals with a new class of cases that are made mandatorily deportable. In the original Kerr-Coolidge bill and the bills that preceded it, all of the new classes of deportable cases were made discretionary with the Secretary of Labor. In addition to this, in the original bills that were introduced, unlimited discretion was given to the Secretary of Labor for all time without any restriction as to time or as to number to be permitted to remain in the United States.

The first four sections of this bill deal strictly with criminal aliens who are not now deportable under existing law. The bill does not represent all that I want. Certainly, it does not represent all that any Member on either side of this question wants.

The first paragraph states that any alien is subject to deportation who is convicted in the Untied States within 5 years of the institution of deportation proceedings against him of a crime involving moral turpitude for which the alien is committed to an institution as a result of such conviction.

Under the language of this paragraph any alien in the future who is guilty of any crime involving moral turpitude is deportable, and I may say that under the interpretation given by the courts of most States moral turpitude includes a great variety of crimes ranging from petty offenses to crimes of a more serious nature. This provision undertakes to put the alien upon notice that insofar as the future is concerned any alien who is guilty of any crime that involves moral turpitude and is sent to an institution, which may mean a jail or a penitentiary, is subject mandatorily to deportation.

Under existing law the only alien that can be deported for the perpetration of a crime involving moral turpitude is an alien who, within 5 years after entry, commits such crime and is actually sentenced to a year or more in the penitentiary. A considerable class of criminal aliens, therefore, escape deportation under the terms of existing law. This Dies bill reaches out and includes all aliens, whether they were sentenced to 1 year or less, even if they were sent to jail or the penitentiary, no matter how long the time or what the period may be.

In my previous bill, which was amended by the committee, I provided for the mandatory deportation of aliens, even if they were pardoned, and the provision was retroactive. The committee, however, by unanimous action, considered that too harsh and amended that provision with the compromise proposal which I have just read.

Paragraph 2 of the bill says, also—

Has been convicted in the United States within 5 years of the institution of deportation proceedings against him of the crime of possessing or carrying any firearm, even if the alien was not sentenced to imprisonment.

Some objection has been raised to this provision on the ground that an alien who is hunting rabbits would be subject to deportation under the terms of this bill. The alien must first be convicted of the offense of carrying a firearm before he is subject to deportation, and under the laws of every State that I ever heard of a citizen or an alien or anyone else who has any legitimate purpose or use for a weapon can secure a permit to carry one.

Not only is that true but in the State of Texas a man is entitled to have a weapon in his home for self-defense, and, so far as I know, there is no law that prohibits a man from using a gun to go hunting, provided he has a permit for doing so.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. DIES. Not now; in a few minutes. The purpose of this language was to reach a class of criminal gangsters and racketeers that could not be apprehended upon any other charge, men who have successfully evaded the law for many years. The only crime that you can pin on them is the crime of having firearms in their possession. Of course, an

alien who has lawful purposes can secure a permit, and with a permit he could not be convicted, and therefore would not be subject to deportation; but aliens who carry firearms, machine guns, and various other contraptions for illegal and unlawful purposes could be apprehended under the terms of this provision, which is admittedly very strict, very rigid, for the purpose of reaching out and apprehending a large class that immigration authorities are unable to deport under existing law. As I said, there is opposition to that section from some who think it is too drastic, but in view of the experiences of the immigration authorities that provision is essential if we propose to deport the gangsters and racketeers who have infested this country and who have heretofore been successful in escaping conviction.

Mr. MARTIN of Colorado. Mr. Speaker, will the gentleman yield at that point?

Mr. DIES. Not now.

Paragraph (3) deals with any alien who violates the narcotic law of any State, Territory, or possession. There is no controversy in reference to that paragraph. Under existing law you can deport an alien for violating a Federal narcotic law, but not for violating a State or Territorial narcotic law.

Paragraph (4) deals with the smugglers. Under the existing law an alien who has been smuggled into the United States can be deported, but an alien who is engaged in smuggling another alien into the country cannot be deported. The language of that provision is:

> Knowingly and for gain encouraged, induced, assisted, or aided anyone to enter the United States in violation of law, or on more than one occasion subsequent to the date of the enactment of this act knowingly encouraged, induced, assisted, or aided anyone to enter the United States in violation of law.

The purpose of that language was to get the professional smuggler, but to protect the mother or father who might be guilty of writing to a son or some near relative encouraging that son to enter, and who under such law would be subject to deportation. Under that provision, if they did so on more than one occasion they would be subject to deportation.

In reference to paragraph (1), I do not think anyone can deny that paragraph makes deportable a large class of criminal aliens not now deportable. I do not see how any restrictionist can oppose that paragraph. It may not go far enough in the minds of some, but, as I said a few moments ago, if we are to have any solution ever of this vexing problem, there must be a spirit of concession, which has been very generously made by the labor organizations in the United States in reference to this bill.

Section 2, as I said, deals with the so-called meritorious cases. Heretofore in legislation that has been proposed unlimited discretion was vested in the Department of Labor. I join with Mr. STARNES and Mr. SCHULTE and others in opposing the provisions of that bill, because I was opposed to granting any unlimited discretion to any department to say who should or should not be deported. It was my original thought that the way to handle all these meritorious cases was through special bills. I am absolutely convinced as a result of what has occurred in this House that it is impossible to deal with this situation through special bills. We had a demonstration of that fact not long ago when 15 special bills were before this House. The House consumed 5½ hours considering four bills and made no disposition of any of the bills. So necessarily the Congress of the United States, representing 127,000,000 people and dealing as it does with many major questions, cannot deal with all of the cases that are entitled to exceptions in the deportation laws.

This compromise proposal limits that discretion. First it says except as to aliens who are Anarchists or Communists, and so forth. That excludes from the operations of the act those aliens who, under the provisions of existing laws, are classified as radicals or Anarchists or Communists. It also excepts from this discretion those aliens who have imported opium or who are subject to deportation under an act to amend an act entitled "An act to prohibit the importation and use of opium for other than medicinal purposes." It excepts them from the discretion. Also aliens who are subject to deportation upon the ground that they have violated a narcotic law, and aliens who are criminals, prostitutes, procurers, or other like immoral persons. It first limits the discretion vested in the Department of Labor as to the character of aliens that can be granted leniency or exception from deportation. Then, in addition to that limitation upon the exercise of the discretion, there is a time limit placed in the bill of 4 years. At the expiration of 4 years no further discretion can ever be exercised by the Secretary of Labor.

During that 4 years, for the first year the Secretary of Labor can permit 3,500 to remain in the United States and 1,500 for each and every year thereafter for a period of 4 years.

I realize this is a very controversial section in this bill, but we have a situation that we must recognize if we want to be absolutely fair on this question. As long as the hardship cases exist and those who are in favor of restriction refuse to do anything constructive to relieve them, then the cause of restriction in the United States is damaged and injured. There are some 2,500 cases where deportation stays have already been granted, the Congress having passed an act a year or two ago permitting a temporary stay, as I recall, and where the aliens are subject to deportation in certain classes of cases. For instance, an alien has entered this country legally, not under quota but for temporary purposes. He has come as a student, a visitor, a preacher, or a doctor, or whatever the exceptions may be that enable him to enter for a temporary period. After he came to the United States he overstayed his limit and did not depart when he should have departed. In the meantime he has married. He has a wife and he has children. I have a number of cases in my file, but there is one case that illustrates the point under which one alien would be subject to deportation to Ireland, his wife to Canada, but neither country will accept his four children. Therefore they would be left in the United States without their parents. There are other classes of aliens, and a majority of classes that the Department of Labor has temporarily held up are classes, as I have said, where the alien entered legally but overstayed the limit and in the meantime married, and through lax enforcement of the law they have formed family ties in the United States, and now they are subject to deportation, some 2,500 of whom will be deported unless some provision is made by Congress.

What are we going to do about it? We cannot handle it by special bills. That is manifest. If we do not repose discretionary power in some department or some bureau, how can we handle the hardship cases? Not only is that true but those hardship cases that are now pending, as I said a moment ago, are not the criminal classes, the radical classes, or the immoral classes, but they are aliens who are already here; aliens who have family ties.

What is the effect of this provision? It simply says this: We have a quota of 153,000 for all of the countries, on a quota basis. In September 1930 President Hoover issued an Executive order in which he called the attention of the consuls to a provision in the immigration laws permitting them to reject applicants who were likely to become public charges. Ever since 1930, by administrative action, the consuls have excluded people from the United States, with the exception of a few. That discretion is almost unlimited, as many Members who have had experience with this character of cases know. By administrative action the Department of State estimates that 993,000 aliens who would otherwise have been admitted to the United States since 1931 have been excluded from the United States on the ground that they would likely prove to be hardship cases. But the effect of this hardship provision is simply to say this: Here is a man, already here; he has got a wife and he has children. If he is deported, he will go back to Ireland or Germany, or whatever his country is, and then some new immigrant who has no ties in the

United States will come in his place, because under the terms of this bill every immigrant who is permitted to remain under this limited discretion is charged to the quota of his particular country. So that there is no increase in immigration. It is simply a question of choice between those who are here and who have family ties and those who have never entered the United States and who seek entrance for the first time.

So that it seems to me in making that choice, in the interest of humanity and for the sake of settling this eternal controversy that exists with reference to hardship cases, this compromise proposal should be accepted.

Mr. FORD of California. Mr. Speaker, will the gentleman yield?

Mr. DIES. I yield.

Mr. FORD of California. Is not the present law farcical, monstrous, and tragic in its operation?

Mr. DIES. Of course, when you go into that question you must consider this: We have a Canadian border of approximately 3,000 miles. We have a Mexican border of 2,500 miles. Do you know how many immigration officials we have to patrol those borders? We have 800 and some odd. They must work on an 8-hour basis, and they must work in units of two; so that, for practical purposes, at one time you have only 60 units to patrol 3,000 miles. Therefore, it has been utterly impossible to prevent illegal entrance into the United States. As a matter of fact, the Congress has never made adequate appropriations for the purpose of enabling us to patrol the borders and to prohibit aliens from illegally entering the United States.

Mr. FITZPATRICK. Mr. Speaker, will the gentleman yield for a question?

Mr. DIES. I yield.

Mr. FITZPATRICK. Assuming that an alien married an American citizen, had children, and was deported; he could come back to this country nonquota, could he not?

Mr. DIES. That is true.

Mr. FITZPATRICK. It would just put him to that expense and deprive his family of the money spent on his deportation.

Mr. DIES. That is true.

As I was saying, by reason of our inadequate appropriations, it has been very easy for aliens to cross our great border. There is another reason: Up until 1929 it was not a violation of the law to enter this country illegally, there was not any crime attached to it; so, while no one could condone the illegal entrance, nevertheless it does seem to me that we should recognize some exceptions. I know of no law that does not recognize exceptions. Under the law of my State a jury can suspend a man's sentence even when he is known to be guilty. The Governor of my State can pardon a criminal; even the police magistrate who has power to sentence an alien for 1 year or more can grant a pardon and prohibit him from being deported. I cannot, therefore, see how in any way it will hurt our immigration laws if we give a limited discretion. I am as much opposed to wide and unlimited discretion as anyone. I frankly admit that it was my belief for a long time that these cases should be handled by special bills. The Department of Labor dumped into the lap of the Immigration Committee, as I have been informed, some 2,000 cases. It was utterly impossible for them to proceed in that way.

We are face to face with a practical question of whether we should give preference to these people who have home ties—

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. DIES. I yield.

Mr. MAY. As I understand the gentleman's bill, section 1 lists aliens who are to be mandatorily deported under four subheads.

Mr. DIES. That is true.

Mr. MAY. Section 2 provides that under the provision of certain laws now existing the Secretary of Labor may permit to remain in the United States any one of these classes that are to be mandatorily deported if she finds certain things to exist.

Mr. DIES. No; that is not absolutely correct.

Mr. MAY. I want to be informed about that.

Mr. DIES. As to the four classes that are to be mandatory deported under section 6, paragraph 3, there is no discretion whatever; in other words, as to those, the Secretary cannot grant any exception. As to the other classes the Secretary has limited discretion, as I said, for a period of 4 years, limited to these so-called hardship cases.

Mr. MAY. Mr. Speaker, will the gentleman yield further?

Mr. DIES. I am sorry, but I cannot yield further.

Section 5 makes it plain that this act is supplemental to existing law, that it in no way repeals any provision of existing law requiring the deportation of any alien.

Section 6 does away with the preference that is now given under our quota laws to immigrants skilled in agriculture, their wives, and their dependent children. This is repealed, for the facts show that it has been abused, that many aliens have entered the country under the guise of being agriculturists when as a matter of fact they were destined for our industrial centers. I do not suppose any restrictionist will oppose that.

Section 7 deals with a subject that has been controverted ever since I have been here; it deals with that class of aliens who entered between 1921 and 1924 illegally, walked across the borders, and who now are not subject to deportation, they cannot be gotten rid of under existing laws. [Applause.]

[Here the gavel fell.]

CALL OF THE HOUSE

Mr. STARNES. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. (After counting.) One hundred and forty-three Members are present, not a quorum.

Mr. RAYBURN. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 86]

Amlie	Connery	Hill, Wash.	Phillips
Arnold	Curley	Hoffman	Rabaut
Bates	Driver	Hook	Richards
Beam	Duncan	Imhoff	Sabath
Bell	Eicher	Izac	Sadowski
Bernard	Faddis	Jenks, N. H.	Schuetz
Bigelow	Fitzgerald	Kvale	Smith, W. Va.
Brooks	Flannagan	Lesinski	Taylor, Colo.
Buckley, N. Y.	Ford, Calif.	Lucas	Taylor, S. C.
Caldwell	Fulmer	Luckey, Nebr.	Tinkham
Cannon, Wis.	Gasque	McGranery	Tobey
Carter	Gifford	Maas	Vinson, Ga.
Cartwright	Gilchrist	Magnuson	Voorhis
Case, S. Dak.	Gildea	Mouton	Wadsworth
Chandler	Gray, Pa.	O'Connell, Mont.	Weaver
Chapman	Greenwood	O'Day	Wilcox
Clark, N. C.	Griffith	O'Neal, Ky.	Woodruff
Coffee, Nebr.	Griswold	Pace	
Collins	Harlan	Pettengill	
Colmer	Hartley	Peyser	

The SPEAKER. Three hundred and fifty-three Members have answered to their names. A quorum is present.

On motion of Mr. DIES, further proceedings under the call were dispensed with.

EXTENSION OF REMARKS

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a splendid address delivered by our colleague the gentleman from Massachusetts [Mr. MCCORMACK] at the commencement exercises of Southeastern University, Washington, D. C.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

DEPORTATION OF CRIMINALS AND CERTAIN OTHER ALIENS

Mr. TAYLOR of Tennessee. Mr. Speaker, I yield myself 15 minutes.

Mr. Speaker and Members of the House, I shall not attempt to discuss analytically the provisions of the pending measure, because the distinguished author of the bill, who has just preceded me, with his usual and customary vigor and perspicacity has done so.

The proposal under consideration today is essentially and fundamentally a deportation measure. However, it does possess a slight immigration feature, in that such of the so-called hardship cases in which an order of deportation is definitely stayed shall be charged against the quotas of the countries from which the immigrant in question came.

During the past decade, happy to relate, we have practically solved our immigration problem, and, interesting to note, credit for this achievement belongs to a man who has been, perhaps, the most misunderstood and most ruthlessly misrepresented—yes; the most unjustly maligned individual in America—former President Herbert Hoover. [Applause.] In the early days of the depression, with statesmanlike vision, President Hoover saw the imperative importance of materially curtailing our foreign immigration. He summoned to the White House the then Secretary of State, Hon. Henry L. Stimson, and after a conference on the subject the Secretary of State promulgated an order to our consular representatives abroad to reduce by 90 percent their existing quota visas to the United States. This was done, and the result has been that aliens have left the United States every year since, either by deportation or by voluntary departure, in larger numbers than those coming in. This Executive order, however, should be written into permanent law.

In the meantime, however, very little, if any, progress has been made in the solution of our deportation problem, and it was with the hope of meeting this situation, at least partially, that this measure was introduced.

While the bill before us does not meet the demands and aspirations of all of us who are interested in this difficult problem, in my opinion, it is an important step in the right direction.

I want to congratulate the author of the bill, the distinguished gentleman from Texas [Mr. DIES], for the splendid work he has done on this measure, and the energy, ingenuity, and resourcefulness which he has displayed in bringing the bill to the floor today.

Mr. Speaker, I had hoped the bill would contain a provision for registering all aliens now within our borders. We know just how many are here legally, but we have no record or knowledge of those who entered otherwise. According to the Federal Census of 1930, we had approximately 6,000,000 aliens in the United States, but since that date we are advised that about one-third of that number have become naturalized, so that today we have approximately 4,000,000 aliens still within our borders who have not seen fit to become American citizens. Of course, this does not take into account those who are here in violation of our immigration laws, and that number has been estimated at from 600,000 to a million. These aliens are enjoying jobs which rightfully belong to unemployed American citizens. [Applause.] They are aggravating our tremendous relief burden. They are congesting our penal and eleemosynary institutions at the expense of the already overburdened American taxpayers.

Mr. Speaker, no other country in the world save the United States would maintain aliens on its relief rolls or maintain them in its penal and charitable institutions. No other country would give employment to aliens when its own citizens who are just as able and efficient stand idle. We are in the habit of proudly proclaiming the slogan, "America for Americans", and at the same time our own Government itself, to say nothing of private industry, is persistently employing aliens when American citizens are unemployed and their families destitute and hungry. It is a sad commentary, Mr. Speaker, and is not only indefensible but downright un-American.

While I deprecate the idea of enforced citizenship, however, I think that these aliens who are here enjoying the protection of our Government and the opportunities afforded by residence under our flag ought to be willing to assume the burdens, the obligations, and responsibilities of citizenship. I would like to see written into this bill a provision, with real teeth in it, requiring these aliens, after having been here a reasonable length of time, to take the necessary steps to become American citizens, subject to prompt deportation. To have large groups of people who are not citizens and who manifest no interest or intention of becoming such, and who owe allegiance to some foreign nation, and who at the same time claim and receive the protection of our Government, is manifestly an unwholesome and dangerous situation.

There has been a great deal of press propaganda about the so-called hardship cases. I concede that there are many such cases and they appeal very strongly to my sense of sympathy. I think that consideration should be extended to those aliens who have come into the United States in some irregular manner and who have been here 10 years or more, who have married here and who have had children here, and who have walked uprightly during their residence in this country; and, as I interpret this bill, ample provision for such consideration is provided by its terms. The difficulty has been that a great many of us have lost faith in those charged with the administration of our deportation laws. It is the candid belief of some of us that those charged with the administration of these laws are not in genuine sympathy with their execution; and this opinion has its foundation in the fact that some 3,000 deportation cases have been allowed to accumulate, a large majority of which have little or no merit whatever. Of course, some of them are meritorious and have been so recognized and adjudged by the Congress. In making this observation I mean no reflection on the Acting Immigration Commissioner, because I entertain a high personal regard for him and I have absolute confidence in his integrity. I consider Mr. Shaughnessy an honorable and conscientious public official; but, of course, he must undertake in good faith to carry out the policy of his superiors, else he would not remain in the Department for a great length of time. If this bill is enacted into law and the law vigorously enforced, in my opinion, this so-called hardship situation can be entirely cleaned up and eliminated within the next 2 or 3 years.

Not only in the interest of the Nation but the alien as well, these hardship cases should be disposed of with the greatest possible dispatch and thereby put an end to this unsavory agitation.

The enactment of this legislation and its rigid enforcement will rid our country of the alien criminal. It will deport the alien gangster and racketeer who have gathered here in large numbers, and whose depredations have brought shame and disgrace to our Nation. It deports aliens who have been convicted of violating any narcotic law of any State, Territory, peninsular possession, or the District of Columbia, in the same manner as they are subject to deportation now for violating the Federal narcotic statute. It deports the alien who has been found guilty of carrying firearms, even if the alien was not sentenced to imprisonment. It deports the alien who is found guilty of aiding or abetting illegal entries into the United States.

While, as I stated in the outset, this bill does not fully satisfy all of us interested in this vital subject, in my judgment, it is a very important step in the right direction.

In conclusion, Mr. Speaker, I desire to say that my interest in this legislation is not due to any alien problem in the district I have the honor to represent. The people of my district are almost 100 percent native stock of Anglo-Saxon origin. I doubt if 5 percent of the people of my district were born abroad, and of that 5 percent, not 1 percent has remained alien. It has been characteristic of the people who were born abroad and came to east Tennessee that they instinctively seize the first opportunity to become American citizens; and, as a general rule, they have made exemplary ideal citizens, and as such have been a valuable contribution to our communities. Therefore, Mr. Speaker, my zeal for this legislation is not inspired or influenced by any local

condition but purely on account of my interest in the subject as a national problem and a national emergency. [Applause.]

Mr. DICKSTEIN. Will the gentleman yield?

Mr. TAYLOR of Tennessee. I yield to the gentleman from New York.

Mr. DICKSTEIN. The gentleman talked about aliens on relief. The people who will be affected by this legislation are not on relief and they have been here some years, and they have on the average from two to five children born in the United States. Is that correct?

Mr. TAYLOR of Tennessee. That is correct.

Mr. DICKSTEIN. At the same time it will deport more than 20,000 alien racketeers throughout the country who have no place in the country.

Mr. TAYLOR of Tennessee. That is my understanding.

Mr. STARNES. Will the gentleman yield?

Mr. TAYLOR of Tennessee. I yield to the gentleman from Alabama.

Mr. STARNES. Did not Colonel MacCormack, testifying before the Committee on Naturalization and Immigration of the House in 1935, under the terms of a resolution, state of the hardship cases held up at that time a certain percent of them were on relief, and he gave the percentage?

Mr. TAYLOR of Tennessee. I do not recall the matter mentioned in the report referred to by the gentleman.

Mr. STARNES. I will insert in the RECORD the number he stated were on the relief rolls at that time.

Mr. TAYLOR of Tennessee. It is a national scandal that we have so many aliens in this country on relief today.

Mr. STARNES. He said out of 2,800 there were 480, or 17 percent, who were public charges and on relief.

Mr. TAYLOR of Tennessee. They should have been deported promptly.

Mr. DICKSTEIN. Did he not say if we are going to deport heads of families, we would have 8,000 American women and children born here on relief?

Mr. CRAWFORD. Will the gentleman yield?

Mr. TAYLOR of Tennessee. I yield to the gentleman from Michigan.

Mr. CRAWFORD. With reference to the 20,000 referred to by the chairman of the Immigration Committee, are they located so the Department knows where to put their finger on them and they may be deported if this bill becomes law?

Mr. TAYLOR of Tennessee. I think so. I understand he has been advised to that effect.

Mr. TABER. Will the gentleman yield?

Mr. TAYLOR of Tennessee. I yield to the gentleman from New York.

Mr. TABER. Under the present laws they cannot be deported?

Mr. TAYLOR of Tennessee. I understand they cannot, but they certainly should be.

Mr. Speaker, I yield 9 minutes to the gentleman from Ohio [Mr. JENKINS].

Mr. JENKINS of Ohio. Mr. Speaker, it is rather unfortunate that this matter has come for consideration at this time. It was supposed to have been taken up last Tuesday, but it was put over until today. The reason I say it is unfortunate that this matter is being considered today is because there is now pending before the Committee on Immigration a series of bills that, if considered adequately and extensively, and if they could have been brought out upon the floor of the House for final consideration, would have enabled us to have a real, modern, up-to-date deportation bill. Just why some members of the Immigration Committee are pushing the Dies bill forward with one hand and lending encouragement to Mr. STARNES for his bill is hard to understand.

This bill, as the author apologized for it, is more or less of a compromise. The bill, as the distinguished gentleman from Tennessee told you, is a bill that is only a step in the right direction. I agree with him absolutely. Since this bill is brought out on the floor for consideration today, we ought to take the best there is in it and we ought to take out the bad things and insert matter that we believe is better. That will be my purpose in the discussion of the bill, and I will try to do that if I can.

Mr. Speaker, there are two bills before the House. One is known as the Dies bill and the other is known as the Starnes bill. Both of these gentlemen are very distinguished Democrats and both of them are keen students of this question of immigration. However, their bills differ very materially. If you will pardon a personal allusion, I have tried to formulate in my studies of the question, with the help of some of the best students on immigration in the United States, a program which would bring together the finest provisions contained in both of these bills.

Let us take the Dies bill first and refer to the first section of the Dies bill. Down to line 10 the Dies bill and Starnes bill are exactly alike. Permit me to read the first three or four words in the first provision of the Dies bill. Here is what it says, after providing who shall be deported. It says:

Has been convicted in the United States within 5 years of the institution of deportation proceedings against him.

It does not provide anything with reference to those who have already been convicted, those fellows who are already here. That should be corrected. That is plain. We should correct that provision. Some of you good Democrats who have the voting power ought to make the motion to correct that. If you do, I will support it. I would like to have you on that side correct it, because you have the voting strength and you will, of course, want to do that which is right.

Let us go over to the next page. On page 2 there is a provision with reference to the crime of possessing or carrying any firearm. Let us take a gunman when he has a gun on him. That is the time to take him, when you know who he is.

Let us take him then. What is the use of talking about 5 years? We ought to take him out then. Some of you should introduce such an amendment. If you must require 5 years' limitation, why have the provision at all?

Now let us go to part 3. I have no objection to part 3, because the bills of the gentleman from Texas [Mr. DIES] and the gentleman from Alabama [Mr. STARNES] agree exactly regarding part 3.

Let us now take part 4. I can point out to you something in part 4 which I think you will agree ought to be changed. Here is the phrase, "knowingly and for gain encouraged, induced, assisted, or aided anyone to enter the United States in violation of law." We are talking now about sending out an alien who encourages someone to enter the country unlawfully when he himself is probably unlawfully here. I say the words "for gain" should be stricken out of the paragraph. Why? Because most of these people who are guilty of bootlegging immigrants into the country are effecting the entry of their own relatives, who are not going to receive any gain for it. Under this provision all an alien would have to do to defeat this provision is to say, "Why, certainly, I helped my brother and I helped my sister come in, and I helped all my other people come in, but I never got anything out of it." Therefore, what is the use of saying "for gain"? Let us strike that phrase out of the paragraph. When this is done I am sure the provision will be much more acceptable.

Let us go next to section 2. I have an amendment to strike out all of section 2. By that I do not mean to take out everything in section 2, because much of section 2 is worthy of our consideration, but there is one provision in it that should claim your closest attention. It is the section that gives the discretion to the Secretary of Labor which so many of the patriotic organizations of the country have been opposing.

The gentleman from Texas [Mr. DIES] made reference to the Kerr-Coolidge bill. You know the Kerr-Coolidge bill was a very unpopular bill. It was so unpopular its proponents never had courage enough to bring it on the floor for a vote. It never was brought up here for a vote because it contained a provision which was looked upon with much disfavor by the people of the Nation. The bill surrendered the power of Congress to the Secretary of Labor, and gave the Secretary of Labor great discretion, so much

so, as the gentleman from Texas stated in the opening of his remarks, that he did not favor it then, and most of you did not favor it. I mean by that you did not favor it in your own sentiments, for, of course, as I have heretofore stated, you did not have a chance to vote on the bill.

Mr. FLETCHER. Mr. Speaker, will the gentleman yield for a question?

Mr. JENKINS of Ohio. If you please, not now; in just a minute.

Line 20 and following reads that the Secretary of Labor shall have the right to deport up to 3,500 persons in the first year and 1,500 in the next year and each year thereafter. Do you know how many people have been coming into this country under the quotas in the last 6 years? Only 16,000 a year. Are you going to give this woman—Miss Perkins—authority to pass upon whether nearly one-third of that number shall be deported? If you do this you have no right in good conscience to stand up before an American audience and profess your interest in safeguarding the power of Congress.

What we want to do, what we ought to do, and the right thing to do is to do something with reference to the alien of good character who may have a wife or children in this country who are American citizens. I have steadfastly stood on the floor of this House and have maintained my opposition to the tearing down of the immigration bars, and I am opposed to the surrender of this power. We should be careful, pending the time when we can find some formula by which the problem can be worked out. The gentleman from Texas [Mr. DIES] stated he had been in favor of having these hardship cases come up as separate private bills. I never was in favor of that. I thought I knew exactly what would happen, and as the gentleman has told you, you saw what happened. We tried to consider 15 of these bills the other day, and I think we considered 4, and all of them were sent back to the committee. We must have some plan for handling the aliens who have wives and children here.

The bill of the gentleman from Texas [Mr. DIES] provides that any man who has lived in this country for 10 years would be subject to this woman's clemency. I maintain that requirement is not sufficient. That man should have something besides his stay in this country for 10 years to recommend him. If he has been an alien 10 years and has not obtained citizenship, that is greatly to his discredit, it would seem. But this bill says, in effect, to an alien, "If you can buy, steal, or forge your way to the United States and stay here 10 years all you have to do is to hunt up Mme. Perkins, and she will grant you full immunity." Any man who has been in this country 10 years and has made no effort to become a citizen ought not to have any consideration shown him.

Mr. FLETCHER. Mr. Speaker, will the gentleman yield now for a question?

Mr. JENKINS of Ohio. Let me proceed for just a minute and explain what I think should be done regarding this problem. I would humbly suggest to some of you good Democrats that you offer an amendment, if you think this measure should be changed in this respect.

Let us take the next section, reading as follows:

has lived continuously in the United States for at least 1 year, and has living in the United States a parent, a spouse, legally recognized child.

The gentleman from Texas refers in his bill to an adopted child.

[Here the gavel fell.]

Mr. TAYLOR of Tennessee. Mr. Speaker, I yield 2 additional minutes to the gentleman from Ohio.

Mr. FLETCHER. Mr. Speaker, will the gentleman yield now for a brief question?

Mr. JENKINS of Ohio. I yield to my friend from Ohio.

Mr. FLETCHER. A moment ago the gentleman referred to eliminating the words "for gain" from the bill. Does not the gentleman believe there are people who are paid for helping to bootleg these aliens into this country?

Mr. JENKINS of Ohio. Yes; but this would include them, too. This would include anybody, whether his action was for gain or not for gain. It would include everybody. I think the gentleman will see that he and I agree absolutely.

I think this is what should be in the bill. A study on your part will, I think, convince you of the merits of the proposition. Why not put into the bill a provision something to this effect: That no alien will be considered to be in the class that we consider "hardship cases" unless he has been a resident of the United States for 5 years and has not been guilty of these heinous offenses set forth in the exceptions, and has a wife or child who is an American citizen.

If such a child is born in the United States of America, he is a citizen and should receive consideration; and if such a man has a child or has a wife that is an American citizen, then we should say that we will give him consideration only when he can show that he has been a resident for 5 years and is not a person included in the exceptions provided in the bill. We should consider carefully one thing here, and that is the fact that American citizenship means something. [Applause.]

[Here the gavel fell.]

Mr. TAYLOR of Tennessee. Mr. Speaker, I yield 5 minutes to the gentleman from Alabama [Mr. STARNES].

Mr. STARNES. Mr. Speaker, this bill comes up under most unusual conditions and is an unusual bill in many respects.

The original bill offered by my good friend and colleague the gentleman from Texas [Mr. DIES], H. R. 5573, was probably unobjectionable to practically 90 percent of the membership of this House, but the bill which we are today considering, H. R. 6391, sounds a retreat from the principles set out in H. R. 5573, and all I ask the membership of this House to do is to obtain a copy of the bill introduced by the gentleman from Texas [Mr. DIES] on March 12, numbered 5573, read that bill, and then compare it with H. R. 6391, which was introduced on April 14 and was written by someone else; no hearings were held and the full committee did not act. Then let your conscience be your guide in voting on amendments to this bill, H. R. 6391, Mr. Speaker, which will make it less objectionable than it is at the present time.

Mr. FISH. Mr. Speaker, will the gentleman yield?

Mr. STARNES. I have only 5 minutes, and, while I am very sorry, I cannot yield.

I want to make this statement to you. If you adopt H. R. 6391 in toto, without amendment, and without striking out the objectionable features in it, you are sounding a retreat from restrictive and selective immigration into the United States of America. You are surrendering to the ceaseless hounding brought upon us by alien groups in this country to loosen the bars and to open the gates and let the flood tide in, and you are going to reward violators of immigration laws and violators of basic laws of the countries from which some of these aliens come, as well as of this country. You are going to reward such violations by conferring upon them the right of American citizenship. You can do this if you want to, but I want you to know that the record shall set out the full facts.

Mr. KRAMER. Mr. Speaker, will the gentleman yield?

Mr. STARNES. I may say to the Members of the House that I am not opposed to immigration into this country, and I am not opposed to giving relief in genuine hardship cases. I am opposed to the separation of families where there is genuine hardship, but I want to tell you that some of the cases involved here do not require a separation from father or mother in this country. Some of the cases in which the Department of Labor has suspended deportation for a period of 4 years, even though the law provides they must be deported, involve no family separation so far as father and mother are concerned, but simply involve separations among aliens who came to this country and in some instances all of them entered here illegally. It involves, Mr. Speaker, the retention in this country of men and women who came here suffering with syphilis, gonorrhea, insanity, or tubercu-

losis, and I will set out the names and the case records that are on file down there now. It involves the granting of the privilege of American citizenship to men and women convicted of perjury and other crimes involving moral turpitude; and I think there should be more time given for debate on this subject, and those of us who have studied this question and have definite views about it should have an opportunity to inform the membership of the House before they vote on this bill.

Mr. KRAMER. Mr. Speaker, will the gentleman yield?

Mr. STARNES. I have not the time and cannot yield.

I may say, Mr. Speaker, with respect to the late Colonel MacCormack, a very able administrator, although I differed from his views and his philosophy with regard to the immigration problem, he was an able man; and when he offered me the dubious honor of sponsoring a bill of this sort last year in the closing hours of the Congress, he said that if he could once establish the principle of granting discretionary power to the Secretary of Labor on these cases, that, though only eight or nine thousand cases would be involved, the law could be amended so as to extend the time for handling such cases in the future, and, in his judgment, from 150,000 to 200,000 cases eventually would be cared for under the provisions of such an act.

I think this bill ought to be amended radically or defeated. [Applause.]

Mr. DIES. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5779) entitled "An act making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1938, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House to Senate amendments numbered 4, 12, 28, 41, 49, 51, 56, 58, 63, 77, 79, 83, and 88 to the foregoing bill.

The message also announced that the Senate agrees to the amendments of the House to a joint resolution of the Senate of the following title:

S. J. Res. 155. Joint resolution to create a Joint Congressional Committee on Tax Evasion and Avoidance.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 790) entitled "An act to repeal section 13 of the act entitled 'An act to regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce of petroleum and its products produced in violation of State law, and for other purposes', approved February 22, 1935."

The message also announced that the Senate insists upon its amendments to the bill (H. R. 114) entitled "An act to provide for studies and plans for the development of a hydroelectric power project at Cabinet Gorge, on the Clark Fork of the Columbia River, for irrigation pumping or other uses, and for other purposes", disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. POPE, Mr. HATCH, Mr. ADAMS, Mr. MCCARRAN, and Mr. TOWNSEND to be the conferees on the part of the Senate.

DEPORTATION OF CRIMINALS AND CERTAIN OTHER ALIENS

Mr. DICKSTEIN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 6391) to authorize the prompt deportation of criminals and certain other aliens, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 6391, with Mr. UMSTEAD in the chair.

The Clerk read the title of the bill.

Mr. DICKSTEIN. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. Is there objection?

There was no objection.

The CHAIRMAN. The gentleman from New York [Mr. DICKSTEIN] is recognized for 1 hour and the gentleman from Tennessee [Mr. TAYLOR] is recognized for 1 hour.

Mr. DICKSTEIN. Mr. Chairman, I yield myself 5 minutes, and ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. DICKSTEIN. Mr. Chairman, this is the same demonstration we get every time an immigration bill is brought up—either a roll call, or the charge that we are going to do something wrong to this country. Every time they want us to do something for the poor immigrant who has not committed any crime, when we bring the matter up, it is wrong, and there is the cry for deportation; and when we bring that up then there is the cry that it is too strict. It is the same story—the old difference between tweedledum and tweedledee. You do not know where you are or where you stand.

What is all this noise about? I know that if I brought a bill here for the relief of one single alien there would be objections to it. I do not think that I could get a unanimous-consent request to relieve one decent alien in this country. There is always some hidden influence that brings about a fight in some spot in this Chamber. What does this bill do? Under this bill we are going to deport about 20,000 criminal racketeers. If you vote against this bill, you would give the criminal element a license to stay here, while at the same time you would separate thousands of noncriminal aliens from their American wives and American-born children. If you vote for the bill you are going to save some 8,000 wives and American children who have committed no wrong, who have committed no crime. What do you want to do? Do you want to shoot these people? Very well, take them out and shoot them, and do it openly, even though they are here in this country. What is the use of pussyfooting? I am not in favor wholeheartedly of this bill, the bill does not go far enough, but we have to accept some compromise and we must stop using the matter as a political football.

I say to you that this bill has nothing to do with immigration. It does not bring anybody in. It is to clear up our internal troubles in this country. In every section and district in the United States we see some man and woman with four or five children whose record of entry we cannot find. That is the type that you will deport; while the criminal, the man who commits a crime, you do not touch. The criminals are too smart for all of us. They never convict themselves of a felony; they always convict themselves of a misdemeanor; and we have cases of criminals who have committed as many as 15 or 20 crimes, who have pleaded to misdemeanors, whom under the present law you cannot deport; but the little fellow that crossed the border 10 years ago without paying an $8 head tax, the man who is married to your sister or to mine, honestly married, who has brought up a decent family, under this law will be deported. In June of this year these people have got to be deported. This is the last stand in behalf of the innocent people; and I beg of you, I beg of you gentlemen of the Congress, stop these roll calls, stop this filibuster, and all of these points of order and amendments. I see what is in the mind of my distinguished friend from Ohio [Mr. JENKINS]. He served notice upon you that he wants you to take the cream off the top of the can, deportation, and

forget about the rest of the bill. We have cases in his district and in your district and in all of the districts. Why not extend the hand of mercy to 8,000 citizens who have committed no crime, no wrong? How long are we going to kick this proposition about? We have been playing football here with it now for 6 years. For 6 years these people have been on the edge of deportation. I appeal to you, ladies and gentlemen, in the name of American justice, pass this bill and give these people a happy home, give them peace of mind, let them stay here and become respectable citizens, and let these children keep their fathers, who would be deported if you reject the second section of this bill.

Mr. TAYLOR of Tennessee. Mr. Chairman, I yield 8 minutes to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Chairman, I sometimes despair that the Congress will carry out the wishes of the people back home. If there is one thing that the people in this country want done it is for the Congress to enact a drastic deportation law, to deport alien Communists, Fascists, and Nazis, and other alien and revolutionary agitators back to their native lands. There is not a word in this bill about it. Who wrote this bill? Who is the author of it? I am not a member of the committee, but one member of the committee said that Mr. DIES did not write this bill. If he did not write it, then who did write it; where did it come from?

Mr. DIES. If the gentleman will yield, I shall answer him.

Mr. FISH. I yield.

Mr. DIES. The bill contains word for word many of the provisions of my original bill. It is a contribution from the labor organizations, from different factions, different groups, gotten up in the hope that we could find some common meeting ground.

Mr. FISH. Did this come from the Department of Labor?

Mr. DIES. No; it was not written by the Department of Labor.

Mr. FISH. Where did it come from?

Mr. DIES. I have just told you.

Mr. FISH. A member of the gentleman's committee said it came from some individual.

Mr. DIES. I comes from different groups of people.

Mr. FISH. It is quite different from the bill the gentleman introduced in the first instance.

Mr. DIES. I heartily approve.

Mr. FISH. A great patriotic organization interested in this kind of legislation, the Coalition, is against the Dies bill as now written. They have made a thorough study of it and have submitted a report against many of its provisions.

Mr. STARNES. Mr. Chairman, will the gentleman yield?

Mr. FISH. I yield.

Mr. STARNES. That same organization testified in favor of the original Dies bill?

Mr. FISH. Certainly. They went on record all over the country for the original Dies bill. I came here today expecting to support this bill, but as I read it over and then read what the Coalition had to say about it, I feel it should be amended in many particulars. I know they are a nonpartisan organization and an American organization and have no ax to grind except the general welfare of the United States. The reason I took this time today was simply to plead with this House to legislate, to function as a legislative body, to write legislation yourself. There is much that is good in this bill. There is much that is rotten in it. All you have to do to make a reasonable bill is to legislate yourselves. Accept the amendments that are good and vote down the ones that are bad.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. FISH. I yield.

Mr. MAY. I wonder if the gentleman agrees with me that under section 2 of this bill and the loopholes that may be found in it, it is going to be possible for the Secretary of Labor, Miss Perkins, to nullify all of the mandatory provisions in section 1?

Mr. FISH. I do not know whether I go that far, but I believe section 1, as explained by the gentleman from Ohio, should be amended. I do not want to take the time to explain it again. I substantiate everything the gentleman from Ohio said about the different sections of the bill. Some are good and some are bad, but I do not know as I go as far as the gentleman from Kentucky that section 2 destroys the bill. I do not, however, believe in delegating our constitutional power to Miss Perkins, the Secretary of Labor.

Mr. MAY. I do not know whether I go that far myself or not, but I wanted to get the gentleman's idea.

Mr. FISH. It is intimated that this bill has the blessings of Mme. Perkins and the Department of Labor. If that is so, it certainly does not help the bill as far as I am concerned. [Applause.] I recollect that one of the reasons given when we recognized Soviet Russia was the fact that then we could deport back to that country some of these alien Communists. What does the record disclose? It discloses that Mme. Perkins had not deported, in the 4 years she has been in office as head of the Department of Labor, one single alien Communist back to Soviet Russia. Naturally I do not have any great confidence in any legislation that she recommends for the deportation of aliens. When I find that a nonpartisan patriotic organization, such as the Coalition, is emphatically against this bill, then I say, "stop, look, and listen." Then I say to the Democrats now in control of legislation, because I should like to vote for this bill, let us amend it and not delegate away our authority to Miss Perkins. Let us take up the amendments that are presented and discuss them and adopt the good ones. I will say to the House that this is the first deportation bill that has come up in Congress in the last 15 years. There is no issue in America that the people are more interested in, I do not care whether they are Democrats or Republicans, whether they come from Tennessee or New York. The people in America are interested in deporting these alien criminals and alien agitators, and we ought to legislate here and present a workable bill to carry out the wishes of the American people back home to deport alien agitators and alien gangsters.

Mr. DICKSTEIN. Mr. Chairman, will the gentleman yield?

Mr. FISH. Yes; I yield.

Mr. DICKSTEIN. Is the gentleman in sympathy with granting some relief to these hardship cases that are noncriminal cases which we have before this Congress today?

Mr. FISH. Oh, I do not object to that. What I do object to is the fact that this bill is not a comprehensive deportation bill. It is an amnesty bill more than a deportation bill. I do not mind amnesty for worthy cases where there has been real hardship; but when you grant amnesty, let us likewise write a bill to deport alien agitators and revolutionists who seek to destroy our free institutions and republican form of government and give their jobs to loyal American citizens who believe in our American system.

Mr. DICKSTEIN. I want to assure the gentleman that this provision in the Dies bill with regard to deportation is more constructive than any bill that has been presented by any Member of Congress in the last 10 years.

Mr. FISH. I do not agree with the gentleman. I am not objecting to the amnesty part, but I object to turning over our power to the Department of Labor and Mme. Perkins, and we cannot expect any effective action from her on her past record.

The CHAIRMAN. The time of the gentleman from New York [Mr. FISH] has expired.

Mr. TAYLOR of Tennessee. Mr. Chairman, I yield the gentleman 1 additional minute for the purpose of asking a question.

Mr. FISH. I yield to the gentleman.

Mr. TAYLOR of Tennessee. I understand the gentleman admits there are parts of this bill that are meritorious?

Mr. FISH. Highly meritorious.

Mr. TAYLOR of Tennessee. And there are probably parts that are objectionable and should be stricken from the bill?

Mr. FISH. Exactly.

Mr. TAYLOR of Tennessee. I intimated in my remarks that I did not consider the bill perfect. Why not today set

up a perfect bill, because this is perhaps the last chance we will have to pass a deportation bill at this session of Congress?

That is the only reason I took the floor today, to appeal to all Members, Republicans and Democrats alike, to put aside their partisanship and to legislate and to use their own judgment to perfect this bill, no matter where the amendments come from, whether they come from Democrats or Republicans. If we do this then we shall be exercising our legislative functions and carrying out the wishes of the American people.

[Here the gavel fell.]

Mr. DICKSTEIN. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. FORD].

Mr. FORD of California. Mr. Chairman, the present law under which immigration matters are handled in the United States is, in my judgment, farcical, tragic, and a monstrosity. I say this for the reason that it permits a great Nation like the United States to divide a family, send one member, perhaps the mother, to Canada, the father to Europe, and it might possibly permit the sending of the children to South America. If an intelligent body like the Congress of the United States is willing to permit such a law to remain on the statute books without any attempt to mitigate it, then that body is not exercising intelligent legislative functions.

The subject under discussion, we will all admit, is a very complicated one. Its implications, its ramifications, and its repercussions are many, wide, and varied. They embrace the delicate and important fields of economics, of international comity, and of human relations. For this reason, Mr. Chairman, the bill should be considered very carefully, very fully, and very prayerfully. There are provisions in this bill that to some will appear to harsh; there are other provisions that will appear too lenient. This is natural, as every Member will judge the measure in the light of his or her experience, and say that it is just or unjust, according to his or her lights. But here is what we are trying to do in this great Nation dealing with other peoples and other lands: These people come to our shores. For what purpose? For the very natural and humane impulse of bettering their own economic and social condition. For a great many years we have had the bars down.

The thing about this bill that I like is that it does away with that awful provision that will, if it goes into effect, eliminate the possibility of dividing families. Many of those children are American citizens. Maybe the father or the mother came in here under conditions that were not altogether legal. They are not criminals. The only crime they have committed is that of trying to better their conditions by coming to these hospitable shores. For over 100 years we have held out our hands to the people of Europe and other nations asking them to come and enjoy the freedom which the United States is supposed to accord to those who come under the sheltering folds of its flag.

I can conceive of no more cruel procedure than that, and this bill is entitled to support for this provision alone.

But the bill has many other distinct advantages over existing law, as pointed out by the distinguished author of the bill, Mr. DIES, of Texas, who has labored long and wrought intelligently in the working out of the many sane and humane provisions of this bill.

For these reasons I am giving to this bill my unqualified support.

Recently some plupatriotic organizations—and I say this advisedly—have been agitating this question. They would turn out everybody who was not born in America. This is not in accord with democracy; this is not in accord with the philosophy on which this Nation was founded, nor is it in accord with the philosophy of the American people. It is insane, unsafe, and un-Christian from the standpoint of social procedure. [Applause.]

[Here the gavel fell.]

Mr. TAYLOR of Tennessee. Mr. Chairman, I yield 12 minutes to the gentleman from Kentucky [Mr. ROBSION].

Mr. ROBSION of Kentucky. Mr. Chairman and colleagues, we have before us today what I regard as one of the most important matters that could come before the House, H. R. 6391, a bill introduced by Mr. DIES, to authorize the deportation of criminal aliens and certain other aliens, and for other purposes. It is claimed by the chairman of the Committee on Immigration and by the author of this bill, Mr. DIES, that it would mean the deportation of approximately 23,000 criminal aliens. This proposal is most desirable, indeed. I do and will give such provisions in this bill my hearty support. It is claimed that this is a compromise bill. I am afraid that in order to report the bill there has been too much compromise, and I shall favor some amendments to be offered by my colleagues—Mr. STARNES, of Alabama, Mr. JENKINS of Ohio, Mr. FISH, of New York, and others. These amendments, in my opinion, will greatly strengthen this bill and the adoption of these amendments is strongly urged by a great many of the patriotic organizations of our country.

For instance, I do not think we should limit the deportation of criminal aliens to those who have been convicted within 5 years before deportation proceedings are instituted. We have many thousands of aliens who have been convicted in the courts of the United States for kidnaping, murder, robbery, rape, and other infamous crimes more than 5 years ago, and they should have been deported. Many of these are now in prison, and when their terms expire they should be promptly deported. I am afraid that this bill would prevent their deportation.

Subsection 4 of section 1 provides that an alien can be deported who knowingly and for gain encourages, induces, assists, or aids another alien to enter the United States in violation of the law. It seems to me the words "for gain" should be eliminated. It might be an easy matter to prove that one alien aided another alien to enter the United States illegally, but it would be a difficult matter to prove what gain, pay, or reward the alien received for this service.

Section 2 as a whole should be stricken out and perfecting amendments should be offered, and, I understand, will be offered. I am unwilling to give the Secretary of Labor the wide discretion of permitting aliens who, under the law, should be deported to remain in this country. Congress should lay down the rules governing the deportation of aliens. It is up to Congress to fix the deportation policies of this country, and it is the duty of the Department of Labor to carry out the policies and the laws passed by Congress on this matter. This is especially true at this time, because it is generally agreed that the present Secretary of Labor is not in harmony with the attitude of Congress and the American people on the question of deportation of criminal aliens. Several thousands of aliens have been apprehended and are subject to deportation, and the Secretary of Labor has held up these deportations for 1 or more years, and unless section 2 is stricken out or modified it will enable the Secretary of Labor to keep these aliens in this country.

ALIEN INFLUENCES

During my several years of service in the House and Senate, I have found that it is always a difficult matter to pass laws to restrict immigration and deport aliens. The influence of aliens and their friends in this country is powerful. I remember as a Member of the House after the World War in 1921, when the wealth and wonderful opportunities in our country had become known throughout the earth, millions of people from various countries were preparing to come to America. Our Government had confidential advices from one country that more than 10,000,000 people were preparing to come to America. Congress in 1921, in order to protect our country, passed the first real restrictive and selective immigration law. In 1924 we greatly strengthened that act and practically cut out foreign immigration. That act is called the second Declaration of American Independence. Nearly all of the foreign nations took an active hand to prevent the passage of the immigration acts of 1921 and 1924. On the day that we voted in the House on the act of 1924 the ambassador of a certain great nation had the report circulated that if the Congress

voted to pass that bill, it meant war between the United States and that particular country. However, we passed it. We stopped foreign immigration to a large extent. We made it most restrictive and selective. Our country is so attractive in comparison to many other countries that millions of people have been and are still seeking homes in America. Because of the 10,000 or more miles of border and shore lines of this country more people have entered in violation of our immigration laws than many of us have any idea. It has been asserted by those who claim to know that in the last 10 years more than 500,000 foreign sailors have deserted their ships in American ports and remained in our country. They are here in violation of our laws. Hordes of aliens are coming into the United States over the Mexican and Canadian borders. Other hordes are coming in by motorboats and airplanes from other lands and from adjacent countries, landing at unguarded points on the Atlantic and Pacific Oceans, the Great Lakes, and the Gulf of Mexico. Our borders are not properly patrolled, and it has been asserted time and again by those who ought to know on the floor of the House and Senate, and elsewhere, that we now have in this country 3,500,000 aliens who came into this country illegally. They violated our laws and each and every one of them under the law is subject to deportation unless some provision of this bill should prevent it. It is also admitted that there are now 4,000,000 other aliens who came into this country legally. No one knows how many aliens are here who came in violation of our laws and the Government should take steps to ascertain the number.

All aliens should be required to register. I have no prejudice in my heart or mind toward the people of other countries of the world. We have a great many wonderful people who came to us from every nation and every section of the globe. They have shown their appreciation by becoming American citizens, and thousands of them have offered their lives and many of them have given their lives in the defense of this country. For all of these I have the highest respect.

I wish that it were possible for every man, woman, and child living on this globe to have a country like yours and mine, but this is impossible. If we should permit all the people who desire to enter the United States, it would fill the country up. They would benefit very little and at the same time destroy our own country. Holy Writ says:

He that provideth not first for his own house hath denied the faith and is worse than an infidel.

Under our oath of office it is our duty to provide first for the household of America, and so long as I remain a Member of the American Congress, I shall consider it my duty, as well as my privilege, to raise my voice and cast my vote in favor of those measures that will provide for and protect the household of America.

On this matter of deportation Congress has failed to meet the issue squarely. The Congress is not in possession of facts sufficient to pass the sort of bill that should be passed, and the Department of Labor, even though it were sympathetic with our deportation laws, is not in possession of sufficient facts to act intelligently and fairly. We will never be in a position to act as we should until Congress passes an act requiring all aliens to register as provided in a number of bills that are now before Congress, but because of certain influences have not been acted upon by the committees and reported to the House and Senate. The Starnes bill introduced in the House and the Reynolds bill introduced in the Senate provide for such registration. Let us find out how many aliens we have in this country, from whence they came, when they came in, and if they were admitted legally or slipped in in violation of our laws, and then let us have the courage, excepting for some special hardship cases, to deport those who came in defiance of our laws. When such registration is held and an investigation is made, it will be found that many of the worst gangsters and criminals of some of the other countries have slipped into the United States.

I know it is urged that some of these aliens have come here and married. That is part of the game that is being played. They come to the United States in violation of the law, and in order to create sympathy they set about to marry some American girl and then plead the sympathy act. I realize that there are some meritorious and real hardship cases, but we shall also find that many of these foreign aliens come here and go through some sort of marriage and attempt to use that to create sympathy to save them from deportation. Then there is another group who always urges us to unite families, but this group wants to do all of the uniting in the United States. The fact is we did not divide the families. They did the dividing. It is just as near to go back to Japan, China, Italy, Germany, or to some other country as it is to bring the folks from those countries to the United States. As a general rule I would say, let these folks unite over there and not over here. It is a mockery to pass the Immigration Acts of 1921 and 1924 practically to exclude foreign immigration of honest, industrious, and law-abiding people, and then to permit all classes of criminals to slip into this country in violation of our laws. Let us repeal our immigration laws or amend them so that only honest, law-abiding, industrious people can come in, and deport criminals and others who defy our laws.

Of course, this does not include persons who have come to this country and become American citizens. Such persons have all the rights of the native-born citizen, except that they cannot become President of the United States. We have a number of very capable men in both the House and Senate who were born in foreign lands, but years ago became American citizens. It is urged that it would be oppressive to require aliens to register. The truth is these aliens in nearly all of the countries from which they came must register in their own country if they go from one city to another, and certainly must register when they go from one country to another. In the District of Columbia and in practically every State of the Union, so far as I know, we require all of our American citizens to have an automobile driver's license which they must carry with them when driving, and if caught without it they are punished; and if an American citizen goes from one State to another he must take out a new driver's license.

CITIZEN OR ALIEN

In listening to some of the speeches made on the floor of the House today and to other speeches I have heard in the House and Senate on other occasions when immigration and deportation bills were being discussed, these speakers make the alien not only equal to but claim for him superior rights over the citizen. When an American citizen commits a felony we do not hesitate to indict him, convict him, hang him, electrocute him, or send him to the penitentiary, even though he is married and has children. We divide families among our citizens for violating the laws of this country. The alien who slips into this country and commits a felony—why should he not, as a general rule, likewise be required to take the consequences of his unlawful act? This Nation has a right to say what alien or aliens may or may not come into this country. We make the selection. We may exclude them entirely. Hauptmann, who was electrocuted for the kidnaping and murder of the Lindbergh baby, was one of those aliens who slipped into the country. He was a criminal and had a criminal record in Germany. If we had had an alien registration law and enforced it, Hauptmann, no doubt, would have been discovered and deported. We did not know he had slipped into our country until he committed this crime. There are thousands and thousands of Hauptmanns in this country. Let us find out who they are, where they are, where they come from, and their records, and when a law of this kind is enforced there will be less racketeering, less gangsters, and less disorder, also less assaults on American institutions. The citizens of every country of the world have preference over aliens, except in the United States.

JOBS AND RELIEF

Every alien who has been admitted to this country legally comes here with the understanding that he will not become a public charge on the American people. Any alien who be-

comes a public charge violates the agreements under which he entered and is subject to deportation. We have hundreds of thousands of aliens being supported and cared for at the expense of the taxpayers of this country in hospitals and other eleemosynary institutions. We have somewhere between 2,000,000 and 4,000,000 aliens recipients of relief in some form or other from the Federal, State, or local governments. We have some two to four million aliens who are employed by private industry or by the United States Government and being supported at the expense of the taxpayers of this Nation. They are enjoying all of the privileges of our American citizens. Recently President Green, of the American Federation of Labor, announced that we had 10,000,000 workers unemployed in this country. Harry Hopkins, the Relief Administrator, stated that we had approximately 7,000,000 unemployed and this unemployment problem was permanent. A Democratic Member of the House the other day read a list of aliens who had good jobs in Washington and elsewhere with good salaries under the Federal Government. France, England, Italy, Germany, and other countries have laws giving preference of employment to the citizens of their country. An American worker, however skilled, cannot secure employment in those countries if there is a citizen of that country who desires and can do the work. American citizens are not accepted and cared for on relief in foreign countries. They are promptly sent home. Ours is the only country on earth that gives the alien the same opportunities for work and the same relief as American citizens. No other country on earth tolerates any such condition as we have. I am in favor of the Starnes bill to send those on relief back to their own countries. These nations whose citizens we are caring for are spending this year $14,000,000,000 to increase their armies and navies to threaten the peace of the world and the peace of our own country, forcing us to spend this year more than $1,000,000,000 for the support of our Army and Navy. Do you not think that it would be fair and just to send these needy people back to their own countries and let their government spend their money providing for these citizens instead of armies and navies to destroy the people there and to destroy us, if possible.

THERE IS A DIFFERENCE

During the World War, it was claimed that there were 1,000,000 able-bodied young men from alien countries living in the United States within the draft age who did not enter our Army or Navy on the ground that they were aliens. The allied countries could not put them in their armies or navies because they were not over there. These young men remained in the United States and made all the way from $10 to $30 per day, while our American boys were fighting in foreign lands or training in camps and serving for $1 per day in America and $1.10 overseas to help preserve the countries of these aliens. And when those of them who were not killed, or had not died of disease, came home they found that their jobs were taken by these aliens, and many of them still have these jobs. There are now more than a million veterans and their sons and daughters looking for work that they cannot find, while our Government is employing aliens and paying them fat salaries.

In every relief bill that has come up in the last 4 years efforts have been made by Republicans and a few Democrats to give preference to American citizens and to American veterans, but in each case these amendments have been defeated by this administration. This action on the part of our Government is indefensible. [Applause.] If a man entered this country legally and is still an alien, it is his own fault. He prefers to be an alien, or is he an alien because he knows that he can enjoy the same benefits as American citizens and will not have to fight and defend this country in time of war? Or is it because he believes from our conduct of the past that if there is any preference shown it is to the alien and not to the American citizen or to the defender of our country and our flag? I wish to repeat that I cannot speak too highly of those aliens who joined our Army and Navy and helped to defend this country, and as a reward to them the Congress passed an act that enabled them to become citizens, and most of them did become citizens.

I trust that one of these days the Immigration Committee will bring out a real deportation bill and coupled with a provision requiring all aliens to register and requiring all aliens in this country who depend upon charity to be returned to their own country. I hope that this bill will be amended so that it may be helpful and not hurtful to the cause of restricted immigration and to honest and effective deportation. [Applause.]

Mr. SCHULTE. Mr. Chairman, I yield 7 minutes to the distinguished gentleman from New York [Mr. SIROVICH].

Mr. TAYLOR of Tennessee. Mr. Chairman, I yield the gentleman from New York 3 minutes.

Mr. SCHULTE. I yield 7 minutes to the gentleman from New York [Mr. SIROVICH].

Mr. TAYLOR of Tennessee. I yield 3 minutes to the gentleman from New York [Mr. SIROVICH].

The CHAIRMAN. The gentleman from New York [Mr. SIROVICH] is recognized for 10 minutes.

Mr. SIROVICH. Mr. Chairman, I rise to support the Dies bill that will authorize the prompt deportation of criminals and other convicted aliens engaged in obnoxious, offensive, and criminal activities.

On the other hand, this bill contains certain provisions that will help to humanize the immigration law by legalizing the permanent residence of a class of aliens now residing in the United States, eligible for citizenship but who otherwise could never qualify on account of the obstacle of illegal entry.

The aliens this bill would relieve are aliens who have lived here as law-abiding citizens, heads of families, taxpayers, and employers in many instances. These aliens who have lived here from 10 to 20 and 30 years have already proved their probationary period of good citizenship by living within the law, and doing all they can to promote the best interests of the Nation. These aliens covered by this bill have been on probation from the time they came here and have proved their worth by their character, their reputation, their honesty, their integrity, and their fidelity to our laws and institutions. The entries legalized will be deducted from the regular quota of their respective countries, so that it will be known in advance the type of citizens they will be.

Mr. Chairman, my distinguished and good friend from Kentucky [Mr. ROBSION], who just preceded me, challenged the patriotism of the aliens in our country during the World War.

Mr. ROBSION of Kentucky. Will the gentleman yield?

Mr. SIROVICH. I regret exceedingly that I cannot yield because of the limitation of my time. Mr. Chairman, my friend from Kentucky contended that the aliens claimed exemption and refused to fight for our flag. Let me call to his attention that in the lower end of the Fifth Avenue-Washington Square-Greenwich Village district, which I have the honor to represent in the Congress of the United States, there was assembled one of the greatest organizations of aliens who went abroad to fight for our Republic. They were known as the lost battalion.

Mr. ROBSION of Kentucky. And you made them citizens, too.

Mr. SIROVICH. It was a most distinguished group of men representing every walk of human endeavor. They made the supreme sacrifice upon the battlefields of France. They bared their breasts to shot and shell. Their mortal remains hallow the soil of France in giving up everything they held near and dear in life that our Republic might endure. The lost battalion and its great record is a refutation of the statement of my friend from Kentucky. [Applause.] Mr. Chairman, this bill humanizes the immigration law. It eliminates the criminal, the chronic offender, from our body politic. On the other hand, it retains the best that

have come from Europe in order to be assimilated in our midst. It will eliminate the evils, the tragedy, the hardship of the disintegration of the American home. The home is the foundation upon which the superstructure of our civilization and Government must rest. My good friend from Kentucky [Mr. ROBSION] quoted the Bible regarding immigration. Let me answer him by referring to the Biblical dogma that whom God has united in marriage, let no Congressman tear asunder to destroy their home. [Applause.] We are all immigrants. Only the Indians are native Americans. Immigrants and descendants of immigrants have built this country to be the greatest, the most prosperous, and the most wonderful Nation on the face of the globe. We all love our Republic. We are willing to work for it in peacetime and ready to die for it in times of war to preserve our institutions.

Mr. Chairman, let me call your attention to the fact that in the Fourteenth Congressional District, which I have the honor to represent in Congress, there was established over a hundred years ago the distinguished La Salle Academy, one of the greatest institutions of Catholic learning in the United States.

Old La Salle Academy at Second Street and Second Avenue, in New York, is named after Jean Baptiste de la Salle, who was born in Rheims, France, in 1651. Jean Baptiste de la Salle chose the Catholic Church as his field of endeavor and was the founder of free instruction and education to the poor children of France. During the nineteenth century the Brothers of the Christian Schools, who were disciples of Jean Baptiste de la Salle, established schools throughout Europe and found a hearty welcome and support in the United States, where they found a fertile field among those who had left the shackles of European life behind to find the freedom of thought, speech, and action guaranteed in the United States. In this splendid college of learning many of our leading citizens received their education at old La Salle, among them His Eminence Patrick Cardinal Hayes, of New York, and His Eminence George Cardinal Mundelein. Another alumnus is Monsignor Lavelle, vicar general of the Archdiocese of New York. Former Gov. Alfred Emanuel Smith, of New York, one-time candidate for the Presidency of the United States, just 53 years ago was presented by old La Salle with a medal for oratory—the first medal for that accomplishment that he ever received and now among his dearest treasures. In my congressional district these four eminent men were born.

As a Representative of this district, I deem it my duty to come to the defense of Cardinal Mundelein, whose honor and reputation have been attacked by the scurrilous, club-footed, blood-purging German mountebank and demagogue, Dr. Goebbels, whom a clever Dutch artist has rightly described as the greatest well-poisoner propagandist of all times.

Cardinal Mundelein's ancestors emigrated to this country from Germany 130 years ago and lived in our district. They were honored and respected in our community, where they reared their families and fought in all the wars in our republic. Cardinal Mundelein is as patriotic an American as any of our great American forebears. His patriotism has been a constant source of inspiration and piety to millions of his coreligionists. As a distinguished dignitary of the church and as an American he believes in religious tolerance and has come to the aid and defense of the cruelly persecuted Catholics in Germany. The present persecution of Catholics in Germany has assumed the forms of sadism. Influential Catholic laymen and Catholic priests are framed and tried in courts on trumped-up charges, with a view to discrediting the Catholic Church, and with the clear object in mind to compromise Christianity and make the introduction of paganism less difficult. Cardinal Mundelein is in possession of the facts concerning the persecution of the Catholics in the Fatherland, and knows all the details of the persecuted priests. He has called the attention of the world to this orgy of persecutions and uttered some blatant truths about the alien paranoiac Fuehrer, Adolph Hitler, and his official propagandist, the club-footed demagogue, Dr. Goebbels. As a result of this courageous and fully justified statement of the prince of the Catholic church, Dr. Goebbels has delivered a long tirade against Christianity and particularly against Catholicism, in which he not only undertook to assassinate the character of Cardinal Mundelein, but also to threaten to purge the representatives of two great Christian churches—Protestantism and Catholicism—with more persecutions.

Mr. Chairman, this bill calling for the deportation of alien criminals should be adopted as a model by the great German nation. They should deport their own alien foreign leaders who have grabbed the control of their country.

To understand the infamy involved in the attempt to assassinate the character of Cardinal Mundelein, one has to bear in mind that the leaders of the Third Reich are anything but pure Germans. They are mostly foreigners. Behold Adolf Hitler himself, the Al Capone racketeer of Germany, dark skinned, black eyes, swarthy, and excitable, does not represent the ideal of the blond, blue-eyed, slow, and calm German. He is an Austrian Slav who became a German citizen shortly before he seized power. His first deputy, Rudolf Hess, the intellectual sadist and sycophant of Hitler, head of the brown storm-troopers, was born and raised in Egypt, and his habits are those of an Oriental. The Nazi Minister of Agriculture, Herr Darree, the boll weevil, corn borer, and agrarian parasite of Germany, was born and raised in the Argentine. The spiritual leader of the Third Reich, Alfred Rosenberg, is a Latvian Slav. Not one drop of German blood flows in his veins. But he is the most fanatical religious racketeering preacher of pure Germanism. The former playboy of Adolf Hitler, Mr. Haefenstengel, is half American and a Harvard graduate. Any number of lesser Nazi lights are of French, Italian, Dutch, and Czech origin. They should all be deported from Germany as foreigners and crooked aliens. No government of any European nation consists of as many foreigners as the present Nazi Government.

You will probably be surprised to learn that all the anti-Semetic doctrines of Adolph Hitler, as he has formulated them in his badly written book, My Struggle, for which he collected millions of dollars in royalties and which he salted away in Switzerland for a rainy day when his crown will fall, are copied literally from the book of a Jewish renegade called Triebitsch, whose book of hate, Germandom and Judaism, served Hitler as his source of inspiration. Triebitsch was an insane pathological individual and committed suicide when Hitler, whose teacher he was, threw him out of the Nazi Party upon attaining power.

If, in addition to these intellectual monstrosities, you take into consideration the fact that the actual ruler of the Third Reich, General Goering, Minister of Police, Minister of Aviation, Minister of the Theaters and Operas, and Director of the Four-Year Plan, is the former inmate of the Etna Lunatic Asylum in Stockholm, that he is an incorrigible opium fiend and sadist and suffers from "uniformitis", having 150 different uniforms to wear, you have a clear picture of the Nazi saints who are now trying to assassinate the character of Cardinal Mundelein, who is, no doubt, one of the most beloved and respected dignitaries of the Catholic Church and who is famous for his piety and courage.

These foreigners and alien political racketeers of Germany who are tyrannizing and enslaving the German people are today blackening the reputation of Cardinal Mundelein, when they are not fit to blacken his shoes.

Mr. Chairman, I sincerely hope this immigration bill, so humanely written to preserve the home, will receive the approbation and approval of the membership of this House.

This immigration bill has the endorsement of Mr. Green, president of the American Federation of Labor, of Mr. Lewis, president of the C. I. O., and of the American Legion. After all, it is a compromise bill that will exclude criminals from our land and make our country a haven of refuge for the oppressed, the persecuted, and those who are looking for a happier day to live. [Applause.]

[Here the gavel fell.]

Mr. TAYLOR of Tennessee. Mr. Chairman, I yield 4 minutes to the gentleman from Illinois [Mr. MASON].

Mr. MASON. Mr. Chairman, I am a new Member of Congress. I am on the Committee on Immigration and Naturalization and know a little about these bills. I have sat in on the hearings.

This bill, as I understand it, was not originated by the Department of Labor or Madam Perkins. It has not even been submitted to Madam Perkins for approval. Therefore, if the Perkins name is anathema to us, let us not apply that feeling to the bill. If there are Members on the Committee on Immigration and Naturalization whom we do not like, let us not apply our prejudice to this bill. Let us rather consider the bill on its own merits. As the gentleman who preceded me has stated, there are only two parts to this bill. Section 1 provides for mandatory deportation of alien criminals.

Mr. JENKINS of Ohio. Mr. Chairman, will the gentleman yield there?

Mr. MASON. Yes.

Mr. JENKINS of Ohio. Does not the gentleman know that under section 2 every person admitted under section 1 can be paroled by Madam Perkins if she wishes to do so?

Mr. MASON. No. The gentleman does not know that and does not acknowledge it.

Mr. JENKINS of Ohio. It is a fact.

Mr. MASON. It is provided under section 1 that criminal aliens shall be deported. However, I want to read the words which precede it, because the gentleman from New York [Mr. FISH] stated he could not find these words in the bill. I am reading on line 5 of page 1, which is as follows:

> Shall be promptly deported in the manner provided in sections 19 and 20 of the Immigration Act of February 5, 1917, * * * as amended, regardless of when he entered if he * * *.

Then there are several provisions which cover these cases.

Mr. JENKINS of Ohio. Read one of them.

Mr. MASON. They are right there in the bill.

Section 2 of the bill treats with a different matter entirely. This section treats with granting amnesty to aliens who are now here, who secured entrance into the country at least 10 or more years ago, who were smuggled in, or who came in illegally, who are under the present law subject to deportation, but who have not been deported because they are hardship cases. Every one of these has entered into a family relationship here, which means that if these people are deported we are breaking up families, and in all probability we are removing the breadwinners and will have the rest on our hands.

[Here the gavel fell.]

Mr. TAYLOR of Tennessee. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. MASON. Not now; my time is too limited.

It seems to me that common sense requires that both of these problems be solved and be solved by this Congress, and this is the only opportunity to solve them.

Deportation for alien criminals is one problem that should be solved, and taking care of these hardship cases that are now here is a fact and must be faced, and we must solve that problem. This bill provides the only possible way of solving the problem that is now before Congress.

I have listened to discussions of the four Starnes bills in committee, and I say that according to my judgment they are impossible and altogether too drastic, and for one I would not vote to favorably report those bills. I doubt if they will be reported at all at this Congress. This is our opportunity; let us take advantage of it. If there are some things in this measure that you want to improve, and they could possibly be improved, offer amendments to improve, but let us act upon the bill, and act favorably, as the only method of solving these two problems that have been confronting the country for many years. [Applause.]

Mr. DICKSTEIN. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. TAYLOR of Tennessee. Mr. Chairman, I yield the gentleman an additional 3 minutes.

Mr. DIRKSEN. Mr. Chairman, I served on the Committee on Immigration and Naturalization for 2 years, and I am not sure that even as a member of that committee approaching the job with proper diligence and devotion, I was not afflicted with considerable confused thinking about this whole subject of immigration and naturalization and deportation.

I wonder if it would not be a good idea, in connection with the consideration of this bill, to present a broad concept of the philosophy and the jurisdiction over which that committee operates.

It deals, first of all, with immigration. This means the application of standards under which people can come from foreign shores into this country. Prior to 1917 our law was in a condition of chaos and it was codified in 1917, so that today, for all practical purposes, we have a fairly good basic law dealing with the subject of immigration and applying to those who come into the United States of America.

The second aspect of the jurisdiction of this committee deals with naturalization. It applies certain standards under which those who have come from foreign shores may become citizens of the United States. With respect to the observations that my friend from Ohio made earlier in the afternoon that when you talk about the un-American aspect of the attitude of anybody coming from a foreign shore into this country who has been here for 10 years without taking out citizenship papers, I may say to this House that there are two sides to that story. We are in the habit of saying to an alien, "Go and get yourself naturalized." We place the entire responsibility upon him. We had a reasonably high level of fees. We made no open-handed invitation to prepare for citizenship. I do not know that in general we properly approached that problem and said, "Come, we will take you by the hand and take you through the processes whereby you can become a citizen of the United States."

When we get ready to level the finger of reproach and fasten the fault upon one group or another, let me say that the fault is in some measure ours as much as it is the fault of the alien that we have today in this country 3,000,000 aliens who have not yet made application for their naturalization papers. Whenever we can infuse our people with the kind of spirit that will bid them say: "We will take you by the hand and make citizens of you; we will welcome you into the fold of this great family; we will do everything possible that you may assimilate the ideals and traditions of the country", I fancy then that the number of aliens in this country who are eligible for citizenship will certainly diminish even as the number has diminished in years gone by. This is the second aspect of the work of this committee.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I cannot yield now.

The third aspect deals with deportations. In other words, immigration involves those who come over and the standards under which they enter our country; naturalization deals with citizenship after they get here; and deportation deals with removal from our land when they have violated the tolerances and the good graces of the American people, when they have violated our laws or when they have done those things that, in our judgment, should not admit them into citizenship in this country.

The bill that is pending before the House this afternoon deals with the third aspect of this matter; namely, deportation.

When you think of deportation you must put aliens into two general classes.

First, those who have come into the country legally. Unless they have violated the law in some respect or unless they have projected themselves into a position where they can be deported under existing law, we can do nothing about them. They have been legally admitted in the first instance. They came here under existing law, and so long as their conduct is proper we should be kindly disposed toward them.

The other classification of aliens is composed of those who illegally came into the country. Everybody knows that under existing law it is a crime to enter this country illegally, and they can be deported if they are found out, their whereabouts ascertained, and they can be apprehended by the immigration authorities. Now, look at the anomalies you have in the law with respect to those who have been legally admitted into the country. You can deport an alien under existing law who is legally here, for stealing a loaf of bread. You cannot deport a man for having been convicted of carrying a concealed weapon.

The reason is that, under the laws of the various States, carrying a concealed weapon does not involve moral turpitude. Fancy a law of that kind, where you can deport a man for stealing a loaf of bread to ward off starvation or feed a hungry family but you cannot deport a gangster for having carried concealed weapons. It is only an instance of the oddities that we have in the law at the present time. Here is a bill that in some measure at least will for the first time in my judgment correct that strange situation. Another oddity under existing law is that you can deport a man who violates the Federal narcotic law but you cannot deport him if he violates a State narcotic law. If somebody in Chicago has obtained various kinds of narcotics and peddles them inside the city, you cannot deport him, under existing law, as long as he does not cross the State line and get into interstate commerce. So long as he does not lend himself to the jurisdiction of the Federal law, he cannot be deported. That is an oddity in existing law that this bill purports to correct, so that anybody who violates a State narcotic law as well as a Federal law can be deported.

A word now about the discretionary or permissive authority vested in the Secretary of Labor. I have attempted to see this whole proposition from the standpoint of the ardent restrictionist as well as from the standpoint of those who would liberalize the law. I think there is a pathway somewhere in the middle that we can pursue, and that, I believe, is embraced within the provisions of this bill. We have about 2,500 to 2,800 hardship cases pending at the present time. As the gentleman from Alabama [Mr. STARNES] has said, some of these people are afflicted with social diseases.

Some of them are afflicted with tuberculosis, and others, for other reasons, might be deported under the 1917 act. But I examined the files of those cases to which he referred, and while there are some instances of that kind, let me say to the members of this Committee this afternoon—and I say it on the basis of factual information, gleaned from the same files that the gentleman from Alabama [Mr. STARNES] examined—that he and his colleague over in the Senate, who were sponsors of these restrictionist bills, picked out only the headline cases and the limited number of flagrant cases and sent those out to the attention of the country, and they appeared in the newspapers. It would appear that if we vested some power in the Secretary of Labor perhaps we would let some people remain in this country who were abusers of the privileges of the country. But it should be pointed out at the same time that in the 2,800 cases alluded to there were a great many very essentially hardship cases, for which we could make no provision except as we reposed discretionary power in the Secretary of Labor. If you will examine those hardship cases as I examined them you will find that probably 60 percent of all those cases were cases where the persons involved were not law violators, they were not on relief, or were not law violators in a very substantial sense. Perhaps they were guilty of some minor infraction of the law, but I doubt very much whether that justifies such drastic action as sending them out of the country. There must be some place where you repose an element of discretion, even as we repose discretion in the President of the United States or some officer of the Government relative to other legislation, and here it must be necessarily reposed in the Secretary of Labor.

Mr. JENKINS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. Yes.

Mr. JENKINS of Ohio. The gentleman's statement sounds very beautiful, but does he not know that the Immigration Committee picked out 15 presumably of the best of these cases and brought them on the floor of Congress and that not a single one was accepted?

Mr. DIRKSEN. Oh, we considered those in committee 2 years ago, and we went from the top to the bottom of them, and we had people come in from the 48 States of the Union, fathers and mothers, with children, fathers who had come from foreign countries, who had married American women, whose children were born in this country, many of whom are in business at the present time and who have been here for 10 or 12 years, and yet under the provisions of existing law you have to send them out of the country. When you talk about these people on relief rolls, there is another side. I remember one gentleman who came to the committee from New York. I asked him what he did and he said he was in business. He had a business of his own. I asked him whether he employed anybody and he said that he employed 50 people. There was an alien, his wife an American citizen, his two children American citizens, who employed 50 of our own citizens in his own business. Do you think that he ought to be deported? [Applause.]

Ever since I became a member of the Immigration Committee in 1933, every bill that emanated from that committee has been a storm center of controversy. Either it did not satisfy those who were liberal in their views or it did not satisfy those who had extreme restrictionist tendencies. Since that time, Congress has wrestled with this alien problem, a problem that has been aggravated by the ravages of the depression. It is high time that we approach this matter with even tempers in the spirit of compromise and remain in session today until this bill in original form or amended form is passed.

Existing law contains too many anomalies. It must be refined and perfected. It contains loopholes which permit criminals to remain in our land and it contains provisions that would impose hardships upon deserving people. This bill is a step in the right direction and I trust that with patience and tolerance, the committee will devote itself to the task until it has been completed.

Mr. SCHULTE. Mr. Chairman, I yield myself 5 minutes.

The CHAIRMAN. The gentleman from Indiana is recognized for 5 minutes.

Mr. SCHULTE. Mr. Chairman, this is a very serious and important bill that we are considering this afternoon. This bill is the outgrowth of a great many bills that were presented to satisfy a majority of the members of the committee and the House.

The first four sections of the bill contain provisions that I believe we are all in accord with; that is, providing for the deportation of alien criminals. According to the late Commissioner of Immigration, Mr. McCormack, there are 23,000 alien criminals in the United States. We have his figures, we had his word for this.

The second part of this bill deals with hardship cases. The gentleman from Alabama cited several isolated cases, and the Department of Labor will deal with them. They will be deported. That has nothing whatsoever to do with this bill.

It has also been stated on the floor that the floodgates would be opened. This bill does not attempt to do that at all, this bill has nothing to do with that.

Mr. Chairman, 23,000 alien criminals will be deported—this is mandatory upon the Department of Labor—if this bill is passed. If the bill is defeated, of course, it means that they will stay here only the Lord knows how long.

Involved also are 2,900 hardship cases. Some question has been raised as to just where we are going to place this power, some members of the committee insisting that it be given to the Members of Congress, that these cases be referred to the Committee on Immigration and Naturalization. Twenty-nine hundred hardship cases have been placed in the laps of this committee. We reported out an omnibus

bill carrying 12 so-called hardship cases and I think we got by with 6 or 7. The rest are still awaiting action. These are the tactics that are now being used, and if this is the way we are going to deal with the problem, you can figure out how long it will take the Committee on Immigration and Naturalization to deal with what by now probably amount to 3,000 hardship cases. I dare say that 60 percent of the Members of this House have introduced bills to save from deportation some person in their district. They are hardship cases. We are familiar with the facts in a great many of the cases. In many instances the individuals involved have been here a great number of years, 10, 15, or 20 years. Just because they have committed the unpardonable, the unforgivable crime of coming into the country they loved, to stay here, now we are going to deport them, now we are going to send them out in spite of the hardships that we are creating. Ninety-five percent of them are married, 95 percent of them have families in this country, they own their own property, they send their children to our schools, they are paying their proportionate share of the taxes; yet we are going to send them out of the country, deport them as undesirables, because they came into the country illegally. At the same time, Mr. Chairman, the doors of the penitentiaries of the United States will open to let out a murderer, a man who has committed murder in the country, and society opens its arms and says, "Welcome." That is the paradox of the story.

The statement had been made that 500,000 sailors have deserted ships in the last 10 years. That is a far-stretchd statement. The gentleman who made that statement had no basis for it. No one knows just how many are in the country; there is no way of telling.

It is also said that the aliens refuse to shoulder a gun. Again I take issue with the author of the statement. There appeared before the Committee on Immigration and Naturalization a boy born in Poland. He was here in 1917 but was too young to enlist in the American Army and his father was too old; but, Mr. Chairman, they both enlisted in the Polish Legion, were sent over and fought on the side of the Allies and for us. Then they came back here and the chances are that under this law they will be deported if it is found that one of them came in here illegally.

[Here the gavel fell.]

Mr. TAYLOR of Tennessee. Mr. Chairman, I yield 5 minutes to the gentleman from Virginia [Mr. ROBERTSON].

Mr. ROBERTSON. Mr. Chairman, in the Shenandoah Valley of Virginia there is no foreign problem, racial, social, or economic. Less than one-half of 1 percent of the people of that area are of foreign birth. If there is a single unnaturalized alien in my district, I do not know it. But I served for 2 years as a member of the Committee on Immigration and Naturalization and through this service became interested in the immigration problem. Last summer in my spare time I did some collateral reading touching the subject of racial and social problems growing out of our alien population.

There is no doubt in my mind of the fact that we have a problem growing out of immigration. In the 130 years since 1800 there have been 62,000,000 emigrants in the entire world, of which 90 percent have come to America. They came for various purposes, but primarily to get land and to enjoy more freedom than they had at home.

Whenever there has been a period of economic stress, racial and group prejudices have developed. Germany of today is a good example. We have had the problem, but less acutely. We also have group movements that may properly be called subversive of our form of government. We have reached a period in our history when this also should give us concern.

Mr. Chairman, I think this bill is a step in the right direction, but it does not go far enough. I was interested in the suggested amendments mentioned this morning by our colleague from Ohio [Mr. JENKINS]. I hope all Members of the House will feel as I do; that is, we should approach the problem in a spirit of fairness toward the alien, but in a spirit of real concern, not only for the unemployed Americans but for the perpetuity of our form of government, and that we will today attempt to unite on amendments which will make this bill as good and as strong as we can make it, because in all probability this will be the only bill we will have a chance to act on at the present session.

In connection with any legislation to restrict immigration and to deport criminal aliens, it is pertinent to consider our racial problem.

Our racial problem, of course, comes from immigration. Immigration is an age-long tendency of men to migrate in order to improve their conditions of life. The intermingling of races through the centuries has been accomplished by four major processes, namely, invasion, conquest, colonization, and immigration. Invasion is the process whereby an inferior race, such as the Huns and Vandals, conquer and overthrow a superior civilization. Conquest, on the contrary, is the military subjugation, as witnessed under the Roman Empire, of an inferior race or civilization by a superior one. Colonization occurs when a country acquires new territory and sends native sons to develop it under the supervision of the mother country. Immigration, which has been the latest phase of race intermingling, is when people of one nation migrate from that nation to another nation with the view and purpose of establishing a permanent home in the new nation and ultimately of acquiring citizenship in the nation of adoption. As such it must, of course, be differentiated from migration where a transient status only is involved. The North American Indians migrated for reasons of climate, a food supply, and so forth; some 2,000,000 Negroes during the boom days migrated from the South to the North, and during the 5 years of the depression many of them migrated home again. There are some 25,000,000 native whites of the United States now living in places other than that of their birth. The old dominion has been a heavy loser from migration, many of our brightest sons and daughters, after receiving their education, migrating to other States for permanent residence. Even animals and birds, such as ducks and geese, migrate. But an immigrant is one who is not moving back and forth but moving from an old home to a new one that he thinks is going to be better. It is essential, therefore, for us to recognize the difference between a migrant and an immigrant.

In studying the history of immigration, it is interesting to note that practically all immigration in the true sense of the word has been between countries in the Temperate Zone. Neither the Tropics nor the polar regions have ever attracted immigrants for apparent reasons. And the flow has been from old countries to newer ones where the ratio between population and land has been low. There is something in human nature that makes the average man want to acquire land, and that instinct is not confined to any race or any particular time. In fact, all of us have noted the tendency not to regard a man as a substantial citizen until he has acquired land, and the most popular way in America of evidencing bigness is not only to acquire land but to build the finest home in the community.

Considering, therefore, this desire to acquire land, it is not surprising that countries suffering from overproduction early turned to the vast areas to be found in this new country of ours. Even at the present time our population is only 41.3 to the square mile, while most of Europe has a density ranging from 100 to 700; British-India, 225.7; and Japan, 346.8. Consequently, the greatest migration of all times occurred between 1800 and 1830 from the countries of Europe to America. While later in this paper we will take note of certain racial characteristics of the early settlers, it must be remembered, as mentioned above, that there is a difference between colonization and immigration, and hence our first settlers were colonizers and not immigrants.

In the first half of the nineteenth century, the largest immigration to this country, and the best class of immigrants, was from Great Britain and Germany. That type

of immigration reached its peak about 1880. Then commenced the movement of the agricultural proletaria of southern and eastern European countries, especially Italy, Austria-Hungary, and the southern nations that once were a part of Russia. This flow of immigration, and of a type that has made for us a serious racial problem, was first stimulated by the steamship companies. At one time oceans were barriers but the invention of Robert Fulton made of them international highways. The transportation of immigrants from Europe to America was a profitable business for the steamship companies the latter part of the nineteenth century. The immigration movement of the twentieth century was stimulated by industrial leaders of the North, who were in the market for an abundance of cheap labor. It may be true that without such cheap labor we could not have developed our great natural resources as rapidly as we did, nor have built up with equal rapidity some of the great American fortunes of the present day. But anyone with a spark of humor must smile as he hears the Northern capitalist prate about protecting the American laborer and the American standard of living from the competition of cheap foreign goods by means of higher protective tariffs, and then watches the same group as it brings in millions of "Hunks" and "Wops" to take the jobs of these same American workers at a lower pay and a lower standard of living. And in passing it might be noted that the argument of the same protectionists that high tariffs help American agriculture because of better domestic markets is just about as consistent.

In the whole world between the years 1800 and 1930 there have been a total of 62,000,000 immigrants, of which 90 percent have come to the Americas, mostly to the United States. Of those coming to the United States, approximately 33 percent, for one reason or another, have ultimately gone home. Our Nation did not commence keeping accurate records on immigration and emigration until 1820, but between that date and 1930 those records show that our net gain in population from immigration, excluding, of course, children born of foreign parents, has been 26,180,000.

In the first decade of the twentieth century the number of immigrants was 8,795,386; in the second, 5,735,811; and in the third, 4,107,209. In 1930 our population was divided as follows: White, including immigrants, 112,775,046; Negro, 11,891,193; mixed, 1,422,533; and the balance was made up of Japanese, Chinese, Filipinos, Hindus, and so forth. Of that total, the native born was only 95,497,800. It has been said:

> The history of the United States could largely be written around immigration, which has hastened the growth of population and greatly influenced its character, affected political and social conditions, and been a main cause for the rapid exploitation of natural resources, the impetuous industrial expansion, and the tremendous increase in national wealth.

Since 1820 the countries furnishing to us over 1,000,000 immigrants each follows:

Germany	6,873,103
Italy	4,546,877
Poland	3,342,198
Irish Free State	3,086,522
Russia	2,669,838
England	2,522,261
Canada—other	2,231,186
Sweden	1,562,703
Czechoslovakia	1,382,079
Canada—French	1,106,159
Norway	1,100,098

The first settlers in Virginia, of course, came from England, and most of the early settlers from some section of the British Isles. There was a Dutch settlement in New York; a French settlement of Huguenots in New York, South Carolina, Virginia, and Massachusetts; and Swedish settlements along the Delaware that later moved into what was once the northwest territory of Virginia. There was an influx of Jews from many nations to our larger cities, a large settlement of Irish in New York and Massachusetts, a settlement of Germans from the old Roman Palatinate—now a part of Bavaria—and from German Switzerland that settled in Pennsylvania and then migrated to the valley of Virginia, and last, but not least by any means, the movement of Scotch-Irish who settled this immediate section.

Many have recently seen the picture of Katherine Hepburn as Mary Queen of Scots, depicting the bitter conflict between her and Elizabeth. Mary's son succeeded Elizabeth in 1603 as James I. He was also James VI of Scotland, and the two kingdoms remained separate for another hundred years, during which period Englishmen looked upon the Scots as foreigners. However, the two kingdoms were united before the Scotch-Irish settled this valley, as that immigration occurred after Governor Spotswood had discovered the valley in the early part of the nineteenth century.

Those with Scotch or Scotch-Irish blood should be pardoned for believing that their ancestry was the most virile and aggressive of any that came to the new country. However, it must be recalled that Gibbon said that the Holy Roman Empire was neither holy, Roman, nor an empire. And anthropologists tell us that the Scotch-Irish were very little Scotch and still less Irish. They were a mixture of Celts, Irish, Britons, Norwegians, Scandinavians, Angles, and Saxons, and the blood of those various races had been comingled for more than a thousand years before it reached the veins of the Scotch-Irish that settled this section. Yet, those who take pride in Nordic blood and subscribe to the theory of biological superiority have the satisfaction of knowing that all of the races that united to produce what we know as the Scotch-Irish were Nordics, and it is undeniably true that the settlers we call Scotch-Irish produced a long list of remarkable men, especially in the fields of war, politics, and industry. In literature the two outstanding Scotch-Irish were Washington Irving and Edgar Allan Poe; but in other fields of activity we find, among others, Thomas Benton, James G. Blaine, John C. Calhoun, John G. Carlisle, Andrew Carnegie, George Rogers Clark, Jefferson Davis, Ulysses S. Grant, Horace Greeley, Alexander Hamilton, Mark Hanna, Samuel Houston, Andrew Jackson, Stonewall Jackson, John Paul Jones, George B. McClellan, William McKinley, Oliver Perry, John D. Rockefeller, Edward Rutledge, Winfield Scott, Zachary Taylor, Matthew Thornton, Anthony Wayne, Woodrow Wilson. The people of Rockbridge can well take pride in the production of a man like Samuel Houston.

One writer on racial problems gives this explanation of the remarkable achievements of the Scotch-Irish:

> At the time of the Revolution there were above 500 Scotch-Irish settlements scattered over practically all of the American colonies. They alone of all the people had one uniform religion; had experienced together the persecutions by state and church which had deprived them at home of their civil and religious liberties; and were the common heirs to those principles of freedom and democracy which had been developed in Scotland as nowhere else. They took the lead in developing that Western type which in politics and industry became ultimately the American type.

While in colonial times there were numerous different religious groups, the English belonging to the Church of England; the Pennsylvania settlers being Quakers; the New England settlers, Puritans; the Scotch-Irish, Presbyterians; the Irish, Catholics; the Germans, Lutherans or Moravians; the Dutch affiliating with the Dutch Reform Church; the Swedes with the Swedish-Lutheran; the Jews with the Jewish; and the Englishmen under Lord Baltimore and the Irish generally with the Catholic Church. We had no outstanding social problem growing out of religious differences and group actions based upon religious views until we received, during the twentieth century, the hordes of undesirable classes from southern Europe, mentioned above, all of whom were either Roman Catholics or of the Eastern Orthodox Church.

Both Washington and Jefferson had warned us against the undesirable effects of immigration of that type. Washington had said in a letter to John Adams in 1794:

> My opinion, with respect to immigration, is that except of useful mechanics and some particular descriptions of men or professions, there is no need of encouragement, while the policy or advantage of its taking place in a body (I mean the settling of them in a body) may be much questioned; for, by so doing, they retain the language, habits, and principles (good or bad) which they bring with them.

Jefferson, a few years later, wrote:

The present desire of America is to produce rapid population by as great an importation of foreigners as possible. But is this founded in good policy?

It is for the happiness of those united in society—

He continues—

to harmonize as much as possible in matters which they must of necessity transact together. Civil government being the sole object of forming societies, its administration must be conducted by common consent. Every species of government has its specific principles. Ours perhaps are more peculiar than those of any other in the universe. It is a composition of the freest part of the English Constitution, with others derived from natural right and natural reason. To these nothing can be more opposed than the maxims of absolute monarchies. Yet from such we are to expect the greatest number of immigrants. They will bring with them the principles of the government they leave, imbibed in their early youth; or, if able to throw them off, it will be in exchange for an unbounded licentiousness, passing, as is usual, from one extreme to another. It would be a miracle were they to stop precisely at the point of temperate liberty. These principles, with their language, they will transmit to their children. In proportion to their numbers, they will share with us the legislation. * * * Is it not safer to wait with patience 27 years and 3 months longer for the attainment of any degree of population desired or expected? May not our Government be more homogeneous, more peaceable, more durable?

In 1790, 77 percent of the new Nation was English, and the second largest group was the Scotch-Irish. It would have been fortunate for us had we followed the advice of Washington and Jefferson with respect to immigration, for in the period under immediate consideration, namely, 1900 to 1930, nearly 12,000,000 immigrants came to us from southern Europe, bringing the total since 1820 to the enormous figure of 13,944,454. During that time Austria-Hungary sent the most and Italy the next largest number; and we were expected to absorb and assimilate that horde of 14,000,000 southern European peasants, and including no few criminals, teach them our language, our customs, our institutions, and imbue them with a love for the principles of democracy. Protestant groups, as we have shown, were to assimilate this group of nearly 14,000,000, in which there was not one single Protestant. The bare mention of that situation is enough to indicate that a racial problem of necessity existed, when it came to the task of producing a unified and solidified nation and a national spirit in the United States.

It has been said that the direct factors in nationality are race, language, religion, the homeland, tradition, literature, and the will to live together. Italians from southern Italy were of the illiterate peasant class. They came from an area with a population density of 349 per square mile—greater than China or India. They were all Catholics. Prewar Austria-Hungary included nine different nationalities, and we got some of the dregs of each. A large percentage, however, were Slovak, mostly Catholic. Others of the Slavic race were Poles, Wends, Czechs, Slovenians, Croatians, Serbs, and Bulgarians. None of them ever had any independent political existence. Those from the east were Eastern Orthodox and from the west Roman Catholics. For the most part, they were peasants not long from serfdom. Fortunately for us, these immigrants did not come to the South but furnished cheap labor for the coal and iron industries.

Our third largest quota of undesirable immigrants came from Russia, a total of 3,341,991. Of those from Russia, many were Jews—Russia after the dismemberment of Poland having the largest Jewish population of any nation in the world. Now the United States has that distinction, as we have received Jews from nearly every country, until today of the 16,000,000 Jews in the world, nearly one-third of them are in the United States, and they constitute 3½ percent of our entire population.

However, those with anti-Semitic prejudices should not overlook the fact that there is good reason to believe that Columbus was a Spanish Jew, and that it was Jews, and not jewels, who financed his expedition to this country, the interesting romance about Isabella to the contrary notwithstanding. The first member of Columbus' crew to set foot on the new soil was a Jew by the name of Luis de Torres, founder of the famous Cuban family of that name. Then we had our Robert Morris, who financed Washington's army; and Juda P. Benjamin, Attorney General, Secretary of War, and Secretary of State of the Confederacy. In present-day times we have as descendants of Spanish Jews Bernard M. Baruch; Justice Benjamin N. Cardozo, of the Supreme Court; and the Guggenheim family of New York. Great Britain had her Disraeli, and Spain her Spinoza, to mention just a few who have attained great distinction.

The section of the country lying below the Mason and Dixon line, if we exclude the Negro problem, has less of a racial problem than any other section of the country. The highest ratio of foreigners in the South is 2.2 percent and the lowest is one-half of 1 percent, the latter being about the ratio of the Shenandoah Valley of Virginia. What foreign element we have in Virginia is largely to be found in our big cities. Fortunately for us, the South offered few attractions to the peasant immigrant, as we had few large industries, no free land, few large cities, relatively low wages, and cheap labor competition in the form of the Negro. The racial problem of our Nation of the most serious consequences is in those sections in which the hordes from southern Europe settled—men who were illiterate, with no previous training in free citizenship, and quick to resort to violence and disorders. From their ranks were recruited socialists and anarchists, including one who assassinated President McKinley, and then there have been deliberate importations of foreign agitators, who have continued here their struggle against organized society that they had been carrying on at home.

These anti-American and subversive activities reached such a proportion that on March 20, 1934, the United States House of Representatives authorized the establishment of a congressional committee to investigate the subject and report to the Congress. A very full investigation was made and voluminous testimony taken, and the committee submitted its report to the Congress on February 15, 1935. We advise all who are interested in knowing whether or not we have a racial problem to read the hearings of that committee and its report. The report mentions with respect to Nazi activity and propaganda that—

Orders were issued in Germany and transmitted to the United States ordering certain lines of conduct in connection with this movement. * * * German steamship lines not only brought over propaganda but transported back and forth certain American citizens without cost for the purpose of having them write and speak favorably of the German Nation * * *.

The organization known as The Friends of New Germany, through a subsidiary organization, in July 1934, conducted so-called youth summer camps at different localities, at which camps nothing of American history or of American principles of government were taught, even to the children of American citizens of German extraction, to say nothing of the children of aliens.

On the contrary, the children were taught to recognize Chancellor Hitler as their leader, to salute him on all occasions, and to believe that the principles of government taught by him were superior to the principles of our Government.

With respect to fascism, the committee reported:

There have been isolated cases of activity by organizations which seemed to be guided by the Fascisti principle, which the committee investigated and found that they had made no progress.

With respect to communism, the committee reported:

The Communist Party of the United States is not a national political party concerned primarily and legitimately with conditions in this country. Neither does it operate on American principles for the maintenance and improvement of the form of government established by the organic law of the land.

The nature and extent of organized communist activity in the United States have been established by testimony and the objectives of such activities clearly defined. Both from documentary evidence submitted to the committee and from the frank admission of Communist leaders these objectives include:

1. The overthrow by force and violence of the republican form of government guaranteed by article IV, section 4, of the Federal Constitution.

2. The substitution of a soviet form of government based on class domination to be achieved by abolition of elected representatives both to the legislative and executive branches, as provided by article I, by the several sections of article II of the same Constitution, and by the fourteenth amendment.

3. The confiscation of private property by governmental decree, without the due process of law and compensation guaranteed by the fifth amendment.

4. Restriction of the rights of religious freedom, of speech, and of the press as guaranteed by the first amendment.

These specific purposes by Communist admission are to be achieved not by peaceful exercise of the ballot under constitutional right but by revolutionary upheavals, by fomenting class hatred, by incitement of class warfare, and by other illegal, as well as by legal, methods. The tactics and specific stages to be followed for the accomplishment of this end are set forth in circumstantial detail in the official program of the American Communist Party adopted at the convention held at Cleveland on April 2 to 8, 1934.

The manifesto and the resolutions incite to civil war by requiring one class "to take power" by direct revolutionary process and then assume dictatorship over the country in the manner followed by the Communists in the Union of Soviet Socialist Republics which is frequently mentioned as a guiding example.

In pursuance of the revolutionary way to power, the program instructs members of the party to obtain a foothold in the Army and the Navy, and develop "revolutionary mass organizations in the decisive war industries and in the harbors." The trade unions should be undermined and utilized as recruiting grounds for revolutionary workers. How faithfully these particular injunctions have been executed was demonstrated by Navy officers appearing before the committee and by officials of the American Federation of Labor.

Racial, religious, and economic forces are frequently interlocked. The root of racial or religious persecution is frequently economic. When there is economic tension, discrimination usually begins with different minority groups. It is hard to find any community which has at one time or another not had its major and minority groups, with group actions induced by the interlocking forces of race, religion, and economics.

Economic strain always accentuates group differences and group prejudices, and hence the rapid development of our group problems during the past 5 years—the problem between capital and labor, between oriental and occidental, between Christian and Jew, between Catholic and Protestant. Dean Wicks, of Princeton, recently said that interdependence has arrived in the world before the preparation of brotherliness has made men anywhere near ready. And that is one explanation of the present armament race among the major nations of the world.

We find the Nazi under Hitler persecuting all Semetics, especially Jews, and boasting of the biological superiority of the Aryan race, especially the Nordics of northern Europe. As a matter of fact, the word Aryan is an adjective derived from a Sanskrit word meaning "one of noble birth." No one has ever known an original Aryan race or an Aryan language, and our conception of an Anglo-Saxon race is almost as vague. In reality, through countless years it has carried the blood of Celts, Angles, Saxons, Jutes, Vikings, and pre-Nordic stocks, tied together by cultural bonds. Anthropologists report that no racial group has functional unity and that social groupings and not race furnish the basis for functional unity. Race is a biological concept and cuts across all types of social groupings. It is culture, not race, that draws people together. It is culture, therefore, and not Scotch-Irish blood that makes the present unity of our community. The idea of democracy is necessarily a controlling idea in a culture where democracy is also a master idea.

Therefore, to have the best form of democracy, we must guard against the tendency to merely identify ourselves with a group—church, labor, political, sports, and so forth. For if we do not, we will get what Walter Lippmann calls "pictures in our heads", which makes us dogmatic about things we know little about, and especially about people who do not belong to our group. To classify a man as a Jew, Bolshevik, or hillbilly saves mental effort, but such "pictures in our heads" are never accurate. Our tendency is to put a man in a group and then ascribe to him all the objectionable qualities of that group. It may help us to win wars to ascribe brutality and inhumanity to our enemies but it does not help to win the battle of peace. In peace, they lead to group conflicts.

We must likewise guard against the tendency to regard the culture of our group as being superior to any other. Dr. Donald Young, of the University of Pennsylvania, says:

There is no truth in biological superiority that Egypt, Persia, Babylon, Rome, Spain, and other illustrious empires were tangled mixtures of races at the height of their glory. Their glory and hybrid qualities were consequences of the same conditions, conditions that put them at world cross roads with natural advantages, enabling them to grasp the opportunities offered. They went to seed when the cross roads moved with changed demand for natural resources, with improvement in communication, and with advances in the economic world.

It is not enough for us to have twentieth century weapons if we still cling to primitive minds and prejudices. Those weapons will but lead us to a war that will destroy civilization. And it is not enough for us to boast of the achievements of our Washingtons, Lees, Houstons, and other empire builders if group prejudices and assumed superiorities close our eyes to domestic problems that lie close at hand.

There are two domestic problems requiring our present consideration. One is the problem of unemployment. We should restrict the entry of foreigners, because our first duty is to our own unemployed. The second problem is the preservation of our democracy. Criminal aliens and aliens who seek to overthrow our form of government should be deported.

Mr. TAYLOR of Tennessee. Mr. Chairman, I yield 7 minutes to the gentleman from Kansas [Mr. REES].

Mr. REES of Kansas. Mr. Chairman, I think a great deal has been said, and perhaps the subject has been overstated, that we have not taken care of the situation in the past as we should have done. I think we have made a lot of mistakes with reference to the question of deportation, as well as the question of immigration; but if there have been mistakes made in permitting individuals to come to this country from foreign countries that fault is ours.

I am going to repeat something that has been mentioned several times this afternoon, namely, we have before us today a measure that has to do with the deportation of criminals, the first bill of its kind presented in the last 12 or 15 years. Let us not rush this bill. Let us go to work on it and construct a deportation bill that will be a credit to this Congress. If you do not like the bill as it is written, let us amend it but not kill it. Somebody said once upon a time "a fine thing to remember and a better thing to do is to work with the construction gang and not with the wrecking crew." In this particular case let us work with the construction gang.

We appreciate the fact that we have thousands of aliens on relief. A great many of these aliens who are on relief are there largely by reason of circumstances and conditions over which they had no control. We are told by those who are familiar with this question that, even under the bill as written and in view of the laxity that seems to have obtained in the past, the bill will result in the deportation of some 20,000 individuals who are in this country wrongfully. That alone should be worth working for if as a matter of right and justice such persons should be deported. If we would have a chance to consider some other measure during the present term of Congress, there might be a different situation; but, in my opinion, from present appearances, this is the only measure of its kind that may be reported by the committee. In any event, such action will not preclude this Congress from enacting additional legislation on the subject if it sees fit to do so.

You are legislators. It is within your power and it is your duty to make the best bill that you can out of this measure. A good deal has been said with reference to the question of labor. I believe like many others that we ought to protect the American labor market and keep it for the American people. But do you know we are not doing as well as we should? We are permitting too many imports to come into this country that are made by foreign labor, and in this respect we should begin to protect our own labor market. Just the other day the gentlewoman from Massachusetts stated that right now we are importing shoes and boots from Czechoslovakia that should be manufactured in this country.

Let us go to work on this bill. Let us, so far as we can, protect the American market for the American laborer. Let us treat these people as you would like to be treated yourselves. We are not talking about foreign-born people in this bill. We are not talking about foreigners generally.

We are talking now about the deportation of individuals who have violated the law and are here illegally. Therefore, let us make the best measure we can out of the bill before us and not kill it, even though we do not agree with it in its entirety.

Mr. DICKSTEIN. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. CELLER].

Mr. TAYLOR of Tennessee. Mr. Chairman, I also yield 3 minutes to the gentleman from New York [Mr. CELLER].

Mr. CELLER. Mr. Chairman, I am heartily in favor of this bill, and I believe most of the Members of the delegation from New York feel likewise, at least, those on the Democratic side. We feel that half a loaf may be better than no loaf at all. The bill is faulty in some respects but is salutary in many other respects.

We are particularly eager to save from further hardship those members of families who might be subject to deportation if this bill were not passed. In the interest of common humanity we must indeed be moved to prevent the intense hardships, the harsh cruelties which would result from the separation of families resulting from deportation of a father or husband. However, I do not know why members of the committee limited the number of those who would thus be aided to 8,000. If you will read carefully section 2, you will observe on page 3 of the bill, subdivision (b), line 20, that 4 years are allotted for the exercise of limited discretion by the Department of Labor with reference to granting exemptions to these types of immigrants to prevent hardship and cruel separation of families. During the first year 3,500 would be aided, and during the 3 ensuing years 1,500 each year, making a total of 8,000 to be thus liberated, as it were, from the erstwhile hardships and intense cruelty which would result from deportation.

The gentleman who wrote the majority report very wisely incorporated in his report an extract from the report of the Wickersham Commission on law enforcement and observance, which reads as follows:

> In deportation cases, even when the judgment is just and necessary, the hardships are extreme both upon those deported and their families who are permitted to remain, and in the opinion of the Commission the limited discretion to permit in cases of exceptional hardships a relaxation of the rigid requirements of the present statutes would be consistent with the dignity of a great and human nation.

There are many more cases than 8,000. I do not know why the limit of 8,000 was placed in the bill, because, mind you, just as soon as you pass this bill—and I hope you will—there will be many families coming forward to claim exemption under the humanitarian provisions of section 2. I venture the assertion there will be many, many more than 8,000. Thousands of heads of families will come forward to claim exemption. If there are 8,001, you are going to save 8,000 but let the one be deported regardless of circumstances; or if there are 1,000 more than 8,000, why discriminate in that fashion and withhold this privilege from any one of these poor devils who came here, sometimes unwittingly, oftentimes to escape oppression, many of whom are refugees endeavoring to escape the pogroms of Russia and Rumania, the hideous cruelties of a Hitler, or the harsh treatment to which they may be subjected in Fascist Italy. It seems cruel, indeed, that the members of the Committee on Immigration and Naturalization should stop abruptly at 8,000. It is difficult to comprehend, in the spirit of the statement I have just read from the report of the Wickersham Commission, how this is in conformity with the dignity of a great and humane nation. I implore the Members to extend the blessings of this bill to others than the mere 8,000.

Furthermore, these blessings cannot be extended to anyone who is technically guilty of moral turpitude. There are expressly exempted in line 4 on page 3 of the bill those guilty of the provisions of the act of February 5, 1917. Let us pause for just a brief spell on that score.

You will find mentioned, upon reading the provisions of the act of February 5, 1917, on line 4, page 3 of the bill, that anyone who is guilty of a crime or misdemeanor involving moral turpitude would be mandatorily deportable. There are many cases where persons came to this country on faulty papers. They were inveigled innocently, or trapped without actual knowledge of the facts into payment of moneys to highbinders and self-seeking racketeers of a type that often infests Europe, and to sign illegal applications and accept bogus passports and immigration visas. Many of these poor devils, anxious to escape the terrorisms and cruelties and economic ostracism of dictators like Hitler, Mussolini, and Stalin, easily fell into the trap. Their desire to escape these terrors outweighed their judgment. The acceptance and use of such documents places upon them the blot of moral turpitude. That, at least, is the interpretation of the act of February 5, 1917. Such persons, therefore, regardless of all other circumstances, could not come under the charitable provisions of the act even if they were here more than 10 years; and regardless of the fact that they may have a parent, a spouse, or a child in this country, they would be deportable mandatorily. Whereas, persons who came into this country with no papers, who simply entered this country without any formalities, would be far better off. Their entrance, although illegal, would not be deemed an involvement of moral turpitude. See how anomalous such a situation is! If there is any guilt, one is as guilty as the other!

Furthermore, if a person came in as a visitor, and outstayed his leave and remained here permanently, the latter would not be involved with the taint of moral turpitude, and such person could remain in this country under the exercise of the discretion of the Secretary of Labor. The provision, therefore, is unduly harsh to those persons who were tricked into the purchase of forged or illegal passports.

I serve warning that if section 2 is stricken out of the bill, I shall vote against it. The witch-burners and alien-baiters, of which, unfortunately, there are many in this House, will seek to eliminate section 2. They probably are the type who always turn up their noses at aliens. They forget that hundreds of thousands of aliens were part and parcel of the American Expeditionary Forces.

America was discovered by one who was endeavoring to find a new passage to the east. Columbus never realized that he had failed to reach the Orient. If he had known the truth, he would have died a dreadfully disappointed man. Nevertheless history rates him as one of the greatest men, because he committed this cardinal blunder. Under this mistake he and the explorers who followed him, however, opened up to the mass populations of Europe avenues of escape from oppression—economic, religious, and political—for many years to come. Many have been the brave souls who came here from Germany, England, France, Russia, Italy, all actuated by the same motives as our immigrants of today. All were determined to escape religious and political torture and to improve their economic and living conditions. To me it seems anomalous when the descendants of the first settlers "turn up their noses" at recently arrived immigrants. These proud and haughty ones, if they were to trace their ancestry back far enough, might find that, although some call themselves Colonial Dames or Daughters of the American Revolution, they may be descendants of those who came from European almshouses and jails. During Colonial times "assisted immigration" was the vogue, if not the accepted practice, in many European nations, which drained their poorhouses and prisons into the Colonies. Over 50,000 criminals were sent to the Thirteen Colonies by Great Britain alone. I often grow impatient when I hear aspersions cast by the descendants of such "indentured" immigrants—particularly upon the recent refugees who come fleeing religious and political persecution, who come here to escape the concentration camps of a Hitlerized Germany, the pillaging and plundering of Polish potentates, the political cruelties of the Italian Fascisti, and the pogroms of Rumania.

I would remind the Members always of the words at the base of our glorious monument, the Statue of Liberty, in New York Harbor, the words of Emma Lazarus:

> Give me your tired, your poor,
> Your huddled masses yearning to breathe free,
> The wretched refuse of your teeming shore,
> Send these, the homeless, tempest-tossed, to me;
> I lift my lamp beside the golden door.

[Applause.]

Mr. TAYLOR of Tennessee. Mr. Chairman, I yield the remainder of the time to the gentleman from Ohio [Mr. JENKINS].

Mr. JENKINS of Ohio. Mr. Chairman, I want to compliment the House on the very fair manner in which this bill has been handled so far today. Those of you who have had experience in Congress know that the flag of action, and sometimes acrimony, is flung freely when we come to the consideration of any sort of an immigration bill. Today we have gone along very nicely. Heretofore we have generally sunk ourselves into a bitter controversy on the fact that each man has taken unto himself some individual case and has allowed that case to guide his course in the consideration of this great question.

Immigration is one of the really great national questions. There has not been a platform, Democratic or Republican, for 30 years that has not had a plank in it concerning immigration. The political parties have taken their positions because of the importance of this great question. Just before the World War there came into this country 1,285,000 aliens legally in 1 year, and no doubt that many more came in illegally. Even after the World War, in 1920 and 1921, there came into this country legally 900,000 aliens, nearly a million, and no doubt that many more came in illegally. Immigration was a great question then and it is now. We cannot afford to decide our course on just one individual case.

The gentleman from Alabama read some very outstanding nasty cases on the list of those cases which may be stayed. We all agree that all such cases should be deported. On the other hand, you, yourselves, know of some cases which, in your opinion, should be stayed. These individual cases should not sway us to a course that is inimical to the best interests of the country.

One thing we must remember is that an alien has no rights whatever in this country until he gets here, and then he only has those rights which we grant him. All he has is privileges. We give him the privilege of coming here, and we give him the privilege after he gets here of owning property and having the protection of all our laws, and we give him the privilege of obtaining the choicest of all American blessings, American citizenship. We have always shown due respect toward law-abiding aliens, and we ought to continue to do so, because the forefathers of most of us two or three generations ago were aliens. Certainly, we are a nation made up primarily of the children, the grandchildren, and the great grandchildren of aliens.

But we must not today as Congressmen surrender to the woman down in the Department of Labor or the man who may succeed her, or anybody else, our right to determine who should stay here. We ought to lay down a yardstick to guide that individual. [Applause.] We should lay down in exact language just who is entitled to consideration from being deported.

Now, we ought not to be misled by the statement that the American Federation of Labor thinks this way or that way about this measure. I speak after having consulted the representatives of the American Federation of Labor, and I am sure this group will be satisfied with what we do if we appreciate the fact they are primarily interested in giving a job to an American as against someone from some other country. This is their primary interest. They have been of most valuable assistance to me on the occasion of all the contests that I have made on this floor seeking to guard the gates.

The American coalition represents the American Legion and about 100 other organizations and they have come out absolutely against some provisions of this bill. They do not say that the bill should be defeated in its entirety, but they say that if certain provisions remain in the bill, then the entire bill should be defeated. We ought to be wise enough and we ought to be surgeons enough, like the distinguished surgeon from New York, who spoke a few moments ago, to cut out the cancer in this measure. Now, where is the cancer? I will show you. Take, for instance, the first four provisions of the Dies bill. They provide that certain people shall be mandatorily deported, but on page 3 of the bill you will see a little "3" in parenthesis, in line 8, where the bill provides that nobody will be excluded except those included in "(3)" of his bill, and that only applies to those who are deportable for unlawful use of narcotics. I appeal to you that the gunman, under one provision of his bill, or a man who has committed a felony, can, under this bill, come up before Miss Perkins for clemency. It is foolish for us to write in a bill that such-and-such a class should be mandatorily deported and then have a provision of that sort that nullifies the whole thing. It is just like Dr. SIROVICH said, any vicious alien criminal in this country ought not to be allowed to beg for amnesty, should not be put in position to claim it. He ought not to be allowed amnesty.

Now, let us go over to the last page, if you have any doubt as to who is the father of this bill. If you have any doubt as to whose hand is in the writing of this bill, to some extent at least, read section 9. Section 9 gives to Miss Perkins the right to save from deportation 100 people whom she may select. Why give her the right to save 100? Why not save 1,000, or why give her any right at all? Why should we do that? I say to you that this shows the result of too extravagant compromise in this bill. Gentlemen, if you pass this provision allowing her full discretion on thousands of aliens who are desperate, you will have to give an account of your action to the American people.

We should hold this privilege of exercising discretion down to a narrow, well-defined course. There are in this country many aliens who should be deported. There are many who are being deported every year, but there are some we cannot deport, because we have no legislation that will warrant it. Of all the people who should be deported, the first is the gunman. I have heard for years the gentleman from Illinois [Mr. SABATH] speak about this class. The gentleman from Illinois and myself may not agree generally on these propositions. We have generally been on opposite sides, but I have heard him for years speak in committee about sending the gunman out of the country. Certainly this ought to be done, but we cannot send the gunman out now. Under the terms of section 1 of this bill we can send him out. Why then spoil it all by adopting another section under the terms of which he is not mandatorily deportable but he can ask amnesty or clemency from Miss Perkins? This provision should be stricken out of the bill and the last paragraph on the last page of the bill should go out also. She ought to be ashamed to come here and ask the Congress to grant her authority to allow anybody under such circumstances to remain in this country. We know how to legislate on immigration. We have been doing this for years, and I want to say to you that the history of the activities of Congress over the last 15 or 20 years in their handling of these important immigration matters is a history replete with a show of fine legislative acumen and fine legislative accomplishments.

Mr. SIROVICH. Mr. Chairman, will the gentleman yield for a question?

Mr. JENKINS of Ohio. I yield.

Mr. SIROVICH. Section 9, that the gentleman refers to, states that the Secretary of Labor is only to permit people to remain here whose presence in the United States will promote the cultural, educational, and industrial interests of the people of the United States. Are they gangsters or racketeers?

Mr. JENKINS of Ohio. I do not yield further. I may say in reply to that statement that the same people that the gentleman from Alabama [Mr. STARNES] read the his-

tory of are on the list to be considered worthy to be kept in this country and to be granted amnesty. Do you think we ought to pay any attention to any bureaucratic organization that would recommend cases like the gentleman from Alabama [Mr. STARNES] read about and say that they should come within this class that the gentleman refers to? They have held that this class of people come under the class of people needed in this country. I refuse to accept this appraisal as to who should be permitted to stay and as to who should be deported.

Certainly we ought not to grant such power to any department. It would open up the question to the greatest political activity we ever saw; but just as soon as we put our foot down on this proposition and say that we will not have any more of these individual bills, then you gentlemen who represent municipalities that have a large number of foreigners will not be bothered about introducing such bills for them. Let us lay down a formula. What should it be? Let us not be mealymouthed about it. What are you going to allow this amnesty for? Not because of this provision in the bill a man may have been a resident here 10 years. I repeat that any man who has been here 10 years who has not made any effort to become a citizen of the United States has nothing to recommend him as a candidate for amnesty or for citizenship.

Mr. LANZETTA. Mr. Chairman, will the gentleman yield?

Mr. JENKINS of Ohio. No; I cannot yield now. He has nothing to recommend him unless he has what we all recognize—a family, a wife, or a child who is an American citizen.

Mr. LANZETTA rose.

Mr. JENKINS of Ohio. I cannot yield. The gentleman should not interrupt me.

Mr. LANZETTA. For the purpose of correcting the gentleman.

The CHAIRMAN. The gentleman from Ohio refuses to yield.

Mr. JENKINS of Ohio. The gentleman has no right to interrupt me. I want to be fair, as fair as I can be. Getting back to my original proposition, what should we do? If you agree we ought not to give a man amnesty simply because he has been here a certain length of time, let us get down to the real reason why he should be granted amnesty. It is because he has a wife, and a wife who is an American citizen. It is because he has a child, born in the United States. It must be a child born on American soil. Any child, it makes no difference who its parents are, who is born on American soil has the right to American citizenship. Certainly we would not send such a child out of the country today. But if that child should be unfortunate in its parentage we cannot because of the child permit the parents to violate the law. When a family is so unfortunate as to have as its head a criminal our law-enforcing officers come and take him away from his family and incarcerate him in a State's prison at hard labor for life, and sometimes they take him to the electric chair. We pity the child but the majesty of the law must be upheld. [Applause.]

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. DICKSTEIN. Mr. Chairman, I yield 1 minute to the gentleman from Illinois [Mr. MASON].

Mr. MASON. Mr. Chairman, I rise to call the attention of the House and the gentleman from Ohio [Mr. JENKINS] to the fact that section 2 begins with the word "except", and that word "except", as I interpret it, means that all of that section down to line 9, on page 3, are out of the purview of the discretion of the Secretary of Labor, and aliens coming within those provisions must be deported.

Mr. JENKINS of Ohio. Yes.

Mr. MASON. And then the Secretary of Labor may permit to remain in the United States any alien if not subject to deportation, if the balance—and the discretion is in respect to the balance. The discretionary power is not in all of those following that word "except" down to line 9 on page 3.

Mr. JENKINS of Ohio. Mr. Chairman, the gentleman is absolutely right. The things excepted, all down to line 8 on page 3, you will find in section 1 of this act. Why did not he say section 1? He says section 1, paragraph (3), and that is the only one excepted. The rest are included.

Mr. DICKSTEIN. Mr. Chairman, I yield 5 minutes to the gentleman from Maryland [Mr. PALMISANO].

Mr. PALMISANO. Mr. Chairman, about 8 years ago I asked to become a member of the Committee on Immigration. When one asks for something of that kind, he does it for a reason. My reason for asking to become a member of this committee was because of a request made to me by women who are mothers of children, in order to hold their husbands from being deported, or, not necessarily deported, from being compelled to go back to their native country and then being permitted to return. I thought the proper thing to do was to have a bill similar to this. You could not introduce a bill and say that any alien who is here illegally, who shall marry an American woman, may be permitted to stay, and you could not say that a man who has an American child should be permitted to stay. So it was necessary to put the discretion in the hands of someone. And I say to you on this side of the House that I was ready to permit the Republican administration to have that discretionary power. When some of you on this side criticize Miss Perkins, when some of you criticize Mr. Ickes, when some of you criticize Mr. Hopkins and other members of the administration, you might just as well come out altogether and say that you discredit the Roosevelt administration, because that is what you are doing. If you cannot trust an appointee of your President to use discretionary power in a bill of this kind, then I say it is your duty to impeach that member of the Cabinet or that official if you can, and dispense with their services.

They speak of some people who have been here for 10 years and yet have made no effort to become American citizens. That is true. They are unable to make application to become American citizens, because the minute they do they are subject to deportation. The gentleman from Kentucky says that the aliens come here and yet when war breaks out they all claim exemption. The records of the World War will show you that 90 percent of the aliens in this country at that time who answered questionnaires volunteered. I venture to say there were a million aliens in our Army who volunteered in the World War. They were willing to defend this country. Let me show you the peculiar thing about this immigration law. There is a gentleman in my district, a man in Maryland, who cannot be deported, due to the fact that he was here before 1924 and married an American girl. Yet he cannot obtain his citizenship papers. Nevertheless that gentleman is in the Navy and has served three terms. Here is a man who was here illegally, who cannot be naturalized, and who is in our own military force.

The CHAIRMAN. The time of the gentleman from Maryland has expired.

Mr. DICKSTEIN. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. BRADLEY].

Mr. BRADLEY. Mr. Chairman, the general provisions of this bill are admirable, but I would like to point out to the Members of the House the language on page 3, so that they will be under no misapprehension that in voting for this bill they are going to grant relief to numerous meritorious cases in which they are interested, because under the provisions of this bill they are specifically excluded. Section 2, subdivision (a), definitely excludes certain cases in connection with the violation of the immigration laws. On page 3 one of the exceptions is with reference to one of the provisions of the act of February 5, 1917. The Department of Labor informs me that any case which involves moral turpitude in connection with entry papers will be excluded from the provisions of this act. For instance, none of the cases in the omnibus bill which was before this House 2 weeks ago would be eligible under the provisions of this act. My attention was directed

to it for the reason that in my own district I have a case of this kind. A woman born in Scotland came here under the quota number of her sister. She signed an affidavit that she was her sister. After coming here she married a naturalized American citizen. When he learned the circumstances surrounding her entry he voluntarily revealed the facts to the immigration authorities. She has three children born here, the oldest about 3 years of age. Under the provisions of this bill she would get no relief because of the mere fact that she signed an affidavit. The warrant for her deportation specifically sets forth that she has been guilty of a crime involving moral turpitude.

The Department of Labor informs me that none of these cases would be eligible for the discretionary authority given to the Secretary of Labor under the provisions of this bill. I think that is something which you, who are of the opinion that these cases in which you are personally interested would be covered by this bill, should know. It does not include them. It specifically excludes them. Those are the most meritorious cases. Many of them are here through the wrongdoing of American officials abroad, taking money from these poor people, persuading them to sign an affidavit, and allowing them to enter this country illegally. They will get no relief under this bill. I hope the Committee will see fit to incorporate amendments to take care of those cases in which there were affidavits and which the Department of Labor says constitute crimes involving moral turpitude. It places them in the same category as gunmen, murderers, and racketeers. I do not think it is just. I would like the Members of this House to know that the best cases are not included in the provisions of this bill. If the committee does not introduce an amendment, I intend to do so.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. DICKSTEIN. Mr. Chairman, I yield the balance of my time to the gentleman from Illinois [Mr. SABATH].

Mr. SABATH. Mr. Chairman, the gentleman from Ohio [Mr. JENKINS] stated a few moments ago that for years, as a member of the Committee on Immigration, I advocated the deportation of alien gunmen. In that the gentleman is correct. He is also correct in the statement that we have not always agreed on this important question. For the 30 years I have urged not only the deportation of gunmen, but all alien criminals.

The majority of the provisions in our immigration law, if not all, which provide for deportation, are provisions that I have aided in drafting, in conjunction with originally the greatest restrictionist in the United States, the gentleman frrom Alabama, the late Honorable John L. Burnett, who for 4 years was chairman of the Committee on Immigration, and who, after years of study, experience, and knowledge obtained on the subject and problems of immigration, realized that in the first few years of his service he was misled by professional restrictionists who misstated the facts to him. I regret that notwithstanding the long service of the gentleman from Ohio [Mr. JENKINS], he is still utilizing figures as to the thousands of immigrants in the United States who are here illegally and in violation of the law. The facts are that there is only a nominal number here in violation of the law. Those who are here have demonstrated that they have made good not only in time of peace but also in time of war. I have urged, and I have demanded the deportation of those who have not made good, because we do not desire, and we do not want them here.

On the other hand, there are some men who came in illegally who have been unable to become citizens, through no fault of their own, and many others who came in legally who have become charges, due to injuries which they have received in their employment and who were sent to our public hospitals for a few weeks and who have been reported as aliens receiving treatment in our hospitals, and thus regarded as public charges. Our laws provide that they must be deported. It is for those that I plead, for the innocent women and children who are guilty of no crime and no offense. I believe due consideration should be granted them.

I yield now to the gentleman from New York.

Mr. SIROVICH. The main contention of our distinguished colleague the gentleman from Ohio [Mr. JENKINS] in his two addresses has been one thing only: Why does not the alien who is here illegally within the last 10 years go to secure his citizenship papers? Is it not a matter of fact that he would be immediately arrested for being here illegally and be deported?

Mr. SABATH. The gentleman is right. The gentleman from Ohio knows this just as well, but unfortunately he fails to state it on the floor.

Mr. Chairman, while this is a very drastic bill I feel that it should be passed. [Applause.]

The CHAIRMAN. The time of the gentleman from Illinois has expired. All time has expired.

The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That an alien who entered the United States either from a foreign territory or an insular possession, either before or after the passage of this act, shall be promptly deported in the manner provided in sections 19 and 20 of the Immigration Act of February 5, 1917 (39 Stat. 889, 890; title 8, secs. 155, 156), as amended, regardless of when he entered, if he—

(1) Is hereafter convicted in the United States within 5 years of the institution of deportation proceedings against him of a crime involving moral turpitude for which the alien is committed to an institution as result of such conviction; or

(2) Has been convicted in the United States within 5 years of the institution of deportation proceedings against him of the crime of possessing or carrying any firearm (even if the alien was not sentenced to imprisonment); or

(3) Has been convicted of violation of any narcotic law of any State, Territory, insular possession, or the District of Columbia; or

(4) Knowingly and for gain encouraged, induced, assisted, or aided anyone to enter the United States in violation of law, or on more than one occasion subsequent to the date of the enactment of this act knowingly encouraged, induced, assisted, or aided anyone to enter the United States in violation of law.

Mr. STARNES. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. STARNES: On page 1, line 10, strike out all of lines 10 and 11, and on page 2 strike out lines 1 and 2 down to and including the word "conviction" and insert the following: "At any time after entry if convicted of an offense which may be punished by imprisonment for a term of 1 year or more, or of a crime involving moral turpitude, said deportation to be made by the Secretary of Labor forthwith at the time he is released from confinement, or is placed upon probation, or is pardoned."

Mr. STARNES. Mr. Chairman, this amendment seeks to restore the original subsection 1 of the bill offered by the gentleman from Texas [Mr. DIES] on March 12, H. R. 5573. That bill provided that at any time after entry the alien is convicted of an offense which may be punished by imprisonment for a year or more, or of a crime involving moral turpitude that he should be deported, whether imprisoned or not. Under the bill H. R. 6391, which we have before us today, we find the provision that the alien must hereafter be convicted in the United States within 5 years of the institution of deportation proceedings against him of a crime involving moral turpitude for which the alien is committed to an institution as a result of such conviction; in other words, the present bill requires that the crime must have been committed after the enactment of this act, regardless of what that crime was. That is point number 1. Number 2: The crime must have been committed in the United States. It makes no difference as to the nature of a crime involving moral turpitude he committed abroad. Number 3: He must have been committed to a penal institution. These three propositions I think unsound and unwise. I think the original provision offered by my good friend and colleague the gentleman from Texas [Mr. DIES] should be substituted for this subsection 1. Unfortunately, we have too many criminals of our own in this country to provide for and to take care of without having to take care of the criminals from other lands and from other sections. I do not subscribe to the view of certain gentlemen here that the United States of America should be the asylum of every alien criminal under the sun.

Mr. MAHON of Texas. Mr. Chairman, will the gentleman yield?

Mr. STARNES. I yield.

Mr. MAHON of Texas. Why is it necessary to prohibit the deportation of those who are incarcerated at this time? In other words, the gentleman's amendment would not bring about the deportation of those.

Mr. STARNES. The gentleman fails to catch the distinction. The distinction I am trying to make is that the bill provides that he must be committed. It is often the case that a crime involving moral turpitude is committed, the accused person found guilty, and sentenced to more than a year and a day, but the judge suspends the sentence, and the person is not committed. In cases like that the individual could not be deported.

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield?

Mr. STARNES. I yield.

Mr. PHILLIPS. Do we understand from the gentleman's amendment that some young fellow who, when he was 16 years old, committed some petty crime, we will say, in Italy, England, or some other country, then came over here——

Mr. STARNES. It does not apply. I can save the gentleman all that anguish; it does not apply. It involves only individuals convicted of an offense the punishment for which exceeds more than a year or an offense involving moral turpitude, and after his entry into the United States.

Mr. PHILLIPS. Suppose a theft is committed, does that involve moral turpitude?

Mr. STARNES. That depends upon the gentleman's interpretation of the law. This says if the imprisonment is more than a year or if it involves moral turpitude.

Mr. SCHULTE. Mr. Chairman, I rise in opposition to the amendment.

The language on page 1, line 10, of the bill reads:

> Is hereafter convicted in the United States within 5 years of the institution of deportation proceedings against him of a crime involving moral turpitude for which the alien is committed to an institution as a result of such conviction; or—

The amendment offered by the gentleman from Alabama is one of the most severe amendments that has been offered on the floor of this House within my memory. This means that any alien who has not been a citizen, who has stolen a loaf of bread, 10, 15, or even 20 years ago is mandatorily to be deported. That is the consensus of the opinion of the members of this committee. That is exactly what a great many want to do, but it is likewise exactly what a great many of us do not want to do.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. SCHULTE. I yield.

Mr. McCORMACK. It is my understanding that the paragraph of the bill as written strengthens existing law.

Mr. SCHULTE. That is it exactly.

Mr. McCORMACK. Will the gentleman explain that, because I think the Committee would be very interested in that. Will the gentleman show how the recommendation of the committee contained in paragraph 1 strengthens present law and permits the deportation of alien criminals who cannot be reached now?

Mr. SCHULTE. That is it exactly. That is why we are fighting the amendment that has been offered by the gentleman from Alabama.

Mr. McCORMACK. Will the gentleman state wherein this paragraph strengthens existing law?

Mr. SCHULTE. Yes. I read before this language:

> Is hereafter convicted in the United States within 5 years of the institution of deportation proceedings against him of a crime involving moral turpitude.

That does not now exist.

Mr. McCORMACK. Under the present law, as I understand it, there must be a sentence of at least a year and a day?

Mr. SCHULTE. Yes.

Mr. McCORMACK. This means anyone who is convicted of a crime within 5 years. Five years is the law now?

Mr. SCHULTE. Yes.

Mr. McCORMACK. Anyone convicted of a crime within 5 years, and he must have been sentenced to a year and a day before he can be deported?

Mr. SCHULTE. Yes.

Mr. McCORMACK. But under this, if he was convicted of a crime involving moral turpitude he could be deported if he served 3 months, 6 months, 1 year, or 2 years?

Mr. SCHULTE. Yes. Under the amendment offered by the gentleman from Alabama, as I stated before, they can go back any number of years, regardless of the hardship it creates, and deport the alien.

Mr. SIROVICH. Will the gentleman yield?

Mr. SCHULTE. I yield to the gentleman from New York.

Mr. SIROVICH. Does that mean if a man was convicted of a crime involving moral turpitude 30 years ago and served more than a year and a day, according to the amendment offered by the gentleman from Alabama, he could be deported?

Mr. SCHULTE. Absolutely. It is the most drastic and most severe amendment that has been offered on the floor of the House since I have been a member of the committee. I hope the Members of the House will stand by the committee and vote down the amendment.

Mr. DIRKSEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I shall not take the 5 minutes available to me. I just want to say that the gentleman from Connecticut [Mr. PHILLIPS] has placed his finger exactly upon the defect in the amendment offered by the gentleman from Alabama [Mr. STARNES]. The amendment as drawn says that any alien, any time after he has entered this country, who may first of all have been convicted of a crime for which the imprisonment is a year or more and who may have been convicted of a crime involving moral turpitude, may be deported. That means you can reach back 25 or 30 years and find a man who has purloined a loaf of bread from a grocery store, who has been sentenced for 30 days, and under the provisions of the amendment offered by the gentleman from Alabama deport him from the country.

Certainly it is not within the contemplation of any member of the committee that we want to go that far and reach back into the lives of our citizenry for some trifling offense, shall I say, but involving moral turpitude, and send him out of the country, when after that he may have been a splendid citizen and may have achieved a high station and high standing in the community in which he lives.

I hope the amendment is voted down because it has no place in this bill.

Mr. TAYLOR of Tennessee. Mr. Chairman, I offer a substitute amendment.

The Clerk read as follows:

> Amendment offered by Mr. TAYLOR of Tennessee as a substitute for the amendment offered by Mr. STARNES: Strike out subsection 1 in lines 10 and 11, page 1, and lines 1 and 2, page 2, and insert in lieu thereof the following:
>
> "(1) At any time within 10 years before deportation proceedings are instituted, is or has been convicted of an offense which may be punishable by imprisonment for a term of 1 year or more or a crime involving moral turpitude which may be punishable by imprisonment or."

Mr. TAYLOR of Tennessee. Mr. Chairman, two speeches have already been made in support of the substitute amendment I have offered. I think that the word "hereafter" should be stricken from the bill, and the substitute I have offered eliminates that word. It also adds that the crime must have been committed within 10 years previous to the institution of deportation proceedings.

Mr. STARNES. Will the gentleman yield?

Mr. TAYLOR of Tennessee. I yield to the gentleman from Alabama.

Mr. STARNES. It is not necessary under the gentleman's amendment that the individual shall be committed to an institution?

Mr. TAYLOR of Tennessee. No.

Mr. STARNES. The gentleman puts in there simply a statute of limitations of 10 years?

Mr. TAYLOR of Tennessee. That is right.

Mr. STARNES. I have no objection to that whatsoever.

Mr. TAYLOR of Tennessee. The amendment offered by the gentleman from Alabama would manifestly be an injustice, as pointed out by the gentleman from Illinois, because some person who came here 40 or 50 years ago and before our immigration policy became so strict may have committed some offense immediately after his entry, and under the amendment offered by the gentleman from Alabama, of course, he would be subject to deportation. This would work a tremendous hardship. There is no question about the fact that throughout this country there is a strong sentiment in favor of relief for these hardship cases. I was reading a very strong editorial in one of the New York newspapers this morning right along this line.

Mr. SIROVICH. Will my distinguished friend from Tennessee yield for an observation?

Mr. TAYLOR of Tennessee. I yield to the gentleman from New York.

Mr. SIROVICH. It is very gracious on the part of my friend from Tennessee to refer to the attitude of the New York newspapers regarding the humanization of the immigration laws. Every paper in New York wants to see every alien gangster, racketeer, and criminal who has been convicted of a crime deported. Every great editor of our metropolitan press would like to see the enactment of legislation that will humanize the immigration laws and do justice to the alien immigrants who entered this country illegally but who have been loyal, faithful, conscientious, and honest workers in our midst. We should never deport an honest alien and leave behind his American wife and children born here. Such treatment disintegrates the American home. It might interest my friend, Mr. TAYLOR, to know also that a fortnight ago there appeared in the New York Enquirer an editorial written by William Griffin, its publisher, that commands the respect and applause of every lover of religious tolerance. That distinguished editor, who had been appointed by the President on a commission to investigate certain social and economic conditions that were prevalent in European countries, denounced Hitler, Goebbels, and Goering, the triumvirate that are destroying the peace and freedom of the liberty-loving German people. Mr. Griffin predicts that the time is not far distant when the Protestants and Catholics of Germany will rise as a Christian nation and crucify upon the mystic swastika these three renegades of German culture and civilization, and bury them in the sewage of time, as the only treatment that should be accorded to modern tyrants who have persecuted, pilloried, proscribed, and plundered thousands of men and women, all on account of the accident of religious birth.

If nominated, I commend this distinguished publisher as the one man upon whom the democracy of New York might unite, as the next Democratic candidate for the mayorship of New York City. [Applause.]

Mr. TAYLOR of Tennessee. I thank the gentleman for his contribution, and, while I am not an expert on New York politics, I am willing to accept the judgment of the distinguished gentleman from New York, for whom I have the greatest admiration and affection, particularly for his judgment and reasoning. I sincerely trust that my associates on the Immigration Committee will join the gentleman from Alabama in the acceptance of this substitute amendment.

Mr. PHILLIPS. Will the gentleman yield?

Mr. TAYLOR of Tennessee. I yield to the gentleman from Connecticut.

Mr. PHILLIPS. Does not exactly the same proposition apply that applied to the other amendment? In other words, if some poor fellow, because he was broke, stole a loaf of bread in Italy or somewhere in France, is convicted, comes over here and has lived an exemplary and decent life for years, nonetheless he may be deported just the same?

Mr. TAYLOR of Tennessee. The time is confined to 10 years previous to deportation proceedings.

Mr. PHILLIPS. But he would still be sent back just the same?

Mr. TAYLOR of Tennessee. Perhaps he ought to be sent back.

[Here the gavel fell.]

Mr. SCHULTE. Mr. Chairman, I rise in opposition to the substitute amendment.

The amendment that has been offered by the gentleman from Tennessee, a member of the committee, is exactly the same, only there is a limitation of 10 years set. It is the same story over again. It means that if within 10 years a man has committed a crime he may be deported, although in the meantime he has married and has a family of four or five children. I appeal to you. If he has stolen a loaf of bread or entered a grocery store for something to eat for those kiddies, under the amendment offered by the gentleman from Tennessee it is mandatory that he be deported.

A great many Members have informed us they are very much in sympathy with these hardship cases.

Then, I say, why not leave the bill as it is? It reads "hereafter convicted."

Mr. CITRON. Mr. Chairman, will the gentleman yield?

Mr. SCHULTE. I am pleased to yield to the gentleman.

Mr. CITRON. Would this include also the case of an alien Gold Star Mother whose son was killed in the war? In my State we have a number of alien Gold Star Mothers who are aged and who cannot read or write and therefore cannot become citizens.

Mr. SCHULTE. Absolutely. That Gold Star Mother is placed in the same category as all the rest of them. It is mandatory that she be deported.

Mr. Chairman, if we are going to be kind at all, if we are going to have a heart, after all, they are here. I am going to take the members of the committee at their word. They said they did not want to create any unnecessary hardship; that they wanted to be fair. This being so, as a member of the committee, I ask you to vote down the amendment.

Mr. JENKINS of Ohio. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I think the House has already expressed its opinion with reference to crimes such as will be covered in the section as now written, where it says "hereafter convicted", meaning no crimes except those hereafter committed. While neither the amendment of the gentleman from Tennessee [Mr. TAYLOR] nor the amendment of the gentleman from Alabama [Mr. STARNES] suits me, I am going to go along with both of them. I would like to make a suggestion to the gentleman from Tennessee, and if he will accept it I believe it will satisfy the opposition, at least, as I interpret the statements of those to whom I have listened. It might work an unreasonable hardship if you were to go back on a man's record and dig up a crime he has committed in some other country. Therefore, why not limit it to crimes committed in the United States? If the gentleman would accept this amendment, I think it would probably answer every objection, at least, those I have heard.

Mr. TAYLOR of Tennessee. Mr. Chairman, I will accept that amendment.

Mr. BOILEAU. Mr. Chairman, I rise in opposition to the pro-forma amendment offered by the gentleman from Ohio.

Mr. Chairman, may I suggest to the Members of the House that the language in this paragraph can be amended, I believe, in such a way as to meet most of the objections which have been raised, and still not do violence to the views of the committee? If this substitute amendment is voted down, I propose to offer an amendment reading as follows:

On page 2, line 1, strike out the word "crime" and insert in lieu thereof the word "felony." After the word "turpitude", strike out the balance of line 1 and all of line 2 down to the semicolon, so that the paragraph will read:

Is hereafter convicted in the United States within 5 years of the institution of deportation proceedings against him of a felony involving moral turpitude.

I do not believe we should permit the language to remain as it is now written in the bill. The bill now provides that

conviction of any crime involving moral turpitude subjects the person to deportation provided the alien is committed to an institution as the result of such conviction. This leaves too much latitude in the hands of some penny-ante judge or some police judge, for instance. Anyone might be confronted with a charge of committing any crime, whether it is a felony or a misdemeanor, in which moral turpitude is involved. The court might sentence such individual to pay a fine of $10 or spend 3 days in jail. If the individual charged with the offense should happen to have the $10 and paid the fine, and did not serve the 3 days in jail, he would not be subject to deportation. However, another individual might commit the same crime under the same circumstances right along with the other person and might be picked up by the police officer at the same time. He might be given the same sentence by the judge of $10 or 3 days in jail, and if he did not happen to have the $10 and therefore was forced to serve 3 days in jail, he would be subject to deportation.

This is a discrimination in the bill which I do not believe the committee wants. Therefore it seems to me we should limit this provision to felonies only, and then provide that a person who commits a felony involving moral turpitude shall be subject to deportation whether he has money enough to pay his fine or not. This will put them all on the same basis. You know and I know that many people are convicted of felonies and misdemeanors in which large fines are involved, as much as $1,000 fine, for instance, or 6 months in jail. People who have been making a lot of money out of their graft and who have money in their pocket can pay their $1,000 fines, but the poor individual who has not been doing that long enough, or for some other reason does not have the money, not being able to pay the fine, would be forced to take his 6 months' sentence in lieu of the payment of the $1,000 fine, and thus would be subject to deportation, whereas the individual who had the money to pay the fine would not. This, despite the fact that both committed the same offense, and, perhaps, one might even have involved a greater violation or greater moral turpitude than the other.

If the pending amendment is turned down, I propose to offer such an amendment.

[Here the gavel fell.]

The CHAIRMAN. Does the gentleman from Ohio [Mr. JENKINS] desire to submit the amendment he discussed a moment ago?

Mr. TAYLOR of Tennessee. I accepted the amendment, Mr. Chairman.

Mr. JENKINS of Ohio. The gentleman from Tennessee accepted my amendment.

The CHAIRMAN. No action has been taken except the statement of the gentleman from Tennessee. The Chair is now inquiring whether or not the gentleman from Ohio desires to offer his amendment?

Mr. JENKINS of Ohio. Mr. Chairman, I offer an amendment to the substitute amendment offered by the gentleman from Tennessee [Mr. TAYLOR]. The amendment is, after the word "offense" in the second line, insert "committed in the United States"; and, after the word "crime" in the third line, insert the words "committed in the United States."

The CHAIRMAN. The Clerk will report the amendment offered to the substitute amendment.

The Clerk read as follows:

Mr. JENKINS of Ohio moves to amend the substitute amendment as follows: After the word "offense", in line 2 of the substitute amendment, insert "committed in the United States"; and, after the word "crime" in the third line of the substitute, insert "committed in the United States."

Mr. PHILLIPS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. PHILLIPS. Mr. Chairman, would there be any objection to the Clerk reading the entire substitute amendment as it is now proposed to be amended?

The CHAIRMAN. Without objection, the Clerk will report the substitute amendment as it would be amended if the amendment offered by the gentleman from Ohio were adopted.

The Clerk read as follows:

Amendment offered by Mr. TAYLOR of Tennessee as a substitute for the amendment offered by Mr. STARNES: Strike out subsection 1 in lines 10 and 11 on page 1, and lines 1 and 2 on page 2, and insert in lieu thereof the following:

"(1) At any time within 10 years before deportation proceedings are instituted is or has been convicted of an offense which may be punishable by imprisonment for a term of 1 year or more, or of a crime involving moral turpitude which may be punishable by imprisonment; or."

The CHAIRMAN. The question is on the adoption of the amendment offered by the gentleman from Ohio, Mr. JENKINS, to the substitute amendment offered by the gentleman from Tennessee, Mr. TAYLOR.

The question was taken; and the Chair being in doubt, the Committee divided, and there were—ayes 58, noes 76.

So the amendment to the substitute was rejected.

The CHAIRMAN. The question is on the substitute amendment offered by the gentleman from Tennessee.

The question was taken; and there were on a division (demanded by Mr. TAYLOR of Tennessee)—ayes 62, noes 80.

Mr. TAYLOR of Tennessee. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. DICKSTEIN and Mr. TAYLOR of Tennessee.

The Committee again divided; and the tellers reported that there were—ayes 69, noes 118.

So the substitute amendment was rejected.

Mr. BOILEAU. Mr. Chairman, I offer a substitute amendment.

Mr. McCORMACK. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. McCORMACK. It is my recollection that the gentleman from Alabama accepted the amendment of the gentleman from Tennessee, and my inquiry is whether or not that is a fact or whether the Chair submitted the matter to the Committee on the statement of the gentleman from Alabama that he accepted the amendment of the gentleman from Tennessee.

The CHAIRMAN. The Chair will state to the gentleman from Massachusetts that a statement by a Member offering an amendment that he accepts the amendment is not the action of the committee, and the amendment must be submitted for action by the committee.

Mr. McCORMACK. The gentleman from Massachusetts thoroughly agrees with the Chair, but my question was whether or not the Chair had submitted to the committee the question of the acceptance of the amendment, and, if so, of course, that would preclude the consideration of the amendment offered by the gentleman from Alabama.

The CHAIRMAN. The amendment now pending is the amendment offered by the gentleman from Alabama.

Mr. McCORMACK. In other words, while the gentleman from Alabama said he accepted the amendment, nevertheless it was not accepted by the committee.

The CHAIRMAN. Committee failed to adopt the amendment offered by the gentleman from Tennessee to the amendment offered by the gentleman from Alabama.

Mr. McCORMACK. My inquiry is made so that we may understand the parliamentary status.

The CHAIRMAN. The Clerk will report the substitute amendment offered by the gentleman from Wisconsin.

The Clerk read as follows:

Amendment offered by Mr. BOILEAU as a substitute for the amendment offered by Mr. STARNES: Page 2, line 1, after the article "a" strike out the word "crime" and insert in lieu thereof the word "felony", and after the word "turpitude", strike out the rest of line 1 and all of line 2, down to the semicolon.

Mr. BOILEAU. Mr. Chairman, this is the amendment I referred to a moment ago. It strikes out the word "crime" and inserts in lieu thereof the word "felony", so that you cannot deport for a misdemeanor, but for a felony involving moral turpitude. The amendment strikes out the provision following the word "turpitude", which reads as follows: "for which the alien is committed to an institution as a result of such conviction." In other words, under the language

now in the bill it all depends upon whether or not the man is able to pay his fine as to whether or not he may be deported. The amendment puts them all in the same category and raises the requirement from a misdemeanor to a felony and also strikes out the provision which would provide different treatment with respect to those who are given a jail sentence and those who are not.

Mr. McCORMACK. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, looking at these questions, as I do, from a broad and liberal angle, I think my position in this respect is understood; nevertheless, I cannot agree with the amendment offered by the gentleman from Wisconsin, particularly insofar as the amendment strikes out the word "crime" and substitutes the word "felony."

All lawyers know that there are two types of crime—felonies and misdemeanors—and there are two divisions or two types of misdemeanors, one malum in se and the other malum prohibitum.

Malum in se describes the type of misdemeanor that involves intent, where in order to find the defendant guilty the Government must establish that the defendant intended to commit the crime—entertained an "intent." "Intent" is a necessary element in that type of cases, just the same as intent is a necessary element in a felony. The element in crimes involving moral turpitude centers around the question of whether or not "intent" is necessary in order to establish the fact that such a crime has been committed. The amendment of my friend from Wisconsin [Mr. BOILEAU] opens the door to a type of criminals guilty of a crime involving moral turpitude remaining in this country who should be deported.

Mr. BOILEAU. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. Yes.

Mr. BOILEAU. I have not stricken out the words "involving moral turpitude."

Mr. McCORMACK. But the gentleman changes the word "crime" to "felony", and he confines the application of moral turpitude to crimes which are only felonies, when certain misdemeanors involve the element of moral turpitude.

Mr. DIES. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. Yes.

Mr. DIES. If this amendment is adopted, it will practically destroy the effectiveness of this division.

Mr. McCORMACK. To a great extent, that is my understanding. So far as the other aspect of the gentleman's amendment is concerned, I appreciate the logic of his argument, and I address myself only to such portion of his amendment as tends to strike out the word "crime" and substitute therefor the word "felony."

Mr. MAVERICK. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. Yes.

Mr. MAVERICK. If a man were convicted of being drunk, which is a misdemeanor, he would be guilty of a deportable offense?

Mr. McCORMACK. No; that is malum prohibitum. The mere fact that the man is drunk constitutes the crime; the Government does not have to prove the intention to become drunk. Similarly, in traffic, if you go by a red light, the Government does not have to prove an "intent" to do so.

Mr. KELLER. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. Yes.

Mr. KELLER. Is it not true that in various States there is such a mixture of interpretation in the matter of moral turpitude that one cannot tell what this law means?

Mr. McCORMACK. Oh, no. The law involving moral turpitude is pretty generally established.

Mr. KELLER. The gentleman's State and New York will not agree on that, and the gentleman's State and North Carolina will not agree on that.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired. The question is on the adoption of the substitute amendment offered by the gentleman from Wisconsin to the amendment offered by the gentleman from Alabama.

The question was taken, and the amendment was rejected.

The CHAIRMAN. The question now is on the amendment offered by the gentleman from Alabama [Mr. STARNES].

The question was taken, and the amendment was rejected.

Mr. DICKSTEIN. Mr. Chairman, I move that all debate upon this section and all amendments thereto close in 10 minutes.

Mr. BOILEAU. Mr. Chairman, I desire to offer an amendment.

The CHAIRMAN. A motion is pending offered by the gentlman from New York, chairman of the committee.

Mr. DICKSTEIN. Mr. Chairman, I desire to amend my motion. I ask that all debate upon this section and all amendments thereto close in 15 minutes.

Mr. BOILEAU. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. BOILEAU. The gentleman first said he moves that debate close in 10 minutes, and now he asks unanimous consent that it close in 15 minutes.

Mr. DICKSTEIN. Mr. Chairman, then I move that debate close in 15 minutes.

The CHAIRMAN. The Chair understood the gentleman to move to close debate. The gentleman now states he desires to move to close debate. The question is on the motion of the gentleman from New York.

Mr. JENKINS of Ohio. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. JENKINS of Ohio. Does the motion apply to only this one subsection or does the motion of the gentleman from New York apply to the whole section?

The CHAIRMAN. The motion of the gentleman from New York was plainly stated by the Chair, and the gentleman moves that all debate upon this section and all amendments thereto close in 15 minutes. That means the entire section. The question is on the motion of the gentleman from New York.

The question was taken, and the motion was agreed to.

Mr. CELLER. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. CELLER: Page 2, line 5, after the word "of" where it occurs the second time, insert the word "illegally."

The CHAIRMAN. The Chair recognizes the gentleman from New York for 3 minutes.

Mr. CELLER. Mr. Chairman, I have offered an amendment to insert, in line 5, on page 2 of the bill, the word "illegally" before the word "possessing." This amendment should be adopted in all fairness and equity. The Constitution gives us the right to bear arms, and we must recognize that right. I do not want any alien to be deported if he has a firearm in his home, a hunting gun or a hunting rifle and does not use it illegally. Under this section the mere possession of it in his home would involve him in a deportation if he were an alien.

Mr. O'CONNOR of New York. How could he be convicted if it did not happen illegally?

Mr. CELLER. It might be that a man were deportable even if he were not convicted, under the reading of this section.

Mr. O'CONNOR of New York. Oh, no.

Mr. CELLER. I respectfully disagree with the gentleman.

Mr. BOILEAU. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield.

Mr. BOILEAU. Is not the language in paragraph 2 so broad that a man might be convicted of violation of a village ordinance and still be subject to deportation, although he might be fined only $1?

Mr. CELLER. I quite agree with the gentleman, and I think the use of the word "illegally" would clarify the situation and make it eminently fair. Otherwise this statute will be interpreted in such a way as to create a distinct hardship.

Mr. WALTER. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield.

Mr. WALTER. Under the law of the State of Pennsylvania an alien is not allowed to possess a firearm of any sort, even though it be a hunting rifle. The mere possession of this rifle would make him liable to deportation if the law is as it is written in this bill.

The CHAIRMAN. The time of the gentleman from New York [Mr. CELLER] has expired.

Mr. SCHULTE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this amendment offered by the gentleman takes the very heart out of this bill. It takes away the very thing that we are trying to do, that is, take guns out of the hands of the gangsters. What right has any person to carry a gun? I doubt if there is a Member of Congress who has ever carried a gun in his life. Then why should we sanction anyone carrying a gun? For what purpose? If a man carries a gun, he has some ulterior motive in carrying it. The very reason we want this bill is to take the guns out of the hands of racketeers and gangsters and to deport them. With this law on the statute books, if he is in possession of a gun he knows it is mandatory that he be deported. That is what the Members of this Congress want. For that reason I ask you to vote down this amendment.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. SCHULTE. I yield.

Mr. HALLECK. Can the gentleman conceive of any situation under which an individual could be convicted of the crime of carrying or possessing a firearm, except that the carrying or possession be illegal and in violation of some statute?

Mr. SCHULTE. That is the point exactly.

Mr. KENNEY. Mr. Chairman, will the gentleman yield?

Mr. SCHULTE. I yield.

Mr. KENNEY. I understand in the State of New York you may not have a gun even in your own home. That would apply to a farmer who is living out in the country. If a gun were found in his home and he were convicted, he could be deported under this act.

Mr. SCHULTE. That is right, if he is not a citizen.

Mr. BOILEAU. Mr. Chairman, will the gentleman yield?

Mr. SCHULTE. I yield.

Mr. BOILEAU. If in some community some village ordinance prohibited the possession of firearms and someone was arrested for having a rifle or shotgun and was brought into court and the justice of the peace said to this man, "This is not a very serious offense. You plead guilty and I will fine you a dollar and costs." He pleads guilty rather than have a lot of trouble, whereas, as a matter of fact, he is not guilty of any offense. Then he would not only be subject to deportation, but because he would be convicted he would be forced out of the country?

Mr. SCHULTE. But the gentleman must keep in mind that we are trying to take the guns away from the fellows who are committing crimes.

Mr. BOILEAU. But this might be a shotgun that this farmer used to shoot rabbits. Why not limit this to a violation of a State law, or something like that?

Mr. SCHULTE. Mr. Chairman, I do hope the Committee will vote down this amendment offered by the gentleman.

The CHAIRMAN. The time of the gentleman from Indiana [Mr. SCHULTE] has expired.

The question is on the amendment offered by the gentleman from New York [Mr. CELLER].

The amendment was rejected.

Mr. FISH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FISH: On page 2, line 15, after the word "law", add a new paragraph, to be known as subsection 5, and to read as follows:

"Knowingly advocates or promotes communism, fascism, or nazism, or the overthrow by force and violence of the constitutional and republican form of government in the United States of America."

Mr. FISH. Mr. Chairman, this is the first time in 15 years we have had a deportation bill before the Congress of the United States. It seems to me that an amendment of this kind is distinctly in order. If these Communists, Fascists, or Nazis or alien radicals or alien conservatives do not like our country, our laws, and our ways of doing things, all they have to do is to go back home. But if they insist on remaining here and spreading their doctrine of hatred and poison against our free institutions and our republican form of government, it is the duty of the Congress of the United States to enact drastic deportation laws, to send these alien agitators home and give their jobs to loyal American citizens now walking the streets looking for employment.

Mr. BARRY. Mr. Chairman, will the gentleman yield?

Mr. FISH. Yes.

Mr. BARRY. Under the proposed amendment any alien who agrees with the ideas of President Roosevelt might be deported by a good many Members of the gentleman's party. [Applause.]

Mr. FISH. If the gentleman thinks that the Communists and the Socialists are for the President, he is right, they are; but I do not believe myself that the President is a Communist or that the Democratic Party is affiliated with the Communist Party, but is a beneficiary of it. I do say, however, that this particular amendment would send back to their native lands the alien Communists, Fascists, and Nazis who advocate the overthrow of our Government by force and violence, and would have the support of the American Legion, the Veterans of Foreign Wars, the Catholic Church, and probably the American Federation of Labor, and of all patriotic organiaztions in our country.

[Here the gavel fell.]

Mr. O'CONNOR of New York. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the gentleman from New York has advocated for years the deportation of anybody who dared to say anything, even though they did not do any more than talk. He has favored that before the Rules Committee and advocated it. I have always taken the position that I would permit anybody to stand even on the Capitol steps and say anything that they wanted until they committed an overt act [applause], call him Communist, Socialist, or what you please. There is no place in the world where they would suppress free speech to that extent, and this ought to be the last spot on the globe where free speech is suppressed even though it be uttered by a Communist or a Socialist.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. FISH].

The amendment was rejected.

Mr. WALTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WALTER: Page 2, line 15, after the word "law", add a new subsection, to be known as subsection 5 and to read as follows:

"Has been convicted of and sentenced to a penal institution for a violation of the Mann White Slave Act."

Mr. WALTER. Mr. Chairman, the adoption of this amendment would leave no doubt as to what would happen to the most vicious type of criminal in the United States.

Mr. SCHULTE. Mr. Chairman, will the gentleman yield for a question?

Mr. WALTER. I have not the time.

Mr. SCHULTE. Is not this already in the law?

Mr. WALTER. No; this is not in the law.

Mr. Chairman, just recently a gang was broken up in New York whose operations extended throughout the length and breadth of the eastern part of the United States, one of the most vicious gangs ever engaged in any sort of racket. The reading of the accounts of the arrests and convictions of these people discloses only alien names. Whether others than aliens were involved I do not know; but I have been informed that in the eastern part of Pennsylvania, up and down the Lehigh Valley, agents of these gangs have been in operation for years, and that every man engaged in this nefarious work is a foreigner, an alien of some sort. If these people are convicted, it seems to me that the thing to do is to chase them away from our borders immediately, for certainly they

are a type of individual that we do not want. All of us are interested, and it is our patriotic duty to drive from our shores alien criminals, particularly of the vicious sort my amendment is aimed at.

[Here the gavel fell.]

Mr. MAVERICK. Mr. Chairman, I rise in opposition to the amendment. I call attention to the fact that violation of the Mann White Slave Act is itself moral turpitude, and we have already provided for moral turpitude in no uncertain manner. If there is one thing above others that involves moral turpitude, it is a violation of the Mann White Slave Act. Specific mention of this particular act will be useless legally, although it may invite blackmail and persecutions. I think that we are just cluttering up this bill and that the amendment, therefore, should be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania.

The amendment was rejected.

Mr. JENKINS of Ohio. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JENKINS of Ohio: Page 2, line 10, strike out the words "and for gain."

The CHAIRMAN. The gentleman from Ohio is recognized for 2 minutes.

Mr. JENKINS of Ohio. Mr. Chairman, this amendment simply proposes to strengthen the bill. As the Dies bill stands now no alien could be sent out for assisting someone else to come in in violation of the law unless he did it for gain and profit. I think we should take out those words "for gain", because nearly everybody who assists another to come in is a relative and, of course, does his work free; and if he be not a relative, he would never admit that he did it for gain. You could never convict anybody on that proposition. You could never get the proof. Why not strike out those words "for gain"? They never were in the law before. I think about the meanest man in the country would be the man who has already stolen his way into this country, who will not become an American citizen, and who spends his time trying to help somebody else steal his way in unlawfully. I think this language should go out. I hope it does.

Mr. SCHULTE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, that is already in the bill and is covered twice by the phrases "knowingly" and "for gain"; so in striking out the words "for gain" the gentleman is striking out one of the very things we want left in. As this provision now stands it gives us two reasons.

I hope that the Committee votes down the amendment that the gentleman has offered.

Mr. DOWELL. May I suggest if we leave these words in, we will find when we come to trial we will not be able to prove the gain. You will be able to prove the other part, but in order to get a conviction you will be obliged to prove the gain, and it will be impossible to secure a conviction. It is a matter of legal procedure.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. JENKINS].

The question was taken; and on a division (demanded by Mr. JENKINS of Ohio) there were—ayes 80, noes 85.

So the amendment was rejected.

Mr. BOILEAU. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. BOILEAU: Page 2, line 3, strike out all of paragraph (2) and insert in lieu thereof the following:

"(2) He has been convicted of a violation of the law of any State, Territory, insular possession, the District of Columbia, or the United States, prohibiting the possession of certain types or kinds of firearms, or the carrying of concealed weapons; or."

The amendment was rejected.

Mr. MASSINGALE. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. MASSINGALE: Page 2, line 10, after the word "for", insert the word "financial."

The amendment was rejected.

Mr. FISH. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. FISH: Page 2, after line 15, insert a new paragraph, as follows:

"(6) Who has visited Soviet Russia to secure training in communistic doctrine."

The amendment was rejected.

Mr. O'BRIEN of Michigan. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. O'BRIEN of Michigan: Page 2, line 5, after the words "crime of", insert "feloniously."

The amendment was rejected.

The Clerk read as follows:

SEC. 2. (a) Except an alien deportable under the act of October 16, 1918, entitled "An act to exclude and expel from the United States aliens who are members of the anarchist and similar classes", as amended by the act of June 5, 1920 (40 Stat. 1012; 41 Stat. 1008; U. S. C., title 8, sec. 137), or the act of May 26, 1922, entitled "An act to amend the act entitled 'An act to prohibit the importation and use of opium for other than medicinal purposes', approved February 9, 1909, as amended" (42 Stat. 596; U. S. C., title 21, sec. 175), or the act of February 18, 1931, entitled "An act to provide for the deportation of aliens convicted and sentenced for violation of any law regulating traffic in narcotics" (46 Stat. 1171; U. S. C., title 8, sec. 156a), or the provisions of the act of February 5, 1917, entitled "An act to regulate the immigration of aliens to and the residence of aliens in the United States" (39 Stat. 874; U. S. C., title 8, sec. 156), relating to criminals, prostitutes, procurers, or other like immoral persons, or section 1 (3) of this act, the Secretary of Labor may permit to remain in the United States any alien found subject to deportation if he—

(1) Has lived continuously in the United States for a period of not less than 10 years; or

(2) Has lived continuously in the United States for at least 1 year and has living in the United States a parent, spouse, legally recognized child (or, if the deportable alien is a minor, and not otherwise falling within either paragraph (1) or (2) of this subdivision, he has a brother or sister) who has been lawfully admitted for permanent residence or is a citizen of the United States.

(b) Not more than 3,500 aliens shall be permitted to remain pursuant to subdivision (a) of this section during the first year following its enactment and not more than 1,500 for each succeeding year: *Provided*, That no alien shall be permitted to remain in the United States under subdivision (a) of this section after the elapse of 4 years from the enactment of this act. Not later than the 1st day of February for each year following the date of the enactment of this act, the Secretary of Labor shall submit to the Congress a report giving the name of each alien permitted to remain in the United States pursuant to this section in the preceding calendar year, together with a brief statement of the facts in the case.

(c) Any alien not ineligible to citizenship as to whom there is no record of admission for permanent residence who has been permitted to remain in the United States in accordance with subdivision (a) of this section shall be recorded as admitted to the United States for permanent residence as of the date of the order permitting him to remain upon payment of a fee of $18 to the Commissioner of Immigration and Naturalization, which fee shall be deposited in the Treasury of the United States as miscellaneous receipts.

Mr. SCHULTE. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in 30 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

Mr. KENNEY. Mr. Chairman, I object.

Mr. SCHULTE. Mr. Chairman, I move that all debate on this section and all amendments thereto close in 30 minutes.

The motion was agreed to.

Mr. SMITH of Virginia. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. SMITH of Virginia: Page 2, line 16, strike out all of section 2.

Mr. SMITH of Virginia. Mr. Chairman, I have had a bill pending before the Immigration Committee for something like 2 years which has for its purpose purely the deportation of criminal aliens. That is a subject in which I believe we are all very much interested. We are all, theoretically at least, in favor of the deportation of criminal aliens who are

continually stirring up trouble in this country. If you will adopt the amendment I have just offered, which strikes out section 2, you will have then stripped this bill down to a bill which has for its purpose the deportation of criminal aliens and it will remove the controversial feature which, if it remains in the bill, will ultimately result in its defeat. So that you will not get a bill through this Congress which has purely for its purpose the deportation of criminal aliens.

Last year I offered an amendment to a bill which was being considered by the House which amendment had for its purpose the deportation of criminal aliens, but the chairman of the Committee on Immigration made a point of order against the amendment. As I said before, we all, theoretically at least, favor the deportation of criminal aliens.

Mr. Chairman, section 2 is the section that has caused all the controversy about immigration legislation in this House for 3 or 4 years. We all know there are a number of aliens in this country who are subject to deportation, and we all know that the immigration authorities, in defiance of the law, have failed to carry out the mandate of the Congress that those people be deported. The purpose of this section is to permit a certain amount of power and permit a greater amount of discretion to be lodged in the immigration authorities so that these people who have come here unlawfully and have remained here unlawfully may profit by their wrong and continue to stay in the country.

Mr. FITZPATRICK. Will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from New York.

Mr. FITZPATRICK. Would the gentleman take an alien who is here illegally or unlawfully, who has married an American citizen, and there are two or three children involved, and deport him?

Mr. SMITH of Virginia. May I say to the gentleman I am more interested in the people who were born in this country and the people who are citizens of this country than I am in the others. This sob stuff with reference to hardship cases involving a few people who came here unlawfully and illegally, mostly through fraud, does not appeal to me.

I would rather be hard-hearted once or twice.

Mr. FITZPATRICK. I agree with the gentleman in regard to the criminals.

Mr. SMITH of Virginia. I am answering the gentleman's question, and will not yield further.

I would rather be hard-hearted with a few of these people and accomplish the great good we would accomplish for the great masses of the people of this country by getting rid of the people who are here unlawfully and who have no business here. If you will adopt this amendment, you will have reduced this bill to the one proposition, the deportation of the criminal aliens. I challenge any Member of this House to say he does not favor it.

Mr. MAVERICK. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. Yes.

Mr. MAVERICK. Does the gentleman think the deportation of a few thousand aliens would help the great masses of the American people, 130,000,000 people?

Mr. SMITH of Virginia. Yes; I think it would be a great help, because you cannot pick up a newspaper today without finding where all this agitation is going on and where all this crime is going on, without finding some of these aliens hooked up with it. The people of this country are getting tired of it. I would like these people put out of the country. [Applause.]

[Here the gavel fell.]

Mr. DIES. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, as I explained this morning in detail, this section in no sense increases immigration. The only effect of it is to give preference to the alien who is here and subject to deportation, and who has family ties, as against some alien who, for the first time is seeking admittance under the existing quota. There is now a quota of 153,000 from the quota countries. All the countries in the Western Hemisphere are on a nonquota basis. Therefore, it comes down to the simple proposition that if there is an alien in this country who is subject to deportation, not for the commission of a crime but because he stayed longer than his permit entitled him to stay, or for some other similar reason, you permit him to remain in the United States instead of someone else coming in.

Let me read you an explanation of the kind of cases these are. Mr. Shaughnessy, who has been in the Immigration Service for 20 years and is under civil service, and certainly cannot be accused of being partisan, at my request wrote me this letter, from which I quote:

> I find from an examination of a group of approximately 2,000 cases which have been studied that about 92 percent of the aliens involved are persons subject to deportation because they entered without inspection under the immigration laws—

Mind you, prior to 1924 entering the country illegally was no crime.

> or because they failed to depart from the United States after having legally been admitted for a temporary period. About 55 percent of these aliens—

The ones they are about to deport—

> would leave behind them citizen spouses in the United States, and about 30 percent would leave legally admitted alien spouses behind them.

Something was said about insane people. Let me give you an illustration in the city of Washington. A woman came as a little girl to the United States. She lived here the greater part of her life, then went back to the old country to see her parents. She returned and was committed to an institution for insanity. Under existing law she is subject to deportation because she became a public charge within 5 years after her second entry.

A number of cases have been shown to me by Mr. Shaughnessy, and I am convinced they have merit. They are not cases of criminals, they are cases of people who deserve clemency and consideration. You are not helping the cause of restriction by creating the unfavorable public sentiment in this country which will result when you put 2,500 people aboard a ship, leaving their children and wives behind, when you know that in place of these 2,500 you will have 2,500 more come for the first time into this country. If we really want to promote the cause of immigration, it seems to me it is our responsibility to recognize this great human problem and meet it.

We took out of the Kerr-Coolidge bill provision after provision regarding unlimited discretion, the right to have nontemporary admittance changed to permanent status, as in the case of a student, and so forth. Under the Coolidge bill any such person could be given a visa. There were many other provisions. We have cut these provisions out one after another, and finally have got down to the present bill. [Applause.]

[Here the gavel fell.]

Mr. STARNES. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, we have arrived at the real crux of this bill and the crux of the situation. The House has consistently during the past refused to delegate an unlimited amount of power or discretion to the head of a department where a permanent policy of the Government was involved. You are now about to make a departure from this safe, sane, and salutary policy which you have pursued through these years, and you are about to embark upon a delegation of power to a department head which would enable her to set aside the mandatory provisions of the law and set at naught policies of the Congress.

Mark you this, you are not only taking care of 8,000 aliens who have violated our immigration laws in this bill, but, as surely as God reigns in heaven, eventually you will take care of the 200,000 that Colonel MacCormack estimated would eventually be cared for. On the floor of the House this afternoon some Members have spoken well and have spoken the truth when they said many others would come forward

for this clemency once this law was enacted. You are going to see that happen. Instead of this being a deportation measure, I am telling you again upon my responsibility, you are permitting to stay in this country lawbreakers far in excess of the number these four deportation provisions will take out. Just as surely as you and I live, that is going to happen. It is your responsibility. I say it is a departure from a constitutional democracy; it is a departure from sound governmental principles. You can walk that way if you desire, for that is your prerogative, and I will not criticize you. However, I for one intend to vote against this bill because of the unwarranted delegation of power to a departmental head where an established policy of this Government is concerned. For my part I intend to walk humbly and as upright as I can in the path of constitutional democracy. Any other course violates the dictates of my conscience.

Mr. McCORMACK. Mr. Chairman, in one sense this is the heart of this bill. I cannot agree with the argument made by my distinguished friend from Alabama that this is an unwarranted delegation of power. This bill provides standards. The first Congress of the United States of necessity had to delegate power to some extent, and the proper delegation of power is consistent with the entire history of our country. The delegation of power in this section is a necessary and a proper one. Of necessity from a practical angle, to meet the problems of the day, we have to delegate power. Every legislative body must do this, and this delegation of power carries with it specific standards prescribing the manner in which the power so delegated may be exercised by the Secretary of Labor.

These persons are law-abiding citizens. Every one of our forebears at one time was an immigrant to this country. We want the law-abiding person who is numbered among this unfortunate class to remain here. We want to keep in mind that this does not in any way increase the quota of any of the countries of the birth of any persons who may benefit. Every one of these hardship cases permitted to remain in this country is charged up to the future quota of the country of his or her birth.

This is a humane piece of legislation. In my opinion, it should be passed. I hope that the academic argument of our distinguished friend from Alabama will not be accepted, and permitted to produce the effect of striking out this meritorious and humane provision. I urge, as I hope, the defeat of the pending amendment.

Mr. BRADLEY. Mr. Chairman, I offer an amendment, which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. BRADLEY: On page 3, line 7, after the word "criminals", insert: "unless the crime involving moral turpitude prior to entry relates solely to the fraudulent securing of a visa or passport."

Mr. BRADLEY. Mr. Chairman, I shall repeat something that I said in the earlier part of the debate because I see there are a great many Members here who were not present at that time.

In the language on page 3 of this bill there are a great many cases involved in which the Members of this House have an interest that are not covered, but are specifically excluded from the provisions of this measure. Under the regulations and the law enforcement as conducted by the Department of Labor anyone who fraudulently signed an affidavit in connection with a visa or passport is guilty of the crime of perjury and of a crime involving moral turpitude. They are placed in the same class as gunmen, racketeers, dope peddlers, and the like. In the omnibus bill which was before the House 2 weeks ago, and which contained very meritorious cases, the people whom we sought to aid and give relief to by that bill would not be covered by the provisions of this measure. My amendment seeks to take care of such cases. A great many of them, through connivance of American officials who took money from them or accepted bribes, involve the signing of affidavits and thereby they are classed as guilty of a crime involving moral turpitude. I think we ought to differentiate between these people and gunmen and racketeers and peddlers of narcotics and those who have perpetrated vicious crimes.

I would ask you to bear in mind that these are cases in which a great many of you are personally interested, and if you are of the opinion that the general provisions of this bill will apply to them, you are laboring under a misapprehension. To take care of these cases it will be necessary to pass an amendment such as I have offered, and I therefore ask you to vote for the amendment.

Mr. JOHNSON of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. BRADLEY. I yield.

Mr. JOHNSON of Oklahoma. If the amendment of the gentleman were adopted, would it not be an invitation to aliens to come to this country in a fraudulent manner?

Mr. BRADLEY. I do not think so, because the bill provides that the Secretary of Labor has authority within the next 4 years to act in connection with those cases that are already here, and therefore it does not apply to those who may attempt to come in later.

Mr. SCHULTE. Mr. Chairman, I rise in opposition to the amendment.

The amendment of the gentleman from Pennsylvania condones crime and goes entirely too far.

Mr. DIES. And does it not violate the very principle we are trying to establish, not to permit criminal aliens who are guilty of a crime involving moral turpitude to remain here?

Mr. SCHULTE. That is the point exactly, and I do hope the Committee votes down the amendment, because, as I say, it goes entirely too far.

Mr. HANCOCK of New York. Mr. Chairman, I call the attention of the gentleman to the fact that this House 2 weeks ago passed half a dozen bills for the relief of aliens who entered this country through fraudulent passports.

Mr. SCHULTE. We can take up those specially, as we have done in the past. I hope the Committee votes down the amendment of the gentleman from Pennsylvania [Mr. BRADLEY].

Mr. CELLER. Mr. Chairman, I ask recognition in support of the amendment. I call attention of the Committee to the fact that if an examination is made of the so-called 8,000 cases referred to this afternoon, it will be found very likely that more than half of them are those very cases that will be covered by the amendment of the gentleman from Pennsylvania [Mr. BRADLEY]. We have a distinguished official of the Department of Labor in the gallery today, Mr. Edward J. Shaughnessy, for years Deputy Commissioner of Immigration and Naturalization and now Acting Commissioner of the Immigration and Naturalization Service. I know of no more conscientious or distinguished official in the Department of Labor than Edward J. Shaughnessy. All who have come in contact with him will always remember his courtesy and cooperation. I am pleased to state that I have always had for him the highest regard and esteem. He can readily testify to the vast number of bogus passport cases. I am quite sure that he, too, feels that the bill under consideration will be valueless without this amendment; that unless you adopt this amendment these 8,000 cases would be in a very bad way. There are many of these individuals who desired to come to this country to escape prosecution and the rigors and hardships that were attendant upon their stay in Europe who were inveigled, enticed into fraudulent arrangements even with American officials, to whom they paid money to get either visas or passports. They are not criminals in the ordinary sense, they are victims of circumstances. We do not condone crime, as the gentleman from Indiana [Mr. SCHULTE] has said, by passing this amendment. We differentiate between those who are hardened criminals and those who had the misfortune to be entrapped into these arrangements before coming here. You may as well strike out section 2 in its entirety unless you accompany it with this amendment.

Mr. KRAMER. Mr. Chairman, will the gentleman yield?

Mr. CELLER. Yes.

Mr. KRAMER. The gentleman is a member of the bar, and he is aware of the fact that the crime of perjury is as great as the crime of robbery.

Mr. CELLER. But this is not perjury. These victims are not guilty of perjury in any sense of the word in actuality. Pro forma they may be guilty of perjury, but not in essence. They never intended to commit perjury. They wanted to come over here; and these criminals, even American representatives in the Consular Bureau, enticed and inveigled them into the payment of money to get these bogus passports.

Mr. HALLECK. Does the gentleman understand that this amendment would apply to aliens or residents of foreign lands who hereafter by fraudulent action obtain entry to this country?

Mr. CELLER. No. You have before you your 4-year provision here, and that answers the gentleman's inquiry.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. MARTIN of Colorado. Mr. Chairman, since I stuck out my neck here in the House on these hardship cases about 3 years ago as 1 of 90 Members who voted on a roll call for a bill for their relief and am going to stick it out again, I want to say why and give you a hardship case which is no doubt typical of hundreds of other cases in this country. A native of the Republic of Mexico brought his family to my district in the State of Colorado, with several children. His wife died. He took the youngest of these children, a little girl about 2 years of age, back to old Mexico. This was shortly prior to the passage of the immigration law of 1924. He kept her there just long enough to overstay the 1924 act under which she could not return to the United States without a visa. He then took the child to El Paso and sent her back to the town where the rest of his children were still living, in my district in Colorado. So it will be seen that she reentered without a visa.

At that time she was not more than 4 or 5 years old. About 3 years ago when this young girl was a pupil in high school in a fine American town in my district, after she had gotten to be 15 years of age, she was seized by the immigration authorities and ordered deported from the United States, and at the very time the bill to relieve these hardship cases came up here 3 years ago, I had been down, under the demands of the leading citizens of that town, the school superintendent, the mayor, the editors of the papers, the leading businessmen, almost on my knees in the Immigration Bureau begging for this little girl's life, for that is what it amounted to. I think I did something that some other Members did not do. I have understood that some other Members of this body who were in a similar situation voted against the bill when it came up in the House. I did not do that. I voted for it. I could not find it in my conscience to be begging down there for the life of this young girl at this time when they wanted to send her to old Mexico after her father had become blind and a pauper, at a time when it would have been better to take her out and shoot her, and then vote against the bill.

Mr. SIROVICH. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of Colorado. Yes.

Mr. SIROVICH. There has been no finer interpretation of these hardship cases than has been manifested by the Acting Commissioner General of Immigration, Mr. Shaughnessy, and I am sure if the gentleman had called this case to his attention he could have found a way to help him.

Mr. MARTIN of Colorado. Yes, they have let her stay, awaiting the action of Congress, and they have been accused of violating the law for keeping this and similar cases in the country, and there are hundreds of others in the same category. If there has been any failure on the part of the immigration authorities to deport such cases I have information that much of the humanitarian leniency shown was due to the insistence of Members of both bodies here on the hill, who, when the show-down came, left the Bureau of Immigration holding the sack by voting against the very discretion they were asking it to exercise in individual cases.

Mr. Chairman, I have heard it stated by those better versed than I in the immigration laws, that they are a hodge-podge beyond the understanding of the Bureau of Immigration itself, but it does not take a very deep knowledge of the subject to understand this bill. It is a very simple measure. It is practically all to be found in sections 1 and 2 of the bill. Section 1 deals with deportations and section 2 with the hardship cases.

Section 1 provides that an alien shall be promptly deported, regardless of when he entered the United States, under the following conditions: (1) If he is hereafter convicted in the United States within 5 years of the institution of deportation proceedings of a crime involving moral turpitude, for which he is committed to a penal institution; (2) or has been convicted in the United States within 5 years of the institution of deportation proceedings against him of the crime of possessing or carrying any firearms; (3) or has been convicted of violation of any narcotic law, State or local; (4) or has knowingly and for gain aided in any manner in the illegal entry of another alien into the United States.

Section 5 states that these provisions are in addition to the provisions of existing law, so there is no weakening or liberalizing of the existing immigration laws, but a real tightening up of the laws. It is said that these provisions will enable the deportation of 23,000 criminal aliens who are now in this country. The objection to this section is that it does not go far enough, but in view of the fact that there is no law for the deportation of these criminal classes, and that the defeat of the bill would still leave this large class of alien criminals at large in the country, to be handled in some way by future legislation, it strikes me that the bill is a desirable step forward and should not be defeated simply because it does not do more.

Now, Mr. Chairman, let me come to section 2 of the bill, the hardship cases. This section provides that an alien who has entered the United States illegally (a) and has lived here continuously for not less than 10 years; (b) or not less than 1 year and has a parent, spouse, or legally recognized child; (c) or is a minor and has a brother or sister who is lawfully in the United States, may be permitted by the Secretary of Labor to remain in the United States of America, provided the alien is not an anarchist, and so forth, and has not violated the narcotic laws and other laws involving moral turpitude. The total number of these persons which the Secretary of Labor may permit to remain in the country is 8,000, spread out over a period of 4 years, the power terminating at the end of 4 years from the enactment of the bill.

Not all of the 8,000 may be permitted to remain, but that is the limit which may be permitted, and everyone who is permitted to remain will be charged up to the quota of the country of their origin and reduce by that amount the number of new aliens who may come into the country under the quota, and in that way cancel off the hardship cases insofar as any additional immigration is concerned.

I make this brief analysis of the hardship section by reason of the very loose language indulged in by some of the Members who are opposing the legislation. One Member this afternoon, after stating that the Secretary of Labor will have the right to deport up to 3,500 persons the first year and 1,500 each succeeding year thereafter, without mentioning the time limit of 3 additional years fixed in the bill, then asked if we knew how many people had been coming into this country under the quotas in the last 6 years. He answered his own question by stating that it was 16,000 a year, and then he wanted to know if we were going to give this woman—Mme. Perkins—authority to pass upon whether nearly one-third of that number shall be deported. He meant, of course, giving new authority to not deport them. I am not able to figure out how 1,500 comes to one-third of 16,000 in addition to which the 1,500 refers to people already in. The only thing about that statement which impressed me was the small annual number now coming into the United States under the quota system. The figure to which I am referring, 16,000, is not very far wrong. The total coming into the United States

in 1936 from all countries under the quota system, was 18,675. The startling thing about the immigration figures for the past few years is not simply the almost negligible number coming in, when compared with the total volume of our population, but the fact that the exodus has exceeded the influx and that during the past 5 years far more aliens have left the United States than have entered it. For the information and convenience of Members, I shall insert the figures for the 5-year period, 1932 to 1936, inclusive, embracing all classes of aliens, not half of which are quota aliens.

Year	Aliens entering	Aliens leaving
1932	35,576	103,295
1933	23,068	80,481
1934	29,470	39,771
1935	34,556	38,834
1936	36,329	35,817
Total	158,699	298,198

Total leaving	298,198
Total entering	158,699
Alien deficit	139,499

Only last year, 1936, did the number entering exceed the number leaving and then by only 500. For the 5-year period the total leaving exceeded the total entering by 139,499. There ought to be some assurance in these figures for those who fear the effects of foreign immigration, and that the immigration laws demand greatly increased restrictions. Unquestionably in years past they were far too lax. The disquieting thing revealed by the ebb tide of aliens is that so many of them came to this great country because of its superior advantages and have found it in their way to go whence they came.

Under the quota system, about 150,000 aliens may enter this country annually. The number who have been availing themselves of the privilege in recent years ranges from 10 to 20 percent of the quota. Here is a problem for our consideration very much larger than 8,000 hardship cases. No such thing ever happened before to America.

Mr. Chairman, I want to compliment the able gentleman from Texas [Mr. DIES] on this bill. No Member of the House has been more active than he in promoting legislation to restrict immigration and to prevent the entrance of undesirable alien classes and get rid of those that are here. I feel that he has accomplished a result in this bill which entitles it to the support of reasonable-minded men, while at the same time vesting a needed discretion in the Department of Labor, a discretion which must be lodged somewhere, to take care of the hardship cases, which has been hanging over both the Department and the Congress the past 5 or 6 years.

Now, there is an opportunity presented to this Congress to relieve those cases, and God knows they need relief. I do not see how any Member of Congress who has ever had any knowledge of these hardship cases or any connection with them could find it in his heart and conscience to vote against this bill. I cannot. I am not looking to the attitude of any organization for or against this bill. I am only interested in doing my duty under my conscience. [Applause.]

The CHAIRMAN. The time of the gentleman from Colorado [Mr. MARTIN] has expired.

The question is on the amendment offered by the gentleman from Pennsylvania [Mr. BRADLEY].

The question was taken; and on a division (demanded by Mr. PHILLIPS) there were—ayes 67 and noes 57.

So the amendment was agreed to.

Mr. FITZPATRICK. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. FITZPATRICK. Is there not another amendment pending?

The CHAIRMAN. The amendment which the Clerk is now about to report.

Mr. SMITH of Virginia. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. SMITH of Virginia. Will the Chair state the parliamentary situation with reference to my amendment to strike out the paragraph?

The CHAIRMAN. The amendment offered by the gentleman from Virginia is still pending and will be disposed of, of course.

Mr. JENKINS of Ohio. Mr. Chairman, did I understand the Chair to state that the amendment offered by the gentleman from Virginia is still pending?

The CHAIRMAN. It is.

Mr. JENKINS of Ohio. The amendment which I have sent to the desk is not a perfecting amendment. I will offer it as a substitute amendment if it does not involve the situation.

The CHAIRMAN. The Chair thinks the gentleman from Ohio cannot offer a substitute to the amendment offered by the gentleman from Virginia, which is to strike out the section.

The question is on the amendment offered by the gentleman from Virginia [Mr. SMITH].

Mr. FITZPATRICK. Mr. Chairman, may we have the amendment read?

The CHAIRMAN. Without objection, the Clerk will again report the amendment offered by the gentleman from Virginia [Mr. SMITH].

There being no objection, the Clerk again reported the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia.

The question was taken and on a division (demanded by Mr. SMITH of Virginia) there were ayes 44 and noes 86.

So the amendment was rejected.

Mr. JENKINS of Ohio. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JENKINS of Ohio: Strike out all of section 2 and insert in lieu thereof the following:

"SEC. 2 (a). Except an alien deportable under the act of October 16, 1918, entitled 'An act to exclude and expel from the United States aliens who are members of the anarchist and similar classes', as amended by the act of June 5, 1920 (40 Stat. 1012; 41 Stat. 1008; U. S. C., title 8, sec. 137), or the act of May 26, 1922, entitled 'An act to amend an act entitled "An act to prohibit the importation and use of opium for other than medicinal purposes", approved February 9, 1909, as amended' (42 Stat. 596; U. S. C., title 21, sec. 175), or the act of February 18, 1931, entitled 'An act to provide for the deportation of aliens convicted and sentenced for violation of any law regulating traffic in narcotics' (46 Stat. 1171; U. S. C., title 8, sec. 156a), or the provisions of the act of February 5, 1917, entitled 'An act to regulate the immigration of aliens to and the residence of aliens in the United States' (39 Stat. 874; U. S. C., title 8, sec. 156), relating to criminals, prostitutes, procurers, or other like immoral persons, or an alien who is insane or psycopathically inferior, or an alien deportable by virtue of the terms of section 1 hereof, or an alien ineligible to citizenship, the Secretary of Labor may permit to remain in the United States any alien found subject to deportation if he has lived continuously in the United States for at least 5 years and has living in the United States a spouse or child who is a citizen of the United States."

Mr. JENKINS of Ohio. Mr. Chairman, section 2 of this bill gives to Mme. Perkins the right to grant amnesty to certain people. Now, the people to whom she cannot grant amnesty are set forth in the Dies bill and are included in this amendment. This amendment of mine adds to the list just those who are already prohibited by statute, and deportable. That is all it does in that respect. But here is the crux of the amendment. It provides that Mme. Perkins can grant amnesty only to one class of people. For instance, to those who have lived in this country 5 years and have a wife or husband or child, a citizen of the United States, and who has not committed any of these heinous offenses enumerated in the paragraph of exceptions. In section 1 of this bill you voted four new classes to be deportable, and you said they are mandatorily deportable, but if you pass this bill as it is, three of those classes will be subject to amnesty by Mme. Perkins. You are undoing what you did a while ago, and you are opening up the doors. Are we going to allow Mme. Perkins to control four or five thou-

sand of these people when we can lay down a formula in plain English that is consonant with the spirit of Americanism, consonant with the spirit of the people who sent you here who believe in restrictive immigration?

The CHAIRMAN. The time of the gentleman from Ohio [Mr. JENKINS] has expired.

Mr. KENNEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KENNEY: Page 4, line 9, strike out subsection (b) of section 2.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey.

The amendment was rejected.

Mr. HANCOCK of New York. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HANCOCK of New York: Page 3, line 24, after "*Provided*", strike out balance of line 24, all of line 25, and the words "section after the elapse", in line 1, page 4, and insert "the authority granted the Secretary of Labor under subdivision (a) of this section shall cease after the lapse."

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. JENKINS].

The amendment was rejected.

The Clerk read as follows:

SEC. 3. That Secretary of Labor may specifically designate persons holding supervisory positions in the Immigration and Naturalization Service to issue warrants for the arrest of aliens believed to be subject to deportation under this or any other statute: *Provided*, That no person shall act under a warrant issued by himself.

Mr. PHILLIPS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this opportunity to point out to the Members a few considerations in regard to what we have heard this afternoon about perjury, forged passports, and moral turpitude. Consider your own situation if you were in this country as an alien escaping prosecution abroad; suppose that your mother, your brother, your sister, or some other relative were subject to persecution abroad, subject possibly to imprisonment, subject possibly to danger to life; suppose further you had tried in every lawful way to get that parent or that relative into this country but had failed, would you not then do everything you could to get that relative in here illegally? If you did, you would be guilty of a crime which some of the Members, possibly not considering the matter in its fullest aspect, have dubbed moral turpitude.

It is moral turpitude, but in a sense it is not; so I ask the Members to give their thought to this aspect of the problem before us.

By unanimous consent, the pro-forma amendment was withdrawn.

The Clerk read as follows:

SEC. 4. The Commissioner of Immigration and Naturalization, with the approval of the Secretary of Labor, shall prescribe rules and regulations for the enforcement of the provisions of this act.

SEC. 5. The provisions of this act are in addition to and, except where previous laws are expressly amended, not in substitution for the provisions of the immigration laws (including section 19 of the Immigration Act of Feb. 5, 1917 (39 Stat. 889; U. S. C., title 8, sec. 155)), and shall be enforced as a part of such laws.

SEC. 6. Clause (B) of paragraph (1) subsection (a) of section 6 of the Immigration Act of 1924 (43 Stat. 155), as amended (U. S. C., title 8, sec. 206 (a)), which grants to quota immigrants, skilled in agriculture, their wives, and their dependent children under the age of 18 years a preference within the quota, is repealed.

SEC. 7. Section 1, subdivision (a), clause (1), of the act entitled "An act to supplement the naturalization laws, and for other purposes", approved March 2, 1929 (45 Stat. 1512), as amended, is hereby amended to read: "Entered the United States prior to July 1, 1924."

SEC. 8. (a) At the end of each fiscal year the Secretary of Labor shall report to the Secretary of State the number and (as determined in accordance with section 12 of the Immigration Act of 1924 (43 Stat. 160; U. S. C., title 8, sec. 212)), the nationality of all aliens who—

(1) Were allowed to remain in the United States under section 2 or were registered under section 7; and

(2) Entered the United States on or after June 3, 1921, and were not charged to any quota at the time of their last entry.

(b) The Secretary of State shall deduct the number of aliens so reported from the appropriate quotas (determined in accordance with the provisions of section 11 of the Immigration Act of 1924 (43 Stat. 159; U. S. C., title 8, sec. 211)), for the next succeeding fiscal year, or for later fiscal years if necessary to account for the whole number of aliens so reported.

Mr. JENKINS of Ohio. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I make this motion in order to answer some inquiries that have been made as to how much longer the consideration of this bill will take. I may say that we on this side of the aisle do not have any more amendments. I may say, however, to those who yet are restrictionists, that they will have a chance to vote and by that vote to indicate whether they really are restrictionists when I offer my motion to recommit. I hope that a goodly number may repair to the standard of restriction of immigration and that there will be enough vote for that motion, so that we may have a real deportation bill such as the country demands, and not a bill that will meet the approval of those who have always stood on the floor of this House seeking to lay down the bars.

The Clerk read as follows:

SEC. 9. During the year following the enactment of this act, the Secretary of Labor may permit to remain in the United States any alien who has heretofore been temporarily admitted, if the alien is found by the Secretary of Labor to be a person whose presence in the United States will promote the cultural, educational, and industrial interests of the people of the United States. The number of aliens so permitted to remain in the United States shall not exceed 100, and the date of the alien's admission for permanent residence shall be as of the date of the order of the Secretary of Labor permitting him to remain.

Mr. DOWELL. Mr. Chairman, I move to strike out section 9.

Mr. DICKSTEIN. Mr Chairman, I move that the Committee do now rise.

The CHAIRMAN. The Chair does not recognize the gentleman from New York for that purpose. The gentleman from Iowa was on his feet seeking to offer an amendment.

The gentleman from Iowa is recognized for 5 minutes.

Mr. DOWELL. Mr. Chairman, I move to strike out section 9.

Mr. Chairman, I have made this motion for the purpose of asking the chairman of the committee the purpose of this section.

Mr. DICKSTEIN. Mr. Chairman, I can answer the gentleman's inquiry, but I think the gentleman from Texas [Mr. DIES] can answer it better. It appears that there are about 100 Catholic nuns in the hospitals of Texas.

Mr. DIES. Mr. Chairman, will the gentleman from New York yield?

Mr. DICKSTEIN. I yield.

Mr. DIES. I can explain the amendment to the gentleman, for I offered it in the first place. There are about 100 student nuns engaged in charitable work, women who give their entire time to charitable purposes without a dollar's pay. Under existing immigration laws when their permit for temporary stay in the United States expires they must be sent back to Ireland. They cannot come back to this country until they can get in under the quota. These people are not taking a paid job away from anyone.

Mr. DOWELL. Mr. Chairman, I ask unanimous consent to withdraw the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. DICKSTEIN. Mr. Chairman, I move that all debate on this section and all amendments thereto do now close.

The motion was agreed to.

The CHAIRMAN. Under the rule the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. UMSTEAD, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill

(H. R. 6391) to authorize the prompt deportation of criminals and certain other aliens, and for other purposes, pursuant to House Resolution 229, he reported the same back to the House with an amendment agreed to in committee.

The SPEAKER. Under the rule, the previous question is ordered on the bill and amendment to final passage.

The question is on agreeing to the amendment.

The question was taken; and on a division (demanded by Mr. FISH) there were—ayes 163, noes 46.

Mr. FISH. Mr. Speaker, I object to the vote on the ground there is not a quorum present.

Mr. O'CONNOR of New York. Mr. Speaker, the mere fact that the division does not show that a quorum is present does not mean a quorum may not be present. A quorum may be present.

The SPEAKER. The Chair intended to count. The Chair will count. [After counting.] Two hundred and thirty-three Members are present, a quorum.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. JENKINS of Ohio. Mr. Speaker, I offer a motion to recommit.

The Clerk read as follows:

Mr. JENKINS of Ohio moves to recommit the bill to the Committee on Immigration and Naturalization with instructions to report the same back forthwith with the following amendment: Strike out all of section 2 and insert in lieu thereof the following:

"SEC. 2. (a) Except an alien deportable under the act of October 16, 1918, entitled 'An act to exclude and expel from the United States aliens who are members of the anarchist and similar classes', as amended by the act of June 5, 1920 (40 Stat. 1012; 41 Stat. 1008; U. S. C., title 8, sec. 137), or the act of May 26, 1922, entitled 'An act to amend the act entitled "An act to prohibit the importation and use of opium for other than medicinal purposes", approved February 9, 1909, as amended' (42 Stat. 596; U. S. C., title 21, sec. 175), or the act of February 18, 1931, entitled 'An act to provide for the deportation of aliens convicted and sentenced for violation of any law regulating traffic in narcotics' (46 Stat. 1171; U. S. C., title 8, sec. 156a), or the provisions of the act of February 5, 1917, entitled 'An act to regulate the immigration of aliens to and the residence of aliens in the United States' (39 Stat. 874; U. S. C., title 8, sec. 156), relating to criminals, prostitutes, procurers, or other like immoral persons, or an alien who is insane or psycopathically inferior, or an alien deportable by virtue of the terms of section 1 hereof, or an alien ineligible to citizenship, the Secretary of Labor may permit to remain in the United States any alien found subject to deportation if he has lived continuously in the United States for at least 5 years and has living in the United States a spouse or child who is a citizen of the United States."

Mr. DICKSTEIN. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit offered by the gentleman from Ohio [Mr. JENKINS].

Mr. JENKINS of Ohio. Mr. Speaker, I demand a division.

The SPEAKER. The gentleman from Ohio demands a division. All those in favor of the motion will rise and stand until counted.

Mr. JENKINS of Ohio (interrupting the count). Mr. Speaker, I ask for the yeas and nays.

The SPEAKER. The gentleman's request is not in order while the House is dividing.

Mr. MAPES. Mr. Speaker, a point of order.

The SPEAKER. The Chair thinks it has discretion to conclude the count on a division before entertaining another request.

Mr. MAPES. I never knew the Chair to make such a ruling before.

The SPEAKER. The Chair now makes it.

Mr. MAPES. As a lawyer said in addressing the court, "If Your Honor says so, that is the law."

The House divided; and there were—ayes 33, noes 176.

The SPEAKER. The Chair thinks it proper to state to the gentleman from Michigan that he meant no disrespect to the gentleman, and the Chair feels the gentleman was not deprived of any parliamentary privilege.

Mr. JENKINS of Ohio. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were refused.

So the motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. BACON. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were refused.

The question was taken, and the bill was passed.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. JOHNSON of Oklahoma. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on the bill H. R. 6391, that I consider the most ill-advised and ill-considered bill that has passed during this session of the Congress.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

(Mr. DIRKSEN and Mr. MAVERICK asked and were given permission to extend their own remarks in the RECORD.)

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. GRAY of Pennsylvania, until June 15, on account of important business.

To Mr. ZIMMERMAN, for 1 week, on account of serious illness in his family.

To Mr. PEARSON, for 2 days, on account of important business in his district.

To Mr. MOSIER of Ohio, for 4 days, on account of important business.

To Mr. PLUMLEY, for 2 weeks, on account of official business.

To Mr. RICHARDS, for 3 days, on account of illness in family.

PERMISSION TO ADDRESS THE HOUSE

Mr. GREEN. Mr. Speaker, I ask unanimous consent that on Tuesday next, after the disposition of business on the Speaker's table and the disposition of the legislative program in order for that day, I may address the House for 30 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

EXTENSION OF REMARKS

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to extend their own remarks on the bill (H. R. 6391) to authorize the prompt deportation of criminals and certain other aliens, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

(Mr. PATRICK and Mr. O'BRIEN of Michigan asked and were given permission to extend their own remarks in the RECORD.)

LEAVE OF ABSENCE

Mr. MAGNUSON. Mr. Speaker, on behalf of the following gentlemen, I ask unanimous consent that they may have leave of absence for 4 days on account of official business: Mr. MAAS, Mr. HEALEY, Mr. MOTT, Mr. CASEY of Massachusetts, Mr. HIGGINS, Mr. BREWSTER, Mr. HAMILTON, Mr. BATES, Mr. FORAND, Mr. OLIVER, and Mr. MAGNUSON.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. DICKSTEIN. Mr. Speaker, I had permission to address the House for 15 minutes on Monday next, but have turned that time over to another Member who needed it more than I did.

I now ask unanimous consent that I may address the House for 15 minutes on Tuesday, after the reading of the Journal

and disposition of business on the Speaker's table, following consideration of the legislative program of that day.

The SPEAKER. Will the gentleman include in his request also the special orders of the day?

Mr. DICKSTEIN. And following the special orders heretofore made, Mr. Speaker.

Mr. SNELL. Mr. Speaker, reserving the right to object, how many hours have we now set aside for special orders after the completion of the regular business on Tuesday?

Mr. MICHENER. Does the request of the gentleman from New York [Mr. DICKSTEIN] mean that he is to speak before we adjourn?

Mr. RAYBURN. Many of the gentlemen who have permission to address the House at 5:30 or 6 o'clock in the afternoon do not claim their time.

Mr. SNELL. I think we ought to have an understanding about that.

Mr. RAYBURN. On Tuesday there will probably be the conference report on the C. C. C., and following that there will be the nonmilitary War Department appropriation bill. I rather think these matters are going to take the day.

Mr. SNELL. I may suggest to the majority leader we ought to have an understanding that when we have an hour or 2 hours after the completion of the regular business of the day nothing new will be brought up, including unanimous-consent requests. If Members want to talk to the Members who may be here, all right, but the rest of us would not be obliged to stay.

Mr. RAYBURN. I may say to the gentleman that when the legislative program for today is over—and it is always over before these speeches begin—there will be no further legislation considered on that day.

Mr. SNELL. What about unanimous-consent requests for consideration of private bills or matters of that sort? Does the gentleman consider the entire work of the day to be over except for such speeches?

Mr. RAYBURN. I consider the entire legislative program of the day is over when such speeches begin.

Mr. SNELL. That is what I want to have a definite understanding about.

The SPEAKER. Does the gentleman from New York desire an answer to his parliamentary inquiry with respect to the time already granted for special orders?

Mr. SNELL. Yes, Mr. Speaker.

The SPEAKER. The Chair may state that prior orders have already been made for 1 hour of time after the completion of the legislative program on Tuesday.

Mr. SNELL. I am not going to object, Mr. Speaker.

Mr. MICHENER. Mr. Speaker, reserving the right to object, there will be no one here at that hour. Why cannot the gentlemen take 5 minutes if they want to get their remarks in the RECORD, and extend their remarks, and not punish the Speaker and the rest of the Members who may have to stay here?

Mr. DICKSTEIN. I am not going to punish the Members of the House after 5 o'clock, but if there is a break in the legislative program, I shall take the time.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. KELLER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. KELLER. Mr. Speaker, I am not going to burden the empty seats here after the business of the day is over by delivering a speech. I do not do it that way. I have spoken only a few times since coming into this House. I have never spoken yet unless I have given a great deal of care and attention to the preparation of the speech I intended to give. I am not going to do otherwise at the present time.

I call the attention of the House to the fact that in the RECORD of June 8, instead of standing here and talking to the empty benches, I inserted an address which I think is worthy of attention. This is an address on income-tax dodging, which I delivered in this House on the 16th day of July 1932, in which I set out completely exactly the same things the Secretary of the Treasury communicated to the President, as stated in the President's message the other day.

[Here the gavel fell.]

Mr. DOUGHTON. Mr. Speaker, I offer a resolution, which I send to the Clerk's desk.

The Clerk read as follows:

House Resolution 236

Resolved, That LEON SACKS, of the State of Pennsylvania, be, and he is hereby, elected a member of the standing committee of the House of Representatives on Patents.

The resolution was agreed to.

Mr. DOUGHTON. Mr. Speaker, I offer a resolution, which I send to the Clerk's desk.

The Clerk read as follows:

House Resolution 237

Resolved, That A. J. ELLIOTT, of the State of California, be, and he is hereby, elected a member of the standing committees of the House of Representatives on the Public Lands and Public Buildings and Grounds.

The resolution was agreed to.

OCCUPATIONAL EXCISE TAX ON MARIHUANA

Mr. DOUGHTON. I ask unanimous consent for the present consideration of the bill (H. R. 6906) to impose an occupational excise tax upon certain dealers in marihuana, to impose a transfer tax upon certain dealings in marihuana, and to safeguard the revenue therefrom by registry and recording.

The Clerk read the title of the bill.

Mr. SNELL. Mr. Speaker, reserving the right to object, and notwithstanding the fact that my friend, REED, is in favor of it, is this a matter we should bring up at this late hour of the afternoon? I do not know anything about the bill. It may be all right and it may be that everyone is for it, but as a general principle, I am against bringing up any important legislation, and I suppose this is important, since it comes from the Ways and Means Committee, at this late hour of the day.

Mr. DOUGHTON. I may say to the distinguished gentleman from New York that we have a unanimous report from the committee on this bill and there is no objection, and while we would like to get it passed, if there is any objection, I shall not insist, of course.

Mr. SNELL. This is an illustration of the situation I was talking to the majority leader about a few moments ago. If we hold a session until late in the day and somebody brings up a piece of legislation, the average Member knows nothing about it, and while it is probably all right, it is hardly fair to take it up at that time.

Mr. RAYBURN. Mr. Speaker, if the gentleman will yield, I may say that the gentleman from North Carolina has stated to me that this bill has a unanimous report from the committee and that there is no controversy about it.

Mr. SNELL. What is the bill?

Mr. RAYBURN. It has something to do with something that is called marihuana. I believe it is a narcotic of some kind.

Mr. FRED M. VINSON. Marihuana is the same as hashish.

Mr. SNELL. Mr. Speaker, I am not going to object but I think it is wrong to consider legislation of this character at this time of night.

SENATE ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to enrolled bills and a joint resolution of the Senate of the following titles:

S. 329. An act to further extend the period of time during which final proof may be offered by homestead and desert-land entrymen;

S. 790. An act to continue in effect until June 30, 1939, the act entitled "An act to regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce of petroleum and its products produced in violation of State law, and for other purposes", approved February 22, 1935; and

S. J. Res. 155. Joint resolution to create a Joint Congressional Committee on Tax Evasion and Avoidance.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H. R. 545. An act for the relief of Dean Scott;

H. R. 1013. An act for the relief of Irvin Pendleton;

H. R. 1084. An act for the relief of Samuel Cripps;

H. R. 2042. An act for the relief of Joshua L. Bach;

H. R. 2223. An act for the relief of Mr. and Mrs. Walter B. Johnson and Joy Johnson, a minor;

H. R. 3031. An act to provide for the establishment of Coast Guard stations along the Maine coast;

H. R. 3411. An act to amend section 112 of the Judicial Code to provide for the inclusion of Whitman County, Wash., in the northern division of the eastern district of Washington;

H. R. 3738. An act for the relief of Clifford Y. Long;

H. R. 4457. An act for the relief of Naomi Lee Young;

H. R. 4508. An act for the relief of Margaret Grace and Alice Shriner;

H. R. 4893. An act authorizing the Secretary of the Treasury to establish a Coast Guard station at the San Francisco Airport; to provide for quick rescue facilities on the San Francisco Bay; to strengthen the Immigration and Customs Service patrol; and for other purposes;

H. R. 6438. An act to expedite the dispatch of vessels from certain ports of call; and

H. J. Res. 350. Joint resolution authorizing a modification in the existing project for the improvement of the Illinois Waterway, Ill., and the abandonment of a portion of the Calumet River.

ADJOURNMENT

Mr. RAYBURN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 2 minutes p. m.) the House adjourned until tomorrow, Friday, June 11, 1937, at 11 o'clock a. m.

COMMITTEE HEARINGS

COMMITTEE ON FLOOD CONTROL

The Committee on Flood Control will continue hearings on emergency and priority projects in the lower Ohio Basin at 9:30 a. m. Friday, June 11, 1937.

COMMITTEE ON THE DISTRICT OF COLUMBIA

The subcommittee appointed by the Committee on the District of Columbia to consider H. R. 2732, a bill providing retirement pay for police, municipal, and juvenile court judges, will meet Friday, June 11, 1937, at 10:30 a. m., in room 345, House Office Building.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will resume public hearings in room 219, House Office Building, Washington, D. C., June 15, 1937, at 10 a. m., on H. R. 5719, known as the water-carrier bill.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

The Committee on Interstate and Foreign Commerce will resume hearings at 10 a. m. on H. R. 6968, to amend the Securities Act of 1933, Wednesday, June 16, 1937.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. ROGERS of Oklahoma: Committee on Indian Affairs. H. R. 7409. A bill providing for the sale of the two dormitory properties belonging to the Chickasaw Nation or Tribe of Indians, in the vicinity of the Murray State School of Agriculture at Tishomingo, Okla.; with amendment (Rept. No. 1007). Referred to the Committee of the Whole House on the state of the Union.

Mr. LAMBETH: Committee on Printing. S. 2242. An act to further amend an act entitled "An act to authorize the collection and editing of official papers of the Territories of the United States now in The National Archives", approved March 3, 1925, as amended without amendment (Rept. No. 1008). Referred to the Committee of the Whole House on the state of the Union.

Mr. CHANDLER: Committee on the Judiciary. H. R. 4605. A bill relating to the accommodations for holding court at Shawnee, Okla.; with amendment (Rept. No. 1009). Referred to the Committee of the Whole House on the state of the Union.

Mr. COLDEN: Committee on the Disposition of Executive Papers. A report on the disposition of executive papers in the Department of Labor (Rept. No. 991). Ordered to be printed.

Mr. COLDEN: Committee on the Disposition of Executive Papers. A report on the disposition of executive papers in the Panama Canal (Rept. No. 992). Ordered to be printed.

Mr. COLDEN: Committee on the Disposition of Executive Papers. A report on the disposition of executive papers in the Department of Agriculture (Rept. No. 993). Ordered to be printed.

Mr. COLDEN: Committee on the Disposition of Executive Papers. A report on the disposition of executive papers in the Veterans' Administration (Rept. No. 994). Ordered to be printed.

Mr. COLDEN: Committee on the Disposition of Executive Papers. A report on the disposition of executive papers in the War Department (Rept. No. 995). Ordered to be printed.

Mr. COLDEN: Committee on the Disposition of Executive Papers. A report on the disposition of executive papers in the National Emergency Council (Rept. No. 996). Ordered to be printed.

Mr. COLDEN: Committee on the Disposition of Executive Papers. A report on the disposition of executive papers in the Federal Communications Commission (Rept. No. 997). Ordered to be printed.

Mr. COLDEN: Committee on the Disposition of Executive Papers. A report on the disposition of executive papers in the Works Progress Administration (Rept. No. 998). Ordered to be printed.

Mr. COLDEN: Committee on the Disposition of Executive Papers. A report on the disposition of executive papers in the Post Office Department (Rept. No. 999). Ordered to be printed.

Mr. COLDEN: Committee on the Disposition of Executive Papers. A report on the disposition of executive papers in the Home Owners' Loan Corporation (Rept. No. 1000). Ordered to be printed.

Mr. COLDEN: Committee on the Disposition of Executive Papers. A report on the disposition of executive papers in the Department of State (Rept. No. 1001). Ordered to be printed.

Mr. COLDEN: Committee on the Disposition of Executive Papers. A report on the disposition of executive papers in the Department of the Interior (Rept. No. 1002). Ordered to be printed.

Mr. COLDEN: Committee on the Disposition of Executive Papers. A report on the disposition of executive papers in the Department of Commerce (Rept. No. 1003). Ordered to be printed.

Mr. COLDEN: Committee on the Disposition of Executive Papers. A report on the disposition of executive papers in the Federal Trade Commission (Rept. No. 1004). Ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. THOMAS of New Jersey: Committee on Claims. H. R. 420. A bill for the relief of Marjorie L. Baxter; with amendment (Rept. No. 954). Referred to the Committee of the Whole House.

Mr. ATKINSON: Committee on Claims. H. R. 851. A bill for the relief of A. F. Amory; with amendment (Rept. No. 955). Referred to the Committee of the Whole House.

Mr. SMITH of Washington: Committee on Claims. H. R. 1075. A bill for the relief of H. G. Harmon; with amendment (Rept. No. 956). Referred to the Committee of the Whole House.

Mr. DREW of Pennsylvania: Committee on Claims. H. R. 1114. A bill for the relief of Agnes Ewing Harter; with amendment (Rept. No. 957). Referred to the Committee of the Whole House.

Mr. CARLSON: Committee on Claims. H. R. 1122. A bill for the relief of Mat Hensley; with amendment (Rept. No. 958). Referred to the Committee of the Whole House.

Mr. RAMSPECK: Committee on Claims. H. R. 1207. A bill for the relief of H. T. Campbell and E. O. O'Neal; with amendment (Rept No. 959). Referred to the Committee of the Whole House.

Mr. THOMAS of New Jersey: Committee on Claims. H. R. 1355. A bill for the relief of Lawrence E. Thomas; with amendment (Rept. No. 960). Referred to the Committee of the Whole House.

Mr. COFFEE of Washington: Committee on Claims. H. R. 1734. A bill for the relief of Sam Romack; with amendment (Rept. No. 961). Referred to the Committee of the Whole House.

Mr. KEOGH: Committee on Claims. H. R. 2353. A bill for the relief of the Bolinross Chemical Co.; with amendment (Rept. No. 962). Referred to the Committee of the Whole House.

Mr. SMITH of Washington: Committee on Claims. H. R. 2358. A bill for the relief of Dwain D. Miles; with amendment (Rept. No. 963). Referred to the Committee of the Whole House.

Mr. KEOGH: Committee on Claims. H. R. 2740. A bill for the relief of John N. Brooks; with amendment (Rept. No. 964). Referred to the Committee of the Whole House.

Mr. THOMAS of New Jersey: Committee on Claims. H. R. 3192. A bill for the relief of Clifford L. Bohn; with amendment (Rept. No. 965). Referred to the Committee of the Whole House.

Mr. COFFEE of Washington: Committee on Claims. H. R. 3745. A bill for the relief of W. H. Lenneville; with amendment (Rept. No. 966). Referred to the Committee of the Whole House.

Mr. COFFEE of Washington: Committee on Claims. H. R. 4257. A bill for the relief of H. A. Montgomery; with amendment (Rept. No. 967). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 4260. A bill for the relief of C. J. Murrill; with amendment (Rept. No. 968). Referred to the Committee of the Whole House.

Mr. COFFEE of Washington: Committee on Claims. H R. 4378. A bill for the relief of William Sperry; with amendment (Rept. No. 969). Referred to the Committee of the Whole House.

Mr. BEVERLY M. VINCENT. Committee on Claims. H. R. 4526. A bill for the relief of Lake Spence; with amendment (Rept. No. 970). Referred to the Committee of the Whole House.

Mr. KEOGH: Committee on Claims. H. R. 4527. A bill for the relief of Mrs. E. V. Cockerhan, mother and natural guardian of Luther Jennings Workman; with amendment (Rept. No. 971). Referred to the Committee of the Whole House.

Mr. JACOBSEN: Committee on Claims. H. R. 4622. A bill for the relief of Henry Clay Gibson; with amendment (Rept. No. 972). Referred to the Committee of the Whole House.

Mr. DICKSTEIN: Committee on Claims. H. R. 4875. A bill for the relief of Paul H. Norboe; with amendment (Rept. No. 973). Referred to the Committee of the Whole House.

Mr. JACOBSEN: Committee on Claims. H. R. 5144. A bill for the relief of Ludwig Bahnweg; with amendment (Rept. No. 974). Referred to the Committee of the Whole House.

Mr. BEVERLY M. VINCENT: Committee on Claims. H. R. 5168. A bill for the relief of Ethel B. Lord; with amendment (Rept. No. 975). Referred to the Committee of the Whole House.

Mr. DREW of Pennsylvania: Committee on Claims. H. R. 5229. A bill for the relief of Carson Bradford; with amendment (Rept. No. 976). Referred to the Committee of the Whole House.

Mr. COFFEE of Washington: Committee on Claims. H. R. 5622. A bill for the relief of Marion Malik; with amendment (Rept. No. 977). Referred to the Committee of the Whole House.

Mr. SMITH of Washington: Committee on Claims. H. R. 6010. A bill for the relief of William Sullivan; with amendment (Rept. No. 978). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 6574. A bill for the relief of E. W. Ross; with amendment (Rept. No. 979). Referred to the Committee of the Whole House.

Mr. ATKINSON: Committee on Claims. S. 171. An act for the relief of George E. Shockley; with amendment (Rept. No. 980). Referred to the Committee of the Whole House.

Mr. SMITH of Washington: Committee on Claims. S. 630. An act for the relief of the Sheehy Drilling Co.; without amendment (Rept. No. 981). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 707. An act for the relief of Lucille McClure; with amendment (Rept. No. 982). Referred to the Committee of the Whole House.

Mr. KEOGH: Committee on Claims. S. 767. An act for the relief of the Charles T. Miller Hospital, Inc., at St. Paul, Minn.; Dr. Edgar T. Herrmann; Ruth Kehoe, nurse; and Catherine Foley, nurse; without amendment (Rept. No. 983). Referred to the Committee of the Whole House.

Mr. COFFEE of Washington: Committee on Claims. S. 828. An act for the relief of Ellen Taylor; with amendment (Rept. No. 984). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 1048. An act for the relief of Alexander E. Kovner; with amendment (Rept. No. 985). Referred to the Committee of the Whole House.

Mr. THOMAS of New Jersey: Committee on Claims. S. 1257. An act for the relief of James H. Smith; with amendment (Rept. No. 986). Refered to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 1849. An act for the relief of the Goldenberg Furniture Co.; with amendment (Rept. No. 987). Referred to the Committee of the Whole House.

Mr. ATKINSON: Committee on Claims. S. 1934. An act for the relief of Halle D. McCullough; with amendment (Rept. No. 988). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 2266. An act for the relief of John A. Ensor; with amendment (Rept. No. 989). Referred to the Committee of the Whole House.

Mr. CARLSON: Committee on Claims. Senate Joint Resolution 30. Joint resolution for the relief of William K. Richardson; with amendment (Rept. No. 990). Referred to the Committee of the Whole House.

Mr. RYAN: Committee on Claims. H. R. 6059. A bill for the relief of Edith Jordan; with amendment (Rept. No. 1005). Referred to the Committee of the Whole House.

Mr. SMITH of Washington: Committee on Claims. H. R. 1729. A bill for the relief of Russell J. Vaughan; with amendment (Rept. No. 1006). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. GARRETT: A bill (H. R. 7467) to authorize the erection of a Veterans' Administration hospital in the State of Texas; to the Committee on World War Veterans' Legislation.

By Mr. WILLIAMS: A bill (H. R. 7468) to provide for the punishment of persons stealing animals moving in interstate commerce, and for other purposes; to the Committee on the Judiciary.

By Mr. SCHULTE: A bill (H. R. 7469) to authorize collection of information concerning amount of prison-made goods produced in State and Federal prisons, and for other purposes; to the Committee on Labor.

By Mr. FISH: A bill (H. R. 7470) to exempt from taxation certain property of the Society of the Cincinnati, a corporation of the District of Columbia; to the Committee on the District of Columbia.

By Mr. MOTT: A bill (H. R. 7471) authorizing the acquisition of timberlands within the boundary of the former Siletz Indian Reservation for the use and benefit of the Indians of western Oregon, and for other purposes; to the Committee on Indian Affairs.

By Mr. KENNEDY of Maryland: A bill (H. R. 7472) to provide additional revenue for the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. STEFAN: A bill (H. R. 7473) to amend the act entitled "An act to safeguard the estate of veterans derived from payments of pension, compensation, emergency officers' retirement pay, and insurance, and for other purposes"; to the Committee on World War Veterans' Legislation.

By Mr. CROSSER: A bill (H. R. 7474) to amend the Interstate Commerce Act, as amended, to promote the safety of travel in air, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. EICHER: A bill (H. R. 7475) to regulate interstate and foreign commerce in agricultural products yielding exportable surpluses; to prevent unfair competition by forbidding the purchase of such products from producers for less than cost of production; to fix the value of money therein; to provide for the orderly marketing of such products; to set up emergency reserves from, and to make loans on, certain export percentages; to authorize debentures for processed and manufactured agricultural products for export; to provide for the general welfare; and for other purposes; to the Committee on Agriculture.

By Mr. GREEN: A bill (H. R. 7476) to provide funds for the initiation of a mapping program in the State of Florida; to the Committee on Merchant Marine and Fisheries.

By Mr. SPARKMAN: A bill H. R. 7477) to provide a method for fixing wages, hours, and working conditions of custodial employees of the Federal Government in the District of Columbia and in the field service, and for other purposes; to the Committee on Rules.

By Mr. MAHON of South Carolina: Resolution (H. Res. 235) authorizing the substitution of a portrait of former Speaker James L. Orr; to the Committee on the Library.

By Mr. FARLEY: Joint resolution (H. J. Res. 406) to establish the General Anthony Wayne Memorial Commission to formulate plans for the construction of a permanent memorial to the memory of Gen. Anthony Wayne; to the Committee on the Library.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BUCK: A bill (H. R. 7478) granting a pension to Barbara Francis Keeley; to the Committee on Pensions.

By Mr. CITRON (by request): A bill (H. R. 7479) granting a pension to Lucy Amelia Thayer; to the Committee on Pensions.

By Mr. JENKINS of Ohio: A bill (H. R. 7480) granting an increase of pension to Emma Ridgeway; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7481) granting the Distinguished Service Cross to Claude M. Nichols, United States Army; to the Committee on Military Affairs.

By Mr. MEEKS: A bill (H. R. 7482) granting an increase of pension to Katherine M. Heath; to the Committee on Invalid Pensions.

By Mr. SWEENEY: A bill (H. R. 7483) for the relief of Harry Morganstern; to the Committee on Military Affairs.

By Mr. WENE: A bill (H. R. 7484) for the relief of Berthel Christopher; to the Committee on Claims.

By Mr. WHITTINGTON: A bill (H. R. 7485) for the relief of Emmett Lee Payne; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2595. By Mr. KEOGH: Petition of the Brooklyn Chapter of the American Institute of Architects, Stephen W. Dodge, president, Brooklyn, N. Y., concerning the Wagner-Steagall housing bill; to the Committee on Banking and Currency.

2596. Also, petition of the Brotherhood of Locomotive Firemen and Enginemen, general grievance committee, Pennsylvania Lines East and Pennsylvania-Reading Seashore Lines, Philadelphia, concerning House bill 147, limiting the length of trains; to the Committee on Interstate and Foreign Commerce.

2597. By Mr. LEAVY: Resolution of the Spokane (Wash.) Junior Chamber of Commerce, urging the immediate adoption by the Post Office Department of the United States a standard cancelation attachment whose theme would bear upon the subject of traffic accidents and which theme shall admonish the general public to drive carefully; to the Committee on the Post Office and Post Roads.

2598. By Mr. PFEIFER: Petition of the Brotherhood of Locomotive Firemen and Enginemen, general grievance committee, Philadelphia, Pa., concerning House bill 147, to limit the length of trains; to the Committee on Interstate and Foreign Commerce.

2599. Also, petition of the Brooklyn Chapter of the American Institute of Architects, Brooklyn, N. Y., concerning the Wagner-Steagall housing bill; to the Committee on Banking and Currency.

2600. Also, petition of the Wayne Lumber Co., Brooklyn, N. Y., concerning House bill 6738, exempting the marking requirement from any article imported during the past 5 years; to the Committee on Ways and Means.

2601. Also, petition of the Independent Steel and Iron Producers Committee on Scrap, New York City, concerning Senate bill 2025 and House bill 6278; to the Committee on Military Affairs.

2602. Also, telegram from the New York State Hairdressers and Cosmetologists' Association, New York City, concerning extension of 10 percent on cosmetics; to the Committee on Ways and Means.

2603. By Mr. SPARKMAN: Petition of Ora B. Yarbrough and various other citizens of Lawrence County, Ala., urging the enactment of the old-age pension bill as embodied in House bill 2257, introduced by Representative WILL ROGERS, of Oklahoma; to the Committee on Ways and Means.

2604. Also, petition of Mollie Emerson and various other citizens of Madison County, Ala., urging the enactment of the old-age pension bill as embodied in House bill 2257, introduced by Representative WILL ROGERS, of Oklahoma; to the Committee on Ways and Means.

HOUSE OF REPRESENTATIVES

FRIDAY, JUNE 11, 1937

The House met at 11 o'clock a. m.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

When thy father and thy mother forsake thee, then the Lord will take thee up. We praise Thee, Heavenly Father, for this immortal care, which has its cradle in the heart of Almighty God; it gives strength to the weak and encouragement to the erring. Impress us that to know the duty of the hour is wisdom and to discharge our obligation to our country is a great virtue. Help us to give forth today a message of faith and good cheer, and grant us, O Lord, the courage to labor as we understand. We kneel at the altar of our souls and pray. Search us, O God, and know our hearts; try us and know our thoughts, and see if there be any wicked way in us and lead us in the way everlasting. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested.

S. 1984. An act for the protection of the northern Pacific halibut fishery.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries.

EXTENSION OF REMARKS

By unanimous consent, Mr. BUCK and Mr. COCHRAN were each granted unanimous consent to extend their own remarks in the RECORD.

LEAVE TO ADDRESS THE HOUSE

Mr. ELLENBOGEN. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes to discuss the steel strike.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent to address the House for 5 minutes. Is there objection?

Mr. SNELL. Mr. Speaker——

Mr. RAYBURN. Mr. Speaker, I object.

EXTENSION OF CERTAIN EXCISE TAXES

Mr. DOUGHTON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of House Joint Resolution 375, to provide revenue, and for other purposes.

The SPEAKER. The question is on the motion of the gentleman from North Carolina that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of House Joint Resolution 375.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of House Joint Resolution 375, with Mr. LANHAM in the chair.

The CHAIRMAN. The Clerk will report the joint resolution.

The Clerk read as follows:

Resolved, etc., That title IV, as amended, and parts I, II, III, and IV of title V, as amended, of the Revenue Act of 1932 are further amended by striking out "1937" wherever appearing therein and inserting in lieu thereof "1939." Section 1001 (a), as amended, of the Revenue Act of 1932, and section 2, as amended, of the act entitled "An act to extend the gasoline tax for 1 year, to modify postage rates on mail matter, and for other purposes", approved June 16, 1933, are further amended by striking out "1937" whenever appearing therein and inserting in lieu thereof "1939."

The CHAIRMAN. By unanimous-consent agreement the time for general debate is limited to 4 hours and 30 minutes, one-half to be controlled by the gentleman from North Carolina [Mr. DOUGHTON] and one-half by the gentleman from Massachusetts [Mr. TREADWAY].

Mr. DOUGHTON. Mr. Chairman, the pending resolution provides for the extension of certain excise and miscellaneous taxes for a period of 2 years as recommended in the President's message of January 6, 1937, in which he said:

> I recommend that the Congress take steps by suitable legislation to extend the miscellaneous internal-revenue taxes which under existing law will expire this June or July, and also to maintain the current rates of those taxes which would otherwise be reduced next June. I consider that the revenue from such taxes or its equivalent is necessary for the financing of the Budget for 1938.

Those are the words of the President with respect to these taxes. The President also recommended that the 3-cent postage rates for first-class mail matter other than local delivery be continued. Unless these miscellaneous taxes are extended the Treasury will stand to lose $650,000,000 annually. I am unable to understand how anyone could consistently and reasonably contend at this time that, under existing requirements of the Government and appropriations made by Congress, we could spare the loss of that much revenue. If we do not extend these taxes, it will be necessary for us to raise a similar amount of revenue in some other manner. No one seriously contends that this can reasonably be done at this time. In the minority report, the minority members of the Committee on Ways and Means refer to this resolution as constituting a breach of faith; that the taxes were originally proposed in 1932, with the definite promise to the American people that they would be allowed to expire at the end of 2 years as provided in the statute.

I should like to know by whom that definite promise was made and who had the right or authority to make any such definite promise. It will be recalled that these taxes were imposed first under the previous administration—the Hoover administration—in 1932, upon his insistence or request, and how could anyone then bind another administration, even of the same party, or how could that Congress bind a succeeding Congress? I should like my friend from Massachusetts [Mr. TREADWAY], when he comes to address the Committee, explain why the minority makes any such statement that this administration has not kept faith. He says it is the third time that this administration has done so, when it was not a party to any such agreement, and it was not even in power at that time.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON. Yes.

Mr. PATMAN. Did the chairman of the committee and the committee consider that we have $800,000,000 of sterile gold that is absolutely not used at this time in connection with this matter, for the purpose of determining the necessity of levying these taxes?

Mr. DOUGHTON. It is the first time I ever heard anything of that kind mentioned by anybody in connection with this matter.

Mr. PATMAN. Eight hundred million dollars.

Mr. DOUGHTON. Has the gentleman ever brought that to the attention of the committee or addressed any communication to me of that kind? I never heard of it before.

Mr. PATMAN. The Treasury statement shows it each day. That gold is laid aside—is not now used at all.

Mr. DOUGHTON. The Committee could not consider a matter of that kind when it was not brought to our attention. It is the first time that the gentleman from Texas even has brought it to the attention of the committee, so far as I recall.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON. Yes.

Mr. COOPER. Of course, it is safely and properly assumed that the President of the United States has full knowledge and information on the gold situation, and yet in his message to Congress he very definitely and specifically requests the extension of excise taxes covered in this resolution.

Mr. DOUGHTON. That is undoubtedly true. The minority views further state that these taxes have been twice continued by the present administration in violation of that pledge, one for a 1-year period, and again for a 2-year period, and further states:

Moreover, by continuing the taxes for 2 years, the Democrats possibly may have in mind bringing in a resolution next year to repeal the nuisance taxes just before the election and thus reap the political advantage which would thereby result.

Now, here is the interesting part of that minority report. I quote:

This, however, could not be sincerely done, in view of the acute financial condition of the Treasury.

They say they could not be sincerely repealed were they on the statute books 1 year from now. If they could not be sincerely repealed 1 year from now, how can you sincerely refuse to extend them now? I want my friend TREADWAY to explain that. [Laughter.]

The minority report also states that—

The so-called nuisance taxes are all consumption taxes, which fall most heavily on the poor and those least able to pay.

Since when, please, did the minority party become so interested about consumption taxes and taxes that fall so heavily on the poor and those least able to pay? That seems to be a new position they are taking. We all remember the position they took in opposition to the enactment of the income tax, the estate tax, and the excess-profits tax, and other taxes based on that principle.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON. No; not at this time. If the gentleman wants to contradict my statement, I will yield, but I do not want to yield for a stump speech. I understand the gentleman is going to make a stump speech and has 40 minutes.

Mr. KNUTSON. I should like to try to get some information.

Mr. DOUGHTON. Unless the gentleman wants to dispute my statement, I do not yield.

Now, what is the history with respect to the taxes this resolution seeks to extend? Facts are always interesting and uncontrovertible. We can give opinions, but I want to give you the facts about how they originated and how they were enacted.

President Hoover, that almost forgotten man—at least one whom some of our Republican friends would like to forget—stated in his message of December 7, 1931, as follows—and I crave the attention of our minority friends as well as the majority. These are the words of President Hoover before these taxes were imposed, when he was asking for additional revenue:

We are now face to face with a situation where for a time the current revenues of the Government under our existing laws have fallen below the amounts required to meet the absolutely necessary expenses of the Government. As already stated, the deficit for the fiscal year 1931 is $902,000,000—

That was under the prosperous administration of President Hoover—

and the estimate deficit for 1932, $2,123,000,000.

Now, can my good friend, the minority leader, hear that? Is that loud enough for him to hear? [Laughter.] I want to be certain the gentleman hears that.

Mr. SNELL. Mr. Chairman, will the gentleman yield for a question?

Mr. DOUGHTON. Yes; I yield. I just wanted to be certain the gentleman heard what I said.

Mr. SNELL. I want to ask you a question about what you have been talking about. Does the gentleman approve of the statement of President Hoover?

Mr. DOUGHTON. Do I approve his statement? I do not approve or disapprove. I suppose he said what was the fact, only he did not make it half big enough.

Mr. SNELL. I just wanted to know if the gentleman approved the statement of President Hoover. That is the first time any Democrat ever approved anything he said.

Mr. DOUGHTON. When he says two and two makes four, I believe it until he says tomorrow that two and two makes six. Then I do not believe it. [Laughter.]

He said further:

The estimated deficit for 1932 will be $2,123,000,000; for 1933, $1,417,000,000, or a total—

This is his exact language:

Or a total estimated deficit for the 3 years of $4,442,000,000, which, after deducting statutory debt redemptions and increased cash in the Treasury, shows for these fiscal years a total probable net increase in the national debt of $3,247,000,000.

Under a Republican administration. Could that be so? He said it would be $3,247,000,000 net increase, but, unfortunately, subsequently it turned out to be a great deal more than that.

I quote further from President Hoover:

I recommend that Congress provide for an increase in taxation for a definite limited period, and upon the general plan of taxation which existed under the Revenue Act of 1924. The Secretary of the Treasury has prepared recommendations along these lines which he will present at the proper time. This plan, it is estimated, will raise $920,000,000 next year.

In other words, the extension of these taxes will be about $650,000,000, including the postage, while he requested special taxes estimated to raise $920,000,000. So the situation then must have been more desperate than it is now, according to that statement of President Hoover.

Since our Republican friends are talking about balancing the Budget, let us examine the record while they were in power and see just how successful they were in making estimates and in balancing the Budget—mark this, and remember that this was during the time when the so-called greatest Secretary of the Treasury since Alexander Hamilton was the Secretary of the Treasury and when Mr. Ogden Mills, a very able man, as we all know, was Under Secretary of the Treasury. Now, listen to this: Instead of having a deficit of $2,123,000,000 in 1932, the actual deficit in 1932 was—now, listen, I want you to understand me—the actual deficit in 1932 was $3,153,097,507. That was for 1 year. And instead of a deficit of $1,417,000,000 in 1933, as was predicted by Mr. Hoover, the actual deficit was $3,068,268,000. So they have some record so far as deficits and increases in taxation is concerned; in other words, instead of an estimated total deficit for the years 1932 and 1933 of $3,540,000,000, they had a total deficit of $7,123,081,266 for these years; and the total increase in the national debt was $6,263,000,000. That is the record.

It comes with poor grace to attempt to deceive the American people by such cheap political byplay. Let us now examine the recommendation of Secretary Mellon which he estimated would yield $920,000,000, and see how the consumer, especially the poor for whom the present minority report has such great concern and to whom it gives such great consideration—let us see how they fared then—especially the poor and those least able to pay. I quote Secretary Mellon, who recommended the following:

An increase of one-sixth in the present rates on tobacco manufacture and its products except cigars.

The tax already was 6 cents a package on cigarettes and he recommended an increase to 7 cents per package through his extreme consideration for the poor; in other words, they wanted the consumer to pay 7 cents instead of 6 cents tax on every package of cigarettes, notwithstanding the fact they were receiving at that time over $400,000,000 revenue from tobacco, and this year will amount to approximately $560,000,000. In this connection it might be well to call attention to the fact that the tobacco consumers of this country will pay more taxes on cigarettes alone than will be collected from all of these so-called nuisance taxes that this resolution seeks to extend.

Secretary Mellon also recommended reducing the exemption on admissions. Let us see the consideration he had for the poor. He recommended the exemption of admissions up to 10 cents. In other words, he would tax all admission

tickets of 10 cents and above. That was the consideration and the compassion that Secretary Mellon had for the poor.

He recommended an excise tax on automobiles and radios, a stamp tax on transfers of real estate, checks, drafts, telephones and telephone messages, and also an increase in the income-tax rates; and in the matter of income-tax rates, as one would surmise, the heaviest increase fell on the small-income taxpayers. Yes; he recommended an increase on the small-income taxpayers. That was more consideration of the poor and those least able to pay.

During the hearings Secretary Mills was subjected—notice this—during the hearings Secretary Mills was subjected to a lengthy cross-examination by the Republican membership of the committee, and he was taken to task and severely criticized because he had not recommended a tax on gasoline, furs, and cosmetics—taken to task by the members of his own party because he did not recommend a tax on gasoline, cosmetics, furs, and things of that kind. If you read these hearings you will find that most of these taxes which our Republican friends now say constitute consumption taxes that fall on the poor were first suggested and recommended by them. They first suggested the taxes they now complain of as being burdensome to the poor. There is no question about that. Maybe the minority leader [Mr. SNELL] does not hear that either.

The minority report charges that this resolution contains elements of politics because it provides for an extension of 2 years instead of only 1, yet in the next breath they say that a 1-year extension would require another extension resolution next year, and that the needs of the Treasury would prevent the repeal of these taxes in the next Congress. That is what I referred to a moment ago.

We were not charged with playing politics back in 1932; oh, no. We were not playing politics in 1932 when a Democratic-controlled Ways and Means Committee sought to meet the needs of the Treasury and pass a tax bill estimated to yield $1,200,000,000—at the request of and to help out a Republican administration and to try to balance the Budget and preserve the credit of the Nation. That was done at the earnest request of President Hoover and Secretary Mellon. The Democratic House patriotically responded to the request of a Republican President and a Republican Secretary of the Treasury in order to preserve the credit of the Government in a great crisis, in a great economic catastrophe, which had its inception under a Republican administration.

Mr. SNELL. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON. I yield.

Mr. SNELL. The gentleman has given us a very careful explanation of the activities of Secretary Mellon under a Republican administration.

Mr. DOUGHTON. Oh, I have not given half of it yet.

Mr. SNELL. Will the gentleman tell us something about the bill that is being presented here today for the consideration of the House?

Mr. DOUGHTON. Of course I will, but I shall not please the gentleman when I do that.

Mr. SNELL. That is what we should like to hear about.

Mr. DOUGHTON. The gentleman will hear plenty more before I get through, and what you will hear will not please you.

Mr. ANDREWS. Will the gentleman yield?

Mr. DOUGHTON. Not at this time. If the gentleman will secure some time for me from that side I will.

Of course the recommendation of President Hoover and Secretary Mellon for enacting these taxes for a definite period contained no element of politics, no more so than the effort made during the last campaign to mislead the people to believe that the present administration was responsible for there being a tax on cigarettes, when as a matter of fact such a tax has been levied since it was first enacted back in 1893.

If our Republican friends are against consumption taxes why have they not sought to repeal or reduce the tax on cigarettes which yields more than all of the so-called nuisance taxes covered by this resolution, and keep faith and carry out the promise Governor Landon sought to convey during the past campaign. They at least owe this to their loyal supporters in Maine and Vermont. Neither have I heard my good friend from Massachusetts [Mr. TREADWAY] advocate the repeal or reduction of the consumption tariff taxes levied for the benefit of special interests, rather than for meeting the needs of the Treasury, and in addition, I think my friend from Massachusetts should be the last person on earth to charge anyone with playing politics or to criticize the extension of these taxes on the ground that they are consumption taxes after he promised his constituents last fall that, I quote:

> In view of the announcement of Dr. Townsend that he will support Governor Landon for President in those States where Congressman LEMKE is not a candidate, I am glad to confirm my support of the principle of old-age pensions as urged by the proponents of the Townsend plan and the McGroarty bill.

The fulfillment of that promise meant imposing a consumption tax on bread, meat, clothing, farm implements, medicine, schoolbooks, furniture, Bibles, and everything under the sun. Now he is talking about these taxes being consumption taxes on the poor. Oh, what monumental statesmanship; yes, mountain-top statesmanship.

If the membership of this House, especially on the majority side, desires to follow the leadership of the ranking Republican member of the Ways and Means Committee [Mr. TREADWAY] rather than the President of the United States, who has to deal with all these problems, then you have that choice today. It is within your choice to follow the gentleman from Massachusetts.

It is not a pleasant duty to levy taxes, and any taxes levied are objectionable or contain some objectionable features. Your committee recognizes this fact and is as anxious to bring about the repeal of these taxes as any Member of this House.

Mr. ANDREWS. Will the gentleman yield?

Mr. DOUGHTON. I yield to the gentleman from New York.

Mr. ANDREWS. Along the line of meeting expenses, is it not true that the Democratic majority has supported some appropriations which were not even approved by the President?

Mr. DOUGHTON. Oh, possibly they have; yes, sir.

Mr. ANDREWS. I am thinking of some of the special items the gentleman has listed here.

Mr. DOUGHTON. How does the gentleman reconcile that with charging us with getting orders from the White House and implicitly following those orders and being a "rubber stamp" if we have exercised some independence? The gentleman should give us some credit for that.

Mr. ANDREWS. I do.

Mr. DOUGHTON. I thank the gentleman.

Mr. ANDREWS. I recall the bill, which involves an additional expense of some five or six million dollars for the construction of a road. It would require the taxes on all sporting goods to meet that expense alone.

Mr. DOUGHTON. The gentleman does not claim that was not O. K.'d by the Budget? The gentleman is not very consistent, because that was O. K.'d by the Director of the Budget, and that is the main reason I advocated it.

Mr. ANDREWS. There is nothing in the record to show it was recommended by the President with the approval of the Budget.

Mr. DOUGHTON. But it was contained in and approved by the Budget. There is no question about that.

Of course, we should all like to get rid of these excise taxes.

It is hoped that perhaps before the end of this Congress relief expenditures may be reduced if business continues to improve as contemplated. [Laughter.] Oh, the gentlemen on that side may indulge in horselaughing, of course. That is very easily done. The gentlemen may explain why it is that there have been such great relief expenditures when the conditions which made that relief necessary and the expenditures necessary had their origin under the previous

Republican administration. This administration inherited the worst economic conditions ever inflicted upon a country, with which the present administration has had to deal, than ever before existed.

People can pay taxes much more easily when conditions are improved, as they are today, when labor is employed, when industry is profitable, and when business is humming. People find it much easier to pay $10 in taxes today than it was to pay $1 in taxes under the conditions which we inherited.

I do not defend high taxes, and I shall advocate the removal of these taxes just as soon as it can be done. We gave due consideration to the needs of the Treasury and the requirements of the public. The public demands Government service, Government activities, and Government expenditures. Congress has passed these appropriations, not the President. Congress has made the authorizations. If the credit of the Government is to be protected and these appropriations provided for we must impose the necessary taxes.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON. I yield to the gentleman from Kentucky.

Mr. MAY. I do not know whether the question I am going to ask is pertinent to this bill or not. However, on page 3 of the committee report there is shown the amount of taxes which will be continued by the enactment of this resolution. I notice under the heading "Taxes on imports" there are listed crude petroleum, and so forth, coal, coke, and so forth, copper and copper concentrates, and so forth, and certain other items. If this resolution is passed, will such taxes be collected irrespective of any trade agreements which may be entered into by the President with foreign countries under the provisions of the Trade Agreement Act?

Mr. DOUGHTON. Undoubtedly. They cannot enter into reciprocal-trade agreements which invalidate the law in existence at the time.

Of course someone would like to see each and every one of these excise taxes repealed. Good reasons can be assigned, no doubt, for repealing each one of the taxes. The impelling reason for continuing them is that we need the money, and until we can raise the money in some other way or reduce the expenses of the Government, which our Republican friends say could be done easily, although they do not specify exactly how or where it could be done, we must continue these taxes. I appeal to the Members on the majority side of the House, where the responsibility lodges, to pass this resolution. Of course the Members on the other side play politics and confuse everything all they can. They do not care anything for consistency. Consistency does not appeal to them. However, we on this side of the House have a great responsibility.

Mr. PATMAN. Mr. Chairman, will the gentleman yield for a question?

Mr. DOUGHTON. Yes.

Mr. PATMAN. I want to vote for the bill if there is any necessity for it. I cannot understand, however, I may say to the chairman of the committee, why we should vote taxes taking away from the people a million and a half dollars a day and at the same time pay $7,000 a day in interest to keep $873,000,000 in gold idle. The Treasury statement issued each day shows the amount of inactive gold we have. The Treasury statement for June 8 discloses that we have $873,000,000 in the inactive gold fund. It occurs to me it is ridiculous to tax the people a million and a half dollars a day by these nuisance taxes and then pay the banks $7,000 a day interest on the bonds necessary to be floated in order to keep this gold idle. If the chairman can convince me we should do this in view of the idle gold, I shall be glad to vote for the resolution.

Mr. DOUGHTON. Does the gentleman believe anyone, living or dead, could convince the gentleman of that?

Mr. PATMAN. Yes; if there is any logic or reason in opposition to the argument advanced.

Mr. DOUGHTON. I could not do that in the time I have, even if I were in possession of the facts to debate the matter with the gentleman. With all due regard to my good friend, the gentleman from Texas, and to his ability and fine service in the House, I do not think he would expect me to enter into a debate on that subject at this time.

Mr. PATMAN. I just wanted to know if the chairman had any information on the subject.

Mr. DOUGHTON. Not as much as the gentleman from Texas, I suppose.

Possibly there will be some amendments offered to strike out certain of these taxes. Just as much reason can be advanced for the elimination of any one of them as another. Until we can make a complete study and readjust our tax system so as to raise the amount of revenue that will be lost if these taxes are not extended, the taxes should be continued. Therefore I hope all amendments will be voted down and that we will pass this resolution as introduced. If through economy or any other procedure we can get along without the money, it will be entirely satisfactory to me, and I shall welcome and cooperate in having these taxes repealed.

I certainly hope this resolution will be passed, in accordance with the earnest request of the President of the United States. [Applause.]

Mr. TREADWAY. Mr. Chairman, I yield 10 minutes to the gentleman from Minnesota [Mr. KNUTSON].

Mr. KNUTSON. Mr. Chairman, the chairman of the committee has made several references to the milk in the coconut. There is no more milk in the coconut, Mr. Chairman. The New Deal has drained the coconuts.

The gentleman was very adroit in evading a discussion of the bill.

Mr. DOUGHTON. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. No; I cannot yield.

For 30 minutes the gentleman very skillfully evaded a discussion of the bill under consideration. I am not surprised. I presume the gentleman at heart is ashamed of being compelled to bring in a measure of this kind, especially after we have repeatedly been assured that each enactment would be the last. This is the third time Congress is being asked to extend these nuisance taxes.

The gentleman, in his very brief reference to the items on which we are proposing here to extend the tax, stated none of the items could be considered necessary.

Now, I submit in all fairness that the item of gasoline is a prime necessity under our modern scheme of things, as is electrical energy, lubricating oil, and toilet preparations. Maybe they do not use soap down in North Carolina, but they do up in Minnesota, and we use matches out in our country, and we do not consider the radio a luxury any more—it is a necessity.

Mr. FRED M. VINSON. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. No; I cannot yield now.

Mr. FRED M. VINSON. I am just interested in matches, and I am sure my friend will yield.

Mr. KNUTSON. Yes; I yield.

Mr. FRED M. VINSON. Is the gentleman objecting to the tax upon matches?

Mr. KNUTSON. I am not objecting to any one item of taxation; I am objecting to all of them.

Mr. FRED M. VINSON. Did not the gentleman support, and does he not support today, an increase of the tax upon paper matches?

Mr. KNUTSON. I will answer that in my own way, if the gentleman will kindly take his seat. I am advocating placing paper matches and wood matches on the same basis.

Mr. FRED M. VINSON. No; the gentleman has been favoring an increase of the tax on paper matches.

Mr. KNUTSON. But I imagine that paper matches are being manufactured by gentlemen who were material contributors to the Democratic national campaign last year.

Mr. FRED M. VINSON. Does the gentleman want to punish them if they did contribute?

Mr. KNUTSON. No; but I do not want to reward them out of the Federal Treasury.

We all know, of course, that this legislation is going to pass overwhelmingly because the President wants it. He does not need it. If he would only begin a policy of common sense in spending, it would not be necessary to reenact this legislation.

The chairman said that maybe before we adjourn these taxes will not be necessary. He is the prime optimist of all the ages. The more money we raise the more ways you will find down at the other end of the Capitol to spend it. No wonder business is jittery. No one knows what lies ahead of him in the way of new taxes, and I may say to you again, as I have stated repeatedly upon this floor, the one thing that is retarding recovery above all others is the excessive taxation the American people have to pay. People are not going to put their money back into business so as to give the Government an additional opportunity to tax them. They are not going to expand and put the unemployed to work when the Government takes all their profits away from them in the form of taxation.

Oh, the gentleman holds out the hope that this will be the last time you will be called upon to rob the American people through the machinery of the tax law. I do not place much faith in Democratic promises. I want to read to you from a platform which I think is one of the greatest documents ever adopted by a political gathering anywhere in all the history of the Republic. This was adopted in Chicago on July 2, 1932:

> We believe that a party platform is a covenant with the people—

Now, what is a covenant? It is an agreement, a contract—

> to be faithfully kept by the party when entrusted with power, and that the people are entitled to know in plain words the terms of the contract to which they are asked to subscribe.

You folks have not kept a single covenant you have made except the one with John L. Lewis last fall, when he kicked in with $500,000 for your campaign fund; in fact, your covenants are more honored in the breach than they are in the observance. And today what do we see? Large portions of the country practically paralyzed because the Federal Government has lent its strength and power to the creation of contempt for law, and we see that the Post Office Department has abdicated its function and now refuses to transport mail under all conditions. Shades of Grover Cleveland, one of the really great Presidents you have given us!

Now, to get back, because I do not want to evade the matter under consideration, as did the chairman; you propose now to raise or to keep on raising over $500,000,000. Notwithstanding the fact that you have levied taxes upon the American people far and beyond those ever levied by any Congress in peacetime, you are several billions away from balancing the Budget. This is a nice record on which to go before the people, and then you wonder why there are 9,000,000 people out of work. At the rate we are going it is only a question of time until we will have twice as many on relief, if the Congress does not awaken to its sworn duties, prevent wasteful spending and squandering of the people's substance, and assure the country that from now on we are going back to a business basis and we are going to keep our expenditures within our receipts. High taxes mean lower living standards, curtailed production, higher prices to the consumer, increased unemployment, and a general feeling of insecurity that bodes no good for the future. Gentlemen, let us return to sanity in governmental expenditures and activities.

Mr. TREADWAY. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. REED].

Mr. REED of New York. Mr. Chairman, these so-called nuisance taxes, which the pending joint resolution proposes to continue for another 2 years, were originally imposed by the Democratic House of Representatives in 1932 after the House had voted down a general sales tax applying generally to all articles excepting food, clothing, and medicine. At the time they were imposed it was provided that they should expire at the end of 2 years, or on June 30, 1934.

Since that time the present administration has twice extended these taxes. Under the National Industrial Recovery Act they were continued until June 30, 1935. Then, 2 years ago, a resolution similar to the present joint resolution was passed continuing them until June 30, 1937. Now, it is proposed to extend them until June 30, 1939.

Thus three times the administration has broken faith with the people in extending these taxes beyond their original expiration date. Yet that is nothing more than we have come to expect from those now in control of the Government. "Covenants with the people" are no more respected by the administration than if they had never been made. We have seen the Democratic platform of 1932 absolutely scuttled; we have seen the President's promises forgotten as soon as they were uttered; and we have even seen the iron-bound pledge of the Government to pay its currency and bonds in gold absolutely nullified. The people should not be surprised, therefore, that the administration has again broken faith with them over the continuance of the nuisance taxes.

Mr. Chairman, last fall, during the Presidential campaign, Mr. Roosevelt made a speech at Worcester, Mass., outlining his tax policy, in which he said:

> Here is my principle: Taxes shall be levied according to ability to pay. That is the only American principle.

Let us apply that principle to these nuisance taxes. Are they levied according to ability to pay? They are not. They apply equally to rich and poor alike. There is no graduation in the rates, as in the case of the income tax. The tax on gasoline is the same, whether it is bought by a struggling farmer or by a multimillionaire. So it is with the tax on electricity, on matches, cameras, chewing gum, sporting goods, cosmetics, toilet soap, tooth paste, furs, tires and tubes, automobiles, moving-picture admissions, and so on. The same is true of the additional 1 cent imposed on the carrying of first-class postage, which, of course, was added for tax purposes, and which is also continued by the pending joint resolution. Thus the extension of these nuisance taxes constitutes another breach of faith on the part of the administration, in that they are not based on the principle of ability to pay.

These nuisance levies are in the category of so-called hidden taxes. For the most part, they are imposed in the first instance on the manufacturer and then passed on through each subsequent transfer until they reach the consumer in the form of a higher price for the article he buys. Of course, there is method on the part of the administration in collecting as much revenue as possible through hidden taxes, so that the people will not know just how much of the tax burden they are really paying.

The extent to which the administration has resorted to hidden taxes is shown in the hearings before the Senate Finance Committee last year in connection with the Revenue Act of 1936. The General Counsel of the Bureau of Internal Revenue, in his statement before that committee, admitted that in 1935, 61.3 percent of the taxes collected were of the hidden variety, as against only 38.7 based on ability to pay. This is almost the reverse of the situation existing in 1930, when over two-thirds of the taxes collected were based on ability to pay and less than one-third were hidden taxes.

In the last analysis, the consumer not only pays these hidden nuisance taxes but he pays many other taxes in the increased cost of what he buys. The real-estate taxes, the license taxes, the franchise taxes, the income taxes, are all passed on to the consumer. That is why every man, woman, and child in the country has a profound interest in taxation, even when the taxes are imposed on someone else in the first instance.

When the people of this country come to realize that every dollar this administration wastes and squanders must some day be collected from them in taxes, either directly or indirectly, they will rise up in their might and put a stop to all

this foolish and unnecessary spending. The trouble is that the administration has lulled the people into the belief that they will never have to pay the bill, which, of course, is absolutely contrary to the fact they are now paying, and in the future will continue to pay, the greater part of the cost of running the Government, not to mention the ultimate reduction of the national debt, which now aggregates over thirty-five billions.

Why is it necessary for us to be considering a tax bill at this time? It is only because the President has failed, year after year, to carry out his oft-repeated promise to reduce expenditures. As a candidate for office in 1932 he gave the country the definite assurance that he would carry out the platform pledge to cut the cost of government by 25 percent. At that time expenditures were running around five billions annually. Now they are from seven to eight billions annually. As is pointed out in the minority report on the pending joint resolution, to which I have subscribed, if the President had merely held expenditures at the 1932 level, without making any attempt to reduce them as promised, our present tax structure would produce in the next fiscal year nearly two billions in excess of our needs.

Thus the reason these nuisance taxes have been extended again and again is that the President has increased the cost of government by some 50 percent. While we have had several increases in the tax burden expenditures still are running far in excess of revenues. Every year the President has been in office he has had a deficit of anywhere from three billion to four billion dollars or more. He preaches economy and promises a balanced Budget, but he only gives lip service to these objectives. The fact is there has been no concerted effort to reduce expenditures. There has been much administration propaganda about retrenchment, but there is nothing tangible that anyone can put his finger on. It is true that the President vetoed a $5,000,000 appropriation for the New York World's Fair on the ground of economy, but what of the hundreds of millions, and even billions, he is throwing away in other directions? He is saving at the spigot and spending at the bunghole, and the taxpayers of the country in all walks of life will some day have to pay the bill for his wanton, reckless spending.

Personally I shall not vote another dollar of taxes on the American people until the administration has first made a determined and conscientious effort to reduce expenditures through the elimination of extravagance and waste. It would be no effort at all for the administration to save the entire sum which the pending bill proposes to raise in taxation simply by eliminating needless expenditures.

In his recent message to Congress on tax evasion President Roosevelt quoted the late Justice Oliver Wendell Holmes as saying:

> Taxes are what we pay for civilized society.

I accept that definition. And in so doing I challenge the right of this administration to pile more and more taxes on the American people simply to fill the pockets of New Deal spendthrifts so that they can continue their wild and unrestrained orgy of extravagance and waste.

In closing let me say that no one can possibly be more concerned over the failure of the administration to balance the Budget than I, but I want to see it balanced by reducing expenditures and not by the process of ever-increasing taxes. [Applause.]

Mr. TREADWAY. Mr. Chairman, I yield 10 minutes to the gentleman from Iowa [Mr. THURSTON].

Mr. THURSTON. Mr. Chairman, while we all recognize the need for a considerable amount of revenue on the part of our Government, yet there are those among us who feel that some of these tax provisions are illogical and unsound and should be discontinued. For instance, the States had already preempted the field of gasoline taxation when the Federal Government subsequently entered that field and imposed a tax of 1½ cents per gallon, thereby requiring the services of many additional tax collectors. One-half of that was subsequently reduced, and now it is again proposed to extend that tax. Then the tax on first-class postage was increased from 2 to 3 cents, or a 50-percent increase, which brings in substantially about $90,000,000. This is a tax that is spread more heavily over the ordinary person, so that there is just complaint of inequality in that respect.

The distinguished chairman of this committee said that they would be willing to reduce some of these taxes if the suggestion of other avenues of taxation could be made. So, carrying out that thought, I suggest to the committee that there are some fields of income which we might approach and which would bring revenue and likewise employment to our people. It is a matter of deep concern, particularly to the people in the agricultural districts, to know that very heavy importation of farm products have arisen, especially in the last 3 years, and if adequate duties could be placed against these imports they would bring additional revenue to the Treasury, or if an increase of these rates would diminish imports it would increase the income of the farmer, and I know that the farmer would like to join that very exclusive group so that he could be numbered among those who pay income taxes. If his position could be bettered, he could contribute, through the income-tax channel, to our Government. Such a course would increase Federal tax receipts.

I now briefly call attention to the tremendous increase in farm imports in the last 3 years. In 1934 about 3,000,000 bushels of corn were imported into the United States; in 1935, 43,000,000 bushels of corn; in 1936, 31,000,000 bushels of corn. In those same years wheat imports increased from 18,000,000 bushels to 38,000,000 bushels, and then to 52,000,000 bushels. In 1934 a million and a half pounds of hogs or pork were imported. In 1935 three and a half million pounds were imported, and in 1936, 17,000,000 pounds, as well as a very heavy increase in other fresh-meat imports. I draw particular attention now to hams and shoulders. In 1934 less than 1,000,000 pounds were imported; in 1935 slightly over 5,000,000 pounds, and in 1936, 26,000,000 pounds were imported—2,500 percent increase in 2 years. Then, in the field of canned meats, 46,000,000 pounds plus were imported in 1934, 76,000,000 pounds plus in 1935, and 87,000,000 pounds plus in 1936. We could and should replace these imported farm products with domestic meat.

There is another subject that is very important to probably two-thirds and possibly three-fourths of the States of the Union, and that is the sheep industry; and, of course, its allied product, wool. In 1935 there were about 109,000,000 pounds of wool imported into the United States, in 1935 slightly more than 200,000,000 pounds, and in 1936, 257,000,000 pounds. If there are about 5 pounds in a fleece, we imported the wool or the fleece from over 50,000,000 sheep into the United States, every pound of which could have been produced at home. That is closely related to our soil-erosion program. It is said that we should build up the secondary land and that it should be placed into noncrop products, in clover and alfalfa and other erosion vegetation, but that land cannot lie idle and be handled to any advantage. It would be a tremendous burden on the person who owned it, so it is obvious that if we have a logical soil-erosion program we should feed the cattle and sheep and cows and horses on this land we are building up and reclaiming, and we cannot do that to the extent that would be equitable and sensible unless we prevent these farm products from coming into the United States. If we are to have a logical policy on erosion, we should conserve these markets for our farmers, just as we propose to save the fertility of the soil.

Here is an interesting situation, and I touch upon it briefly, in respect to the aggregate amount of farm products coming into and going out of the United States: Commencing with the fiscal year 1930 and continuing down to three-

fourths of the present fiscal year, or to April 1, 1937, we exported farm products to the value of $5,284,000,000, but during that same period we imported farm products totaling a value of $6,273,000,000, or almost a billion dollars more imports into the United States than exports from the United States in that period. Therefore some of the countries of the rest of the world held the balance of trade against us in that respect. The figures follow:

Just recently the distinguished gentleman from Texas [Mr. JONES], Chairman of the Committee on Agriculture, after a conference with the Chief Executive, announced that it is improbable that major farm legislation will be considered because of the lateness of the session, and I assume that he spoke advisedly. If he did, then we are not to have any benefits that would flow to this great industry at this session, but apparently other interests have the inside or pole position in this economic race track. We are diminishing hours and increasing wages to other groups in such a substantial manner that the cost of the products which the farmer must purchase have increased greatly. The Chief of the Procurement Division of the Government says that building costs today are substantially 15 percent higher than they were a year ago; farm-machinery cost has been greatly increased, and we know that our metal and allied products have been considerably increased in cost, and because of this increase it is apparent that unless the farmer receives some additional protection, either through the addition of excise taxes or duties upon imports, he is going to lag behind in this contest. Cheap land and cheap labor will continue to take his market.

There is a method in which we can amend existing law and bring him up to a higher level and save his market. I expect therefore to offer an amendment which will increase the duty upon the imports of farm products. When we have a picture of the situation we know that the farmer has not in the past received, and apparently in the current situation is not going to receive, the fair consideration which he should have. We talk a good deal about our foreign markets, and particularly export of automobiles.

The farmers of Illinois and Iowa buy and pay for more automobiles each year than all we are able to export and sell to the rest of the world. It is their well-being and their economic solidarity that is going to primarily promote the welfare of our country. So I am going to appeal to those who have acted in behalf of other groups to be logical and support this proposal. Last week we passed a measure which, of course, will permit the fixing of the price of petroleum products. We have not heard of many foreclosures among that group or in the steel industry, so those from this, the farming section of the country, this most important of all human endeavors, are going to ask that at least they be given the first opportunity in the American markets. I do not contend it will bring them equality in return, but at least it will preserve the American markets to those American producers. I hope I can have the support of the different groups who have taken care of these other industries.

Mr. SNELL. Mr. Chairman, will the gentleman yield for a question?

Mr. THURSTON. I yield.

Mr. SNELL. The picture which the gentleman has painted as to the prospect of the American farmer is especially applicable to the dairy farmer. There is no one industry in the United States that has suffered more under present conditions than the dairy farmers of the North and East. They have received practically no consideration on the part of the administration up to the present time, and every single thing they buy, including the grain they buy from the western farmer, is from 25 to 75 percent higher than it was heretofore. If some consideration could be given, it would be welcome.

Mr. DOUGHTON. Mr. Chairman, will the gentleman yield?

Mr. THURSTON. I yield.

Mr. DOUGHTON. Would the gentleman mind incorporating in his remarks the amount received by the farmer for his crops in 1932 and 1933 as compared with 1936 and 1937 and the number of farmers who lost their homes in 1932 and 1933 as compared with the number of farmers who have lost their homes in the past 2 years? All those statistics and facts bear on the farm situation.

Mr. THURSTON. I would say to the gentleman that would be informative, but he only asks for one side of the picture; and in order to have the complete picture, then we should also have the increases that have been made in the long list of commodities which the farmer is obliged to purchase.

Mr. DOUGHTON. Make the statistics complete. I would like to have it 100 percent complete.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. THURSTON. I yield.

Mr. KNUTSON. Let me also suggest that the gentleman put into the RECORD the great increase in farm foreclosures in the last 2 years.

Mr. THURSTON. That is a pertinent observation.

Now, Mr. Chairman, in closing, I am going to offer an amendment to increase the excise tax upon the importation of farm products one-fourth; and I hope those who are interested in agriculture will rally to the aid of this proposal, so that at least we will have an opportunity to somewhat better farming conditions in the immediate future.

Mr. Chairman, I ask unanimous consent to revise and extend my remarks and include therein two tables in relation to the prices of farm products and imports and exports of such commodities.

The CHAIRMAN. Consent to include in the gentleman's remarks the tables referred to would have to be received in the House. Otherwise, without objection, the gentleman will have permission to revise and extend his remarks.

There was no objection.

The tables referred to are as follows:

Imports of certain agricultural products

(Source: Monthly Summary of Foreign Commerce, December 1934, 1935, 1936)

Commodity	1934		1935		1936		Present tariff rate
	Quantity	Value	Quantity	Value	Quantity	Value	
Corn (bushel)	2,959,256	$1,529,933	43,242,296	$20,291,889	31,470,923	$16,081,671	25 cents per bushel.
Wheat (bushel)	18,542,395	14,489,634	38,870,398	30,362,434	52,980,016	48,115,765	42 cents per bushel.
Cattle (number)	57,679	891,133	384,623	8,497,117	399,113	10,708,230	2½ to 3 cents per pound.
Hogs (pounds)	1,601	205	3,414,317	312,888	17,446,457	1,453,841	2 cents per pound.
Fresh beef (pounds)	140,474	13,445	8,584,114	775,948	3,977,277	307,607	6 cents per pound.
Fresh pork (pounds)	127,746	19,339	3,922,609	540,514	12,944,846	1,790,604	2½ cents per pound.
Hams, shoulders, and bacon (pounds)	968,869	291,331	5,297,335	1,261,146	26,087,850	7,040,739	3½ cents per pound.
Canned meats (pounds)	46,777,875	3,048,016	76,653,242	5,626,393	87,919,868	8,430,524	6 cents per pound but not less than 20 percent.
Butter (pounds)	1,107,020	183,444	22,674,642	3,576,942	9,874,005	2,015,660	14 cents per pound.
Hides and skins	200,781,122	35,259,573	303,475,633	45,576,877	310,483,593	54,770,201	
Wool (pounds)	109,395,881	16,783,791	202,732,658	29,924,827	257,725,220	53,264,482	24 to 29 cents per pound in the grease.

Farm exports, by fiscal years
(From Bureau of Agricultural Economics)

Years ending June 30—	Exports	Imports
1930	$1,038,000,000	$1,163,000,000
1931	752,000,000	834,000,000
1932	590,000,000	612,000,000
1933	787,000,000	639,000,000
1934	669,000,000	934,000,000
1935	766,000,000	1,140,000,000
For the present fiscal year, July 1936 through April 1937:		
Three-fourths of this fiscal year	682,000,000	951,000,000
Total	5,284,000,000	6,273,000,000

Mr. THURSTON. I yield back the remainder of my time, Mr. Chairman.

Mr. DOUGHTON. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. O'CONNOR].

Mr. O'CONNOR of New York. Mr. Chairman, the taxes provided in this bill are called nuisance taxes and are properly so named. They were enacted under a prior Republican administration. As I understand, the author was a distinguished Member of this House, Mr. Ogden Mills, of New York, who would inflict a sales tax on the consumer to protect the income-tax payer in the higher brackets. These nuisance taxes were supposed to the temporary. They are consumption taxes. They were sales taxes, applied to a special group of consumers and inflicted on a special list of commodities. I do not believe that any Democratic administration would ever have or ever will inflict such taxes on our consumers. It is proposed now to again and again carry on this heritage of undemocratic and un-American taxation handed to us from the Republican administration.

Mr. MARTIN of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. O'CONNOR of New York. I yield.

Mr. MARTIN of Massachusetts. I think the gentleman will admit that this legislation originally came out of a Democratic Ways and Means Committee.

Mr. O'CONNOR of New York. I have forgotten if that is true, but if that is so, I would not change my statement as to the iniquitous and the un-Americanism of such taxes.

Mr. FRED M. VINSON. Mr. Chairman, will the gentleman yield?

Mr. O'CONNOR of New York. I yield.

Mr. FRED M. VINSON. Patriotically attempting to help the Republican administration to balance the Budget when the Nation was in peril.

Mr. MARTIN of Massachusetts. Will you tell us why it is continued now?

Mr. O'CONNOR of New York. Now, gentlemen, I do not know, and they should not be continued.

Mr. Chairman, many of the taxes contained in this resolution are unjust and inequitable, and I submit as a prime premise that it is no answer to an unjust or inequitable tax to say, "Well, we have got to get the money somewhere." That is no answer whatever. Nor is it any answer to say, "Well, will you tell us where to get the money otherwise?" That is no answer whatsoever.

For instance, the Federal Government, without any justification whatever, has invaded the gasoline-tax field. That field should have been left entirely and exclusively to the States. There is no justification whatsoever for that particular Federal tax.

What I want particularly to call to your attention, among the many inequities in this continuing resolution, is the tax on furs. What I may say about the tax on furs and fur-trimmed clothing is equally true as to the tax on cosmetics. They are taxes on the consumer and are taxes on necessities. They are taxes upon the little fellow, the consumer, and not upon the big fellow, the purchaser of luxuries.

Permit me to say in passing that the form of this legislation is a confession of legislative cowardice. By a joint resolution, which never should be used for this purpose, it is proposed to continue or extend the Revenue Act, a bill of 1936. To my mind, the deceptive method of a joint resolution should never be used for this purpose. It is either a bill to amend an existing act or it is not. Why the deceptive method of a joint resolution?

Let me illustrate for a moment, the tax continued as to furs. A session or two ago you changed the tax on furs. Let me show you here the picture of a beautiful fur garment of chinchilla which costs $30,000. In the last Congress by one fell stroke you relieved the buyer of that garment of $2,100 in taxes, but you still persisted in keeping the 3-percent tax on the little working girl because she had a piece of cat or rabbit on a coat. You provide, however, not only to tax the cat but to tax the coat, the clothing, the garment—wool, cotton, and so forth. Why, Mr. Chairman, in no sales tax ever proposed was it ever intended to tax clothing, a necessity. How do you finagle to do it? You provide that if the fur is the chief component material in value, then the whole garment is taxed. How does that work? The Government gets very little revenue out of this so-called fur tax which is in reality a tax on clothing, just a few millions at least, $3,000,000 to $5,000,000; whereas the consumer, not the people buying this $30,000 chinchilla coat pictured here which I hold in my hand, not the people buying "fur" coats, but the people who buy fur-trimmed garments, they pay countless millions which the Government does not get.

Let us take a concrete example: A fur-trimmed dress or coat is sold by the manufacturer for $40. There is a 3-percent tax on that because the cat or rabbit fur on the neck is a little more valuable than the rest of the coat or the dress, so the whole thing is taxed. That tax amounts to $1.20. When the coat goes to the retailer, he immediately doubles the wholesale price, the price it costs him, so that he marks it up to $82.40. By that time the person buying it is paying $2.40 in tax; and, of course, the second $1.20 does not go to the Government at all. If this dealer has a price range, as most of them have, if his price range on one garment, for instance, is $79.50, and his next price range is $95, this particular garment in question which has cost him $82.40, is put in the $95-price range, solely because of that $2.40 tax. So the consumer, the buyer, pays $10, $12, or $13 additional which the Government does not get at all, mark you. This tax, intended to be a tax for the benefit of the Government, does not revert to the Government, but is inflicted upon the consumer in pyramid upon pyramid.

It is not only the cloak and suit manufacturers in New York City or the consumers who have complained against this tax.

The farmers of America have protested against this tax for years. I could show you letters signed by Mr. Chester H. Gray and other farmer representatives protesting in behalf of the granges and the farmers, whose incomes have been reduced by reason of this tax upon a necessity. In the off agricultural seasons, the farmers recoup an income from fur-bearing animals. This tax has practically destroyed the industry in the farm sections.

Mr. FLANNERY. Mr. Chairman, will the gentleman yield?

Mr. O'CONNOR of New York. I yield.

Mr. FLANNERY. May I ask what happened to the luxury tax on jewelry?

Mr. O'CONNOR of New York. Well, let me confess that in the closing days of the last session of Congress, I think it was, the 10-percent tax on jewelry was taken off entirely—believe it or not.

Mr. FLANNERY. May I ask the volume of revenue derived from it?

Mr. O'CONNOR of New York. I cannot give the gentleman those figures at the present time, but how that elimination of a real luxury tax happened only the cloistered few can disclose.

The miner, the farmer, the lumberman who has a little piece of fur on his glove or who has a fur-lined jacket, or whose wife has a fur-collared coat are still paying a luxury tax, but the people who buy 20-carat diamonds are relieved entirely from any tax—why I do not know. How it just so happened no one seems to know.

In the city of New York, part of which I represent, 70 percent of all the ladies' garments worn in America are there

made. Hundreds of thousands, perhaps a million, people are employed in that great garment industry. This tax on fur-trimmed garments affects the wages these laborers receive, especially on piece work, which work is figured on the completed cost of the garment, including the tax.

The garment industry is made up of countless small units of workshops. The public generally thinks of the garment industry of New York as a number of great big concerns. This is not the fact. There are thousands of little shops where 7, 10, or 15 people work, for instance. The products of these shops gravitate into the great garment center of New York City, to be distributed to the Nation and the world.

This tax on fur-trimmed garments, which the Government does not get, is a fundamental injustice, because always bear in mind that the tax is pyramided and pyramided again and does have a most decided injurious effect on the worker, the manufacturer, and on the consumer. All of these three bear the burden, and the Government does not profit.

It is no answer to my complaint that you cannot get revenue otherwise. If the tax is unjust it should be repealed.

I was glad, of course, to get this time to discuss this matter. Although I have not introduced a bill in reference to the fur tax, some of my colleagues from New York have. The matter was brought to my attention last February, and I thereupon asked the Ways and Means Committee in writing to do the simple courtesy to the taxpayers and others interested of holding hearings on some of these matters. I wrote a letter to each member of the Ways and Means Committee and I also spoke to a number of the members of that committee personally, but to date no hearings whatsoever have been held as to the continuance of these nuisance taxes which we were guaranteed were temporary. Let me now and here predict, Mr. Chairman, that if the Congress passes this bill extending these nuisance taxes for 2 years more, these taxes, unjust as they admittedly are, will become permanent. They will never be repealed. Posterity will continue to scowl at the tax collectors—to no avail.

Mr. FRED M. VINSON. Mr. Chairman, will the gentleman yield?

Mr. O'CONNOR of New York. I yield.

Mr. FRED M. VINSON. I recall that the gentleman has been very much interested in this matter. Does the gentleman agree with me that there have been three changes in the tax on furs since 1932, and that one of them was at the instance of the gentleman from New York?

Mr. O'CONNOR of New York. I do not recall as to the number, three, but I do know that I appeared before the Committee on Ways and Means in reference to the taxing the entire garment with just a piece of cat's fur on it. I have fought against this iniquitous tax for years.

Mr. FRED M. VINSON. And that amendment was adopted. I am certain that the gentleman favored the amendment that was adopted last year in the 1936 tax bill.

Mr. O'CONNOR of New York. No; I did not entirely.

Mr. FRED M. VINSON. The gentleman means he did not favor reducing the rate from 10 percent?

Mr. O'CONNOR of New York. Oh, yes, indeed; but when you taxed the whole garment with a rabbit skin on it, I contended then it was not fair at all to the consumer, and I still do. You are violating all the principles of a sales tax by taxing necessary wearing apparel. No sales tax would ever pass this House with such a provision in it.

Mr. FRED M. VINSON. The gentleman has been very successful in regard to fur-tax amendments.

Mr. O'CONNOR of New York. And the Ways and Means Committee for some reason have been able to successfully continue this inequitable tax against the fur-trimmed coat worn by the working girl and in favor of the rich who buy expensive furs.

Mr. Chairman, on yesterday I wrote to each Member of the House as follows:

JUNE 10, 1937.

DEAR COLLEAGUE: It is expected that the bill reported by the Ways and Means Committee to continue the nuisance taxes for another 2 years will be taken up on the floor of the House on Friday of this week.

Although requests were made by persons interested in many of the taxes involved, no hearings were held by the Ways and Means Committee, and the bill provides a flat continuation for another 2 years of taxes, which were originally intended only to be temporary, and many of which are inequitable and constitute a sales tax imposed upon a selected group of articles, some of which are necessities.

For instance, the 3-percent tax on furs and fur-trimmed garments, which so vitally affect a great industry of my city of New York, is typical of other injustices under these nuisance taxes.

When the bill is taken up on the floor of the House, I intend to call the attention of the House to this situation, which is substantially as follows:

The tax imposes an unjust and inequitable hardship upon the farmer, the laborer, the small producer, and the consumer, which is entirely unjustified by the revenue derived.

For years the National Grange has opposed this tax. The farmer who supplements his meager and hard-earned income by trapping and hunting in the winter months, finds a depressed market for his furs as a result of the tax. When the same farmer or trapper buys a fur-lined hat or work glove he pays a tax on the very commodity which he produced.

The tax is imposed not only on the materials—the woolens and linings—but upon the labor represented in these garments.

The miner or the laborer is taxed for the dab of pelt which may give a semblance of warmth to his wife's cloth coat.

The consumer's tax burden is many times the revenue derived by the Government. The women's coat and suit manufacturing industry, for instance, is comprised of numerous small manufacturing units which uphold wholesome labor standards, strive in every way to be constructive members of the business community, and produce a vital necessity. Not only is this industry placed at a competitive disadvantage in intercommodity competition, but the pyramiding of prices from producer to retailer to consumer applied to the millions of taxable garments sold annually imposes a tremendous burden on the consumer infinitely in excess of and completely unwarranted by the revenue derived.

Nor is this tax on the great mass of consumers even slightly justified by the income to the Government. The proportionate revenue derived from the tax is negligible. Moreover, even though the proportionate yield were greater, it is self-evident that Government revenue, however necessary, is never justified by an unjust tax.

This temporary tax has survived to date, but the time arrives when justice to the farmer, the laborer, the consuming public, and to a burdened industry demands that it be permitted to pass from the statutory picture.

Sincerely,

JOHN O'CONNOR.

The Revenue Act of 1936, which imposes a 3-percent tax on furs and articles of which fur is the component material of chief value, has failed to yield the Government any appreciable revenue and violates every principle of equitable taxation. All wearing apparel which is fur-lined or fur-trimmed is taxed, and when the fur is the component material of chief value the entire garment is taxed.

This tax vitally affects a great industry in my city of New York, and is typical of many other injustices under these nuisance taxes.

The revenue derived from the fur excise tax is negligible when compared to the total Budget. For the period July 1, 1936, to May 1, 1937, the total receipts therefrom, as reported by the Bureau of Internal Revenue, amounted to $5,275,862.31, and for the preceding same period $3,035,855.71. By virtue of the 1936 amendment thousands of additional manufacturers who had been heretofore exempted from the operation of the tax were rendered subject to it, and the cost of collection seriously impairs the revenue derived.

The fact is, however, that the consumer's tax burden far exceeds this revenue. The pyramiding of prices from the producer, on whom the tax falls, to the retailer and then to the consumer, applied to the millions of taxable garments sold annually, imposes a tremendous and unwarranted burden on the consumer. For example, a taxable coat or suit is sold to the retailer for $20 plus 60 cents for tax. The retail profit, which is 40 or 50 percent for this commodity and sometimes higher, is based on the delivered cost. Consequently the purchaser of this garment pays anywhere from 85 cents to $1.20 as tax, whereas the Government revenue is only 60 cents.

Frequently the tax projects the garment into the next higher retail priced bracket than that which it would have occupied had it been tax free. In these cases the consumer pays 5 to 10 times the amount which the Government receives.

The tax is an onerous burden for the industries subjected to it. The women's coat and suit manufacturing industry, for instance, is comprised of numerous small manufacturing units, upholding wholesome labor standards, and striving in

every other way to be constructive members of the business community. This tax places these industries at a decided disadvantage in intercommodity competition.

The fur excise tax also falls upon the materials—cloth and lining—as well as the labor represented in these garments. Congress never intended to enact an impost of this kind. I do not believe it intended to saddle a luxury levy upon the lumberman's gloves and the farmer's hat when these are lined with what the law flatteringly classifies as fur. Nor did Congress seek to figure as finery the dab of pelt that may give at least the semblance of warmth to the coat of an unemployed miner's wife. The obvious unfairness of this tax is further demonstrated by the fact that an evening gown which costs five and six times as much as the coat of a laborer's or farmer's wife, and a hat or pair of custom-made shoes costing as much as the coats for three or four children are not taxed.

Even if this revenue were necessary other and more equitable means of raising the money should be invoked. This "temporary" tax has survived to date, but the time arrives when justice to the farmer, the laborer, the consuming public, and a burdened industry demands that it pass from the statutory picture.

Among the countless telegrams and communications I have only just recently received in reference to this fur tax, the following are examples:

NEW YORK, N. Y., *June 10, 1937.*

Hon. JOHN O'CONNOR,
House of Representatives:

We respectfully urge you to oppose retention of tax on furs and articles of which fur is component material of chief value. This tax is a discriminatory burden against major industries of New York City. It is a luxury impost upon a necessity. Your cooperation will be deeply appreciated.

NATIONAL COAT AND SUIT INDUSTRY RECOVERY BOARD.

NEW YORK, N. Y., *June 11, 1937.*

Congressman JOHN O'CONNOR,
House Office Building:

Read with pleasure your splendid communication to your colleagues on fur tax. The American Farm Bureau Federation, as well as National Grange, strongly opposed to this tax. Call Chester Gray, of the Farm Bureau, if you desire verification. Good luck to you. Thanks for your efforts.

MICHAEL HOLLANDER,
National Fur Tax Committee.

NEW YORK, N. Y., *June 10, 1937.*

Hon. JOHN O'CONNOR,
House of Representatives, Washington, D. C.:

The so-called fur tax, which is actually an impost on cloth garments trimmed with fur, has impaired the ability of the coat and suit industry to give employment and to consume woolens, linings, and other materials. This inequitable impost is a severe blow to New York's industrial welfare, as more than 80 percent of the national output of coats and suits is produced here. We ask that you join with your colleagues from New York in removing this glaring example of sectional discrimination from the miscellaneous tax bill when it comes to the House.

J. LOUIS DUBOW,
Executive Director,
Merchant Ladies' Garments Assn., Inc.

NEW YORK, N. Y., *June 10, 1937.*

Hon. JOHN O'CONNOR,
House of Representatives, Washington, D. C.:

The undersigned organization, comprising 400 manufacturers of coats and suits, employing 15,000 workers in New York, appeals to you as a fellow New Yorker and fair-minded legislator to have tax on furs and fur-trimmed merchandise eliminated from miscellaneous tax bill. This tax has seriously retarded the recovery of this industry. We shall be grateful for any assistance in this connection.

SAMUEL KLEIN,
Executive Director,
Industrial Council of Cloak, Suit, & Skirt Manufacturers, Inc.

NEW YORK, N. Y., *June 10, 1937.*

Hon. JOHN O'CONNOR,
House of Representatives, Washington, D. C.:

The present fur tax applies to trimmings on children's garments, this being typical of unsoundness and unreasonableness of this levy. It is an intolerable burden to New York industry and is indefensible insofar as the public is concerned. By insisting upon the termination of this tax you will be correcting an obvious injustice and will be rendering a valuable service to the largest manufacturing field in your home city.

CHARLES BAKER,
Executive Director, Infants' & Children's Coat Association.

I. THE FUR TAX IS LEVIED UPON CLOTHING, A NECESSITY OF LIFE

The Revenue Act of 1936 imposes a 3-percent tax upon articles made of fur, or of which such fur is the component material of chief value. All wearing apparel which is fur lined or fur trimmed is taxed. When the fur is the component material of chief value the entire garment is taxed. Fur-trimmed cloth garments, fur-lined gloves, fur-lined jackets, and children's apparel are typical necessities which are taxed under this section, and the farmer, the laborer, and the great mass of working women are the consumers who bear this burden. The obvious unfairness of this tax is shown by the fact that there is no impost upon a hat costing as much or more than a coat; or upon a pair of custom-made shoes costing as much as coats for three or four children.

II. CONGRESS DID NOT INTEND TO TAX NECESSITIES

It is clear that when this excise tax was introduced as section 604 of the Revenue Act of 1932 it was not intended to apply to necessities (CONGRESSIONAL RECORD, May 1932, pp. 11023, 11376, and 11381). In 1934 Congress, cognizant of the injustice of the 1932 act, amended it to provide an exemption for all garments under $75 (sec. 608 of the Revenue Act of 1934). In 1936 the tax was again amended to apply to all garments regardless of price. An examination of the CONGRESSIONAL RECORDS referred to will quickly reveal that the intent of Congress as expressed therein is defeated by the present section of the law. It is also a fact that if a general sales tax had become a law in 1932 fully 60 percent of the coats and suits now taxed as a luxury would have been exempt as basic necessities.

III. THE TAX IMPOSES AN UNWARRANTED BURDEN UPON AN IMPOVERISHED INDUSTRY

For the period 1931 to 1935, inclusive, the women's coat and suit industry has lost approximately $10,000,000, or 17 percent of its working capital. In 1935, a year in which practically all industries earned a profit, the coat and suit industry lost 1.37 percent of its already depleted capital. The rehabilitation efforts of an industry whose resources have been exhausted to this extent should not be retarded by this excise tax. The tax, as indicated below, places this industry at a competitive disadvantage with other industries. The fact that this trade has fared more poorly than any other branch of the needle trades is attributable, in part at least, to this competitive handicap.

IV. THE CONSUMERS' TAX BURDEN FAR EXCEEDS THE GOVERNMENT REVENUE

Retail mark-ups are calculated on a percentage of the delivered price. A $25 fur-trimmed coat bearing a 75-cent tax is sold to the retailer for $25.75. If the retail mark-up is 100 percent, the consumer pays $51.50 for the garment. The 75-cent tax which is paid to the Government has been pyramided to an additional cost of $1.50 to the consumer. This principle of pyramiding applied to the millions of garments sold annually imposes a tremendous burden on the consumer, completely unwarranted by the comparatively small revenue derived.

V. WOOL AND LABOR ARE TAXED

When fur is the component material of chief value on a garment, the tax is levied upon the selling price of the entire garment. Though the fur may cost $10 and the garment be sold for $30, the tax is 90 cents—60 cents of which is a tax on wool, labor, and other elements of production cost. This tax minimizes the protective tariff on wool and imposes an unconscionable tax on labor. A most conservative estimate of the amount of the so-called fur tax that is derived as an actual impost upon woolens and cloth garment labor places it well above $1,000,000—not large as to revenue but a staggering burden upon the industrial factors in question.

VI. CONGRESS IS OPPOSED TO THE TAX

Every candidate for Congress in the last election of 1936 was asked to express his opinion of the fur excise tax. Almost without exception the entire body expressed disapproval of the tax and favored its repeal.

Surely the time has come to repeal this fur tax.

Mr. DOUGHTON. Mr. Chairman, I yield 10 minutes to the gentleman from Iowa [Mr. WEARIN].

Mr. WEARIN. Mr. Chairman, no one particularly cares to talk about taxes unless he is against them, but every one also knows that in order for the Federal Government to continue its operations it must be supported with revenue. I have just a few things to say with reference to the extension of the so-called nuisance taxes before I consider another subject briefly that I did not know was going to be under discussion today. I came to the session this afternoon with the definite understanding we were debating a tax bill, not a tariff bill, and I want to direct my remarks to the latter proposition for a few moments in view of the fact the issue has been raised.

It might be well for us to refer to the fact that the good faith of the President of the United States has been challenged upon the ground that taxes have not been reduced. I deny that inference. It all depends upon how you look at the subject of taxes as to whether or not they have been reduced. One might say, for example, that if a man is earning $50,000 a year and is forced to pay half that amount in taxes, $25,000, and it constitutes a substantial increase in the total amount of taxes over what he was paying 2 years ago, he has just reason for complaint at first thought, but let us carry the argument a step further. Let us go back to 1932. Suppose that man was paying $500 in taxes and was not earning anything in the way of income. That certainly would constitute a heavier tax burden than paying half of his total income of $50,000 in taxes and he would be in a much more serious condition financially. That is a hypothetical example, but it serves to illustrate the point I have in mind that people who are paying more taxes today under the New Deal are paying them because they have larger incomes and because they are making more money as a result of the New Deal program that has been given to this country.

It is a question of whether the American people want to earn more money as a result of some of the activities of the Roosevelt program and pay more taxes or whether they want to pay slightly less taxes and not earn any money, as was the case in 1932 and before. That is one of the important issues we must take into consideration in discussing the question of taxation.

I think it is also important for us to keep the fact in mind when we are talking about the matter of income for the Federal Government that sometimes, and certainly under this administration, people receive more for taxes than any other money they spend. We may take, for example, the policing of the national waters of the United States and the international waters; the military protection that we receive as a result of Federal expenditures, and we might take specifically in this administration the public-works program which for the first time in the history of this country has given us a wide distribution of public benefits, paid for out of tax money, of course, or the work-relief program that has done what? Put money into the pockets of the people who needed it the most. I stated in my own district, and will be glad to say again at any time, if there has been any tax money wasted in the payment of salaries to people who were out of work, that money did not go to Wall Street, but on the contrary it went into the hands of people who needed it badly.

What did they do with it? Did they go out and buy stocks and bonds? No. They bought food, clothes, and fuel from the businessman on Main Street in the little town in which they lived, and many a retailer kept his back away from the wall and preserved his solvency as the result of that relief program, which is paid for obviously out of taxes. Taxes upon what? Upon the larger incomes and more prosperity in America since 1932 than we have seen in many years before.

Now, to depart for a moment from the matter of taxes to tariffs and trade agreements, which I did not expect would be under consideration today. The suggestion has been made by my distinguished colleague from Iowa [Mr. THURSTON] that we ought to increase the tariff rates on agricultural products in order to increase the income to the Federal Treasury, and that if the result was a decrease in agricultural imports, there would be an increase in the income of the American farmer that could be taxed. If his proposal worked out that way it would be fine, but it does not. In fact, that observation was an astonishing statement for my colleague to make, when he comes from the State of Iowa. When we stop to consider the price of hogs went down to 1½ and 2 cents a pound under the highest protective tariff in America, with the income of every American farmer considerably below nothing, farm bankruptcies occurring by the thousands, American business throughout its entire stretch from agriculture to industry in a state of ruin, and all during the highest protective tariff regime in the history of the Nation, it is astonishing that he would take the position that we ought to increase the revenue of the United States by increasing tariffs on agricultural products, as was done under the three administrations of his party that preceded Roosevelt.

He also leaves the inference that the American farmer would profit as a result of such an arrangement; but it is obvious that the American farmer did not profit as a result of it in the past, and I insist when he revises his remarks he ought to include therein, as our distinguished chairman of the Ways and Means Committee pointed out to him, a statement of the total income that the American farmer is receiving today under this program and the total income he received in 1932 and before under the Hawley-Smoot tariff. He ought to also include therein the prices received for pork products, about which he complains at the present time, from 1934 to 1936 under this program of reciprocal-trade agreements with those of 1932, if that is what we are talking about; and I apologize to the members of the Ways and Means Committee on the majority side for raising this issue, but I felt it was necessary to discuss the matter in view of the circumstances.

I might also go into the matter of the tariff with reference to the subject of corn and impress upon the people of this country that agricultural imports have come in here, why? Because corn was 10 cents a bushel? No. Because it was $1.35. That is why it has come in. That is one of the principal reasons it has come in. Farmers have been out of feed grains all over the country and imports have saved them from suffering unduly at the hands of speculators during 1936.

We ought to keep the issue clear. We ought to keep the facts before us when we are discussing these questions and not allow the American people or ourselves to become confused. Agricultural imports into the United States have likewise increased by virtue of drought conditions that have prevailed since 1934 almost continuously in many parts of the country up to and including 1936.

[Here the gavel fell.]

Mr. COOPER. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. WEARIN. I point out these facts because I believe it is well for us to keep in mind that the American farmer, as a result of the trade program which has been advanced by an able Secretary of State, has enjoyed a continuing increase in farm income in all respects. If we have had more farm foreclosures, as was intimated here a few moments ago, in the last year or two than there were 2 and 3 years ago, it is because there has been some relaxation of the moratorium laws passed by State legislatures, necessitated by the crisis which prevailed in 1932, when we took over the Government of the United States, and because of debts which were entailed as the result of the unsound economic policy which prevailed prior to the administration of Franklin D. Roosevelt. [Applause.] I would remind you that after all is said and done the American people have received more in the first 4 years of the Roosevelt program for their tax money than they had ever received before. For the first time the man in the street realizes it is worth the effort to have a Federal Government in Washington which believes in the rights and the welfare of the average man. [Applause.]

[Here the gavel fell.]

Mr. TREADWAY. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Chairman, I did not hear all the remarks of the gentleman who has just spoken, but he said something about the Roosevelt administration giving the people so much.

I do not know whether he mentioned the abundant life or not, but that is the old gag, and he ought to have mentioned the abundant promises and pledges that have not been carried out.

May I remind the gentleman that the President of the United States has himself repeatedly stated that one-third of the people are undernourished, badly clothed, in want, and poorly housed? You have been in office for 4 years and you still talk about giving the people this or that out of their own money. The New Deal goes around and around and around and comes out where? Out of the pocketbooks of the taxpayers.

Here again we have a bill to raise additional revenue, I suppose again to balance the Budget, and what do you do? You pick out selective sales taxes, nothing but sales taxes, much worse than if you had a general sales tax on manufactures. You pick out these discriminatory taxes on special industries in order to raise a few hundred millions of dollars, and who pays the bill? Why the poor people and the burdened consumers. Where is your financial policy? It is of a vanishing type. It is like the Cheshire cat in Alice in Wonderland. Sometimes you see the grinning face, sometimes you see one or two paws, and sometimes you even see the tail, but you never see the entire cat. Your financial policy is like trying to nail a Camembert cheese to the wall; it just does not stick. There is no policy whatever except to borrow more money, to pile debt upon debt and deficit upon deficit, and continue to increase the national debt, which is now over $35,000,000,000, or almost $20,000,000,000 more than it was under the administration of Calvin Coolidge.

I am opposed to this form of taxation, its soaking and swatting the poor. You have already squeezed the rich taxpayers dry and now you pick the pocketbooks of the wage earners, farmers, and small-business men. I am opposed to it doubly as long as you continue to take money out of the Treasury, $800,000,000 since the first of the year, to buy gold from foreign nations at twice the cost of production. This money comes out of the Treasury of the United States from the American taxpayers and out of the general fund of the Treasury Department. It is added to the deficit and increases the national debt and makes it utterly impossible to balance the Budget. What is the use of trying to raise a few hundred million dollars when you are letting the money out of the Treasury through the bunghole? This expenditure since January 1 amounts to almost $900,000,000. It jumped $91,000,000 last week alone, in order to buy gold from Russia, where gold for which we pay $35 is produced at $5 an ounce. In South Africa, gold is produced for $15 to $20 an ounce, and we pay $35 an ounce for that. What is the use of trying to raise revenue when you let the Treasury of the United States take hundreds of millions, almost a hundred million dollars a week, out of the Treasury to buy gold we do not need, and bury it in the ground where it does not produce any interest whatever?

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. FISH. I yield.

Mr. KNUTSON. Another objectionable feature of this bill to which the gentleman might call attention is the fact that it invades the States' field for raising taxes, including such articles as gasoline and lubricating oil.

Mr. FISH. Oh, does not the gentleman know by this time the Democratic Party has absolutely forgotten all about States' rights and State sovereignty, and that such issues have vanished under the New Deal? They are not concerned with them any longer.

Mr. KNUTSON. The gentleman has reference to the New Deal Party. I think the Democratic Party is just as much concerned over States' rights as ever.

Mr. FISH. Where are they except for the few constitutionalists that are left in the Democratic Party?

Mr. KNUTSON. There are some down in the Smithsonian.

Mr. FISH. Mr. Chairman, I have here an editorial from the Philadelphia Record concerning the gold situation. This editorial comes from one of Mr. Stern's papers which has been 100 percent New Deal. I now find it is only 99.5 percent New Deal. This is the first time I know that any of his papers have left the New Deal reservation.

The editorial is entitled "Alice in Blunderland" and reads as follows:

Alice found herself in the Treasury Department. She'd heard they were buying goldfish, at $35 a pound, and, she reflected, the two goldfish in the bowl at home would pay her way to the movies.

A man who looked for all the world like the Mad Hatter—only he didn't have a hat—walked up to her.

"Young lady," he said severely, "how did you get in here?"

"There was a hole in the Budget", said Alice, "so I just slid through."

"Would you like to buy some Treasury notes?" countered the man. "We have $800,000,000 worth for sale."

"But I came here to sell you some goldfish", objected Alice.

The man scratched his chin. "We've only been buying gold—so far—" He paused, then seemed to reconsider, and said: "Well, wait a few minutes. I'll see if we can handle goldfish, too."

Alice waited.

"We'll make you a proposition", said the man who looked like the Mad Hatter, a few minutes later. "We'll buy your goldfish if you'll persuade your friends to buy our Treasury notes. Fair, isn't it? Especially since we're paying half a percent higher interest than we've paid in years."

"Why higher interest?" inquired Alice. "Won't I, as a taxpayer, have to help pay that?"

"Come, come, child, you don't understand. The higher interest is the result of our Treasury policy of higher reserve requirements, which makes money scarce."

Alice hesitated. She was a little frightened now. Wonderland hadn't been anything like this. "But tell me, what will you do with the goldfish?"

"Oh", said the man who looked like the Mad Hatter, "we'll bury them with all the gold we've been buying. After all, if Europeans will sell us gold for $35 an ounce, when it costs them only $20 an ounce to mine it, you should be tickled to get $35 a pound for your goldfish."

"It's all very confusing", said Alice. "And I'm worried about the fish, buried with all that gold. Haven't you enough gold now?"

"How much is 'enough gold'?" came the tart reply. "You might as well try to figure out how many is 'enough goldfish.' We can't be bothered."

"Oh, I guess it's a bargain", murmured Alice, "but I still can't understand why you have a policy of making it more expensive for you to borrow money."

"You don't understand economics, my dear."

"And I still can't see", persisted Alice, "why you pay more to borrow money to buy goldfish you don't need."

"Come, come", said the man who looked like the Mad Hatter, soothingly. "You just don't understand finance. Bring in your goldfish. We'll give you the money * * * cash. * * *."

In the remaining few moments I want to add a few words to some remarks I made the other day in regard to the last finance bill to plug up the loopholes in the income-tax law. Let me say to the members of the Committee on Ways and Means, Democrats and Republicans alike, that if you propose to plug up these holes and stop tax evasion and tax avoidance there are other income-tax payers besides those referred to in the President's message whose incomes you should also look into. I have not myself seen the income-tax returns of the President of the United States, and do not believe I would be permitted to see them, but I suggest the committee look at the income-tax returns of the President. I am informed on reliable authority he has deducted from his income tax the losses on his so-called farm at Hyde Park in my district in New York, which, after all, is not a farm but a palatial residence and country estate, and also for losses on his cotton plantation in Georgia. If he has done that, why should not others under the law deduct from their taxes in the same manner? If you are going to investigate anyone's taxes, I suggest you investigate those taxes as well; at least, these rumors should be verified or scotched. What is sauce for the goose is sauce for the gander.

[Here the gavel fell.]

Mr. TREADWAY. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. CROWTHER].

Mr. CROWTHER. Mr. Chairman, I have some special objections to the enactment of this bill into law, one of which is that it has not been given the committee consideration that is its due. The Congress picked out some 20 industries in the United States and laid upon them individual sales taxes. Why we picked out these particular 20 industries nobody knows. I suppose it was on the general proposition that it is easy money to collect, as, for instance, the Federal gasoline tax.

The chairman of our committee, the distinguished gentleman from North Carolina, referred to the fact we had inherited these taxes and the necessity for them from the terrible conditions that were handed them by a Republican administration. Well, speaking of inheriting burdens, I wonder if my Democratic friends have stopped to think that the Republican administration in 1921 inherited a burden of twenty-six and one-half billion dollars of war debts from the preceding administration. This was everybody's debt.

During 11 years of my service on the Ways and Means Committee we were concerned with four tax reductions, in 1921, 1924, 1926, and 1928. In 1921 the total reductions were $663,000,000; in 1924, $579,000,000; in 1926, $422,000,000; and in 1928, $222,000,000. During this 11-year period we were considering tax reductions, and we did not have deficits, but we had a surplus each year. So my experience during the last 6 years has been quite different from the 11 years' experience during which we reduced the national debt ten and one-half billion dollars—this war debt we fell heir to when President Wilson retired from the White House.

It is only fair to say that in the reduction of this debt by ten and a half billion dollars, there were involved many recoveries on the part of the Government in connection with the railroads, and in connection with war supplies that were sold, and it was not all from surpluses, but nevertheless we reduced that debt from a high in 1919 of $26,596,000,000 to a low point of $16,026,000,000 in 1930. Since then it has steadily increased until it is now above $35,000,000,000 and still mounting. I presume the Members of the majority do not care very much for the minority report that was made here, but there is one sentence they ought to cut from it and paste on cardboard and stick right in front of their desks or right in front of their shaving mirrors. At the bottom of page 21 there is the statement made by the President when he was a candidate for office in 1932 when he pledged that "rigid governmental economy shall be forced by a stern and unrelenting administration policy of living within our income." Every one of our Democratic brethren ought to cut this out and keep it in full view to remind them constantly that this is one of the many promises that has been completely forgotten by this administration.

Now, these taxes are not new taxes, Mr. Chairman. They were originally war taxes and were much more extensive in their scope than they are at the present time. There are very few men in the House who remember when these taxes were enacted into law. The political complexion of this House has changed materially since then, due to circumstances to which it is unpleasant for me to refer. [Laughter.] So very few present Members know how they were put in.

In 1932 we tried to have enacted here a manufacturers' excise tax. Afterward the gentleman from Massachusetts [Mr. McCORMACK] introduced such a bill and I introduced one afterward continuously for about 4 years. You may recall that fight led by the chairman of our committee. His lieutenant on this side of the House was Major LaGuardia, now the mayor of New York, together with a group of Progressives, and the Democrats, as a whole, although there are a few who were for the policy. Chairman Crisp was acting chairman of the Ways and Means Committee at the time. It was a sensible measure. It had the licensing system to prevent pyramiding and carried a very low rate of 2¼ percent with exemptions on food, clothing, and medicines.

This is the kind of tax we ought to have. We ought to have a Federal sales tax of that character and then have the money allocated to the 48 States proportionately, but that field has been so invaded by the States and by cities and other political subdivisions that a Federal sales tax now is wellnigh out of the picture, whether it is a manufacturers' excise tax or not; but what interests me now is that in some of the States where gentlemen were most strenuously opposed to it, their own States have adopted this type of tax. I do not know how they explain this, but perhaps they do not want to explain it. Some things are better left unsaid.

When we failed to pass the excise tax there was hurriedly sent up to the Speaker's desk from the chairman of the committee these amendments, and they were adopted one by one. They figured them out hurriedly. Nobody in the House had seen them and no one was apprised of the effect of what was being done. They were hurriedly sent up from the chairman's desk, after the other measure had failed, and were adopted, and now appear in today's bill under the title of manufacturers' excise taxes.

Of course, the policy is unfair, and what I complain about, as I said in the opening, is that we should have had public hearings and have given many of these taxes some consideration. Take the match tax. We could have improved the revenue on that by a very slight change, and we could have eliminated some of the others without losing very much revenue. I appreciate the need for revenue, and until the end of the squanderlust which is part and parcel of this administration we are going to continue to need increasing revenues. What I regret is that the people at home, the people abroad in the country, in the letters to me, and in the contacts I make with them, seem to be absolutely unconcerned about where the money is coming from. Those who are beneficiaries of the relief program—and, incidentally, the relief program is figured as good for 15,000,000 votes, together with their relatives—are all absolutely unconcerned about where the money is to come from.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. DOUGHTON. Mr. Chairman, I yield 10 minutes to the gentleman from Arkansas [Mr. FULLER].

Mr. FULLER. Mr. Chairman, a tax bill is always a very unpleasant measure to vote for. I was a little amused at my colleague from New York [Mr. FISH]. He said that he is opposed to this kind of taxation and opposed to this kind of a measure, but when this measure was brought in under the Hoover administration in 1932 he voted for it. He voted for practically every appropriation that this administration recommended. These appropriations will take money back to his constituency just as it does to the constituencies of the rest of us; but when it comes to voting for a tax measure, he says that he is against it; and then to fill out his time he said he would read us a little joke from an article in one of the papers in his district. He presented no argument against this bill. He is like an old Member of Congress who attributed his long term in office by voting for all appropriations and against all taxes. No one on the floor of this House dares to present an argument against the bill. The gentleman from New York says that he is in favor of balancing the Budget. When he does that, all we need to do is to go back and look over his record of votes for the last 4 years and we will find that he has voted for practically all of these measures. Of course, we have the query of the gentleman from Pennsylvania [Mr. RICH], who always wants to know where the money is coming from. It is a fine thing to talk about, getting the boys in the gallery to put a little headline in the paper which says that FISH damns the President and says that there are loopholes in the tax law and that he is evading taxes. That is no argument. If there are loopholes in these laws, the gentleman's party has been in power almost all of my entire life, then why have not they regulated them? There are always going to be loopholes, so far as the income tax is concerned. But this administration is anxious to cure all defects and is not afraid of accumulated wealth and its influence.

Let us get down to the milk in the coconut and see whether we should pass this bill. This measure did not originate with us; it originated with the Republicans, and they were not appropriating money as we have been—necessitated by lack of foresight of Republican misrule. We inherited their panic and depression, the worst in American history.

Mr. TABER. Mr. Chairman, will the gentleman yield for a question?

Mr. FULLER. In a moment. The question involved here is as to whether or not we want to give up $650,000,000 when each and every one of us, more or less, day in and day out, Democrats and Republicans, are asking for more money, more appropriations, doing nothing sincerely about balancing the Budget, except to put our extension of remarks in the

Appendix and get up here on the floor and make a few speeches about it. I now yield to the gentleman from New York.

Mr. TABER. Does the gentleman know that only about $400,000,000 was actually spent for relief out of the $4,800,000,000 of extraordinary projects and expenditures this year?

Mr. FULLER. I have not time to go into a detail of that, and, in fact, I have not all of the information at my fingers' end, and I am satisfied that the statement made by the gentleman is not correct when it is properly analyzed; in fact, I know it is a radical misstatement of the facts. Here is a bill that does contain several items which I would like to see eliminated. The biggest item is the tax on gasoline. It brings in approximately $200,000,000 a year, but what has been happening? We have been appropriating even up to $400,000,000 a year to build roads in this country for the automobiles to travel over. Federal money is being appropriated for that purpose. We cannot expect to get money out of the Federal Treasury to build these public roads for the safety and convenience of the traveling public and for the benefit of the people who own automobiles unless we make a little sacrifice ourselves. A few years ago, under the Hoover administration, we were fortunate to get fifty millions a year.

There is another item here that I would like to see eliminated, and that is the tax on lubricating oil. The farmers have to pay a good deal of that, and it goes on down, and in many instances it cannot be passed on to the consuming public. There are some items in the bill that in the Ways and Means Committee I moved to have eliminated. I asked to have the tax on chewing gum eliminated. I think that is a real nuisance tax, and it brings in less than a million dollars in a year. That should be eliminated. Some portions of the firearms tax should be eliminated, sporting goods especially, all bats and balls for school children, and sporting goods in that class. I was in favor of eliminating the tax on matches, but they voted me down. You know we cannot legislate just to suit ourselves. In all general legislation we have got to give and we have got to take. The responsibility is upon the Democratic side of the House to stay with the administration. If you do not stay with the administration in trying to get this money, you cannot balance the Budget. Do not come before this House day in and day out and ask for more projects and ask for more appropriations, if you want to balance the Budget. If the conservative people do not stay together, the others will even make the relief money $4,000,000,000, as they tried to do for this year. After all, the President is not to blame altogether for the recommendation for so much of this relief. Why? Because the membership of this House asked for it. Our chambers of commerce back home write and tell us to balance the Budget, and in the very next mail we get a resolution from them asking us to get some project through for them which will take millions and millions of dollars out of the Federal Treasury.

With regard to furs, the gentleman from New York [Mr. O'CONNOR] wanted to eliminate the tax on furs. I tried to get that eliminated, but three times, to my personal knowledge, the Ways and Means Committee has backed down on furs, until it was perfectly satisfactory to those people who appeared for it the last time. Now they want the tax eliminated. How can you gentlemen go on record to eliminate the tax on furs and then keep the tax on lubricating oil, on refrigerators, keep the tax on matches, keep the tax on gasoline, keep the tax on the little things that are sold to the school boys and girls, the tax on the chewing gum that your little grandchildren chew? Why, Mr. Chairman, it is ridiculous.

Of course nobody wants this bill. Nobody wants to vote for tax measures, and I am only hoping I can see the time when we can get some other tax to take its place. The hope is held out to us that we will get a new tax bill and get the revenue somewhere else. I would like to know where it is coming from. In my opinion it would come from reducing the incomes of those of small return. This is the English system, and under the English income tax its citizens pay three times more than we in America. I will tell you what we need to do. We had better get down to brass tacks; we had better get back to our old way of living; and, instead of appropriating so much money try to economize and try to balance the Budget and take some of this tax burden off of the people. [Applause.] We cannot do it as long as we listen to radicals and hold out every inducement, political and otherwise, to them to hold them in line. It must stop some time and someone must take the responsibility. I say to you Members on the Democratic side of this House it behooves each and every one of you, whether you like it or whether you do not like it, to take this measure as it is and vote for all of it. If not, do not come in here asking for any more appropriation or for any more projects in your home communities. [Applause.]

[Here the gavel fell.]

Mr. DOUGHTON. Mr. Chairman, I yield 20 minutes to the gentleman from Kentucky [Mr. FRED M. VINSON].

Mr. FRED M. VINSON. Mr. Chairman, we see a rather amusing spectacle today in the variety and variance of the issues presented. I always attempt to consider the matter that is the subject of debate on the floor of the House as I would if it were a lawsuit. As we all know, in the courthouse definite issues are drawn by the pleadings. Then you know where to direct your proof. In this instance the nearest approach to pleadings that we have is the majority report on one hand and the minority report on the other hand. Then, of course, the remarks are directed at the issues joined. Our friends on the Republican side have not been satisfied with drawing a sharp issue; they have set up various contentions, some in conflict with others. If we were in a courthouse, we would move to have them elect which of the defenses, inconsistent one with the other, they would rely upon.

What do they say? They say in the closing words of their report, "We believe that the Budget ought to be balanced." We have been attacked from every quarter because we do not rise to the responsibility of balancing the Budget and balancing it now. Then, in another portion of the report these gentlemen, who are able lawyers and who will sidetrack you if you do not watch out, say, "We are against these taxes. They are economically unsound. They are consumption taxes that fall upon the people."

Then, lo and behold, they come along and say, "We object to the extension of these taxes for a 2-year period." Why? Because perhaps next year, 1938, in an election year, the Democrats will come in and try to repeal these taxes. They say that the Democrats should not have the political benefit that would come from repealing these taxes next year. Why? Because the situation in the Treasury, the financial condition of the Treasury, is so acutely perilous that we ought not to do it. Now, if it will be acutely perilous next year, why is it not acutely perilous today? If it is acutely perilous today, why do they not join us in maintaining the credit of the Nation? Of course, it is just simply politics. Politics. When we look in one direction and see the attack in that direction and meet it, they are sharpshooting at us from over here.

The gentleman from New York [Mr. CROWTHER], a most able, eminent, distinguished statesman, a hard fighter, but never hits below the belt, told you something of the history of these taxes. I want to embellish somewhat the facts he gave to the House and to the country. I would first remind that these excise taxes came into being after the manufacturers' sales tax had been beaten in 1932 in the House of Representatives. As a matter of fact, the enactment of these taxes came after that fight on the manufacturers' sales tax in the House, but they had been in mind by the Republican administration before they recommended the sales tax. They had been recommended to the Ways and Means Committee by Mr. Ogden Mills, Secretary of the Treasury. He recommended practically all of these taxes prior to the time he recommended the manufacturers' sales tax. I want to deal with it chronologically.

It pains me to think of the dire straits that this country and our people were in on January 16, 1932, when Mr. Mills, a distinguished former Member of this House, then Secretary

of the Treasury, came before us, a Democratic majority on the Ways and Means Committee, and said, as I well recall:

This is the time that politics should be forgotten. The situation in the Treasury is serious. We have had a deficit of almost a billion dollars last year and our deficit this year will be $2,000,000,000 plus. We call upon you as patriotic representatives of the people to balance the budget.

He told us that we would need $920,000,000 of additional revenue. That was on January 16, 1932. I hold in my hand the mimeographed statement from which he read on that date making recommendations to the Ways and Means Committee, pointing out sources of revenue along with certain amendments in regard to the income taxes. His prepared statement was mimeographed and delivered to the committee. It reads:

MISCELLANEOUS TAXES

Under the 1924 act, a substantial amount of revenue was provided through miscellaneous taxes. These included the tobacco taxes, the taxes on admissions and on club dues and certain stamp taxes, which have been retained, and the capital-stock tax, other special taxes, the tax on manufacturers' sales of automobiles, trucks, and accessories, and a number of minor taxes which have been repealed. In view of the marked contraction in corporation and individual incomes, in recent years the principal source of taxation, it seems essential that, as under the Revenue Act of 1924, substantial additional revenues be provided by miscellaneous taxes. I do not recommend, however, the exact provisions of that act as to miscellaneous taxes.

Accordingly I recommend that additional revenue be provided from the following sources: An increase of one-sixth in the present rates on tobacco manufactures and products except cigars; an increase of 1 cent in the existing stamp tax upon sales or transfers of capital stock; extension of the present tax on admissions through the reduction of the present exemption to 10 cents; a tax on manufacturers' sales of automobiles, trucks, and accessories at 5, 3, and 2½ percent, respectively; a stamp tax on conveyances of realty of 50 cents for each $500 of value in excess of $100; a tax of 5 percent on manufacturers' sales of radio and phonograph equipment and accessories; a stamp tax of 2 cents on each check and draft; and a tax on telephone, telegraph, cable, and radio messages of 5 cents for charges in the amount of 14 to 50 cents, and 10 cents for charges in amounts in excess of 50 cents.

The amount of revenue which would be realized from the miscellaneous tax proposals would depend upon when they became actually operative. Additional revenue on the basis of assumed collections for a period of 6 months from January through June 1932, was estimated at about $205,000,000. The increase for the fiscal year 1933 is estimated at $514,000,000.

POSTAL RATES

We have heard a great deal about the increase in the postal rates. Upon page 11 of that mimeographed statement the then Secretary of the Treasury recommended the increase in the postal rates, and he placed it upon the basis of the deficit that had been created under that administration. He said:

In recent years the failure of postal revenues to cover expenditures has resulted in increasing postal deficits, which have been met from the general revenues of the Federal Government. A part of this deficiency may be attributed to expenditures for special services, such as the cost of free postal services performed for governmental departments and agencies, the excess of the cost of air-mail service over revenues, and the cost of special rates paid to ocean-mail carriers of American registry. According to estimates by the Post Office Department, the postal deficit, exclusive of such special expenditures, will approximate $150,000,000 for the fiscal year 1932. It is recommended that postal rates be increased to cover such deficiencies by a reasonable margin—that is, to provide additional revenues in the amount of not less than $150,000,000 on an annual basis, thus relieving the Budget for the fiscal year 1932 by about $75,000,000 and for 1933 and subsequent years by the full $150,000,000.

Mr. Chairman, let me suggest that the added burden in 1932 of $150,000,000 to the users of first-class postage was a much heavier burden than the $177,000,000 plus that they paid in 1936, or the $195,000,000 plus in 1937, or the $204,000,000 plus in 1938, estimated. It does not take a smart person to know that that burden imposed then for the patriotic purpose of balancing the Budget was more burdensome than the present rate under existing conditions. Why, even my Republican friends ought to be able to see that.

Mr. ANDREWS. Mr. Chairman, will the gentleman yield?

Mr. FRED M. VINSON. I yield.

Mr. ANDREWS. I wonder if the gentleman has given any thought to the fact that a large number of Republicans and quite a number of Democrats have not voted for all these extraordinary expenditures in the last 3 years.

Mr. FRED M. VINSON. No; and a lot of our Republican friends who were here in 1932 never did have a chance to vote for or against them.

Mr. ANDREWS. I would be interested in knowing how many Democratic members of the Ways and Means Committee voted for any of the so-called economical proposals that have been presented to the House. How many of them voted for $1,000,000,000 for relief instead of $1,500,000,000?

Mr. FRED M. VINSON. Several voted for the $1,000,000,000 amount. I am one who did not; I voted for $1,500,000,000. I gave my reasons for so doing at the time; and I voted as I did because I wanted to take care of your poor whether you wanted to or not.

Let us continue with the chronological sequence of events. On January 13, 1932, came these estimates based upon figures compiled in December of 1931. Within a month and 3 days, on February 16, this same Secretary of the Treasury came down and admitted that they had made a mistake in their estimates. Within 2 months they found out that they had made a mistake of $321,000,000, and instead of being necessary to raise $920,000,000 it was necessary for our committee to report out a tax bill totaling $1,241,000,000.

We said:

Mr. Secretary, we are ready to assume that obligation; let us have your recommendations.

Recommendations were brought down on February 16, 1932. I read from the mimeographed statement presented to the committee by the then Secretary of the Treasury, Ogden Mills:

FEBRUARY 16, 1932.

MY DEAR MR. CHAIRMAN: I have your letter of February 10 requesting the Treasury Department to make recommendations as to how the additional revenue necessitated by the revised estimates may be obtained. I am very glad to comply with your request.

The Committee on Ways and Means and the Treasury Department are in complete accord as to the necessity of balancing the Budget during the next fiscal year so as to eliminate any further increase in our public debt. There can be no question as to the soundness of this position. It admits of no compromise.

The estimates submitted by this Department to the Congress in December indicated that approximately $920,000,000 of additional revenue were required to balance the Budget in the fiscal year 1933. At that time receipts were estimated at $2,696,000,000 and total expenditures at $4,113,000,000, including statutory debt retirements, indicating a deficit, exclusive of the latter, of $920,000,000. Owing to marked changes which have occurred in basic economic conditions since the time when the original estimates were made, the revised estimates of revenue submitted to your committee are $321,000,000 less than the estimates submitted in December. Furthermore, the same changes in conditions necessitated a revision of the estimates of the additional revenue that would be yielded by the taxes outlined in the Treasury program of December last resulting in a reduction of $134,000,000.

According to the figures now before you, the indicated deficiency is therefore $1,241,000,000. This amount must be provided for in the main by increased taxation, but it seems to me that a part, at least, should be covered by decreased expenditures.

While recognizing that the Budget Director has already made a vigorous effort along this line, it seems to me that under the compulsion of necessity it might be possible to reduce our total expenditures to about $4,000,000,000 or by as much as $118,000,000. This would leave approximately $1,123,000,000 to be raised through increased taxes.

In that statement he recommended a general manufacturers' sales tax of 2 percent, tentative estimate of $600,000,000 yield. Mr. Chairman, then it was that the fight came in the committee on the manufacturers' sales tax, and then it was that a Democratic Ways and Means Committee reported that manufacturers' sales tax to the House, and the House rejected it. Then it went back into the committee for the purpose of raising $1,241,000,000; and do not forget, my Democratic friends—our Republican friends could never forget it—do not forget that in that manufacturers' sales tax as it was reported to the floor of this House there was not one single article of food or clothing exempted. I shall never forget as long as I live how, in executive session, a motion was made to exempt salt from tax by a splendid Tennessean who sat at my side, a distinguished American, the Honorable Ed E. Eslick, who gave his life to his country in this spot at a later date. It failed because there was a tie vote. As I recall, the vote was 12 to 12, the Republicans voting en bloc, with two Democrats joining them. I voted for this and other

amendments to exclude food and clothing. I voted against the bill on the floor of the House.

The manufacturers' sales tax that was considered originally did not exempt food or clothing. After its defeat on the floor we brought out this bill of so-called nuisance taxes. The taxes in the 1932 bill were recommended by the Honorable Ogden Mills as the way to raise this revenue. The Democratic House followed that leadership patriotically, and I do not think we should be criticized today by gentlemen on that side because these taxes are old. They were placed upon the books at the request of the Hoover administration.

My friend from Minnesota [Mr. KNUTSON], whose tongue pierces deep, who is always keen and alert in debate, thinks the country is in fear of new taxes. They might well fear new taxes if this tax bill fails to pass. It is not pleasant to support tax measures. I do not want to see the friends of my distinguished colleague from Minnesota die of heart failure through the fear of new taxes. They have been able to adapt themselves to these taxes in many instances, and they have been able to pass them on or absorb them.

The gentleman from Arkansas talks about the chewing-gum tax. At first blush you would think that was a tax on the children or the users of gum, but it is not. You get just as many sticks of gum today for a nickel as you did before the tax was put on. However, the tax yield is not of considerable size; but, of course, it all adds up.

Mr. FULLER. It makes the chewing gum a little shorter and a little thinner.

Mr. FRED M. VINSON. I have not laid down a measuring rod, so I do not know.

Mr. FULLER. It might be good politics to lower this tax. As I understand it, Wrigley last year gave $50,000 to the Republican campaign. It might be good politics for us to lower this tax a little bit.

Mr. FRED M. VINSON. I know the philosophy of the gentleman from Arkansas and the philosophy expressed by the gentleman from Minnesota [Mr. KNUTSON] in regard to the same subject.

FUR TAX

In connection with the consideration of a tax or tariff bill they may talk about fear as to what is being done or what is going to be done. The distinguished gentleman from New York [Mr. O'CONNOR] talked about the jewelry tax. Some gentleman asked him about the repeal of the jewelry tax. The House did not do that initially. That was done through a Senate amendment. You would think the repeal of that tax just simply meant the loss of five or six hundred million dollars. It was not so stated, but there was that inference. There was a loss of revenue, however, of some $3,110,000 from the repeal of that tax.

What position were we in in regard to that item? We had under consideration the 1936 tax bill, which was in conference. TOM CULLEN, who has been most attentive toward amending and repealing the fur tax, was gnawing on the bit in regard to the fur tax, and we had to get together with the Senate conferees. I realize that the metropolitan city of the United States probably has 75, 80, or 85 percent of the fur business of the country within its limits, and I can very easily understand their interest in the fur tax. But "'pon my honor, and I hope I may die", if we did not try every time we had the matter up to satisfy them, but you cannot satisfy them until the tax is repealed.

As I recollect, the fur tax, originally taken from the 1918 act, was 10 percent. Then they came along and said that the tax hampered them. That it was a tremendous burden upon cheap clothing with just a little bit of fur. So we exempted the articles of clothing upon which fur was placed where the value was less than $75. That is what they wanted at that time. Then last year in the conference report we came out with a 3-percent rate, as I recall it, instead of 10 percent, with the exemptions eliminated. Let us see what that brings insofar as revenue is concerned.

Mr. ANDREWS. Will the gentleman yield?

Mr. FRED M. VINSON. I yield to the gentleman from New York.

Mr. ANDREWS. The gentleman has devoted a good deal of time to the fact that the original taxes of this type were proposed by the Republican administration. Everyone knows that. We know that and the country knows it.

Mr. FRED M. VINSON. I am glad the gentleman knows it.

Mr. ANDREWS. I entertain no fears similar to some people on this side of the House. May I ask, Can the gentleman tell me where the Democratic Party has made any effort during the present session of Congress to effect any economies whatever?

Mr. FRED M. VINSON. The gentleman has his viewpoint, and everybody knows what his viewpoint is. What is the use of my standing up here trying to convince my friend from New York in regard to relief expenditures or Democratic principles? We belong to different schools of thought.

[Here the gavel fell.]

Mr. DOUGHTON. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. FRED M. VINSON. Mr. Chairman, I am over here, as I understand, fighting for people so that they may get bread, food, clothing, and all that sort of thing. The gentleman is over there sharpshooting at us politically, advocating anything in opposition to that which we propose.

Mr. ANDREWS. I do not need relief. What about the Interior Department appropriation bill?

Mr. FRED M. VINSON. I am not talking about that. The gentleman cannot take me off the floor by asking me questions in reference to the Interior Department appropriation bill. The gentleman got excited about the road in the district of the gentleman from North Carolina [Mr. DOUGHTON]. He asked the gentleman from North Carolina [Mr. DOUGHTON] about that five or six million dollar road. The gentleman from North Carolina did not catch what he was driving at at first. But the gentleman can easily find out it was authorized by an act of Congress and it was authorized by the Budget Director. Of course, it is hard for us sometimes to answer all those things when we are talking about a tax bill. When we have a tax bill up for consideration they want to talk about the tariff or they want to talk about relief. They want to talk about the Interior Department appropriation bill. But when we have up for consideration an Interior Department appropriation bill they want to talk about taxes, relief, or something else.

Mr. SHORT. Will the gentleman yield?

Mr. FRED M. VINSON. I yield to the gentleman from Missouri.

Mr. SHORT. Very adroitly the gentleman from Kentucky has stated these taxes are not new, and I am glad he has admitted they are fast becoming old. But when will the Ways and Means Committee and the Members of this House be honest with the American taxpayers and no longer claim that these are temporary provisions? The original taxes were passed in 1932 for 2 years. They were extended 1 year until 1935. They were then extended until 1937, and now the gentleman is advocating extending them for 2 more years. When are we going to stop?

Mr. FRED M. VINSON. My friend from Missouri knows we have followed the path laid out when this resolution was initially passed. Why did the great Ogden Mills say these taxes would not be permanent? Because they hoped they would be in power when the 2 years elapsed, and they possibly might increase the rates and put certain exemptions in the income-tax laws, both for corporations and individuals, and thereby balance the Budget.

Mr. SHORT rose.

Mr. FRED M. VINSON. I decline to yield now.

I said they were old taxes, with the idea in mind that the country would not be made jittery because of their extension.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. FRED M. VINSON. I yield to my friend the gentleman from Minnesota.

Mr. KNUTSON. Of course, the gentleman knows when these taxes were originally proposed we were in an emergency.

Mr. FRED M. VINSON. I am glad to get that admission. I never knew before that my good friend the gentleman from Minnesota ever knew we were in an emergency. [Laughter.]

Mr. KNUTSON. Oh, yes; we have been told so.

Mr. FRED M. VINSON. Mr. Hoover did not know about it in 1932.

Mr. ANDERSON of Missouri. Will the gentleman tell us what party created this emergency?

Mr. FRED M. VINSON. Well, a person should not say anything disrespectful about the dead. [Laughter.]

Mr. KNUTSON. The gentleman's party stated we were in an emergency, and I admit we were. Are we still in an emergency? That is what I want to know.

Mr. FRED M. VINSON. We are attempting to maintain the credit of this Nation. The gentleman from Minnesota says, "Balance the Budget." We are trying to do that very thing. Instead of trying to sabotage, instead of trying to make the deficit larger by curtailing taxes, it seems to me the gentleman ought to be joining shoulders with us to maintain the credit of the United States about which he is so concerned.

Mr. KNUTSON. May I say to the gentleman I have done so by voting against every extravagance they have been proposing.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. FRED M. VINSON. I yield.

Mr. SHORT. I wanted to ask the gentleman from Kentucky if he expected anyone in this country to believe we are honestly trying to balance the Budget, when we continue to spend $2 for every $1 of income we are receiving?

Mr. FRED M. VINSON. That just shows how much my friend the gentleman from Missouri knows about the fiscal situation.

Mr. SHORT. I confess my profound ignorance on the system of bookkeeping.

Mr. FRED M. VINSON. I confess we have been and are spending plenty of money.

Mr. SHORT. I have voted against it.

THE FISCAL STATUS

Mr. FRED M. VINSON. The deficit in the fiscal year 1936 was $4,600,000,000, if I am correct, and I will turn to the distinguished professor from New York for confirmation. In the next year it is substantially $2,600,000,000.

Mr. TABER. Three billion four hundred million dollars.

Mr. FRED M. VINSON. Two billion six hundred million dollars is the figure I have. It is stated that the revenue at this time will not be within $604,000,000 of the estimated yield. Let us talk about that for a minute.

You have $134,000,000 which has been tied up and has not gone into the Treasury under the tax laws connected with the Railroad Retirement Act. You have $80,000,000 which has been tied up in court action and has not gone into the Treasury of the United States that was in those estimates accruing from the windfall tax. This makes $214,000,000. When you deduct $214,000,000 from $604,000,000 you have $390,000,000. There were granted taxpayers this year more extensions of time in which to file their tax reports than ever before in history; 100 percent more extensions than were granted in the last tax year. June 15 is not far ahead, and it is my guess when you get to June 15 you are going to see some pick-up. There may be some deficit in the corporation and personal income-tax returns, but I do not think it will be what our Republican friends have said it would be or have hoped it would be.

With regard to balancing the Budget, under the present arrangement it looks as if there will be a $400,000,000 deficit for next year, but you have the savings which are going to be effected, you have this loophole proposition that is going to receive consideration, and then you have the consideration of the tax bill, which will probably be presented in the early days of the next Congress. I forecast the Budget will be pretty well in balance on July 1, 1938.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. FRED M. VINSON. I yield to my friend the gentleman from New York.

Mr. REED of New York. And you will count in as part of the money which is going to balance the Budget what you are receiving into the Treasury from the taxes under the Social Security Act, which are supposed to be a trust fund?

Mr. FRED M. VINSON. When we collect the social-security taxes the Congress is authorized and directed to make appropriations to the old-age reserve account. Therefore that account will be safe and sound in the days to come when the aged will need retirement payments.

Mr. REED of New York. That money is going into the Treasury and is going to be spent, and will not go into a fund, and you know it.

Mr. FRED M. VINSON. I beg your pardon; it goes into the old-age reserve account through direct appropriations. I cannot conceive of Congress failing in its duty to preserve the fund.

Mr. REED of New York. This is being used now to mislead the American people regarding the condition of the Treasury.

Mr. FRED M. VINSON. The Congress of the United States directed the placing of funds in the old-age reserve account.

Mr. REED of New York. But it will go into the Treasury and be spent if this Congress permits it.

Mr. FRED M. VINSON. Congress will not fail, in my judgment, in keeping the fund intact for the purpose of paying old-age benefits. I wanted to talk about the shades of Grover Cleveland, whom they praise so much today. It took 40 years for them to appreciate him, but I am glad they finally are doing justice to Mr. Cleveland. [Applause.]

Under leave to extend, I append hereto a table showing receipts from internal-revenue taxes for the fiscal year 1936 and the estimated receipts for the fiscal year 1937, together with the percentage which the total receipts from the various taxes bear to the total of internal-revenue and customs receipts.

Receipts from internal-revenue taxes

	Source of revenue	Receipts		Percent of total internal revenue and customs, 1937
		Fiscal year 1936	Fiscal year 1937 (estimated)	
Permanent	Corporation income taxes	$738,522,230	$1,010,000,000	
Do	Individual income taxes	674,416,074	1,130,000,000	
Do	Excess-profits tax	14,509,290	22,000,000	
Do	Unjust enrichment tax		8,000,000	
	Total, income taxes	1,427,447,594	2,170,000,000	42.08
Do	Capital-stock tax	94,942,752	137,000,000	2.66
Do	Estate tax	218,780,754	270,000,000	5.24
Do	Gift tax	160,058,761	25,000,000	.48
Do	Liquor and beer taxes	505,464,037	600,000,000	11.64
Do	Tobacco taxes	501,165,728	557,000,000	10.80

Receipts from internal-revenue taxes—Continued

	Source of revenue	Receipts		Percent of total internal revenue and customs, 1937
		Fiscal year 1936	Fiscal year 1937 (estimated)	
	Stamp tax on—			
Temporary rate	Issues of bonds			
Temporary	Transfer of bonds	$28,162,659	$29,000,000	
Temporary rate	Issues of stock			
Temporary	Conveyances, etc.			
Temporary rate	Transfer of stock, etc.	33,054,798	30,600,000	
Permanent	Produce futures	2,943,542	4,500,000	
Do	Playing cards	4,143,659	4,400,000	
Do	Silver-bullion sales	685,188	650,000	
	Total documentary stamp taxes	68,989,886	69,150,000	1.34
	Tax on—			
Temporary	Lubricating oil	27,102,832	32,500,000	
Do	Brewers' wort and malt	1,010,114	900,000	
Do	Matches	6,885,812	6,000,000	
Do	Gasoline	177,339,587	200,000,000	
Do	Electrical energy	33,575,179	35,500,000	
Do	Tires and inner tubes	32,207,983	40,000,000	
Do	Toilet preparations	13,301,795	16,000,000	
Do	Fur articles	3,321,057	6,000,000	
Do	Auto trucks	7,000,281	8,100,000	
Do	Other autos and motorcycles	48,200,855	55,900,000	
Do	Auto accessories	7,110,188	8,900,000	
Do	Radios, phonograph records, etc.	5,075,271	7,000,000	
Do	Mechanical refrigerators	7,939,064	9,800,000	
Do	Sporting goods	5,531,123	6,300,000	
Do	Firearms and cartridges	2,494,574	3,000,000	
Permanent	Pistols and revolvers	60,628	90,000	
Temporary	Cameras and lenses	577,926	930,000	
Do	Chewing gum	807,279	900,000	
Repealed	Jewelry	3,110,605		
	Total manufacturers' excise taxes	382,652,153	437,820,000	8.49
Temporary	Telephone and telegraph messages, etc.	21,098,348	24,000,000	
Do	Transportation of oil by pipe line	9,793,935	11,500,000	
Permanent	Leases of safe-deposit boxes	1,907,410	2,000,000	
Temporary rate	Admissions	17,112,175	19,700,000	
Permanent	Club dues, etc.	6,090,923	6,700,000	
Do	Adulterated butter, mixed flour, filled cheese	16,359	16,000	
Do	Oleomargarine	2,203,804	2,300,000	
Do	Narcotics	554,028	560,000	
	Processing of—			
Permanent	Coconut oil, etc.	27,691,081	30,000,000	
Do	Crude petroleum, etc.	1,163,755	900,000	
Do	Taxes of National Firearms Act	5,342	6,000	
Repealed	Receipts from repealed taxes	550,051	900,000	
	Receipts from other miscellaneous sources	14,732	12,000	
	Total miscellaneous taxes	88,292,013	98,594,000	1.91
	Tax on—			
Permanent	Employment of 8 or more (title IX)		50,000,000	
Do	Employers (title VIII)		135,000,000	
Do	Employees (title VIII)		135,000,000	
Do	Railroad employees	24,139	150,000	
Do	Railroad employers	24,139	150,000	
	Total social-security taxes	48,278	320,300,000	6.21
Repealed	Bituminous-coal tax	729,218		
Do	Agricultural Adjustment taxes	71,637,207		
	Grand total, internal-revenue collections	3,520,208,381	4,684,864,000	90.85
	EXCISE TAXES ON IMPORTATIONS COLLECTED BY BUREAU OF CUSTOMS			
	Tax on— *Calendar year 1936*			
Temporary	Petroleum and products $7,902,518			
Do	Coal and related fuels 968,916			
Do	Lumber 945,950			
Do	Copper 1,246,922			
Do	Fats and oils 726,787			
	Total, excises on imported articles 11,791,093			
	Receipts from customs duties (including above excise taxes on importations)	386,811,594	472,000,000	9.15
	Grand total, internal revenue and customs	3,907,019,975	5,156,864,000	100.00

Mr. COOPER. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. LEA].

Mr. LEA. Mr. Chairman, I regret to announce the death of a former Member of this House. On the night before last, the 9th of this month, James H. MacLafferty, a former Representative from the Sixth District of California, who served in this House in the Sixty-seventh and Sixty-eighth Congresses, passed away. Mr. MacLafferty had the respect and confidence of the Members of the House. He performed a useful service to our State. Many thousands of our people will learn with deep regret of his passing.

Mr. TREADWAY. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Chairman, on the 20th of April the President of the United States sent here a message in which he urged a curtailment of expenditures in the various executive departments, stating that the deficit for 1937, which is the year we are in now, was estimated by him in January 1937 at $2,248,000,000, and that revised estimates indicated, as of the 20th of April, that the deficit would be $2,551,000,000.

Let me say to the House that on this daily Treasury statement that we have here the deficit as of the 8th of June, the last statement I have, appears on page 2 to be $2,422,000,000, but this deficit is arrived at by using as a deduction from your expenditures $985,000,000 of principal receipts which have been carried on the Treasury books as principal assets

for years and which are not revenue. Therefore the actual deficit on the basis of revenue receipts today is $3,408,000,000, and this type of bookkeeping and making of statements tend to deceive the public as to the situation we are confronting. It is fair to estimate that the actual deficit for the current fiscal year will be at least $3,550,000,000. No one can tell exactly.

Now, the bill that is before us calls for the raising of taxes in the amount of approximately $600,000,000. As I figure it, this is an item of approximately 22 percent of the amount required to balance the Budget. It would be less than 20 percent when we come to add to that amount the deficit we are going to have next year.

Mr. TREADWAY. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. TREADWAY. I would like to ask the gentleman from New York where this great discrepancy comes between his figures as to the present deficit and the figures of the gentleman from Kentucky. The gentleman makes it three and a half billion dollars, while he gets it down to five or six hundred million dollars.

Mr. TABER. If anyone happens to have the daily Treasury statement and will turn to page 3 of the statement, at the bottom of the page, he will find that principal collections have reached a total of $985,000,000, but this does not show in the figures on page 2 of the statement, where the deficit is set forth as $2,422,000,000.

Mr. FRED M. VINSON. Mr. Chairman, will the gentleman yield?

Mr. TABER. They have had a system of bookkeeping at the Treasury whereby they deduct from expenditures these principal receipts, and this results in a very deceptive situation.

I will say to the gentleman from Kentucky, because he is perhaps going to ask me the question, this method of putting out the statement has existed for a long time, but that does not make it any better. It is bad just the same, because it does not show the actual situation of the Government and we ought not to deduct principal receipts from the regular expenditures of the Government in figuring a deficit.

Mr. FRED M. VINSON. But my distinguished friend will admit that has been the method that has been followed in days gone by.

Mr. TABER. Yes; but they have never heretofore amounted to any substantial figure. Down to the last two fiscal years I think $100,000,000 was the peak in the years preceding 1934.

Mr. FRED M. VINSON. I will call the attention of the gentleman from Massachusetts [Mr. TREADWAY] to the fact that the figure I used as the deficit for the present fiscal year was $2,600,000,000. The figure of $400,000,000 which I used was with respect to the charge that has been made from the Republican side that there would be a deficit of $400,000,000 at the end of the fiscal year of 1938.

Mr. TREADWAY. The deficit for the fiscal year 1938 is figured by the Treasury in the same way that this is figured, and, as far as I can see, the principal receipts will probably run very close to the same figure next year that they are this year, and we are not getting an accurate picture of what the country is facing unless we have the actual revenues and the actual expenditures. We cannot get along by collecting the loans we have made and calling them receipts to offset regular expenditures of the Government.

Mr. CRAWFORD and Mr. RICH rose.

Mr. TABER. I yield to the gentleman from Michigan, who, I believe, was on his feet first.

Mr. CRAWFORD. Referring to page 2 of the Treasury statement, does the column under fiscal year 1937, the portion that refers to expenditures of $2,665,000,000, include the expenditures which we are making from time to time in connection with relief and the other agencies or activities of the Government?

Mr. TABER. If you add $985,000,000 to that $2,665,000,000 you will arrive at part of the figure we have so far spent for what they call relief, and I am going to put the figures in the RECORD in detail next Tuesday when we have a little opportunity for general debate, or at least I hope we will. This will give the details of what those expenditures are for so-called recovery and so-called relief of all kinds. As I figure, we have spent about four billion and a half dollars so far this year, and all of it except about four or five hundred million dollars has been for projects and that sort of thing, rather than for relief. The amount for relief is only about $450,000,000 or $500,000,000. I will have all those figures here next Tuesday in general debate if I can get the opportunity to present them.

Mr. CRAWFORD. What figure does the gentleman pick up at the bottom of page 3?

Mr. TABER. Oh, all those figures where it states "Receipts" are headed "Repayments and collections."

Mr. CRAWFORD. Fiscal year 1937, $388,000,000.

Mr. TABER. Fiscal year 1937, repayments and collections, and it begins with $130,000,000, and the total of that column is $985,000,000.

I simply want to call attention to one other thing while we are considering this matter. Our appropriations so far in this Congress, including the bill which the Committee on Appropriations is about to bring in here today and which is expected to be reported out today, amount to $8,402,000,000.

[Here the gavel fell.]

Mr. TREADWAY. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. TABER. That includes certain reappropriations. That does not include any deficiency items whatever. I have not the comparable figure for 1937, but the size of the appropriations means that we are not going to get anywhere near balancing the Budget for 1938. If you pass this tax bill, it will not provide one-quarter of the revenue that you need, or anywhere near it.

Mr. TREADWAY. Mr. Chairman, will the gentleman yield?

Mr. TABER. Yes.

Mr. TREADWAY. Probably no man in the House is more familiar with the Government finance than the gentleman now occupying the floor, and therefore as an expert I ask him this question: What does the gentleman estimate will probably be the deficit from balancing the Budget in 1938?

Mr. TABER. It is rather difficult to say, because I do not know what taxes are going to be added.

Mr. TREADWAY. The gentleman's guess is just as good as that of the Democratic side. The gentleman has heard what they have guessed.

Mr. TABER. If this tax bill alone is passed our deficit will be anywhere from one billion and three-quarters to two and a half billion. I do not think anyone can say any closer than that at this stage, because I do not know what we are going to be up against. That will be on the basis of revenue receipts and actual disbursements. This year so far our actual expenditures are ahead of last year down to this date. Our expenditures, including everything so far this year, are practically $8,000,000,000. It may run one or two hundred million dollars over that. It will be $8,200,000,000 anyway, and it may be $8,250,000,000.

Mr. SNELL. Mr. Chairman, will the gentleman yield?

Mr. TABER. Yes.

Mr. SNELL. The gentleman's understanding is not the same as that of the chairman of this committee, because I understood him to say in his speech this morning that our expenditures and appropriations are much less this year.

Mr. TABER. Oh, they are more this year than last, and we are getting away beyond control. I hope that this House some day will take an actual position in favor of balancing the Budget. I have tried continuously, I have voted against appropriations of all sorts. I have had some support. Some efforts have been made by Members of the majority to cut expenditures. I do not believe that accomplishments can be made unless there is more effort all the way along the line. If the majority today would bring in a tax bill that would balance the Budget, I would vote for it, but a subterfuge that amounts to about 20 percent of

accomplishing that purpose is a fraud on the American people, and we ought not to consider such a proposition. We are not meeting our responsibility.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. TABER. Yes.

Mr. STEFAN. The people in my district are very much interested to know whether or not I can get official figures as to the actual national debt, and what the ratio of expenditures is to that of receipts. Can the gentleman give us that?

Mr. TABER. The ratio of revenue received to expenditures is that of about 8 to 4½. The revenues are approximately four and a half billions and the expenditures approximately eight billion.

Mr. STEFAN. And as to the national debt?

Mr. TABER. It is $35,273,000,000; and a contingent liability on account of guaranties of over $5,000,000,000—a total of over $40,000,000,000.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. TREADWAY. Mr. Chairman, I now yield to the gentleman from Ohio [Mr. WHITE].

Mr. WHITE of Ohio. Mr. Chairman, taxes like the measure under consideration today are before this House because the forces in control at the present time refuse to cut expenditures. To make matters worse they do not attempt to develop a well-rounded tax system, which must include both drastic reduction of expenses and a general tax program of sufficient proportions to balance the Budget, before it can be considered sound and justifiable. They sometimes talk about economy, as a smoke screen, but they do not translate the words into action.

SLEIGHT-OF-HAND POLICY

The gentleman from New York [Mr. TABER] has given an excellent description of the present financial condition of the Government. By reason of the conditions he describes the Government has been compelled to follow a pernicious system of dealing from the bottom of its financial deck in order to keep on spending. At the present time the Government is depending upon a financial policy of fancy sleight-of-hand tricks; the hand must be quicker than the eye to keep it going.

ROBBING PETER TO PAY PAUL

What do I mean by a sleight-of-hand financial policy? The thing to which I specifically refer today is the practice of using what we could properly term "trust-fund money" for the everyday operation of the Government, and for the purchase of Government bonds to bolster that market to permit continued borrowing and spending.

FINANCIAL JUGGLING

Incredible as it may appear, it is nevertheless a fact that the Treasury is using certain trust-fund collections for current expenses. It is also using trust-fund reserves for the purchase of Government bonds in the open market. Current purchases of Government obligations by the Treasury itself are at the highest rate ever recorded. In addition, the open-market committee of the Federal Reserve Board also has been supporting the market from time to time during the last few weeks.

SUBSTITUTING I O U'S FOR CASH

Trust-fund reserves, such as Postal Savings reserves, the revolving fund of the Federal Deposit Insurance Corporation, reserves of the civil-service retirement fund, and funds administered for Indians, now exist almost entirely in Government securities. As the social-security taxes come in, the cash is being dispersed by the Treasury on account of current expenditures, and an equivalent amount of Government bonds deposited in the social-security reserve fund. For the fiscal year 1938, beginning July 1, 1937, this source of funds alone will aggregate some $700,000,000. At the end of the year, however, there will be nothing in the social-security reserve fund save that amount of Government I O U's.

REPAYMENT PLEDGE IGNORED

In addition, the Treasury is receiving large repayments of loans from the R. F. C., Farm Credit Administration, and similar agencies, and these funds likewise are being used to defray current expenditures instead of retiring a portion of the national debt, as promised in 1933. Up to April 1 of this year income from these repayments were $432,196,282—for 9 months of the current fiscal year. Every cent of this repayment was used by the Treasury, in addition to current revenues of $3,740,428,265 for the same 9 months, in payment of current expenditures; and, in spite of these tremendous revenues, the Treasury deficit for the 9 months was $1,855,672,763.

UNCLE SAM CAN DO NO WRONG?

If a charitable organization took a specific fund of money and used it for purposes other than those designated when it was raised, what would the donors think about it? If a banker juggled his depositors' cash from one use or one fund to another, he might easily find himself in jail; and yet similar practices have now become an established part of the present financial policy of the United States Government. The day of reckoning is bound to come.

Mr. TREADWAY. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. JENKINS].

Mr. JENKINS of Ohio. Mr. Chairman, in support of the position taken by the gentleman from New York [Mr. TABER] with reference to the Budget and the deficit, as contrasted with the statement made by the gentleman from Kentucky [Mr. FRED M. VINSON], I should think that the fact that the Democratic administration at this time is insisting that this bill be extended for 2 years is strong proof in support of Mr. TABER's position. If the finances of the country are now as the gentleman from Kentucky would have us believe, and we are ready to balance the Budget next year, in 1938, what would be the sense in extending this tax bill beyond 1 year? I want the House and the country to know that the Republican members of the Ways and Means Committee, supported by some of the Democrats on the Ways and Means Committee, did what we could to vote down this proposition of extension for 2 years.

Much has been said as to why we should reduce these taxes. There is no question about this position. Every Member of this House has no doubt hoped to be able to reduce taxes. Under the Democratic administration taxes have been increased three times in 4 years, and these increases have been tremendous. If we are to reduce taxes at all, this is the logical place to do it, and this is the logical time. You should do it now or forever refrain from proclaiming your desire to reduce taxes.

An old stock question that has been asked the Republican Members when we ask that the Budget be balanced is, "How are you going to supply the difference?" We have been asked that frequently, but not today. I wonder why somebody did not ask us today, "If we repeal these taxes, what are we going to put in place of them?" The reason that question is not asked today is that only 2 weeks ago we had a grand opportunity on this floor to answer that question most emphatically, because at that time there was a contest on this floor as to whether the relief bill should be $1,000,000,000 or $1,500,000,000. We kicked aside that day, just as though it were a football, $500,000,000, the difference between a billion and a billion and a half. If at that time we had been economical-minded, if we really intended to practice economy, that would have been the time to practice it, because there is no question that the relief situation in the United States could be met adequately with one thousand million dollars. It was not necessary for us to provide fifteen hundred million dollars to do that job. We could have answered this question emphatically with that other $500,000,000, and we could have repealed all these taxes. They scheme and sweat around and search every nook and cranny for the nickels and dimes of the children as taxes, and they lay the burden of taxes on all classes. Most of this increase is due to the extravagances of the administration. Yet they

waste $500,000,000 and vote it to the President to do as he pleases with it—why not use it to pay taxes?

The Republican members on the Ways and Means Committee tried to raise some more money in this bill from a source that is willing to pay. We tried our utmost to have this bill amended in this respect and that was something you would be surprised to know about. We wanted to amend this bill in such a way that it would bring in an additional $1,000,000 to the Treasury. We could have done that by changing the tax law with reference to the tax on matches.

In spite of anything we could do, in spite of the support of a considerable number of Democrats on the Ways and Means Committee, we could not get that amendment into the bill. It would have brought in around $1,000,000 additional tax, without any objection from the people who paid for it. That is a wonderful situation. That is a situation comparatively unknown in tax legislation, when the people who would pay the tax of an additional $1,000,000 were willing to pay it. You will wonder why that was. The reason is simple. There is a differential between the tax on paper matches and the tax on wood matches. Those who manufactured paper matches were perfectly willing to permit the change. You ask why? Because it would result in an equalization in the manufacture and sale of matches, and this $1,000,000 could have been absorbed, whereas now it is taken up by advertisers. If we had only changed that law to that extent, by striking out three or four small words, we would have brought into the Treasury of the United States an extra $1,000,000, but that change was not permitted. Why? It was simply because an edict had come from the White House that this bill should not be changed in one particular; not in one particular. No; the White House wants all the millions it can get. I wonder if the time will come that the Democratic majority on the Ways and Means Committee will stand up and do what they know they should do. I have seen it happen time and again that the Democratic membership on the Ways and Means Committee will lie down supinely and permit the White House or the Senate to run over them. They follow along, and when the public shows its resentment, the Senate amends it so as to meet the wishes of the people.

Without any disrespect to anybody in the other body, with full respect to the Democratic membership of the Finance Committee of the Senate, yet I am proud to say of the Ways and Means Committee of the House that there is no comparison between the knowledge, the ability, the acumen, and the capacity of the Democratic members of the Ways and Means Committee of the House and the corresponding membership of the other body. Still they refuse and fail to stand up and do their duty. They absolutely refused to accept $1,000,000 handed to them just because of an edict coming from some place else. [Applause.]

Mr. Chairman, there is much more that I might say, but I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

The CHAIRMAN. The gentleman from Ohio yields back 2 minutes.

Mr. TREADWAY. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. DITTER].

Mr. DITTER. Mr. Chairman, as this tax bill comes to us this year my mind goes back to the revenue bill of 1936. One particular clause in the majority report on the revenue bill of 1936 seems to me to be most pertinent today.

I sympathize with the Democrats as they have to hang their heads in shame from time to time as these memories of old promises haunt them. I realize they have a serious task on their hands to save their faces from embarrassment.

I have profound respect for the intelligence of the men on the Democratic side; but let me read you a promise in your majority report last year in connection with the revenue bill. As you brought out the revenue bill and wrote a very voluminous report last year you told the Congress and the country that for the time being, at least, that revenue bill would be satisfactory until—and I quote:

> The next session of Congress, which can then act more intelligently.

"Which can then act more intelligently!" It is fair to assume that you mean to tell the country that the result of your more intelligent consideration of taxation is this nuisance-tax bill now before us.

I wonder whether the Ways and Means majority might tell the House what greater degree of intelligence has been used by this Ways and Means Committee with these nuisance taxes. Where is the evidence, in other words, of this higher degree of intelligence? I will yield to any man on the Democratic side, to any of the distinguished members of the Ways and Means Committee on the majority side, to tell me in what respect and in what way this nuisance tax, this tax on the cats on the girls' coats that the distinguished gentleman from New York told us about, and all of these other consumer taxes and the continuity of these nuisance taxes—I challenge you today to tell us where this bill represents a greater degree of intelligence than was shown last year. How does this fulfill your promise of more intelligence which you made last year?

There is only one answer to that question, and that is that you are afraid to bring out a revenue bill. Certainly the Democrats are chargeable with revenue raising. This is your bill, this is not the bill of the Republican side. You men who have the girls complaining about the tax on the cats on their coats, take the baby home to yourselves; it is your bill—and all of these other taxes, the additional amount for postage, and your taxes on gasoline, and every other one of these nuisance taxes that plague your souls and bother the pocketbooks of the consuming public of America—these are yours, yours to provide an excuse for; and still you told the people last year before the election of 1936, you told them that there would be more intelligence exercised in connection with the revenue bill during this present year. I want to know where there is evidence of more intelligence?

Mr. DOUGHTON rose.

Mr. DITTER. As I have been challenging the Ways and Means Committee, and out of my profound respect to the distinguished chairman of the committee, I yield now to him.

Mr. DOUGHTON. We did not say we would submit this to your side to be the judge of the standard of intelligence. We submitted that to the American people. They are the judges of intelligence, not you.

Mr. DITTER. My distinguished sir, might I answer you by saying that I am in no way setting myself up as the one to measure the degree of intelligence; and had the gentleman been here earlier in my presentation I would have said to him as I did say to the House that I wanted an evidence not for myself but for the taxpayers of the country of more intelligence, and evidence of the assurance which the distinguished gentleman of the Ways and Means Committee made to the country last year that there would be more intelligence applied to a revenue-raising measure in this present session of the Congress.

Mr. DOUGHTON rose.

Mr. DITTER. I referred to the words and quoted verbatim from the report of the distinguished chairman when he brought in the revenue bill of last year.

I now yield again to my distinguished colleague to ask him if he can point out when bringing in this tax bill, where, in these nuisance taxes is the degree of more intelligence that was promised by the Ways and Means Committee before the election of 1936 when they tried to put a sugar-coated pill over on the American people with respect to this revenue matter? Now I yield.

Mr. DOUGHTON. The question of intelligence——

Mr. DITTER. Those are not my words; they are the gentleman's words.

Mr. DOUGHTON. Let me finish my statement, if the gentleman yields.

Mr. DITTER. I should be happy to.

Mr. DOUGHTON. The question of the intelligence of the two parties and their capacity and trustworthiness to govern the country was submitted to the electorate last year, not to

the gentleman, not to myself, and we had a very positive verdict as to the question of intelligence as judged between the Republican Party and the Democratic Party. We had a verdict, we had a referendum, and a judgment upon the record last fall, and we shall have another one a year from next fall.

Mr. DITTER. But, my dear sir, that still does not answer me as to the phrase "more intelligent." "More intelligent" is the phrase that is used here. The phrase "more intelligent" implies that last year's revenue bill did not come as a result of careful, painstaking study on the part of the Democratic Ways and Means Committee to bring out a justifiable tax bill; and you promised more intelligence this year. I am in no way castigating, I am in no way questioning the supreme degree of intelligence of the distinguished gentleman and his very able committee. I am asking for evidence to support the promise of "more intelligence" than you exercised last year. I should like to have evidence of that word "more." I should like my very able and distinguished colleague to point it out to me.

Mr. DOUGHTON. Nothing could be done that would convince the gentleman that anything that we would do would be more intelligent. That is the trouble; the gentleman wants to be judge and jury both on what is more intelligent.

Mr. DITTER. May I categorically ask the chairman whether he means to say that this nuisance tax is more intelligent than anything else that could be brought out in the way of a revenue bill?

Mr. DOUGHTON. We did not set any exact time. We have this entire Congress in which to deal with the tax question. The gentleman himself wants to be the judge of intelligence.

Mr. DITTER. Is that the gentleman's answer, then?

Mr. DOUGHTON. In other words, the difficulty about submitting the question of intelligence to the gentleman and his party is that he is so politically minded that his intelligence is overshadowed by political zeal.

Mr. DITTER. My dear distinguished sir, I want to know whether, when we have another tax bill, there will be an evidence of more intelligence?

Mr. DOUGHTON. The gentleman is trying to be the judge of what is more intelligent.

Mr. DITTER. I am not in any way, sir; I am leaving that to the gentleman from North Carolina.

Mr. DOUGHTON. That is what the gentleman is doing.

Mr. DITTER. I leave that entirely to the judgment and the confession of the distinguished chairman of the Ways and Means Committee. I am asking the gentleman about this "evidence of more intelligence." If this is not it, when is the gentleman going to bring us something that will be an evidence of more intelligence?

Mr. DOUGHTON. This is much more intelligence than has ever been manifested by the gentleman and his party. There is no comparison. When we compare this with the intelligence exhibited by the gentleman's party, of course, it is more intelligent.

Mr. DITTER. The present resolution is before us because of the persistent policy of profligacy pursued by the administration now in power. Billions and billions of dollars have been squandered without regard to the taxpayers and without regard to the merit of the expenditures. These nuisance taxes are to saddle on the consumers the cost of New Deal extravagance. It is a pure sales tax—a sales tax that falls on the shoulders of the consumers of America. The responsibility for its continuance rests squarely on the shoulders of the majority. As you go to your people for their support, tell them that you forced upon them for a further period of 2 years the pleasure of paying for your extravagance. Tell them you favor Uncle Sam dipping into their pockets day by day as they make their purchases for their contribution. Tell the men of whom the President once so eloquently spoke, the men who pay taxes out of the sweat of their brow; tell the housewives and all who are required to watch the pennies for family needs; tell them that you are in favor and that you supported the bill to continue these consumer taxes.

As I have already pointed out, the promise made last year was that the tax question would be handled this year "more intelligently." That was the assurance of the Democratic Ways and Means Committee. Of course, it must be admitted that the statement was an unfortunate admission, or should it be said that it was a boastful promise. It implies that last year's tax bill was intelligently drawn.

That is a matter of opinion on which some of us do not agree with our spending specialists on the Democratic side of the House. The statement is at least an admission that more intelligence could have been shown than was evidenced last year. And it cannot be denied, nor has my challenge been answered, that the statement was a promise of the evidence of more intelligence; mark you, not a promise for intelligence but more intelligence than that which was shown last year. The reenactment of these consumers' taxes is the fulfillment of that promise.

By advocating this tax bill the majority claims that it has shown more intelligence. What a profound degree of mental effort has been shown? With what diligence and with what painstaking care and with what untiring endeavor more intelligence has been directed. What sleepless nights and early morning toil more intelligence must have required. All of us should sympathize with the majority in their poring over textbooks on taxation, in their cramming exercises, in their burning of midnight oil to present the reenactment of these nuisance taxes as an evidence of more intelligently dealing with the revenue question. Again, of course, this may represent more intelligently under brain-trust guidance, and someone has ventured the suggestion that more intelligently was only a facetious phrase to fool the people.

It is difficult to understand the philosophy which permits this bill to be called a more intelligent revenue measure. The only reasonable conclusion which can be reached is that the majority persists in its conviction that it can perpetuate itself on the theory that "where ignorance is bliss, 'tis folly to be wise." [Applause.]

[Here the gavel fell.]

Mr. TREADWAY. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Chairman, taxes, taxes, taxes, taxes! More taxes, more taxes! More expenses, more expenses! More appropriations, more appropriations! That seems to be the thought that goes into the consideration of this measure by the House. [Applause.] You just do not use good sound judgment and common sense in spending, thus the taxes, taxes, taxes; yes, more taxes.

Let me call attention again to the statement of June 8 of the Treasury Department, which shows that the revenues this year up to June 8 were $4,577,412,885. The expenses were $7,121,468,000. The Government is in the red to the extent of $2,422,000,000. You on the Democratic side promised to balance the Budget in 1938. You promised economy. Your promises are certainly not taken seriously by the President and the Congress.

Members of Congress, just remember that you have appropriated up to this time, during the present Congress, over $8,000,000,000 for 1936, and the end is not in sight at this session. Think of it, $8,000,000,000 has been appropriated thus far. When will you ever get anywhere near balancing the Budget if you do not cut down the expenses of government? You can bring in a tax bill for $688,000,000 as you figure this one will bring in, but you will never approach balancing the Budget the way you are increasing the amount of expenditures three times faster than income is increased. That is the sad part of this Congress. You do not know how to economize, so far as Government expenditures are concerned. You do not know how to balance the Budget. You do not know how to consolidate bureaus. The Congress is not a responsible Congress. A committee has been

formed with instructions to bring in a bill to consolidate and eliminate bureaus, but I venture the assertion that committee will not report during the present session of Congress. If it does not, God have pity on this country. You will wreck this Nation financially.

I told the chairman of the Ways and Means Committee a year ago I would vote for that tax bill if it had not contained that iniquitous undistributed income-tax proposition, which every member of the Ways and Means Committee today wants to change. I congratulate you on any effort to change that ridiculous tax bill.

Mr. Chairman, I am going to vote for this tax bill. Why? Not because I want it or because I like it. I do not. But because I have to try to increase the Government income, if possible, to meet the increased expenditures until the present Members of Congress on the majority side acquire sense enough to know we cannot go along and appropriate money for everything the bureaucrats want. May God help you Members of Congress see the errors of your way. I hope some of you on that side will oppose these big appropriation bills. I am going to vote for this bill because I think more of my country than I do of any votes I might receive in my district if I voted against it. Too many Members of Congress think of that first and the country after that.

Mr. Chairman, I do not like a tax bill and there are lots of things in here I would not vote for individually, but I am compelled to vote for it to save that grand Old Flag up there behind the Speaker's chair. [Applause.]

Let me try to drive this thought home: Every time someone brings in an appropriation bill from a department and wants you to pass it, let us get a little bit of common sense and a little American red blood in our veins and say: "Gentlemen, you have gone far enough, and we cannot give it to you"; we must economize in Government spending.

We must economize, I tell you. If we do that and do not bring in increased appropriations, eventually we might get some place, but we will never get any place if we do not carry out the policy emphasized in the Democratic platform of 1932, in which they promised, time after time, they were going to economize so far as Government expenditures were concerned.

The President of the United States and the past two Congresses have been the most extravagant set-up this country has ever known. Your appropriations for next year are now over $8,000,000,000. Why does not Mr. Franklin D. Roosevelt do as he said he would do in his acceptance speech on July 2, 1932, and I quote:

> For 3 long years I have been going up and down this country preaching that government * * * costs too much. I shall not stop that preaching.

It seems as if the President of the United States has forgotten that preaching, and has also forgotten that he made such a statement. I further quote from Franklin D. Roosevelt's acceptance speech:

> I propose to you, my friends, that government * * * be made solvent and that the example be set by the President of the United States.

If there is any man in the history of the world that ever had a reputation for doing just the opposite than what he preached, Mr. Roosevelt certainly has that from his record of the past 5 years. Let me give you the facts to substantiate this statement: His deficit from March 1, 1933, to June 30, 1933, was $892,600,000; to June 30, 1934, $3,629,000,000; to June 30, 1935, $3,001,000,000; to June 3, 1936, $4,361,000,000; and estimated to June 30, 1937, $2,600,000,000; making a total of over $14,400,000,000.

Now, let me give you the greatest joke of all time—the statement made by Postmaster General Farley at Salt Lake City on August 1, 1934:

> You are having the most economical Federal administration you have had for years.

The joke is too serious to laugh at.

We need men in public office that are sound. We want to get rid of the political leeches; we want to stop playing politics in all departments of the Government. The civil service, which is supposed to be nonpolitical, is only a subterfuge under Mr. Farley's administration. If Mr. Roosevelt, since he is elected to be President until 1940, does not get sound and sane advisers, this country will never survive.

Mr. Farley wants the continuation of the 3-cent postage in this bill, which will amount to $122,000,000. The Post Office Department was $88,000,000 in the red last year. Cut out the 3-cent postage and Mr. Farley will have the Post Office Department $210,000,000 in the red. No wonder he wants the continuation of the 3-cent postage. It would show him up if not passed. His administration of the Post Office Department would show the inefficiency of his administration. Think of it—it would be $210,000,000 in arrears if it were not for the 3-cent postage.

CUT DOWN GOVERNMENT EXPENSES

People have been forced by oppressive laws and excessive taxes from other countries to seek new homes here in America. These pioneers of our country did not arrive with pockets bulging with money, not wet nursed by any bureaucracy, although they failed at home, they were willing to work, and they did succeed here.

Of course, there have always been failures who look for easy money. About the only source of easy money in this country now is through the New Deal administration here in Washington, and so everyone who is a misfit at home or has made a failure out of life now journeys here to Washington and puts the pressure on the New Deal and the bureaucrats to get on the Federal pay roll. And they do succeed.

We have nearly a million of Government employees on the rolls, not counting the "brain trusters", half of whom ought to be returned to their homes. Instead of passing new appropriations and tax bills, it is time we demobilize the bureaucratic army hanging like leeches to the Federal patronage trough, and enlist, if necessary, a few workmen willing to work their way through life instead of chiseling on their fellowman. Spend less, tax more, or bust.

Mr. TREADWAY. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Chairman, on December 24, 1936, the Secretary of the Treasury showed on his statement gold in the general fund inactive, $14,835,000. That was the first report we had of gold being purchased under the present plan of sterilization.

On June 8, 1937, we find that $14,000,000 has since grown to $878,000,000. Under date of December 22, 1936, the Secretary of the Treasury made an announcement with reference to the policy he would pursue so far as the purchase of gold was concerned. I hope every Member of the House will get this, because it is a new angle to the tax feature that has not been discussed today, and I have not heard it mentioned in recent discussions. He announced on December 22, 1936, that he proposed, whenever it was deemed advisable in the public interest to do so, to take appropriate action with respect to net additional acquisitions or release of gold by the Treasury Department. This was to be accomplished by the sale of additional public-debt obligations, the proceeds of which were to be used for the purchase of gold.

Mr. Aldrich, chairman of the Chase National Bank, on his return from Europe, when he was talking the other day about this gold policy, stated:

> It is all in the hands of the Government and should not be talked about outside. It is a very delicate situation.

As I understand it, we are one branch of the Government so far as legislation, taxation, and buying gold are concerned, because we authorize the Secretary of the Treasury to make the purchase. I feel we should talk about it here.

Since we started this policy the value of the gold mines in South Africa alone have advanced in price from £70,000,000 to £400,000,000, or a net gain to them of $1,600,000,000 as a direct result of our gold-buying policy. All this in addition to their profit on sales of gold to us.

London press reports say Canada and South Africa are now proposing to withdraw their objections to a trade agreement between the United States and Great Britain provided

we will continue to purchase gold at $35 an ounce from British provinces. June 9 the London News Chronicle says:

Sir John Simon intends to let the Americans go on carrying the baby, however big the baby may grow.

The Washington press, June 4, says:

President Roosevelt today said once more that the Government's gold policy will remain unchanged despite the continued heavy inflow from abroad. He denied all knowledge of a statement on gold from the nations of the tripartite monetary agreement and in forceful language advised his inquirers "not to worry about gold."

Coupled with yesterday's new borrowing, which indicates among other things that the Government's gold-purchase program will continue to make heavy drains on Treasury balances, the statement itself is expected to serve as a reassuring factor to the jittery London gold market.

[Here the gavel fell.]

Mr. TREADWAY. Mr. Chairman, I yield the gentleman from Michigan 4 additional minutes.

Mr. CRAWFORD. London is wondering just how long we can continue this policy. She takes the position that—

The whole world—

As said the city editor of the News Chronicle, of London—

now knows that there is not the slightest chance of any further increase in the dollar or sterling price of gold. Why, then, should anyone wish to go on holding gold in preference to dollars and pounds?

What does that mean? It means that if the Secretary of the Treasury is to continue his gold-buying policy the hoarders of gold throughout the world will dump as they have never dumped before their hoarded gold, and in addition they will continue to mine gold and ship it to us. If gold now is at top price, why hoard? Refer to the Treasury statement under most recent date, in which it is proposed to continue our gold program. If this is to be the policy, how are you going to balance the Budget next year, when you are buying gold at the rate of a billion six hundred million dollars a year? These purchases have not been considered in the figures which have been submitted here today. This policy of an open market on gold and our offer to take all gold offered us places our Budget in the hands of those who have "gold for sale." The gold changers have now taken us over.

Mr. FRED M. VINSON. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Kentucky.

Mr. FRED M. VINSON. Will the gentleman tell us why it is that within the last week England has raised the price of gold 9 cents plus per ounce in order to prevent its outflow?

Mr. CRAWFORD. My opinion, based upon the research work I have been doing on this question, is that Canada and South Africa want us to continue our gold policy. The gold market became very jittery here a few days ago when there was some talk of our discontinuing our policy. Pressure was put on the Bank of England and the British Exchequer to start purchasing gold and to raise the price so gold would go there for a few days instead of coming to the United States, to the end that some of the pressure would be taken off us to purchase the gold which was then being dehoarded in London at the rate of about $20,000,000 a day. The President reaffirmed our gold-buying policy, and since then we have issued or sold another half billion of tax-exempt bonds to buy more gold for the benefit of other countries.

Mr. FRED M. VINSON. Would the gentleman agree with me that evidently it was the agreed policy of the British Empire that the increase in price was for their benefit, to prevent the exportation of gold?

Mr. CRAWFORD. The increase in that price was for the specific benefit of Canada and South Africa, because the amount of gold which the British Empire, including Canada and South Africa, has shipped to us amounts to $1,742,000,000. Why would they not raise the price a few more cents in order to get us to continue this policy? We have a standing offer to buy all gold offered. London has not met our price. We are at the top.

I am in favor of balancing the Budget. In that respect, I voted against the $1,500,000,000 appropriation the other day and voted against the $350,000,000 appropriation a few days before that. I propose to continue to vote against these extravagant appropriations until I am eliminated from this House or until the Federal Budget is balanced. If my people do not like this policy, they know where they can get other men to send down here. The course we are following will wreck us, and there is no dodging the issue. The Members of the House know that. It is not necessary for me to stand up here as a new Member and try to tell you that; but any man who knows anything about the finances of the country should take this whole economic map and look at it. We can balance the Budget if we cut appropriations and get control of our gold policy. I favor such a step and not more taxes on our people.

Another thing: How are you going to diffuse this gold when you get through buying it? Then you will begin buying goods which are produced in other parts of the world and which will be shipped to us in return for the gold we ship back to them. They will thus profit on both ends of the trade and at our cost. [Applause.]

[Here the gavel fell.]

Mr. COOPER. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. DINGELL].

Mr. DINGELL. Mr. Chairman, during the consideration in committee of the resolution now before the House I tried my level best to amend the resolution to provide for an extension of the taxes known as nuisance taxes for but 1 year. I propose to offer an amendment later to accomplish this purpose.

The so-called nuisance taxes, in my estimation, are grossly unfair. Their continuance for a time beyond 1 year is absolutely without any justification whatever. Here is what the Congress and the Nation are faced with. If we extend these taxes for a period of 2 years, of course, we do not know what we may be confronted with after that time or when we may expect repeal of these taxes. However, if we amend the resolution and permit the extension of the so-called nuisance taxes for but 1 year, it means one thing for a certainty, that the promise we have had on more than one occasion that a comprehensive tax plan would be presented to the Congress will be realized.

Why in the world should two of our great industries—the automobile and oil and refining industries, which are so dependent upon the automobile industry for existence—be singled out to be taxed for practically three-fifths of the expected tax revenue in this bill for the year 1938? There is absolutely no justification for it. And it is not a nuisance tax in this instance, it is a downright discriminatory and burdensome tax amounting to $349,900,000.

I remember very distinctly talking over this matter of repeal with distinguished members of the Committee on Ways and Means in 1933, and I received assurance at that time that the extension of 2 years at that time would be the finale so far as this method of taxation was concerned. At the expiration of that time we extended the tax for 1 year, and then again extended it for another 2 years. Now we are facing an additional 2-year extension.

If we are to have a comprehensive, honest tax plan brought in here, there is only one way Members on both sides of the House can help to bring it about, and that is to stand by me on this amendment for the extension of the nuisance taxes for a period of but 1 year. Then, I assure you, the Committee on Ways and Means will go into a huddle late this fall and early this winter and, with the advice of its experts, will bring in a comprehensive, uniform, general, and just plan of taxation which will take care of this situation. There is absolutely no reason why the oil industry, the gas industry, the refining industry, and the automobile industry should be singled out and penalized by this or any other Congress.

I am mindful this is not entirely our fault. We have perhaps inherited this method of taxation. However, we are to blame for retaining these unjustified nuisance taxes. I hold it is high time we got away from them.

Whom do these taxes affect? Not necessarily or directly the automobile industry, which is centered largely in my

State, because when the manufacturer pays the tax he passes it on to every purchaser of a car within your districts. For this reason the tax is borne by the purchaser of an automobile and not by the manufacturer.

There is no reason in the world why this administration should insist upon maintaining this tax any longer.

Mr. DIES. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to my friend from Texas.

Mr. DIES. Will the gentleman tell me whether or not the committee has given any consideration to the advisability of increasing the gift and inheritance taxes to take the place of these nuisance taxes and also decentralize some of the enormous wealth in the country?

Mr. DINGELL. I have no knowledge that there has been any special consideration given to that particular question, although the question was considered during the preparation of the last tax bill which was brought in here during the last session.

The anticipated revenue for 1938 from gasoline and oil taxes is $237,300,000, and the anticipated tax from the automobile industry is $112,600,000, out of a total of $502,000,000.

This is purely and simply a sales tax. If we are going to go in for a sales tax, Mr. Chairman, I believe the committee should go into a huddle and bring out a uniform and general sales tax instead of penalizing one industry. The automobile industry has led the Nation in recovery. Why should it be penalized or why should we try to penalize it? Why should we try to drag it back into the doldrums? If we need this revenue—and I feel certain we do—let us tax some other available source. Why not go in for a comprehensive study of the entire tax structure instead? We have been working under a hodgepodge system that is absolutely wrong. We ought to go in for a careful consideration and study of the matter; we should put our tax experts to work. And I understand they are at work now, but we have no assurance of a new tax bill unless you go along with me on the amendment which I propose. Change the provisions of this resolution to 1 year instead of 2 years and we will get some action. We will get a new tax bill, and I may say to my friends on this side, as well as on the other side, you need not fear the political effect of bringing out a tax bill in a campaign year. Personally, I am willing to take my chances with my constituents at any time on a tax bill. I do not care a continental rap whether we bring it out in 1937 or 1938, in an off year or election year, if it is a just plan and if we must have the revenue. If the Government renders a decent, honest service to the taxpayers for the money spent, I am quite ready to vote for a tax bill at any time and shall make no apologies for doing so.

[Here the gavel fell.]

Mr. DOUGHTON. Mr. Chairman, I yield 10 minutes to the gentleman from Virginia [Mr. ROBERTSON].

Mr. ROBERTSON. Mr. Chairman, the issue that confronts us today is not whether the payment of taxes is pleasant or a nuisance but whether we are willing to do what we can here today to protect and preserve the financial integrity of our Government.

I find in the minority report a sentence, in the second paragraph, which reads:

> The present proposed extension constitutes a third breach of faith on the part of the administration.

But in the next to the last paragraph my colleagues from the minority side state:

> This, however, could not be sincerely done in view of the acute financial condition of the Treasury.

Our distinguished colleague the gentleman from Pennsylvania [Mr. RICH], for whom I have great admiration, said, with better grace than I could possibly say it, what I had in mind to say to my friends on the Republican side: "I will vote for this resolution today." "I would rather", said he, "protect my country than get a few votes in my district." "I", said he, "owe a duty to that flag." I am confident that, regardless of what my friends on that side of the aisle may put in the RECORD, when the time comes to protect the financial soundness of their country it is not a Democratic country, it is not a Republican country, but it is our country; they will vote with us in doing whatever is necessary to accomplish that purpose.

I am not going to call the names of the 49 on that side of the aisle who voted against the appeal that some of us made here just a few days ago to keep down relief expenditures. They voted to increase by 50 percent the report of the subcommittee that $1,000,000,000 was not only a sufficient amount but a liberal amount.

I wish now to read a letter just received by special messenger from the Acting Director of the Budget, which shows the absolute necessity for the continuation of the five-hundred-and-odd million dollars we will raise through the continuance of these emergency taxes.

Mr. FRED M. VINSON. Mr. Chairman, will the gentleman yield?

Mr. ROBERTSON. I yield.

Mr. FRED M. VINSON. Before my friend starts in on that very interesting discussion, may I insert for the RECORD the figures I have just obtained from the Director of the Budget with regard to expenditures and receipts up to June 9?

Expenditures, $7,019,253,164.39; receipts, $4,597,401,047.90; or an excess of expenditures over receipts of $2,421,852,116.49.

This is in substantiation of the statement I made with respect to an anticipated deficit of $2,600,000,000 for the present fiscal year.

Mr. ROBERTSON. I quote from the letter just received from the Budget Bureau:

> Reference is made to your letter of June 7, 1937, in which you request certain information relative to revised estimates of revenues for 1938, together with a statement of appropriations for that year.
>
> There is enclosed a copy of House Document No. 234, Seventy-fifth Congress, which contains under date of April 20, 1937, the latest statement of the President regarding estimated receipts and expenditures for the fiscal year 1938. It will be noted that the total receipts are estimated at $6,906,000,000. This amount includes all taxes levied under the Social Security Act, as well as about $500,000,000 estimated revenue from temporary taxes expiring June 30 or July 31, 1937, extension of which is now pending before the Congress. The expenditures are estimated at $7,324,000,000, exclusive of any provision for statutory debt retirement, thus showing a net deficit of $418,000,000.
>
> I am also sending you herewith a summary of the estimates of appropriations for the fiscal year 1938 submitted to Congress by the Bureau of the Budget and appropriations for that fiscal year as carried by the several appropriation acts in their present status.
>
> You will note that the President has submitted estimates of appropriations to the Congress aggregating $6,982,694,470.25, on which Congress has taken some action and reduced to $6,848,798,613.63, a reduction of nearly $134,000,000. You will also note that other estimates of appropriations have been or will be submitted aggregating $631,470,020, on which there has been as yet no congressional action.

According to that letter, if we continue the revenue of approximately $500,000,000 that we receive from this emergency tax, we will still have a deficit estimated for 1938 at $418,000,000. That depends, however, upon the future action of this House in not increasing over Budget recommendations the pending bills for a public-buildings program, for the nonmilitary purposes for the War Department, for flood relief, and various other activities in the last deficiency appropriation bill. If we increase those estimates, the deficit will be more than $418,000,000.

I also call attention to the fact that that letter stated that the $6,906,000,000 of revenue includes the taxes under the Social Securities Act. It should be apparent to you what that means. We passed an act to impose a special tax for a special purpose. So far as I can ascertain, we have appropriated only one item to carry out the purposes for which the act was passed, the $500,000,000 item of appropriation for the purchase of Government bonds in the Treasury Department appropriation bill, and we have the pay-roll taxes going into the Treasury of about $325,000,000 in 1936, $525,000,000 for 1937, and it is estimated we will have about $700,000,000 for 1938.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. TREADWAY. Mr. Chairman, I yield the gentleman 3 minutes more.

Mr. ROBERTSON. Mr. Chairman, that is a little over a billion and a half dollars that will go into our Treasury for a specific purpose. Are we going to appropriate for general purposes money that we do not have and take it out of the fund of these workingmen on whom we have imposed a tax for a specific purpose?

Mr. DIES. Mr. Chairman, will the gentleman yield?

Mr. ROBERTSON. Yes.

Mr. DIES. Would the gentleman be opposed to an amendment which would say that this act shall not become operative until the inactive gold fund in the Treasury Department is used to defray Federal expenditures?

Mr. ROBERTSON. I would be opposed to that.

Mr. DIES. Would the gentleman explain why?

Mr. ROBERTSON. I have not time to go into that; that is a technical question.

Mr. DIES. Does the gentleman believe that we are justified in using this gold that we are buying with tax-exempt bonds and then imposing nuisance taxes upon the people?

Mr. ROBERTSON. The purpose of buying the gold bonds, as the gentleman knows, was upon the theory of Professor Warren.

Mr. DIES. I am not talking about that gold, not about the gold to stabilize the currency, but this new idea of buying gold to prevent credit inflation, sterilizing the gold.

Mr. ROBERTSON. We are just carrying out now a policy that we started of giving a boost to commodity prices by increasing the price of gold. That was Professor Warren's theory, and it worked to a certain extent.

I have in my hand a number of regular appropriation items which I have not the time to read. There have been no major disputes concerning any one of them, and they are one hundred and thirty million less than the Budget recommended. Nobody has pointed out, except on the relief expenditure, how we can make a major saving.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I understand that money appropriated for social security has been diverted from social security for other purposes.

Mr. ROBERTSON. I did not say that.

Mrs. ROGERS of Massachusetts. I understand that to be the case. Does the gentleman know?

Mr. ROBERTSON. I say that in 1938 there should be in the Treasury a billion and a half dollars under that act, and we have appropriated $500,000,000, and we must put taxes on enough to save to these workingmen that other billion dollars. We have not got it to use. That presents our financial picture in a very serious light. We owe a duty to them, and I am looking for my Republican friends to join with me in putting on enough taxes to protect those workingmen.

Mrs. ROGERS of Massachusetts. It seems too bad if the money has been diverted from social security purposes.

Mr. ROBERTSON. I did not say it had been diverted. I say we must not spend and use it as if it were in the general fund. The following tables show the Budget recommendations, the items that have been disposed of, those that have been acted on by the House, and those yet to be acted on by the House. These tables indicate the absolute necessity for the revenue to be produced by the pending resolution.

Statement of estimates submitted by the Bureau of the Budget for the fiscal year 1938 and appropriations made by Congress to include June 10, 1937 (general and special accounts)

	Estimates submitted by Budget Bureau	Passed House	Pending in conference committees	Law as approved	Increase (+) and decrease (−) compared with estimates
Legislative establishment:					
Annual	$25,235,017.00			[1] $24,186,996.78	−$1,048,020.22
Permanent	4,800.00			4,800.00	
Total	25,239,817.00			24,191,796.78	−1,048,020.22
Independent offices:					
Annual	995,110,963.00		$975,029,258.00		−20,081,705.00
Tennessee Valley Authority, annual	43,000,000.00			[2] 40,166,270.00	−2,833,730.00
Permanent	1,254,205.00		1,254,205.00		
Total	1,039,365,168.00		976,283,463.00	40,166,270.00	−22,915,435.00
Department of Agriculture:					
Annual	[3] 805,248,290.00		[4] 743,101,894.00		−62,146,396.00
Permanent	126,228,665.00		126,228,665.00		
Total	931,476,955.00		869,330,559.00		−62,146,396.00
Department of Commerce, annual	42,966,630.00		43,038,792.00		+72,162.00
Department of the Interior:					
Annual	[5] 120,572,604.85	[5] 123,149,104.85			+2,576,500.00
Permanent	13,700,000.00	13,700,000.00			
Total	134,272,604.85	136,849,104.85			+2,576,500.00
Department of Justice, annual	42,159,689.00		$41,008,185.00		−1,151,504.00
Department of Labor, annual	24,161,600.00		23,151,400.00		−1,010,200.00
Navy Department, annual	563,925,709.00			[6] $526,258,808.00	−37,666,901.00
Post Office Department:					
Annual	786,232,978.00			[7] 784,748,053.00	−1,484,925.00
Deduct amount payable from postal revenues	755,000,000.00			755,000,000.00	
Total	31,232,978.00			29,748,053.00	−1,484,925.00
Department of State, annual	19,564,648.40		18,577,540.00	[8] 8,400.00	−978,708.40
Treasury Department:					
Annual	760,239,740.00			[9] 752,170,390.00	−8,069,350.00
Permanent	1,446,602,470.00			1,446,602,470.00	
Total	2,206,842,210.00			2,198,772,860.00	−8,069,350.00
War, Military Establishment, annual	416,486,461.00	[10] 416,413,382.00			−73,079.00
District of Columbia:					
Annual	46,575,605.00		46,629,781.00		[11] +54,176.00
Deduct amount payable from District of Columbia revenues	41,575,605.00		41,629,781.00		
Total	5,000,000.00		5,000,000.00		
Grand total		553,262,486.85	1,976,380,939.00	2,819,146,187.78	
Emergency relief	1,500,000,000.00	1,500,000,000.00			
Total considered in appropriation bills approved or pending	6,982,694,470.25	6,848,798,613.63			−133,895,856.62

[Footnotes at end of table]

Statement of estimates submitted by the Bureau of the Budget for the fiscal year 1938 and appropriations made by Congress to include June 10, 1937 (general and special accounts)—Continued

	Estimates submitted by Budget Bureau	Passed House	Pending in conference committees	Law as approved	Increase (+) and decrease (−) compared with estimates
Estimates submitted on which no action has been taken by the Congress:					
Independent offices:					
American Battle Monuments Commission	$200,000.00				
U. S. Maritime Commission	10,080,000.00				
Treasury Department, public buildings	40,131,963.00				
War Department, nonmilitary	193,566,088.00				
Total estimates submitted upon which no action has been taken	243,898,051.00				
Estimate of supplemental items, including Civilian Conservation Corps, to be submitted later	387,571,969.00				
Total	631,470,020.00				
Grand total	7,614,164,490.25				

[1] Includes $101,260 in Second Deficiency Appropriation Act, fiscal year 1937.
[2] In Second Deficiency Appropriation Act, fiscal year 1937.
[3] Includes reappropriation of $75,864,000.
[4] Includes reappropriation of $175,864,000.
[5] Includes reappropriation of $350,000 and excludes Public Works Administration allotments from National Industrial Recovery appropriation of June 16, 1933, and allocations from Emergency Relief Appropriation, 1935, made to the Bureau of Reclamation which were continued available for 1938.
[6] Includes reappropriation of $10,000,000.
[7] Includes $488,500 in Second Deficiency Appropriation Act, fiscal year 1937.
[8] In Second Deficiency Appropriation Act, fiscal year 1937.
[9] Includes $15,000,000 in Second Deficiency Appropriation Act, fiscal year 1937.
[10] Includes reappropriation of $661,850.
[11] Chargeable to District of Columbia revenues (not included in total).

The CHAIRMAN. The time of the gentleman from Virginia has again expired.

Mr. TREADWAY. Mr. Chairman, it is with a great deal of pleasure that I yield 3 minutes to the gentleman from Texas [Mr. PATMAN].

IDLE GOLD

Mr. PATMAN. Mr. Chairman, heretofore whenever the Government possessed gold, it would issue gold certificates, deposit those gold certificates with the Federal Reserve bank and receive Federal Reserve notes which were placed in the Treasury's general fund and used for general purposes. Since December, however, the gold that has been acquired has been set aside and not used. In order to set that gold aside it has been necessary to issue more tax-exempt interest-bearing bonds to the amount of the idle gold. Today we have outstanding in that inactive gold fund $878,001,200.77.

SEVENTY THOUSAND DOLLARS' INTEREST ON IDLE GOLD

The interest on the bonds necessary to sterilize this gold amounts to $70,000 a day. The question I want answered by this Committee, and I hope some member of the Committee will answer it is, why we should levy these nuisance taxes, which will cost the people a million and a half dollars a day for every business day, and continue to pay $70,000 a day interest on these tax-exempt interest-bearing bonds in order to permit that gold to remain idle. It does not make sense to me. Possibly it does to somebody else and I would like to know the reason why. Of course, if we need the idle gold and need these taxes too, that is an answer, but certainly we should use that idle gold. That gold does not include the $11,000,000,000 and more in gold that is held by the Treasury. It occurs to me that this gold could be used.

COMMITTEE SHOULD SEE THAT GOLD IS USED

I think the Ways and Means Committee, in its future hearings, if it was not permitted to do so this time, should insist that this Government, the Secretary of the Treasury and all connected with this, should use our idle gold, unused, unallocated, unpledged. It is money in the Treasury, laid aside, upon which we are paying interest instead of using it. So I am hopeful that in the future deliberations of the Committee on Ways and Means it will give consideration to this enormous amount of money before it levies any more taxes. [Applause.]

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield for a question?

Mr. PATMAN. I yield.

Mr. CRAWFORD. Is it not true that since last December, or during the past 6½ months, we have thus purchased nearly $850,000,000 worth of gold through general-fund expenditures?

Mr. PATMAN. Eight hundred and seventy-eight million.

Mr. CRAWFORD. At that rate, then, we must include in our budget in the future, if that policy is to be continued, $1,600,000,000 for the purchase of gold alone. Is that correct?

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. TREADWAY. Mr. Chairman, I yield 3 minutes to the gentleman from Texas [Mr. DIES].

Mr. DIES. Mr. Chairman, when the gold revaluation bill was passed, authority was given to the Secretary of the Treasury for the purpose of creating a stabilization fund to purchase and use gold to stabilize American currency on foreign exchange. There was not any authority in that law to authorize the Secretary of the Treasury to acquire gold for the purpose of stabilizing or preventing credit inflation. The gold that my colleague [Mr. PATMAN] is talking about is not gold purchased for the purpose of stabilizing our currency but it is in pursuance to a suggestion by Mr. Eccles, as I recall, that it was necessary to sterilize this gold in order to prevent banks from accumulating gigantic reserves upon which credit could be issued.

I submit that it is absolutely unjustifiable for the Treasury of the United States to issue tax-exempt bonds and acquire gold, not for the purpose of carrying out the Gold Revaluation Act, not for the purpose of stabilizing currency, but to carry out some idea with reference to credit inflation.

Let me tell you what we are doing. In the first place, when we issue these tax-exempt securities, regardless of what anyone may tell you, we are offering an incentive to those who have capital to withdraw that capital from private industry and put it into securities. Figures were published a few days ago that a man who has a million dollars can buy tax-exempt bonds and derive a greater return from those bonds than if he took the million dollars and invested it in an industry that would produce continuing and productive labor. Under that situation you are defeating all of the objectives of the income, gift, and inheritance taxes.

Talk about distributing wealth; talk about decentralizing gigantic combinations of wealth, when you offer an avenue of escape that enables a man who is being subjected to these taxes to escape all of your efforts by hiding behind tax-exempt bonds. Some people will deny that. Recently I had occasion to read an exhaustive and illuminating book dealing specifically with the whole question, and as far as I am concerned I am convinced by absolute figures that in times when income taxes, gift taxes, and inheritance taxes are high, those who have wealth can more profitably invest that wealth in tax-exempt securities. Now, who is going to pay this back?

[Here the gavel fell.]

Mr. TREADWAY. Mr. Chairman, I yield 3 minutes to the gentleman from Texas [Mr. THOMASON].

Mr. THOMASON of Texas. Mr. Chairman, in the short time allotted to me I wish to make a brief statement about the renewal and extension of the excise tax on copper. I am interested in other sections of the bill, but this one is of vital interest to me and all the people of the Southwest. We placed in the revenue bill of 1932 an excise tax of 4 cents per pound on foreign-produced copper. That act would have expired in 1934 but was extended for 1 year by Presidential proclamation. The tax was included in our bill of 1935 and will expire at the end of this month unless we take prompt action.

In my judgment, this legislation has actually saved the copper industry in this country. There is more reason today for its continuance than ever before. Those in this country engaged in the business cannot compete with cheap peon labor in foreign countries, enormous foreign ore reserves, and the subsidizing of the industry by many foreign nations unless we have some measure of protection.

Five years ago the copper industry was at the lowest ebb in its history. Mines, smelters, and refineries all over the country were closed down. Thousands of men had been left without employment. Many companies were either in bankruptcy or on the verge of it. This country was flooded with large surplus stocks of foreign copper produced with peon labor that was not being paid more than 25 cents a day.

I have some personal knowledge of the situation because in my home city of El Paso there is a large smelter, as well as a fine, modern copper refinery. These great plants were practically closed until the present tax law became operative, resulting in the advanced price of copper. Today these industries are running almost to capacity and providing work at good wages for hundreds of men who were formerly on relief. This same condition prevails in Arizona, New Mexico, and throughout the mining section. When the smelters are doing a good business it means the mines are being worked, which provides even more employment, to say nothing of business for the railroads, truck lines, merchants, jobbers, and a greatly increased purchasing power along all lines. The mining business is almost the lifeblood of the great Southwest.

I do not contend the excise tax is the sole cause of the revival of the industry, but it has certainly been the largest contributing factor. A healthy condition has been brought about because it has reserved the United States market to our own producers without increasing the price of the metal to our own consumers. The tax last year produced more than $2,000,000 in revenue; but, more than that, it revitalized and stabilized one of our greatest industries. Large surplus stocks that had been "dumped" into this country from foreign nations have been liquidated. The duty on foreign copper has not hurt our own people. It is true the price is better, as it should be, but is in line with the world price which has been brought about in part by world conditions. The tax was originally imposed to equalize the cost of production at home and abroad, which is in line with good Democratic doctrine. Opposition to this tax comes largely from those outside the United States who want to work peon labor and cannot sell their cheap foreign-produced copper in this country or those Americans who have made foreign investments in copper mines.

I hope, as the chairman of the committee says, that the time is not far distant when these strictly nuisance taxes can be done away with. I am opposed to a sales tax, and especially to a tax on gasoline, toilet articles, fur clothing, and other items in the bill, which are more or less a sales tax. I am sure that just as soon as the financial condition of the Treasury will permit, these taxes will be repealed. But this tax on copper is neither a sales or nuisance tax. It is only sound business that will provide a measure of protection for a great American industry and give employment to thousands of good citizens at fair wages and working under decent conditions. I feel sure that this provision of the bill will receive the almost unanimous support of the Members of the House. [Applause.]

Mr. DOUGHTON. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. LAMNECK].

Mr. LAMNECK. Mr. Chairman, I am going to vote for this bill because I have advocated on numerous occasions in this House that we ought to increase taxes or decrease expenses. Everybody knows that the taxes that we are collecting each year are not sufficient to pay the expenses of the Government. I want to give you a little picture of the real tax situation and I want to make the prediction that we do not know anything yet about what taxes we are going to have to pay.

I think everybody knows, and it is an acknowledged fact, that the per capita debt of this country is about $270. In my home State of Ohio, in 1936, we paid to the Federal Treasury $189,000,000. Had we paid the amount of taxes we should have paid in order to balance the Budget, Ohio would have been compelled to pay $400,000,000. The State of Ohio for State purposes collected last year $226,000,000, and the political subdivisions in Ohio, the cities, the towns, the townships, and the school districts collected about $375,000,000. So, if the people of my State—and I assume that this is typical of every other State—had paid the taxes that we will some day be compelled to pay, the people of Ohio would have paid last year about $1,000,000,000.

The income of Ohio in 1936 according to the best information I have at hand was about $3,000,000,000. I want you to think of this for a minute: That the percentage of income for taxes that the people of Ohio had to pay last year was about 33⅓. When anybody states that we can defeat this bill without having some substitute, it seems to me he has made a foolish statement.

I would repeal all of these nuisance taxes if I could, but I would substitute something more sound for it. I am assured by our committee and by the taxing officials of the Government that before the next session of Congress adjourns in 1938 we shall be able to outline, define, and pass a real tax bill which will probably make it possible to repeal such nuisance taxes.

Mr. THURSTON. Mr. Chairman, will the gentleman yield?

Mr. LAMNECK. I yield.

Mr. THURSTON. Then the gentleman would favor an extension of these taxes for 1 year rather than for 2?

Mr. LAMNECK. I would favor an extension of the taxes for 1 year, because I am assuming that when we pass a new tax bill it will be possible to repeal these taxes. Whether that will happen or not I do not know, but I cannot understand how my Republican brethren, who I am sure believe that the Budget ought to be balanced, could advise anybody on either side of this aisle to vote against this tax bill without having something to take its place. That to me is a silly proposition.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. LAMNECK. I yield.

Mr. COCHRAN. Even though we extend these taxes for 2 years, when this real sound tax bill, of which the gentleman speaks, comes in at the next session there will be nothing in the world to prevent us from repealing every tax levied in this bill. In fact, we could do so before this session adjourned if the Congress desired.

Mr. LAMNECK. The gentleman is correct.

Mr. Chairman, I have said about all I have to say. I urge the Members to pass this bill substantially in the form in which it was presented by the committee. I advocated, as the chairman and members of the committee know, certain changes in this bill, but I do not think I shall press them, even though I would like to change the bill in certain features.

Mr. TREADWAY. Mr. Chairman, I yield myself the balance of the time.

The CHAIRMAN. The gentleman from Massachusetts is recognized for 20 minutes.

Mr. TREADWAY. Mr. Chairman, we were all greatly interested at the beginning of this debate in the remarks made by our distinguished chairman, the gentleman from North Carolina [Mr. DOUGHTON]. He gave us a very complete résumé of the history of taxation and of the tax laws extending back for a good many years. My hearing is none too sharp. Perhaps his voice is none too loud. Between these two difficulties I was not able to hear much explanation, if any, of the pending bill. He made some complimentary remarks, facetious, I am sure, but complimentary remarks about me. It may not be out of place, therefore, for me to make a few references to some of his remarks as I heard them.

He said he had never heard the gentleman from Massachusetts say anything about reduction of a tariff. He is absolutely correct in that statement, he never has, and he never will, as long as either, or both of us, remain in this House.

A reduction of tariff rates would ruin this country. We have talked about that and discussed it so much that it is a waste of breath to bring it up again. At every committee hearing where anyone interested in business appears testimony is submitted that the tariff reductions proposed and carried out by the reciprocal-trade treaties are absolutely ruining the business of this country. We had some of that testimony only recently. Of course, the administration and the Democratic Members deny it, but I prefer the practical information and testimony of men in business rather than the idle talk of men like Dr. Sayre in the Secretary of State's office. I will not make any motion to strike down the tariff rates, because they are the bulwark of American agriculture, labor, and industry today.

What little reference the gentleman made to the bill at all was aimed at the minority views as expressed in the report. He could not say much about the majority views because all the majority did was to fill up the report with the provisions of law that are being extended and with tables and letters. They did not make any argumentative statement in justification of the extension. We did make a statement, and we will back every word that appears in the minority view as set forth in the report on the resolution.

The gentleman referred to old-age pensions and connected me with a certain movement that has been going on for some time. I am going to repeat to him exactly what I said last October during the campaign, and I hold in my hand the statement I issued in the campaign. I will tell the gentleman exactly what I said:

> I have been interrogated by those interested in old-age security and have made a very definite statement about it which I desire briefly to supplement here. My position is in no way new, nor has it changed. I was a delegate to the Republican National Convention and voted for the platform which contains a plank on security. It advocates:
>
> 1. A pay-as-you-go policy, which requires of each generation the support of the aged and the determination of what is just and adequate.
>
> 2. Every American citizen over 65 should receive the supplementary payment necessary to provide a minimum income sufficient to protect him or her from want.

Mr. Chairman, I am for the platform indicated above and I am for aid to the aged over 65. The distinguished gentleman from North Carolina and his associates on the Ways and Means Committee refused to give the people of this country an opportunity to be heard before the Ways and Means Committee on the old-age pension proposition. In my opinion, when a large number of American citizens ask for a hearing, we should grant it. I am also for that proposition.

Mr. DOUGHTON. Will the gentleman yield?

Mr. TREADWAY. If the gentleman will be very brief. I do not want to get into an argument with him today because my time is very short. When we get going he says I bellow, and I guess I can bellow louder than he can, but go to it, Brother DOUGHTON.

Mr. DOUGHTON. I want to state that doubtless there will be some consideration given.

Mr. TREADWAY. Oh, yes.

Mr. DOUGHTON. Let me complete my statement.

Mr. TREADWAY. Yes.

Mr. DOUGHTON. There will be consideration given to the present social-security law, for which the gentleman voted.

Mr. TREADWAY. That is fine. I am glad to hear the gentleman say that. But when is he going to give consideration to the amendments offered by the Social Security Board? Where are they today?

Mr. DOUGHTON. Just as soon as I get to it. The gentleman will find out where they are in plenty of time.

Mr. TREADWAY. Have not those amendments been sent to the gentleman?

Mr. DOUGHTON. I have not read them myself.

Mr. TREADWAY. I am not asking whether the gentleman has read them. Has not the gentleman had them for a week or 10 days?

Mr. DOUGHTON. Yes; but I have not had time to read them.

Mr. TREADWAY. That is a most important matter now pending before Congress and it has been pending since the Congress began. Why does not the gentleman take time to read them? If those amendments are in the gentleman's possession, he should let us have them for our information.

Mr. DOUGHTON. I do not have the time to go around and play golf.

Mr. TREADWAY. I will read them if given the opportunity. The gentleman has them in his pocket and he has had them for some time. The gentleman has no interest in the old folks. He would rather follow instructions from the White House as to what to do here. He would rather pick out these tax evasions covering yachts, and so forth. He is in a hurry on that, but he does not care a rap for the old people of the country. He has no time. Let us take a little time. Give the amendments to me and I will read them and I will publish them if the gentleman gives me a chance. Put them in the RECORD. If the gentleman has not the time to read them himself, let him put them in the RECORD and let us see them. We would like to know about those social-security amendments the gentleman has been carrying around for 2 weeks or more.

Mr. Chairman, where has the chairman of the Ways and Means Committee gone? I thought I was having a little argument with him. A one-sided argument is no good. He has run out on us.

Another thing the gentleman talked about this morning, was his "hope" about balancing the Budget. The gentleman from New York [Mr. TABER] gave some figures on the Budget. They do not indicate that there is much hope of balancing the Budget when every year the Government is running behind to the extent of two and one-half billion dollars or more. It is a great "hope" to go backward instead of forward. There could not be a better illustration, if they are sincere in that hope of balancing the Budget, than the old expression, "Hope springs eternal in the human breast."

Mr. KNUTSON. Will the gentleman yield?

Mr. TREADWAY. I yield to the gentleman from Minnesota.

Mr. KNUTSON. I think I have a solution for balancing the Budget.

Mr. TREADWAY. The gentleman better tell the Democrats on the majority side.

Mr. KNUTSON. Get the President to autograph 6,000,000 copies of the Democratic campaign book and put them out at $250 apiece. That will secure some $1,500,000,000.

Mr. TREADWAY. Why not get more than that? They need all they can get and more if they are going to balance the Budget.

Mr. KNUTSON. That suggestion does not cost a thing.

Mr. TREADWAY. The distinguished chairman of the Ways and Means Committee made another remark this morning. He said that the Congress made the appropriations. The gentleman knows that is not true. We do not do the legislating here.

Why, we have not had before the Committee on Ways and Means, and I doubt if there has been before any other committee, a bill which has not first been passed on at the other end of Pennsylvania Avenue and sent up here. They have written most of the legislation down there, of course.

Then the gentleman states there was no unfaithful action on the part of the Democrats in regard to the extension of these taxes, which were originally imposed for only 2 years. I hold in my hand a report of the Committee on Ways and Means on the revenue bill of 1932, and I read the following:

> The special excise taxes provided for in the bill are, in most instances, automatically to go out of operation on June 30, 1934. It is the hope of your committee that the financial condition of the country at that time will warrant a corresponding revision of income and estate taxes, provided for in this bill as an emergency measure.

Mr. Chairman, if those words were not intended to encourage the American people to think these taxes would expire in 2 years, I do not understand plain English. It is just as much a promise the Democratic Party should have kept as many of the platform planks they have made and have not pretended to keep. They are all in the same category. Therefore, Mr. Chairman, this extension resolution constitutes the third breach of faith on the part of the administration with reference to these nuisance taxes.

The gentleman from North Carolina [Mr. DOUGHTON] referred to how necessary it was to get this extension passed immediately, because these taxes expire the 30th of June. Why, we have had all winter here to take up this extension resolution. The Committee on Ways and Means was without business for weeks at a time. We did not have meetings—that is, not that we of the minority were called in on—anyway. Possibly the gentlemen of the majority met by themselves, but the Committee on Ways and Means, as such, did not meet for weeks at a time. Why could not we have had this matter up at that time, particularly in view of the fact that Mr. Morgenthau and the President recommended it at the opening of the session.

I was referring to haste. They are in such haste now that we have not had a hearing of any kind open to the public on these tremendous taxes. Are not the people entitled to be heard if they are going to be charged up with $600,000,000 of taxes? No; the Democrats call in some understrapper from the Treasury Department, who tells them to put it through, and that is the end of it.

The real reason for this measure being before us is this phrase which I find in the statement of Mr. Morgenthau contained in the letter to the chairman of the Committee on Ways and Means transmitting the President's recommendations:

> In view of the Treasury's urgent need of the substantial revenues which these temporary taxes are producing.

They urgently need the money. Why? Because they have not followed out their promises to the American people to reduce the expenditures of government by 25 percent. That was the party pledge of 1932, and practically the same pledge was made in 1936. Instead of this 25-percent reduction, what do we find the Democratic Party has done? It has increased expenditures 50 percent above the 1932 level.

These are facts, and this is the reason Mr. Morgenthau says there is "urgent need" for money in the Treasury. I will vote to reduce all expenditures that we can possibly reduce within reason without curtailing the essential activities of the Government. When this is done you will need neither these nuisance taxes nor any other addition to the tax roll. Why, you have been led to think you are going to have a tax bill next year. If there is, it will not be a bill which the Democratic Party will want to go before the American people on next November, at least if it is to be a bill to reduce the deficiency in the Budget.

I enjoyed the letter we received from the chairman of the Committee on Rules this morning. The gentleman samples out one item, fur; but his argument against that tax is just as appropriate for every item in this nuisance-tax bill. This is the third time the so-called temporary nuisance taxes have been extended. Why try to fool the people any longer? Why not say you want to make these taxes permanent?

There is a reason why the pending resolution provides for a 2-year extension instead of 1 year.

That reason is this: In case it is found desirable to continue these taxes beyond June 30, 1938, a resolution providing for only a 1-year extension at this time would bring up the tax issue next year just before the congressional elections.

You Democrats want to avoid that for good and sufficient reasons.

On the other hand, if it is desired to let these taxes drop next year, a 2-year extension at this time will enable you Democrats to come forward next year with a repeal bill just before the election and take credit for lifting the tax burden from the poor.

Mr. Chairman, I intend, when the time comes, to offer a motion to recommit this measure to restore the 2-cent rate on first-class postage. The extension of the 3-cent postage rate is the most absurd extension in the whole bill. It goes all down the line, affecting everybody who uses a postage stamp. The first-class postage at present is paying over $120,000,000 in excess of the actual cost of its handling and transportation. There is no justification for the present 3-cent rate.

Mr. Chairman, on June 7, the gentleman from North Carolina [Mr. DOUGHTON] made a speech before the North Carolina Merchants' Association on the subject of taxes. This speech was inserted in the Appendix of the daily RECORD for June 8.

It is a rather interesting speech, and I would like to use a few extracts from it as a text for my remarks here today on the nuisance-tax resolution.

Among other things, the gentleman referred to—

> The growing inclination of legislators to soften the impact of additional tax levies by hiding and intermingling the tax itself in the purchase price of goods.

Mr. Chairman, with the possible exception of the levies on gasoline and theater admissions, these nuisance taxes are of that variety. They are hidden in the increased cost of what consumers have to pay for the goods on which the tax is imposed. These taxes are imposed in the first instance on the manufacturer or producer, but they are passed on by him to the jobber, and the jobber passes them on to the retailer, and the retailer passes them on to the consumer. They are included in the purchase price without being separately listed.

The administration prefers to use this hidden form of taxation rather than direct levies so that the great masses of our people will not realize how much of the cost of government they are being asked to bear. It lets the people believe that the taxes to pay for New Deal waste and extravagance are all coming from the wealthy. Of course, that is all nonsense. The people at large are paying the bill all along the line.

The gentleman from North Carolina concedes this in his speech to which I have referred.

He admits that the impression has been created that the ultrawealthy are paying the greater part of our taxes, but says emphatically:

> This is far from true. Even if it were desired to lay the bulk of the tax burden on their shoulders it would be impossible to carry out such a plan, for the fact is that there is not enough income from wealth in the top brackets alone to provide the necessary revenue even if it were all taken in taxes.

He then goes on to say:

> It is obvious that the great middle class of American citizens is now bearing, and must continue to bear, the bulk of the tax burden.

Mr. Chairman, I am glad to have the gentleman from North Carolina make this admission, because it is what I have been contending all along. I hope his speech will be given wide publicity throughout the country, so that the people will get from the highest authority the statement that they are really bearing the major part of the tax burden. I think it would be well if the Republican Party circulated the gentleman's speech as a campaign document. It contains just the information which we wanted to get to the people about taxes.

Let me quote another passage from the gentleman's speech. He says:

Experience has taught us that the fairest method of taxation is that which is based on ability to pay.

The nuisance taxes which the pending resolution seeks to continue are not based on ability to pay. Hence we must conclude that they are unfair. Being consumption taxes, they naturally fall heavier on the poor than on the rich. There is no graduation in the rates. Every man who buys a gallon of gasoline pays the same tax, whether he is a millionaire or a day laborer. The machinist's son pays the same tax on a baseball bat as does the son of the richest man in town. The same tax is hidden in the price of a tube of toothpaste or a cake of toilet soap, whether it is purchased by millionaire or pauper. So it cannot be said that nuisance taxes are levied on the basis of ability to pay.

The gentleman from North Carolina, in the speech to which I have referred, stated that legislators failed in their duty unless they strove to distribute the tax burden as equitably as possible and to give the taxpayer "his money's worth in the spending of his tax dollar."

That is an amusing statement to come from the gentleman from North Carolina, who three times has voted to continue these nuisance taxes and who has voted for all the spending schemes which the President has sent up here to be rubber-stamped.

On the other hand, it would seem that we of the Republican minority have been performing a distinct public service by protesting against the continuance of this unfair method of taxation and by calling attention to the waste and extravagance of the administration. However, until the electorate gives us a sufficient representation on this side of the House, our protestations will be in vain and the Democratic majority will continue to permit the taxpayer's dollar to be wasted and squandered and his future income mortgaged for years to come.

Mr. Chairman, this tax bill would be wholly unnecessary if the President had carried out his promise to reduce expenditures. In fact, it would be unnecessary if he had merely refrained from increasing expenditures over the 1932 level, when it cost only five billions to run the Government.

According to the most recently revised estimates of the President our total revenues in 1938 are estimated at $6,906,000,000. This means that had the President not increased expenditures we would now be looking forward to a surplus in the Treasury next year of nearly two billions.

With a few scratches of his pen the President could easily save the entire amount raised by the nuisance taxes if he would merely eliminate a few items of unnecessary expenditure. He could save hundreds of millions more by eliminating waste and extravagance. There are opportunities for savings on every hand. But instead he has continually asked for more and more taxes, without making any effort to save or to get value received for the taxpayer's dollar.

Mr. Chairman, the name of former Secretary of the Treasury Mills has frequently been mentioned here today. Let me call your attention to the statement which he made before the Ways and Means Committee in 1932, which I think is particularly apropos today. He said:

I cannot overemphasize the importance of retrenchment. Without real economy there can be no balanced Budget. We are fully justified in calling on the people to make further sacrifice in order to supply their Government with adequate revenue, but—

And this is what I want to call particular attention to, Mr. Chairman—

but we are only justified in making this call if at the same time we eliminate every unnecessary expenditure, and that just as enforced economy prevails in every home in the land, so must it be observed in every operation of the Federal Government.

I fully subscribe to that admirable statement, Mr. Chairman.

I am absolutely opposed to adding any more to the tax burden, or to continuing the nuisance taxes, until the administration first makes a determined effort to balance expenditures within revenues. After that, it will be time to talk taxes, but not until then.

Mr. Chairman, I would like to continue this discourse indefinitely, but I realize it has been a long day, and I yield back the balance of my time.

Mr. DOUGHTON. Mr. Chairman, I yield the remainder of my time to the gentleman from Tennessee [Mr. COOPER].

Mr. COOPER. Mr. Chairman, after the bluster and storm which emanated from Massachusetts has passed, perhaps we can now get down to a consideration of this bill.

The time is limited and many demands have been made for time, and of necessity I must only ask your indulgence very briefly. I shall endeavor to confine my remarks to a consideration of the bill now pending before the Committee.

It is interesting to observe the attitude assumed by the minority members of the Ways and Means Committee and other minority Members who have expressed themselves on this measure. We have been hearing day in and day out the appeal made by these gentlemen to balance the Federal Budget and to see to it that the Federal revenues and Federal expenses are brought into balance, and yet today we have an excellent opportunity presented to take a very definite step in that direction, a step which the President of the United States says is essential, and we find them here opposing this measure.

The pending resolution is in response to the message of the President of the United States of January 8, 1937, in which he definitely recommends and requests the extension of the present excise taxes, and it is for that purpose that the pending resolution is now presented to the House for consideration. I commend to the Members of the House the message of the President and also the report of the Ways and Means Committee on the pending resolution.

If the temporary taxes and the temporary increased rates or decreased exemptions as provided under existing law, as well as the temporary increased rates on first-class mail matter, are permitted to lapse at this time, the Treasury faces a total annual loss of revenue of nearly $650,000,000.

You will bear in mind that all of the present excise taxes are sought to be extended for a period of 2 years by the pending resolution. By reference to page 3 of the committee report, Members can readily see the specific items covered by this resolution and the amount of revenue that has been yielded by these items and the estimated revenue that will be yielded during the year 1938. It will be observed that taxes expiring on June 30, 1937, total $372,310,000. Those taxes expiring on July 31 of this year total about $112,000,000, making a total of about $502,000,000. Then on page 4 of the committee report it will be observed that certain taxes, subject to change in rate or base, after June 30, 1937, yield about $41,000,000. Certain other items sought to be continued by the pending resolution will amount to about $44,000,000. In the letter presented by the Acting Postmaster General it is shown that an extension of the present 3-cent postage rate on first-class mail, other than local mail, will yield between $80,000,000 and $90,000,000, and by considering these various items it will be seen that a total amount of approximately $650,000,000 will be yielded by the extension of these taxes.

It has been indicated here that some gentlemen do not like this particular tax on the other particular tax. I believe we can all readily agree that if we had our preference about the matter we would like to see all of these excise taxes which have been popularly termed "nuisance taxes" repealed at the earliest possible moment. I shall not go into detail, but explanation has already been given as to the origin of these taxes under the Republican administration in 1932. It was my privilege to be a Member here then and to see the enactment of these excise taxes. They have been continued from then on down until now. I feel sure we are all anxious to see them eliminated as soon as possible, yet the President of the United States states to us that it is essential for us to continue these excise taxes or else provide other revenues to take the place of the amount yielded by them.

It is now definitely recommended by the Secretary of the Treasury in his letter to the chairman of the Ways and Means Committee, which appears in the report of the committee on this resolution, that the extension should be for a period of 2 years because, as is pointed out there, it is not known definitely whether the Government can get along without this revenue or not; but, certainly, we can all rest in the assurance of the fact that if it is found we can get along without this revenue or any part of it, we will be in session and we can repeal the items we can do without as readily as we can extend them. So, certainly, it is within the control of the Congress as to whether or not these taxes are carried on.

It will be seen that this list of excise taxes includes many items that are objectionable, perhaps, to all of us. Certainly, we take no pleasure in levying the taxes embraced in the list of items which includes taxes on gasoline, matches, soap, and many of the articles that are recognized as necessities of life, but it is necessary to provide this revenue in order to finance this Government of ours.

The President has recommended that these taxes be continued. The responsibility rests upon him to fashion the financial policies of the Government. For my part I deem it is my duty and my responsibility to support him in that effort and to go along with the administration on this important measure.

Reference has been made here to the fur tax. We have had that matter before us all along, year after year, when this matter came under consideration. The gentleman from New York [Mr. O'CONNOR] has shown diligence with reference to that item. Many members of the Committee on Ways and Means have shown diligence and great interest in that particular item. The distinguished gentleman from New York [Mr. CULLEN], the ranking majority member of the committee, has been diligent all of the time with reference to that item, and it has been due to his efforts and the very high esteem in which he is held by his colleagues on the committee that we have made changes three different times on that particular item; but I say to you frankly that as for my part, as long as we levy taxes on these necessaries of life, such as matches that a man has to use to start his fire in his home in the morning, and soap that he has to use to wash his face and hands, and many other items here, for my part I am not willing to take the tax off furs, which I consider a luxury of life. I believe anybody able to pay $500 or $600 for a fur coat is able to pay the tax which was originally imposed, amounting to about $50 or $60, to the Government on that coat. The tax itself is more than I ever paid for a coat. Anybody able to indulge in a luxury of that kind can certainly be able to meet this responsibility to the Government.

Therefore the committee recommends that this resolution be passed as presented to you and in response to the message of the President of the United States. [Applause.]

The CHAIRMAN. The time of the gentleman from Tennessee has expired. All time has expired. The Clerk will read.

The Clerk read as follows:

Resolved, etc., That title IV, as amended, and parts I, II, III, and IV, of title V, as amended, of the Revenue Act of 1932, are further amended by striking out "1937" wherever appearing therein and inserting in lieu thereof "1939." Section 1001 (a), as amended, of the Revenue Act of 1932, and section 2, as amended, of the act entitled "An act to extend the gasoline tax for 1 year, to modify postage rates on mail matter, and for other purposes", approved June 16, 1933, are further amended by striking out "1937" wherever appearing therein and inserting in lieu thereof "1939."

Mr. DINGELL. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. DINGELL: Page 1, lines 6 and 12, strike out the figures "1939" and in lieu thereof insert the figures "1938."

Mr. DINGELL. Mr. Chairman, the purpose of this amendment is very simple. It has for its purpose the reduction of the tax period in this bill from 2 years to 1 year. In other words, if we pass this amendment, you will limit the nuisance taxes to an existence of 1 year, and you will bring about as a result of that the consideration of a general tax bill that will be just and equitable. We will eliminate this discrimination against automobiles and against the producers of gasoline and oil. We will relieve two of our great industries of a tax which they have unjustly carried ever since the tax has been in effect. Supposedly the nuisance tax was a temporary thing, and yet we have gone on and on since 1932. I call the attention of Members, particularly those who represent oil-producing States, and Members who come from all districts of this country, to the fact that these taxes bear heavily upon ever purchaser of an automobile and upon every user of an automobile.

These may be nuisance taxes insofar as they are applicable to the chewer of gum or the user of cosmetics, but they are a positive burden upon the user of an automobile. An automobile is not a luxury; it is an absolute necessity, and it is high time that we struck down any further attempt to cripple these great industries.

Mr. FITZPATRICK. What is the price of an automobile today as compared with 2 years ago?

Mr. DINGELL. I have no comparative figures on that.

Mr. FITZPATRICK. Is it cheaper or dearer?

Mr. DINGELL. I should say that the automobile producer adds the tax, and therefore to that extent the automobile is more expensive.

Mr. FITZPATRICK. Is it not much cheaper today than it was 2 years ago?

Mr. DINGELL. The automobile?

Mr. FITZPATRICK. Yes.

Mr. DINGELL. I would not think so; I do not think there is any difference in the last 2 years; but that is entirely beside the point. The question is whether this House proposes to permit the continuance of a tax on the automobile industry and upon the refining industry and upon the oil industry generally and permit all other manufacturing industries to be free of this discriminatory tax. That is the sum and substance of what is before us. A vote for the amendment means that the Ways and Means Committee will, without question of doubt, go into the consideration of a general tax measure this fall which will be just and equitable and fair to all industries. That is all I have to say on the subject. I ask your support for the amendment.

Mr. FRED M. VINSON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this motion was presented to the Ways and Means Committee and was considered, and, for very patent reasons, was voted down. I have the greatest affection for the gentleman from Michigan [Mr. DINGELL]. I know the interest he has and the effort he has put forth to eliminate the tax on automobiles, trucks, tires, and accessories. He certainly has made a valiant fight in this respect. He is one of the able men on the committee. I am so fond of him that I actually dislike to oppose his amendment.

I know of no article which is taxed that receives more benefit from the Federal Government than automobiles, trucks, tires, and accessories. The relief bill carries $415,000,000 for roads, highways, and things of that kind. There is a $214,000,000 authorization, as I understand, for the next fiscal year, that totals $629,000,000 for roads. The expenditure of huge Federal sums improving roads means not only longer life for the taxed items referred to but greater comfort and utility to their users.

But, aside from that point, this is what the Democratic side of this House has to think about. I will grant that our friends on the Republican side may vote en bloc in favor of this motion, but were this amendment offered by the gentleman from Michigan to pass, it would mean we would be confronted with this problem next year. That is the point that certainly must be made clear.

I sincerely hope we can have a comprehensive tax bill, including consideration not only of these items but of corporation taxes and other tax items. I want to pass it along that if my friend the gentleman from Michigan [Mr. DIN-

GELL] makes a successful fight here now, the tax upon automobiles, trucks, tires, and accessories can be readjusted just as well with the provision for a 2-year extension as with a provision for a 1-year extension.

I trust that the amendment will be defeated.

Mr. KNUTSON. Mr. Chairman, I move to strike out the last word.

Mr. COOPER. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

Mr. MICHENER. Reserving the right to object, Mr. Chairman, is that just on this amendment?

Mr. COOPER. Just on this amendment.

The CHAIRMAN. Will the gentleman please state his request again?

Mr. COOPER. I ask unanimous consent that all debate on this amendment now pending, offered by the gentleman from Michigan [Mr. DINGELL], and all amendments thereto, close in 10 minutes.

The CHAIRMAN. Is there objection?

Mr. MICHENER. Reserving the right to object, how will the time be divided?

Mr. COOPER. It is in the discretion of the Chair.

Mr. KNUTSON. I have 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The CHAIRMAN. In order that the Chair may deal fairly in the matter, the Chair understands the gentleman from Minnesota [Mr. KNUTSON] will be recognized for 5 minutes on his motion to strike out the last word; the gentleman from Arizona [Mr. MURDOCK] will be recognized for 2 minutes, and the gentleman from Michigan [Mr. MICHENER] for 3 minutes.

The gentleman from Minnesota.

Mr. KNUTSON. Mr. Chairman, I sincerely hope that the amendment offered by the gentleman from Michigan [Mr. DINGELL] will be adopted. I do not think I am violating any confidence when I say that a similar proposal was defeated by a very narrow majority in the committee. In fact, there was no partisanship in the vote. As I recall, the vote was 11 to 14. If we do not put a time limit on this bill, it will be in effect for 2 years, you take my word for it; whereas if we fix a time limit at 1 year, the committee will realize the necessity for bringing in a general tax bill next year; and we should have one. We should have had one this year. The amendment offered by the gentleman from Michigan is absolutely sound, and there should not be a dissenting vote against it.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The gentleman yields back 3 minutes.

The gentleman from Arizona [Mr. MURDOCK] is recognized for 3 minutes.

Mr. MURDOCK of Arizona. Mr. Chairman, about three-quarters of an hour ago the gentleman from El Paso [Mr. THOMASON of Texas] made my speech. He indicates the vital importance of protecting the copper industry. That industry is the economic basis of my State. I heartily second his remarks. Now, I want to speak a word with reference to this particular point of a 1-year extension only. I am opposed to extending this measure for only 1 year. We must have time to frame a new and adequate tax system before discontinuing this act. I want to make myself clear on this before discussing Arizona's interest in the copper duty.

When I left my district to come here a very sage politician said to me, "Young man, let me give you a formula by which you can always be reelected." This was his simple formula. Said he, "Always vote for an appropriation and never vote for a tax measure."

Since I have been here I have voted for several appropriations, so that I am politically only 50 percent efficient, according to his standard, but I declare to you that we must consider, when we vote for these enormous appropriations which we have been making, that we are under some obligation to vote for a reasonable, sane tax measure to replenish the Treasury. That is what I want to speak of. I do not like all these nuisance taxes. There are several of them I would like to change if I could. For instance, the 3-cent postage and also the gasoline tax. I have frequently lost my religion at service stations. When I traveled 25,000 miles last summer I had to pay to the Federal Government 1 cent per gallon on the gasoline used and 5 cents to the State of Arizona, but when I recall the millions of dollars that have been spent on the roads of the country to make it possible to travel on "rubber toes" I am willing to pay my tax.

I would like to have 2-cent postage, but I never expect to see it. Perhaps we ought not attempt to return to it to the detriment of the Postal Service. I believe our Post Office Department must continue to expand and in so doing continue its splendid work of developing this country.

Now, it is suggested we ought to have a wise, safe, and sane tax policy inaugurated at once; that if we had such a bill we could do away with these nuisance taxes. Granted that, it will take more than 1 year certainly to get this wise, safe, and sane new plan of taxation which we have heard mentioned.

We should continue this tax for 2 years and not less than that amount of time. When I say this I know I express a view that is not concurred in by some of my constituents, but I am willing to go home and say to them that not only did I vote to appropriate money out of the Federal Treasury but I also voted even for these necessary nuisance taxes, which I hate as much as you do, in order that we can carry on this Government. Two years is the very minimum of time for us to make preparations for that better scheme of taxation which some of our colleagues on the Republican side said we ought to have. [Applause.]

Mr. Chairman, several times we have heard the taxes covered in this measure called "nuisance taxes." Such they may be in one aspect. In another aspect they are "existence taxes", considered together and for the Nation as a whole. So far as my State is concerned the extension of the 4 cents per pound on copper is an existence tax. It is necessary for the very existence of Arizona's reasonable prosperity.

This provides for but a continuation of taxes started under another administration. Neither Democrats nor Republicans seem proud of this lot. My feeling is that this collection will have to serve until something better can be devised. Certainly, in the Committee of the Whole is no place to try to work out a rational measure touching on so many controversial subjects. I, too, should like to afford ample protection for the laborers in the anthracite coal fields of Pennsylvania. I, too, should very much like to modify the tax on furs insofar as they enter into the working girl's wardrobe. I also should like to remove the tax on cosmetics, for I regard such a tax as more than a nuisance—it is an abomination, in view of the fact that cosmetics are absolute necessities of civilized life.

I am as much displeased with some of these taxes as any of the opponents of the measure, but I am supporting the whole resolution vigorously for two reasons—the fiscal necessities of the National Government and the peculiar economic necessities of my own State of Arizona. In a complicated measure like this we must take the good and the bad together until such time as we can arrive at the good only.

COPPER, OUR CINDERELLA AMONG METALS

In the far Southwest we have named certain States after the mineral which they produce most abundantly. For instance, we speak of California as the Golden State. In like manner we may well call Nevada the Silver State. Now, Arizona produces both gold and silver, although she is preeminent in the production of copper. Therefore we may well call Arizona the copper State, and this may be done without casting reflections upon several other States which also produce the red metal abundantly.

Two decades ago Arizona furnished great supplies of copper, not only to the domestic trade but for the uses of the world, both in war and peace. The "Infant State" of Arizona had a brief reign of prosperity during and following the

World War, when the demands for copper were great and prices high. The young State, the youngest in the family, started off its existence under statehood with the copper mines furnishing the largest share of taxes to the support of State and local governments. As a consequence, we built fine public buildings, modern schoolhouses, and many miles of good highway over vast stretches of our great open spaces connecting or lying between our towns and mining camps.

Then came a change. Vast deposits of copper were opened up in Africa, South America, and Canada. These foreign holdings have been developed and they have been worked, at least in the first two instances, with cheap labor or with slaves. In two decades the production of these foreign copper mines has increased between 300 and 400 percent. At one time a great deal of this foreign copper was dumped in the United States at a price below our cost of production.

MORE GHOST TOWNS?

My business as a schoolman has taken me up and down all over the State of Arizona during the past half dozen years of this depression. I have traveled many times through every one of these great copper camps, sometimes at noon and sometimes at midnight. My heart has ached because of the change I have seen come over these camps during this devastating period of depression. Arizona already had a score or more of romantic ghost towns whose heyday was a half century ago when the mineral wealth of that territory was first exploited. Now, it seemed to me that these copper camps, which for nearly two decades had been thriving industrial centers and humming beehives of activity before the great collapse, were about to join the score or more of ghost towns in Arizona and thus be relegated to song and story.

In some of these camps, 2 years ago and 3 years ago, more than half the people were on relief. Splendid and noble plants were closed down; fat pay rolls were discontinued; and an army of trained men who formerly drew five, six, or more dollars a day were turned loose as tramps; and white-collared executives were retained by humane corporations in a few instances as guards, night watchmen, and caretakers. That was exactly the picture of practically every mining camp in Arizona in the midst of this terrible depression.

Today, I am happy to report, the scene has changed. This small tax of 4 cents per pound has nearly canceled the difference in cost between production at home and production abroad. The copper market has recently revived and now practically all these Arizona camps have opened up again. Let it be said to the credit of some of our biggest corporations, even those that have holdings abroad, that they have not fought this excise tax, though in some cases it would have been profit to the company to ship in their foreign copper and allow the Arizona plants to lie idle and deserted. I am reliably informed at this moment that production in the Arizona camps is getting back toward the predepression level, and that wages are higher today in those camps than have heretofore been paid at any time.

ONLY PROTECT OUR LABORERS

Now, Mr. Chairman, we do not ask that copper mining be subsidized at the expense of the consuming public in this country. Nor are we thinking chiefly of corporation profits. Our great copper companies have, even during this period of depression, taken advantage of all the steps of progress made by science. They have let slip no invention or discovery that would enable them to produce cheaply. This reduction in cost of producing copper, however, has not been at the expense of labor, for I know of no great industrial employers who have been more considerate and humane in dealing with the laborers. This applies all along the line to the extent of high wages, hospitalization and safety provisions, and especially with educational facilities for the children of those laborers.

I am sometimes asked whether 4 cents per pound is sufficient. I know that my colleagues from copper-producing States insist that it should be more. I am willing that this tax should be increased, but I would not want to see such a tax placed so high that the price of American copper might be shoved up to such a point that sales would fall off and aluminum or some other metal be substituted for copper in the trades. I plead with Congress to continue this protection which American copper now enjoys, and although it may be a trifle too low, I feel that it will tend to maintain that beginning of modest prosperity which has so lately come to Arizona.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. MICHENER].

Mr. MICHENER. Mr. Chairman, the views of the gentleman from Arizona who just took his seat do not accord with the logic of the Democratic members of the Ways and Means Committee. They favor a 2-year extension of these taxes, but they assure us that we are going to have a general revision of the tax laws within a year. Surely that will make the extension of 2 years unnecessary. The gentleman from Arizona knows, and you know, and I know—we all know—that you cannot reduce any of these taxes within the next 2 years and come anywhere near balancing the Budget unless you are going to cease this spending.

Mr. Chairman, I rose to support the amendment of the Democratic member of the committee from Michigan [Mr. DINGELL], providing that these taxes be extended for but 1 year. I say that if the committee is sincere, if you are going to bring in the tax bill that you say you are going to bring in next year, then there is not any reason for placing upon the books this extension of these nuisance taxes for 2 years when you will only need them for 1 year. There is no use trying to deceive the country. There is no use trying to make the country believe that we are not going to have more taxes and at the same time keep on spending as we are spending.

Mr. DOUGHTON. Mr. Chairman, will the gentleman yield?

Mr. MICHENER. I yield to the chairman of the Ways and Means Committee.

Mr. DOUGHTON. The gentleman realizes that the next session of Congress may run beyond the 30th of June, and we may need the full session if we are to undertake to revise the tax structure. These taxes might lapse if they were extended for only 1 year.

Mr. MICHENER. If the gentleman's committee will commence now and pass the tax law by next March, there will be plenty of time; but if you follow the custom you have been following for the last 2 or 3 years, you will not bring a tax bill or any important piece of legislation before the House until you think you have the votes to pass it, and then you will bring it before the House at the close of a week or at the close of a session and ram it through without consideration. If necessary, keep the committee here and the House here until 12 o'clock at night and make the Members vote, and without mature consideration.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. MICHENER. I yield to the second distinguished member of the Ways and Means Committee.

Mr. COOPER. The gentleman's estimate as to time may very properly apply to action by this body, but I am sure that he is mindful of the fact that any tax bill has also to pass another body, in which time is usually consumed to considerable length.

Mr. MICHENER. That is absolutely true, and if the House Ways and Means Committee will bring in a bill on the first day of the next session, or even in this session before we adjourn—we are going to be here some little time—this procedure would provide a great deal of information about the proposed tax bill to be considered, and with this information the Senate can act on it that much more quickly.

Mr. FRED M. VINSON. Mr. Chairman, will the gentleman yield?

Mr. MICHENER. Yes; I yield to the third member of the Ways and Means Committee.

Mr. FRED M. VINSON. March 15 is the date for filing income-tax returns. We would have to introduce the bill, hold hearings, pass it through the House and through the Senate, and through conference, before March 15 before we would know what that phase of the tax program would be. I am certain that my friend would not want to cramp the Ways and Means Committee of the House and the Finance Committee of the Senate in that way.

Mr. MICHENER. The "three horsemen" of the Ways and Means Committee have now interrogated me. I only wish these capable gentlemen would write a tax bill without outside dictation. I think they all know my position, so far as that is concerned, but we were told last year that we would not need new taxes; we were promised there would be no additional taxes, because the income was going to exceed the outgo. We are, however, still spending $2 for ever $1 we take in. I have received many letters urging the repeal of these nuisance taxes, especially the taxes on gasoline and automobiles. These taxes will never be repealed as long as blank checks are given to the President. These newly created spending agencies will spend every dollar available. They have the habit. Various groups of recipients of Santa Claus money have tasted that which seems to them like something for nothing. It is difficult for them to let go of the teat. You farmers know that it is not easy to wean the sucking calf. It takes determination. I stand ready to vote necessary taxes to balance the Budget just so soon as the Congress again determines where, when, and how the taxes are to be spent. If the Congress continues to make appropriations which are not necessary and refuses to have any regard for the taxpayers, I shall refuse to vote for additional taxes. The Congress has the constitutional duty of raising the revenue, and it is also supposed to control the purse strings. Lump-sum appropriations handed over to these spenders will eventually ruin our country. One year is long enough to continue these taxes. Give the spenders notice that this additional sum will not be available for more than 1 year at least. Let us encourage economy, at least.

The CHAIRMAN. The time of the gentleman from Michigan has expired. All time has expired.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

The question was taken; and on a division (demanded by Mr. DINGELL) there were—ayes 50, noes 74.

So the amendment was rejected.

Mr. REED of New York. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. REED of New York: Following the period in line 6, strike out the remainder of the joint resolution.

Mr. REED of New York. Mr. Chairman, I realize that the gentlemen on the Democratic side are in a very difficult position and it will not be my purpose to discuss politics. We have a tax bill before us that is very unpleasant, and one to which we on our side are opposed. You are undertaking the impossible, and if it were left to the individual judgment of the Members on that side they would vote down this bill. But you Democrats are in an awkward position, and one to which you are so far committed that you cannot escape.

Some of us who come from New York understand the situation far better than you do; at least, far better than you did sometime ago. At one time we had the gentleman who is now in the White House as our distinguished Governor of the State of New York.

Some men are born with certain proclivities. Their early training has been such that they cannot escape from that early experience and indulgence. We had that distinguished gentleman as Governor and when he came in as Governor the State was blessed with a surplus in its treasury. During his term as Governor of the State of New York, following the same inclination with which apparently he was born, he opened up a program of spending, and during his incumbency in office increased the bonded indebtedness of our State $200,000,000 and left the State with a deficit of $114,000,000. Our State is still struggling under that bonded indebtedness and deficit. The taxpayers are squirming under that load. They are reaching out for revenue, trying to unburden themselves of that debt that was caused by unlimited spending.

Mr. Chairman, I say you were undertaking the impossible just so long as you on that side are willing to listen to seductive tones urging you to appropriate more money, whether it is for Passamaquoddy, canals across Florida, outhouses in North Carolina, sunken gardens in small villages, or for resettlement. All of these things are advocated by a certain group of people who have no responsibility. They were never elected by the American taxpayers. They were never entrusted with the expenditure of a nickel by the people. But they will spend this money, and you on that side will find yourselves going deeper and deeper into national debt.

The time has come to stop. I have offered an amendment that touches everybody in the country. There is no excuse for handing this money over to the spendthrift to burden every individual and all business. I am asking that the postage rate be reduced to 2 cents, and there is no reason why that should not be done. It ought to be done. This increased postage rate is nothing but a war tax and it should be removed. I hope the gentlemen on this side will support the amendment.

Mr. DOUGHTON. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from New York [Mr. REED].

Mr. COCHRAN. Will the gentleman yield?

Mr. DOUGHTON. I yield to the gentleman from Missouri.

Mr. COCHRAN. Can the gentleman or any Member from the State of New York advise the House whether or not the Constitution of the State of New York enables the Governor himself to increase the bonded indebtedness of that State, as the gentleman from New York [Mr. REED] would lead us to believe?

Mr. DOUGHTON. It is my understanding that one branch of the general assembly has been under the control of the Republicans for some time. Certainly the Governor could not make appropriations or authorize appropriations unless agreed to by the legislature. If these appropriations have been authorized, the responsibility is as much on the party represented by the gentleman from New York [Mr. REED] as it is upon the President of the United States.

Mr. REED of New York. Will the gentleman yield?

Mr. DOUGHTON. I yield to the gentleman from New York.

Mr. REED of New York. The same gentleman who is in the White House today had the same seductive tones which he used over the radio; he had the same appeal for spending money; he had the same splendid art for political manipulations that he has now, and the same power over the legislature.

Mr. DOUGHTON. And he even convinced the Republicans to the extent of a hundred million dollars. We raise our hats to a leader of that kind.

Mr. COCHRAN. As a matter of fact, the State of New York can only increase its bonded indebtedness through the people of the State by constitutional amendment. The Governor has absolutely no power to increase the bonded indebtedness. Any other assertion is absolutely misleading.

Mr. DOUGHTON. It is not so much what the President of the United States did while he was Governor of New York with reference to the Republican Party in the State of New York, but what he has done to the Republican Party throughout the country. That is what we are interested in.

Mr. REED of New York. And what he has done to every other self-respecting citizen.

Mr. FITZPATRICK. I should like to state that both branches of the State legislature were Republican while he was in office, and after he put over that legislation he received the largest vote ever given to any candidate in the State of New York.

Mr. DOUGHTON. Mr. Chairman, if the amendment offered by the gentleman from New York is adopted it will

reduce the postage revenue about $90,000,000. In other words, we will have a postage rate of 2 cents on first-class mail matter rather than 3 cents.

Mr. McCORMACK. Will the gentleman yield?

Mr. DOUGHTON. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. It is rather interesting to note also that the amendment comes from the Republican side, and the present taxes were put in on the recommendation of Secretary Mills.

Mr. DOUGHTON. Oh, yes. If the present rate of 3 cents is not continued there will be imposed upon the Treasury additional burdens to the extent of approximately $90,000,000. I do not believe anybody is in favor of doing that. The waste of money that the gentleman has mentioned is not in the Post Office Department.

Mr. REED of New York. Oh, yes. Mr. Farley has increased the expense of the Post Office by the amount of revenue produced by this increased rate.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. REED].

The question was taken; and on a division (demanded by Mr. REED of New York) there were—yeas 31, noes 85.

So the amendment was rejected.

Mr. KENNEY. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. KENNEY moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken out.

Mr. KENNEY. Mr. Chairman, this is called a nuisance tax bill. As a matter of fact, it is a consumers' tax bill. I am glad to see the Republicans opposed to this bill after having inflicted it upon Congress, but I am very much surprised that the Democrats will continue this nuisance tax, this tax on the consumer, indefinitely.

The gentleman from Pennsylvania [Mr. DITTER] very well pointed out this afternoon that it was in the contemplation of the Committee on Ways and Means to deal more intelligently with the raising of revenue in this country. There is no necessity for this bill. You are taxing the consumer and have invaded the field of gasoline taxes, where you have no business. In New Jersey now gasoline is being sold at less than 13 cents a gallon. The dealer is paying 12 cents at the tank car. There is on top of this a 3-cent tax by the State of New Jersey, and then you down here put on 1 cent. The businessmen up there cannot continue to exist under such circumstances.

I am against this bill, the Republicans are against it, and the Democrats apologize for it. You want more revenue and we must have more revenue. You talk about a tax bill. Why, there is no need of raising any more taxes. You can pass instead a bill that is now before the Committee on Ways and Means, a bill that would permit every mother's son in this country to chip in to help balance the Budget, and you ought to do it.

Mr. Chairman, I call upon the members of the Committee on Ways and Means to abandon this bill, let the Committee rise, go back to committee, and report back here the bill for a national lottery. Mind you, this will not take any money out of the pockets of our people, because our people are sending their money now to other countries. If we could only use such moneys, we would be in a position to raise far more than could ever be raised by such a bill as this.

Only yesterday, in the city of Boston, there were confiscated by the Postmaster General thousands and thousands of dollars worth of lottery tickets. Where do you think they came from? Not Ireland, not France, not Italy, or other European countries. They came from Egypt. We have been sending money to Egypt to support worthy causes there.

When will this Congress wake up? Who has a better plan than I now suggest? If he has such a plan, let him stand up. Republicans, sign petition 15 on the Speaker's desk. Democrats, do our duty, sign the petition, and pass that bill. [Applause.]

Mr. McFARLANE. Mr. Chairman, will the gentleman yield?

Mr. KENNEY. I yield.

Mr. McFARLANE. I can suggest a better plan—to take the loopholes out of the tax bill.

Mr. KENNEY. Take the loopholes out, plug the loopholes, but quit plugging the poor taxpayer if you have a plan.

Mr. MASON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, there are two ways to balance the Budget. One way is to reduce expenditures and the other way is to continue our taxes and increase them.

The resolution before us is to continue the life of a disowned, discredited, degenerate, and dying offspring of an unknown parentage. There is a certain stigma attached to these nuisance taxes. Today we have had a partisan sparring match in an attempt to apply that stigma to one of the leaders of the Republican Party or to the Democratic majority of the Committee on Ways and Means. May I point out that if Congress votes to breathe the breath of life into this dying child the stigma will be attached to this Congress and to the Members on both sides of the aisle. I do not propose to have any of that stigma attached to me, therefore I am opposed to the bill.

The distinguished gentleman from New York [Mr. O'CONNOR] stated that these taxes were properly named when they were named nuisance taxes. The gentleman from New York is a first cousin of the gentleman from Illinois in that he has Irish blood, and I have Welsh blood, and the two are first cousins. Because of that, his statement started a train of thought in my mind. What is a nuisance, a public nuisance? When we think of a public nuisance, we imagine a stench arising, we think of an open sewer, a slaughterhouse, the stockyards, garbage, or of city ordinances which are passed to do away with public nuisances in the cities of a certain kind of outhouses. Part of the money raised by these nuisance taxes has been spent to erect hillside pergolas, and because of that these nuisance taxes are a stench in the nostrils of the American people and should not be continued.

These nuisance taxes are inequitable, unjust, and bear most heavily upon those least able to pay. They should not be extended.

The CHAIRMAN. The question is on the motion by the gentleman from New Jersey to strike out the enacting clause.

The question was taken; and on a division (demanded by Mr. KENNEY) there were—ayes 20, noes 93.

So the motion was rejected.

Mr. THURSTON. Mr. Chairman, I offer an amendment:

The Clerk read as follows:

Amendment offered by Mr. THURSTON: After line 12, insert the following:

"SEC. 2. Subsection (c) of section 601 of title IV of the Revenue Act of 1932, as amended, is further amended by adding at the end thereof the following new paragraph:

"'(9) Agricultural products and provisions, as specified in schedule 7 and in paragraphs 1101, 1102, 1105, and 1106 of schedule 11 of the Tariff Act of 1930, a tax equivalent to 25 percent of the price for which so sold, except that in the case of pork (fresh, chilled, or frozen), bacon, hams, and shoulders, and other pork, prepared or preserved, the rate of tax shall be 6 cents per pound: *Provided*, That the tax on the articles described in this paragraph shall apply only with respect to the importation of such articles and shall not be subject to the provisions of subsection (b) (4) of section 601 (prohibiting drawback) or section 629 (relating to expiration of taxes).'"

Mr. THURSTON. Mr. Chairman, earlier in the day I called attention to the discrimination which time has brought to agriculture through forces over which, of course, it did not have control or did not bring about. When the Tariff Act of 1930 was passed, fairly adequate rates were placed upon the importation of foreign products, both farm and industrial, but in the excise-tax law passed in 1932 we provided for a high tariff on lubricating oils, crude petroleum, coal, lumber, and copper. Increased mechanization of industry has brought a greater output per man-hour, and then, through current legislation, which has as its objective

the shortening of hours and the increasing of wages in industry, there has been brought about a situation where the price of practically every commodity the farmer is obliged to purchase has been increased from 10 to 15 and even 30 percent.

In the last few years we have witnessed a very definite increase in the importation of certain canned meats. In the last 5 or 5½ years we have purchased almost exactly $1,000,000,000 more of foreign produce, farm products, than we have exported, leaving this tremendous balance against the farming industry. As this disparity has increased, we have taken care of different industrial products through direct legislation, the excise taxes mentioned. We all know that there has been substantial increase in the price of all industrial commodities, and that has worked an injustice and destroyed the balance that was created by the Tariff Act of 1930. So I have prepared this amendment which would increase the excise taxes 25 percent on foreign farm products brought into the United States. If it is logical that the increase in taxes in these commodities by one-fourth may diminish imports somewhat, we know then that the American farmer will have increased his output, and if his output is increased, it logically follows that he will be a taxpayer to a greater extent, and he may join that very generous caravan that we have in this country of some 2,000,000 people who pay income taxes. So the reduction of imports would enhance and better the economic farmer's position and place him more nearly on a parity with these changes that have been brought about in the past 6 years. Members of the House are familiar with this growing inequality. They know there has been a widening gap between the purchasing price of the farmer's products and the commodities that he must purchase in order to support his family and to continue his farming operations. So I trust that we may add this excise-tax provision in favor of the farmer just as it has been granted to those who produce oil and copper and lumber.

If this amendment is adopted, we can repeal the present Federal tax of 1 cent on each gallon of gasoline and reduce first-class postage from 3 to 2 cents.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa.

The question was taken; and on a division (demanded by Mr. THURSTON) there were—ayes 44, noes 76.

So the amendment was rejected.

Mr. DOUGHTON. Mr. Chairman, I ask unanimous consent that all debate on this resolution and all amendments thereto close not later than 5 o'clock.

The CHAIRMAN. Is there objection?

Mr. MARTIN of Massachusetts. Mr. Chairman, I reserve the right to object. I wonder if that will give us ample opportunity to debate these different amendments.

Mr. DOUGHTON. I think so.

Mr. DIES. Mr. Chairman, I ask the gentleman to withhold that for a few minutes.

Mr. MARTIN of Massachusetts. Mr. Chairman, I suggest the gentleman let debate run on for a little while. It might not take that long.

Mr. DOUGHTON. Mr. Chairman, I withdraw the request.

Mr. JENKINS of Ohio. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. JENKINS of Ohio: After line 12, insert a new section to read as follows:

"SEC. 2. Section 612 of the Revenue Act of 1932, as amended, is further amended by striking out the words "except that in the case of paper matches in books the tax shall be one-half of 1 cent per thousand matches and."

Mr. JENKINS of Ohio. Mr. Chairman, at the present time there is incorporated in this nuisance-tax group a tax on matches. All matches are taxed. The common large house match is taxed at one rate, and the fancy-colored and stained matches are taxed at another rate. The small paper matches and the small wood matches that compete with the paper matches are taxed at two different rates—the small wood match is taxed at the same rate as the large wood match, but the paper match is taxed at a different rate. In other words, the wood match, which is in competition with the paper match, is taxed at 2 cents a thousand matches, the same as the large matches, but the little paper match is taxed at the rate of one-half of 1 cent per thousand, and is therefore given a 4-to-1 chance. There is no reason for this discrimination. This works out to an 8-to-1 advantage. In fact, the paper match has one other great natural advantage over the wooden match in addition to this differential in tax. The advantage is that it is used as an advertising medium. My amendment will have this effect: It will not reduce but will increase the taxes by at least $1,000,000 a year. The total taxes on matches run between six and seven million dollars a year. This amendment will result in this tremendous increase in taxes. This is a strange situation, and you will ask why. It is more strange than that, even when it is known that those who pay the tax are willing to pay this increase. Not only are they willing but they are anxious for the increase, and their reason for asking for this change is that, although it will cost them a million dollars, there is no question but that the match industry will profit more than the extra million dollars for the reason that it will tend to stabilize the business. The large advertisers have gotten hold of these matches and they have gotten them away from the match industry. The match industry will sell the matches at the same price. There will be no additional cost, but the Government will get a million dollars more.

Mr. SHORT. The President in his Budget message to Congress last January said that he wanted Congress to maintain the current rate of those taxes which would otherwise be reduced next June, but nowhere in his message did he express opposition to any increase that would bring additional revenues, and it is a mystery to me why the Committee on Ways and Means did not equalize these taxes before they reported the bill out.

Mr. JENKINS of Ohio. The Committee on Ways and Means came very nearly approving this amendment, and it should have done so. The vote was 12 to 13. I am sure those 13 were actuated more by a spirit of subservience toward their patron saint at the other end of the Avenue, and I do not believe he ever expected that, because in his messages he has always been ready to encourage additional taxes. The way he spends money is a sure sign that he needs all he can get.

Mr. COOPER. Mr. Chairman, I rise in opposition to the amendment. I have always been extremely suspicious of any man who comes along and wants to pay an extra tax. Any time a fellow comes along and asks me to levy a tax on him, I get suspicious right there. Certainly we should not take the position here of employing the strong arm of the Federal Government in favor of one group of people in an industry as against another group of people in the same industry, favoring one group and being detrimental to the other.

The fact remains that this matter was considered by the committee, with the very meager information that was presented, and voted down. If there is some adjustment that is proper to be made, it certainly should be carefully investigated and gone into in the proper manner, so that we might have information to advise you intelligently on a matter of this kind.

Now, it appears that one real purpose to be served is to try to eliminate the kind of matches that are being given away to people. In other words, it will affect the interests of the consumer and will try to fix it so that the practical result will be he will have to pay more for his matches. In view of this situation, and the fact that sufficient data and information has not been presented on it, the members of your committee appeal to you to vote down this amendment.

The CHAIRMAN. The time of the gentleman has expired.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last word. As a member of the Committee on Ways

and Means, I voted in committee for this amendment. In view of the statement of the gentleman from Tennessee [Mr. COOPER] I cannot remain idle and let the statement go unanswered.

This amendment does not mean that one group of business is being given an advantage over another. As a matter of fact, under existing law one group has an advantage over another. [Applause.] We are now taxing the man who produces wooden matches 2 cents per thousand and the one who produces the paper match one-half cent per thousand. No difference in price will result. The real purpose of this is to produce a different situation than that expressed by the gentleman from Tennessee [Mr. COOPER]. Personally I do not care whether the amendment is adopted or not, but I am interested in the justice of it. I voted for it in committee and the vote was 13 to 12, as one of the preceding speakers stated. Now, what is the real purpose? Under the present situation foreign paper matches are being imported into the United States and they are underselling the paper matches produced by American business. That is the real story, and the reason they want the tax increased to 2 cents a thousand is so that the tax will operate against the imported article and protect American paper match manufacturing industry. [Applause.]

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. MAY. Is the wooden match the one which is paying 2 cents a thousand, the match that is called the "honest man's match", that you strike on your overalls and do not need a paper box to strike it?

Mr. McCORMACK. I do not know about that. All I know is that is the situation that presented itself, and the ultimate purpose of this amendment would be to equalize the tax, and it would be to protect the American manufacturer and American laborer against the cheaply manufactured imported paper matches that are coming into the market and undermining American industry and American labor in the match industry, and preventing them from selling their product in the American market.

Mr. FRED M. VINSON. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. FRED M. VINSON. As I understand the gentleman, there would be no difference in the competitive situation between the paper match and the wooden match if this tax is put on. I just cannot get that. Now, if you put a tax on any commodity, it seems to me it is going to affect its movement in commerce. In my opinion, from the meager information I have received, it looked to me that they wanted to increase the price of the paper match to the price of the wooden match, so that the paper match, with the advertising feature, could not be given away.

Mr. McCORMACK. As I understand it, the main purpose was to protect the manufacturer of paper matches in the United States from the foreign imported match which pays simply one-half cent per thousand, and which is able to undersell, not the wooden match produced in America but the paper match produced in America.

Mr. FRED M. VINSON. Can the gentleman give any information as to the amount of paper matches imported? I have not heard the argument presented by my friend until now.

Mr. McCORMACK. That is the argument that was presented. That is the reason why the paper-match industry in the United States is willing to pay an extra tax, in order that they may obtain protection from the imported paper match, which, paying one-half cent per thousand, is able to come into the country and undersell the American product.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. Certainly.

Mr. COOPER. Of course, I have no doubt that such information might have been presented to the gentleman; but it certainly was not presented to the committee.

Mr. McCORMACK. It certainly was discussed in the committee.

Mr. COOPER. I attended every moment of the session, and this is the first time I heard of it. It was not presented in the committee. The chairman says he never heard of it.

Mr. McCORMACK. If the gentleman is raising the question about something in the committee, there was nothing discussed publicly, and I approve of not having public hearings, but it was discussed in executive session at the time of the vote.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. McCORMACK] has expired.

The question is on the amendment offered by the gentleman from Ohio [Mr. JENKINS].

The question was taken; and on a division (demanded by Mr. JENKINS of Ohio) there were—ayes 57 and noes 78.

So the amendment was rejected.

Mr. PATMAN, Mr. SHEPPARD, and Mr. FLANNERY rose.

The CHAIRMAN. The Chair would like to state in this regard that amendments have been offered and sent to the Clerk's desk in the following order, and in a spirit of fairness the Chair will try to recognize the Members in this order: The gentleman from Pennsylvania [Mr. FLANNERY], the gentlewoman from New Jersey [Mrs. NORTON], the gentleman from Texas [Mr. DIES], the gentleman from Texas [Mr. PATMAN], the gentleman from Massachusetts [Mr. MARTIN], the gentleman from Iowa [Mr. GWYNNE], and the gentleman from Montana [Mr. O'CONNELL].

Mr. DOUGHTON. Mr. Chairman, I ask unanimous consent that all debate on this resolution and all amendments thereto close in 1 hour, at 5:30.

Mr. MARTIN of Massachusetts. Mr. Chairman, reserving the right to object, how many amendments are pending?

The CHAIRMAN. If there are no further amendments pending there will be six amendments to be disposed of within the hour. This would allow 5 minutes for and 5 minutes against each amendment.

Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Pennsylvania [Mr. FLANNERY].

The Clerk read as follows:

Amendment offered by Mr. FLANNERY: Page 1, line 6, strike out the period, insert a colon and the following: "*Provided*, That section 601 (c) (5), part IV, and title V of such act (relating to tax on coal, coke, and coal or coke briquets) is amended effective July 1, 1937, by striking out '10 cents per hundred pounds' and inserting in lieu thereof '25 cents per hundred pounds.'"

Mr. FLANNERY. Mr. Chairman, last year there was imported from Russia between 400,000 and 500,000 tons of Russian coal. Up in Pennsylvania, in my county for one, there are now over 50,000 people on relief because the American market cannot absorb the coal which we produce. This condition prevails in the so-called five anthracite counties of Pennsylvania.

Down in the dim recesses of this bill there is a tax of 10 cents per 100 pounds on coal imports. That applies in practical effect only to Russia, because its application is excluded from those nations with which we have treaties containing the most-favored-nation clause. The result is that Russia can and is sending her coal over here under a tax of 10 cents per 100 pounds, competing with domestic coal, leaving our mines idle, and sending it to the extent of between 400,000 and 500,000 tons within the past year, and it is still coming in in increasing quantities.

My proposition is to raise that import tax which affects Russia from 10 cents per 100 pounds to 25 cents per 100 pounds. It does not affect the American consumer, because the supply exceeds the demand as it is, but it does protect American industry and American labor. [Applause.] If you, my friends, vote against this proposed increase, you

will be voting for Russian labor and you will be voting to keep Pennsylvania labor on relief. Remember that, gentlemen. [Applause.]

Up in my county, as I have said, 50,000 people are on relief. We have an industry in Pennsylvania that is in a state of collapse; it has gone beyond chaos. Disorder is certainly rampant. The Governor of Pennsylvania appointed a coal commission to examine into the conditions and the so-called bootlegging of coal. The authorities of the State of New Jersey have inquired into the conditions of bootlegging coal. The authorities of the State of New York have done likewise. These miners are hungry; these miners are starving. They have in the lower counties taken the mines over into their own hands and are mining the coal. Law and order cannot stop them or prevent them.

Mr. Chairman, many things must be done before this problem can be solved. One is a readjustment of the freight rates, and that shall be considered at another time. We may be coming to the nationalization of the industry as intimated by Governor Earle, and recently adopted in England, but until that time we can make a contribution, a step in the right direction, by increasing the tax which I ask you to do now. Afford those men up there work, help us cut down relief rolls in Pennsylvania, restore law and order to our State. I ask of you men of Pennsylvania, you men of Virginia and West Virginia, you men of Kentucky where you have coal, you out in Illinois where you have coal, to vote for this bill. I have heard the cry: "Follow the committee." Gentleman, the members of the committee do not "follow the committee" when they see fit or when opposition serves their own interests. I ask you to forget the committee but to remember the American workmen, remember the American anthracite and bituminous industry, remember the welfare of this Nation, and vote this little tax.

Mr. SHORT. All that the gentleman has said about the importation of coal from Russia is absolutely true. The same thing can be said of the importation of lumber and petroleum from Soviet Russia.

Mr. FLANNERY. I have the figures here. This is an opportunity to do something.

Mr. KNUTSON. And manganese.

Mr. FLANNERY. Now, gentlemen, let us view this coal problem in all its aspects.

THE ANTHRACITE-COAL INDUSTRY

General problem

The anthracite-coal industry is, as I have said, a sick industry. The production of anthracite coal and consequently employment and pay rolls have continuously and steadily declined since the World War. Domestic production of anthracite coal in the 7-year period from 1924 through 1930 averaged 68,548,000 long tons. From 1931 through 1936 average domestic production for the 6-year period totaled 48,348,000 long tons. During this 13-year span domestic production ranged from 79,000,000 tons in 1924 to 44,419,000 tons in 1933. As a result of a very extreme winter in 1934, anthracite-coal production totaled 51,576,000 long tons, but another slump occurred and production for 1935 and 1936 totaled 46,571,000 and 48,893,000 long tons, respectively. A comparison of anthracite-coal production for the first quarter of 1937 with the similar period of 1936 reveals a further decline of 21 percent, or from 13,722,000 long tons in 1936 to 10,863,000 long tons in 1937. It is thus apparent that this industry has not participated in the increasing prosperity of 1936 and 1937.

Financial position of coal companies

On February 16, 1937, the Governor of Pennsylvania, the Honorable George H. Earle, appointed the anthracite coal industry commission to make a study covering the subject of illegal mining of anthracite coal and the general economic dislocation of the industry. This report reveals that the current net assets of companies producing 90 percent of anthracite coal have decreased about $100,000,000 in 10 years. In 1935 the working capital of companies producing 90 to 95 percent of the total output was only $9,000,000. This is a decline from $70,000,000 in 1929 and from $111,000,000 in 1926. The consolidated income report of such companies shows a deficit in net income for each of the years 1932 through 1935 in the amounts, respectively, upward of $10,500,000, $8,500,000, $1,600,000, and $10,200,000. The largest company in the industry applied recently for relief under section 77B of the Federal Bankruptcy Act. The report further states:

Other companies will likewise soon join the unhappy procession to the bankruptcy courts unless some quick and drastic change takes place.

Employment

In the year 1914 upward of 179,000 persons were directly employed in the production and processing of anthracite coal in and about the mines, and the average number of days per year worked by these persons was 245 days. When production reached its highest point in 1917, 154,000 men worked on an average of 285 days. During the years 1924–28 upward of 160,000 men were at work well over 225 days. In 1929 and 1930 there was a decline to a level of around 150,000, the average number of days worked being still upward of 200. By 1933 the number of men employed had dropped to but 104,633, the average number of days worked to 182. The year 1934 showed a slight upward trend, but by 1935 a record low of 100,000 men, working an average of about 180 days per year, was reached. There were less men at work in the anthracite fields in 1935 than in 1890. If the total present output of coal were produced by persons working the full annual complement of working days, approximately 60,000 persons would be employed.

The bootleg problem

During the last few years there has developed a situation which is symptomatic of the demoralization of the industry and specifically related to the serious unemployment problem, namely, illegal mining of coal. It is estimated that about 12,000 persons are engaged in stealing coal from other people's property in the anthracite fields of Pennsylvania, particularly the southern region, and about 6,000 engaged in the preparation and marketing of bootleg coal. A substantial percent of these persons are licensed miners out of legitimate work. Recent estimates indicate that 50 percent of those engaged in bootlegging were engaged in mining at one time or another. Quite a number are actually on the public-relief rolls. It is estimated that the total production of stolen coal has risen from one and a half million tons in 1933 to 4,000,000 tons in 1936. Those engaged in actually breaking ground and retrieving coal in this unlawful manner are probably making less than those engaged in ancillary branches of the bootleg industry, such as processing the product, shipping and distributing it.

The report of the Pennsylvania Anthracite Coal Industry Commission further states:

There is no dispute on the legal standing of bootlegging. The bootleg miners are trespassers and are stealing property, and the bootleg breakers and truckers are handling stolen goods. It is alleged in defense, however, that the right of human beings to live is superior to legal property rights, strictly construed. This defense is valid in principle but does not apply in full to the present circumstances. It is true, however, that Government relief, W. P. A., and similar payments have frequently been very low on a per-capita basis, and often wholly inadequate to support what the miner regards as a minimum decent standard of living. It is also obvious that receiving relief in return for doing nothing must be distasteful to any self-respecting able-bodied man. Nor is employment in other local industries, which are relatively few and small, available in sufficient volume to absorb more than a small fraction of the idle miners. It is therefore not impossible to understand how men who are otherwise honest and law-abiding citizens, but who found themselves thrown out of work through no fault of their own, came to resort to bootleg mining. The mining and sale of stolen coal is merely one acute symptom among many of a depressed condition throughout the whole anthracite industry which has been cumulative since 1926.

Efforts to stop bootlegging in the Schuylkill fields by resort to the ordinary legal processes have thus far been almost wholly unsuccessful, except where surface buildings and roads or the operations of adjacent legal mines were in immediate danger. This break-down of the legal process is explained both by the fact that a majority of the community affected and even the local judiciary have apparently been sympathetic to the bootleggers, and by the real threat of mass violence in certain cases.

RELIEF AND WORK RELIEF

Almost 99 percent of anthracite produced in the United States is mined in 14 counties in Pennsylvania, and over 90 percent is produced in the following 5 counties: Luzerne, Schuylkill, Lackawanna, Northumberland, and Carbon. The total obligations incurred for relief, not including Works Progress Administration expenditures, as reported by the

Federal Emergency Relief Administration for the five above-mentioned counties in Pennsylvania, are as follows:

Total obligations for emergency relief[1] for the period April 1933 through December 1936

County	Total obligations	Federal funds
Luzerne	$25,821,956	$15,482,344
Schuylkill	12,927,840	8,677,556
Lackawanna	17,239,132	11,138,881
Northumberland	7,342,821	4,482,651
Carbon	2,011,589	1,254,229

[1] The above figures include general relief, extended cases, nonrelief wages, and materials incident to work-relief projects conducted by State and local relief administrations and cost of administration.

Works Progress Administration in the period July 1, 1935, through March 31, 1937, expended the following amounts in these counties:

County:	*Obligations incurred*[1]
Luzerne	$19,973,098
Schuylkill	10,782,602
Lackawanna	11,346,051
Northumberland	5,764,574
Carbon	2,377,379

[1] These figures do not include State-wide or district-wide projects which have been operating in these counties.

ANTHRACITE COAL

Tariff duties and excise taxes

The Tariff Act of 1913 placed all varieties of coal on the free list. The Tariff Act of 1922 continued all coal on the free list, but provided that—

> If any country, dependency, Province, or other subdivision of government imposes a duty on any article specified in this paragraph [1548], when imported from the United States, an equal duty shall be imposed upon such article coming into the United States from such country, dependency, Province, or other subdivision of government.

The conditional-duty provision in the Tariff Act of 1922 was reimposed by the Tariff Act of 1930. This conditional duty, however, was repealed by the Trade Agreements Act which became effective June 12, 1934.

The Revenue Act of 1932, section 601 (c) (5), provided for an import excise tax of 10 cents per 100 pounds on coal imported into the United States from countries to which exports of coal from the United States did not exceed in the previous calendar year the imports of coal therefrom, "unless", as provided in section 601 (a) of the act, "treaty provisions of the United States otherwise provide." Treaty provisions which do otherwise provide are those arising out of the most-favored-nation clause, such as exist in commercial treaties of the United States with Belgium, the United Kingdom, and Japan. Imports of coal enter the United States tax free when the coal is imported from a country to which the United States exports more coal than it imports therefrom, or when the coal is imported from a country with which the United States has exchanged most-favored-nation commitments. The only important sources of taxable imports of coal into the United States at present are the Soviet Union and Germany.

The excise tax on imported coal imposed by the Revenue Act of 1932 has been extended to June 30, 1937 (Public, No. 36, 74th Cong.; June 13, 1935).

Domestic production, imports, and exports

Production averaged 59,225,000 long tons during the period 1924–36. It reached a peak of 79,135,000 tons in 1924, and a low point of 44,419,000 tons in 1933. In 1936 it amounted to 48,893,000 tons. Anthracite is used chiefly for domestic heating rather than for industrial purposes. The decline in domestic production, therefore, may be accounted for in part by the increased use of gas and oil for heating purposes.

Imports of anthracite coal have amounted to approximately 1 percent, and exports to from 3 to 5 percent, of the quantity produced domestically. Imports have come chiefly from the Soviet Union, the United Kingdom, and Canada. They are entered principally at ports in New England, which consumes approximately 10 percent of domestic shipments of anthracite. Exports are shipped largely to the Canadian Provinces of Ontario and Quebec.

Transportation charges play an important part in influencing the marketing of this commodity, particularly in New England. European anthracite has a lower ash content and sells at a higher price than does domestic anthracite. Since 1931 imports into New England have amounted to from 9 to 11 percent of the shipments of domestic anthracite to New England. Most of the foreign anthracite is imported from the Soviet Union and is subject to the import excise tax previously mentioned.

Prices

The price structure of coal is complicated by a number of variables. Among these are varieties or types of coal, sizes or grades of each type, and special marketing conditions in each of the distributing centers. Transportation charges, for example, are important factors contributing to the variation in prices between centers. Moreover, there is a seasonal trend in the price of coal; prices tend to rise during the fall and winter and to decline during the spring and summer. Because of these variables, any composite price for coal is of little value except to show broad trends for a considerable period of time.

Prices of anthracite coal are influenced less by industrial activity than are prices of bituminous coal. Prices were relatively high during the period 1927–31, but declined during 1932–35. Since 1935 prices have advanced slightly.

Inasmuch as imports of anthracite are entered principally in New England, the price of domestic anthracite at Boston becomes especially significant. Tables F and G show the wholesale prices of three grades of domestic anthracite at Boston and the unit value of imports, inclusive of ocean freight and import excise taxes. In table F the costs to dealers in Boston are calculated by adding transportation costs from Scranton to Boston to the average sales realization per net ton at the mines. Table G shows the quoted wholesale prices of anthracite f. o. b. cars on tracks in Boston. The comparison of wholesale prices of domestic anthracite with the unit value of imports, however, is not particularly significant, inasmuch as imports are not classified by grades or sizes.

During the years 1933, 1934, and 1935—the years for which comparative data are available—the wholesale price of domestic anthracite quoted by dealers in Boston exceeded their costs by from 6 to 11 percent. Beginning in 1933, after the import excise tax was imposed, the unit value of imports plus ocean freight and excise taxes also exceeded the cost of domestic anthracite to dealers. Moreover, after 1933 the estimated wholesale price of imports exceeded the wholesale price of domestic anthracite.

Summary of production, imports, and exports of anthracite coal, calendar years 1924–36

[In thousands of long tons]

Year	Domestic production		Imports		Exports	
	Total	Shipped to New England	Total	To New England	Total	To Canada
1924	79,135	9,474	105	83	3,587	3,507
1925	55,896	7,392	342	200	2,838	2,765
1926	76,143	9,472	727	346	3,598	3,519
1927	72,096	8,165	106	95	2,969	2,892
1928	67,911	8,371	343	329	2,979	2,943
1929	66,670	8,071	435	432	3,041	3,014
1930	62,583	7,489	605	588	2,278	2,261
7-year average	68,548	8,348	380	296	3,041	2,986
1931	53,709	6,307	569	545	1,588	1,582
1932	44,919	5,035	542	512	1,164	1,162
1933	44,419	4,689	408	396	924	917
1934	51,576	5,350	427	426	1,159	1,131
1935[1]	46,571	4,825	510	499	1,437	1,422
1936[1]	48,893	4,720	549	548	1,499	1,485
6-year average	48,348	5,154	500	488	1,295	1,283
13-year average	59,225	6,874	405	384	2,236	2,200

[1] Preliminary.

Source: Production figures from Bureau of Mines; import and export figures from official statistics of the Department of Commerce.

Calculated cost to dealers of anthracite at Boston [1]
[Per long ton]

Type	1929	1931	1933	1934	1935
Chestnut	$11.89	$11.78	$10.34	$10.33	$9.93
Egg	11.80	11.61	10.33	10.25	9.77
Pea	8.39	9.13	8.43	8.66	8.34
Unit value of imports [3]	9.35	[4] 8.97	[4] 10.36	[4] 12.06	10.88

[1] Calculated by adding transportation cost, Wilkes-Barre to Boston ($3.26 per net ton), to average sales realization per net ton on anthracite shipments from breakers by sizes in the Wyoming district, Pennsylvania. Source for average sales realization, Bureau of Mines, Department of the Interior.
[2] Ocean freight ($1.70 per long ton) added.
[3] Import excise tax ($2.24 per long ton) added.

Wholesale prices of anthracite at Boston
[Per long ton f. o. b. cars on tracks]

Type	1933	1934	1935	1936	1937		
					January	February	March [1]
Chestnut	$11.55	$10.96	$10.83	$11.03	$11.05	$11.03	$10.02
Egg	11.55	10.96	10.76	10.73	10.75	10.75	9.91
Pea	9.17	8.94	9.02	9.09	9.35	9.35	8.51
Unit value of imports [2]	10.36	12.06	10.88	10.45	10.38	10.46	(3)
Wholesale prices of imports [4]	11.40	13.27	11.97	11.50	11.42	11.51	(3)

[1] Prices in March 1937 reflect the usual seasonal decline, spring prices.
[2] Ocean freight ($1.70 per long ton) and import excise tax ($2.24 per long ton) added.
[3] Not available.
[4] Assuming a 10 percent mark-up based on unit value of imports.

Source: Bureau of Labor Statistics, Department of Labor.

According to telegraphic information received Feb. 27, 1937, the retail prices of anthracite coal per net ton in Boston were as follows:

Russian anthracite, $14.75; Wales anthracite, $14.75; Pennsylvania anthracite, $13.75.

Imports of anthracite coal into the United States, by countries of origin, 1930–35

Countries	Duty free		Dutiable value	Excise tax
	Tons	Value		
1930:				
Germany	13,402	$79,713.00		
Russia	172,438	1,232,416.00		
United Kingdom	410,900	2,992,238.00		
Canada	5,759	71,782.00		
French Indochina	2,000	10,890.00		
Other countries	62	166.00		
Total	604,511	4,387,205.00		
Value per ton		7.26		
1931:				
Belgium	12,790	65,098.00		
Germany	32,107	189,755.00		
Russia	216,990	1,611,084.00		
United Kingdom	305,495	2,343,649.00		
Canada	2,217	33,681.00		
French Indochina	1,010	5,490.00		
Other countries				
Total	570,609	4,148,757.00		
Value per ton		7.27		
1932:				
Belgium	20,580	107,069.00		
Germany	39,189	217,725.00	16,729	$93,218.00
Russia	107,069	784,008.00	100,039	714,410.00
United Kingdom	168,620	1,045,042.00	82,922	535,113.00
Canada				
French Indochina	5,628	25,281.00	1,275	6,709.00
Other countries				
Total	341,086	2,179,125.00	200,965	1,349,450.00	$450,565
Value per ton		6.39		6.71	
1933:				
Germany			23,929	97,138.00	
Russia			204,599	1,331,899.00	
United Kingdom			178,831	1,188,166.00	
Canada					
Other countries			9	120.00	
Total			407,368	2,617,323.00	912,863
Value per ton				6.42	
1934:				
Russia			288,684	2,441,570.00	
United Kingdom	68,177	467,471.00	68,157	534,511.00	
Canada	1,789	20,156.00	84	837.00	
Other countries					
Total	69,966	487,627.00	356,925	2,976,918.00	799,512
Value per ton		6.96		8.34	

Imports of anthracite coal into the United States, by countries of origin, 1930–35—Continued

Countries	Duty free		Dutiable value	Excise tax
	Tons	Value		
1935:				
Russia			353,047	$2,384,909.00	
United Kingdom	152,559	$1,120,477.00		
Canada	4,607	37,381.00		
Other countries				
Total	157,166	1,157,828.00	353,047	2,384,909.00	$790,825
Value per ton		7.37		6.75	
1936: Total	145,042	1,099,936.00	403,743	2,474,125.00	904,384

I believe I have covered in a general way the conditions that prevail in the anthracite industry, and it must be obvious that immediate and drastic steps are necessary if it is to be saved. The amendment I have proposed increasing the import tax from 10 cents per 100 pounds to 25 cents is a small contribution, but it is an important one. Other contributions must and will follow. Under the leadership of Pennsylvania's great Governor, George H. Earle, the problem is receiving analysis and consideration as never before. Let us cooperate to this extent now. Let us increase this tax. Let us help save a great industry.

Acknowledgment is made to the Tariff Commission, Bureau of Mines, and Pennsylvania Anthracite Coal Industry Commission for statistics and data.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. FLANNERY].

The question was taken; and on a division (demanded by Mr. FLANNERY) there were—ayes 81, noes 56.

Mr. DOUGHTON. Mr. Chairman, demand tellers.

Tellers were ordered, and the Chair appointed Mr. DOUGHTON and Mr. FLANNERY to act as tellers.

The Committee again divided; and the tellers reported there were ayes 84 and noes 76.

So the amendment was agreed to.

Mrs. HONEYMAN. Mr. Chairman, I offer an amendment, which I send to the Clerks' desk.

The Clerk read as follows:

Amendment offered by Mrs. HONEYMAN: Page 1, after the period in line 12, insert the following: "The tax imposed by section 603 of the Revenue Act of 1932, as amended (relating to the tax on toilet preparations), shall not apply to articles sold by the manufacturer, producer, or importer after the date of the enactment of the joint resolution."

Mrs. HONEYMAN. Mr. Chairman, I offer this amendment at the request of the gentlewoman from New Jersey [Mrs. NORTON], who waited all afternoon to offer the amendment herself, but within the last few minutes she received notice of a death in her family and has left the floor. She has requested me to offer the amendment in her stead.

I will read what the gentlewoman from New Jersey [Mrs. NORTON] intended to say:

I am asking that this tax be repealed as a matter of simple justice to the average American woman. It is an established fact that cosmetics are absolutely necessary to the well-groomed woman. Just as necessary as razor blades and shaving cream are to a man.

As toilet preparations and cosmetics, under the customs existing in all civilized countries, are necessities and not luxuries, this 10-percent tax is resented by the women of the country as a discriminatory tax, and it should not be continued.

I believe that this is a discriminatory tax, falling almost entirely upon the pocketbooks of the women of the country.

The April 1, 1930, census of the United States shows that there were 37,056,757 adult males residing in the United States and 35,886,867 adult females so residing.

Practically none of the cosmetics taxed in this bill are purchased by our male citizens, and almost the entire tax, therefore, falls upon the women of the country. Such a tax, it must be conceded, is discriminatory.

It is the only one of these special taxes which is discriminatory.

All the other special taxes fall upon all of the people of the country, male and female alike. Taxes on oil, fish, furs, automobiles, boats, radios, mechanical refrigerators, sporting goods, firearms, cameras, chewing gum, telephone, theaters, stocks and bonds, safety-deposit boxes, checks, and tobacco are paid by every

class of citizen of the United States, and the Government is entirely justified in imposing such taxes if it needs the money. But the tax on cosmetics and toilet preparations cannot be justified because it is class legislation and class tax.

And the larger part of cosmetics are purchased by the working-women of the country.

While I am not interested in the manufacture of toilet preparations as such, because like any other manufacturers they must bear their fair burden of taxation if taxation is required, I wish to call your attention to the fact that the statute is so drawn because of the taxing of containers as to result in an unfair discrimination between manufacturers of the same competitive products. This discrimination directly affects the consumer.

I respectfully direct your attention to the following facts:

In the toilet-goods industry manufacturers may be grouped in the following classifications:

(a) Those who manufacture the taxable article and themselves place it in containers which have been bought for that purpose.

(b) Those who purchase the taxable commodity at arm's length from others in bulk and place such commodities in containers prior to sale.

(c) Those who supply containers to the actual bulk manufacturer of the taxable article retaining title to the containers and have the articles delivered in finished form by the manufacturer of the goods.

Resulting economic discrimination:

It is a group (a) which suffers as a result of the tax advantages accruing to groups (b) and (c). This is how it works out:

The manufacturer who makes his own taxable preparation and himself installs it in the container pays a tax of 10 percent upon his first sale to his customer. This tax is calculated on a large base representing not only the cost of the toilet preparation profit, cost of containers (which varies from comparative cheapness to a high relative cost), but also the tax is on selling expense, etc., which we will not here consider, but which varies in each individual case. On the sum total of the foregoing, including the container item, a 10-percent tax is computed.

Now, consider the case of the manufacturer who comes under group (b) or (c). A group (b) manufacturer, for example, pays a tax of 10 percent (passed on to him) upon the cost of the bulk material to him and pays no tax upon the container in which such material is installed by him. A case can be presented in this industry where an important manufacturer sells a commodity to two classes of trade: One buys it from him in bulk and the other buys it already packed in bottles. Those who purchase his commodity in bulk and themselves put it into containers actually sell the completed product at less than the original manufacturer is able to sell the product bottled by himself. The tax largely accounts for the competitive disadvantages. This situation doubtless exists in a number of other instances.

This taxing situation, so far as I know, does not exist in any other industry except the toilet-goods or cosmetic industry.

I would like to call your attention to the fact that the census of 1930 shows there were more than 37,000,000 males and more than 35,000,000 females residing in the United States, and as most of the cosmetics are bought by women, this tax is paid principally by them. [Applause.]

Mr. COOPER. Mr. Chairman, in rising in opposition to this amendment I simply want to call attention to the fact it is estimated that substantially $16,000,000 is affected by this amendment. Certainly we cannot afford to lose that considerable item of revenue, and I therefore ask that the amendment be defeated.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I move to strike out the last word, in order to speak in favor of the amendment offered by the gentlewoman from Oregon [Mrs. HONEYMAN].

Mr. Chairman, more and more the women of the United States feel that they are the forgotten man. Only today I learned of a proposed cut in the women workers on relief. It will cause great suffering and hardship in my home city of Lowell and in other cities and towns of my district. The housekeepers are beginning to realize that the prices of various commodities are going up. My district is largely industrial, and the New Deal measures have not been helpful to New England. There is much unemployment there. The price of clothing and everything else is going up; as the gentlewoman from Oregon [Mrs. HONEYMAN] said for the gentlewoman from New Jersey [Mrs. NORTON] the price of toilet articles is going up and will continue to go up.

It is generally agreed that the girls and women of today feel that cosmetics are a necessary part of, shall we say, their raiment or apparel. They get a little bit of cheer from these things. This tax will hurt the women with small incomes the most.

I believe that the women of small incomes will wonder why this administration, professedly devoted to the interests of the working classes, should remove the 10-percent tax from diamond tiaras and pearl necklaces, which belong only to the rich, while continuing a 10-percent tax on the toilet necessities of the women who work in the industries for a weekly rate or who are on relief.

Mr. Chairman, I appeal to the Members of the House to think of the women and eliminate this tax. There is not a Member of Congress who addresses an audience during his campaign for Congress who does not appeal to women in that audience. I hope the men will consider the women today and vote for this amendment.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Oregon [Mrs. HONEYMAN].

The question was taken; and on a division (demanded by Mr. MCFARLANE) there were—ayes 46, noes 81.

So the amendment was rejected.

Mr. DIES. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. DIES: Page 1, line 12, after the figures "1929", insert *"Provided, however,* That this act shall not become operative until the inactive gold fund of the United States Treasury is used to defray expenditures."

Mr. COOPER. Mr. Chairman, I make a point of order against the amendment.

Mr. DIES. Will the gentleman reserve his point of order?

Mr. COOPER. Mr. Chairman, I reserve a point of order against the amendment offered by the gentleman from Texas [Mr. DIES].

Mr. DIES. Mr. Chairman, as I stated earlier in the afternoon, we have accumulated an inactive gold fund of approximately $873,000,000. We have acquired that gold fund by the issuance of tax-exempt securities. When under the silver bill we acquire silver we do so through the issuance of non-interest-bearing silver certificates. We have issued approximately $750,000,000 of silver certificates in the acquisition of silver, whereas we have already issued $873,000,000 of tax-exempt securities to acquire gold. When we issue these tax-exempt securities, what happens? We pay approximately $74,000 a day interest for the privilege of doing what? For the privilege of acquiring foreign gold, bringing about a dislocation economically in foreign countries and producing a maldistribution of this essential medium of international trade. After having acquired the gold, what do we do? Do we put the gold to work as we do with silver? Do we put it into circulation? No. We hoard it. We place that gold in expensively maintained vaults. In the meantime we propose to tax the average man and woman in the United States under this measure to acquire approximately $500,000,000.

We talk about consistency. We are preparing to pass a measure which will raise $500,000,000 from the sweat of the brow of the average man and woman of the United States when at the same time we pay foreign countries to acquire gold, not to be put into circulation or use, but for the purpose of hoarding. That was not the purpose of the Gold Revaluation Act. That was not the objective of our monetary policy. We said when we revalued our gold that the Treasury would be permitted to acquire gold in collaboration or cooperation with foreign nations for the purpose of stabilizing the American dollar in relation to foreign exchange.

However, we have departed from this policy, and in order to maintain a credit economy which exacts its toll every hour from the American people, we are substituting credit dollars, dollars which are fictitious to a large extent, which are created by bookkeeping entries and bookkeeping manip-

ulations. We propose to maintain a credit economy in the United States at the expense of a cash economy. France long ago saw the wisdom of substituting a cash economy for a credit economy.

Men talk about inflation and deflation. The real underlying cause of alternate booms and depressions can be traced to the credit system, to a system under which a thousand dollars of fiat money is created through a bookkeeping process by a banker who in the exercise of his judgment sees fit to loan a thousand dollars. There is a thousand dollars of credit money. It is here today and gone tomorrow. [Applause.]

Mr. COOPER. Mr. Chairman, I make the point of order against the amendment that it is not germane to this bill.

In support of the point of order, I invite the attention of the Chair to the fact this resolution provides for the extension of certain excise taxes levied under two specific statutes, the act of 1932 as amended, and the act of 1933. It has no relation whatever to the gold question or the subject matter of the gentleman's amendment.

Mr. DIES. Mr. Chairman, the proposed act seeks to extend the tax provisions for a period of 2 years. All this proposed amendment seeks to do is say that the act shall not be operative until certain conditions occur. The amendment does not seek to force the Treasury to utilize gold but is simply the exercise of an undoubted prerogative on the part of Congress to say that until certain conditions happen the act shall not be operative. I submit it is wholly within the power of Congress under the rules of the House to place a limitation upon a bill. The wording in this amendment is not a different kind of limitation than if it were a time limitation.

The CHAIRMAN. The purpose of the amendment has been sufficently explained to make its restatement unnecessary.

The Chair finds certain decisions directly in point and cites the following decision by former Speaker Gillett in the fourth session of the Sixty-seventh Congress, found at section 3037, volume 8, of Cannon's Precedents:

An amendment delaying operation of proposed legislation pending an unrelated contingency was held not to be germane.

A similar holding was made by Mr. Graham, of Illinois, as Chairman of the Committee of the Whole House, in the first session of the Sixty-eighth Congress, as follows:

A different subject from that under consideration may not be proposed under the guise of a limitation.

This decision is found in section 3035 of volume 8 of Cannon's Precedents.

Upon these and related authorities the Chair sustains the point of order.

The Clerk will report the amendment offered by the gentleman from Texas [Mr. PATMAN].

The Clerk read as follows:

Amendment offered by Mr. PATMAN: Page 1, line 12, after the period, insert *"Provided, however,* That the taxes herein imposed shall not be levied or collected until the Secretary of the Treasury has utilized for currency purposes all the inactive, unpledged, and unallocated gold owned and held by the United States Treasury."

Mr. COOPER. Mr. Chairman, I reserve a point of order on the amendment.

INACTIVE GOLD SHOULD BE USED

Mr. PATMAN. Mr. Chairman, this amendment is, of course, very similar to the amendment offered by the gentleman from Texas [Mr. DIES]. I desire to take advantage of this opportunity to invite the attention of the Committee on Ways and Means to certain things I think should be considered in connection with tax matters. One is this inactive gold. We have $878,000,000 in the inactive-gold fund. The only thing in the world which would be necessary to enable us to use that money would be for the Secretary of the Treasury to allow it to go into the fund as an asset, then issue gold certificates under the law now permitting such issue. He would issue gold certificates, deposit the gold certificates with a Federal Reserve bank, and receive Federal Reserve notes in return for them, which could be paid out in any way the Treasury pays out money. If we needed only $878,000,000, I presume those of us who believe in using this gold would be justified in voting against this bill, but since we need the $878,000,000 and also the amount embodied in this bill, I presume we would be justified in voting for the bill if this amendment is held not germane or defeated.

SOCIAL SECURITY RESERVE FUND

I desire to congratulate the Committee on Ways and Means on the provision in the social-security law relating to a reserve fund. Eventually this reserve fund, if it remains intact, and I hope this committee holds the line and will not permit the reserve-fund law to be changed, will own all the Government bonds in this Nation. When all Government bonds are owned by the reserve fund we will continue to pay interest on the bonds, but the interest will go to the old people of this country and will not go to the holders of Government bonds.

TAX-EXEMPT BONDS

Our principal problem today is Government obligations. We have outstanding approximately $35,000,000,000 of obligations which are tax-exempt and interest-bearing. People are escaping taxation by purchasing these bonds.

WHO DOES GOVERNMENT OWE?

I think some committee which has jurisdiction of this problem should bring in a resolution or a bill to force the names of our creditors to be made public. Who are our creditors? Do you know whom we owe? People like to know whom they owe. I would like to know whom this Government owes. We would like to know if certain families are using Government bonds for the purpose of wholly escaping taxation. The gentleman from Texas [Mr. DIES] brought out earlier today the fact that a man with $1,000,000 can better afford to invest the money in Government obligations, although the interest rate is small, than go into a business which will pay him a 6-percent net return each year, for the reason he will make more by having his money invested in Government bonds. We should not have a situation like this. If our bill passes which will cause the Government to own the 12 Federal Reserve banks, these Government obligations can eventually, not quickly, be purchased by these banks and the Government saved $800,000,000 a year in interest. We should work in the direction of getting rid of these tax-exempt interest-bearing Government obligations. [Applause.]

Mr. COOPER. Mr. Chairman, I make the point of order against the amendment offered by the gentleman from Texas upon the grounds previously stated, and upon the further ground of the sound and excellent decision of the Chair, just made.

The CHAIRMAN. In addition to the authorities cited by the Chair in the former ruling, the Chair calls attention to sections 3033 and 3034 of volume 8 of Cannon's Precedents, the first holding that an amendment is not necessarily germane because presented in the form of a limitation, and the second holding that it is not in order to propose by way of limitation propositions on subjects different from that under consideration.

The pending resolution has to do with providing revenue, whereas the amendment has to do with the use of gold for currency purposes.

The Chair sustains the point of order.

Mr. MARTIN of Massachusetts. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. MARTIN of Massachusetts: After line 12, insert the following:

"SEC. 2. Section 609 of the Revenue Act of 1932, as amended, relating to the tax on sporting goods is hereby repealed."

Mr. MARTIN of Massachusetts. Mr. Chairman, this amendment would eliminate the 10-percent tax on sporting goods. The revenue raised was only $5,531,122 last year—mere car-fare money for an administration spending annually more than $8,000,000,000. But it is a heavy and unjust burden upon a number of struggling industries; and, furthermore, it is a discriminatory tax.

There is no valid reason to single out a half dozen industries in the country, like the sporting-goods manufacturer, the furrier, the maker of cosmetics, and say they must bear a larger burden than the great industries of the country.

We love to orate in behalf of youth; to testify our appreciation of the value of healthy boys and girls to the country. And then we penalize youth by exacting from them a 10-percent tax on the articles which would contribute to the upbuilding of health and character.

Every time a boy or girl buys a tennis racket, a baseball, a pair of skates, a fishing rod, or a football a 10-percent tax must go to the Treasury.

This tax was originally inaugurated as a hasty grab for new revenue, and the impression was given it was to be temporary. The present continuance gives evidence of our intention to freeze these taxes permanently.

The manufacturers of the articles in my district are willing to pay their fair share of taxes, but they do feel as if they should be treated as well as others who are engaged in the manufacturing business. Equal treatment is the only honest standard to be set up.

The manufacturers of the articles upon which tax extensions are being imposed today are in fields where the average concern is a small one; a field where it is easy to enter business, and consequently the competition is keen.

Some, like the tennis-racket manufacturer, are being crowded to the wall through the increasing imports from Japan. I plead for justice to these small manufacturers and ask for the elimination of this tax.

The Treasury will suffer little, and it will be doing the right thing by an industry which has been in jeopardy now for 6 years. It will give relief to the youth and the purchaser of sporting goods. [Applause.]

Mr. COOPER. Mr. Chairman, I remind the Committee that this item involves an estimated revenue of more than $8,000,000.

Mr. MARTIN of Massachusetts. Does not the Committee say $5,000,000 in their report?

Mr. COOPER. This yielded $5,531,000 in 1936. The estimate for 1937 is $7,620,000, and the estimate for 1938 is $8,050,000.

Mr. MARTIN of Massachusetts. Of course, if the Treasury is not any better in its estimate than it has been in the past, it might well be near the $5,000,000 mark.

Mr. COOPER. On this side we take the estimates of the Treasury, which have been found far more accurate than the estimate made under the previous administration. The gentleman called attention to the bats and balls used by the small boys. His amendment would also cover the golf balls and all the other sporting equipment used by the millionaires and others of this country. We feel that this item should be continued, and ask that the amendment be voted down.

Mr. McFARLANE. Mr. Chairman, I move to strike out the last word. Under the bill you are taxing sporting goods of all kinds. The amendment proposes to strike out that section. I do not think we ought to jump on the cripples, and we ought not to jump on the boys and girls and those who have to buy sporting goods, skates, tennis rackets, and so forth. We have had plenty of opportunity to put a fair tax on the wealth of the Nation, and, as I pointed out on the floor the day before yesterday, and at other times, all the national banks within the United States in 1933 paid only $552,000 in income taxes. Why? Because this committee from time to time have brought in legislation that exempts the bankers of the United States from paying income tax. Yet you are willing to jump on the cripples, so to speak, and put these nuisance taxes on all athletic goods, cosmetics, oil, gas, stamps, and so forth.

I think it is high time we ought to defeat this kind of legislation. I cannot see any reason that will justify it at this time. For the last several years we have been asked in this Congress to extend this or that provision for just 1 more year, and then comes another just 1 more year and another just 1 more year, with the promise that they would try to eliminate it, but every time a tax bill comes in here we find it is full of more loopholes for the rich of the country through which they may escape paying taxes. Now we find our tax laws full of loopholes through which wealth escapes more taxes annually than it pays, and all the time wealth has thus indirectly defeated our income-tax laws and have forced raising a majority of our revenue through sales or excise taxes. We find as time goes on that the sales taxes are increasing, that we are today paying more than 60 percent of the revenue of this country through sales taxes of different kinds, while loopholes are being written in our income-tax laws through which the rich could escape the payment of taxes based on income.

We should recommit this legislation at this time and insist that the Ways and Means Committee report legislation taking the loopholes out of our tax laws, which they themselves largely placed in the law. If and when they do this, there will be no necessity for placing this $500,000,000 additional sales-tax levy on the poor, for we can easily raise several times this amount by stopping the known loopholes in our tax laws as I have previously pointed out. I think it is time to call a halt. I think you ought to adopt this amendment. I think you ought to see that the boys and girls of this country who buy all kinds of sporting goods that you pay for ought to get them tax free. I do not think you ought to tax chewing gum and all of these other items mentioned in this bill. In fact, I think you ought to send this bill back to the committee and request this committee to bring forward the bill to take the loopholes out of our revenue laws, and we ought to adopt this amendment as a start in the right direction.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. MARTIN].

The question was taken; and on a division (demanded by Mr. MARTIN) there were ayes 59 and noes 73.

So the amendment was rejected.

Mr. GWYNNE. I offer an amendment, Mr. Chairman.

The Clerk read as follows:

Amendment offered by Mr. GWYNNE: Page 1, line 6, after the period, insert the following as a new section:

"Section 609 of the Revenue Act of 1932, as amended, is hereby amended by striking out the words 'and uniforms' wherever those words occur in said section."

Mr. GWYNNE. Mr. Chairman, the purpose of this amendis to exempt from taxation imposed in section 609 athletic uniforms. It is offered for the purpose of removing a great injustice that has grown up under this section. There are certain athletic uniforms that are distinctive in character. There are others which are not. For example, it is possible for the players of certain games to fabricate their own uniforms from goods which they buy from clothing stores. For example, a sweater. The same sweater may be bought out of a sporting-goods store and it will be subject to a tax, but if bought at a clothing store it is not subject to the tax.

This amendment is very mild and I trust will not unbalance the Budget to the extent of the $5,000,000 complained of regarding the amendment offered by the gentleman from Massachusetts [Mr. MARTIN], because the entire amount of revenue collected from the sale of uniforms is

small and is being made constantly smaller because of the operation of this very law.

If it were possible to devise an amendment which would tax all athletic uniforms, I would support that amendment; but it seems that such an amendment cannot be drawn. Therefore I think in justice to the manufacturers and to the retailers of athletic uniforms this amendment should be adopted.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. GWYNNE].

The amendment was rejected.

Mr. O'CONNELL of Montana. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. O'CONNELL of Montana: Page 1, line 12, strike out the period at the end of the line and add the following proviso: "*Provided, however,* That paragraph (7) of subsection (c) of section 601 of Revenue Act of 1932 is amended to read as follows:

"'(7) Copper-bearing ores and concentrates and articles provided for in paragraphs 316, 380, 381, 387, 1620, 1634, 1657, 1658, or 1659 of the Tariff Act of 1930, 9 cents per pound on the copper contained therein: *Provided,* That no tax under this paragraph shall be imposed on copper in any of the foregoing which is lost in metallurgical processes: *Provided further,* That ores or concentrates usable as a flux or sulphur reagent in copper smelting and/or converting and having a copper content of not more than 15 percent, when imported for fluxing purposes, shall be admitted free of said tax in an aggregate amount of not to exceed in any one year 15,000 tons of copper content. All articles dutiable under the Tariff Act of 1930, not provided for heretofore in this paragraph, in which copper (including copper in alloys) is the component material of chief value, 3 cents per pound. All articles dutiable under the Tariff Act of 1930, not provided for heretofore in this paragraph, containing 4 percent or more of copper by weight, 3 percent ad valorem, or three-fourths of 1 cent per pound, whichever is the lower. The tax on the articles described in this paragraph shall apply only with respect to the importation of such articles. The Secretary is authorized to prescribe all necessary regulations for the enforcement of the provisions of this paragraph.'"

Mr. O'CONNELL of Montana. Mr. Chairman, the purpose of this amendment is to increase the excise tax on copper from 4 cents to 9 cents. The purpose is mainly that the present tax or excise tax on copper has hardly brought in enough to pay for the administrative purposes of the act. Further, because it has not provided the protection that the copper industry in the United States ought to have.

The Anaconda Copper Mining Co., which is one of the largest producers in the world, has two-thirds of its holdings in foreign countries, principally South America and Poland. The Anaconda Copper Mining Co. in this country, particularly in my State, has now become a consuming company, because it is also a fabricator as well as a producing company. In the city of Butte alone, in which is the richest hill in all the world, many of the shafts are closed down and thousands and thousands of miners are on relief. In the city of Anaconda, where one of their smelters is located, the same situation exists. In the city of Great Falls, Mont., where there is also a smelter, the same situation exists. The entire State of Montana, all of the farmers, and all of the rural population depend upon what the copper industry in Montana does as to its prosperity. The only way they can have any prosperity in the State of Montana is by the purchasing power of these miners and the smelter men. I think you should protect American labor against South American cheap labor and against the cheap labor from Europe. You ought to take those men off of relief. You ought to give them a chance to go back to work. You ought to say to the Anaconda Copper Mining Co. and the other copper companies in the United States, "You went into our country and you took over this wonderful natural resource, but now you find some place to produce it cheaper and you throw all these men out of employment."

You ought to say to them that they should come back into the United States, where they made their money originally; that they should come back here and provide employment for these miners and smeltermen and others who are on relief. I have not time to go into it exhaustively, but I sincerely hope and trust that you will disregard the committee's recommendation. If you want revenue, here is a good chance to get it. The 4-cent tax brought in only a little over $2,000,000. If we have any more imports you will get additional revenue. Practically nobody but the producers themselves is opposed to this tax. All the smaller mining producers want it; practically everybody out there in the West where copper is mined wants this tax increased. Some of them want it increased to as much as 15 cents, but I have struck what I believe is a fair compromise at 9 cents, and I sincerely hope and trust that the committee will see fit to adopt my amendment and that the Committee of the Whole will go along and increase this tax to 9 cents.

[Here the gavel fell.]

Mr. FRED M. VINSON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this amendment is typical of amendments that do not have committee consideration; and I can say that that statement goes for the amendment increasing the tariff on coal offered by the gentleman from Pennsylvania. Neither the latter amendment adopted by the Committee of the Whole nor this copper amendment, if it be adopted, would benefit coal producers, coal miners, copper producers, or copper miners one single thin dime.

Let us take copper, for instance: The world price of copper has been higher than the domestic price of copper in recent weeks and months. The crying need has been for more copper. Now, it may be all right for the Anaconda Copper Co., which have plants and mines, and fabricate their own copper—they may have a supply of copper, but there are independent fabricators that have been unable to get copper even at the unprecedented high prices.

This matter has been presented to the members of the committee, and it is a very serious proposition. In my opinion, I do not believe that the present tariff on copper today, which is continued in this bill, under existing circumstances is of any consequence. I think that, under normal conditions, the present rate on copper of 4 cents a pound, a figure which the many Members who represent copper districts and copper States desire to have continued, may be of some benefit.

Mr. O'CONNELL of Montana. I did not say that Anaconda wanted it. Anaconda does not want it, because two-thirds of its holdings are in foreign lands.

Mr. FRED M. VINSON. I beg the gentleman's pardon. I misunderstood him. It has been my understanding that the Anaconda Co. did not want the present rate continued.

Now, in regard to the coal amendment, increasing the rate from $2 to $5 per ton, I do not represent a coal district, but you all know I have the interest of the coal country at heart. I have spent much time and effort in the endeavor to stabilize the coal industry. I want to say to you that this amendment is not worth a tinker's damn. The amendment of the gentleman from Pennsylvania is merely shadow-boxing. There has been no hearing on it.

Mr. FLANNERY. Mr. Chairman, will the gentleman yield?

Mr. FRED M. VINSON. I yield to the gentleman from Pennsylvania.

Mr. FLANNERY. It is shadow-boxing to the extent of 6,000 needy families in that coal region and brings in $5,000,000 of revenue.

Mr. FRED M. VINSON. I again state that the amendment of the gentleman from Pennsylvania is shadow-boxing. To listen to the gentleman from Pennsylvania when he discusses about the conditions in the anthracite fields, which is the character of coal produced in his district, you would think that every ton of anthracite that is brought into this country under the existing laws deprives his anthracite

miners of their market and that if this tax rate were increased that immediately the sun would shine for the distressed families who depend upon anthracite production for a livelihood. I do not doubt that the anthracite miners are in need of additional markets, but the importation of coal into this country is so insignificant that it plays no substantial part in their distress.

I insert herewith a table showing summary of production, imports, and exports of anthracite coal during calendar years 1924–36 (in thousands of long tons). This report is contained in the report of the United States Tariff Commission for May 1937:

Summary of production, imports, and exports of anthracite coal, calendar years 1924–36

[In thousands of long tons]

Year	Domestic production		Imports		Exports	
	Total	Shipped to New England	Total	To New England	Total	To Canada
1924	79,135	9,474	105	83	3,587	3,507
1925	55,896	7,392	342	200	2,838	2,765
1926	76,143	9,472	727	346	3,598	3,519
1927	72,096	8,165	106	95	2,969	2,892
1928	67,911	8,371	343	329	2,979	2,943
1929	66,670	8,071	435	432	3,041	3,014
1930	62,583	7,489	605	588	2,278	2,261
7-year average	68,548	8,348	380	296	3,041	2,986
1931	53,709	6,307	569	545	1,588	1,582
1932	44,919	5,035	542	512	1,164	1,162
1933	44,419	4,689	408	396	924	917
1934	51,576	5,350	427	426	1,159	1,131
1935 [1]	46,571	4,825	510	499	1,437	1,422
1936 [1]	48,893	4,720	549	548	1,499	1,485
6-year average	48,348	5,154	500	488	1,295	1,283
13-year average	59,225	6,874	405	384	2,236	2,200

[1] Preliminary.

It should be noted that there was more anthracite coal imported in the year 1930 than in any year since the tax of $2 per ton was imposed. The 7-year average, ending in 1930, was 380,000 tons; the 6-year average, ending in 1936, was 488,000 tons. The 4-year average during which the present tax was effective is 473,500 tons, which, in my mind, is conclusive that the tax on anthracite has in no wise been effective, and an increase in rate would likewise be ineffective.

Anthracite production averages 59,225,000 long tons during the period 1924–36. It reached a peak of 79,135,000 tons in 1924, and a low point of 44,419,000 tons in 1933. In 1936 it amounted to 48,893,000 tons. Anthracite is used chiefly for domestic heating rather than for industrial purposes. The decline in domestic production, therefore, may be accounted for in part by the increased use of gas and oil for heating purposes.

Imports of anthracite coal have amounted to approximately 1 percent, and exports to from 3 to 5 percent of the quantity produced domestically. Imports have come chiefly from the Soviet Union, the United Kingdom, and Canada; they are entered principally at ports in New England which consume approximately 10 percent of domestic shipments of anthracite. Exports are shipped largely to the Canadian Provinces of Ontario and Quebec.

Transportation charges play an important part in influencing the marketing of this commodity, particularly in New England. European anthracite has a lower ash content and sells at a higher price than does domestic anthracite.

Many Members might think that it would be of benefit to the bituminous coal country. Nothing is further from the facts, and, as information, I insert herewith a table showing summary of production, imports, and exports of bituminous coal during the calendar years 1924–36—in thousands of long tons. This report is also contained in the report of the United States Tariff Commission for May 1937.

Summary of production, imports, and exports of bituminous coal, calendar years 1924–36

[In thousands of long tons]

Year	Domestic production		Imports [1]			Exports	
	Total	Shipped to New England	Total	From Canada	To Northwestern States	Total	To Canada
1924	431,863	16,364	373	283	224	15,268	11,299
1925	464,333	18,889	538	471	418	15,591	11,983
1926	511,935	18,872	475	405	347	31,493	12,173
1927	462,289	19,609	491	444	390	16,082	13,031
1928	447,094	17,537	488	413	353	14,433	12,463
1929	477,668	18,814	442	407	343	15,562	13,076
1930	417,434	18,079	215	212	165	14,176	12,146
7-year average	458,945	18,309	432	376	320	17,515	12,310
1931	341,151	16,358	184	181	106	10,827	9,492
1932	276,527	13,688	173	156	88	7,870	7,524
1933	297,884	14,442	176	130	52	8,069	7,678
1934	320,864	15,411	160	119	56	9,704	9,116
1935	[2] 329,754	[2] 15,191	180	152	76	8,609	8,070
1936 [2]	385,670	15,789	243	205	117	9,513	8,850
6-year average	325,308	15,147	186	154	82	9,114	8,455
13-year average	397,267	16,850	319	274	210	13,637	10,531

[1] Includes slack, culm, and lignite.
[2] Preliminary.

The 13-year average, as shown on the above table, of domestic production of bituminous coal is 397,267,000 tons; the total imports during this same period is an average of 319,000 tons per year which is less than one-tenth of 1 percent of the annual domestic production. It is easily seen that there was practically the same amount of bituminous coal imported per year in 1931–32, before the effective date of the act, as has been imported since the effective date of the act. The 13-year average of exports of bituminous coal is 13,637,000 tons or approximately 43 times more than the 13-year average of imports of bituminous coal.

Domestic production of bituminous coal averaged 397,267,000 long tons during the period 1924–36. Production reached a peak of 511,900,000 tons in 1926 and a low of 276,500,000 tons in 1932. In 1936 it amounted to 385,670,000 tons.

Exports have generally amounted to about 3 percent of the domestic production. In all years exports have exceeded imports. Imports have entered principally from western Canada to the States of Montana, Idaho, and Washington; exports have been shipped principally to the central Canadian Provinces. Proximity and the charges for transportation have been the principal factors accounting for the trade in coal between Canada and the United States. Under the existing law, as well as the proposed amendment, the tax rate would have no effect whatever as to Canadian imports under the express terms of the act.

Mr. FLANNERY. Mr. Chairman, I make the point of order that the coal amendment has been passed, that the gentleman is not addressing himself to the pending amendment.

Mr. FRED M. VINSON. I am using the figure on coal for the purpose of illustrating the futility of the copper amendment, to show that there is nothing of benefit in either one.

The CHAIRMAN. The gentleman will proceed in order.

Mr. FRED M. VINSON. Now, get that, about 1 percent of anthracite imported, and less than one-tenth of 1 percent bituminous coal imported.

The original $2 rate carried in this bill was adopted by a floor amendment. There had been no hearing on the tax on imported coal and when we got through in the House it was found that it was actually detrimental to the coal industry because it was found that we exported much more coal than we imported, and it had to be fixed up by making it only applicable to those countries where we imported more than we exported to that particular country.

If anything were needed, other than the official figures which I have inserted hereinabove, I would call your attention to certain testimony which took place before the joint committee of the House and Senate which was holding hear-

ings on the Wagner-Connery bill, the wages and hours bill. Mr. John L. Lewis, president of the United Mine Workers of America, was testifying before the committee. Mr. Lewis was interrogated by Representative William Connery, as follows:

Representative CONNERY. Mr. Lewis, right along the line, so that they will not have to come back to it when I reach my own questions—if Mr. Thomas will yield—in the first 6 months of this year there were about 400,000 tons of Welsh coal came in here from Wales and from Russia and can be delivered in the port of Boston for $3 a ton less than your anthracite coal from Pennsylvania can be delivered in the port of Boston after all of the landed costs have been paid on the foreign coal. If this bill comes into effect, suppose they went to a 30-hour week in the mines—I don't know what your ordinary wage is—but certainly your wages in Russia and Wales are far below what they are here, and we opened the market that way to the foreign coal. Don't you think you are going to suffer here unless something would be put in, either permissive or otherwise, to allow this board or to allow the Tariff Commission after advising with the President, to take care of that situation of foreign imports?

Mr. LEWIS (John L. Lewis). Are you speaking of the Welsh importations or the Russian?

Representative CONNERY. Both. About 400,000 tons since January.

Mr. LEWIS. Three hundred and eighty-eight thousand tons of that was Russian coal which paid $2 a ton import tax. The Welsh coal comes in duty free under the favored-nation arrangement. The imports from Wales are insignificant. The total production of anthracite in Wales is only three and one-half million tons per year as contrasted with our present 50,000,000 tons. Obviously, England could not export her entire production of anthracite, and the amount that will be exported from Wales, I think, is not in itself substantially important.

Now, the question of the Russian importations—that ran up from about 250,000 tons in 1935 to 388,000 tons in 1936. That coal paid the import duty of 10 cents a hundred pounds or $2 a ton. As a matter of fact, that is the only country against which the coal tariff runs—Russia. That $2 a ton does not stop the importation of Russian coal. Five dollars a ton would not stop the importation of Russian coal if Russia wanted to export that tonnage to build up its trade balance in America. Russian coal has no cost of production that can be translated or compared with our costs. One cannot find a cost of production in Russia and measure it against any tangible equations.

The answer to the question of Russian coal is not through the application, in my judgment, of a greater coal tariff.

Here it is seen that the $5-per ton rate, which is the subject under discussion here, was also the subject of discussion. We submit the statement of Mr. Lewis that this rate would have no beneficial effect for the coal miner or coal producer of this country.

My friend FLANNERY, in the course of the debate, has referred to the fact that there was an element of $5,000,000 in revenue. I am unable to see where he gets those figures and, for the purpose of clarity, I insert herewith a statement of revenues derived since the present tax rate was imposed:

Tax on importation of coal

[Importation excise tax imposed by sec. 601 (c) (5), Revenue Act of 1932]

Revenue:	
Period from June 21–Dec. 31, 1932	$589,823
Calendar year 1933	1,341,324
Calendar year 1934	978,293
Calendar year 1935	801,026
Calendar year 1936	968,916

The increase of 150 percent of this tax, as proposed by the amendment, would bring the total revenue derived from such source up to 50 percent of his figure, or approximately $2,500,000. The point is that the amendment is not offered for the purpose of revenue, but for the benefit to the anthracite-coal miners and coal producers and we submit to you that we have shown that it would be of no benefit to them and of no benefit to the bituminous producers and the bituminous-coal miners.

The copper-tax amendment, as well as the coal-tax amendment, demonstrates the danger involved of attempting to write a tax or a tariff bill on the floor of the House when no hearings have been held. We ask that the increase in the copper-tax amendment be voted down.

Mr. SMITH of Connecticut. Mr. Chairman, I move to strike out the last word.

So far as the copper amendment is concerned, I represent a district that probably uses more copper than the rest of the country put together. In 1932 this tax was put on. It was called at that time an excise tax. Actually it is a tariff. When that tax was put on the price of copper was 5 cents a pound. Our mines were closing down. They were filling up with water. Our producers had a great deal of copper above ground. There was not enough work, either domestic or foreign, to keep the copper mines going. The manufacturers as well as the miners wanted to keep them going, so they joined in asking for this tax of 4 cents a pound. As I say, the price of copper at that time was 5 cents a pound.

Within the last year there has been a great demand, particularly in Europe, for copper for war purposes. It has run the price up until it has been above 17 cents a pound. It is now back to 14 cents a pound, both here and abroad, although the price abroad is slightly higher than the domestic price at present, and has been for some 10 months. The price is about 14 cents now, as I stated. When the tax was put on it was 5 cents.

At the time the tax was put on production was negligible, being around 200,000 tons, as I remember. We were not using as much as we were producing. We were not making a dent in the supply we had above ground. We needed the tax to keep our mines from closing up altogether, because the cheap copper, principally from Africa, could come in with the price then prevailing in the world market. Today we are using more copper than is being produced. We have used up most of the stocks above ground. The price is around 14 cents, and that is about as high as we can profitably use copper in fabrication. If it gets much higher, substitute metals are used. We lose the business of the fabricating companies. We cut down employment, not only in the factories but also in the mines. In other words, we cut off our own nose to spite our face if we try to keep the price of copper higher than 14 cents.

We are not importing any material amount under the 4-cent tax. That can easily be noted when it brought in only $2,000,000 a year. It is a very minor part of the amount we are using. Last year we produced in this country some 613,000 tons of copper. This year we will use in fabrication in this country about 1,100,000 tons of copper. We will not get the production up to a million tons.

Mr. O'CONNELL of Montana. Will the gentleman yield?

Mr. SMITH of Connecticut. I yield to the gentleman from Montana.

Mr. O'CONNELL of Montana. Is that not a good argument why there ought to be more production in the United States?

Mr. SMITH of Connecticut. But not at a price above 14 cents. It would ruin our industry. We do not want these mines to close down, but neither do we want to close the manufacturing plants.

Here is what has happened. Anaconda and certain other companies control both mining and fabricating units. If there is a shortage, as there may be even with the 4 cents tax, the mine-controlled factories would receive supplies first, and not the independents. We do not want to foster monopoly by a high tax.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Montana [Mr. O'CONNELL].

The amendment was rejected.

Mr. LUCE. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. LUCE moves that the Committee do now rise and report the bill back to the House with the enacting clause stricken out.

Mr. LUCE. Mr. Chairman, I have listened to the greater part of the debate today in the hope I might find out a reason why this bill should pass instead of resorting to the other method of baring the condition of the Treasury. Nobody has met squarely the issue of whether we shall raise more by taxes or spend less money.

We were told by the President on the 20th of April that there should be economy. Already I have called the attention of the House to some of the results of his advice. I bring that record up to date.

Within 4 hours after the message of the President was delivered to the House it voted to give away $5,000,000 to a profit-making enterprise in New York, an exposition, a world's fair. Fortunately the President saw fit to veto the bill, and therefore it will not be found in the total.

The next day there came along, and was approved, a proposal to add to the expense of our Government a million dollars a year for taking care of water pollution. That was a million dollars added the day after the President gave us to understand he did not want additional expenditures.

Two days later the subcommittee of the Appropriations Committee having charge of the Agricultural Department appropriation bill secured an increase in the coming year's expenditure over that of this year of $143,402,000.

A week later the Subcommittee on Appropriations for the War Department secured an increase of $27,706,000 over this year's expenditure.

Five days later the House voted $2,500,000 to grow trees and give them away.

Then came the Department of Interior appropriation bill which, taking into account $33,000,000 reappropriated, increased this year's expenditure of the Government by $39,626,000.

Mr. Chairman, since the President asked us for economy we have, as far as I have observed, increased the appropriations for the coming year by $213,234,875. Today we are being asked to continue taxes in the amount of $500,000,000 which you on the Democratic side might have lessened to the extent of two-fifths if you had followed your President, two-fifths if you had stopped voting to spend more money for the next fiscal year than will have been spent in this fiscal year.

I am wondering what is going to happen. There remain weeks, perhaps months of the session, with further opportunities to spend more money, to spend more money needlessly, to spend more money foolishly. Are you going to keep on discarding, flouting, scorning the request of your President, and meet the occasion only by extending tax laws as you are doing in this instance? [Applause.]

[Here the gavel fell.]

The CHAIRMAN. All time has expired.

The question is on the motion of the gentleman from Massachusetts [Mr. LUCE] to strike out the enacting clause.

Mr. LUCE. Mr. Chairman, I ask unanimous consent to withdraw my motion.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. DOUGHTON. Mr. Chairman, I move that the Committee do now rise and report the joint resolution back to the House with an amendment, with the recommendation that the amendment be agreed to and that the resolution as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. RAYBURN] having assumed the chair, Mr. LANHAM, the Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the joint resolution (H. J. Res. 375) to provide revenue, and for other purposes, had directed him to report the same back to the House with an amendment, with the recommendation that the amendment be agreed to and that the joint resolution as amended do pass.

Mr. DOUGHTON. Mr. Speaker, I move the previous question on the resolution and the amendment to final passage.

The previous question was ordered.

Mr. MICHENER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. MICHENER. Mr. Speaker, when the gentleman from North Carolina [Mr. DOUGHTON], the chairman of the Committee on Ways and Means, moved that the Committee do now rise and report the joint resolution back to the House with an amendment, with the recommendation that the amendment be agreed to, did that express the sentiment of the gentleman who made the motion?

Mr. DOUGHTON. The gentleman knows better than that.

The SPEAKER pro tempore. The Chair cannot answer the inquiry. That was the report the Chairman of the Committee of the Whole House on the state of the Union made.

The question is on the amendment.

The question was taken; and there were on a division (demanded by Mr. SHORT)—ayes 91, noes 100.

Mr. SHORT. Mr. Speaker, I object to the vote on the ground a quorum is not present.

The SPEAKER pro tempore. The Chair will count. [After counting.] Two hundred and thirty-six Members are present, a quorum.

Mr. SHORT. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 151, nays 156, not voting 125, as follows:

[Roll No. 87]

YEAS—151

Allen, Ill.	Eckert	Knutson	Rigney
Allen, La.	Edmiston	Kramer	Robsion, Ky.
Andresen, Minn.	Ellenbogen	Lambertson	Rogers, Mass.
Andrews	Engel	Leavy	Romjue
Arends	Englebright	Lemke	Rutherford
Bolleau	Flannagan	Lord	Sacks
Boland, Pa.	Flannery	Luce	Sauthoff
Boren	Fleger	McFarlane	Schaefer, Ill.
Bradley	Ford, Calif.	McGranery	Secrest
Brooks	Frey, Pa.	McGroarty	Seger
Burdick	Fries, Ill.	McKeough	Shafer, Mich.
Carlson	Garrett	McLean	Short
Cartwright	Gearhart	Mapes	Simpson
Church	Gehrmann	Martin, Colo.	Smith, Maine
Citron	Greever	Martin, Mass.	Smith, Wash.
Clark, Idaho	Griffith	Mason	Snell
Clayson	Guyer	May	Snyder, Pa.
Claypool	Gwynne	Michener	Stefan
Cluett	Haines	Millard	Sweeney
Coffee, Wash.	Halleck	Moser, Pa.	Taber
Cole, N. Y.	Hancock, N. Y.	Mouton	Taylor, Tenn.
Cravens	Harrington	O'Connell, Mont.	Thomas, N. J.
Crawford	Hart	O'Connor, Mont.	Thomas, Tex.
Crosby	Hildebrandt	O'Connor, N. Y.	Thurston
Crowther	Holmes	O'Malley	Tinkham
Culkin	Hope	O'Neill, N. J.	Tolan
Daly	Houston	Parsons	Towey
Dempsey	Hull	Patrick	Treadway
DeMuth	Imhoff	Patterson	Wallgren
Dies	Izac	Patton	Welch
Dirksen	Jenkins, Ohio	Phillips	Wene
Ditter	Jenks, N. H.	Poage	White, Ohio
Dixon	Johnson, W. Va.	Ramsay	Wigglesworth
Dorsey	Kee	Reece, Tenn.	Withrow
Dowell	Kelly, N. Y.	Reed, Ill.	Wolverton
Drew, Pa.	Kenney	Reed, N. Y.	Wood
Dunn	Kinzer	Rees, Kans.	Woodruff
Eaton	Kirwan	Rich	

NAYS—156

Aleshire	Delaney	Honeyman	McLaughlin
Anderson, Mo.	DeRouen	Jacobsen	McReynolds
Ashbrook	Dingell	Jarman	Mahon, S. C.
Beiter	Disney	Johnson, Luther A.	Mahon, Tex.
Biermann	Dockweiler	Johnson, Lyndon	Massingale
Bigelow	Doughton	Johnson, Minn.	Maverick
Bland	Doxey	Johnson, Okla.	Meeks
Bloom	Drewry, Va.	Kelly, Ill.	Merritt
Boehne	Driver	Kennedy, Md.	Miller
Boyer	Duncan	Kerr	Mills
Brown	Elliott	Kitchens	Mitchell, Ill.
Buck	Evans	Kleberg	Mitchell, Tenn.
Buckler, Minn.	Farley	Kloeb	Murdock, Ariz.
Bulwinkle	Ferguson	Kniffin	Murdock, Utah
Burch	Fernandez	Kocialkowski	Nelson
Cannon, Mo.	Fitzpatrick	Kopplemann	O'Brien, Ill.
Champion	Fletcher	Lambeth	O'Brien, Mich.
Chapman	Ford, Miss.	Lamneck	O'Connell, R. I.
Cochran	Gambrill	Lanham	O'Leary
Colden	Goldsborough	Larrabee	O'Toole
Cole, Md.	Gray, Ind.	Lesinski	Palmisano
Cooley	Green	Lewis, Colo.	Patman
Cooper	Gregory	Lewis, Md.	Peterson, Fla.
Costello	Griswold	Long	Peterson, Ga.
Cox	Hancock, N. C.	Luckey, Nebr.	Pettengill
Creal	Harlan	Luecke, Mich.	Pfeifer
Crosser	Havenner	McClellan	Pierce
Crowe	Hill, Ala.	McCormack	Polk
Cullen	Hill, Okla.	McGehee	Ramspeck
Deen	Hobbs	McGrath	Rankin

Rayburn	Sheppard	Tarver	Vincent, B. M.
Reilly	Smith, Conn.	Teigan	Vinson, Fred M.
Robertson	Smith, Va.	Terry	Wearin
Robinson, Utah	South	Thom	Weaver
Rogers, Okla.	Sparkman	Thomason, Tex.	West
Ryan	Spence	Thompson, Ill.	Wheichel
Sanders	Starnes	Transue	White, Idaho
Schulte	Steagall	Turner	Whittington
Shanley	Sumners, Tex.	Umstead	Williams

NOT VOTING—125

Allen, Del.	Dickstein	Jones	Randolph
Allen, Pa.	Dondero	Keller	Richards
Amlie	Douglas	Kennedy, N. Y.	Sabath
Arnold	Eberharter	Keogh	Sadowski
Atkinson	Eicher	Kvale	Schneider, Wis.
Bacon	Faddis	Lanzetta	Schuetz
Barden	Fish	Lea	Scott
Barry	Fitzgerald	Lucas	Scrugham
Bates	Forand	Ludlow	Shannon
Beam	Fuller	McAndrews	Sirovich
Bell	Fulmer	McMillan	Smith, W. Va.
Bernard	Gasque	McSweeney	Somers, N. Y.
Binderup	Gavagan	Maas	Stack
Boykin	Gifford	Magnuson	Sullivan
Boylan, N. Y.	Gilchrist	Maloney	Sutphin
Brewster	Gildea	Mansfield	Swope
Buckley, N. Y.	Gingery	Mead	Taylor, Colo.
Byrne	Gray, Pa.	Mosier, Ohio	Taylor, S. C.
Caldwell	Greenwood	Mott	Tobey
Cannon, Wis.	Hamilton	Nichols	Vinson, Ga.
Carter	Harter	Norton	Voorhis
Case, S. Dak.	Hartley	O'Day	Wadsworth
Casey, Mass.	Healey	O'Neal, Ky.	Walter
Celler	Hendricks	Oliver	Warren
Chandler	Hennings	Owen	Wilcox
Clark, N. C.	Higgins	Pace	Wolcott
Coffee, Nebr.	Hill, Wash.	Pearson	Wolfenden
Collins	Hoffman	Peyser	Woodrum
Colmer	Hook	Plumley	Zimmerman
Connery	Hunter	Powers	
Cummings	Jarrett	Quinn	
Curley	Jenckes, Ind.	Rabaut	

So the amendment was rejected.

The Clerk announced the following pairs:

General pairs:

Mr. Fuller with Mr. Wadsworth.
Mr. Arnold with Mr. Bacon.
Mrs. Jenckes of Indiana with Mr. Hoffman.
Mr. Sullivan with Mr. Mott.
Mr. Hook with Mr. Dondero.
Mr. Beam with Mr. Carter.
Mr. Quinn with Mr. Douglas.
Mr. Fitzgerald with Mr. Gifford.
Mr. Eicher with Mr. Tobey.
Mr. Woodrum with Mr. Hartley.
Mr. Ludlow with Mr. Bates.
Mr. Collins with Mr. Gilchrist.
Mr. Bell with Mr. Jarrett.
Mr. Jones with Mr. Wolcott.
Mr. Hunter with Mr. Oliver.
Mr. Greenwood with Mr. Wolfenden.
Mr. Gasque with Mr. Brewster.
Mr. Fulmer with Mr. Plumley.
Mr. McAndrews with Mr. Case.
Mr. Mansfield with Mr. Maas.
Mrs. Norton with Mr. Powers.
Mr. Mead with Mr. Fish.
Mr. Warren with Mr. Amlie.
Mr. Clark of North Carolina with Mr. Schneider of Wisconsin.
Mr. Cannon of Wisconsin with Mr. Bernard.
Mr. Randolph with Mr. Taylor of Colorado.
Mr. Vinson of Georgia with Mr. Casey of Massachusetts.
Mr. Lucas with Mr. Sutphin.
Mr. Atkinson with Mr. Healey.
Mr. Zimmerman with Mr. McSweeney.
Mr. Allen of Pennsylvania with Mr. Scott.
Mrs. O'Day with Mr. Cummings.
Mr. Sabath with Mr. Gildea.
Mr. Lanzetta with Mr. Scrugham.
Mr. Boykin with Mr. Mosier of Ohio.
Mr. Wilcox with Mr. Kennedy of New York.
Mr. Schuetz with Mr. Smith of West Virginia.
Mr. Faddis with Mr. Allen of Delaware.
Mr. Lea wth Mr. Eberharter.
Mr. Sirovich with Mr. Barden.
Mr. Forand with Mr. McMillan.
Mr. Stack with Mr. Barry.
Mr. Gavagan with Mr. Magnuson.
Mr. Keogh with Mr. Binderup.
Mr. Pearson with Mr. Curley.
Mr. Swope with Mr. Somers of New York.
Mr. Gingery with Mr. Boylan of New York.
Mr. Voorhis with Mr. Taylor of South Carolina.
Mr. Celler with Mr. Walter.
Mr. Buckley of New York with Mr. Nichols.
Mr. Gray of Pennsylvania with Mr. Byrne.
Mr. Caldwell with Mr. Connery.
Mr. Pace with Mr. Colmer.
Mr. Higgins with Mr. O'Neal of Kentucky.
Mr. Rabaut with Mr. Hamilton.
Mr. Hennings with Mr. Keller.
Mr. Richards with Mr. Chandler.
Mr. Harter with Mr. Hill of Washington.
Mr. Owen with Mr. Dickstein.
Mr. Sadowski with Mr. Coffee of Nebraska.

Mr. MILLS, Mr. PIERCE, and Mr. McCLELLAN changed their votes from "aye" to "no."

Mr. CRAWFORD. Mr. Speaker, because of the confusion in the Chamber I was under the impression that we were voting on the passage of the bill. I voted "no." I change my vote from "no" to "aye."

Mr. KELLY of New York changed his vote from "no" to "aye."

Mr. WOOD changed his vote from "no" to "aye."

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The question now is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, and was read the third time.

Mr. TREADWAY. Mr. Speaker, I offer the following motion to recommit, which I send to the desk.

The SPEAKER pro tempore. Is the gentleman opposed to the resolution?

Mr. TREADWAY. I am.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. TREADWAY moves to recommit the joint resolution (H. J. Res. 375) to the Committee on Ways and Means with instructions to report the same back to the House forthwith with the following amendment: "Following the period in line 6, strike out the remainder of the joint resolution."

Mr. JENKINS of Ohio. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. JENKINS of Ohio. What does that amendment purport to do? Is that the amendment that reduces the postage from 3 cents to 2 cents?

The SPEAKER pro tempore. That is not a parliamentary inquiry.

Mr. DOUGHTON. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken, and the motion to recommit was rejected.

The SPEAKER pro tempore. The question now is on the passage of the joint resolution.

Mr. SNELL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 231, nays 93, not voting 108, as follows:

[Roll No. 88]

YEAS—231

Aleshire	Clark, Idaho	Doxey	Haines
Allen, La.	Claypool	Drew, Pa.	Halleck
Anderson, Mo.	Cochran	Drewry, Va.	Hancock, N. C.
Ashbrook	Colden	Driver	Harlan
Atkinson	Cole, Md.	Duncan	Harrington
Barry	Cooley	Dunn	Hart
Beiter	Cooper	Eckert	Havenner
Biermann	Costello	Edmiston	Hennings
Bigelow	Cox	Ellenbogen	Hill, Ala.
Binderup	Cravens	Elliott	Hill, Okla.
Bland	Creal	Evans	Hobbs
Boehne	Crosby	Ferguson	Honeyman
Boland, Pa.	Crosser	Fernandez	Hope
Boren	Crowe	Fitzpatrick	Imhoff
Boyer	Cullen	Flannagan	Jacobsen
Boykin	Daly	Flannery	Jarman
Boylan, N. Y.	Deen	Fleger	Johnson, Luther A.
Bradley	Delaney	Ford, Calif.	Johnson, Lyndon
Brooks	Dempsey	Ford, Miss.	Johnson, Okla.
Brown	DeMuth	Frey, Pa.	Johnson, W. Va.
Buck	DeRouen	Fries, Ill.	Kee
Bulwinkle	Dickstein	Gambrill	Kelly, Ill.
Burch	Dies	Goldsborough	Kelly, N. Y.
Cannon, Mo.	Dingell	Gray, Ind.	Kennedy, Md.
Carlson	Disney	Green	Kennedy, N. Y.
Cartwright	Dixon	Greever	Keogh
Champion	Dockweiler	Gregory	Kerr
Chapman	Dorsey	Griffith	Kirwan
Citron	Doughton	Griswold	Kitchens

Kleberg	Mansfield	Pfeifer	Spence
Kloeb	Martin, Colo.	Phillips	Starnes
Kniffin	Massingale	Pierce	Steagall
Kocialkowski	Maverick	Polk	Sullivan
Kopplemann	May	Ramsay	Sumners, Tex.
Kramer	Mead	Randolph	Sweeney
Lambertson	Meeks	Rankin	Tarver
Lambeth	Merritt	Rayburn	Terry
Lamneck	Miller	Reilly	Thom
Lanham	Mills	Rich	Thomas, Tex.
Larrabee	Mitchell, Ill.	Rigney	Thomason, Tex.
Leavy	Mitchell, Tenn.	Robertson	Thompson, Ill.
Lesinski	Moser, Pa.	Robinson, Utah	Tolan
Lewis, Colo.	Mouton	Rogers, Okla.	Towey
Lewis, Md.	Murdock, Ariz.	Romjue	Transue
Long	Murdock, Utah	Sacks	Turner
Luecke, Mich.	O'Brien, Ill.	Sanders	Umstead
McAndrews	O'Brien, Mich.	Schaefer, Ill.	Vincent, B. M.
McClellan	O'Connell, R. I.	Schulte	Vinson, Fred M.
McCormack	O'Connor, Mont.	Secrest	Wearin
McGehee	O'Leary	Shanley	Weaver
McGranery	O'Neill, N. J.	Sheppard	Welch
McGrath	O'Toole	Smith, Conn.	Wene
McKeough	Palmisano	Smith, Va.	West
McLaughlin	Parsons	Smith, Wash.	White, Idaho
McMillan	Patman	Snyder, Pa.	Whittington
McReynolds	Patrick	Somers, N. Y.	Williams
Mahon, S. C.	Patton	South	Wood
Mahon, Tex.	Peterson, Fla.	Sparkman	

NAYS—93

Allen, Ill.	Fletcher	McLean	Seger
Andresen, Minn.	Garrett	Mapes	Shafer, Mich.
Andrews	Gearhart	Martin, Mass.	Short
Arends	Gehrmann	Mason	Simpson
Bloom	Guyer	Michener	Snell
Bolleau	Gwynne	Millard	Stefan
Buckler, Minn.	Hancock, N. Y.	Nelson	Taber
Burdick	Hildebrandt	O'Connell, Mont.	Taylor, Tenn.
Church	Holmes	O'Connor, N. Y.	Teigan
Clason	Houston	O'Malley	Thomas, N. J.
Cluett	Hull	Patterson	Thurston
Coffee, Wash.	Izac	Peterson, Ga.	Tinkham
Cole, N. Y.	Jenkins, Ohio	Pettengill	Treadway
Crawford	Jenks, N. H.	Poage	Wallgren
Crowther	Johnson, Minn.	Powers	Whelchel
Culkin	Kenney	Reece, Tenn.	White, Ohio
Dirksen	Kinzer	Reed, Ill.	Wigglesworth
Ditter	Knutson	Reed, N. Y.	Withrow
Dowell	Lemke	Rees, Kans.	Wolfenden
Eaton	Lord	Robsion, Ky.	Wolverton
Engel	Luce	Rogers, Mass.	Woodruff
Englebright	Luckey, Nebr.	Rutherford	
Farley	McFarlane	Ryan	
Fish	McGroarty	Sauthoff	

NOT VOTING—108

Allen, Del.	Dondero	Jarrett	Ramspeck
Allen, Pa.	Douglas	Jenckes, Ind.	Richards
Amlie	Eberharter	Jones	Sabath
Arnold	Eicher	Keller	Sadowski
Bacon	Faddis	Kvale	Schneider, Wis.
Barden	Fitzgerald	Lanzetta	Schuetz
Bates	Forand	Lea	Scott
Beam	Fuller	Lucas	Scrugham
Bell	Fulmer	Ludlow	Shannon
Bernard	Gasque	McSweeney	Sirovich
Brewster	Gavagan	Maas	Smith, Maine
Buckley, N. Y.	Gifford	Magnuson	Smith, W. Va.
Byrne	Gilchrist	Maloney	Stack
Caldwell	Glidea	Mosier, Ohio	Sutphin
Cannon, Wis.	Gingery	Mott	Swope
Carter	Gray, Pa.	Nichols	Taylor, Colo.
Case, S. Dak.	Greenwood	Norton	Taylor, S. C.
Casey, Mass.	Hamilton	O'Day	Tobey
Celler	Harter	O'Neal, Ky.	Vinson, Ga.
Chandler	Hartley	Oliver	Voorhis
Clark, N. C.	Healey	Owen	Wadsworth
Coffee, Nebr.	Hendricks	Pace	Walter
Collins	Higgins	Pearson	Warren
Colmer	Hill, Wash.	Peyser	Wilcox
Connery	Hoffman	Plumley	Wolcott
Cummings	Hook	Quinn	Woodrum
Curley	Hunter	Rabaut	Zimmerman

So the joint resolution was passed.

The Clerk announced the following additional pairs:

On this vote:

Mr. Mott (for) with Mr. Carter (against).
Mr. Pearson (for) with Mr. Sutphin (against).
Mrs. Jenckes of Indiana (for) with Mr. Hoffman (against).
Mr. Arnold (for) with Mr. Bacon (against).
Mr. Hunter (for) with Mr. Oliver (against).
Mr. Hook (for) with Mr. Dondero (against).
Mr. Bell (for) with Mr. Jarrett (against).
Mr. Quinn (for) with Mr. Douglas (against).
Mr. Eicher (for) with Mr. Tobey (against).
Mr. Fitzgerald (for) with Mr. Gifford (against).
Mr. Woodrum (for) with Mr. Hartley (against).
Mr. Fuller (for) with Mr. Wolcott (against).
Mr. Swope (for) with Mr. Kvale (against).
Mr. Ludlow (for) with Mr. Bates (against).
Mr. Cannon of Wisconsin (for) with Mr. Bernard (against).
Mr. Warren (for) with Mr. Amlie (against).
Mr. Ramspeck (for) with Mr. Smith of Maine (against).
Mr. Clark of North Carolina (for) with Mr. Schneider of Wisconsin (against).
Mr. Byrne (for) with Mr. Taylor of South Carolina (against).
Mr. Curley (for) with Mr. Scott (against).

Additional general pairs:

Mr. Taylor of Colorado with Mr. Welch.
Mr. Gasque with Mr. Brewster.
Mr. Vinson of Georgia with Mr. Case of South Dakota.
Mr. Collins with Mr. Gilchrist.
Mr. Fulmer with Mr. Plumley.
Mr. Jones with Mr. Wadsworth.
Mr. Wilcox with Mr. Maas.
Mr. Connery with Mr. Nichols.
Mr. Stack with Mr. Allen of Delaware.
Mr. Lanzetta with Mr. Schuetz.
Mr. Lucas with Mr. Faddis.
Mr. Forand with Sirovich.
Mr. Barden with Mrs. Norton.
Mr. Higgins with Mr. Owen.
Mr. Greenwood with Mr. Allen of Pennsylvania.
Mr. Lea with Mr. Eberharter.
Mr. Scrugham with Mr. Smith of West Virginia.
Mr. McSweeney with Mr. Beam.
Mr. Magnuson with Mr. Gavagan.
Mr. Maloney with Mr. Glidea.
Mr. Casey of Massachusetts with Mr. Harter.
Mr. Pace with Mr. Coffee of Nebraska.
Mr. Curley with Mr. Sadowski.
Mr. Keller with Mr. O'Neal of Kentucky.
Mr. Walter with Mr. Zimmerman.
Mr. Chandler with Mr. Voorhis.
Mr. Sabath with Mr. Rabaut.
Mr. Hill of Washington with Mr. Colmer.
Mr. Richards with Mr. Cummings.
Mr. Caldwell with Mr. Gray of Pennsylvania.
Mr. Mosier of Ohio with Mrs. O'Day.
Mr. Hamilton with Mr. Gingery.
Mr. Healey with Mr. Buckley of New York.
Mr. Shannon with Mr. Peyser.

The result of the vote was announced as above recorded.

On motion by Mr. DOUGHTON, a motion to reconsider the vote by which the joint resolution was passed was laid on the table.

PERMISSION TO ADDRESS THE HOUSE

Mr. LAMNECK. Mr. Speaker, I ask unanimous consent that on Tuesday next, after the reading of the Journal and the disposition of other business on the Speaker's table, I be permitted to address the House for 30 minutes.

The SPEAKER pro tempore. And after the other special orders?

Mr. LAMNECK. That is correct, Mr. Speaker.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks in the RECORD on the resolution just passed.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

ADJOURNMENT OVER

Mr. COOPER. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. THURSTON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include in connection therewith two short tables containing statistics touching on imports and exports.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

REPORT FROM COMMITTEE ON THE DISTRICT OF COLUMBIA

Mr. CULLEN. Mr. Speaker, I am requested by the gentlewoman from New Jersey [Mrs. NORTON] to ask unanimous

consent that she may have permission until midnight tonight to file a report from the Committee on the District of Columbia on the bill H. R. 7472.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

By unanimous consent, Mr. HOUSTON was granted permission to revise and extend his own remarks.

AMERICAN SOCIETY FOR CONTROL OF CANCER

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my own remarks at this point in the RECORD concerning the wonderful work of the field army of the American Society for the Control of Cancer.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, it is a great pleasure for me to call to the attention of this House the great humanitarian work being done by the women's field army of the American Society for the Control of Cancer. This is one of the finest movements ever instituted for the relief of suffering humanity.

Medical authorities estimate that 300,000 women in this country have cancer. About 80,000 will die of it this year. It is the Nation's second most common cause of death. It is a horrible, painful, slow-killing disease, and science knows but little of its causes. Those, for instance, who have entered this ward called "no man's land" at Hines Veterans' Hospital at Chicago, Ill., know the terror that must be in the minds of those men whose cases have been taken up too late. They also know the courage with which those men bear their cross of pain. It does know, however, that about six women get cancer to every five men, and that most cases of cancer, when taken in its early stages, are curable. Cancer is the greatest public-health problem before us today. Its death rate is nearly three times that of tuberculosis. Each year the total deaths from this scourge are increasing. In 1910 cancer was sixth in the list of deadly diseases. Today it is second. According to reliable figures, no less than 153,000 persons died in 1935 of cancer. It is terrifying to think about. The sad part of it is that many people believe cancer incurable and give up in hopeless despair without attempting a cure. That is the chief problem confronting the women's field army—to educate the people, to make them realize that early cancer is definitely curable in a great majority of cases.

The organization sponsoring the women's field army is the American Society for the Control of Cancer, a national educational body formed in 1913 by representatives of 10 medical societies concerned in one way or another with cancer, and by outstanding physicians, research workers, and laymen. The society had had for years field representatives covering the country, conferring with physicians, surveying existing cancer facilities, collecting data on the problem at hand. This year, after requests from medical men throughout the country, the society decided to launch a Nation-wide drive to interest the general public, and particularly women, in the problem of cancer control.

Thus the women's field army was organized. It is already active in some 38 States. The army is particularly fortunate in having at its head Mrs. Grace Morrison Poole, past president of the General Foundation of Women's Clubs, and now dean of Stoneleigh College, in Rye, N. H. Mrs. Poole has waged an active fight against cancer for years, getting club members to cooperate with medical societies in bringing into the open the known facts on cancer control. She has a magnetic personality, a wonderful capacity for work, and a persistency of purpose that is so much needed in the tremendous task she has undertaken.

Her assistant is Mrs. Margaret B. Illig, of Onset, Mass., who before her marriage was a trained radiologist who specialized in cancer cases. She also has held high office in the General Federation of Women's Clubs and is a forceful speaker upon medical and biological subjects.

Outstanding women have been selected to head the organization work in each State. These are the State commanders. They appoint vice commanders, captains, and lieutenants, so that the organization of the women's field army reaches right down into every community in the State. All of these officers are volunteers, generally contributing their energy and their time to the cause of saving human life.

The educational work has been endorsed by and will be carried out under the direction of the cancer committees of the State medical society. The task of the army is to form an intelligent and alert audience for cancer education which will be supervised by competent physicians. The doctors will deliver the lectures and answer the medical questions. It is the work of the army to see that the physicians get the ear of every man and woman in every community.

Eminent surgeons are in agreement on the fact that education of this kind will really save lives. It is fitting to quote the opinion of an eminent surgeon, former president of the American College of Surgeons, and now president of the American Society for the Control of Cancer, Dr. Robert B. Greenough, of Boston. Dr. Greenough said recently:

> It is my humble opinion that in all probability more lives have been saved in the past 10 years by reason of public education, which has diminished the delay in the application of treatment, than by the utilization of all the advances which have been made in our knowledge of cancer and of the many improvements in our methods of treatment of this disease.

Women everywhere in this country are becoming more and more interested in the subject. The field army is consolidating this interest and showing them how to use it constructively in the war that must be fought against the insidious menace. The organized women of America can do much to drive the scourge from the land. It is hoped, and not without reason, to attain the same success in the fight against cancer as was attained in the campaign against the white plague—tuberculosis.

The women's field army is receiving splendid support from organizations of all types in the States and nationally. The national advisory board is headed by Mrs. Franklin D. Roosevelt and includes the heads of the following organizations: The National Organization of Public Health Nurses, the Association of Women in Public Health, the National Association of Colored Women, the National Federation of Business and Professional Women, the Zonta International, the National Council of Women, the International Federation of Business and Professional Women, the National Council of Jewish Women, the National Society of the Daughters of the American Revolution, the National Woman's Relief Society, the American Association of University Women, the Catholic Daughters of America, and, last but not least, the General Federation of Women's Clubs.

It is an admirable movement. You and I are sure to hear more and more of its activities as its representatives reach out into the cities and towns of our districts. I ask each Member of this House to give encouragement and help to this worthy cause. It needs your help and the help of every one of our citizens. It is the first organized campaign against cancer. To win, it must have the active cooperation of each one of us. We must stop this alarming increase in cancer deaths. I know of no better way to do so than to support this campaign of education—to educate the general public to the belief that early cancer is curable and that they should seek medical advice at the first suspicion of danger.

EXTENSION OF REMARKS

Mr. O'CONNOR of New York. Mr. Speaker, I ask unanimous consent to extend the remarks I made today by inserting a letter which I addressed to the Members of the House and also about four telegrams received by me in reference to this bill.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

WAR DEPARTMENT APPROPRIATION BILL, 1938

Mr. SNYDER of Pennsylvania, from the Committee on Appropriations, reported the bill (H. R. 7493, Rept. No. 1015) making appropriations for the fiscal year ending June 30, 1938, for civil functions administered by the War Department,

and for other purposes, which was read a first and second time, and, with the accompanying report, referred to the Committee of the Whole House on the state of the Union and ordered printed.

Mr. TABER reserved all points of order.

EXTENSION OF REMARKS

Mr. MAVERICK. Mr. Speaker, I ask unanimous consent to include certain excerpts and quotations in an extension of remarks, permission to extend being granted me on June 1.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. O'CONNELL of Montana. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include therein a short statement made by five witnesses of the Memorial Day massacre at the Republic Steel strike.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. McFARLANE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein certain tables in regard to the tax bill.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. FLANNERY. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include therein certain data affecting the anthracite-coal industry.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. PETTENGILL asked and was given permission to revise and extend his own remarks.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—REIMBURSEMENT OF EXCHANGE LOSSES

The SPEAKER pro tempore laid before the House the following message from the President of the United States, which was read, and, together with the accompanying papers, referred to the Committee on Foreign Affairs:

To the Congress of the United States:

There is transmitted herewith a report of the Secretary of State and a proposed draft of legislation designed to extend the act approved March 26, 1934, 48 Stat. 466, to authorize the reimbursement of exchange losses sustained during the period July 1 to 14, 1933, by officers and employees of the United States in foreign countries, due to the appreciation of foreign currencies in their relation to the American dollar.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE.

[Enclosures: Report of the Secretary of State. Proposed draft of legislation.]

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mrs. NORTON (at the request of Mr. HART), for 1 week, on account of death in family.

To Mr. EICHER, for today, on account of important official business.

To Mr. QUINN, for today, on account of important official business.

To Mr. HARTER, from June 11 to June 18, inclusive, on account of important business.

To Mr. SCOTT, for 3 weeks, on account of important business.

To Mr. PETERSON of Georgia, for several days, on account of important business.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1984. An act for the protection of the northern Pacific halibut fishery; to the Committee on Merchant Marine and Fisheries.

ADJOURNMENT

Mr. COOPER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 36 minutes p. m.) the House, pursuant to its previous order, adjourned until Monday, June 14, 1937, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will resume public hearings in room 219, House Office Building, Washington, D. C., Tuesday, June 15, 1937, at 10 a. m., on H. R. 5719, known as the "water carrier bill."

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

The Committee on Interstate and Foreign Commerce will resume hearings at 10 a. m., Thursday, June 17, 1937, on H. R. 6968, to amend the Securities Act of 1933.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

655. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated June 9, 1937, submitting a report, together with accompanying papers and illustrations, on a preliminary examination of Umatilla River, Oreg., with a view to the control of its floods, authorized by the act of Congress approved June 13, 1934; to the Committee on Flood Control.

656. A letter from the Attorney General, transmitting draft of a proposed bill for the relief of Livvie V. Rowe; to the Committee on Claims.

657. A letter from the Acting Secretary of the Interior, transmitting draft of a proposed bill to establish the San Juan National Monument, P. R., and for other purposes; to the Committee on the Public Lands.

658. A letter from the Chairman, Federal Trade Commission, transmitting report of the Federal Trade Commission entitled "Report on Fruits, Vegetables, and Grapes—Agricultural Income Inquiry"; to the Committee on Interstate and Foreign Commerce.

659. A letter from the Secretary of Agriculture, transmitting a draft of a proposed bill to extend the benefits of section 21 of the Bankhead-Jones Act to Puerto Rico; to the Committee on Agriculture.

660. A letter from the Secretary of the Navy, transmitting a draft of a proposed bill to authorize an exchange of lands between the city of San Diego, Calif., and the United States; to the Committee on Naval Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. DIMOND: Committee on Merchant Marine and Fisheries. H. R. 1561. A bill for the protection of oyster culture in Alaska; without amendment (Rept. No. 1010). Referred to the Committee of the Whole House on the state of the Union.

Mr. O'LEARY: Committee on Merchant Marine and Fisheries. H. R. 7401. A bill to authorize the Secretary of Commerce to convey to the Commissioners of the Palisades Interstate Park, a body politic of the State of New York, certain portions of the Stony Point Light Station Reservation, Rockland County, N. Y., including certain appurtenant structures, and for other purposes; without amendment (Rept. No. 1011). Referred to the Committee of the Whole House on the state of the Union.

Mr. RYAN: Committee on Indian Affairs. H. R. 4540. A bill authorizing the Red Lake Band of Chippewa Indians in the State of Minnesota to file suit in the Court of Claims, and for other purposes; with amendment (Rept. No. 1012). Referred to the Committee of the Whole House on the state of the Union.

Mr. RYAN: Committee on Indian Affairs. H. R. 4539. A bill authorizing a per-capita payment of $25 each to the mem-

bers of the Red Lake Band of Chippewa Indians from the proceeds of the sale of timber and lumber on the Red Lake Reservation; without amendment (Rept. No. 1013). Referred to the Committee of the Whole House on the state of the Union.

Mr. PETERSON of Florida: Committee on Merchant Marine and Fisheries. H. R. 4716. A bill authorizing the construction and equipment of a marine hospital in the State of Florida; without amendment (Rept. No. 1014). Referred to the Committee of the Whole House on the state of the Union.

Mr. SNYDER of Pennsylvania: Committee on Appropriations. H. R. 7493. A bill making appropriations for the fiscal year ending June 30, 1938, for civil functions administered by the War Department, and for other purposes; without amendment (Rept. No. 1015). Referred to the Committee of the Whole House on the state of the Union.

Mrs. NORTON: Committee on the District of Columbia. H. R. 7472. A bill to provide additional revenue for the District of Columbia, and for other purposes; without amendment (Rept. No. 1016). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BLAND: A bill (H. R. 7486) to increase the efficiency of the Coast Guard; to the Committee on Merchant Marine and Fisheries.

By Mr. DEROUEN: A bill (H. R. 7487) to establish the San Juan National Monument, P. R., and for other purposes; to the Committee on the Public Lands.

By Mr. HILDEBRANDT: A bill (H. R. 7488) to provide funds for the initiation of a mapping program in the State of South Dakota; to the Committee on Merchant Marine and Fisheries.

By Mr. KING: A bill (H. R. 7489) to amend the act entitled "An act to enable the Legislature of the Territory of Hawaii to authorize the issuance of certain bonds, and for other purposes", approved August 3, 1935; to the Committee on the Territories.

Also, a bill (H. R. 7490) to enable the Legislature of the Territory of Hawaii to authorize the issuance of certain bonds, and for other purposes; to the Committee on the Territories.

By Mr. McGROARTY: A bill (H. R. 7491) to amend an act entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved June 22, 1936; to the Committee on Flood Control.

By Mr. O'CONNELL of Montana: A bill (H. R. 7492) to fix the compensation of registers of district land offices; to the Committee on the Public Lands.

By Mr. HILL of Alabama (by request): A bill (H. R. 7494) to amend the act entitled "An act to amend the act entitled 'An act authorizing the conservation, production, and exploitation of helium gas, a mineral resource pertaining to the national defense, and to the development of commercial aeronautics, and for other purposes' "; to the Committee on Military Affairs.

By Mr. TEIGAN: Resolution (H. Res. 238) authorizing the Speaker of the House of Representatives to appoint a committee of five to investigate the causes of the reduction in the ratio between production and consumption; to the Committee on Rules.

By Mr. MERRITT: Joint resolution (H. J. Res. 407) authorizing an appropriation for certain improvements in the East River, New York City, and on the site of New York World's Fair 1939, and for other purposes; to the Committee on Rivers and Harbors.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States to consider their Senate Joint Resolution No. 6, relative to enactment of legislation that would result in financial aid in the construction of a neuropsychopathic hospital for veterans of the World War; to the Committee on World War Veterans' Legislation.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CLUETT: A bill (H. R. 7495) granting an increase of pension to Sarah A. Scarritt; to the Committee on Invalid Pensions.

By Mr. McLAUGHLIN: A bill (H. R. 7496) granting a pension to Eudora Elkins; to the Committee on Invalid Pensions.

By Mr. MARTIN of Massachusetts: A bill (H. R. 7497) for the relief of Dennis F. Flavin; to the Committee on Military Affairs.

By Mr. MAY: A bill (H. R. 7498) granting a pension to Harrison Lykins; to the Committee on Pensions.

Also, a bill (H. R. 7499) granting a pension to Perry Osborne; to the Committee on Pensions.

By Mr. PIERCE: A bill (H. R. 7500) for the relief of Shelba Jennings; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2605. By Mr. DOCKWEILER: Petition of citizens of Arizona, Arkansas, Colorado, Idaho, Illinois, Indiana, Iowa, Pennsylvania, South Dakota, Tennessee, Texas, Utah, Washington, West Virginia, Wisconsin, and other sundry States, protesting the passage of the Supreme Court reorganization bill, said petitions being articulated by members of the Christian American Crusade of Los Angeles, Martin Luther Thomas, leader; to the Committee on the Judiciary.

2606. By Mr. GEHRMANN: Petition of Taylor County farmers, favoring an investigation by Congress of the United States into the sharp advance of prices on wire and all material being used in the construction of Rural Electrification Administration projects; to the Committee on Rules.

2607. By Mr. KEOGH: Telegram from the Infants and Children's Coat Association, New York City, concerning the present tax on fur and fur trimming on children's garments; to the Committee on Ways and Means.

2608. Also, telegram from the Merchants' Ladies' Garments Association, Inc., New York City, concerning the so-called fur tax and tax on cloth garments trimmed with fur; to the Committee on Ways and Means.

2609. Also, telegram from the Toilet Goods Association, Inc., New York City, concerning tax on toilet preparations; to the Committee on Ways and Means.

2610. Also, memorial of the Beauty Industry Legislative Committee, New York City, concerning continued tax on toilet articles; to the Committee on Ways and Means.

2611. Also, telegram from the Industrial Council of Cloak, Suit & Skirt Manufacturers, Inc., New York City, concerning tax on furs and fur-trimmed merchandise; to the Committee on Ways and Means.

2612. By Mr. LORD: Petition of Rev. F. H. Sterne and 97 residents of Endicott, N. Y., protesting against the President's bill, or any substitute, permitting the executive branch of the Government to control or subordinate the judicial or the legislative powers established under the Constitution; to the Committee on the Judiciary.

2613. By Mr. MAHON of Texas: Petition of J. J. Dillard and others, of Lubbock, and Milton West and others, of Plainview, Tex., urging immediate consideration of House bill 4199; to the Committee on Ways and Means.

2614. By Mr. MERRITT: Resolution of Local 10, International Ladies' Garment Workers' Union of the Amalgamated Ladies' Garment Cutters' Union, of New York City, that new housing for the people of the United States be put on a par with education, public health, and public roads, and that the disgrace of slums and blighted areas be eliminated; also that it favors the Wagner-Steagall housing bill; to the Committee on Banking and Currency.

2615. By Mr. O'NEILL of New Jersey: Petition of the New Jersey Housing League, endorsing and urging the enactment of the Wagner-Steagall housing bill; to the Committee on Banking and Currency.

2616. Also, petition of the Children's and Cotton Dressmakers' Union, Local 220, International Ladies' Garment Workers' Union, American Federation of Labor, endorsing and petitioning for the passage of Wagner-Steagall housing bill; to the Committee on Banking and Currency.

2617. By Mr. PETERSON of Georgia: Petition of citizens of Emanuel County, Ga., concerning the old-age pension bill, (H. R. 2257); to the Committee on Ways and Means.

2618. By Mr. PFEIFER: Telegram from the Merchants Ladies' Garments Association, Inc., New York City, opposing the so-called fur tax on cloth garments trimmed with fur; to the Committee on Ways and Means.

2619. Also, telegram from the Industrial Council of Cloak, Suit and Skirt Manufacturers, Inc., New York City, opposing tax on furs and fur-trimmed merchandise; to the Committee on Ways and Means.

2620. Also, telegram from the Infants and Children's Coat Association, New York City, opposing present fur tax on children's garments; to the Committee on Ways and Means.

2621. Also, telegram from the National Coat and Suit Industry Recovery Board, New York City, opposing retention of tax on furs and fur-trimmed garments; to the Committee on Ways and Means.

2622. Also, petition of the Toilet Goods Association, Inc., New York City, opposing 10-percent tax on toilet articles; to the Committee on Ways and Means.

2623. Also, petition of the Beauty Industry Legislative Committee, New York City, opposing continued tax on toilet articles; to the Committee on Ways and Means.

2624. By Mr. SPARKMAN: Petition of A. J. Cantrell and various other citizens of Lawrence County, Ala., urging the enactment of the old-age pension bill as embodied in House bill 2257, introduced by Representative WILL ROGERS, of Oklahoma; to the Committee on Ways and Means.

2625. Also, petition of R. H. Pruitt and various other citizens of Madison County, Ala., urging the enactment of the old-age pension bill as embodied in House bill 2257, introduced by Representative WILL ROGERS, of Oklahoma; to the Committee on Ways and Means.

2626. By Mr. THOMAS of New Jersey: Resolution passed by the Bergen County (N. J.) Real Estate Board, Inc., favoring a system of handling all transactions of the Home Owners' Loan Corporation through a central office, where all brokers would be given an equal chance to do business with the Home Owners' Loan Corporation; to the Committee on Banking and Currency.

2627. By the SPEAKER: Petition of the Tayabas Provincial Council of the Pagkakaisa ng Bayan (Popular Front), requesting the President of the United States and the Congress to grant unconditional independence to the Philippines in 1938 or 1939, as proposed by the President of the Philippines; to the Committee on Insular Affairs.

2628. Also, petition of the Alabama Petroleum Industries Committee, opposing the continuance of the Federal gasoline and lubricating-oil taxes; to the Committee on Ways and Means.

2629. Also, petition of the Thirty-third Convention of the Brotherhood of Locomotive Firemen and Enginemen at Milwaukee, Wis., June 7, 1937, urging the appointment of Attorney Donald R. Richberg to fill the vacancy on the Supreme Court; to the Committee on the Judiciary.

SENATE

MONDAY, JUNE 14, 1937

(Legislative day of Monday, June 7, 1937)

The Senate met at 12 o'clock meridian, on the expiration of the recess, being called to order by the President pro tempore.

THE JOURNAL

On request of Mr. ROBINSON, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, June 10, 1937, was dispensed with, and the Journal was approved.

APPOINTMENTS TO COMMITTEES, ETC., DURING THE RECESS

On the 11th instant, under authority of the order of the Senate of June 7 (calendar day, June 10), 1937, the Vice President appointed Mr. BYRNES, Mr. CLARK, Mr. HATCH, Mr. FRAZIER, and Mr. DAVIS as the members of the Special Committee on Investigation of Unemployment and Relief Problems, authorized by Senate Resolution 36, agreed to on June 10, 1937.

On the 12th instant, under authority of the order above referred to, the Vice President appointed Mr. HARRISON, Mr. KING, Mr. GEORGE, Mr. WALSH, Mr. LA FOLLETTE, and Mr. CAPPER as the members, on the part of the Senate, of the Joint Congressional Committee on Tax Evasion and Avoidance, under the terms of Public Resolution 40, approved June 12, 1937.

On the 12th instant, under authority of the act of June 10, 1872, the Vice President appointed Mr. GUFFEY a director of the Columbia Hospital for Women for the unexpired term of the Seventy-fifth Congress.

SIGNING OF ENROLLED BILLS AND JOINT RESOLUTION DURING THE RECESS

Pursuant to the order of the Senate of June 7 (calendar day, June 10), 1937, on June 11, 1937, the Vice President signed the following enrolled bills and joint resolution, which had been signed previously by the Speaker of the House of Representatives:

S. 329. An act to further extend the period of time during which final proof may be offered by homestead and desert-land entrymen;

S. 790. An act to continue in effect until June 30, 1939, the act entitled "An act to regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce of petroleum and its products produced in violation of State law, and for other purposes", approved February 22, 1935; and

S. J. Res. 155. Joint resolution to create a Joint Congressional Committee on Tax Evasion and Avoidance.

ENROLLED BILLS AND JOINT RESOLUTIONS PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that that committee presented to the President of the United States the following enrolled bills and joint resolutions:

On June 10, 1937:

S. 470. An act for the relief of Joseph M. Cacace, Charles M. Cacace, and Mary E. Clibourne;

S. 709. An act to amend the act entitled "An act to incorporate the National Education Association of the United States", approved June 30, 1906, as amended;

S. 1068. An act for the relief of Earl W. Thomas;

S. 1120. An act authorizing an appropriation for the erection of a memorial to the officers and men of the United States Navy who lost their lives as the result of a boiler explosion that totally destroyed the U. S. S. *Tulip* near St. Inigoes Bay, Md., on November 11, 1864, and for other purposes;

S. 1936. An act for the relief of the estate of Elmer W. Laub, deceased;

S. 1967. An act to authorize the Department of Labor to continue to make special statistical studies upon payment of the cost thereof, and for other purposes; and

S. J. Res. 56. Joint resolution authorizing the selection of a site and the erection of a pedestal for the Albert Gallatin statue in Washington, D. C.

On June 11, 1937:

S. 329. An act to further extend the period of time during which final proof may be offered by homestead and desert-land entrymen;

S. 790. An act to continue in effect until June 30, 1939, the act entitled "An act to regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce of petroleum and its products produced in violation of State law, and for other purposes", approved February 22, 1935; and

S. J. Res. 155. Joint resolution to create a Joint Congressional Committee on Tax Evasion and Avoidance.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS AND JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries, who also announced that the President had approved and signed the following acts and joint resolution:

On June 10, 1937:

S. 451. An act for the relief of Farley J. Holloman.

On June 11, 1937:

S. 274. An act for the relief of Lt. Joseph N. Wenger, United States Navy;

S. 522. An act for the relief of R. R. Purcell;

S. 556. An act for the relief of W. B. Greeley;

S. 1471. An act for the relief of Jordan Roberts;

S. 1479. An act for the relief of the estate of Charles White;

S. 1507. An act authorizing the return of the commission of John Baptiste Ashe, as a major in the Continental Army, to Martha B. Rogers, nee Ashe;

S. 1572. An act for the relief of Frank Fisher;

S. 1699. An act granting an annuity to Frank W. Carpenter;

S. 1753. An act for the relief of James A. Fox;

S. 2059. An act to authorize Austin H. Clark and Ellsworth P. Killip, of the United States National Museum, to accept certain decorations, respectively, from the Danish and French Governments; and

S. J. Res. 155. Joint resolution to create a Joint Congressional Committee on Tax Evasion and Avoidance.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Megill, one of its clerks, announced that the House had passed the following bill and joint resolution, in which it requested the concurrence of the Senate:

H. R. 6391. An act to authorize the prompt deportation of criminals and certain other aliens, and for other purposes; and

H. J. Res. 375. Joint resolution to provide revenue, and for other purposes.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H. R. 5779) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1938, and for other purposes, and it was signed by the President pro tempore.

CALL OF THE ROLL

Mr. ROBINSON. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Borah	Capper	Frazier
Andrews	Bridges	Caraway	George
Ashurst	Brown, Mich.	Chavez	Gerry
Bailey	Brown, N. H.	Copeland	Gibson
Bankhead	Bulkley	Davis	Gillette
Barkley	Bulow	Dieterich	Glass
Bilbo	Burke	Donahey	Green
Black	Byrd	Duffy	Guffey
Bone	Byrnes	Ellender	Harrison
Hatch	Lonergan	O'Mahoney	Smathers
Hayden	Lundeen	Overton	Steiwer
Herring	McAdoo	Pepper	Thomas, Utah
Hitchcock	McCarran	Pittman	Townsend
Hughes	McGill	Pope	Truman
Johnson, Calif.	McKellar	Radcliffe	Tydings
Johnson, Colo.	McNary	Reynolds	Vandenberg
La Follette	Minton	Robinson	Van Nuys
Lee	Murray	Russell	Wagner
Lewis	Neely	Schwartz	Walsh
Lodge	Norris	Schwellenbach	Wheeler
Logan	Nye	Sheppard	White

Mr. MINTON. I announce that the Senator from Utah [Mr. KING] and the Senator from Connecticut [Mr. MALONEY] are detained from the Senate because of illness.

The Senator from Missouri [Mr. CLARK] is absent because of illness in his family.

The Senator from Tennessee [Mr. BERRY], the Senator from Texas [Mr. CONNALLY], the Senator from New Jersey [Mr. MOORE], and the Senator from South Carolina [Mr. SMITH] are absent on important public business.

The Senator from West Virginia [Mr. HOLT] and the Senator from Oklahoma [Mr. THOMAS] are necessarily detained.

Mr. McNARY. I announce that the Senator from Vermont [Mr. AUSTIN] and the Senator from Minnesota [Mr. SHIPSTEAD] are necessarily absent.

The PRESIDENT pro tempore. Eighty-four Senators having answered to their names, there is a quorum present.

CREATION OF REGIONAL CONSERVATION AUTHORITIES—NOTICE OF HEARINGS

Mr. POPE. Mr. President, the subcommittee appointed by the Committee on Agriculture and Forestry to consider Senate bill 2555 have met and decided to begin hearings next Monday, June 21, at 10 o'clock a. m., in the room occupied by the Committee on Agriculture and Forestry.

Mr. McNARY. What bill is it, Mr. President?

Mr. POPE. Senate bill 2555, introduced by the Senator from Nebraska [Mr. NORRIS], dealing with power and other matters.

SENATOR FROM TENNESSEE (REPT. NO. 710)

Mr. GEORGE. Mr. President, I send to the desk a privileged report and ask that it be read.

The PRESIDENT pro tempore. Without objection, the report will be read.

The Chief Clerk read the report, as follows:

The Committee on Privilege and Elections, to which was referred the petition of H. C. Lowry, a citizen of Tennessee, petitioning the Senate to withhold the oath of office from GEORGE L. BERRY as Senator from the State of Tennessee and to declare that the said GEORGE L. BERRY is not entitled to a seat in the Senate, having considered the same, submit the following report:

1. The allegations as made are insufficient to show jurisdiction in the Senate or warrant action by the Senate.

2. The committee recommends that no further action be taken upon the petition or memorial.

Mr. GEORGE. I move the adoption of the report.

I may say it was a unanimous decision of all members of the Committee on Privileges and Elections who were present, the decision having been reached after a careful investigation of the entire matter.

Mr. BORAH. Mr. President, I understood the Senator from Georgia to state that the report was unanimous?

Mr. GEORGE. It was a unanimous decision reached after careful investigation of the charges.

The PRESIDENT pro tempore. The question is on the motion of the Senator from Georgia.

The motion was agreed to.

STEEL STRIKE AT MONROE, MICH.

Mr. VANDENBERG. Mr. President, I present for the RECORD a resolution adopted by the City Commissioners of Monroe, Mich., with respect to the present strike situation there. Attached to the resolution is a report upon a municipal election held for employees of the Newton Steel Co. plant, which is in controversy. I call attention to the results of the vote as recorded by the city clerk.

To the question, "Are you in favor of the strike?" the vote was—yes 30, no 782.

To the question, "Do you desire to return to work now?" the vote was—yes 836, no 20.

I ask that the resolution and exhibit be printed in the RECORD.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

Whereas the city of Monroe has been most unfortunate in having its share of labor disputes which have resulted in a shut-down of our local steel mill, the Newton Steel Co.; and

Whereas the employees of the said steel mill are members of a local union of their own and some members of C. I. O.; and

Whereas the mayor of the city of Monroe has done everything in his power to avoid a conflict between these two organizations; and

Whereas our mayor, through the medium of a secret ballot, has attempted to ascertain the views of the great majority of the employees of the said steel mill in relation to the so-called strike now in existence here; and

Whereas the mayor of the city of Monroe has likewise attempted by every possible means to have this controversy adjusted and settled peaceably for the benefit of all of the citizens of Monroe: Now, therefore, be it

Resolved, That this commission wholeheartedly and unanimously approves of every step taken by the mayor in connection with this controversy and that we further assure the mayor of our wholehearted support in any steps that he may take in the future to help bring about an early settlement of this dispute.

I hereby certify that the above resolution was passed at the regular meeting of the commission of the city of Monroe, Mich., held Monday, June 7, 1937, at 7:30 p. m.

[SEAL] D. A. SOLEAU,
City Clerk.

[Copy]

Special election held June 7, 1937, for Newton Steel employees, held at the city of Monroe, county of Monroe, State of Michigan.

The whole number of votes cast according to the poll list is 883.

The whole number of ballots counted on opening ballot box was 883:

They were cast as follows:

Are you in favor of the strike?

Total number of votes	812
They were cast as follows:	
Yes	30
No	782

Do you desire to return to work now?

Total number of votes	856
They were cast as follows:	
Yes	836
No	20

STATE OF MICHIGAN,
County of Monroe, ss:

CERTIFICATE OF INSPECTORS

We do hereby certify that the foregoing poll list has been carefully compared by us with the duplicate list, as required by law, and that all mistakes found in such poll lists have been duly corrected by us, and that both of such poll lists are now correct and agree with each other.

Witness our hands this the 7th day of June, A. D. 1937.

GEO. C. KIRSCHNER,
IRVING S. HARRINGTON,
JOSEPH S. PORTH,
Inspectors of this election.

Held on Monday the 7th day of June, A. D. 1937.

PROPOSED INCOME TAX ON GOVERNMENT SECURITIES

Mr. LONERGAN. Mr. President, I ask unanimous consent to have printed in the RECORD and referred to the Committee on the Judiciary a copy of a letter written by me to the Secretary of the Treasury and his reply thereto on the subject of tax-exempt securities, together with certain data relating to the subject.

There being no objection, the letters and data were referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., *June 4, 1937.*

Hon. HENRY MORGENTHAU, Jr.,
Secretary of the Treasury, Treasury Department,
Washington, D. C.

MY DEAR SECRETARY: I will appreciate a report from you within a few days stating whether the Treasury is in favor of immediate action by Congress on legislation to provide for a tax on the income of future issues of United States Government securities which are now exempt and on future issues of securities by States and subdivisions thereof.

In view of the current program to avoid tax evasion and otherwise to provide for an adequate national revenue, I suggest that a definite position by the Treasury on this important question should be taken immediately.

For several years the Congress has had bills and resolutions before it which would provide for such a tax. I personally introduced such measures in the Seventy-third, Seventy-fourth, and Seventy-fifth Congresses, and in the CONGRESSIONAL RECORD of January 16, 1934, Senator ROBINSON, the Democratic Senate leader, inserted a comprehensive study which I prepared on this subject, with recommendations that income from future issues of all Federal securities should be taxed by passage of a private bill, but that a constitutional amendment would be necessary to enable the Federal Government to tax future issues of securities issued by the States, and likewise to enable the States to tax income from Federal securities.

In principle the Treasury has been favorable to a tax on securities now exempt since September 23, 1921, when former Secretary Mellon in a report to the Committee on Ways and Means in the House stated that "The ever-increasing volume of tax-exempt securities (issued in the most part by States and municipalities) represent a grave economic evil, not only by reason of the loss of revenue which it entails in the Federal Government but also of its tendency to encourage the growth of public indebtedness and to divert capital from productive enterprises." Mr. Mellon was also on record on numerous other occasions in support of such a tax.

On December 6, 1923, the late President Coolidge, in his annual message to Congress, Sixty-eighth Congress, first session, said: "Another reform which is urgent in our fiscal system is the abolition of the right to issue tax-exempt securities."

Also on record in 1923 is former President Hoover, who was then Secretary of Commerce, who, in a communication to the Senate, said, among other things: "It is an extraordinary thing for a commercial nation like ours to have developed a form of taxation which puts a premium on nonproductivity and a blight on productivity itself." This was in connection with general recommendations for a tax on income from both Federal and State securities generally exempted.

Former Secretary Mellon is again on record on the subject in his annual report to the Sixty-ninth Congress, for the fiscal year ending June 30, 1925, with the following statement: "Looking at the proposition logically there is no reason for the existence of tax-exempt securitites. There ought to be no refuge to which the wealthy man can go and avoid income taxes at times when the Federal Government needs the money. A constitutional amendment to make these securities taxable should be passed. The Treasury has consistently been the advocate of such reform."

Again, in 1928, in his annual report, Mr. Mellon was on record favoring such a tax, and in 1930 he took a very vigorous position in his support.

The present administration has made reports to congressional committees, by the Secretary of the Treasury, as follows:

On March 6, 1934, you notified the chairman of the Senate Finance Committee that—

"Although as a matter of principle the Treasury is favorable to the elimination of all tax-exempt securities, it would be opposed to the enactment of S. 1892, which would eliminate the tax-exempt feature of future issues of Federal obligations only.

"To require that future Federal obligations be issued on a fully taxable basis in competition with tax-exempt securities originating elsewhere would be likely to react unfavorably on the market for Federal securities, increasing the cost of the Government's borrowing and complicating the heavy financing operations which must be effected in the near future."

On March 19, 1935, you notified the chairman of the Senate Committee on Finance that "The Treasury has already stated that it favors the adoption of a constitutional amendment permitting the taxation by the United States of the interest on future issues of State and municipal securities; and by the State on future issues of Federal securities. In the absence of such a constitutional amendment the Treasury is opposed to enactment of S. 201, a bill to provide for a tax on income from Federal securities only.

The latest report from your Department to Senator HARRISON, on legislation pending in this Congress, dated February 5, 1937, summarizes the Department's previous recommendations and adds:

"The Treasury has already stated that it favors the adoption of a constitutional amendment permitting the taxation by the United States of the interest on future issues of State and municipal securities; and by the States on future issues of Federal securities. In the absence of such a constitutional amendment the Treasury is opposed to the enactment of S. 16, a bill to provide for a tax on income from Federal securities only."

I desire to point out that my resolution, Senate Joint Resolution 5, for a constitutional amendment as referred to is now pending in the Senate Judiciary Committee. It was introduced in conjunction with S. 16, referred to above, to provide for a tax on Federal securities.

Very truly yours, AUGUSTINE LONERGAN.

[Copy of letter from Treasury Department]

JUNE 10, 1937.

MY DEAR SENATOR LONERGAN: Receipt is acknowledged of your letter of June 4, 1937, in which you request a report within a few days stating whether the Treasury is in favor of immediate action by Congress on legislation to provide for a tax on the income of future issues of United States Government securities which are now exempt, and on future issues of securities by States and subdivisions thereof.

As your letter recognizes, the Treasury Department has on numerous occasions, during the present and former administrations, gone on record unequivocally as favoring the adoption of a constitutional amendment which would permit the taxation by

the United States of the interest on future issues of State and municipal securities; and by the States on future issues of Federal securities. The Department continues to adhere to its previous position upon this question.

If this result could be achieved by legislation alone, the solution of the problem of the tax-exempt security would be relatively simple. Unfortunately it seems perfectly clear under the decisions of the courts that the desired result cannot be attained in the case of State and municipal issues by any action short of the submission and ratification by the States of a constitutional amendment. For the reasons stated in my letter of March 6, 1934, to the chairman of the Senate Finance Committee, from which you quote, the Department is compelled to oppose the enactment of legislation which would eliminate the tax-exempt feature of future issues of Federal obligations, while State and local issues would continue to enjoy their constitutional immunity from Federal taxation. It is further believed that submission of a constitutional amendment should precede legislative action with respect to the tax-exempt status of future issues of Federal securities in view of the uncertainty as to the ratification of such an amendment by the States.

Sincerely yours,

ROSWELL MAGILL,
Acting Secretary of the Treasury.

Hon. AUGUSTINE LONERGAN,
United States Senate, Washington, D. C.

Tabulation of tax-exempt securities outstanding as of 1936

Wholly or partially exempt, net outstanding	[1] $53,613,000,000
Partial break-down:	
Federal	30,880,000,000
States and subdivisions	16,882,000,000
Reconstruction Finance Corporation	252,000,000
Federal Farm Loan	2,624,000,000
Home Owners' Loan Corporation	2,856,000,000
Wholly exempt, net outstanding	37,611,000,000
Partial break-down:	
Federal	15,272,000,000
States and subdivisions	19,876,000,000
Federal Farm Loan	2,318,000,000
Territories and insular possessions	145,000,000
Partially exempt, net outstanding (amount outstanding which was examined for normal but not the surtax)	26,232,000,000
Partial break-down:	
Federal	17,484,000,000
Reconstruction Finance Corporation	4,282,000,000
Home Owners' Loan Corporation	3,044,000,000
Federal Farm Mortgage Corporation	1,422,000,000
GRAND TOTAL	
Wholly exempt	37,611,000,000
Partially exempt	23,232,000,000
	[1] 63,843,000,000

[1] The grand total does not agree with the total in first table because the difference of $10,230,000,000 represents amounts held in sinking funds, etc., by Treasury.

REIMBURSEMENT OF EXCHANGE LOSSES TO CERTAIN OFFICERS AND EMPLOYEES

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Foreign Relations, as follows:

To the Congress of the United States:

There is transmitted herewith a report of the Secretary of State and a proposed draft of legislation designed to extend the act approved March 26, 1934 (48 Stat. 466), to authorize the reimbursement of exchange losses sustained during the period July 1 to 14, 1933, by officers and employees of the United States in foreign countries, due to the appreciation of foreign currencies in their relation to the American dollar.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 11, 1937.*

[Enclosures: Report of the Secretary of State. Proposed draft of legislation.]

EVERETT P. SHERIDAN

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 665) to credit the account of Everett P. Sheridan, which was to amend the title so as to read "An act for the relief of the estate of Everett P. Sheridan."

Mr. WALSH. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

JOHN W. THOMASON AND ROBERT SLOVER

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 1112) awarding a Navy Cross to John W. Thomason, which were, on page 1, line 4, after the word "Corps", to insert "and Robert Slover, gunnery sergeant, United States Marine Corps"; on the same page and line, to strike out the word "he" and insert "each"; and to amend the title so as to read: "An act awarding a Navy Cross to John W. Thomason and Robert Slover."

Mr. WALSH. I move that the Senate agree to the amendments of the House.

The motion was agreed to.

PROPOSED SAN JUAN NATIONAL MONUMENT, P. R.

The PRESIDENT pro tempore laid before the Senate a letter from the Acting Secretary of the Interior, transmitting a draft of proposed legislation to establish the San Juan National Monument, P. R., and for other purposes, which, with the accompanying paper, was referred to the Committee on Public Lands and Surveys.

CLAIM OF BROOKS-CALLAWAY CO., ATLANTA, GA.

The PRESIDENT pro tempore laid before the Senate a letter from the Acting Comptroller General of the United States, transmitting, pursuant to law, his report and recommendation concerning the claim of Brooks-Callaway Co., of Atlanta, Ga., against the United States, which, with the accompanying report, was referred to the Committee on Claims.

PETITIONS AND MEMORIALS

The PRESIDENT pro tempore laid before the Senate the following joint resolution of the Legislature of the State of California, which was referred to the Committee on Agriculture and Forestry:

Senate joint resolution relative to memorializing the President and the Congress of the United States to enact bill H. R. 4009, which proposes to appropriate $50,000,000 to cooperate with the States of the United States in the eradication of noxious weeds, and urging the Secretary of Agriculture to expedite consideration favorable to said bill

Whereas during recent times numerous noxious weeds, such as Bermuda grass; nut grass; Canada thistle; perennial sow thistle; quack grass; Johnson grass; wild morning glory, sometimes known as the creeping jenny, or field bindweed, the Russian Knapp weed; leafy spurge; and many others have invaded the farm and agricultural lands and gardens in most of the States of the United States, including the State of California; and

Whereas little organized effort has been made to control such noxious weeds; and

Whereas it has been estimated that noxious weeds are costing the United States $3,000,000,000 every year; and

Whereas a definite effort made in the State of Idaho to check such weeds has clearly demonstrated that the work can be successfully accomplished; and

Whereas there was introduced in the House of Representatives by D. WORTH CLARK of Idaho a bill known as H. R. 4009, which has as its purpose enabling each State to furnish financial assistance as far as practicable for the control and eradication of noxious weeds within such States and the appropriation of $50,000,000 by the Federal Government to aid in such work; and

Whereas H. R. 4009 is well designed to accomplish the following purposes:

(a) It will make possible the eradication of noxious weeds in the State of California and thereby bring inestimable benefits to California agriculture.

(b) It will cause the employment of numerous deserving citizens of this State who at present, through no fault of their own, are unemployed.

(c) It will hasten economic recovery:

Now, therefore be it

Resolved by the Senate and Assembly of the State of California, jointly, That the President and the Congress of the United States are respectfully urged to enact legislation proposed by bill H. R. 4009, and that Henry A. Wallace, Secretary of Agriculture, is also urged to expedite consideration favorable to said bill; and be it further

Resolved, That the Governor of the State of California is hereby requested to transmit copies of this resolution to the President and the Vice President of the United States, to the Speaker of the House of Representatives and to the chairman of the Committee on Agriculture of the House of Representatives and to each member of the Committee on Agriculture of the House of Representatives, and to Henry A. Wallace, Secretary of Agriculture, and to each Senator and Member of the House of Representatives from

California in Congress, and that such Senators and Members from California are hereby respectfully urged to support such legislation.

The PRESIDENT pro tempore also laid before the Senate a joint resolution of the Legislature of the State of Wisconsin, favoring the adoption of agricultural and tariff policies in furtherance of the welfare of the Wisconsin farmer, which was referred to the Committee on Finance.

(See joint resolution printed in full when presented today by Mr. DUFFY.)

The PRESIDENT pro tempore also laid before the Senate the petition of Adam Th. Drekolias, of Los Angeles, Calif., praying for an investigation into the merits of a new mechanical system devised for inexpensive generation of electric energy, which was referred to the Committee on Agriculture and Forestry.

He also laid before the Senate a telegram from Jonathan Eddy, secretary, embodying a resolution adopted at St. Louis, Mo., by the American Newspaper Guild, favoring an immediate appropriation of not less than $3,000,000,000 for the continuance and expansion of the Works Progress Administration, which was referred to the Committee on Appropriations.

He also laid before the Senate resolutions adopted by the Association of Former Internes of Freedmen's Hospital, of Washington, D. C., protesting against the transfer of Freedmen's Hospital from the Department of the Interior to the Board of Public Welfare of the District of Columbia, or to the trustees of Howard University, which were referred to the Committee on the District of Columbia.

He also laid before the Senate a resolution adopted by the City Council of Aurora, Ill., favoring the prompt enactment of the pending low-cost housing bill, which was referred to the Committee on Education and Labor.

He also laid before the Senate a resolution adopted by the annual convention of the Pacific Coast District, International Longshoremen's Association, at Seattle, Wash., favoring the enactment of the so-called American youth bill, which was referred to the Committee on Education and Labor.

He also laid before the Senate a resolution adopted by Gale Grange, No. 282, of Forest Grove, Oreg., favoring an amendment of the Constitution to provide a referendum on the question of a declaration of war, which was referred to the Committee on the Judiciary.

He also laid before the Senate resolutions adopted by the annual convention of the Pacific coast district, International Longshoremen's Association, at Seattle, Wash., favoring amendment of the Longshoremen's and Harbor Workers' Compensation Act so as to provide adequate care for injured longshoremen and enforcement of the provisions of the act relating to the determination of the average weekly wage, and also the enactment of antilynching legislation, which were referred to the Committee on the Judiciary.

He also laid before the Senate a memorial of sundry citizens of West Hartford, Conn., and Rochester, N. Y., remonstrating against the enactment of legislation to enlarge the membership of the Supreme Court of the United States, which was ordered to lie on the table.

Mr. JOHNSON of California. Mr. President, I ask leave to present numerous memorials that were gathered by Martin Luther Thomas, D. D., L. L. D., of Los Angeles, Calif., among the citizens of California. The memorialists, aggregating in number 75,000, remonstrate against the proposed reorganization or enlargement of the membership of the Supreme Court. I ask that the memorials may lie on the table and be filed.

The PRESIDENT pro tempore. Without objection, the memorials presented by the Senator from California will be received, lie on the table, and be filed.

Mr. LONERGAN presented a memorial of sundry citizens of the State of Connecticut, remonstrating against the enactment of the bill (S. 1270) to regulate barbers in the District of Columbia, and for other purposes, which was referred to the Committee on the District of Columbia.

Mr. WALSH presented a resolution adopted by Local Union No. 257, Brotherhood of Painters, Decorators, and Paperhangers of America, of Springfield, Mass., favoring the enactment of the pending low-cost housing bill, which was referred to the Committee on Education and Labor.

Mr. WALSH and Mr. LODGE presented a resolution adopted by the First Annual Conference of the Massachusetts State Branch, American Federation of Teachers, favoring the enactment of the so-called American youth bill, which was referred to the Committee on Education and Labor.

Mr. WALSH and Mr. LODGE also presented a resolution adopted by the First Annual Conference of the Massachusetts State Branch, American Federation of Teachers, protesting against the enactment of legislation providing for the conscription of labor in time of war, and also against the adoption of the War Department's so-called industrial mobilization plan, which was referred to the Committee on Finance.

Mr. WALSH and Mr. LODGE also presented a resolution adopted by the First Annual Conference of the Massachusetts State Branch, American Federation of Teachers, favoring the enactment of Senate bill 367, prohibiting compulsory enrollment in Reserve Officers' Training Corps units in civil schools and colleges, which was referred to the Committee on Military Affairs.

Mr. WALSH and Mr. LODGE also presented a resolution adopted by the First Annual Conference of the Massachusetts State Branch, American Federation of Teachers, favoring the enactment of legislation to reorganize the judicial branch of the Government, which was ordered to lie on the table.

Mr. WALSH and Mr. LODGE also presented a resolution adopted by the First Annual Conference of the Massachusetts State Branch, American Federation of Teachers, favoring the enactment of legislation providing more effective programs of public education through the appropriation of funds to assist the States and Territories, which was ordered to lie on the table.

Mr. COPELAND presented a resolution adopted by the Youth Council of St. Martin's Church Center, of New York City, favoring the continuance and extension of appropriations for the National Youth Administration, which was referred to the Committee on Education and Labor.

He also presented a resolution adopted by the National Federation of Settlements at Bloomington, Ind., favoring the extension of the National Youth program and its development to include health service, practical and realistic education for a vocation and a living, and vocational placement, which was referred to the Committee on Education and Labor.

He also presented the petition of William Lescaze, of New York City, N. Y., praying for the enactment of the pending low-cost housing bill, which was referred to the Committee on Education and Labor.

He also presented a resolution adopted by the executive board of the Italian Dress and Waist Makers' Union, Local No. 89, of the International Ladies Garment Workers' Union, of New York City, favoring the enactment of pending low-cost housing legislation, which was referred to the Committee on Education and Labor.

He also presented a resolution adopted by the Washington Heights Peace Committee, of New York City, N. Y., protesting against the enactment of the bill (S. 25) to prevent profiteering in time of war and to equalize the burdens of war and thus provide for the national defense and promote peace, which was referred to the Committee on Finance.

He also presented a resolution adopted by the Westchester County Committee, the American Legion, of Yonkers, N. Y., favoring the enactment of certain immigration legislation in accord with resolutions adopted by the 1936 national convention of the American Legion, which was referred to the Committee on Immigration.

He also presented a resolution adopted by the Traffic Club of New York City, N. Y., protesting against the enactment of legislation that would materially increase the cost of maintenance and operation of the railroads, which was referred to the Committee on Interstate Commerce.

He also presented resolutions adopted by the Washington Heights Peace Committee of New York City, N. Y., favoring amendment of the Constitution so as to provide a referendum on the question of a declaration of war, and also the enactment of antilynching legislation, which were referred to the Committee on the Judiciary.

Mr. ASHURST presented the following memorial of the House of Representatives of the State of Arizona, which was referred to the Committee on Appropriations:

House memorial relating to the continuation of the functions of the Federal Emergency Administration of Public Works

To the President and the Congress of the United States of America:

Your memorialist respectfully represents:

The Congress of the United States of America has extended the Federal Emergency Administration of Public Works from time to time since its creation and has augmented the original appropriation to further the policy of the Federal Emergency Administration of Public Works by financing and aiding the construction of worthy and necessary public projects, and the Federal Emergency Administration of Public Works has effectively and officially discharged the public duties with which it has been entrusted.

The construction of projects of the type financed by the Federal Emergency Administration of Public Works is not solely a means of reemploying citizens of the State who are without employment, but is a means to stimulate industry in general by the construction of sound and useful public projects designed to meet social and economic needs, and the continuation of its program is necessary in order that unemployment may be reduced and absorbed by private industry.

The records of the Arizona State director of the Federal Emergency Administration of Public Works discloses that in excess of 50 applications are now pending in his office for the construction of public projects under the direction and supervision of the Federal Emergency Administration of Public Works.

Wherefore your memorialist, the House of Representatives of the State of Arizona, prays:

1. That the Congress of the United States of America continue the functions of the Federal Emergency Administration of Public Works, and authorize appropriations necessary to adequately provide for a continued program of public improvements.

2. That the secretary of state is authorized and directed to send copies of this resolution to the President of the United States, to the President of the Senate of the United States, the Speaker of the House of Representatives, to the Secretary of the Interior as Director of the Federal Emergency Administration of Public Works, and to each of the Senators and Representatives from the State of Arizona in the Congress of the United States of America.

Mr. DUFFY presented the following joint resolution of the Legislature of the State of Wisconsin, which was referred to the Committee on Finance:

Joint resolution petitioning the Honorable Franklin D. Roosevelt, President of the United States, to adopt agricultural and tariff policies in furtherance of the welfare of the Wisconsin farmer

Whereas Wisconsin is the leading State of the Union in the production and sale of cheese, milk, cream, and other dairy products, and also rates high in the production of cattle, poultry, potatoes, apples, and cherries; and

Whereas the President of the United States from time to time enters into reciprocal-tariff agreements with foreign nations in an effort to stimulate trade; and

Whereas these agreements may concede tariff reductions on imports of above-mentioned products which will result in large increases of such imports having a tendency to flood and destroy favorable home markets to the great prejudice and damage to the Wisconsin farmer; and

Whereas the reciprocal-tariff agreement made with the Dominion of Canada reduced tariffs on imports of cheese and brought an increase in such imports from this nation alone of 769,839 pounds in 1935 to 11,155,518 pounds in 1936; and

Whereas hundreds of thousands of Wisconsin farmers and their families, as well as the entire business interests of many counties, are dependent for their livelihood on the production and favorable marketing of these products and must rely upon the administration to protect their home markets by adopting favorable foreign-trade policies and tariffs which will retain this market: Now, therefore, be it

Resolved by the assembly (the senate concurring), That this legislature respectfully petitions the President of the United States to adopt and maintain foreign and domestic trade policies to the end that home markets for the Wisconsin farmer be restored and protected; and be it further

Resolved, That properly attested copies of this resolution be transmitted to the President of the United States, to both Houses of Congress, and to each Wisconsin Member thereof.

Mr. DUFFY also presented the following joint resolution of the Legislature of the State of Wisconsin, which was ordered to lie on the table:

Joint resolution relating to the need for retaining Civilian Conservation Corps camps on State and county forests

Whereas certain Civilian Conservation Corps camps on State and county forests are to be discontinued in the near future; and

Whereas there still remains unlimited useful conservation work yet to be completed in these localities, including the protection of 12,000,000 acres of forestry and recreational lands from forest fires, the planting of thousands of acres of unproductive forest lands, the expansion of forest nursery facilities, the development of fish hatcheries, rearing ponds, water reservoirs, and certain park areas; and

Whereas the Civilian Conservation Corps has made a major contribution to the advancement of conservation, restoration, and upbuilding of our natural resources: Now, therefore, be it

Resolved by the senate (the assembly concurring), That the Wisconsin Senators and Representatives in Congress be urged to make every effort to secure the retention of the camps in Wisconsin and to support legislation removing the relief requirements for enrollment in the Civilian Conservation Corps so that the corps may be brought up to full strength; be it further

Resolved, That properly attested copies of this resolution be sent to the Wisconsin Senators and Representatives in Washington and to Robert Fechner, Director, Emergency Conservation Work, at Washington.

LOW-COST HOUSING

Mr. WAGNER. Mr. President, I present and ask unanimous consent to have printed in the RECORD and appropriately referred letters and resolutions endorsing the pending low-cost housing bill.

There being no objection, the letters and resolutions were referred to the Committee on Education and Labor and ordered to be printed in the RECORD, as follows:

BROOKLYN CHAPTER OF THE AMERICAN INSTITUTE OF ARCHITECTS,
Brooklyn, N. Y., June 9, 1937.

Hon. ROBERT F. WAGNER,
Senate Chambers, Washington, D. C.

DEAR SIR: The Brooklyn Chapter, American Institute of Architects, requests that you assist in the passage of the Wagner-Steagall housing bill and sends you herewith the resolution as adopted at the annual convention of the American Institute of Architects at Boston to that end, as follows:

"Whereas the American Institute of Architects assembled for its sixty-ninth convention in Boston has unanimously approved the report and resolutions prepared by its committee on housing; and

"Whereas the passage of the Wagner-Steagall housing bill is essential to the continuation of the Government's efforts to provide adequate shelter for a large portion of the American people: Therefore be it

"*Resolved*, That the American Institute of Architects endorses the basic features of the Wagner-Steagall bill and urges its passage at this time."

Your support of this important measure will be greatly appreciated.

Sincerely yours,

STEPHEN W. DODGE, *President.*

AMALGAMATED LADIES' GARMENT CUTTERS' UNION,
New York, June 8, 1937.

Senator ROBERT F. WAGNER,
Senate Office Building, Washington, D. C.

HONORABLE SIR: At a meeting of our organization, comprising 9,000 members, held on Thursday, June 3, 1937, the following resolution was adopted:

"Whereas the housing situation in certain parts of the city of New York is deplorable and many houses are dangerous and injurious to life and health; and

"Whereas within the last 6 to 7 years, because of the stoppage of new building, and for many other reasons, living conditions for the workers of this country have become intolerable—in all cities, and also in many rural sections, the workers are compelled to live in filthy, airless, and sunless shambles which impair their health and the physical and moral welfare of their children: Therefore be it

"*Resolved*, That new housing for the people of the United States be put on a par with education, public health, and public roads, and that the disgrace of slums and blighted areas be eliminated; be it further

"*Resolved* That we petition the Congress of the United States to pass as soon as possible the Wagner-Steagall housing bill."

We therefore urge that you lend your support toward the adoption of this measure.

Respectfully yours,

SAMUEL PERLMUTTER, *Manager.*

ITALIAN DRESS AND WAIST MAKERS' UNION,
New York, June 5, 1937.

Hon. ROBERT F. WAGNER,
United States Senate, Washington, D. C.

DEAR SIR: The Italian Dress and Waist Makers' Union, Local 89, of the International Ladies Garment Workers' Union, a labor organization composed of 40,000 members of Italo-American extraction, at a meeting of its executive board, adopted the following resolution urging the Congress of the United States to pass the Wagner-Steagall housing bill:

"Within the last 6 or 7 years, because of the stoppage of new building, and for many other reasons, living conditions for the workers of this country have become intolerable. In all cities and also in many rural sections the workers are compelled to live in filthy, airless, and sunless shambles which impair their health and the physical and moral welfare of their children.

"We demand that new housing for the people of the United States be put on a par with education, public health, and public roads, and that the disgrace of slums and blighted areas be eliminated."

Respectfully submitted.

[SEAL] LUIGI ANTONINI,
General Secretary.

WILLIAM LESCAZE, ARCHITECT,
New York, June 10, 1937.

Senator ROBERT F. WAGNER,
The Capitol, Washington, D. C.

DEAR SENATOR WAGNER: As a member of the American Institute of Architects, I would like to call your attention to a resolution passed by the sixty-ninth convention of the American Institute of Architects in Boston on June 4.

The resolution was as follows:

"Whereas the A. I. A. assembled in sixty-ninth convention in Boston, Mass., has unanimously approved the report and resolutions prepared by its housing committee; and

"Whereas the passage of the Wagner-Steagall housing bill is essential to the continuation of the Government's efforts to provide adequate shelter for a large portion of the American people: Therefore be it

"*Resolved*, That the A. I. A. endorses the basic features of the Wagner-Steagall bill and urges its passage at this time; be it further

"*Resolved*, That this resolution be sent to the President of the United States; be it further

"*Resolved*, That the members of the A. I. A. send copies of this resolution to their respective Congressmen and Senators."

May I urge you to make every effort to secure favorable action on this very important bill at this session of Congress?

Sincerely yours,

WILLIAM LESCAZE.

CITY OF AURORA, ILL., *June 8, 1937.*

Senator WAGNER,
Senate Building, Washington, D. C.

HON. SENATOR WAGNER: Enclosed is a copy of a resolution passed by the city council of the city of Aurora on the 7th day of June A. D. 1937.

The city council wishes that you favor the passing of Senate bill 1685.

Very truly yours,

D. D. RICKER.

Whereas there is now pending before the Congress of the United States of America a bill "to provide financial assistance to the States and political subdivisions thereof for the elimination of unsafe and insanitary housing conditions, for the provision of decent, safe, and sanitary dwellings for families of low income, and for the reduction of unemployment and the stimulation of business activity, to create a United States Housing Authority, and for other purposes", which said bill is also known as Senate bill 1685; and

Whereas it is believed that the enactment of said bill into a law of the United States of America is of utmost importance to the welfare of the citizens of this city of Aurora as well as for welfare of all citizens: Therefore be it

Resolved by this the City Council of Aurora, Ill., in regularly convened assembly, That we do hereby petition the Congress of the United States of America to enact into law Senate bill 1685, as hereinbefore described; be it also

Resolved, That a copy of this resolution be sent to the President of the United States of America; the Vice President of the United States of America; Hon. HUGO L. BLACK, Senator for Alabama; Senator WAGNER; Hon. HENRY B. STEAGALL, Congressman for Alabama; and to all Members of the Congress for Illinois.

REPORTS OF COMMITTEES

Mr. LOGAN, from the Committee on the Judiciary, to which was referred the bill (S. 2010) to authorize the appointment of an additional judge for the southern district of Ohio, reported it without amendment and submitted a report (No. 709) thereon.

Mr. WALSH, from the Committee on Naval Affairs, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 2279. A bill to amend section 2 of the act entitled "An act to give wartime rank to retired officers and former officers of the Army, Navy, Marine Corps, and/or Coast Guard of the United States", approved June 21, 1930, so as to prohibit persons who have been subsequently separated from the service under other than honorable conditions from bearing the official title and upon occasions of ceremony wearing the uniform of the highest grade held by them during their war services, and for other purposes (Rept. No. 712);

H. R. 2404. A bill for the relief of James Philip Coyle (Rept. No. 713); and

H. R. 3002. A bill for the relief of Timothy Joseph McCarthy (Rept. No. 714).

Mr. FRAZIER (for Mr. THOMAS of Oklahoma), from the Committee on Indian Affairs, to which were referred the following bills, reported them each with amendments and submitted reports thereon:

S. 1379. A bill authorizing the Five Civilized Tribes, in suits heretofore filed under their original Jurisdictional Acts, to present claims to the United States Court of Claims, by amended petitions to conform to the evidence; and authorizing said court to adjudicate such claims upon their merits as though filed within the time limitation fixed in said original Jurisdictional Acts (Rept. No. 715); and

S. 1517. A bill authorizing the payment of necessary expenses incurred by certain Indians allotted on the Quinaielt Reservation, State of Washington (Rept. No. 716).

Mr. REYNOLDS, from the Committee on Military Affairs, to which was referred the bill (S. 2113) to provide benefits on account of disability or death due to service in the armed forces of the United States in the event of war, and for other purposes, reported it without amendment and submitted a report (No. 718) thereon.

Mr. SHEPPARD, from the Committee on Military Affairs, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 2026. A bill to provide for the addition of certain lands to the Fort Donelson National Military Park in the State of Tennessee, and for other purposes (Rept. No. 719); and

H. R. 3123. A bill to authorize the Secretary of War to lease to Old Fort Niagara Association, Inc., portions of the Fort Niagara Military Reservation, N. Y. (Rept. No. 720).

Mr. SHEPPARD also, from the Committee on Commerce, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 5848. A bill to extend times for commencing and completing the construction of a bridge across the Wabash River at or near Merom, Sullivan County, Ind. (Rept. No. 721);

H. R. 6285. A bill authorizing the State Roads Commission of the State of Maryland and the State Road Commission of the State of West Virginia to construct, maintain, and operate a free highway bridge across the Potomac River in Washington County, Md., at or near a point opposite Shepherdstown, W. Va., and a point at or near Shepherdstown, Jefferson County, W. Va., to take the place of a bridge destroyed by flood (Rept. No. 722);

H. R. 6286. A bill authorizing the State Roads Commission of the State of Maryland and the State Road Commission of the State of West Virginia to construct, maintain, and operate a free highway bridge across the Potomac River at or near a point in the vicinity of Hancock, in Washington County, Md., and a point near the north end of Morgan County, W. Va., to take the place of a bridge destroyed by flood (Rept. No. 723);

H. R. 6292. A bill to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Niobrara, Nebr. (Rept. No. 724); and

H. R. 6494. A bill to extend the times for commencing and completing the construction of a bridge across the

Snake River between Clarkston, Wash., and Lewiston, Idaho (Rept. No. 725).

Mr. WHEELER, from the Committee on Interstate Commerce, to which was referred the bill (S. 2226) to regulate interstate commerce in the products of child labor, and for other purposes, reported it with amendments and submitted a report (No. 726) thereon.

REORGANIZATION OF FEDERAL JUDICIARY—REPORT OF COMMITTEE ON THE JUDICIARY (REPT. NO. 711)

Mr. McCARRAN. Mr. President, on behalf of the Judiciary Committee, and also in behalf of the senior Senator from Utah [Mr. KING], who is chairman of the subcommittee but absent because of illness, your committee reports back adversely, with amendments, the bill (S. 1392) to reorganize the judicial branch of the Government, and submits a report thereon. I also submit for the Senator from New Mexico [Mr. HATCH] his individual views in connection with the bill.

The PRESIDENT pro tempore. Without objection, the report will be received and printed and the bill will be placed on the calendar; also the individual views of the Senator from New Mexico will be received and printed together with the report of the committee.

RELIEF APPROPRIATIONS—REPORT OF COMMITTEE ON APPROPRIATIONS

Mr. ADAMS. From the Committee on Appropriations I report back favorably, with amendments, the joint resolution (H. J. Res. 361) making appropriations for relief purposes, and I submit a report (No. 717) thereon.

The PRESIDENT pro tempore. Without objection, the report will be received and the bill will be placed on the calendar.

RELIEF APPROPRIATIONS—MINORITY VIEWS

Mr. McKELLAR. Mr. President, I submit the minority views of certain members of the Committee on Appropriations on the joint resolution (H. J. Res. 361) making appropriations for relief purposes, which I ask may be printed in connection with the report of the committee (Rept No. 717) heretofore submitted today. I also ask that the minority views submitted by me may be printed in the RECORD.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The minority views submitted by Mr. McKELLAR are as follows:

VIEWS OF THE MINORITY

To the Senate of the United States:

The minority of the Senate Committee on Appropriations in reference to House Joint Resolution 361, making appropriations for relief purposes, beg leave to submit the views of the minority on two features of the bill.

The first provision of the bill to which the minority members object was introduced by Senator JAMES F. BYRNES, of South Carolina, and is to be found on page 4, line 12, of the bill, and is as follows:

"*Provided further*, after September 30, 1937, That no new non-Federal project shall be undertaken or prosecuted under this appropriation unless and until (1) adequate provision has been made or is assured for financing such part of the entire cost thereof as is not to be supplied from Federal funds, and (2) at least 40 percent of the cost of the project is to be supplied from non-Federal funds, except that in any case in which the applicant for any such non-Federal project certifies in writing that it is unable to supply such 40 percent, the President is authorized, after investigation of the taxpaying capacity and credit of the applicant, to determine the maximum amount possible for such applicant to supply. The President shall furnish to the Secretary of the Senate and the Clerk of the House of Representatives, upon the 1st day of January and the 1st day of July 1938, a list of cases in which less than 40 percent of the cost of non-Federal projects was furnished by applicants, together with a statement of the amount furnished by the applicant in each such case."

This amendment was adopted by a vote of 13 to 10, and in the judgment of the minority members of the committee the amendment adopted was unwise.

It was stated by Senator BYRNES in an interview in the Morning Post of June 3, 1937, as follows:

"BYRNES will stage his major fight to require local communities able to put up at least 40 percent of their share of relief funds.

"'If this is done', said the South Carolinian, 'it makes little difference how much actually is appropriated for relief.' If the States and public and political subdivisions have to pay part of the costs, the money just won't have to be asked for and spent. Probably the 1938 relief expenditures could be held to $750,000,000."

So that the purpose of the amendment is perfectly clear. It is to cut down the President's recommendation of $1,500,000,000 for relief to $750,000,000. Your minority members of the committee do not believe that such a cut is wise or proper at this time.

On June 16, 1933, we appropriated for the National Recovery Act	$3,300,000,000
On Feb. 15, 1934, we appropriated for Emergency Relief and Civil Works	950,000,000
On June 19, 1934, we appropriated for Emergency Relief and Public Works	899,000,000
On June 19, 1934, we appropriated for drouth relief	525,000,000
On April 8, 1935, we appropriated for work relief, known as the Emergency Relief Appropriation Act of 1935	4,880,000,000
On June 22, 1936, we appropriated for work-relief appropriation	1,425,000,000
On Feb. 9, 1937, we appropriated a deficiency work relief of	789,000,000
A total of	12,768,000,000

In other words, in 1933 we appropriated $3,300,000,000; in 1934 we appropriated $2,374,000,000; in 1935 we appropriated $4,880,000,000; in 1936, in the regular and deficiency acts, $2,214,000,000.

This year the President proposed to cut that appropriation to $1,500,000,000, together with such unexpended balances of previous relief bills, amounting to about $200,000,000.

In addition to that, the House bill provides that the money shall be allocated and distributed over a full 12 months' period, meaning that there is to be no further deficiency appropriation. So that under the present proposal relief will be cut at least one-third this year.

On June 16, 1933, the $3,300,000,000 for national recovery was "to be expended in the discretion and under the direction of the President to be immediately available until June 30, 1935."

On June 19, 1934, two appropriations were made, one for $899,675,000, to carry out the Federal Emergency Relief Act, the Tennessee Valley Authority, and the National Recovery Act, "to be allocated by the President for the further carrying out of the purposes of the aforesaid act, and to remain available until June 30, 1935."

Likewise, in that same act, $525,000,000 was appropriated "to be allocated by the President to supplement the appropriations heretofore made for emergency purposes, and for the expenditure for drought purposes." This was to be available until June 30, 1935.

On February 15, 1934, an additional sum of $950,000,000 was turned over to the President, "available for expenditure for such projects and/or purposes and under such rules and regulations as the President may in his discretion prescribe."

Nothing was said about how long it should be available.

The acts of April 8, 1935, and June 22, 1936, put the money in the hands of the President to be expended and was made available until June 30, 1937.

In other words, over a period beginning June 16, 1933, and ending February 9, 1937, in seven consecutive acts we entrusted to the President the disposition of these funds. The minority members believe that the President in this unparalleled emergency, and considering all the difficulties confronting him, has made a faithful, wise, constructive, and successful use of these large sums. We trusted him without a word for more than double the sum appropriated in this bill in 1933, when the country was in the worst depression of its history. In 1935 we again entrusted him with $4,880,000,000 until June 30, 1937.

But now when we feel that we are nearly out of the depression and getting back on our feet again the majority of the committee is unwilling to trust the President to continue the allocation and distribution of the funds made in the same way that we have been making it all through these years.

The minority members believe that the President should be trusted with this $1,500,000,000 and the unexpended balances. In all previous acts unexpended balances have been reappropriated.

The minority members believe that relief is a national question. They believe that the President has faithfully administered the fund as a national fund in a national way, for national purposes, and for the national good. We believe that if while we were in very much greater trouble we were willing to trust the President with a total of more than $12,000,000,000 for relief that we can certainly now trust him in the distribution of $1,500,000,000 plus the unexpended balances.

The Byrnes amendment, after providing that the States and local communities should be required to put up 40 percent before they can obtain 60 percent from the Government, indeed does provide that "the President is authorized after investigation of the taxpaying capacity and credit of the applicant to determine the maximum amount possible for such applicant to supply." The President is then required to furnish to the Houses of Congress a list of cases wherein the President allows less than 40 percent.

In other words, the meaning of this amendment is that while 40 percent is established, that if any State, county, or municipality, or other organization entitled to receive relief is willing to take the pauper's oath, and if the President finds that they are paupers, he

can reduce the amount of their contribution. The minority members do not approve of this policy. They do not believe it is fair or just. They believe that the policy already established by the President is a much better rule for fixing the amount of relief that local sponsors must put up than the rule set up in this amendment.

In the committee it was argued that the reason of the amendment was that New York City paid only one-half of 1 percent, and that New York paid only 7.2 percent, while some States, like Idaho, paid 28.3 percent; Wyoming, 26.7 percent; Tennessee, 26.6 percent; and others smaller amounts. The average for the country as a whole was 13.1 percent. The answer to this was furnished by Mr. Hopkins in a table comparing New York to South Carolina, showing that in all relief work in 1933 to 1936 New York and its local organizations put up 37.6 percent, while the Federal Government put up 62.4 percent; that during the same period South Carolina and its local organizations put up 9.6 percent, while the Federal Government put up 90.4 percent. Taking 1936 only, it was shown that New York State and localities put up 36.9 percent, while the Federal Government put up 63.1 percent, and that South Carolina, State and local, put up 17.1 percent, while the Federal Government put up 82.9 percent.

The truth of the matter is that when you examine all figures, when you take into consideration the difference in the number and extent of relief, it has been and it will be, in the opinion of your committee, absolutely impossible to obtain a rule that will work with absolute fairness, but that the rule adopted by the President has been just as fair and just as any rule that could be adopted, and it will be much more fair and just than the rule proposed by the Senator from South Carolina.

Again, many State legislatures which have met this year have adjourned and will not meet for 1 or 2 years.

DEBT LIMITATIONS LOCAL

Many cities and counties cannot issue bonds unless specially authorized by the legislature. In this situation it is going to be difficult, extremely difficult, for many States, counties, and cities to take advantage of relief at all; and the result will be, as Senator BYRNES argued in the newspapers, that these States will not be able to receive relief and there will be a large saving to the Government. He estimates it at $750,000,000. Well, if we did not pass the bill at all the Government would save $1,500,000,000. In the minds of the minority members of this committee, whether the Byrnes amendment should be adopted is simply whether Senators believe in a relief bill that will apply to some States and will not apply to others; that will apply to some types of needy workers and not others; whether they believe that relief ought to be cut down and in a partial and unfair way; whether Senators believe that the President has unfairly and unjustly carried out his official duties in disposing of the moneys previously appropriated and turned over to him for distribution for relief.

EFFECTS OF ARBITRARY REQUIREMENT FOR MATCHING FEDERAL W. P. A. FUNDS

The proposal that State and local governments be required to meet an arbitrary fixed proportion of the cost of W. P. A. projects is administratively unworkable and inconsistent with the objectives of the program. The following considerations form the basis for this conclusion:

1. The national character of the unemployment problem, its independence of State and local boundaries, and the inability of local governments to control or adjust its causes makes it unwise for the Federal Government to enact legislation which would, in effect, limit or entirely eliminate Federal assistance to the needy unemployed in many communities for reasons which neither the individuals nor the communities can control.

2. Most W. P. A. projects are sponsored by local governments—cities, towns, counties, and school districts. The same factors which make Federal assistance necessary require that the W. P. A. program be adjusted to the total number of unemployed persons in need of relief and the financial ability of each individual community.

Usually the localities faced with the heaviest unemployment and relief problems are those whose financial resources are most severely depleted and under a matching policy Federal aid would be restricted where it is needed most.

3. If sponsors are required on all projects which they undertake to provide 40 percent of the funds, they will, in most cases, desire that the funds so contributed shall be spent on materials and equipment for construction projects. Projects such as sewing rooms, which are designed to employ needy women, could not be operated. The same is true of projects of the National Youth Administration, which help keep needy youth in schools. Universities and schools which sponsor these projects will in most cases be unable to meet this requirement. There are thousands of projects which provide work for clerks and people trained in professions requiring few materials and taking care of needy groups which are too often overlooked. Most of these projects would have to be terminated.

4. The chief source of revenue of local governments is the real-property tax. Unless they could increase property-tax collections or borrow, these local governments would be unable to match Federal expenditures.

In many instances the tax rate has reached the maximum allowed by State law. In others new taxes would simply increase delinquencies and would yield little additional revenue.

Depreciated property valuations have already restricted local revenue from this source; the levy of additional property taxes would result in still further deflation of values, increase rents, and discourage the construction of new homes, stores, and factories, which is vital to the recovery of the building industry.

5. Many localities which might be willing to borrow in order to match Federal funds would be unable to do so because there is no ready market for their bonds, or because their debt already has reached the legal maximum in their State.

6. A few State governments are in a position to help their localities somewhat in meeting a Federal matching requirement, but the great majority of them could not do it at this time. All but 10 or 11 State legislatures have adjourned and most of them will not meet again in regular session until 1939. By the end of this month it is expected that the few legislatures now in session will have adjourned. Furthermore, the borrowing power of the State government is limited by most State constitutions.

7. The net result of an arbitrary matching requirement would be a complete shut-down of the W. P. A. program in many areas of the country where large numbers of families are destitute and without other means of support; in others it would mean the wholesale elimination of desirable projects which now comprise integral parts of local construction programs.

8. A transition period is a prerequisite to the adoption of any matching principle. The States must be given time to strengthen their administrative relationships with local governments, to review and revamp their revenue systems, and to test the yield from augmented tax levies.

9. At the present time, the Federal Government, through administrative action in each locality, is attempting to equalize W. P. A. costs, without denying Federal help to impoverished communities. Federal funds are being used to pay the wages of needy project employees plus a small allowance for materials and other nonlabor costs sufficient to provide a program of useful projects. Sponsors are required to defray costs in excess of the Federal contribution. Under this policy, employment can be provided on inexpensive projects in even the most severely depressed areas. More costly projects are operated in localities which can economically afford the additional costs. The needy unemployed are not penalized by the financial circumstances of the local governments under which they live.

It is true that Senator BYRNES, instead of absolutely shutting down on the present method of conducting relief on July 1, has modified his amendment so as to begin its operation on October 1, but this does not meet the situation.

The debt-incurring power of local governments is limited by constitution or statute in almost every State. These limitations usually apply only to tax-supported bonds. As a result of recent legislation, debt limits in most States are not applicable to bonds which have no recourse to tax funds and are payable only from the revenues of publicly owned utilities.

Limitations may restrict the amount of bonds issued to a specified percentage of the assessed valuation of taxable property or may restrict the rate of tax that may be levied to service outstanding obligations. Some local governments are subject to both types of limitations. It may frequently happen that a local government which has voted bonds is unable to dispose of them because prospective purchasers are doubtful that the rate of tax which the locality can levy will yield a sufficient sum to meet principal and interest payments.

Each local bond issue in some States must be authorized by a special act of the State legislature. Where constitutional limitations prevail, an increase in the limitation would require constitutional amendment—a lengthy process. Limitations set by statute can be changed only by action of the legislature. Revision of limitations written into city charters would in every case require the same formality as the original adoption of these charters.

State governments are even more restricted in their borrowing than are local governments. Most of them can readily increase debt to repel invasion or suppress insurrection, but not for other purposes.

Only 10 States can borrow by action of the legislature. The constitutions of 38 States require referendum approval or constitutional amendment to authorize borrowing in excess of very small amounts to meet casual deficits. How small these debts are that can be incurred without legislative or referendum approval, or constitutional change is indicated by the fact that the maximum in Maryland, Oregon, and Rhode Island is $50,000, and in most other States is $1,000,000 or less.

UNEXPENDED BALANCES

Senator ADAMS, of Colorado, introduced two amendments concerning unexpended balances. The House bill as recommended by the President provided the appropriation of $1,500,000,000 "together with such unexpended balances as the President may determine of appropriations made by (a) the second paragraph of the Emergency Relief Appropriation Act of 1936 as supplemented by the First Deficiency Appropriation Act, fiscal year 1937, and (b) section 1 of the Emergency Relief Act of 1935, including unexpended balances."

Senator ADAMS offered an amendment limiting the reappropriation of unexpended balances to those "which have on the date of enactment of this resolution been obligated of the expenditure of which has been contracted." For instance, it is in the testimony that the President still has in his hands unallocated and unobligated, and the expenditure of which has not been contracted, the sum of $63,000,000. This apparently comes largely from the

amounts appropriated in the $4,880,000,000 relief bill and in the $1,425,000,000 and the $789,000,000 relief bills.

Mr. Hopkins says that this amendment would virtually stop the work, and we here quote the substance of his language as given in the testimony. It would stop funds allocated by the President but not yet expended. For instance, funds that have been allocated by the President for the building of electric-light plants, which use of funds has been enjoined for months and in some cases for years in the Federal courts. It might prove to be a legislative overruling of the recent Supreme Court case holding that the expenditure of such funds was constitutional. The meaning of this is perfectly plain. It will stop $20,000,000 for projects of the Interior Department, including reclamation projects largely in the West; $17,500,000 for resettlement. It will mean that an additional 120,000 people will have to be dropped from the W. P. A. rolls.

The Adams amendment, therefore, will have two effects: First, it will have the effect of cutting down the $1,500,000,000 by approximately $100,000,000. This will mean a reduction in the number of persons which can be employed by over 120,000. The amendment will, secondly, have the additional effect of prohibiting the Government from completing specific projects and carrying out specific functions for which it has made definite commitments against the balances which, although technically unobligated, have actually been earmarked for those projects and purposes.

With reference to the first point the resolution as passed by the House actually limits the total obligations which can be incurred during the fiscal year 1938 to $1,500,000,000. The unexpended balances reappropriated by the joint resolution represent to a large extent the working capital which is needed at all times to maintain the program on a going basis. On June 30, 1937, it is estimated that approximately $200,000,000 will be unobligated on the books of the Treasury, of which $100,000,000 represents such working capital. Approximately the same amount of working capital has been carried over each year in the past and will be carried over on June 30, 1938. This working capital is required because of the following factors:

(a) There is always a lag between the issuing of obligatory documents and their entry on the Treasury records. Actual obligations or liabilities incurred, therefore, always exceed the Treasury's recorded obligations.

(b) Under the Works Progress Administration program between forty and fifty thousand projects are currently being operated. These projects must be financed through 20 or 30 separate appropriation control accounts in each of the 263 W. P. A. districts. It is obvious that there must be a reserve of free cash distributed over the five or six thousand accounts in order that funds will be available when and where they are needed. In other words, it is physically impossible on a program of this size to anticipate exactly what cash requirements will be needed on each project or account, and normally it is required that a cushion be maintained of approximately seventy-five to one hundred million dollars to keep the program operating. The cushion referred to amounts to an average balance of approximately $2,000 in each of the foregoing projects.

With reference to the second point approximately $100,000,000 of the $200,000,000 which it is estimated will be unobligated on June 30, 1937, on the books of the Treasury, have actually been earmarked for specific projects and functions. This estimate is based on the status of allocations to the several agencies as reported by the Treasury on May 20, 1937, and their current rate of operations. There are listed below some of the agencies whose activities will be cut off if they are unable to use balances which they will have unobligated by June 30, 1937, unless appropriations therefor are made by this or other bills.

Public Works Administration $15,600,000

Almost the entire amount of this fund has been earmarked for landscaping, installing sidewalks, driveways, etc., in connection with housing projects which are already under construction.

Resettlement Administration $17,500,000

Most of this has been earmarked to carry on and complete suburban and rural communities which have been under construction for many months.

Bureau of Public Roads $23,000,000

This represents the balance of funds specifically earmarked for or allocated to States under the statutory formula of the Bureau of Public Roads, but not obligated by the approval of specific highway and grade-crossing projects.

Employees' Compensation Commission $18,000,000

This has been allocated to pay compensation claims authorized by the act of February 15, 1934, as amended, and will be needed over a long period of years to take care of payments as they fall due.

Interior Department $20,000,000

This represents largely funds set aside for completing or providing additional necessary work on reclamation projects which are already under way and for the Puerto Rico Construction Administration, to which Congress, by act of February 11, 1936, made the emergency funds available for expenditure until 1940.

These two amendments are very unwise, and the minority members of your committee believe that the amendments should not be adopted, and very earnestly recommend to the Senate that these amendments should not be agreed to.

We have trusted the President seven times with these relief appropriations. He has made good each time. Our country has been enormously benefited and improved. Why change our policy at this late day, when the appropriation has been materially reduced and the Relief Administration is on record that this $1,500,000,000 will be used for the whole year?

Respectfully submitted.

KENNETH MCKELLAR.
HARRY TRUMAN.
GERALD P. NYE.
CARL HAYDEN.
JOHN H. OVERTON.
HERBERT E. HITCHCOCK.
JOSEPH C. O'MAHONEY.
THEODORE FRANCIS GREEN.
ELMER THOMAS.
WILLIAM GIBBS MCADOO.

RELIEF APPROPRIATIONS—NOTICE

Mr. ROBINSON. Mr. President, the relief joint resolution having just been reported to the Senate, I give notice that it is the purpose to take it up tomorrow when the Senate meets.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HARRISON:

A bill (S. 2624) for the relief of Emmett Lee Payne; to the Committee on Claims.

By Mr. McNARY:

A bill (S. 2625) for the relief of the George Waale Co.; to the Committee on Claims.

A bill (S. 2626) to authorize the Secretary of War to lend War Department equipment for use at the 1937 State convention of the American Legion, Department of Oregon, to be held at Albany, Oreg., during the month of August 1937; to the Committee on Military Affairs.

By Mr. WALSH:

A bill (S. 2627) authorizing the President of the United States to appoint Wallace F. Safford to the position and rank of captain in the Army of the United States and immediately to retire him with the rank and pay of captain; to the Committee on Military Affairs.

A bill (S. 2628) to amend section 601 (c) (6) of the Revenue Act of 1932, as amended, with respect to the tax on imported lumber; to the Committee on Finance.

A bill (S. 2629) to authorize an exchange of lands between the city of San Diego, Calif., and the United States; and

A bill (S. 2630) to provide for the reimbursement of Carl Dement Weaver, machinist's mate, first class, United States Navy, for the value of personal effects lost at Paducah, Ky., during the Ohio Valley flood, in January 1937; to the Committee on Naval Affairs.

By Mr. BYRD:

A bill (S. 2631) for the relief of Charles L. Kee; to the Committee on Claims.

By Mr. HATCH:

A bill (S. 2632) for the relief of Karl R. Warrick; to the Committee on Claims.

By Mr. GEORGE:

A bill (S. 2633) to incorporate the American Chemical Society; to the Committee on the Judiciary.

By Mr. HUGHES:

A bill (S. 2634) to provide for the appointment of an additional district judge for the district of Delaware; to the Committee on the Judiciary.

By Mr. LEE:

A bill (S. 2635) to regulate the times and places of holding court in Oklahoma; and

A bill (S. 2636) to change the times for holding terms of the United States District Court for the Eastern District of Oklahoma; to the Committee on the Judiciary.

By Mr. WHEELER:

A bill (S. 2637) to amend the act of June 7, 1935 (49 Stat. L. 327), providing funds for cooperation with public-school districts in Glacier County, Mont., in the improvement and extension of school buildings to be available to both Indian and white children; to the Committee on Indian Affairs.

By Mr. COPELAND:

A bill (S. 2638) to amend an act entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved June 22, 1936; to the Committee on Commerce.

A bill (S. 2639) to authorize the Secretary of War to lease the Fort Schuyler Military Reservation, N. Y.; to the Committee on Military Affairs.

(Mr. WALSH introduced Senate bill 2640, which was referred to the Committee on Interstate Commerce and appears under a separate heading.)

By Mr. VAN NUYS:

A joint resolution (S. J. Res. 164) to amend the joint resolution establishing the George Rogers Clark Sesquicentennial Commission, approved May 23, 1928, as amended; to the Committee on the Library.

By Mr. GUFFEY:

A joint resolution (S. J. Res. 165) to authorize the coinage of 50-cent pieces in commemoration of the one hundred and fiftieth anniversary of the settlement of Meadville, Pa.; to the Committee on Banking and Currency.

By Mr. PEPPER:

A joint resolution (S. J. Res. 166) providing for participation by the United States in the Pan American Exposition to be held in Tampa, Fla., in the year 1939, in commemoration of the four hundredth anniversary of the landing of Hernando De Soto in Tampa Bay, and for other purposes; to the Committee on Commerce.

PLANNING IN INDUSTRY

Mr. WALSH. Mr. President, I ask consent to introduce for appropriate reference a bill to encourage planning in industry by permitting controlled cooperation and protecting agriculture, labor, and consumers, and to supplement the powers of the Federal Trade Commission.

In a general way, this bill follows the structure of the Federal Trade Commission Act, which it amends and enlarges. Since it is understood that the administration at present has under consideration a study of the antitrust laws, unfair trade practices, and unfair methods of competition in industry, I believe attention should be called to the purposes my bill hopes to accomplish, and that its provisions should be studied by the Congress and also by any executive department or special commission designated to recommend legislation along these lines.

I request that a statement in explanation of the bill, together with an analysis thereof, may be printed in the RECORD.

The PRESIDENT pro tempore. Without objection, the bill of the Senator from Massachusetts will be received and appropriately referred, and the statement and analysis of the bill will be printed in the RECORD.

The bill (S. 2640) to encourage planning in industry by permitting controlled cooperation and protecting agriculture, labor, and consumers, and to supplement the powers of the Federal Trade Commission was read twice by its title and referred to the Committee on Interstate Commerce.

The statement presented by Mr. WALSH and the analysis of the bill are as follows:

STATEMENT OF SENATOR WALSH EXPLAINING SENATE BILL 2640

The bill which I have introduced seeks, as stated in its title, to encourage planning in industry by permitting controlled cooperation and protecting agriculture, labor, and consumers and to supplement the powers of the Federal Trade Commission.

This bill is a revision of S. 1555, introduced by me in the Seventy-third Congress on May 1, 1933, about 2 weeks before the introduction of the National Industrial Recovery Act. My previous bill was in itself a revision of S. 3256, introduced by me in the Seventy-second Congress on January 25, 1932.

Although I prepared my present bill several weeks ago, and before the Supreme Court decisions on the Wagner National Labor Relations Act, I used a broad definition of "interstate commerce", which seems to me to be entirely constitutional under the opinions handed down by the Chief Justice in the labor-relations cases.

My bill amends and enlarges the Federal Trade Commission Act.

It increases the Commission from five to nine members to provide for its added functions.

In addition to the broad definition of "interstate commerce" it amplifies the definition of "unfair methods of competition" and prohibits unfair trade practices.

It authorizes the Commission to hold trade-practice conferences and to determine unfair methods of competition and unfair trade practices.

It does not authorize governmental price fixing but it permits the Commission to approve cooperative agreements in industry, after a hearing, provided such agreements are reasonable and economically sound, and will not result in price fixing or in a selling price in excess of a fair and reasonable price based on all fair and reasonable items of cost plus a fair and reasonable profit, taking into consideration the necessity of a fair and reasonable compensation to producers and distributors of average ability and efficiency and to labor, and will not depress wages or conditions of employment of labor or prices of agricultural products or raw materials, and will not result in oppression of competitors, labor, or producers of agricultural products or raw materials. The Commission is thus supplied with a formula expressing the legislative intent.

As a condition to the approval of these agreements, each party thereto must agree to observe regulations with reference to producers of agricultural products (which are made to include fisheries) issued by the Secretary of Agriculture, and regulations with reference to labor relations issued by the National Labor Relations Board, and must agree to permit his employees to organize and bargain collectively through representatives chosen by a majority, to abide by decisions of the National Labor Relations Board in disputes concerning representation and permit the Board to take secret ballots to ascertain representation, not to discriminate against employees because of union membership, not to dominate or finance labor organizations, and not to employ individuals under 18 years of age. I consider these provisions vitally necessary as a condition to the permission of cooperative agreements.

The jurisdiction of the Commission is continued over the subject matter of approved agreements, and the Commission is permitted to revoke its approval, after a hearing, whenever the public interest so requires, and in specific cases enumerated in the bill.

Provision is made for appeal to the courts from orders of the Commission, and for proceedings in the courts to enforce its orders.

For the further protection of the public interest, and to avoid having the Commission act as both prosecutor and judge, all petitions, agreements, complaints, orders, and other papers in any proceeding before the Commission must be served on the Attorney General, who has the right to intervene in all proceedings before the Commission and the courts and the right to file complaints and take appeals, and to institute proceedings to enforce compliance with orders of the Commission.

Compliance with the orders of the Commission is further assured by the provision of severe penalties for violations, similar to the penalty provisions contained in the Interstate Commerce Commission Act.

Although the antitrust acts are waived in favor of approved agreements which are in the public interest, they are not repealed but are retained in full force to prevent monopolistic practices in violation of or under cover of approved agreements.

It is my firm belief that the enactment of this bill will encourage lawful and orderly planning in industry, to the interest of the public and with full protection to consumers, producers, agriculture (including fisheries), and to labor.

ANALYSIS OF REVISED WALSH BILL

In a general way this bill follows the structure of the Federal Trade Commission Act, which it amends.

In the Code of Laws of the United States of America the 11 sections of the Federal Trade Commission Act are embodied as sections 41 to 51 inclusive of chapter 2 of title 15 "Trade and commerce."

This bill follows the same section numbering as used in the Code of Laws, and therefore starts with section 41 and continues to section 55.

Section 41 follows the present language of section 41 of the Federal Trade Commission Act but increases the number of Commissioners from five to nine, and provides that the five present Commissioners shall remain in office, and that four additional Commissioners shall be appointed.

Section 42 is practically unchanged from the present text of section 42 of the Federal Trade Commission Act.

Section 43 is substantially unchanged, except that it permits the Commission to divide itself into three divisions of three Commissioners each. This provision is copied from the Interstate Commerce Commission Act.

Section 44, contains definitions. Some are copied without change, from the present Federal Trade Commission Act. Others are broadened. Some new ones are added.

The definitions of "interstate commerce" and "unfair methods of competition" are considerably broadened over the present definitions as laid down by the courts. Among the new definitions the furnishing of services is included in "production" and fisheries are included in "agriculture."

Section 45 is not materially changed from the present section 45 of the Federal Trade Commission Act, except that unfair-trade practices (as defined in sec. 44) are declared unlawful, in addition to unfair methods of competition. In addition to its power to commence proceedings for cease and desist orders, whenever the Commission feels that the public interest requires it, the

Commission is also directed to commence proceedings whenever requested to do so by the Attorney General.

Section 46 provides for the filing and approval of cooperative agreements in aid of economic planning. An agreement may be approved after a hearing, if it is a reasonable and economically sound measure and will not result in price fixing or in a selling price in excess of a fair and reasonable price based on all fair and reasonable items of cost, plus a fair and reasonable profit, taking into consideration the necessity of a fair and reasonable compensation to producers and distributors of average ability and efficiency and to labor, and will not depress wages or conditions of employment of labor or prices of agricultural products, or raw materials, and will not result in oppression of competitors, labor, or producers of agricultural products or raw materials.

Subdivisions (d) and (e) of this section prohibit the Commission from fixing prices of agricultural products, or wages or conditions of employment, or from abridging the right of producers of agricultural products and of labor to organize and to bargain collectively and exempts all such organizations from the antitrust acts.

Subdivision (f) requires each agreement to contain certain mandatory covenants (I) to observe the regulations with reference to producers of agricultural products issued by the Secretary of Agriculture or other body created by Congress to have supervision over agricultural products, (II) to permit employees to organize and bargain collectively and to abrogate "yellow dog" contracts, (III) not to discriminate against employees because of union membership, (IV) not to dominate or finance labor organizations, (V) to bargain collectively with representatives chosen by a majority of the employees, (VI) to abide by decisions of the National Labor Relations Board in disputes concerning representation, and to permit the Board to take secret ballots to ascertain representation, (VII) to observe the regulations with reference to labor relations issued by the National Labor Relations Board (in sec. 44 the Board is defined as being the present Board of any body hereafter created by Congress for that purpose, or if no such body exist, then the Secretary of Labor), and (VIII) not to employ any individual under the age of 18 years.

The subsequent subdivisions of this section provide that approved agreements shall be valid and that acts performed thereunder shall not violate the antitrust acts; that the Commission shall retain jurisdiction over the subject matter of approved agreements; that the Commission shall prevent violations of approved agreements; that the Commission may revoke its approval of agreements under certain conditions; that approved agreements may be modified under specific procedure; and that the Commission, upon complaint and after hearing, may award damages to persons injured by violations of approved agreements.

All papers must be served upon the Attorney General, who has power to initiate complaints.

Section 47 provides for the rules of procedure. The Attorney General is given the right to intervene in all proceedings. All agreements and other papers and all testimony are made open to public inspection. Rehearings before the Commission are permitted for cause upon the application of a party or of the Attorney General.

Section 48 provides that appeals from orders of the Commission may be taken to the circuit court of appeals, where they shall have a preference. Orders of the Commission may be enforced by proceedings in the district courts of the United States.

The Attorney General is permitted to take appeals from orders of the Commission and is directed to institute proceedings for the enforcement of orders.

Section 49 is substantially the same as the like provisions of the Federal Trade Commission Act, except that subdivision (a) legalizes the holding of trade-practice conferences to determine unfair methods of competition and unfair trade practices.

Sections 50, 51, and 52 are procedural.

Section 53 provides for various penalties, most of which are copied from the present provisions of the Federal Trade Commission Act. Subdivision (a) is new and provides for a penalty of $5,000 for each violation of an order issued by the Commission. A similar penalty provision is now contained in the Interstate Commerce Commission Act.

Section 54 is a saving clause and section 55 is a separability clause.

HOUSE BILL AND JOINT RESOLUTION REFERRED

The following bill and joint resolution were each read twice by their titles and referred as indicated below:

H. R. 6391. An act to authorize the prompt deportation of criminals and certain other aliens, and for other purposes; to the Committee on Immigration.

H. J. Res. 375. Joint resolution to provide revenue, and for other purposes; to the Committee on Finance.

RELIEF APPROPRIATIONS—AMENDMENT

Mr. LODGE submitted an amendment intended to be proposed by him to the joint resolution (H. J. Res. 361) making appropriations for relief purposes, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

On page 2, line 21, after the figures "$380,000,000", to add the following: "* * * of which sum not more than $20,000,000 shall be allocated for a national census of population, employment, and unemployment to be taken at the earliest date for the purpose of obtaining authentic information as to the number of persons in each of the several States and all subdivisions thereof who are employed and unemployed, classified by sex, age, customary occupation, and such other pertinent standards as may be advisable, and the causes and duration of such unemployment."

AMENDMENTS TO INTERIOR DEPARTMENT APPROPRIATION BILL

Mr. VAN NUYS submitted an amendment intended to be proposed by him to House bill 6958, the Interior Department appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

At the proper place in the bill to insert the following:

"GEORGE ROGERS CLARK SESQUICENTENNIAL COMMISSION

"The George Rogers Clark Sesquicentennial Commission, created by the joint resolution approved May 23, 1928, as amended, shall cease and terminate June 30, 1939, and the unexpended balances of the appropriations heretofore made for carrying out the purposes of such joint resolution, as amended, shall be available until June 30, 1939."

Mr. WHEELER submitted two amendments intended to be proposed by him to House bill 6958, the Interior Department appropriation bill, which were referred to the Committee on Appropriations, and ordered to be printed, as follows:

On page 37, line 17, after the word "Flathead", to strike out "$200,000" and insert in lieu thereof the following: "including $51,275, Camas division betterment, $251,275."

On page 41, after line 25, to insert a new paragraph, as follows:

"The appropriation of $100,000 contained in the Second Deficiency Appropriation Act, fiscal year 1935, for cooperating with public-school districts in Glacier County, Mont., in the improvement and extension of school buildings to be available to both Indian and white children, as authorized by the act of June 7, 1935 (49 Stat. L. 327), is hereby made available under the same conditions as specified in the said Second Deficiency Appropriation Act until June 30, 1938, for improvement and extension of school buildings in rural communities in district no. 9, Glacier County, as well as other public-school districts within said county."

INVESTIGATION RELATIVE TO CEMENTED SHOES

Mr. WALSH. I ask consent to submit for myself and my colleague [Mr. LODGE] a resolution for appropriate reference.

There being no objection, the resolution (S. Res. 144) was read and referred to the Committee on Finance, as follows:

Resolved, That the United States Tariff Commission is directed, under the authority conferred by section 336 of the Tariff Act of 1930, and for the purposes of that section, to investigate the differences in the costs of production of the following domestic articles and of any like or similar foreign articles: Cemented shoes, made wholly or in part by the process of cementing the sole to the upper.

Mr. WALSH. Mr. President, this resolution is offered in behalf of the New England Shoe and Leather Association, representing 100 shoe-manufacturing members, which employ over 20,000 shoe workers in New England; and it is of vital concern to the entire shoe industry in America.

The purpose of this resolution is to call upon the United States Tariff Commission to investigate the recent heavy increase in imports of cemented shoes, on which at present there is a 20-percent ad-valorem duty.

These cemented shoes—shoes in which the soles are cemented to the uppers, and designed for women—were first manufactured in this country in 1929. They showed such a phenomenal growth that by 1935 over 40,000,000 pairs of this type of footwear were manufactured in the United States, which was equivalent to one-third of the total United States production of women's shoes in that year.

Imports of cemented shoes have increased tremendously in the past 3 years. Exact statistics on imports of cemented shoes are not now available. However, it is believed that the following figures, based upon statistics of imports compiled by the United States Tariff Commission, do indicate the extent of this increase.

From less than 150,000 pairs imported in 1935, the number of cemented shoes imported in 1936 jumped to approximately 990,000 pairs, an increase of over 500 percent. In the first 4 months of this year there have already been imported a million pairs.

These imported shoes—in direct competition with and replacing the McKay shoes—are sold in this country at prices which our manufacturers, paying the American scale of wages and faced with larger overhead costs, cannot possibly meet, and are rapidly capturing the American market. Every shoe imported means a corresponding loss to an American worker. Already some manufacturers in New England are threatened with the shut-down of their factories because their former customers are now buying these foreign shoes. Continued unchecked importations of these shoes will result in closed American factories and workers facing the prospect of having to go on the relief rolls this winter in order to secure support for themselves and their families.

This matter is of vital importance to the American shoe industry, and especially to New England shoe manufacturers, because they produce most of the women's shoes—of Compo and McKay construction—that retail for $2 in the United States, and with which the foreign imports, selling at an even lower price, compete.

It is pertinent to recall that the imports of the McKay type of shoe, in 1929 and 1930, were so damaging to the American shoe industry that a Senate resolution (S. Res. 295) was passed in 1930, instructing the Tariff Commission to investigate these imports. The results of that investigation showed that the foreign manufacturing costs were so much lower than those of American manufacturers that the Commission recommended to the President—and he so proclaimed in January 1932—that the duty on these imported shoes be raised the maximum amount allowed under the Tariff Act of 1930, namely, from 20 to 30 percent ad valorem. This action proved effective in limiting the imports of McKay shoes.

However, as pointed out above, in 1935, in place of the McKay shoes foreign manufacturers began to export to this country cemented shoes, on which the duty under the tariff act is only 20 percent. It is at these recent importations that the resolution now offered is directed, and which importations can only be prohibited by investigation of the Tariff Commission and its recommendation to the President that the duty on such imported shoes be increased to the maximum rate allowed under law, namely, 30 percent ad-valorem duty. Such action is necessary to place the American shoe manufacturer on a competitive level with foreign manufacturers.

I request that several letters and papers which I have received in connection with this matter may be printed in the RECORD at this point.

There being no objection, the letters and papers were ordered to be printed in the RECORD, as follows:

NEW ENGLAND SHOE & LEATHER ASSOCIATION,
Boston, Mass., June 7, 1937.

Hon. DAVID I. WALSH,
United States Senator, Washington, D. C.

MY DEAR SENATOR WALSH: The recent heavy increase in the importations of shoes from Czechoslovakia have again threatened the welfare of the Massachusetts shoe industry and the jobs of thousands of shoe workers in our State. We are, therefore, taking this opportunity of asking your assistance in preserving the well-being of our great industry, as well as the wages of our workers, against this foreign competition.

Under the Tariff Act of 1930, the import duty on all shoes was listed at 20 percent ad valorem. (Ch. E, par. 1530, E). This duty, however, did not prove effective in materially reducing the imports of women's and misses' McKays from Czechoslovakia, made by the Bata Co., as an investigation in 1931 by the United States Tariff Commission showed, with the result that this Commission recommended to the President that the duty on these shoes be raised to the maximum rate of 30 percent. This, President Hoover did in January 1932, through a proclamation, as provided in section 336 of the Tariff Act.

The statistical picture covering our imports of these McKay sewed shoes from Czechoslovakia appear in table 1 enclosed with this letter. This background material formed the basis of our protest to the Committee on Reciprocity Information of the United States Department of State against their making any concessions on our import duties on shoes in their contemplated negotiations of a reciprocal trade agreement with Czechoslovakia. Other associations and labor unions—the American Federation of Labor, Boot and Shoe Workers Union, the Brockton Brotherhood of Shoe and Allied Crafts, and the Committee on Industrial Organization, United Shoe Workers of America—also voiced their individual protest as well.

However, a far more serious situation has arisen recently, which we have been investigating quietly for the past several weeks. This relates to sharp increases in the imports of Bata shoes, made by the cemented process, on which the duty is only 20 percent. An indication of the shift of imports from McKay shoes, on which the duty is 30 percent, to cemented shoes on which the duty is 20 percent, can be seen from the following figures prepared by the United States Tariff Commission:

	McKay		All other shoes	
	Pairs	Value	Pairs	Value
Women's and misses:				
1935	1,170,904	$922,856	154,933	$113,903
1936	701,546	546,236	992,546	671,669

In our judgment the shoes listed "as all others" are made up largely of the cemented types of footwear. We are now endeavoring to secure comparable statistics for 1937, which we feel sure will show an even more extreme increase in the "all other shoes" column.

This matter is of vital interest to New England shoe manufacturers, for they produce most of the women's shoes—of Compo and McKay construction—that retail for $2, which are the types of shoes that Bata exports to this country. In the past several weeks the buyers of such footwear have been circularized by Bata's American representative for orders on a certain styled shoe priced at $1.17½ net, delivered in New York, and to retail for $2. Our manufacturers tell us that this same shoe, with its special features, cannot be produced in this country for less than $1.50.

The result of this announcement has already kept many buyers from placing their orders for fall shoes, as is customary at this time of the year, while other buyers have placed large orders for these Bata shoes. The threat of this destructive competition is so great that it is imperative that some action be taken at once to relieve this condition.

This example is typical of the type of competition that our manufacturers, paying the American scale of wages based on union rates, as well as having other overhead expenses that no foreign competitor has to meet, such as their social security taxes and higher costs resulting from maximum hours and minimum wages, have to meet. The wages in the Bata factories are said to be from one-quarter to one-half the rates paid our American workers. This permits this company to land their shoes in New York at prices which are from 20 to 30 percent lower than the cost of manufacturing these shoes in our factories in New England, even after transportation costs and import duties are paid.

Another example of how the Bata Co. is evading, legally, even the present low import duties on cemented shoes is the following: This company has recently begun to export into this country incompleted shoes on which the ad-valorem duty is very small. These parts are sent to American factories for several minor finishing operations before they are delivered to the retail stores. These shoes are imported in this fashion to escape the duty applicable to the finished product; and by paying this small ad-valorem duty, we feel that this company is defeating the purpose of our protective tariff.

We wish to add that the Boot and Shoe Workers' Union has forbidden its members to work on any of these Czechoslovakian shoes, and have also sent the Tariff Commission their protest against the importations of these incompleted shoes as endangering the livelihood of thousands of American workers.

This association, in behalf of 100 shoe-manufacturing members, employing 20,000 shoe workers in New England, as well as for the rest of our industry, has already filed our vigorous protest against these imports of cemented shoes with the United States Tariff Commission, and have requested that the Commission immediately conduct an investigation of these imports, pursuant to their powers listed in chapter 336 of the Tariff Act. We are hopeful that such investigation will result in an increase of the import duty on these shoes to the maximum allowed under the act, namely, 30 percent.

In order to expedite matters and to assure the proper consideration by the Tariff Commission of our request for an investigation, we urge that you present a resolution in the Senate requesting such an investigation. Such action on your part will earn the gratitude of shoeworkers and manufacturers alike both in Massachusetts and New England.

We already know of a dozen instances where our manufacturers in the past 2 weeks have lost orders totaling hundreds of thousands of pairs to the Bata Co. solely because they couldn't compete with their low prices. Every shoe that is imported into our country from Czechoslovakia means just one less shoe for our American workers to make. There can be only one result in the affected communities this summer and fall—decreased employment in these shoe factories and corresponding increases in their relief rolls.

We are planning to call on organized labor in our industry, as well as on other shoe manufacturers' associations, to immediately urge their Senators and Representatives to use their influence with the Tariff Commission in undertaking an investigation of the recent heavy imports of Czechoslovakian shoes, as we have outlined in our letter.

We trust that you will agree with us that this situation is of sufficient importance to the shoe industry as to warrant your entering a resolution in the Senate calling for an investigation by the Tariff Commission of the imports of shoes from Czechoslovakia. May we be favored by an early reply as to your thoughts on this matter, as well as to any action you plan to take?

Yours very sincerely,

JAMES H. STONE, *Secretary.*

TABLE 1.—*United States imports from Czechoslovakia; women's and misses', McKay sewed*

[Source: U. S. Tariff Commission and Department of Commerce]

Duty	Period	Quantity (pairs)	Value	Unit value	Percent these imports are to United States total	
					By quantity	By value
Free	1929	4,397,866	$10,383,818	$2.36		
Do	1930 (Jan.–June 17)	2,249,013	5,395,597	2.40		
Do	1930 (June 18–Dec. 31)	236,964	466,894	1.97	61.0	48.0
20 percent	Total for year	2,485,977	5,862,491	2.36		
Do	1931	2,626,112	4,200,018	1.60	84.0	78.0
30 percent	1932	562,404	682,920	1.21	94.0	90.0
Do	1933	996,420	784,293	.79	99.9	99.9
Do	1934	1,529,034	1,234,850	.81	99.8	99.6
Do	1935	1,170,904	922,856	.79	99.6	99.2
Do	1936	701,546	546,236	.78		

HAVERHILL CHAMBER OF COMMERCE,
Haverhill, Mass., June 9, 1937.

Hon. DAVID I. WALSH,
Massachusetts Senator,
Senate Office Building, Washington, D. C.

DEAR SENATOR WALSH: Mr. McNamara, president of the Haverhill Chamber of Commerce, has requested me to communicate with you relative to the preliminary announcement of a contemplated reciprocity agreement with Czechoslovakia, which, as we are given to understand, is considering reductions on tariff schedules for shoes and textiles. The result of such action, in our opinion, and undoubtedly on which you will agree with us, will have a detrimental and most damaging effect on our local industries.

In the past you have always been of great assistance to us in such matters, and your accomplishments in our behalf in our tariff-schedule battles are a part of our records, and we are, therefore, requesting that you interest yourself once more in this matter on behalf of our community.

We have sent telegrams to both the Committee for Reciprocity Information and the United States Tariff Commission and have followed them up with letters of specific explanation stating our position in the matter and have enclosed copies for your careful perusal and consideration.

The communications also carry what we believe to be the necessary solution for this problem, and we would appreciate an expression of your opinion as to whether you coincide with our ideas.

We have written to Senator LODGE, Congressmen BATES and CONNERY and Congresswoman Mrs. ROGERS, as we believe that it is most essential that all our Representatives should assist in this fight.

I shall appreciate your comments on our suggestions as contained in our communication to the Committee for Reciprocity Information, such as first-hand study, investigations, and quota stipulations, and we are open for any other suggestions which you may have in mind for a line of action on our part.

With kind personal regards, I am,

Yours very truly,

GEORGE H. CROSTON, *Secretary.*

[Copy]

HAVERHILL, MASS., *June 9, 1937.*

CHAIRMAN OF THE COMMITTEE FOR RECIPROCITY INFORMATION,
Seventh and F Streets NW., Washington, D. C.:

The Haverhill Chamber of Commerce protests against and requests an investigation of the imports of cemented and other types of shoes from Czechoslovakia, which hold a most serious threat to the welfare of our shoe industry and imperils the jobs of nearly 8,000 of our shoe workers.

RAYMOND V. MCNAMARA,
President, Haverhill Chamber of Commerce.

[Copy]

HAVERHILL, MASS., *June 9, 1937.*

SECRETARY OF UNITED STATES TARIFF COMMISSION,
Washington, D. C.:

The Haverhill Chamber of Commerce vigorously protests any reduction in tariff schedules on the importation of Czechoslovakian shoes. Requests investigation relative to reported evasions. Demands increased schedule rates, as present situation is a threat to the welfare of our shoe industry and imperils the jobs of nearly 8,000 Haverhill shoe workers.

RAYMOND V. MCNAMARA,
President, Haverhill Chamber of Commerce.

[Copy]

JUNE 9, 1937.

CHAIRMAN OF THE COMMITTEE FOR RECIPROCITY INFORMATION,
Seventh and F Streets NW., Washington, D. C.

DEAR SIR: I wish to confirm our telegram of June 9 as follows:

"The Haverhill Chamber of Commerce protests against and requests an investigation of the imports of cemented and other types of shoes from Czechoslovakia, which hold a most serious threat to the welfare of our shoe industry and imperils the jobs of nearly 8,000 of our shoe workers."

We have been given to understand that your department has issued a preliminary announcement of a contemplated reciprocity agreement with Czechoslovakia with the possibility that from these negotiations, a reduction in tariff schedules may result, which would include importation of finished and unfinished shoes and also textiles.

The Haverhill Chamber of Commerce has actively protested, in the past, the importation of foreign-made shoes, especially from Czechoslovakia. The contemplated reductions, as they have been brought to our attention, would mean that our manufacturers would be obliged to meet in open market, a competition which would ultimately mean their elimination and also result in the loss of nearly 8,000 jobs to Haverhill shoe workers.

The statistics which have been prepared by the United States Tariff Commission relative to imports of Bata shoes from Czechoslovakia showed a marked increase in 1935 and 1936, and this increase, we are given to understand, is continuing during the year 1937 to an even more marked degree. This increase has become most alarming to our local shoe manufacturers, who, with the present rise in industrial standards relative to hours and wages, in addition to increased costs of materials and overhead, have been obliged to increase the price of their shoes. Therefore, from these facts you must be in agreement with us that they positively cannot meet any further competition from such importations under present schedules.

In our opinion, the study of this tariff problem requires investigation and study on your part from the three following viewpoints, and therefore we request your consideration and assistance:

1. The evasion of present tariff regulations.
2. Proposed reduction as part of the reciprocity agreement.
3. The advocacy of increased rates, as present rates are inadequate to meet foreign competition.

The subject of evasion of the present tariff laws, to which we call your special attention, needs immediate investigation and correction, as, in our opinion, they are not only violations of the law but also its original spirit and intent; that is, the protection of domestic industries.

At the time of the adoption of the present schedules the threat to our local industry was from the importation of McKay shoes, and we were, therefore, favored by a schedule of 30 percent. Inasmuch as cemented shoes were not considered a menace, a 10-percent differential was allowed, making the duty 20 percent on this type, and on unfinished shoes 10 percent.

Today the situation is reversed. The importation of cemented shoes is taking precedence over the importation of McKay shoes, and from present indications unfinished shoes are replacing both the McKay and cemented types in their import numbers. Already our manufacturers have begun to feel the alarming effects of these changes.

As we see the problem, we are faced not with a differential of 10 percent between the McKay and cemented shoes, but with a 20-percent differential between the McKay and unfinished shoes. With the other factors already mentioned, of rising manufacturing costs, you can readily discern how threatening and damaging this situation is to our established industry. The importing of uppers, with the further processing of them in this country, under present schedules permits a 20-percent differential in favor of the foreign manufacturer, as you readily note, which, in our opinion, will ultimately mean the elimination of practically 75 percent of our Haverhill factories. Such competition cannot be met or tolerated.

Our answer and recommendation to this problem is that your committee favorably consider percentage increases on all present shoe schedules, and especially an additional percentage increase on cemented shoes and a still larger percentage increase on unfinished shoes. Furthermore, we would add that a quota prohibition be placed on all three types of importations.

May we suggest that you detail one of your experts to Haverhill and make a first-hand study of this problem, interviewing our manufacturers and studying their markets to obtain factual information on price ranges and also make a further study of the number of jobs that would be affected by a continuance of present schedules.

Inasmuch as we have a woolen mill employing 400 workers, who undoubtedly will be affected if reductions are made and if increases are not immediately made effective, the same arguments and request are applicable to the textile industry. Therefore, we request your additional consideration and assistance.

I wish to thank you for your immediate attention to this matter and inform you that this organization is ready to assist you in the gathering of any factual data which might be of assistance to

you in reaching this determination—the need of increased protection or raise in the present tariff schedules.

Yours very truly,

RAYMOND V. MCNAMARA,
President.

[Copy]

JUNE 9, 1937.

SECRETARY, UNITED STATES TARIFF COMMISSION,
Washington, D. C.

DEAR SIR: I wish to confirm my telegram of June 9, as follows:

"The Haverhill Chamber of Commerce vigorously protests any reduction in tariff schedules on the importation of Czechoslovakian shoes. Requests investigation relative to reported evasions. Demands increased schedule rates, as present situation is a threat to the welfare of our shoe industry and imperils the jobs of nearly 8,000 Haverhill shoe workers."

We have been given to understand that the Committee for Reciprocity Information is investigating the contemplated changes in the reciprocity agreement with Czechoslovakia, with the possibility that a reduction in shoe and textile schedules may result.

The Haverhill Chamber of Commerce has actively protested in the past the importation of foreign-made shoes, especially from Czechoslovakia. The contemplated reductions, as they have been brought to our attention, would mean that our manufacturers would be obliged to meet in open market a competition which would ultimately mean their elimination and also result in the loss of nearly 8,000 jobs to Haverhill shoe workers.

Therefore we have requested this committee to make a study and investigation, and we are enclosing a copy of our letter to them for your perusal. The substance of this letter explains fully our position in the matter and what the effects of any reductions will be upon our local industries.

Are we right in assuming that in the final analysis schedules adopted by your Commission are final? If so, we ask that you consider the same requests which we have made to the Committee for Reciprocity Information, namely:

1. Investigation of the evasion of present tariff regulations.
2. Recommend that the proposed reduction as part of the reciprocity agreement be voided.
3. Establish increased rates, as present rates are inadequate to meet foreign competition.

We further wish to emphasize to you the urgent need for increasing the present schedules rather than lowering them; in fact, we ask you to go still further and adopt quota stipulations on all schedules, as in our opinion, this would insure still greater protection for our local shoe and textile manufacturers. It is our opinion that immediate action should be taken along these suggested lines, as over 75 percent of our shoe factories will be seriously affected, as it would be impossible for them to meet such unfair and discriminatory competition.

May we further suggest that a cooperative study and investigation between your Commission and the Committee for Reciprocity Information be made at once, and, if necessary, a first-hand study of the problems confronting Haverhill manufacturers, even to the necessity of detailing an expert to interview our Haverhill manufacturers—study their markets for factual information on price ranges, and the resultant effect on the shoe workers' jobs, by the continuance of the present schedules.

I wish to inform you that this organization is ready to assist you in the gathering of any factual data which might be of assistance to your Commission in reaching this determination—the need of increased protection or a raise in the present tariff schedules.

Thanking you for your courtesy in this matter, and again asking for your immediate attention, I am,

Yours very truly,

RAYMOND V. MCNAMARA,
President.

THE BROCKTON SHOE MANUFACTURERS ASSOCIATION, INC.,
Brockton, Mass., June 9, 1937.

Hon. DAVID I. WALSH,
United States Senate, Washington, D. C.

DEAR SIR: Your letter received relative to the reciprocal trade agreement with Czechoslovakia and hope that your efforts and continuance of same will result in the proper safeguarding of our shoe industry which represents employment and business for so many of our citizens.

We certainly appreciate your help in our behalf and would be glad to secure for you any useful information that you desire.

For your information the Brockton Shoe Manufacturers Association are cooperating with the National Boot and Shoe Manufacturers Associatton, 2812 Chrysler Building, New York City, Mr. Jay O. Ball, executive vice president.

We again thank you, and know you must appreciate that we will be heartily interested in the results obtained.

Very truly yours,

BROCKTON SHOE MANUFACTURERS ASSOCIATION, INC.,
CHARLES E. MOORE, *President.*
E. A. GRAY, *Secretary.*

Re: Reciprocity treaty with Czechoslovakia.

HARTMAN SHOE MANUFACTURING CO.,
Haverhill, Mass., June 10, 1937.

The Honorable DAVID I. WALSH,
Washington, D. C.

DEAR SIR: It is our understanding that the Committee for Reciprocity Information dealing with the above subject is to report an agreement to Congress which no doubt will come before your honorable body for consideration.

Representing the State in which shoe manufacture is of great importance, we feel sure it is hardly necessary to call to your attention the fact that the shoe industry of Massachusetts would suffer a great deal if shoes made in Czechoslovakia could be sold in the United States in competition with our own, as the labor cost in the above country is only a fraction of ours, and every pair of shoes imported aggravates the unemployment situation. No other State in the Union would suffer more than Massachusetts from this competition, and we hope, therefore, that instead of lowering the tariff on shoes from the above country steps will be taken to equalize the difference in labor costs between Czechoslovakia and America.

You can be sure your cooperation in the matter will be appreciated not only by us but by the entire shoe industry.

Respectfully yours,

HARTMAN SHOE MANUFACTURING CO.,
S. H. AXMAN.

HEADWAY SHOE CORPORATION,
Webster, Mass., June 10, 1937.

Hon. DAVID I. WALSH,
United States Senate, Washington, D. C.

DEAR SIR: We understand that Czechoslovakia is negotiating for a reciprocity tariff agreement on merchandise purchased from and sold to this country.

We wish you would do everything in your power to exclude shoes from this agreement.

The aforementioned country, with the tariff they now pay for bringing shoes into this country, can undersell manufacturers in this State approximately 50 cents a pair on an item selling for $1.65.

You can plainly see that if they can do that at the present time, with the present tariff rate, what they would do to our local industry if these rates were lowered in any way or discontinued entirely. Any reduction whatsoever on their present import duties on shoes would really cripple the entire industry in this State. This would no doubt include most other shoe centers of the country and throw thousands of people out of work.

We ourselves and the entire shoe industry are looking to you for assistance on this very serious matter.

With kindest regards to yourself, we remain,

Yours sincerely,

HEADWAY SHOE CORPORATION,
JOSEPH G. BACKMAN, *Treasurer.*

UNITED SHOE WORKERS OF AMERICA OF THE C. I. O.,
Newburyport, Mass., June 12, 1937.

Hon. DAVID I. WALSH,
United States Senator, Washington, D. C.

DEAR SIR: Local 39, U. S. W. of A. of the C. I. O., at its meeting held June 10, 1937, took action on the matter of a reduced tariff on shoes imported from Czechoslovakia. Past experience has taught us that any reduction of tariff would be ruinous to both the manufacturer and the laborer. The mere mention of such a reduction sends a shudder of apprehension through the shoe workers, who are struggling to keep off the public relief rolls; and, of course, with a true American spirit, the shoe workers arise to the occasion to protest vigorously against any and all matters that would interfere with their liberty and the American standard of living.

In the vicinity of Newburyport there are about 2,000 shoe workers and their dependents.

Therefore Local 39 of the U. S. W. of A. of the C. I. O. requests you to do everything in your power to prevent any reduction in the tariff on shoes.

Sincerely,

ERNEST CARROLL, *Secretary-Treasurer.*

LABOR DISPUTES AND LABOR LEGISLATION—ADDRESS BY SENATOR WALSH

[Mr LONERGAN asked and obtained leave to have printed in the RECORD an address entitled Public's Concern in Labor Disputes and Labor Legislation, delivered by Senator WALSH before the Boston Chamber of Commerce, June 7, 1937, which appears in the Appendix.]

AMERICA, THE ALIEN'S HEAVEN—ADDRESS BY SENATOR REYNOLDS

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD a radio address on the subject of America, the Alien's Heaven, delivered by him at Washington, D. C., June 9, 1937, which appears in the Appendix.]

AGRICULTURAL MARKETING—ADDRESS BY SENATOR GILLETTE

[Mr. HERRING asked and obtained leave to have printed in the RECORD a radio address on the subject of Agricultural Marketing, delivered by Senator GILLETTE on June 10, 1937, which appears in the Appendix.]

NATIONAL UNIVERSITY COMMENCEMENT ADDRESS BY SENATOR THOMAS OF UTAH

[Mr. MINTON asked and obtained leave to have printed in the RECORD the address delivered by Senator THOMAS of Utah on the occasion of the commencement exercises of National University at Convention Hall, Washington, D. C., on June 11, 1937, which appears in the Appendix.]

ADDRESS TO NAVAL ACADEMY GRADUATES BY ADMIRAL ANDREWS

[Mr. WALSH asked and obtained leave to have printed in the RECORD the address delivered by Rear Admiral Adolphus Andrews to the graduating class of the United States Naval Academy on June 3, 1937, which appears in the Appendix.]

THE WORKS PROGRAM—COMMENCEMENT ADDRESS BY HARRY L. HOPKINS

[Mr. SCHWELLENBACH asked and obtained leave to have printed in the RECORD the address delivered by Hon. Harry L. Hopkins, Works Progress Administrator, at the commencement exercises of Babson Institute, Babson Park, Mass., on June 12, 1937, which appears in the Appendix.]

AIR TRANSPORT ACT OF 1937—ARTICLE FROM NATIONAL AERONAUTICS MAGAZINE

[Mr. MCCARRAN asked and obtained leave to have printed in the RECORD an article from the National Aeronautics Magazine for June 1937 with reference to the Air Transport Act of 1937, which appears in the Appendix.]

AIR TRANSPORT ACT OF 1937—ARTICLE FROM AMERICAN AVIATION MAGAZINE

[Mr. MCCARRAN asked and obtained leave to have printed in the RECORD an article published in the American Aviation Magazine for June 1937 relative to the Air Transport Act of 1937, which appears in the Appendix.]

STATUS OF PROVISIONAL OFFICERS OF WORLD WAR

The PRESIDENT pro tempore. The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (S. 1040) placing provisional officers of the World War on the same status with emergency officers of the World War and extending to them the same benefits and/or privileges as are now or may hereafter be provided by law, orders, and/or regulations for said emergency officers, and for other purposes.

The PRESIDENT pro tempore. The amendment offered by the Senator from Maine [Mr. WHITE], which is the pending amendment, will be stated.

The CHIEF CLERK. On page 1, line 5, after the word "War", it is proposed to insert: "or who were appointed to commissioned or warrant grades or ranks in the Navy from civil life subsequent to April 6, 1917."

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Maine.

Mr. ROBINSON. Mr. President, I should like to have the Senator from Texas state what will be the approximate cost of the enactment of this bill.

Mr. SHEPPARD. The principal item of cost will be the adjusted compensation which this bill grants the former provisional officers coming within its terms. This cost will be approximately $3,302,046.

Mr. ROBINSON. How many officers are involved?

Mr. SHEPPARD. About 2,200.

Mr. ROBINSON. The total expense would be about $3,300,000?

Mr. SHEPPARD. Yes; with about $10,000 additional for disability retirement benefits for those qualifying on application. This latter figure may be exceeded somewhat.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Maine [Mr. WHITE].

The amendment was agreed to.

Mr. SHEPPARD. Mr. President, I have an amendment, which I send to the desk.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. On page 2, line 4, after the word "act", it is proposed to insert a colon and the following:

And provided further, That the provisions of this act shall not be extended to those provisional officers retired under Regular Army retirement law and those honorably discharged under section 24b of the act of June 4, 1920, with 1 year's pay.

The amendment was agreed to.

Mr. NORRIS. Mr. President, I hesitate to make the inquiry I am about to submit because I realize that my early and subsequent education was somewhat neglected. However, I notice a tendency, which seems to make itself apparent in this bill today, toward what seems to me is unwarranted, although, so far as I can see, perhaps, very unimportant. I would not call attention to it if it were not that this is a very short bill and is going to be disposed of very soon and we shall not consume much time on it.

In line 10, on page 1; in line 1, on page 2; and in line 3, on page 2, appear the words "and/or." Beginning in line 10 of page 1, the language is as follows:

* * * extended the same benefits and/or privileges as are now or may hereafter be provided by law, orders, and/or regulations for said emergency officers: *Provided*, That application under this act for benefits and/or privileges must be made within 1 year after the passage of this act.

Mr. SHEPPARD. Mr. President, the object of the bill is to place provisional officers on the same basis as emergency officers, with reference to compensation and disability retirement privileges, provided they apply within 1 year from the passage of the act for such benefits.

Mr. NORRIS. I think I understand the object of the bill; but why use "and/or" in each case when one word, as I understand the English language, would be much more expressive than this language, which is becoming more or less common in legislation?

Mr. SHEPPARD. I think the Senator from Nebraska is correct. I think it would be very wise to strike out the expression, "and/or", wherever it occurs in the bill and substitute therefor the word "and." It would be plainer and would not change the meaning.

Mr. NORRIS. This is a new phraseology which has been gradually brought into use. It has been adopted, as I understand, from the advertisements in the newspapers of Wall Street bankers of the bonds and stocks which they desire to sell. They always use the expression "and/or."

Mr. SHEPPARD. I think the Senator has made a good suggestion, and I thank him for it.

Mr. ASHURST. Mr. President, and/or is a Janus-faced verbal monstrosity, neither word nor phrase. So says the Supreme Court of Wisconsin. It has no place in legislation and I am glad the able Senator from Nebraska [Mr. NORRIS], supplemented by the suggestion of the able Senator from Texas [Mr. SHEPPARD], has agreed to strike "and/or" from this bill.

May I have read at the desk at this time a newspaper clipping containing an extract from a decision of the Supreme Court of Wisconsin against the use of the expression "and/or."

The PRESIDENT pro tempore. Without objection, the clerk will read as requested.

The Chief Clerk read as follows:

"AND/OR" BLASTED BY WISCONSIN JUDGE OF SUPREME COURT

MADISON, WIS.—Anyone who has been perplexed on reading "and/or" in insurance policies or legal papers should be heartened. The Wisconsin Supreme Court cannot figure it out either.

In one of the most biting decisions the tribunal has ever handed down, Justice Chester A. Fowler took lawyers to task for the use of the puzzling word combination. The case involved an insurance policy invoked to recover costs of compensation awarded to an employee of the Sturgeon Bay Co. who was injured by a truck. The court had to decide whether C. D. Brower "and/or" the Sturgeon Bay Co. was indemnified under the policy.

"It is manifest", Justice Fowler wrote, "that we are confronted with the task of first construing 'and/or', that befuddling, nameless thing, that Janus-faced verbal monstrosity, neither word nor phrase, the child of a brain of someone too lazy or too dull to know

what he did mean, now commonly used by lawyers in drafting legal documents, through carelessness or ignorance or as a cunning device to conceal rather than express a meaning with a view to furthering the interest of their clients. We have observed the thing in statutes, in the opinions of the courts, and in briefs of counsel, some learned and some not."

Mr. SHEPPARD. Mr. President, I move that the bill be amended in line 10, page 1, by striking out "and/or"; on page 2, line 1, by striking out "and/or"; and on page 2, line 3, by striking out "and/or", and subsisting the word "and" in each case.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. It is proposed, on page 1, line 10, to strike out the words "and/or" and insert "and"; on page 2, line 1, to strike out "and/or" and insert "and"; and in line 3, to strike out "and/or" and insert the word "and."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill placing provisional officers of the World War in the same status with emergency officers of the World War and extending to them the same benefits and privileges as are now or may hereafter be provided by law, orders, and regulations for said emergency officers, and for other purposes."

CONSIDERATION OF UNOBJECTED BILLS ON CALENDAR

Mr. ROBINSON. I ask unanimous consent that the Senate proceed to the consideration of unobjected bills on the calendar.

The PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will state the first business on the calendar.

The first business on the calendar was the resolution (S. Res. 8) limiting debate on general appropriation bills.

Mr. VANDENBERG. Let the resolution go over.

The PRESIDENT pro tempore. The resolution will be passed over.

The bill (S. 1435) to create a board of shorthand reporting, and for other purposes, was announced as next in order.

Mr. VANDENBERG. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1436) providing for the employment of skilled shorthand reporting in the executive branch of the Government, was announced as next in order.

Mr. VANDENBERG. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 419) to promote the general welfare through the appropriation of funds to assist the States and Territories in providing more effective programs of public education was announced as next in order.

Mr. VANDENBERG (and other Senators). Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

SAFETY OF EMPLOYEES AND TRAVELERS ON RAILROADS

The bill (S. 532) to promote the safety of employees and travelers on railroads by providing for the inspection and investigation of conditions prevailing in train-dispatching offices and train-dispatching service and for the promulgation of necessary rules and regulations governing the working conditions of train dispatchers, was announced as next in order.

Mr. ROBINSON. Mr. President, this bill has been on the calendar for a considerable length of time. Objections have been made heretofore to its consideration. It occurs to me that there should be an explanation of the purposes and provisions of the bill. I do not object to its consideration.

The PRESIDENT pro tempore. An explanation of the pending bill is requested.

Mr. ROBINSON. Let the bill be read.

The PRESIDENT pro tempore. The bill will be read.

The bill was read, and the Senate proceeded to its consideration, as follows:

Be it enacted, etc., That when used in this act and for the purposes of this act—

(a) The term "Commission" means the Interstate Commerce Commission;

(b) The term "carrier" means any carrier by railroad subject to the Interstate Commerce Act (including any terminal or station company) and any receiver or any other individual or body, judicial or otherwise, when in the possession of the business of a carrier subject to said act: *Provided*, That the term carrier shall not include any street, interurban, or suburban electric railroad unless such railroad is operated as a part of a general railroad system of transportation;

(c) The term "train dispatcher" means any subordinate official, employee, or person who is primarily responsible for directing the movement of trains, on an assigned section of track, by train orders or otherwise, and who transmits such train orders or directions verbally or by means of the telegraph or telephone, or any other device, and/or keeps necessary records incident thereto or performs related work;

(d) The term "train-dispatching office" means any office, tower, place, or station at which a train dispatcher, as defined in this act, is employed, or in which he performs his duties; and

(e) The term "train-dispatching service" includes the work of controlling the movement of trains or motive power, of any character, on an assigned section of track, by train orders or otherwise, which movement is made under the direction of a train dispatcher or is directed from a train-dispatching office, or for which a train dispatcher is customarily responsible; and also includes the work of keeping the records necessary and incident to such control of such movements.

SEC. 2. That upon complaint or upon its own motion the Commission or any investigator thereunto authorized by said Commission is hereby empowered to inspect and investigate any train-dispatching office or train-dispatching service of any carrier subject to this act with respect to all conditions under which train dispatchers work which in any way involve or affect the safety of the operation of trains.

SEC. 3. The Commission may, after investigation, upon finding in the train-dispatching office or train-dispatching service of any carrier any unsafe condition, method, rule, regulation, or practice, order such carrier to remove, discontinue, or modify such condition, method, rule, regulation, or practice within a time specified in the order.

SEC. 4. The Commission is authorized after hearing to prescribe and enforce by appropriate order such conditions, methods, rules, and regulations as it deems necessary in the interest of safe operation under which any train dispatcher works and/or under which any train-dispatching office or train-dispatching service of any carrier subject to this act shall be conducted, and the Commission is further authorized to amend, modify, or change by order such conditions, methods, rules, and regulations as said Commission may from time to time find necessary more fully to carry out the purpose of this act.

SEC. 5. Any carrier or any officer or agent thereof violating any of the provisions of this act or failing, refusing, or neglecting to comply with any order, rule, or regulation made under the provisions hereof shall be liable to a penalty of $100 for each such violation and each and every day such violation, failure, refusal, or neglect continues shall be considered a separate violation and subject to a like penalty, to be recovered in a suit or suits to be brought by the United States attorney in the district court of the United States having jurisdiction in the locality where such violation shall have been committed. It shall be the duty of such United States attorney to bring such suit or suits upon satisfactory information being lodged with him of such violations having occurred; and it shall be the duty of the Interstate Commerce Commission to lodge with the proper United States attorneys information of any violations of this act coming to its knowledge.

SEC. 6. It shall be the duty of the Commission to see that the requirements of this act and the orders, rules, regulations, and instructions promulgated hereunder are observed by carriers subject hereto, and all powers heretofore granted to the Commission are hereby extended to it in the execution and enforcement of this act.

SEC. 7. This act shall take effect and be in force 60 days after its approval.

Mr. WHEELER obtained the floor.

Mr. ROBINSON. Mr. President, before the Senator proceeds, let me suggest to him that the words "and/or" appear twice in the bill.

Mr. WHEELER. Yes.

Mr. ROBINSON. The use of those words has been discussed this morning; and the general opinion here is that the expression is bad English, and that the Senator should elect which word he will use, striking out either "and" or "or", according to his preference in the matter.

I merely desire to add that, while the bill has been repeatedly objected to on the Unanimous Consent Calendar,

it seems to me to be in the interest of the safety of employees and to propose a reasonable and wholesome provision of law.

Mr. WHEELER. I thank the Senator very much.

Let me say that a similar bill came before the Committee on Interstate Commerce at the last session of Congress, and a subcommittee was appointed which held quite extended hearings upon the measure. Again this year a subcommittee of the Committee on Interstate Commerce, of which I think the Senator from Connecticut [Mr. LONERGAN] was chairman, held hearings on the bill. The Interstate Commerce Commission has recommended its passage.

The bill merely adds to the force of the Interstate Commerce Commission some inspectors to check up on the various train-dispatching offices. It will involve comparatively little expense to the railroads themselves, and I am sure they have no serious objection to the passage of the bill, notwithstanding the fact that representatives of some of them did testify in opposition to it. There is no serious objection to it, however; and I hope the bill will pass.

Mr. BORAH. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Montana yield to the Senator from Idaho?

Mr. WHEELER. I do.

Mr. BORAH. I observe that in section 5 a penalty is provided in case of neglect or failure to comply with the orders and rules of the Commission. That is simply a penalty?

Mr. WHEELER. Yes.

Mr. BORAH. It does not constitute a criminal offense?

Mr. WHEELER. It does not constitute a criminal offense. It simply provides that when the Interstate Commerce Commission makes a rule and says that a certain train-dispatching office shall do certain things, a penalty of $100 is provided for failure to comply with the rule the Commission lays down in compliance with what it believes to be for the best interests of the traveling public.

I move to strike out the word "or" wherever it appears in the expression "and/or", and leave the word "and."

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. On page 2, line 12, and on page 3, line 21, it is proposed to strike out the word "or."

The amendment was agreed to.

Mr. HUGHES. Mr. President, I object to the consideration of the bill.

Mr. WHEELER. I hope the Senator from Delaware will not do that.

Mr. HUGHES. I have not had an opportunity to examine the bill.

Mr. WHEELER. The bill has been on the calendar for a long time. If I am not mistaken, a similar bill passed the Senate at the last session of Congress, and the pending measure was reported at this session. The Interstate Commerce Committee has held two different and distinct hearings on the bill, and both times has recommended its passage. The Interstate Commerce Commission has passed upon the bill. Representatives of the Commission have testified on it, and have said there could be no objection to it, and that they could carry it out with their present force of inspectors.

Mr. HUGHES. That is contrary to the information I have, and I wish to examine the bill more carefully.

The PRESIDENT pro tempore. Objection being made, the bill will be passed over.

Mr. WHEELER subsequently said: Mr. President, with reference to Calendar No. 225, being Senate bill 532, which was called earlier this morning and objected to, I have just been informed within the last few minutes that the Railroad Brotherhoods who have been interested in this bill and the railroads themselves have agreed on a compromise satisfactory to both sides. In view of that fact, I ask unanimous consent that the bill be recommitted to the Committee on Interstate Commerce.

Mr. ROBINSON. The Senator, I understand, refers to Order of Business 225.

Mr. WHEELER. Yes; Order of Business 225, being Senate bill 532. The parties interested have just signed a contract within the last 10 or 15 minutes.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Montana? The Chair hears none, and the bill is recommitted to the Committee on Interstate Commerce.

BILLS PASSED OVER

The bill (S. 847) to prevent the use of Federal official patronage in elections and to prohibit Federal officeholders from misuse of positions of public trust for private and partisan ends was announced as next in order.

Mr. ROBINSON. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 100) to amend the act entitled "An act to protect trade and commerce against unlawful restraints and monopolies" approved July 2, 1890, was announced as next in order.

Mr. ROBINSON. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 47) to authorize an appropriation for the construction of small reservoirs under the Federal reclamation laws was announced as next in order.

Mr. ROBINSON. Mr. President, that is rather an important bill. I should like to have a discussion of it.

Let the bill be passed over for the present.

The PRESIDENT pro tempore. The bill will be passed over.

ROUTING OF FREIGHT SHIPMENTS

The bill (S. 1261) to amend the Interstate Commerce Act as amended, and for other purposes, was announced as next in order.

Mr. DIETERICH. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

Mr. WHEELER subsequently said: Mr. President, I wonder if we cannot return to Calendar No. 421, Senate bill 1261. It should be Calendar No. 241. The figures on the calendar have been transposed.

This is a bill in regard to which testimony was heard before the Interstate Commerce Committee at the last session of Congress and again at this session of Congress. The bill merely seeks to correct a condition brought about by a decision of the Supreme Court of the United States wherein they gave the shipper the right to ask that his freight be shipped over the shortest route. As a matter of fact, there was practically no opposition to the bill on the part of the class A railroads, and the short-line railroads of the country are all interested in it. In substance the bill merely provides that when the class I railroads issue their publications they shall set forth in them the shortest route by which freight may be shipped. This will give notice to the shipper and give him the right to have his freight shipped over the shortest route by which it is possible to ship it. The shippers have had that privilege heretofore and the Interstate Commerce Commission so held, as I recall, up to the time the Supreme Court interpreted one of their rules.

The short-line railroads are anxious to have the Interstate Commerce Commission and the class I railroads given power to publish these statements showing the shortest routes, so that a shipper himself may decide as to which way he desires to have the freight go. I hope the Senator who objected will withdraw his objection.

Mr. BONE. Mr. President, will the Senator permit a question?

Mr. WHEELER. Certainly.

Mr. BONE. Would the selection of the routing of freight result perhaps in a reduction of rates or of mileage?

Mr. WHEELER. It would not reduce the rates, but it would reduce the mileage. Let me give an illustration. If freight is being shipped from Seattle to some point in Canada, instead of making it necessary to ship the freight to

St. Paul the shippers would send it to a point in North Dakota and then it would go north from there, rather than having to go to St. Paul and back to North Dakota and then north.

Mr. BONE. I was wondering whether the reduction in mileage would of necessity, under a regulation, result in a reduction of the total rate.

Mr. WHEELER. My understanding is that it would not reduce the rate.

Mr. BONE. It would merely result in a saving of time?

Mr. WHEELER. It would result only in a saving of time in the shipment of freight and a cutting off of unnecessarily long transportation hauls. It is in the interest of efficiency, it is in the interest of the shipper, and as a matter of fact I think it is in the interest of class I railroads as much as it is in the interest of the short-line railroads themselves.

Mr. BONE. A great many shippers complain bitterly at the length of time consumed in freight shipments.

Mr. WHEELER. Exactly; the shippers' organizations are in favor of the bill, and the short-line railroads are in favor of it.

Mr. DIETERICH. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. DIETERICH. I do not care to discuss the merits of the bill. It is a bill of sufficient importance to have justified hearings before the Committee on Interstate Commerce. It is a bill which seriously affects the railroads of this country, and no hearings were had at this session. Hearings are desired. If the chairman of the committee will agree to have the bill recommitted to the committee and have hearings, that will meet the desires of those who oppose the bill in its present form.

Mr. WHEELER. We held very complete hearings upon the bill, I think before the full committee, at the last session of the Congress. Representatives of the class I railroads appeared before the committee, representatives of the short-line railroads appeared before the committee, and representatives of the Interstate Commerce Commission and of the shippers appeared before the committee. I think the bill was passed by the Senate during the last session of the Congress.

Mr. DIETERICH. I am not advised as to that. Unless it is recommitted to the committee, I am going to object.

Mr. WHEELER. At some future time I shall seek an opportunity to move to take the bill up for consideration and have it set down for a vote in the Senate.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. DIETERICH. I object.

The PRESIDENT pro tempore. Objection is made, and the bill will go over.

Mr. WHEELER. I give notice now that I shall move at the first opportunity to take the bill up for consideration.

Mr. LOGAN subsequently said: Mr. President, referring again to the long-and-short-haul bill, I should like to make a parliamentary inquiry. Would it be in order to move to take up the bill notwithstanding the objection? I do not know what the unanimous-consent agreement is under which we are proceeding.

The PRESIDENT pro tempore. A motion could not be made, under the unanimous-consent agreement.

Mr. LOGAN. Very well.

The PRESIDENT pro tempore. The clerk will state the next bill on the calendar.

BILLS PASSED OVER

The bill (S. 69) to amend an act entitled "An act to regulate commerce", approved February 4, 1887, as amended and supplemented, by limiting freight or other trains to 70 cars was announced as next in order.

Mr. SMATHERS. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 4276) to amend an act entitled "An act to create a juvenile court in and for the District of Columbia, and for other purposes" was announced as next in order.

Mr. COPELAND. Let the bill go over.

Mr. ROBINSON. Mr. President, I wonder if the Senate is not ready to take up that bill. I did not hear who objected to it.

Mr. COPELAND. Mr. President, we have been trying and are now trying to compose some minor differences with reference to this bill; and it is my suggestion that it go over without prejudice.

Mr. ROBINSON. Very well.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2106) for the allowance of certain claims not heretofore paid, for indemnity for spoliations by the French, prior to July 31, 1801, was announced as next in order.

Mr. BURKE. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

NATIONAL UNEMPLOYMENT AND RELIEF COMMISSION

The joint resolution (S. J. Res. 68) providing for the appointment of a National Unemployment and Relief Commission was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Whereas it is evident that the problems of unemployment and relief have passed the emergency phase and these burdens now appear to be long-term charges against the National Government; and

Whereas there is need of a thoroughgoing study of all their phases, including (1) the extent and nature of unemployment and relief needs, (2) the problem of work as against direct relief, (3) the question of assessing the financial burden and administrative responsibilities as between private charitable organizations and local, State, and Federal Governments, (4) some plan for coordinating the long-term relief program with existing governmental agencies, such as the United States Employment Service, the Social Security Board, the Public Works Administration, and other Federal agencies, and (5) the probable avenues of greater private reemployment and a general program looking to the liquidation of the entire relief problem: Therefore be it

Resolved, etc., That the President is hereby authorized to appoint immediately a nonpartisan Commission to conduct a national study of the whole problem of unemployment and relief and make recommendations looking to a comprehensive, intelligent, and just policy for the future. The Commission shall be known as the Federal Unemployment and Relief Commission and shall be composed of not more than 15 and not less than 5 well-qualified and distinguished citizens of the United States, who shall serve without compensation. The Commission is authorized to employ, without regard to the civil-service laws, an executive secretary and such experts and other employees as the Commission may deem necessary, and to fix their compensation without regard to the Classification Act of 1923, as amended. The Commission shall present its findings and recommendations relating to the aforementioned subjects to the Congress at the beginning of the second session of the Seventy-fifth Congress.

SEC. 2. (a) For the purposes of this resolution the Commission or any person designated by it is empowered to hold hearings at any place within the United States, to administer oaths and affirmations, subpena witnesses, compel their attendance, take evidence, and require the production of any books, papers, correspondence, memoranda, or other records which the Commission deems relevant or material to the inquiry. Such attendance of witnesses and the production of any such records may be required from any place in the United States or any State at any designated place of hearing.

(b) In case of contumacy by or refusal to obey a subpena issued to any person, the Commission may invoke the aid of any court of the United States within the jurisdiction of which such investigation or hearing is carried on, or where such person resides or carries on business, in requiring the attendance and testimony of witnesses and the production of books, papers, correspondence, memoranda, and other records. And such court may issue an order requiring such person to appear before the Commission or member or officer designated by the Commission, there to produce records, if so ordered, or to give testimony touching the matter under investigation or in question; and any failure to obey such order of the court may be punished by such court as a contempt thereof. All process in any such case may be served in the judicial district whereof such person is an inhabitant or wherever he may be found.

SEC. 3. The President is hereby authorized to allot such sums as may be necessary for carrying out the purposes of this resolution, not exceeding the sum of $50,000, from any money appropriated for relief purposes.

The preamble was agreed to.

HOMESTEAD CREDIT FOR CERTAIN MILITARY SERVICE

The bill (S. 369) to allow credit to homestead settlers and entrymen for certain military service was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in every case in which an entryman or settler upon the public lands of the United States under the homestead laws has been or shall hereafter be discharged from the military service on account of wounds received or disability incurred in line of duty in time of peace, the term of his enlistment shall, in the administration of the homestead laws, be deducted from the required length of residence upon the tract entered or settled upon without reference to the time of his actual military service; except that no patent shall issue to any such entryman or settler who has not resided upon, improved, and cultivated his homestead for a period of at least 1 year.

JOHN E. KETCHUM

The Senate proceeded to consider the bill (S. 2097) providing for the advancement on the retired list of the Army of John E. Ketchum, which was reported from the Committee on Military Affairs with an amendment to add a proviso at the end of the bill, so as to make the bill read:

Be it enacted, etc., That from and after the date of the enactment of this act John E. Ketchum, first lieutenant, United States Army, retired, shall have the rank and receive the pay and allowances of a captain on the retired list of the United States Army: *Provided*, That the said John E. Ketchum shall not be entitled to any back pay, compensation, or benefits by virtue of the passage of this act.

The amendment was agreed to.

Mr. McKELLAR. Mr. President, will not the Senator from Indiana explain the bill? My only reason for asking about it is that the Department seems to have reported against it.

Mr. MINTON. Mr. President, this bill is for the relief of John E. Ketchum, who was retired from the Regular Army as a first lieutenant on February 16, 1920, on account of disabilities which he suffered in line of duty. During the time he was in the service, while playing in a polo game at Honolulu, he was hit on the head with a mallet and so seriously injured that from the effects of the injury he was paralyzed on one side. He fell away in weight to a mere shadow, and his brain started deteriorating and his mind was affected.

Mr. McKELLAR. I have no objection to the bill.

The PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

COAST FIR & CEDAR PRODUCTS CO., INC.

The bill (H. R. 3557) for the relief of the Coast Fir & Cedar Products Co., Inc., was considered, ordered to a third reading, read the third time, and passed.

BILL AND JOINT RESOLUTION PASSED OVER

The bill (H. R. 4679) for the relief of John L. Summers and others was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The joint resolution (H. J. Res. 41) authorizing the disposal of certain lands held by the Panama Railroad Co. on Manzanillo Island, Republic of Panama, was announced as next in order.

Mr. McKELLAR. Mr. President, may we have an explanation of this measure? If there is no one present to explain it, let it go over.

The PRESIDENT pro tempore. The joint resolution will be passed over.

CANAL ZONE CODE, ETC.

The bill (H. R. 4597) to amend the Canal Zone Code was announced as next in order.

Mr. ROBINSON. Mr. President, may I ask what changes this bill makes in the Code of the Canal Zone?

Mr. McKELLAR. Mr. President, this bill and the three bills which follow on the calendar seem to have some connection, and I ask that they go over until the Senator from Missouri [Mr. CLARK] shall return and explain them.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 6144) to amend the Canal Zone Code was announced as next in order.

Mr. McKELLAR. This bill should go over, also.

The PRESIDENT pro tempore. Under objection, the bill will be passed over.

The bill (H. R. 6436) authorizing cash relief for certain employees of the Panama Canal, not coming within the provisions of the Canal Zone Retirement Act, was announced as next in order.

The PRESIDENT pro tempore. Under objection, the bill will be passed over.

The bill (S. 2416) relative to the citizenship of certain classes of persons born in the Canal Zone or the Republic of Panama was announced as next in order.

The PRESIDENT pro tempore. Under objection, the bill will be passed over.

NATIONAL FLAGS AT FUNERALS OF SERVICE MEN AND WOMEN

The Senate proceeded to consider the bill (S. 947) to provide national flags for the burials of honorably discharged former service men and women, which had been reported from the Committee on Military Affairs with an amendment to strike out all after the enacting clause and to insert the following:

That paragraph I, Veterans' Regulation No. 9 (a), as amended (U. S. C., 1934 ed., title 38, ch. 12, appendix), be amended to read as follows:

"I. Where an honorably discharged veteran of any war or a person honorably discharged from the United States Army, Navy, Marine Corps, or Coast Guard, after serving at least one enlistment or for disability incurred in line of duty, dies after discharge a flag to drape the casket shall be furnished in all cases; such flag to be given to the next of kin after burial of the veteran."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ELEANORA S. RICHARDSON

The bill (H. R. 2080) for the relief of Eleanora S. Richardson was considered, ordered to a third reading, read the third time, and passed.

ESTATE OF J. D. WARLICK

The Senate proceeded to consider the bill (S. 178) for the relief of the estate of J. D. Warlick, which had been reported from the Committee on Claims with amendments, on page 1, line 4, after the word "Treasury", to strike out the words "not otherwise appropriated" and to insert "allocated by the President for the maintenance and operation of the Civilian Conservation Corps"; on line 9, to strike out "$15,000" and to insert "$5,000"; and at the end of the bill to insert a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury allocated by the President for the maintenance and operation of the Civilian Conservation Corps, to J. H. Warlick, of Birmingham, Ala., as administrator of the estate of J. D. Warlick, late of Ocala, Fla., the sum of $5,000, in full satisfaction of all claims of such estate against the United States for the death of said J. D. Warlick, who was struck and killed by a Civilian Conservation Corps ambulance, about 6 miles from Ocala, Fla., on June 11, 1934: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

THOMAS W. SEAY

The Senate proceeded to consider the bill (S. 1044) for the relief of Thomas W. Seay, which had been reported from the Committee on Claims with an amendment, on page

1, line 9, after the word "wounds", to strike out the comma and the words, "which have resulted in his permanent total disability received during the course of his employment as deputy sheriff of Lea County, N. Mex., and while assisting officers of the United States Government in the apprehension of a ring of counterfeiters" and to insert "received while in the performance of his duty as a deputy sheriff attempting to arrest a counterfeiter, said injuries having resulted in his permanent total disability: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Thomas W. Seay, of Albuquerque, N. Mex., the sum of $10,000 in full settlement of any and all claims against the Government on account of personal injuries sustained by him as a result of gunshot wounds received while in the performance of his duty as a deputy sheriff attempting to arrest a counterfeiter, said injuries having resulted in his permanent total disability: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

INSTRUCTION AT WEST POINT FOR OLMEDO ALFARO

The joint resolution (H. J. Res. 335) authorizing the Secretary of War to receive for instruction at the United States Military Academy at West Point Olmedo Alfaro, a citizen of Ecuador, was considered, ordered to a third reading, read the third time, and passed.

GEORGE E. IJAMS

The joint resolution (H. J. Res. 339) granting permission to George E. Ijams, civilian employee of the Veterans' Administration, to accept and wear the decoration bestowed upon him by the Republic of France was considered, ordered to a third reading, read the third time, and passed.

TRANSFER OF MILITARY RESERVATIONS TO PUERTO RICO

The bill (S. 2531) to authorize the transfer of certain military reservations to other agencies of the Government and to the people of Puerto Rico, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized to transfer to the agencies hereinafter set forth the military reservations hereinafter named, or any portions thereof, upon determination by him that said military reservations, or portions thereof, are no longer needed for military purposes: *Provided*, That in case any of these reservations, or portions thereof, with the exception of the Escambron Tract, Puerto Rico, shall at any future time become surplus to the needs of the agency to which transferred, the head of such agency is hereby directed to transfer the same back to the Secretary of War to be sold under the provisions of the act of March 12, 1926 (44 Stat. 203): *Provided further*, That in the event the transfer of any of these reservations, or portions thereof, with the exception of the Escambron Tract, Puerto Rico, is not desired by the respective agencies hereinafter set forth, then the Secretary of War, after the expiration of 90 days following the passage of this act, shall be, and he is hereby, authorized to sell such reservations, or any portions thereof, under the provisions of the foregoing act of March 12, 1926.

The agencies to which transfers are authorized and the names of the reservations, with the approximate amount of land involved in each instance, authorized to be transferred are as follows:

To the Department of Justice: Alcatraz Island, Calif., 12 acres.

To the Department of Agriculture: Fort DeSoto, Fla., 449.26 acres; Fisherman's Island, Va., 225 acres.

To the Veterans' Administration: Fort Miley, Calif., 23 acres.

To the Department of Commerce: Fort Dade, Fla., 5.5 acres; Stewart Avenue Reservation, Atlanta, Ga., 1.25 acres; Fort Livingston, La., 126.16 acres; Fort Gorges, Maine, 1.5 acres; Fort Scammel, Maine, a tract 20 feet square, with privilege to land anywhere at any time at the shore line of the 12-acre tract comprising Fort Scammel; Fort Independence, Mass., 1 acre; Gasparilla Island, Fla., 81.5 acres; Fort Popham, Maine, 0.85 acre; Salisbury Beach, Mass., 5 acres.

To the Treasury Department: Fort Dade, Fla., 369.02 acres; Fort Caswell, N. C., 57.2 acres; St. Andrews Sound Military Reservation, Fla., 21.64 acres.

To the people of Puerto Rico: That certain tract or parcel of land within the Main Military Reservation, San Juan, P. R., containing 46.04 acres, more or less, known as the "Escambron Tract."

SEC. 2. The net proceeds from any sale of the properties named in this act shall be deposited in the Treasury to the credit of "Miscellaneous receipts."

PROMOTION OF SAFETY OF AIR TRANSPORTATION

The bill (S. 1760) to promote the safety of scheduled air transportation was announced as next in order.

Mr. McCARRAN. Let the bill go over.

Mr. COPELAND. Mr. President, I notice the Senator from Nevada asked that this bill go over. I assume he is not pressing it now.

Mr. McCARRAN. No, Mr. President; I am not pressing either this bill or the next one for the time being. I will do so at a later date.

Mr. COPELAND. I have no objection personally to the second bill, but I have rather serious objection to the first one.

Mr. McCARRAN. At a proper time in the not far distant future I shall seek to have the bills considered.

Mr. COPELAND. I hope the Senator will let me know when he seeks to have them brought up.

Mr. McCARRAN. I will do so.

The PRESIDENT pro tempore. Objection being heard, the bill will be passed over.

The bill (S. 2) to amend the Interstate Commerce Act, as amended, by providing for the regulation of the transportation of passengers and property by aircraft in interstate commerce, and for other purposes, was announced as next in order.

Mr. McCARRAN. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

PUNISHMENT FOR TRANSPORTING STOLEN ANIMALS

The Senate proceeded to consider the bill (S. 1375) to provide for the punishment of persons stealing animals moving in interstate commerce, and for other purposes, which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause and to insert the following:

That this act shall be cited as the National Animal Theft Act.

SEC. 2. When used in this act—

(a) The term "animal" shall include any cattle, hog, sheep, horse, or mule.

(b) The term "interstate or foreign commerce" shall include transportation from one State, Territory, or the District of Columbia, to another State, Territory, or the District of Columbia, or to a foreign country, or from a foreign country to any State, Territory, or the District of Columbia.

SEC. 3. Whoever shall transport or cause to be transported in interstate or foreign commerce any animal, or the carcass or hide or any part of the carcass or hide of any animal, knowing the same to have been stolen, shall be punished by a fine of not more than $5,000 or by imprisonment of not more than 5 years, or both.

SEC. 4. Whoever shall receive, conceal, store, barter, buy, sell, or dispose of any such animal, or the carcass or hide or any part of the carcass or hide thereof, moving in or constituting a part of interstate or foreign commerce, knowing the same to have been stolen, shall be punished by a fine of not more than $5,000 or by imprisonment of not more than 5 years, or both.

SEC. 5. Any person violating section 3 of this act may be prosecuted in any district from, into, or through which such animal, or the carcass or hide or any part of the carcass or hide thereof, has been transported or removed.

SEC. 6. Nothing herein shall be construed to repeal, modify, or amend any part of the National Stolen Property Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to provide for the punishment of persons transporting stolen animals in interstate commerce, and for other purposes."

CLAIM OF ESTATE OF JOHN F. HACKFELD, DECEASED

The Senate proceeded to consider the joint resolution (S. J. Res. 67) conferring jurisdiction upon the Court of Claims to hear and determine the claim of the estate of John F. Hackfeld, deceased, which had been reported from the Committee on the Judiciary with an amendment, on page 2, line 5, after the name "John F. Hackfeld", to insert "*Provided, however*, That in any proceeding in the Court of Claims, the United States shall not be deprived of any substantive defenses directed to the merits of said claim, which could be pleaded or availed of in any other forum", so as to make the joint resolution read:

Resolved, etc., That, notwithstanding lapse of time, prior alleged settlement, any statute of limitations, or other limitations upon the jurisdiction of such court, jurisdiction is hereby conferred upon the Court of Claims to hear and determine the claim of Fredrick Rodiek, ancillary executor of the will of John F. Hackfeld, deceased, against the United States for just compensation, including damages and losses sustained by the said John F. Hackfeld, directly or indirectly, through the taking and sale or other disposition by the Alien Property Custodian or his agents, at less than their then true value, of any corporate stocks or other property owned by John F. Hackfeld, J. F. Hackfeld, Ltd., or H. Hackfeld & Co., Ltd., but belonging in fact to John F. Hackfeld: *Provided, however*, That in any proceeding in the Court of Claims, the United States shall not be deprived of any substantive defenses directed to the merits of said claim, which could be pleaded or availed of in any other forum; with the same right as in other cases to either party to apply to the Supreme Court of the United States for writ of certiorari to review any judgment that may be rendered.

The amendment was agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF FEDERAL REGISTER ACT

The Senate proceeded to consider the bill (H. R. 5721) to amend the Federal Register Act, which was read, as follows:

Be it enacted, etc., That section 11 of the Federal Register Act, approved July 26, 1935 (49 Stat. 500), is hereby amended to read as follows:

"SEC. 11. (a) On July 1, 1938, and on the same date of every fifth year thereafter, each agency of the Government shall have prepared and shall file with the Administrative Committee a complete codification of all documents which, in the opinion of the agency, have general applicability and legal effect and which have been issued or promulgated by such agency and are in force and effect and relied upon by the agency as authority for, or invoked or used by it in the discharge of, any of its functions or activities on June 1, 1938. The Committee shall, within 90 days thereafter, report thereon to the President, who may authorize and direct the publication of such codification in special or supplemental editions of the Federal Register.

"(b) There is hereby established a Codification Board, which shall consist of six members: The Director of the Division of the Federal Register, chairman ex officio; three attorneys of the Department of Justice, designated by the Attorney General; and two attorneys of the Division of the Federal Register, designated by the Archivist. The Board shall supervise and coordinate the form, style, arrangement, and indexing of the codifications of the various agencies.

"(c) The codified documents of the several agencies published in the supplemental edition of the Federal Register pursuant to the provisions of subsection (a) hereof, as amended by documents subsequently filed with the Division and published in the daily issues of the Federal Register, shall be prima-facie evidence of the text of such documents and of the fact that they are in full force and effect on and after the date of publication thereof.

"(d) The Administrative Committee shall prescribe, with the approval of the President, regulations for carrying out the provisions of this section."

Mr. ROBINSON. Mr. President, I should like to have the purposes of this bill explained. The bill mentions the Federal Register Act, and apparently provides for a Codification Board. I should like an explanation from the Senator who reported the bill.

Mr. HATCH. Mr. President, the Federal Register Act was passed in 1935. It authorized a compilation of all the executive orders that had been issued and made effective through the various departments of the Government. When it was attempted to carry out the terms of the act it was found that a great many of these orders, extending over years past, were entirely obsolete so far as existing conditions are concerned. However, under the terms of the original act it was necessary to include all those old orders.

This bill permits the compilation of a code of selected orders, of those which are now in effect and are of general interest. In brief, that is the purpose of the bill. It will do away with a great deal of unnecessary work, and the result will be that the code will be up to date and include all general orders which are in effect at this time. The Department of Justice is very anxious to have the compilation made.

The PRESIDENT pro tempore. The question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

MANNER OF INFLICTING THE PUNISHMENT OF DEATH

The bill (S. 486) to provide for the manner of inflicting the punishment of death was announced as next in order.

Mr. ASHURST. Mr. President, I ask that Senate bill 486, being Calendar No. 706, be passed over for the purpose of having the Senate consider the next bill on the calendar, which is a House bill, and which is similar to the Senate bill If the House bill shall be passed, I will then ask that Senate bill 486 be indefinitely postponed.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the Senate proceeded to consider the bill (H. R. 2705) to provide for the manner of inflicting the punishment of death.

Mr. ASHURST. I ask that the bill be read.

The PRESIDENT pro tempore. The bill will be read.

The legislative clerk read the bill, as follows:

Be it enacted, etc., That section 323 of the Criminal Code of the United States (U. S. C., title 18, sec. 542) be, and the same is hereby, amended to read as follows:

"SEC. 323. The manner of inflicting the punishment of death shall be the manner prescribed by the laws of the State within which the sentence is imposed. The United States marshal charged with the execution of the sentence may use available State or local facilities and the services of an appropriate State or local official or employ some other person for such purpose, and pay the cost thereof in an amount approved by the Attorney General. If the laws of the State within which sentence is imposed make no provision for the infliction of the penalty of death, then the court shall designate some other State in which such sentence shall be executed in the manner prescribed by the laws thereof."

The PRESIDENT pro tempore. The question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

Mr. ASHURST. Mr. President, in view of the Senate having passed the House bill, I respectfully ask that Senate bill 486, being Calendar No. 706, be indefinitely postponed.

The PRESIDENT pro tempore. Without objection, it is so ordered.

PAYMENT FOR AIRPLANES OBTAINED FROM STINSON AIRCRAFT CORPORATION

The joint resolution (S. J. Res. 148) to provide for payment for nine airplanes obtained from the Stinson Aircraft Corporation by the Bureau of Air Commerce, Department of Commerce, and for other purposes, was announced as next in order.

Mr. McKELLAR. Mr. President, let that measure go over.

The PRESIDENT pro tempore. The joint resolution will be passed over.

Mr. McKELLAR subsequently said: Mr. President, a few moments ago, when Calendar No. 709 was called, I inadvertently made an objection to the joint resolution. At that time I thought I was objecting to another measure. I ask unanimous consent to return to Calendar No. 709. That is a joint resolution which ought to be passed by all means.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Tennessee?

There being no objection, the Senate proceeded to consider Senate Joint Resolution 148, which had been reported from the Committee on Appropriations with an amendment at

the end of the joint resolution to insert a new paragraph, as follows:

The Secretary of the Treasury is hereby authorized and directed, upon the request of the Secretary of Commerce, to transfer, during the fiscal year 1937, from the appropriation "Salaries and general expenses for the Bureau of Marine Inspection and Navigation, fiscal year 1937", to the appropriation "Departmental salaries, Bureau of Marine Inspection and Navigation, fiscal year 1937", not to exceed $8,000.

So as to make the joint resolution read:

Resolved, etc., That the Comptroller General of the United States is authorized and directed to approve payment for nine airplanes obtained from the Stinson Aircraft Corporation, Wayne, Mich., under contract Cc-2510, dated October 1, 1936, out of an allotment of $83,000 made by the President of the United States on March 23, 1937, for this purpose from the Emergency Relief Appropriation Act of 1935. And that there is hereby appropriated for the Department of Commerce, out of any money in the Treasury not otherwise appropriated, the sum of $8,000 for the purchase of Letters Patent No. 1531065, or licenses under said letters patent.

The Secretary of the Treasury is hereby authorized and directed, upon the request of the Secretary of Commerce, to transfer, during the fiscal year 1937, from the appropriation "Salaries and general expenses for the Bureau of Marine Inspection and Navigation, fiscal year 1937", to the appropriation "Departmental salaries, Bureau of Marine Inspection and Navigation, fiscal year 1937", not to exceed $8,000.

The amendment was agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

EXTENSION OF SERVICES OF INLAND WATERWAYS CORPORATION TO SAVANNAH RIVER

The Senate proceeded to consider the bill (H. R. 4213) to amend the Inland Waterways Corporation Act, approved June 3, 1924, as amended; authorizing the Secretary of War to extend the services and operations of the Inland Waterways Corporation to the Savannah River, which was read, as follows:

Be it enacted, etc., That the act entitled "An act to create the Inland Waterways Corporation for the purpose of carrying out the mandate and purpose of Congress as expressed in sections 201 and 500 of the Transportation Act, and for other purposes", approved June 3, 1924, as amended, be further amended by adding at the end thereof the following new section:

"SEC. 7. The Secretary of War is authorized to extend the services and operations of the Inland Waterways Corporation to the Savannah River, under the same terms and conditions as are prescribed for the extension of such services and operations to any tributary or connecting waterway of the Mississippi River in section 3 (b) of this act, as amended by section 2 of the act approved May 29, 1928 (45 Stat. 979)."

Mr. ROBINSON. Mr. President, how does this bill amend the Inland Waterways Corporation Act?

Mr. COPELAND. Mr. President, the bill permits the Inland Waterways Corporation to operate deep-water barges on the Savannah River. The Savannah River has been widened and deepened at the expense of the Government, and under the Inland Waterways Act provision was made extending the services and operations of the Corporation to other rivers than the Warrior River and the Mississippi River. It is quite probable that in the very near future the Inland Waterways Corporation will cease operations on the lower Mississippi River because private parties are operating there. The Corporation has on hand surplus barges, and in view of the fact that the Savannah River is suitable for navigation and that no private operators are using it, the Commerce Committee thought it proper to make this provision with respect to the Savannah River.

Mr. VANDENBERG. Mr. President, the statement made by the Senator from New York is correct. Nevertheless, there is rapidly arising a fundamental question regarding the operation of the Inland Waterways Corporation. I agree with the Senators from Georgia [Mr. GEORGE and Mr. RUSSELL] that, so long as the act stands as it now stands, the Savannah River is entitled to the facilities which are contemplated by this particular bill. But two things are perfectly obvious, Mr. President, and I wish to call attention to them before this bill shall be passed.

First, it is perfectly obvious that the Inland Waterways Corporation is frequently operating its facilities long after the statutory purpose of the act has been accomplished. Second, the question has arisen as to whether or not the Government owes transportation facilities to every stream which it makes navigable. There is approaching a substantial demand for the facilities of the Inland Waterways Corporation on many rivers in many other sections of the country. The net result of the whole situation, as I see it, is that the Inland Waterways Corporation Act ought to be surveyed and studied by the Senate Commerce Committee with a view to these new considerations; and as soon as the able senior Senator from Missouri [Mr. CLARK] returns, he sharing my interest in this matter, we shall undertake to bring it constructively to the attention of the Senate.

In the meantime, I have no objection to the passage of the pending bill.

The PRESIDENT pro tempore. The question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

CONTROL OF FLOODS OF MAJOR RIVERS OF THE UNITED STATES

The joint resolution (S. J. Res. 57) to authorize the submission to Congress of a comprehensive national plan for the prevention and control of floods of all the major rivers of the United States, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That the Secretary of War is authorized and directed to submit to Congress with reasonable expedition a full report or a series of reports embodying a comprehensive national program and plan for the control of floods of all the major rivers of the United States and their principal tributaries. The Chief of Army Engineers, under the direction of the Secretary of War, is authorized and directed to conduct necessary surveys, assemble information, and prepare such a comprehensive plan, which shall include provisions for the construction of levees, spillways, diversion channels, channel rectification, reservoirs, and all works necessary for an effective and adequate system of flood control for all such rivers. Such plan and the report or reports to Congress shall list specific projects and set forth estimates of cost (including the expense of acquiring land and easements and payment of property damage) of carrying out the projects. Such plan and report or reports shall take into consideration flood-control projects now under construction or heretofore authorized by acts of Congress.

SEC. 2. There is hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this resolution.

ADDITION OF LANDS TO THE CACHE NATIONAL FOREST

The Senate proceeded to consider the bill (S. 432) to add certain lands to the Cache National Forest, which had been reported from the Committee on Agriculture and Forestry with an amendment, on page 1, to strike out all after line 6 and to insert certain other matter, so as to make the bill read:

Be it enacted, etc., That, subject to existing valid claims or entries and withdrawals, the following-described lands are hereby added to the Cache National Forest, Idaho, and made subject to all laws applicable to national forests:

Township 6 south, range 34 east, sections 17 to 21, inclusive; sections 28 to 33, inclusive.

Township 7 south, range 34 east, sections 1, 2, 3, 4, 9, 10, 12, 13; south half southeast quarter section 14; west half southwest quarter section 19; northeast quarter and north half southeast quarter section 23; north half, southeast quarter, and north half southwest quarter section 24; north half northeast quarter section 25; west half northwest quarter section 30.

Township 8 south, range 34 east, sections 6, 7, 8, 16, 17, 18, 20, and 21; southwest quarter, west half southeast quarter, and southeast quarter southeast quarter section 26; sections 27 and 28; east half section 29; sections 33 to 36, inclusive.

Township 9 south, range 34 east, west half and southwest quarter southeast quarter section 1; sections 2, 11, 12, and 13.

Township 5 south, range 35 east, sections 25 to 36, inclusive.

Township 6 south, range 35 east.

Township 7 south, range 35 east.

Township 9 south, range 35 east, sections 15, 16, 17, 18, 20, 21, 22, 27, 28, 29; 32 to 36, inclusive.

Township 10 south, range 35 east, section 1.

Township 6 south, range 36 east, sections 14 to 23, inclusive, and sections 25 to 36, inclusive.

Township 7 south, range 36 east.

Township 8 south, range 36 east, sections 1 to 5, inclusive; east half section 6; east half section 7; sections 8 to 17, inclusive; east half section 18; sections 20 to 29, inclusive; and sections 32 to 36, inclusive.

Township 9 south, range 36 east, sections 1 to 5, inclusive; east half section 7; sections 8 to 10, inclusive; east half section 18; east half section 19; east half section 30; section 31.

Township 10 south, range 36 east, section 6.

Township 7 south, range 37 east, sections 18, 19, 30, and 31.

Township 8 south, range 37 east, section 6; west half northeast quarter, west half, and southeast quarter section 7; sections 18 and 19; west half section 29; sections 30 and 31; west half section 32.

Township 9 south, range 37 east, sections 3, 4, 5, 6, 8, 9, 10, 13, 14, 15, and 16.

Township 6 south, range 38 east, sections 16, 21, and 28; east half section 33.

Township 7 south, range 38 east, northeast quarter and south half section 4; south half section 5; east half, east half west half, and southwest quarter southwest quarter section 6; north half northwest quarter and east half section 7; sections 8, 9, 16, and 17; east half section 18; east half and east half west half section 20; sections 21 and 28; east half section 29; north half northeast quarter, southeast quarter northeast quarter, and southeast quarter section 32; section 33; south half section 34; south half section 35; south half section 36.

Township 8 south, range 38 east, sections 1 to 4, inclusive; east half section 5; northeast quarter section 8; east half, northeast quarter northwest quarter, and west half northwest quarter section 9; sections 10 to 16, inclusive; sections 21 to 28, inclusive; southeast quarter and south half northeast quarter section 29; east half section 32; sections 33 to 36, inclusive.

Township 9 south, range 38 east, sections 1 to 4, inclusive; northeast quarter and east half southeast quarter section 5; southeast quarter, south half southwest quarter, and east half northeast quarter section 8; sections 9 to 14, inclusive; section 18; north half section 19; sections 23 and 24.

Township 8 south, range 39 east, sections 30 and 31.

Township 9 south, range 39 east, west half section 4; sections 5 to 8, inclusive; west half section 9; west half section 16; sections 17, 18, and 19; west half section 20.

Township 11 south, range 36 east, section 4; east half north half northwest quarter, southeast quarter northwest quarter, and east half southwest quarter section 5; east half and east half west half section 8; sections 9 and 16; east half and east half northwest quarter section 17; east half section 20; sections 21 and 28; east half section 29; east half section 32; section 33.

Township 12 south, range 36 east, north half north half, south half northeast quarter, and southeast quarter section 4; section 9; east half section 16; east half section 21; east half section 28; northeast quarter section 33.

Township 15 south, range 36 east, sections 24, 25, and 36.

Township 16 south, range 36 east, sections 12, 13, 24, and 25.

Township 12 south, range 37 east, east half northeast quarter section 25 and sections 32 to 34, inclusive.

Township 14 south, range 37 east, west half section 10; west half west half section 14; section 15; north half northeast quarter and northwest quarter section 22; south half and south half north half section 26; sections 34 and 35.

Township 15 south, range 37 east, sections 3, 9, 10, 14, 15, 16, 21, 22, 23, 25, 26, 27, 35, and 36.

Township 16 south, range 37 east, sections 2, 11, 14; southeast quarter, south half northeast quarter, east half southwest quarter, and southeast quarter northwest quarter section 15; east half and east half west half section 22; sections 23 and 26; east half and east half west half section 27.

Township 12 south, range 38 east, sections 30 and 31.

Township 13 south, range 38 east, sections 6, 7, 18, 19, 30, and 32.

Township 14 south, range 38 east, sections 5, 8, 17, 20, 29, and 32.

Township 15 south, range 38 east, sections 5, 8, 17; east half southeast quarter section 18; east half east half and southwest quarter southeast quarter section 19; section 20.

Township 11 south, range 41 east, section 3, 10, 15, and 22.

Township 12 south, range 41 east northeast quarter and west half section 15; section 21; north half section 28.

Township 13 south, range 41 east, west half section 34.

Township 10 south, range 42 east, sections 8, 16, 17, and 20.

Township 12 south, range 42 east, sections 13, 24, 25, and 36.

Township 13 south, range 42, east half east half section 1; east half east half section 12.

Township 14 south, range 42 east, east half section 12; east half section 1; south half section 24.

Township 11 south, range 43 east, sections 6, 7, 18, 19, 30, and 31.

Township 12 south, range 43 east, sections 6 and 7; north half section 18.

Township 14 south, range 43 east, sections 19 and 30.

Township 15 south, range 43 east, southeast quarter section 20; sections 21, 28, and 33.

Township 16 south, range 43 east, east half and east half west half section 4; east half and east half west half section 9; east half and east half west half section 16; east half and east half west half section 21; east half and east half west half section 28, Boise meridian.

The amendment was agreed to.

Mr. McKELLAR. Mr. President, this is a very important bill. Will the Senator who reported the bill please explain it?

Mr. POPE. Mr. President, I will say to the Senator from Tennessee that a similar bill was passed by the Senate last year. The bill provides for the addition of certain lands to the Cache National Forest. The conditions in the public domain adjoining the national forest with reference to soil erosion and other matters have become very objectionable to the people in that neighborhood, so that, so far as I know, all the people there, without any exception, are favorable to some sort of supervision of the lands which immediately adjoin the Cache National Forest. Under the provisions of this bill the Forestry Service will undertake to remedy the conditions which exist in the lands adjoining the forest.

So far as the people in that region are concerned, there is no objection at all to the bill. Its passage seems to be very desirable for the community, as well as for the immediate lands involved. The change in the description of the land was made merely for the purpose of correction, and was made at the suggestion of the Secretary of Agriculture.

The PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CONSTRUCTION OF SMALL RESERVOIRS UNDER RECLAMATION LAWS

The bill (H. R. 2512) to authorize an appropriation for the construction of small reservoirs under the Federal reclamation laws was announced as next in order.

Mr. ROBINSON. Mr. President, that bill apparently is identical with a Senate bill that has been on the calendar for a long period. The Senate bill is no. 47, being Order of Business No. 377, and it has been pending since April 22, 1937. It is noted that the bill appropriates out of the reclamation fund $500,000 to be expended by the Secretary of the Interior in the construction of small storage reservoirs at such locations within the States subject to the Federal reclamation laws as the Secretary may select, no reservoir to be constructed under the bill at a cost exceeding $50,000.

I think the purpose of these reservoirs should be made clear. I should like to have the bill go over until the Senator from Wyoming [Mr. O'MAHONEY] shall be present.

Mr. NORRIS. Mr. President, may I inquire whether Order of Business 377, being Senate bill 47, was not objected to when called on the calendar?

Mr. ROBINSON. Yes; the bill was then objected to.

Mr. NORRIS. I should like to make a suggestion to the Senator from Arkansas. I have not read these two bills, but if they are exactly the same, if we act on either one of them we ought to consider the House bill and not the Senate bill.

Mr. ROBINSON. The Senator from Colorado [Mr. ADAMS] informs me that the bills are not identical. I think they should go over.

Mr. O'MAHONEY entered the Chamber.

Mr. ADAMS. The Senator from Wyoming is now present.

Mr. O'MAHONEY. Mr. President, these bills, Senate bill 47, being Calendar No. 377, and House bill 2512, being Calendar No. 714, were identical when introduced, but the Committee on Irrigation and Reclamation of the Senate made a modification in the Senate bill. The House bill, therefore, differs from the Senate bill in one particular; namely, that it authorizes an appropriation of $500,000 from the reclamation fund, while the Senate bill authorizes such an appropriation out of relief funds.

Mr. NORRIS. Mr. President, may I inquire of the Senator, are both these bills reported from the same committee?

Mr. O'MAHONEY. They are not. I was going to say that both bills ought to be taken from the calendar and sent to the Committee on Irrigation and Reclamation, in order that the differences might be adjusted by the committee.

Mr. NORRIS. The RECORD does not show what committee reported Calendar No. 714, being House bill 2512.

Mr. O'MAHONEY. That bill was not reported by the committee. It just went to the calendar when it came from the other House. The Senate bill was reported by the Committee on Irrigation and Reclamation.

Mr. NORRIS. Then the House bill ought to be referred to the committee.

Mr. O'MAHONEY. That is exactly the proposal I am making.

Mr. ROBINSON. Mr. President, I think the Senator from Wyoming has made a good suggestion, that both bills go to the Committee on Irrigation and Reclamation.

Mr. O'MAHONEY. Yes; for further consideration.

Mr. ROBINSON. Will the Senator make such a motion?

Mr. O'MAHONEY. I make that motion.

Mr. ROBINSON. Mr. President, I ask unanimous consent to recur to Order of Business 377, being Senate bill 47, in order that the Senator may make the motion.

The PRESIDENT pro tempore. Is there objection? The Chair hears none.

Mr. O'MAHONEY. I now ask unanimous consent that Calendar No. 377, being Senate bill 47, and Calendar No. 714, being House bill 2512, be taken from the calendar and referred to the Committee on Irrigation and Reclamation.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

A. R. NETTERVILLE, SR.

The bill (H. R. 4575) for the relief of A. R. Netterville, Sr., was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to A. R. Netterville, Sr., of McComb, Miss., out of any money in the Treasury not otherwise appropriated, the sum of $130 in full satisfaction of his claim against the United States for work done and money paid out for labor in the part construction of a home at the McComb, Miss., homesteads project in 1934: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

CLARK DREDGING CO.

The bill (H. R. 5880) to amend Private Act No. 210, approved August 13, 1935, by substituting as payee therein the Clark Dredging Co. in lieu of the Bowers Southern Dredging Co., was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That Private Act No. 210, approved August 13, 1935, for the relief of the Bowers Southern Dredging Co., be, and the same is hereby, amended by substituting as payee therein the Clark Dredging Co. as transferee or assignee of said Bowers Southern Dredging Co.

MR. AND MRS. DAVID STOPPEL

The Senate proceeded to consider the bill (H. R. 2562) for the relief of Mr. and Mrs. David Stoppel, which had been reported from the Committee on Claims with an amendment, on page 1, line 5, after the word "Treasury", to strike out "not otherwise appropriated" and insert "allocated by the President for the maintenance and operation of the Civilian Conservation Corps", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury allocated by the President for the maintenance and operation of the Civilian Conservation Corps, to Mr. and Mrs. David Stoppel, of Butte County, S. Dak., the sum of $5,000 in full settlement of all claims against the United States for the death of their minor son, David Stoppel, Jr., who was killed on September 11, 1936, when run over and crushed by a tractor owned by the Emergency Conservation Works and assigned to the Civilian Conservation Corps camp near Fruitdale, S. Dak., which camp is operated by the Bureau of Reclamation of the Department of the Interior: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

WILLIAM HAYES

The bill (H. R. 1277) for the relief of William Hayes was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized to pay, out of any money in the Treasury not otherwise appropriated, the sum of $700 to William Hayes in full settlement of all claims against the United States for personal injuries sustained by being struck by an automobile driven by Customs Patrol Inspector Herbert R. Bowen on August 31, 1928, in the city of Niagara Falls, N. Y.: *Provided*, That the Secretary of the Treasury is hereby authorized and directed to transfer to the miscellaneous receipts fund of the Treasury the sum of $75 appropriated in the First Deficiency Act of March 26, 1930 (46 Stat. 124), for the benefit of William Hayes, as set forth in the schedule of claims contained in House Document No. 243, Seventy-first Congress: *Provided further*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

ROSALIE ROSE

The bill (H. R. 3203) for the relief of Rosalie Rose was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Rosalie Rose, of San Francisco, Calif., the sum of $1,454.50 in full settlement of her claim against the United States for damages sustained on May 29, 1931, when she was injured in a collision with United States Coast Guard truck no. 1001: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

JOHN H. BALMAT, JR.

The bill (S. 2408) for the relief of John H. Balmat, Jr., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Administrator of Veterans' Affairs be, and he is hereby, authorized and directed to consider and authorized to grant the application of John H. Balmat, Jr., former captain, One Hundred and Forty-seventh Regiment United States Field Artillery, for such of the benefits under the act entitled "An act making eligible for retirement, under certain conditions, officers and former officers of the Army, Navy, and Marine Corps of the United States, other than officers of the Regular Army, Navy, or Marine Corps, who incurred physical disability in line of duty while in the service of the United States during the World War", approved May 24, 1928, as the said John H. Balmat, Jr., may be entitled to in accordance with his disability rating: *Provided*, That the application of the said John H. Balmat, Jr., shall be filed with the Veterans' Administration within 6 months from the date of the approval of this act.

BILL PASSED OVER

The bill (S. 892) to repeal the act entitled "An act relating to Philippine currency reserves on deposit in the United States" was announced as next in order.

Mr. ROBINSON. Mr. President, in the absence of the Senator from Maryland [Mr. TYDINGS], the chairman of the Committee on Territories and Insular Affairs, I ask that the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

ANNUAL ASSESSMENT WORK ON MINING CLAIMS

The bill (S. 187) providing for the suspension of annual assessment work on mining claims held by location in the United States was announced as next in order.

Mr. McKELLAR. Mr. President, will the Senator from Montana explain the bill? I see that an adverse report from the Interior Department accompanies it.

Mr. MURRAY. Mr. President, this bill is similar to other bills which have been introduced and passed at each session

during the last several years and which have been designed to relieve individual miners and prospectors from the necessity of observing the law with reference to assessment work on mining claims. The reason for introducing the bill at this session is that the base metal mining industry in the country has not as yet recovered to a sufficient degree to enable the miners and prospectors who are largely dependent on it for the means to do the assessment work. While the price of copper is up and the mining industry is experiencing much activity at this time, the miners and prospectors have not been back to work sufficiently long to put themselves in a position financially to comply with these requirements.

We have received letters from practically every State in the Union where mining is carried on urging the necessity for the passage of this bill at this session.

Mr. McKELLAR. May I ask the Senator to allow the bill to go over? I will then look into it right away and confer with the Senator about it.

Mr. MURRAY. If the bill does not pass now, it will be utterly useless and futile, because the time for doing the assessment work will expire on the 1st of July. If this bill is not passed speedily it will be utterly useless to pass it at all. The justification for it, I think, is ample, and I believe the miners and prospectors in the sections affected are all agreed that the bill should be enacted.

Mr. BORAH. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Montana yield to the Senator from Idaho?

Mr. MURRAY. I yield.

Mr. BORAH. I was going to say that unless the bill is passed speedily, in view of the fact that it must still go to the House for consideration and passage, in all probability it will be useless for the Senate to pass it at all.

Mr. MURRAY. The Senator from Idaho is entirely correct.

Mr. McKELLAR. Does the Senator from Idaho think it is a proper bill?

Mr. BORAH. I do. I am aware there is a division of view on this bill, but as it is drawn I believe it will help those who need help. It costs the Government nothing.

Mr. McKELLAR. Was the bill unanimously reported by the committee?

Mr. BORAH. I am not a member of the committee, but I am familiar with the conditions which make necessary this proposed legislation. The conditions which have existed during the depression, as stated by the Senator from Montana, are still such as to require some relief in this respect as to some.

Mr. MURRAY. The relief provided will only go to a few hundred miners and prospectors in various metal-mining States, and if the bill is not passed it will result in great distress. We have received hundreds of letters from all over the country urging its passage.

Mr. BORAH. Mr. President, I should like to say to the Senator from Tennessee that the bill, if passed, will not affect the large corporations engaged in mining activities, but in its practical workings it will reach only those in real necessity. Large corporations that own their properties will not be affected.

Mr. MURRAY. All the mining corporations have their claims patented promptly, but the small miners and prospectors are unable financially to proceed with their patent proceedings, which are quite expensive. Therefore it is necessary for them to carry the claims, sometimes, for many years before they finally secure their patents. Meanwhile they must comply with the law relating to this assessment work.

Mr. McKELLAR. Can the Senator inform me why the Interior Department failed to favor the bill? If it is a proper bill, why should the Department refuse to endorse it?

Mr. MURRAY. I do not think they thoroughly understand the situation. I have read their report, and I feel that the basis of their report is not well founded. It merely assumes that by enforcing this requirement it will stimulate the mining industry. This is not true. It will merely cause great distress and loss of claims by many.

Mr. ROBINSON. Mr. President, I recall that a Senator who is now attending a committee meeting stated that he desired to have the bill go over. So I ask that it go over for today.

Mr. MURRAY. If the bill goes over, it might as well be taken from the calendar, for if it is not passed speedily it will be useless. The assessment work must be performed between now and the 1st of July, and if it is not performed by that time the claims will be thrown open to relocation and relocators may come in and take advantage of all the years of work and effort that have been expended on these claims by the original locators.

Mr. ROBINSON. In view of the statement of the Senator from Montana, I do not feel justified in persisting in an objection to the consideration of the bill.

Mr. SCHWELLENBACH. Mr. President, I should like to ask the Senator from Montana a question. Is it not true that a large number of these claims are valuable and that some of the large mining companies are merely waiting until the prospectors lose their rights for an opportunity to enable them to step in and take advantage of all the work the prospectors have heretofore done?

Mr. MURRAY. I think the Senator's statement is very probably correct, for the only ones who have offered any objection are superintendents or experts connected with corporations. There is absolutely no objection on the part of the ordinary miners of the country.

This exemption will not cost the Government anything. It is a form of relief that will not cost the taxpayers a cent, and yet it is absolutely necessary if we are going to protect the men who have spent a considerable part of their lives, their money, and their time in locating mining claims.

Mr. LOGAN. Mr. President, I shall make no objection to the present consideration of the bill, but I believe that by insisting upon its passage at this time the holders of claims will have done to them a very great injustice. There is no probability, indeed I think there is not the remotest prospect, of the bill becoming a law. If these men have their hopes aroused again and are led to believe the Government is going to grant this gratuity, they will not do the work which they now have time to do. If the bill should be passed by the Senate, of course, they will not do the work, but will wait hoping that the House will pass it and the President will sign it. My judgment is the bill cannot pass the House.

The committee did not take a favorable stand on the bill nor did it submit an adverse report. It only reported the bill to the Senate upon the suggestion of the very able Senator from Montana [Mr. MURRAY] and the Senator from Nevada [Mr. McCARRAN] and other Senators who were present at the committee hearings and urged that the Senate should be given an opportunity to consider it. The bill does not affect my section of the country at all. I do not know all the facts. I only know that some Senators are very much opposed to the passage of the bill and some are very much in favor of it. Those Senators who reside in the immediate section of the country which would be most affected are divided, some being for it and some opposed to it. I do not know which position is the correct one. I make this statement only that the Senate may be advised.

Mr. McKELLAR. Mr. President, one Senator who is now absent stated to me he is not in favor of the passage of the bill. He is from the West. Ordinarily where western Senators agree about mining legislation, that is all that is necessary to cause me to vote with them; but in this particular case it seems they are very much divided, and that is why I asked the questions I did of the Senator from Montana.

Mr. SCHWARTZ. Mr. President, I hope the bill will be passed. Owing to a revival in the mining business, practically every prospector who has been able to do so has been out doing assessment work. There have been a number who,

because of conditions during the past 4 or 5 years, have found it impossible to perform the necessary assessment work. The bill would help only those who either are on relief or are of that general class. Some of those who have been able to do the work, it seems, have done whatever is necessary, while those who were not able to do it have not done anything.

I believe the Senate ought to give these men the protection which the bill would afford them. It would not cost the Government a dime, but would protect men in the claims which they have had and which they have been working for many years. It is for the protection particularly of individual miners and individual prospectors. We are "running against the clock." By July 1 the claims will have been lost to these men if we do not extend the time as the bill provides. I hope there will be no further objection and that the bill may be passed.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill (S. 187) providing for the suspension of annual assessment work on mining claims held by location in the United States was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the provision of section 2324 of the Revised Statutes of the United States, which requires on each mining claim located, and until a patent has been issued therefor, not less than $100 worth of labor to be performed or improvements aggregating such amount to be made each year, be, and the same is hereby, suspended as to all mining claims in the United States during the year beginning at 12 o'clock m., July 1, 1936, and ending at 12 o'clock m., July 1, 1937: *Provided*, That the provisions of this act shall not apply in the case of any claimant not entitled to exemption from the payment of a Federal income tax for the taxable year 1936: *Provided further*, That every claimant of any such mining claim, in order to obtain the benefits of this act, shall file, or cause to be filed, in the office where the location notice or certificate is recorded, on or before 12 o'clock m., July 1, 1937, a notice of his desire to hold said mining claim under this act, which notice shall state that the claimant, or claimants, were entitled to exemption from the payment of a Federal income tax for the taxable year 1936: *Provided further*, That such suspension of assessment work shall not apply to more than 6 lode-mining claims held by the same person, nor to more than 12 lode-mining claims held by the same partnership, association, or corporation: *And provided further*, That such suspension of assessment work shall not apply to more than 6 placer-mining claims not to exceed 120 acres (in all) held by the same person, nor to more than 12 placer-mining claims not to exceed 240 acres (in all) held by the same partnership, association, or corporation.

RETIREMENT FOR RAILWAY EMPLOYEES

The bill (S. 2395) to amend an act entitled "An act to establish a retirement system for employees of carriers subject to the Interstate Commerce Act, and for other purposes", approved August 29, 1935, was announced as next in order.

Mr. WAGNER. Mr. President, this bill represents an agreement between railway employees and railway companies, being a bill to provide a pension system for railway workers. It has been reported unanimously by the Committee on Interstate Commerce. We are in conference, however, with those in the House interested in the proposed legislation, with the purpose of proposing some amendments. For that reason I ask that the bill be passed over.

Mr. LEWIS. Mr. President, I am asked by representatives of the employees of railroads to present to this honorable body, as the able Senator from New York [Mr. WAGNER] has intimated, the fact that there is pending some new agreement between themselves and employers, and they likewise ask that the matter be temporarily suspended until their efforts now going forward shall be concluded.

The PRESIDENT pro tempore. The bill will be passed over.

INCLUSION OF RESERVE OFFICERS UNDER PENSION LAWS

The Senate proceeded to consider the bill (H. R. 2887) to amend the provisions of the pension laws for the peacetime service to include Reserve officers and members of the Enlisted Reserves, which was read, as follows:

Be it enacted, etc., That Veterans' Regulation 1 (a), part II, paragraph 1 (a), be amended to read as follows:

"1. (a) For disability resulting from personal injury or disease contracted in line of duty or for aggravation of a preexisting injury or disease contracted or suffered in line of duty when such disability was incurred in or aggravated by active military or naval service other than in a period of war service as provided in part I, the United States will pay to any person thus disabled and who was honorably discharged from such period of service in which said injury or disease was incurred, or preexisting injury or disease was aggravated, a pension as hereinafter provided, but no pension shall be paid if the disability is the result of the person's own misconduct: *Provided*, That active service, including service for training purposes, performed by a Reserve officer or member of the Enlisted Reserves of the United States Army, Navy, or Marine Corps, shall be considered as active military or naval service for the purpose of granting benefits under part II hereof, and it shall not be required that such Reserve officer or enlisted man shall have been discharged from the service. Pension under this paragraph shall not be paid concurrently with active-duty pay or employees' compensation. Where a person who is eligible for pension hereunder is also eligible for the benefits of Employees' Compensation Act, he shall elect which benefit he shall receive. This amendment shall be effective June 15, 1933, but payment of pension hereunder shall be effective from the date of receipt in the Veterans' Administration of application therefor or the date of enactment of this amendment, whichever is the later."

Mr. ROBINSON. Mr. President, I should like to have the Senator from Kansas [Mr. McGILL] state his understanding of the effect of the proposed legislation.

Mr. McGILL. Mr. President, prior to the National Defense Act of 1933 all those affected by this bill who suffered injuries or disabilities while in line of training duty, had a pensionable status as Reserve officers or as enlisted Reserve men in the Army, Navy, or Marine Corps; and their dependents, in case of death, had a pensionable status. That act, however, contained the words "except in training", and it has been construed since 1933 that Reserve officers and Reserve enlisted men, if disabled, while on training duty, were not entitled to a pension under the law.

The bill now pending is intended to correct that situation.

I do not know the exact number the bill would affect, but I am advised by the Veterans' Administration that their estimate is it would cost the Government approximately $2,200 per year. The bill is favored by the War Department, by the Veterans' Administration, and by the various veterans' organizations.

During the Seventy-fourth Congress a measure was introduced in the Senate, referred to the Committee on Military Affairs, and reported back to the Senate, which was substantially the same as the pending bill. In effect there is no difference between the two bills. That bill was passed by the Senate in the Seventy-fourth Congress and went to the House. The House amended it so as to include members of the National Guard. The bill was vetoed by reason of that amendment. That provision is not included in the pending bill. The bill affects only Reserve officers and Reserve enlisted men, and would cost, as I have said, approximately $2,200 a year.

The PRESIDENT pro tempore. The question is, Shall the bill be read a third time?

The bill was ordered to a third reading, read the third time, and passed.

PAYMENT OF AWARDS TO SIOUX INDIANS OF SOUTH DAKOTA

The bill (S. 2556) to authorize an appropriation to carry out the provisions of the act of May 3, 1928 (45 Stat. L. 484), and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That an appropriation is hereby authorized in the sum of $79,038 to pay various Sioux Indians of the Pine Ridge Reservation, S. Dak., the amounts which have been awarded to them by the Secretary of the Interior under the act of May 3, 1928 (45 Stat. L. 484), on account of allotments of land to which they were entitled but did not receive: *Provided*, That the Secretary of the Interior is authorized and directed to determine what attorney or attorneys have rendered services of value in behalf of said Indians and to pay such attorney or attorneys on such findings when appropriation is available the reasonable value of their services, not to exceed 10 percent of the recovery on each individual claim, which payment shall be in full settlement of all services rendered by the attorney or attorneys to the claimants in such claim.

SALE OF CHICKASAW INDIAN DORMITORY PROPERTIES

The bill (S. 2587) providing for the sale of the two dormitory properties belonging to the Chickasaw Nation or Tribe

of Indians in the vicinity of the Murray State School of Agriculture at Tishomingo, Okla., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Interior shall take possession of and appraise and sell, under such rules and regulations as may be prescribed by him, the two dormitories, together with the lands upon which they are located and the furniture therein belonging to the Chickasaw Nation or Tribe of Indians, in the vicinity of the Murray State School of Agriculture at Tishomingo, Okla., which lands were acquired and which dormitories were erected and equipped under the acts of Congress of March 2, 1917 (39 Stat. L. 983), and May 25, 1918 (40 Stat. L. 584); and he shall deposit the proceeds in the Treasury of the United States to the credit of the Chickasaw Nation, less expenses incident to the appraisement and sale of such properties, including reasonable compensation to special attorneys for services rendered in connection with such sale acting under the direction of the Governor of the Chickasaw Nation, such compensation to be fixed and paid by the Secretary of the Interior; and immediately after such sale patents conveying such properties shall be made and delivered in the same manner as now provided by law for the conveyance of other tribal properties: *Provided*, That preference right shall be given the State of Oklahoma to purchase said dormitory properties at a price to be agreed upon between the Secretary of the Interior and the Board of Regents of the Murray State School of Agriculture, in accordance with the senate concurrent resolution passed by the Sixteenth Legislature of the State of Oklahoma.

The PRESIDENT pro tempore. That completes the calendar.

AUTHORITY TO APPROPRIATIONS COMMITTEE TO FILE REPORTS

Mr. ROBINSON. Mr. President, I ask unanimous consent that during the recess or adjournment of the Senate following today's session the Committee on Appropriations may be authorized to submit reports.

The PRESIDENT pro tempore. Without objection, it is so ordered.

J. R. COLLIE AND ELEANOR Y. COLLIE

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 455) for the relief of J. R. Collie and Eleanor Y. Collie.

Mr. BAILEY. I move that the Senate disagree to the amendments of the House, request a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. BAILEY, Mr. ELLENDER, and Mr. TOWNSEND conferees on the part of the Senate.

COLLECTIVE BARGAINING

Mr. DAVIS. Mr. President, on the occasion of Flag Day, June 14, a legal holiday in the State of Pennsylvania, which I have the honor in part to represent, our thoughts turn to the fundamental principles of justice and liberty so beautifully represented by the Stars and Stripes.

The spirit of Betsy Ross is very much alive in our land today. Our resistance of tyranny, our respect for the free judgment of the people, and our love of popular institutions of government are deep-seated within us. Here and there we see sporadic evidences of lawlessness and violence; but this is not the temper of the American people as a whole. These disturbances are universally condemned just as soon as they occur. They draw upon themselves the censure of all law-abiding citizens.

Today we have the presentation of a paradoxical issue wherein the process of collective bargaining is carried through to the point of completion, lacking but one absolutely necessary essential, the signatures of the contracting parties. Any contract made in good faith should carry the signatures of the contracting parties simply as proper business procedure. The great steel companies, such as the United States Steel Corporation and Jones & Laughlin, among others, have not only bargained collectively with labor but have signed legal instruments bearing witness to their good faith.

The innumerable classifications within the steel industry are so detailed as to escape the memory of experts. They are so minute as to require definite statement on paper. They are so complex as to demand the most faithful adherence to systematic business methods in their proper administration. This is the kind of document a number of steel companies have in hand to sign, but from which signatures have been withheld. Such action is typical of the kind of evasion and avoidance which has made necessary the great range of industrial legislation found on our statute books today. It is tempting of governmental force, which, if continued, can lead to nothing short of a degree of compulsion absolutely foreign to American principles of liberty. On this Flag Day it should cause us to regret that there should exist among us such flagrant disrespect for the commonly accepted standards of business procedure and for the spirit of the Labor Relations Act.

We hear much protest against Government interference with business. I have voiced such protests during the past few years. If industry is not reasonable, however, it will encourage the use of further compulsion on the part of the Government.

In view of the compliance by the majority of the great steel companies with the Labor Relations Act, it seems most unfair that the whole industry should be visited with condemnation simply because of the failure of a few of the companies to comply with the act.

Mr. President, many of our present-day industrial difficulties were unknown in the days when the organization of industry on a smaller scale permitted closer personal relations between the man who managed industry and the man whose labor made industry possible. The employer of today is no longer an individual but a corporation representing the property of hundreds and in some cases thousands of individuals. To surmount the difficulties which arise out of this superorganization we must either find some means of restoring the old-time personal relationship between worker and management or we must find an adequate substitute for it.

America's great need today is cooperation in industry, a mutual recognition by employer and employee of the rights and duties of each other. We are gradually learning that the day of "master and man" is gone in American industry, and that the man who works is a full partner with the man who manages. We are learning that the worker and the employer have mutual interests; that if one gains, both must gain; if one loses, both must lose; if one fails, both must fail. We are finding that each must recognize the needs, the aspiration, and the difficulties of the other, and that both must recognize their joint duty to the public, upon whose patronage the success of any industry ultimately depends.

Mr. President, with the advent of the policy of selective immigration during the past decade, our people have become increasingly homogeneous. This has advanced national unity and economic solidarity. It has made us one people, not only in respect to race but also in respect to class. The old barriers of wealth are being stripped away, along with the differences of foreign speech and customs. Today we must uphold respect for the law on the part of all of our citizens; for disrespect for the law is the road to economic anarchy, spelling disaster for everyone.

Collective bargaining, in which labor is free to select representatives of its own unrestricted choosing, is the hope of the Nation. In essence, this means the maintenance of purchasing power sufficient to keep the wheels of industry turning. It is a benefit to employers as well as employees, and is necessary to the general welfare. It is a practical realization of the Golden Rule, the recognition that we are all members one of the other, and the beneficiaries of a common-sense understanding of cooperation in business undertakings.

Mr. President, I have today attended the funeral of Mr. Hugh Kerwin, Chief of the Conciliation Service of the United States Department of Labor. He has been with this division for the last 24 years, rendering most consistent, valuable service. In the midst of the great strikes which faced the Nation back in 1921–22, when I was Secretary of

Labor, Hugh Kerwin had the peace of mind necessary to instill a love of peace in the various conflicting groups. He was one who by nature had the conciliatory frame of mind necessary to produce peace in industry. I know of no one who had as many friends among both labor and industrial leaders as Mr. Kerwin, because both sides realized his desire to be impartial and fair. His passing will be a loss to his many friends, who during the years have admired his loyal devotion to duty, and his comprehensive understanding of the needs of the Nation.

REORGANIZATION OF FEDERAL JUDICIARY—LETTER BY SENATOR BAILEY TO NORTH CAROLINA GENERAL ASSEMBLY

Mr. BAILEY. Mr. President, some weeks ago the General Assembly of North Carolina addressed a resolution to the North Carolina Members of Congress. I have written a response to the resolution, which I ask leave to have printed in the RECORD, the resolution itself having heretofore been printed in the RECORD.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The letter is as follows:

WASHINGTON, D. C., *April 17, 1937.*

The Honorable W. P. HORTON, *President of the Senate,*
The Honorable R. G. CHERRY, *Speaker of the House,*
The General Assembly of North Carolina.

DEAR SIRS: Most respectfully I acknowledge the honor of receiving a copy of the joint resolution of our general assembly by the courtesy of the Honorable Brooks Price, of Union County, requesting the Senators and Representatives in the Congress from North Carolina to support the measure as proposed by the President "making important changes in the Federal judicial system."

The resolution was adopted March 22. It was delivered to me April 15. This accounts for the delay in this response.

To the changes proposed by the President in respect to the circuit and district courts I have entertained no serious consideration. They contemplate the addition of about 50 judges to the Federal system. I do question whether we need so many, although I realize that at the rate our Federal Government is expanding we may need even more in a short time. I favor the expedition of the administration of justice. I do not favor provisions authorizing additional appointments of judges for the purpose of affecting judicial determinations.

To the addition of six Justices to the Supreme Court of the United States, I have most serious objections, upon considerations which I intend herein to set out, and I am the more moved to do this because I am informed that the concurrent resolution was adopted without discussion or debate and without a record vote. Since the considerations that prompted the adoption of the resolution were not discussed, I hope to serve some good purpose by setting out the considerations which moved me to a decision to the contrary.

The preamble of the resolution sets out only two considerations supporting it, and neither of them professes to touch the merits. One of them is that "the recommendation of the President * * * presents an issue of great national importance in which the people of North Carolina and all other people of the United States are vitally concerned."

In this I concur; and since an issue of such importance is presented I am sure it ought freely to be discussed and debated. I may add that I have supported 9 out of every 10 of the President's principal recommendations (about 50 in number) to the Congress, and that I have gladly honored him for his great leadership in this most difficult period. I do not disagree with him willingly or without regret.

The other consideration is that "the people of North Carolina are strongly supporting the President of the United States in his recommendations to Congress and a great majority of the people of this State firmly believe that the enactment of such measure is vital to the future happiness and welfare of our people." Not that the general assembly finds merit in the measure, but that it believes that a great majority of the people believe that its enactment is vital to the future happiness and welfare of our people. This is the only reason stated for the general assembly's request.

This sole reason is an expression of opinion by the general assembly, and I am grateful for the expression. Public opinion must always be respected, and if a Senator takes a course to the contrary, he owes it to the people to make plain his reasons. But have I taken a course contrary to public opinion as duly expressed? Let us see.

I. In considering any representation as to public opinion, howsoever respectable, a representative of an American State must bear in mind that our Government is a constitutional, representative democracy; that a great authority has described it as government by public opinion; that the people have developed and established the method of ascertaining the state of public opinion and informing their representatives of it; that this method has due regard for the constitutional limitations even upon public opinion; and that it is of the very spirit of the national life. It is, therefore, entitled to the highest respect. This method is that of campaigns by political parties upon platforms duly submitted and passed upon by the electorate in elections frequently held. We do not guess about public opinion in America—we ascertain it at the polls. This is the purpose of elections. We trust none to say what the public opinion is at a given time, or in any 45-day period, but take the verdict directly from the people after full discussion and debate. In this way we reap the advantage of mass democracy without inviting the destruction of democracy—such as is now manifest in more than one nation on the Continent of Europe, in which democracy recently flowered only to die. It is true that all questions are not submitted to the electorate, but the principal questions are submitted.

The Democratic Party submitted the pending issue in the campaign and election of 1936. I refer to its platform and to that section which reads as follows:

"If these problems cannot be effectively solved by legislation within the Constitution, we shall seek such clarifying amendment as will assure to the legislatures of the several States and to the Congress of the United States, each within its proper jurisdiction, the power to enact those laws which the State and Federal Legislatures, within their respective spheres, shall find necessary, in order adequately to regulate commerce, protect public health and safety, and safeguard economic security. Thus we propose to maintain the letter and spirit of the Constitution."

This section gave explicit assurance that recent legislative difficulties arising upon judicial decisions would be met by the accepted process of amendment to the Constitution—specifically "a clarifying amendment" such as will assure "the power to enact laws which State and Federal Legislatures * * * shall find necessary." It also declares—"thus we propose to maintain the letter and the spirit of the Constitution."

In no view of this paragraph may it be suggested that the platform declared for the addition of Justices to the Supreme Court for the purpose of altering the historic interpretation of the Constitution. On the other hand, it gave positive assurance that so far from altering the Court the party would proceed by way of submitting an amendment to alter the Constitution by way of granting power.

I respectfully submit, therefore, that notwithstanding the general assembly's expression of opinion as to public sentiment, I am bound by the actual expression of public opinion in the election, November 7, 1936, in which I was elected on this platform to the Senate.

I have no right, in politics or morals, to violate my party's covenant or my covenant with the electorate. I cannot assume that public opinion has changed between February 5 and March 22, 1937—and surely it could not have changed prior to February 5. If I could assume that it has changed between February 5 and March 22, 1937, would I be safe in assuming that it would not change again before the year is out? And if I could assume that public opinion has changed since the election, with respect to one portion of the platform, I might assume no less for all of it; and platforms and elections would in the process become meaningless. This is the value of platforms and elections: They make known the state of public opinion. There would be at once an end of government by means of political parties if public men might assume that public opinion has changed since the latest election, as their platforms would cease to command respect. Neither Congress nor legislatures may alter a political platform.

I have always considered the platforms on which I stood as binding—first, as obligations of my party; second, as covenants accepted by the electorate; third, as solemn promises given by myself as candidate. I cannot change them after an election I cannot go behind or over the verdict of the people as formally ascertained and declared in the election.

In a word, I consider it my solemn duty to the Democratic Party, and the majority of the people, to abide by its platform. I have constantly sought to maintain the unity and the integrity of the Democratic Party, and its platform is the means of that unity while the observance of its covenants is the means of its integrity. To play fast and loose with one's party platform is to invite destruction of the confidence of the electorate in the party, and that would mean the destruction of the party.

II. And now for a word on the constitutional limitations.

Upon the presentation of the certificate of my election to the Senate I was required to take an oath—required by all the people—to support, maintain, and defend the Constitution of the United States. This was the sole condition upon which I took the office of Senator. This oath is a part of the Constitution. The obligation of it at the least upon a Senator (or other public officer) is to accept and maintain the Constitution, not as he may wish it to be interpreted but as it is interpreted and applied by an independent Supreme Court. It will be agreed that an oath must be kept. To violate the obligation of an oath, required by all the people, even in response to public opinion, would be to break faith with the people.

If the President's proposal were no more than a plan to provide for an adequate number of Justices, I could readily support it. But it is more. Beyond all cavil, it is more. One cannot escape the evidence. The resolution of the general assembly carries the evidence of this in that it declares that "a great majority of the people firmly believe that it is vital to their future happiness and welfare." The President himself, having put the measure forward on February 5, as merely one to provide for an adequate number of Justices, has since repeatedly made it known that the additional number is desired because he expects, by appointing six additional Justices, so to reconstruct the Court as to bring about a tenor of decisions upon legislative acts different

from the decisions handed down in recent years by the Court as now constituted, different likewise from the historic interpretation of the Constitution, utterly different from the interpretation of the President himself in 1930 in a formal address to the American people.

I take it that this is the "issue of great national importance" referred to in the preamble of the concurrent resolution, since it could hardly be said that the mere increase in the number of Justices to expedite the work of the Court would rise to the level of such an issue, when as a matter of fact the Court is current with its cases.

No one now disputes that the purpose of the proposal is so to expand the meaning of the Constitution as to give the Congress practically unlimited power, and consequently to restrict in proportion the powers reserved in the States and rights reserved in the people as individuals. The President has frankly made this plain—in his victory dinner address and his address to the American people. In the former he gave his view as to how the commerce clause should be interpreted, so as to give the Congress control over vast local activities and relations. In the latter he gave his view as to how the welfare clause should be interpreted, so as to give Congress general and unlimited power over wages, prices, production, transactions. He demanded legislation of this character now, and the addition of six Justices, to be named by him, to make sure that it would be upheld as constitutional.

And I may add in passing that since these addresses were uttered, his political manager and personal friend, the Postmaster General, the Honorable James A. Farley, has publicly boasted of the President's control over the Congress. "We", he said, "will call the roll, and all will be O. K." Having a Congress that will enact the legislation, a Supreme Court is needed to square the Constitution with it, in order that the will of the President may be supreme in our Republic. It will be had whenever "we" call the roll.

Over against this I have no choice: I must exercise my office to preserve constitutional representative democracy.

Is it within the meaning of the oath I was required to take that I may support a bill to increase the number of Justices for the purpose of validating acts of the Congress, which otherwise would be held in violation of the great instrument that the oath bound me to support and defend? Even assuming that I should consider that the acts ought to be validated, may I seek to increase the number of Justices for that purpose? Am I to be the judge of my powers?

I think not. I quite agree that it is within the power of the Congress to determine the number of Justices—whether 1 or 9 or 900. I fully agree that it is within the power of Congress to provide the funds necessary to maintain the Court and that it has power greatly to reduce them. It has power to withhold funds necessary to enforce the decrees of the Court. But I know that good faith with the oath to support the Constitution requires of a Senator that he shall not exercise those powers to affect the tenor of judicial determinations. He holds those powers in a sacred trust and under oath. The Court, not the President, not the Congress, is final judge of the powers granted or reserved in the Constitution. I cannot express my regret that an occasion is now presented when enlightened public opinion must be appealed to to preserve this function to the Court against all who would disturb it.

The Congress is vested with legislative powers as enumerated and implied, but the moment it seeks to affect the exercise of the judicial power it violates the Constitution, which vests the whole, undivided, and absolute judicial power—other than impeachments—"in one Supreme Court, and in such inferior courts as the Congress may from time to time ordain and establish." To take the contrary view in this controversy is to attack the accepted principle of judicial review; it is to hold that the Congress has power at any time to validate its acts and to determine litigation of any sort; that the limitations imposed upon it by the people mean nothing; and the Constitution would mean only what the Congress should desire it to mean. If 9 Justices hold an act invalid, we may have 15 to validate it, and if 15 do not please us we may have 25. James I could remove judges who would not do his will. They did not hold by life tenure. Since our Justices do hold by life tenure, it is proposed to increase the number, thereby gain a majority, and accomplish precisely the same end James I had in view.

Manifestly it was never intended that President and Congress might get together for the purpose of reconstructing a Court to find their acts within the powers granted by the Constitution—the instrument creating the Government and preserving the rights of the creating people as against the mighty power they had designed to serve—not to rule—themselves. For, if Congress may have the Constitution construed to suit its purposes by enlarging the number of Justices, why have any pretense whatever of an independent judicial department? Why not return to the system against which we revolted?

I do not think that anyone questions that the people of the United States demand, and their Constitution requires, an independent judiciary—courts of justice free of political influences as well as of all other influences save those of conscience and reason. I do not doubt that once this independence shall have been compromised—no matter with what high purpose—it would be violated again and again; and our people would be reduced to the very conditions under which our forefathers suffered; and revolting from which, with determination that neither they nor their posterity should so suffer again, they established in the Constitution, as they hoped for all time, the independence of the processes of justice. Without this independence of the judiciary our elections would turn not upon issues of policy but upon issues of power. And Congress would not only legislate; it would judge. Presidents would not only execute the laws, but determine the rights of citizens under the laws. I cannot escape the conviction that the adoption of the bill would inevitably compromise the independence of the judiciary, since that consummation is its manifest purpose and immediate consequence.

I am willing that many things shall be said of me, but I am utterly unwilling that it shall be said of me that I did not in the day of my testing do all that in me lay to preserve this independence. I know its value to men. I know that it means more to their welfare and future happiness than any legislation that may be conceived of. There can be no compensation for the loss of the independence of justice; for without independence there can be no justice in a constitutional representative democracy.

III. I am sure the general assembly did not request me to support the bill referred to solely because the President recommended it. This might be inferred from the first paragraph of the preamble. But its record is far from being one of supine acquiescence. I recall that the President requested that the general assembly ratify the so-called child-labor amendment, which it refused to do; and also that the administration sent five bills to the general assembly with representatives to urge their passage, and that of these five only one was enacted. No criticism is intended here. In the general assembly, as in the Congress, a legislator must do his duty as he sees it. The responsibility is upon him, and he cannot shift it either to the President or to what he conceives to be popular opinion.

The general assembly doubtless refused to ratify the child-labor amendment because it was unwilling to impair the power reserved to the State of North Carolina and aggrandize the power of the Federal Government in that respect. I mention the matter because in the capacity of United States Senator from the State of North Carolina, I have considered myself as in a measure a trustee of the powers of our great Commonwealth in the Senate. I have thought without variation that to discharge that trust I must not impair those powers, indeed that I must preserve them, that I was bound by an oath and by all the traditions of my position to preserve them. I cannot be party to impairing those powers existing in my State by the device of adding compliant Justices to the Supreme Court for the purpose of determining a new meaning of the Constitution and expanding the powers of the Congress. To do so would be to do by indirection what I am forbidden to do by the highest sanctions. And if the general assembly was unwilling to impair the power of the State, when it had authority to do so, it will not complain that I refused to impair that power when I had no authority to do so.

IV. If the powers reserved to the State of North Carolina ought to be impaired, if the rights reserved to the people in North Carolina, as individuals, are to be abridged, if the powers of President or Congress ought to be increased, there is a way provided, and that way is the submission of an amendment to the Constitution for ratification by State conventions or State legislatures. The State itself must act, the State and none other. This is the way the Democratic Party proposed; it is the way the people approved in the election of 1936; it is the way the Constitution provides; it is the way to preserve democracy, and there is no other way for me.

Moreover, I cannot conceive of a worse way than that of undermining the independence of the judicial department of our Government by political action in the exercise of power granted to preserve, and not to control, the courts of justice; to which alone a citizen must appeal to declare his rights under the law and its officers; upon which he must rely for that precious equality which he must enjoy in order to be a free man; to which he must repair in the day when his rights are challenged by the powers of government or the greed of men; and in which if he does not find justice, he will find it not at all.

These words are uttered guardedly and with due restraint: I cannot conceive of a worse way than that proposed. It is not only that it violates the Democratic Party's platform as approved and accepted by the people; that it is opposed to the spirit of the Constitution and would tend to dilute the virtue of that great instrument; that it would undermine the independence of the courts of justice, and call into question the quality of their judgments and decrees; that it ignores the sole right of the people to impair the powers of their States or to aggrandize the powers of the Federal Government; but that in addition it subordinates the moral and spiritual to political power; it would invade the holy precincts of justice and bring her helpless down to the pit of politics.

As I have said, no legislative or economic program, however beneficent, could compensate for such a disaster to our people and their civilization. In a constitutional representative democracy, if such a thing should come to pass, no faith whatever would be placed in the Government thereafter.

And surely if there is a legislative or economic program which the people desire, and it is not within the existing constitutional power of the Congress, an appropriate amendment will be submitted and ratified. This is infinitely better than a political invasion of the Supreme Court from whatever point of view.

If public opinion now favors the proposal, as the concurrent resolution declares, I am sure the time will come when public opinion will utterly condemn it. All that is necessary is that the people shall have time to realize its true character and import.

Assuming that I ought to be guided by public opinion, I must be guided by public opinion as formally expressed and ascertained in the campaign in which I was elected a Senator. My

position here, I am glad to say, is fortified by convictions that tell me my duty—on the merits—and responding to which my spirit finds peace in the midst of conflict and criticism. While there are differences with respected constituents and honored friends, which I regret and make due allowance for, the duly ascertained public opinion fully sustains the position that I have taken and must maintain to the uttermost—not only on that account but also because I am convinced that in no other course may I worthily discharge the great trust reposed in me by my party and the people of North Carolina.

Most respectfully,

JOSIAH W. BAILEY.

EXCUTIVE SESSION

Mr. ROBINSON. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. LOGAN, from the Committee on the Judiciary, reported favorably the nomination of William Healy, of Idaho, to be judge of the United States Circuit Court of Appeals for the Ninth Circuit.

Mr. HUGHES, from the Committee on the Judiciary, reported favorably the nomination of Harold P. Burke, of Rochester, N. Y., to be United States district judge for the western district of New York, vice Harlan W. Rippey, resigned.

Mr. McGILL, from the Committee on the Judiciary, reported favorably the nomination of Albert Lee Stephens, of Los Angeles, Calif., to be judge of the United States Circuit Court of Appeals for the Ninth Circuit.

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

Mr. SHEPPARD, from the Committee on Military Affairs, reported favorably the nominations of the following officers to be brigadier generals in the Regular Army:

Col. Ernest Dichmann Peek, Corps of Engineers, from July 1, 1937, vice Brig. Gen. Charles D. Roberts, United States Army, to be retired June 30, 1937;

Col. Frederic Harrison Smith, Coast Artillery Corps, from July 1, 1937, vice Brig. Gen. Alexander T. Ovenshine, United States Army, to be retired June 30, 1937;

Col. Philip Bradley Peyton, Infantry, from August 1, 1937, vice Brig. Gen. Thomas W. Darrah, United States Army, to be retired July 31, 1937; and

Col. William Bryden, Field Artillery, from September 1, 1937, vice Brig. Gen. Sherwood A. Cheney, United States Army, to be retired August 31, 1937.

Mr. SHEPPARD also, from the Committee on Military Affairs, reported favorably the nomination of sundry officers for appointment, by transfer, in the Regular Army.

Mr. WALSH, from the Committee on Naval Affairs, reported favorably the nominations of sundry officers for appointment or promotion in the Navy.

He also, from the same committee, reported favorably the nominations of sundry officers for promotion in the Marine Corps.

The PRESIDENT pro tempore. The reports will be placed on the Executive Calendar.

If there be no further reports of committees, the clerk will state in order the nominations on the Executive Calendar.

DIPLOMATIC AND FOREIGN SERVICE

The legislative clerk proceeded to read sundry nominations in the Diplomatic and Foreign Service.

Mr. ROBINSON. I ask unanimous consent that the nominations of Foreign Service officers be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations are confirmed en bloc.

That concludes the Executive Calendar.

Mr. McNARY. Mr. President, the treaties on the Executive Calendar have not been acted upon?

Mr. ROBINSON. No.

Mr. McNARY. I desire to state at this time that I shall object to the consideration of any treaties on the Executive Calendar until the return to the Chamber in a few days of the Senator from California [Mr. JOHNSON].

ADJOURNMENT

The Senate resumed legislative session.

Mr. ROBINSON. I move the Senate adjourn until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 1 o'clock and 35 minutes p. m.) the Senate adjourned until tomorrow, Tuesday, June 15, 1937, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 14 (legislative day of June 7), 1937

ASSISTANT SECRETARY OF WAR

Louis A. Johnson, of West Virginia, to be Assistant Secretary of War.

COLLECTOR OF CUSTOMS

Joseph A. Maynard of Brookline, Mass., to be collector of customs for customs collection district no. 4, with headquarters at Boston, Mass. Reappointment.

PROMOTIONS IN THE REGULAR ARMY

MEDICAL CORPS

To be lieutenant colonels

Maj. Ralph Hayward Simmons, Medical Corps, from May 30, 1937.

Maj. Henry Edgar Keely, Medical Corps, from May 31, 1937.

Maj. John Pierce Beeson, Medical Corps, from June 2, 1937.

APPOINTMENTS AND PROMOTIONS IN THE NAVY

Capt. Andrew C. Pickens to be a rear admiral in the Navy from the 3d day of June 1937.

The following-named commanders to be captains in the Navy, to rank from the 3d day of June 1937:

Frank T. Leighton	Alan G. Kirk
Alva D. Bernhard	Francis W. Scanland

The following-named lieutenant commanders to be commanders in the Navy, to rank from the 3d day of June 1937:

Fred W. Connor	Donald B. Duncan
John E. Ostrander, Jr.	Andrew G. Shepard
Houston L. Maples	Simon P. Fullinwider, Jr.
Colin Campbell	Nicholas Vytlacil
Albert G. Noble	Robert G. Tobin
Ingolf N. Kiland	

Lt. Ralston B. Vanzant to be a lieutenant commander in the Navy from the 1st day of June 1937.

The following-named lieutenants to be lieutenant commanders in the Navy, to rank from the 3d day of June 1937:

LaRue C. Lawbaugh	Howard N. Coulter
Theodore G. Haff	George G. Herring, Jr.
Elmer D. Snare	Elmer P. Abernethy
Edwin C. Bain	John E. Rezner
John G. Winn	Ward C. Gilbert
Burton G. Lake	Thomas M. Dell, Jr.
Atherton Macondray, Jr.	Apollo Soucek
Timothy F. Wellings	Logan McKee
James C. Pollock	Willard R. Gaines
George M. Brooke	Edmund C. Mahoney
William R. Cooke, Jr.	Geoffrey E. Sage
Lawrence C. Grannis	

Lt. (Jr. Gr.) Roger M. Daisley to be a lieutenant in the Navy, from the 1st day of April 1937.

Lt. (Jr. Gr.) Jesse J. Underhill to be a lieutenant in the Navy, from the 1st day of May 1937.

The following-named lieutenants (junior grade) to be lieutenants in the Navy, to rank from the 3d day of June 1937:

Robert W. Wood	Thomas P. Wilson
Donald A. Lovelace	Francis R. Duborg
Weldon L. Hamilton	William H. McClure
Lex L. Black	George W. Ashford
Phillip G. Stokes	Lamar P. Carver
John A. Scott	John A. Collett
Knight Pryor	William W. White
Corben C. Shute	John R. Yoho

The following-named ensigns to be lieutenants (junior grade) in the Navy to rank from the 29th day of May 1937:

Edward W. Abbot	Garrett S. Coleman
Porter F. Bedell	Poyntell C. Staley, Jr.
William H. Sublette	Frank S. Fernald
Robert C. H. Hird	Isthmian L. Powell
Edward R. Nelson, Jr.	Howard F. Kuehl
George P. Koch	John M. Stuart

The following-named ensigns to be lieutenants (junior grade) in the Navy, to rank from the 31st day of May 1937:

Bernard A. Smith	Lyle E. Strickler
Edward J. Fahy	Albert L. Gebelin
James E. Halligan, Jr.	Douglas M. Swift
John V. Smith	John W. Florence
George H. Browne	Martin H. Ray, Jr.
Lester R. Schulz	Irving S. Presler
Donald A. Scherer	Hugh Q. Murray
Reuben T. Whitaker	Robert W. Leeman
Juan B. Pesante	William T. Kinsella
Charles B. Paine, Jr.	Harold E. Cole
Richard D. Shepard	Frederick A. Gunn
James E. Smith	George H. Wigfall
William A. Smyth	Edward H. Worthington
Clarence E. Dickinson, Jr.	

The following-named medical inspectors to be medical directors in the Navy, with the rank of captain, to rank from the 1st day of February 1937:

Joseph R. Phelps
Frank H. Haigler

Surgeon Charles P. Archambeault to be a medical inspector in the Navy, with the rank of commander, from the 3d day of June 1937.

The following-named assistant surgeons to be passed assistant surgeons in the Navy, with the rank of lieutenant, to rank from the 3d day of June 1937:

Frederick R. Lang	Frank A. Latham
Elbert F. Penry	Powell W. Griffith
Willard M. Gobbell	Morris M. Rubin
Robert A. Bell	Louis M. Harris
John J. Wells	Ralph D. Handen
George B. Ribble, Jr.	Ernest M. Wade
Edward F. Kline	Giffin C. Daughtridge
Fitz-John Weddell, Jr.	Howard L. Puckett
Thomas L. Willmon	Clarence F. Morrison
Marcy Shupp	Lawrence E. Bach

Asst. Paymaster Elmer A. Chatham to be a passed assistant paymaster in the Navy, with the rank of lieutenant, from the 3d day of June 1937.

The following-named naval constructors to be naval constructors in the Navy, with the rank of commander, from the 30th day of June 1936:

Theodore L. Schumacher
Homer N. Wallin

CONFIRMATIONS

Executive nominations confirmed by the Senate June 14 (legislative day of June 7), 1937

DIPLOMATIC AND FOREIGN SERVICE

To be Foreign Service officer of class 1:

John K. Davis	John C. Wiley
Ely E. Palmer	North Winship
Louis Sussdorff, Jr.	

John P. Hurley to be Foreign Service officer of class 2.

To be Foreign Service officer of class 3:

George L. Brandt	Joseph Flack
Homer Brett	Frederick P. Hibbard
Dudley G. Dwyre	John D. Johnson

To be Foreign Service officer of class 4:

Hooker A. Doolittle	Withrop R. Scott
William R. Langdon	Henry S. Waterman
Robert D. Longyear	

To be Foreign Service officer of class 5:

George Atcheson, Jr.	Thomas McEnelly
Richard Ford	Edwin A. Plitt
Lynn W. Franklin	Christian M. Ravndal
Bernard Gotlieb	John Carter Vincent

To be Foregin Service officer of class 6:

Lewis Clark	Edward J. Sparks
Cabot Coville	Robert B. Streeper
Fayette J. Flexer	William Clarke Vyse

To be Foreign Service officer of class 7:

Charles E. Bohlen	Alan N. Steyne
James C. H. Bonbright	Edward G. Trueblood
James W. Gantenbein	Edward T. Wailes
James W. Riddleberger	

To be Foreign Service officer of class 8 and consul:

Albert E. Clattenburg, Jr.	R. Borden Reams
Robert D. Coe	John C. Shillock, Jr.
Robert English	Stanley G. Slavens
Randolph Harrison, Jr.	Llewellyn E. Thompson, Jr.
Frederick P. Latimer, Jr.	Julius Wadsworth
Robert G. McGregor	

Robert F. Kelley to be Foreign Service officer of class 3, a consul general, and a secretary in the Diplomatic Service.

HOUSE OF REPRESENTATIVES

MONDAY, JUNE 14, 1937

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Eternal God, our Father, whose temple is all space and whose inspiration makes life dear, we thank Thee for our Republic. We praise Thee for its traditions and for its sacred institutions. Through the sacrifices of our fathers, whose chivalry challenges the admiration of the world, they have come down to us. The Lord God help us to keep the trust, revere the truth, and honor Thy decrees. We thank Thee for the flag of our country. In song and in story may it be celebrated today in city, hamlet, and countryside. We pray that its beauteous folds may fly high, telling of the onward sweep of truth and right. In the troubled centers of our homeland, rocked by the cries and haunts of wearied men, we pray that Dives and Lazarus may be brought together and each claim the right to help the other. In the spirit of the Prince of Peace, may our national ensign, with its celestial white, its sacrificial red, and with its stars of Thy providence, shine like a rainbow in every storm cloud of strife and trouble, and Thine shall be the glory. Through Christ Jesus our Lord. Amen.

The Journal of the proceedings of Friday, June 11, 1937, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Vice President had appointed Mr. HARRISON, Mr. KING, Mr. GEORGE, Mr. WALSH, Mr. LA FOLLETTE, and Mr. CAPPER members of the Joint Committee on Tax Evasion and Avoidance on the part of the Senate, as provided for in Public Resolution No. 40, approved June 11, 1937, entitled "Joint resolution to create a Joint Congressional Committee on Tax Evasion and Avoidance."

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 665. An act for the relief of the estate of Everett P. Sheridan; and

S. 1112. An act awarding a Navy Cross to John W. Thomason and Robert Slover.

JOINT COMMITTEE ON TAX EVASION AND AVOIDANCE

The SPEAKER. Pursuant to the provisions of Public Resolution 40, Seventy-fifth Congress, the Chair appoints as

members of the Joint Committee on Tax Evasion and Avoidance the following Members of the House: Mr. DOUGHTON, Mr. CULLEN, Mr. FRED M. VINSON, Mr. COOPER, Mr. TREADWAY, and Mr. CROWTHER.

RELIEF OF CERTAIN OFFICERS AND EMPLOYEES OF THE FOREIGN SERVICE OF THE UNITED STATES

Mr. McREYNOLDS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2924) for the relief of certain officers and employees of the Foreign Service of the United States who, while in the course of their respective duties, suffered losses of personal property by reason of war, catastrophes of nature, and other causes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the Senate amendments, as follows:

Page 1, after line 10, insert:

"To the estate of the late J. Frank Points, formerly American vice consul and clerk at Nassau, Bahama Islands, the sum of $312, such sum representing the value of reasonable and necessary personal property lost as a result of the hurricane at Nassau, Bahama Islands, September 16, 1928."

Page 2, line 8, strike out "$607.41" and insert "657.41."

Page 2, line 8, strike out "$817.91" and insert "$867.91."

Page 2, line 19, strike out "$1,669.11" and insert "$1,835.11."

Page 2, line 25, strike out "$554.25" and insert "$663.88."

Page 4, after line 17, insert:

"To Ishmael J. Gauntés, American consular messenger at Santo Domingo, Dominican Republic, the sum of $100, such sum representing a donation in order to enable him to obtain a partial reimbursement of the reasonable value of necessary personal property lost as a result of the hurricane at Santo Domingo, September 3, 1930."

Page 4, fater line 17, insert:

"To the estate of the late Robert M. Ott, formerly American vice consul at Belize, British Honduras, the sum of $115.95, such sum representing the value of reasonable and necessary personal property lost as a result of the hurricane at Belize, September 10, 1931."

Page 5, line 16, strike out "$3,816" and insert "$4,016."

Mr. SNELL. Mr. Speaker, I understand this is the matter the gentleman spoke to me about this morning?

Mr. McREYNOLDS. These amendments pertain to differences in claims.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

SOIL CONSERVATION AND DOMESTIC ALLOTMENT ACT

Mr. JONES. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3687), to extend the period during which the purposes specified in section 7 (a) of the Soil Conservation and Domestic Allotment Act may be carried out by payments by the Secretary of Agriculture to producers, with a Senate amendment thereto, and concur in the Senate amendment with an amendment.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. SNELL. Mr. Speaker, reserving the right to object, I am assured by the gentleman from Texas that this is agreeable to the gentleman from Kansas [Mr. HOPE]; otherwise I would ask to have this put over.

Mr. JONES. I may say for the RECORD this amendment was adopted by a unanimous vote of the committee and it is agreeable to the gentleman from Kansas [Mr. HOPE], to bring the matter up at the first opportunity. I have that understanding with the gentleman.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the Senate amendment, as follows:

Page 2, line 9, after "relate", insert: "*Provided*, That an annual accounting shall be made to Congress as to the expenditures of this money and for what specific projects it was thus expended."

Mr. JONES. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. JONES moves that the House recede from its disagreement to the amendment of the Senate to the bill (H. R. 3687) to extend the period during which the purposes specified in section 7 (a) of the Soil Conservation and Domestic Allotment Act may be carried out by payments, by the Secretary of Agriculture, to producers, and agree to the same with an amendment as follows: Omit the matter proposed to be inserted by the Senate amendment, and, on page 2, after line 9, of the House bill, insert the following:

"SEC. 2. Section 9 of such act is amended by inserting at the end thereof the following:

"'The Secretary shall transmit to the Congress a report for the fiscal year ending June 30, 1937, and for each fiscal year thereafter, of the operations for such year under sections 7 to 14, inclusive, of this act, which report shall include a statement of the expenditures made and obligations incurred, by classes and amounts.'"

The motion was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. ASHBROOK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on the life and character of one of our colleagues, WARREN J. DUFFEY.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. MAVERICK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on the subject of cancer and to include therein a report known as a Report on Cancer of 1936, by Dr. Hoffman, which is in excess of two pages and requires an estimate from the printer, which I have obtained.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. THOMASON of Texas. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a commencement address made by my colleague, the gentleman from Texas [Mr. LUTHER A. JOHNSON] at Cumberland University.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. McGEHEE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an address by Hon. James Farley at the dedication of the Vicksburg, Miss., post office.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. LONG. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD by including therein an address delivered by me yesterday at Valley Forge.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SMITH of Virginia. Mr. Speaker, I desire to make a point of no quorum, but I shall withhold it until these gentlemen present their announcements.

(Mr. MERRITT asked and was given permission to extend his own remarks in the RECORD.)

Mr. POAGE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein two short quotations from the national anthem.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. COCHRAN. Mr. Speaker, I have authority to extend my own remarks in the RECORD and I now ask to extend them at this point on the subject of reorganization of the Government, and to include therein some references made on this subject by former President Hoover and a former Member of the House, the late Honorable James Beck, who was also Solicitor General of the United States.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

REORGANIZATION OF THE GOVERNMENT

Mr. COCHRAN. Mr. Speaker, the Republican caucus of the House has gone out of its way to adopt two resolutions opposing parts of the President's reorganization plan. It is curious that the Republicans have picked out for opposition the particular parts of the program which were advocated repeatedly by the last Republican President in his messages to Congress. They condemn the President for advocating a single personnel administrator in the place of the Civil Service Commission. Yet the identical recommendation was made to Congress by President Hoover in a special message to Congress on February 17, 1932.

Without expressing myself in any way as to the merits of the suggestions received by the committee from the President's committee or the Brookings Institution, I want to call attention to a little history.

The President's reorganization plan would authorize the President to separate the administrative aspects of independent regulatory commissions, and make these aspects, such as budgeting and personnel, subject to the review and supervision by the Executive. This power was specifically granted to the President in the Economy Act of 1932 (Public, No. 428, 72d Cong., 2d sess.) in the grant of authority to the President "to segregate regulatory agencies and functions from those of an administrative and executive character."

This language was also incorporated in the Reorganization Act of 1932. President Hoover made exactly the same recommendation in a message to Congress on December 3, 1929, when he said:

It seems to me that the essential principles of reorganization are two in number. First, all administrative activities of the same major purpose should be placed in groups under single-headed responsibility; second, all executive and administrative functions should be separated from boards and commissions and placed under individual responsibility; while quasi-legislative and quasi-judicial and broadly advisory functions should be removed from individual authority and assigned to boards and commissions. Indeed, these are the fundamental principles upon which our Government was founded, and they are the principles which have been adhered to in the whole development of our business structure, and they are the distillation of the common sense of generations.

It is said by the resolution of the Republican caucus that the abolition of the office of Comptroller General would remove the control by Congress over expenditures. In the first place, it has never been proposed to abolish the office of Comptroller General, but the recommendation was to take away from that office the executive functions which it now exercises, leaving the office all of the duties and authority which belong to an independent auditor. The executive functions which this office exercises, such as preaudits and the prescribing of accounting systems, were exercised by the Treasury Department for over 130 years prior to 1921, and no one said then Congress had surrendered its power over the purse strings. According to those who are members of the President's committee, the President's plan, which calls for an independent auditor general, who is required to make reports to a special joint committee of the Congress, is designed to restore to the Executive those powers which are essentially executive in character, but to establish more effective accountability of the executive branch to the Congress itself instead of to the Comptroller General.

On December 9, 1932, President Hoover transmitted to the Congress an Executive order transferring certain of the functions of the Comptroller General to the Treasury, pointing out that the General Accounting Office was exercising purely administrative functions. A distinguished committee of the United States Chamber of Commerce in 1934 recommended the creation of a general accounting office directly under the President and the transformation of the Comptroller General's office to that of an auditor general. Did anyone then accuse this committee of attempting to deprive the Congress of its control over the purse strings?

EXCERPTS FROM MESSAGES OF PRESIDENT HOOVER TO CONGRESS RECOMMENDING THE ADMINISTRATIVE AND QUASI-JUDICIAL ACTIVITIES SHOULD BE SEGREGATED AND ADMINISTRATIVE ACTIVITIES PLACED UNDER SINGLE-HEADED DEPARTMENTS AND QUASI-JUDICIAL ACTIVITIES PLACED UNDER BOARDS AND COMMISSIONS

Because of its direct relation to the cost of government, I desire again to bring to the attention of the Congress the necessity of more effective organization of the executive branch of the Government, the importance of which I have referred to in previous messages. This subject has been considered many times by the Executive and by the Congress, but without substantial results. Various projects are now before the Congress.

The need for reorganization is obvious. There has been with the years a gradual growth of the Government by the accretion in its departments and by independent executive establishments, boards, and commissions as problems requiring solution confront the President and the Congress. Today the Government embraces from 150 to 200 separate units, dependent on the method of notation used. Governmental units when once set up have a tendency to grow independently of other units. This leads to overlapping and waste. Moreover, there is a marked tendency to find new occupations when the initial duties are completed. The overlap and the number of agencies can be reduced. (Message to Congress, Feb. 17, 1932.)

There is little hope for success in this task unless it is placed in the hands of someone responsible for it, with authority and direction to act. Moreover, the consummation of a comprehensive reorganization should be undertaken gradually and systematically, predicated on a sound and definite theory of government and effectuated as the result of study and experience gained in the actual processes of reorganization.

I recommend, therefore, that the Congress provide for—

(a) Consolidation and grouping of the various executive and administrative activities according to their major purposes under single-headed responsibility, the Congress designating the title of the officer to be placed in immediate charge of such groups as are not now possible under existing organizations.

(b) Adoption of the general principle that executive and administrative functions should have single-headed responsibility and that advisory, regulatory, and quasi-judicial functions should be performed by boards and commissions, thus permitting the transfer of certain regulatory functions from executive officials to existing boards or commissions and executive functions from boards and commissions to executive officials. (Message to Congress, Feb. 17, 1932.)

QUOTATIONS AND NOTES FROM STATEMENT OF JAMES M. BECK, SOLICITOR GENERAL, AT A HEARING OF THE COMMITTEE OF THE JUDICIARY OF THE HOUSE OF REPRESENTATIVES WITH REFERENCE TO TWO BILLS REGARDING THE AUTHORITY OF THE COMPTROLLER GENERAL

In this statement Solicitor General James M. Beck reviewed in detail the history of the appointing and removing power of the President and discussed the constitutionality and questions of policy of the Budget and Accounting Act provisions making the Comptroller General subject to removal only by the President.

The following are some of the significant quotations from his statement and also notes summarizing other parts. In opening his statement he reviewed the history of the Budget and Accounting Act and quoted from the veto message of President Wilson of the first bill as follows:

It has, I think, always been the accepted construction of the Constitution that the power to appoint officers of this kind carries with it, as an incident, the power to remove. I am convinced that the Congress is without constitutional power to limit the appointing power and its incident, the power of removal derived from the Constitution.

The section referred to not only forbids the Executive to remove these officers but undertakes to empower the Congress, by a concurrent resolution, to remove an officer appointed by the President with the advice and consent of the Senate. I can find in the Constitution no warrant for the exercise of this power by the Congress.

In my opinion, this intent and purpose and the provisions of the act giving them effect are clearly unconstitutional. The duties of the General Accounting Office are beyond question executive in character, and Congress has attempted to take from the President by those provisions a part of the executive power lodged in him by the Constitution.

The function of appropriating money is legislative, and it is concededly within the power of Congress to designate the purposes for which the money shall be spent and the manner in which it shall be spent. The spending of it, however, and the accounting for its expenditure are not legislative functions but executive; and it is not only the right of the executive branch of the Government under the Constitution to carry out the purposes of Congress in making the expenditures but it is the duty of the Executive to see that proper accounting is made for those expenditures.

When, therefore, we find that Congress has created an officer who is independent of the President and of the other executive branches of the Government, who is not amenable to the suggestions of the Attorney General or guided by his opinions, but who assumes the right to review their official action, to pass upon the propriety of their exercise of discretion, and who claims to be responsible merely to Congress, the result is what might have readily been foreseen. Instead of simplifying, coordinating, and harmonizing the accounting system of the Government it has resulted in complication, confusion, and discord.

The heads of departments exercising their respective powers as parts of the executive power under the President have been reduced to a position of subserviency in the fiscal concerns of the

Government to an officer who claims responsibility to Congress alone.

If this be accepted as a fact, an essential portion of the executive power of the Government has been taken from the President and given to an agent of the legislative branch. If this may lawfully be done, Congress may assert the same power over the heads of each of the executive departments and over all officers of the Government not protected by the Constitution by making them removable only by joint resolution of Congress; and when that has been accomplished the President's power of appointment will have been effectually destroyed, for any officer appointed by the President may the next day be removed by Congress.

* * * * * * *

Article II, section 1, of the Constitution provides that—

"The executive power shall be vested in a President of the United States of America."

And the final clause of section 3 of article II is:

"He shall take care that the laws be faithfully executed."

It will be noted that the Constitution does not say that such executive power as Congress shall delegate to him shall be vested in the President. The language is "The executive power"—that is, the executive power vested in the Nation by the Constitution. It will also be noted that his duty is to take care that "the laws" be faithfully executed, not such laws as Congress shall see fit to entrust to his care for their faithful execution.

The language of the oath which he is required to take is significant:

"I do solemnly swear (or affirm) that I will faithfully execute the office of President of the United States and will to the best of my ability preserve, protect, and defend the Constitution of the United States."

His oath is not merely to execute laws or to perform such duties as may from time to time be imposed upon him by Congress, but to "execute the office", the office of President, an office clothed with the complete executive power of the Nation and charged with an indivisible responsibility for the faithful execution of all laws. Congress can neither take from him any of that power nor relieve him of any of that responsibility.

When, therefore, an act of Congress purports to take from him power to execute the will of Congress in respect to appropriations and to relieve him of the care of seeing that they are faithfully executed, it is plainly void. It is void for the further reason that it is an attempt by Congress to appropriate to itself executive power, for I find in the Constitution no grant of executive power to Congress, and I believe that Congress has no power to create any office by which it shall itself exercise executive functions.

* * * * * * * *

Prior to the Budget and Accounting Act, the Comptroller of the Treasury claimed very extensive powers, and the extent of his claims has varied from time to time as the office has been held by different men. So far as I have been able to ascertain, he did not claim the right to interfere with the Attorney General with respect to the conduct of litigation. He did in some instances claim that he was not bound by the opinion of the Attorney General on matters of law. While he did at times claim that the powers given to him were to be exercised independently of the Secretary of the Treasury, nevertheless his office was part of the Treasury Department—a part of the executive branch of the Government—and, like all officers of that Department, liable to removal by the direction of the President. This, of course, tended to harmony and coordination of effort.

I am told that during the first administration of President Cleveland, when Mr. Garland was Attorney General, the officer who exercised the powers afterward conferred upon the Comptroller of the Treasury declined to follow an opinion of the Attorney General. Mr. Garland brought the matter to the attention of the President, who summoned the officer and told him, in substance, that the Attorney General was the legal adviser of the President and of the heads of the executive departments, and that if the Comptroller was unwilling to be guided by his advice his resignation would be at once accepted. After that interview the Comptroller saw the matter in a different light.

I understand from those who have had years of experience in the matter of adjusting claims and settling Government accounts that in years past the rulings of the Comptroller have been regarded as conclusive on the different executive departments, but generally he was disposed to follow the opinions of the Attorney General; that in matters of disbursements of appropriations, disbursed as provided in the various acts on the authorization, approval, or within the discretion of the head of a department, the Comptroller accepted the action of the head of the Department as to necessity and propriety, and that no issue ever arose between him and the Attorney General or the head of a department which was not ultimately adjusted without unseemly controversy.

The extent of the Comptroller's powers, however, has always been a somewhat vexatious one. These powers should properly be very large, and the performance of his duties must necessarily be attended with great difficulties and even, at times, involve strong differences of opinion. As long as that officer is, however, under the control of the Executive, there can arise no conflict which the Executive cannot adjust.

Such supervisory power, lodged ultimately in the President, who is himself elected by all the people and who alone is responsible to all the people, makes for uniformity, harmony, and efficiency. A lack of such supervision tends to confusion, discord, and waste of effort. The President cannot take "care that the laws be faithfully executed" when their execution is in the hands of an officer over whom he has no control.

This situation has brought about numerous conflicts and clashes between the Comptroller and the executive departments and bureaus, the details of which are already known to you and with which, therefore, I shall not burden you.

It seems to me to be intolerable that a statute should purport to confer upon any accounting officer power to override the executive departments and the Attorney General, who is by law their adviser, and who by the terms of the statute creating his office is only amenable to the authority of the President. It impairs the dignity and authority of the President to have such an officer in a position to question and annul the official acts of his Cabinet advisers, who act under his authority and are subject to his control.

After reviewing the position of the attitude of the Comptroller of the Treasury, who, though he insisted he had the right to disregard positions of the Congress, followed the practice of conforming to such decisions and the opinions of the Attorney General, Mr. Beck cited the following quotations from the Comptroller General in which he refused to be bound by the decisions of the courts:

The attitude of the present Comptroller General is indicated by the following rulings:

In considering the question of expenditures by the Employees' Compensation Commission, Comptroller General McCarl said, February 26, 1924 (vol. 3, Decisions of the Comptroller General, p. 547):

"This is a question for determination solely by the Comptroller General of the United States and may not be adjudicated by any court. While courts may render judgments against the United States in certain cases, such judgments are payable only after specific provision for such payment is made by the Congress and upon settlements made by the General Accounting Office. * * * The question as to the right and duty of the accounting officers to require this evidence and to refuse to allow credit for payments unsupported by evidence deemed necessary to determine their legality and for payments made in direct contravention of decisions of the Comptroller General of the United States is not a question which properly may be submitted to and determined by any court. The decision and judgment of a court upon an action against your disbursing officer and the surety under his bond for the recovery of the balance found due from him to the United States in the settlement of his accounts would not be determinative of the question here involved."

In another decision, February 7, 1924 (vol. 3, Decisions of the Comptroller General, p. 479), Comptroller General McCarl said:

"Under the act of June 10, 1921, responsibility to settle and adjust claims against the United States and to determine the availability of appropriations for their payment is upon this office, and while opinions of the court are given most careful consideration, especially where it appears that the merits or legal principles involved have been fairly presented to and fully considered by the court, it is not believed that this office would be justified in applying the decision in the Quinn case to the case here under consideration."

The Quinn case was a decision by the Court of Claims. In other words, the Comptroller General practically holds that he is not bound by the decisions of the courts and that he is the court of last resort upon questions relating to the obligations of the Government to its creditors; that while the opinions of the courts may be useful to him in the performance of his duties there is no obligation upon him to follow them.

The Supreme Court of the United States in the case of *United States* v. *Waters* (133 U. S. 208) quotes with approval the following language of the Court of Claims (21 Ct. Cls. 37, 38):

"The Comptroller decides whether or not the items are authorized by statute and are legally chargeable. He has no power to review, revise, and alter items expressly allowed by statute, nor items of expenditures or allowances made upon the judgment and discretion of other officers charged with the duty of expending the money or of making the allowances. His duty extends no further than to see that the officers charged with that duty have authorized the expenditures or have made the allowances."

These decisions of the Comptroller General serve to illustrate the wide contrast between the views of the Comptroller General, with respect to the powers and duties of his office, and the sound conception of what are his functions as declared by this decision of the Supreme Court.

Many illustrations could be given to show that while the Comptroller General's assumption of extraordinary power may have its advantages, it also has its great disadvantages. While it may at times save, on other occasions it wastes. Where at times it helps the other departments of the Government to function, at times it disarranges the machinery of the Government as that machinery has worked from the beginning. Many illustrative cases could be given.

* * * * * * *

The best method of handling the intricate accounting system of the Government is a matter which can best be discussed by those who are familiar with the vast detail of its operations. In a broad way, however, the following conclusions seem to me to be beyond question sound:

1. There should be no official at the head of an accounting department who is not directly or indirectly responsible to and removable by the President.

2. There should be no official at the head of an accounting office who is not required to be guided upon legal questions by the advice of the Attorney General.

Since the passage of the act of 1789 the Attorney General has been the legal adviser of the President and the executive departments of the Government. Since 1861 he has had supervision of the United States district attorneys. Since 1870 he has been the head of an executive department, and since 1886 he has been in direct line of succession to the Presidency.

3. There should be no official at the head of an accounting office who has the right to interfere with the Attorney General in the conduct of litigation.

4. The chief accounting official of the United States should unquestionably hold an office of great power, prestige, and dignity, and he should have all the authority necessary to bring about simplification, coordination, harmony, and efficiency. This cannot be accomplished, however, by making him independent of the Executive and the executive departments. To bring about this result there must be cooperation between him and the heads of the other departments. That cannot follow when he is their superior. It can only result when they all work together under one who is superior to them all, the President.

I do not say I am in full accord with what Mr. Beck said, but my purpose is to call to the attention of the Republican Members what this outstanding member of their party advocated.

The Republican caucus overlooked the statements of their own leaders when they were in power. No one ever accused former President Hoover or the Honorable James M. Beck of trying to destroy the authority of the Congress or of exalting unduly the power of the President. But when the same recommendations are made by President Roosevelt, they are condemned as an attempt to enlarge the Executive power at the expense of Congress.

I have refrained from giving interviews relative to the activities of the House or joint committee and this statement is solely to call attention to the inconsistency of the Republicans on the questions at issue. It appears to me their position is the suggestions were sound when we had a Republican administration but not so when the Democrats are in power.

CALL OF THE HOUSE

Mr. SMITH of Virginia. Mr. Speaker, I now make the point of order a quorum is not present.

The SPEAKER. Obviously, a quorum is not present.

Mr. RAYBURN. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 89]

Allen, Del.	Eckert	Lambertson	Scott
Amlie	Fish	Lanzetta	Shafer, Mich.
Arnold	Fitzgerald	Lea	Shanley
Bates	Forand	Lord	Shannon
Bernard	Frey, Pa.	Lucas	Sirovich
Biermann	Fuller	Ludlow	Smith, W. Va.
Binderup	Fulmer	McGranery	Stack
Bradley	Gasque	McLean	Sullivan
Brewster	Gifford	Maas	Sutphin
Buckley, N. Y.	Gilchrist	Magnuson	Sweeney
Case, S. D.	Gingery	Mahon, S. C.	Swope
Casey, Mass.	Goldsborough	Meeks	Taber
Celler	Greenwood	Mosier, Ohio	Taylor, Colo.
Chandler	Haines	Mott	Taylor, S. C.
Chapman	Hamilton	Mouton	Terry
Claypool	Harter	Murdock, Ariz.	Thomas, Tex.
Coffee, Nebr.	Hartley	Norton	Tobey
Collins	Healey	O'Connell, Mont.	Voorhis
Connery	Hendricks	Oliver	Wadsworth
Crosby	Higgins	O'Neal, Ky.	Weaver
Curley	Hill, Wash.	Pearson	Welch
Dempsey	Hook	Peterson, Ga.	Wene
Ditter	Hunter	Pettengill	White, Idaho
Dixon	Jacobsen	Peyser	Wilcox
Dondero	Jarrett	Plumley	Wolcott
Dorsey	Jenks, N. H.	Reilly	Wood
Douglas	Johnson, Minn.	Richards	Zimmerman
Drewry, Va.	Keller	Sadowski	
Eaton	Kelly, N. Y.	Schneider, Wis.	
Eberharter	Kvale	Schuetz	

The SPEAKER. Three hundred and sixteen Members have answered to their names, a quorum.

On motion of Mr. RAYBURN, further proceedings under the call were dispensed with.

Mr. DIES. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

DISTRICT OF COLUMBIA TAX BILL

Mr. DIES. Mr. Speaker, there will be before us today a very important measure, the District of Columbia tax bill, which contains some unjust and unfair provisions. I shall offer some amendments which will give the District more taxes, amendments to increase the inheritance and gift taxes and to place an increased tax upon the owners of real estate here, who are getting by on the lowest tax of any city in the country. [Applause.] I shall also offer amendments with respect to other taxes which will bring to the District the revenue it wants.

However, I do not propose to support any bill which seeks to place an income tax upon Congressmen, who are already taxed under the Federal law and under the State laws of many of the States, or they should be taxed under such laws. I do not propose to support any measure which seeks to have the District of Columbia impose a tax upon Members of Congress in addition to all the other taxes Members are compelled to pay. [Applause.]

I hope, Mr. Speaker, sufficient time will be allowed for us to offer some real amendments to this bill. For instance, I shall propose that we exempt up to a value of $5,000 all homes actually owned by their occupants, and then impose a graduated tax upon the owners of the big apartment houses and hotels of this city, who are making more money than is the case in any other city of the United States. [Applause.]

[Here the gavel fell.]

DISTRICT OF COLUMBIA

The SPEAKER. This is District of Columbia day.

DISTRICT OF COLUMBIA TAX BILL

Mr. PALMISANO. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 7472) to provide additional revenue for the District of Columbia, and for other purposes; and, pending that motion, I ask that general debate may be limited to 2 hours, one-half to be controlled by the ranking minority member of the committee and one-half by myself.

The SPEAKER. The gentleman from Maryland moves that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 7472; and pending that motion, asks unanimous consent that general debate on the bill may be limited to 2 hours, one-half to be controlled by himself and one-half by the ranking minority member of the committee. Is there objection to the request of the gentleman from Maryland?

Mr. SMITH of Virginia. Mr. Speaker, reserving the right to object, I ask unanimous consent to address the House for 3 minutes.

The SPEAKER. The Chair may state to the gentleman from Virginia there is already a unanimous-consent request pending.

Mr. SMITH of Virginia. Then, reserving the right to object, I would like to make a brief statement, if agreeable to the chairman of the committee.

We have before us today the bill about which the gentleman from Texas [Mr. DIES] has just talked. It is a bill with seven titles covering different sorts of taxes which are being imposed upon the residents of the District of Columbia and upon nonresidents of the District of Columbia. The bill was reported but was not printed until Friday morning. The committee obtained unanimous consent to have until midnight Friday night to file its report. The report on the bill was not printed until Saturday morning, and was not available to the Members of the House.

The bill contains 80 pages. It seeks to impose taxes on nonresidents of the District of Columbia. We do not know what effect the bill will have. It has not been printed long

enough for Members to digest it properly or find out what effect the bill may have on their constituents back home.

We ought not to go into the consideration of the bill this morning, and I shall be forced to ask for a division on the motion of the gentleman from Maryland [Mr. PALMISANO]. If the House will vote down the motion to go into Committee of the Whole House on this bill, we shall not have to consider it in this half-baked fashion. [Applause.]

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

Mr. SMITH of Virginia and Mr. ROBSION of Kentucky objected.

The SPEAKER. The question is on the motion of the gentleman from Maryland [Mr. PALMISANO] that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 7472.

The question was taken; and on a division (demanded by Mr. NICHOLS) there were—ayes 30, noes 167.

Mr. NICHOLS. Mr. Speaker, I demand the yeas and nays.

Mr. DIRKSEN. Mr. Speaker, I object to the vote on the ground there is no quorum present.

The SPEAKER. The gentleman from Illinois [Mr. DIRKSEN] makes the point of order there is not a quorum present. The Chair will count. [After counting.] Two hundred and sixteen Members are present, not a quorum.

The question is on the motion of the gentleman from Maryland [Mr. PALMISANO] that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 7472.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 76, nays 227, answered "present" 1, not voting 128, as follows:

[Roll No. 90]

YEAS—76

Allen, Del.	Dirksen	Jacobsen	Palmisano
Andrews	Disney	Jarman	Patman
Beiter	Dorsey	Jenckes, Ind.	Quinn
Bigelow	Dowell	Johnson, Okla.	Ramspeck
Boehne	Ellenbogen	Kennedy, Md.	Randolph
Boileau	Engel	Kloeb	Rayburn
Boren	Faddis	Lambertson	Reece, Tenn.
Cannon, Mo.	Ferguson	Lanzetta	Rees, Kans.
Carter	Fitzgerald	Lewis, Md.	Sacks
Cartwright	Garrett	McCormack	Schuite
Citron	Gray, Pa.	McGehee	Shafer, Mich.
Clason	Guyer	Mahon, Tex.	Snell
Cole, N. Y.	Halleck	Mapes	Stefan
Costello	Hancock, N. Y.	Martin, Mass.	Thomason, Tex.
Crawford	Harrington	Nelson	Thurston
Creal	Hart	Nichols	Towey
Crosser	Hobbs	O'Connor, N. Y.	Vinson, Fred M.
DeMuth	Hope	O'Day	Welch
Dingell	Houston	O'Neill, N. J.	White, Ohio

NAYS—227

Aleshire	Coffee, Wash.	Gearhart	Kniffin
Allen, Ill.	Colden	Gehrmann	Knutson
Allen, La.	Cole, Md.	Gildea	Kocialkowski
Allen, Pa.	Colmer	Gray, Ind.	Kramer
Anderson, Mo.	Cooley	Greever	Lambeth
Andresen, Minn.	Cooper	Gregory	Lamneck
Arends	Cox	Griffith	Lanham
Ashbrook	Cravens	Griswold	Lea
Atkinson	Culkin	Gwynne	Leavy
Bacon	Cullen	Harlan	Lemke
Barden	Cummings	Havenner	Lesinski
Barry	Daly	Hildebrandt	Lewis, Colo.
Beam	Deen	Hill, Ala.	Long
Bloom	DeRouen	Hoffman	Luce
Boland, Pa.	Dies	Holmes	Luckey, Nebr.
Boyer	Dixon	Honeyman	Luecke, Mich.
Boykin	Doughton	Hull	McAndrews
Boylan, N. Y.	Doxey	Imhoff	McClellan
Bradley	Drew, Pa.	Izac	McFarlane
Brewster	Driver	Jenkins, Ohio	McGrath
Brooks	Duncan	Johnson, Luther A.	McGroarty
Brown	Edmiston	Johnson, Lyndon	McKeough
Buck	Eicher	Johnson, Minn.	McLaughlin
Buckler, Minn.	Elliott	Johnson, W. Va.	McMillan
Buckley, N. Y.	Englebright	Kee	McReynolds
Bulwinkle	Farley	Keller	Maloney
Burch	Fernandez	Kelly, Ill.	Mansfield
Burdick	Flannagan	Kelly, N. Y.	Martin, Colo.
Caldwell	Fleger	Kennedy, N. Y.	Mason
Carlson	Fletcher	Kenney	Massingale
Champion	Ford, Calif.	Keogh	Maverick
Church	Ford, Miss.	Kerr	Mead
Clark, Idaho	Fries, Ill.	Kinzer	Meeks
Clark, N. C.	Gambrill	Kirwan	Merritt
Cluett	Gasque	Kitchens	Michener
Cochran	Gavagan	Kleberg	Millard
Miller	Pierce	Secrest	Tolan
Mills	Poage	Seger	Transue
Mitchell, Ill.	Polk	Sheppard	Turner
Mitchell, Tenn.	Powers	Short	Umstead
Moser, Pa.	Rabaut	Simpson	Vincent, B. M.
Murdock, Utah	Ramsay	Smith, Conn.	Vinson, Ga.
O'Brien, Ill.	Rankin	Smith, Maine	Waligren
O'Connell, R. I.	Reed, Ill.	Smith, Va.	Walter
O'Connor, Mont.	Reed, N. Y.	Smith, Wash.	Warren
O'Leary	Rigney	Snyder, Pa.	Wearin
O'Malley	Robertson	Sparkman	Weaver
O'Toole	Robinson, Utah	Spence	West
Owen	Robsion, Ky.	Starnes	Whelchel
Pace	Rogers, Mass.	Steagall	Whittington
Parsons	Romjue	Tarver	Wigglesworth
Patrick	Rutherford	Taylor, Tenn.	Wilcox
Patterson	Ryan	Teigan	Williams
Patton	Sanders	Thom	Withrow
Peterson, Fla.	Sauthoff	Thomas, N. J.	Wood
Pfeifer	Schaefer, Ill.	Thomas, Tex.	Woodruff
Phillips	Schneider, Wis.	Thompson, Ill.	

ANSWERED "PRESENT"—1

Dunn

NOT VOTING—128

Amlie	Eberharter	Kopplemann	Sadowski
Arnold	Eckert	Kvale	Schuetz
Bates	Evans	Larrabee	Scott
Bell	Fish	Lord	Scrugham
Bernard	Fitzpatrick	Lucas	Shanley
Biermann	Flannery	Ludlow	Shannon
Binderup	Forand	McGranery	Sirovich
Bland	Frey, Pa.	McLean	Smith, W. Va.
Byrne	Fuller	McSweeney	Somers, N. Y.
Cannon, Wis.	Fulmer	Mass	South
Case, S. Dak.	Gifford	Magnuson	Stack
Casey, Mass.	Gilchrist	Mahon, S. C.	Sullivan
Celler	Gingery	May	Sumners, Tex.
Chandler	Goldsborough	Mosier, Ohio	Sutphin
Chapman	Green	Mott	Sweeney
Claypool	Greenwood	Mouton	Swope
Coffee, Nebr.	Haines	Murdock, Ariz.	Taber
Collins	Hamilton	Norton	Taylor, Colo.
Connery	Hancock, N. C.	O'Brien, Mich.	Taylor, S. C.
Crosby	Harter	O'Connell, Mont.	Terry
Crowe	Hartley	Oliver	Tinkham
Crowther	Healey	O'Neal, Ky.	Tobey
Curley	Hendricks	Pearson	Treadway
Delaney	Hennings	Peterson, Ga.	Voorhis
Dempsey	Higgins	Pettengill	Wadsworth
Dickstein	Hill, Okla.	Peyser	Wene
Ditter	Hill, Wash.	Plumley	White, Idaho
Dockweiler	Hook	Reilly	Wolcott
Dondero	Hunter	Rich	Wolfenden
Douglas	Jarrett	Richards	Wolverton
Drewry, Va.	Jenks, N. H.	Rogers, Okla.	Woodrum
Eaton	Jones	Sabath	Zimmerman

Mr. CARTWRIGHT and Mr. HOBBS changed their votes from "no" to "aye."

So the motion was rejected.

The Clerk announced the following pairs:

Until further notice:

Mr. Taylor of Colorado with Mr. Wadsworth.
Mr. Sumners of Texas with Mr. Ditter.
Mr. Bland with Mr. Hartley.
Mr. Fuller with Mr. Treadway.
Mr. May with Mr. Crowther.
Mr. Pettengill with Mr. Gifford.
Mr. Greenwood with Mr. Lord.
Mr. Chapman with Mr. Taber.
Mr. Fulmer with Mr. Rich.
Mr. Dempsey with Mr. Wolcott.
Mr. Pearson with Mr. Tobey.
Mr. Drewry of Virginia with Mr. Wolfenden.
Mr. Jones with Mr. Eaton.
Mr. Woodrum with Mr. Wolverton.
Mr. Sullivan with Mr. Tinkham.
Mr. Bell with Mr. Mass.
Mr. Fitzpatrick with Mr. Douglas.
Mr. Ludlow with Mr. Fish.
Mrs. Norton with Mr. Dondero.
Mr. Taylor of South Carolina with Mr. Gilchrist.
Mr. Hancock of North Carolina with Mr. Mott.
Mr. Terry with Mr. Oliver.
Mr. Dockweiler with Mr. Plumley.
Mr. Hunter with Mr. McLean.
Mr. Richards with Mr. Jenks of New Hampshire.
Mr. Green with Mr. Jarrett.
Mr. Peterson of Georgia with Mr. Case.
Mr. Crowe with Mr. Kvale.
Mr. Reilly with Mr. Amlie.
Mr. South with Mr. Bernard.
Mr. Flannery with Mr. Smith of West Virginia.
Mr. Biermann with Mr. Forand.
Mr. Arnold with Mr. Bates.
Mr. Lucas with Mr. Evans.
Mr. Shannon with Mr. Frey.
Mr. Binderup with Mr. Magnuson.
Mr. McSweeney with Mr. Byrne.
Mr. Somers of New York with Mr. McGranery.
Mr. Claypool with Mr. Hamilton.
Mr. Wene with Mr. Voorhis.

Mr. Collins with Mr. Zimmerman.
Mr. Dickstein with Mr. Hook.
Mr. Eberharter with Mr. Koppelmann.
Mr. Scrugham with Mr. Rogers of Oklahoma.
Mr. Delaney with Mr. Hill of Washington.
Mr. Higgins with Mr. Curley.
Mr. Connery with Mr. Hendricks.
Mr. O'Neal of Kentucky with Mr. Crosby.
Mr. Goldsborough with Mr. Mouton.
Mr. Sutphin with Mr. Casey of Massachusetts.
Mr. Celler with Mr. Murdock of Arizona.
Mr. Sirovich with Mr. Flannery.
Mr. Mahon of South Carolina with Mr. Stack.
Mr. Gingery with Mr. Cannon of Wisconsin.
Mr. Mosier of Ohio with Mr. Sweeney.
Mr. Swope with Mr. Chandler.
Mr. Haines with Mr. O'Brien of Michigan.
Mr. O'Connell of Montana with Mr. Coffee of Nebraska.
Mr. Harter with Mr. White of Idaho.
Mr. Hennings with Mr. Hill of Oklahoma.
Mr. Sadowski with Mr. Scott.
Mr. Larrabee with Mr. Shanley.
Mr. Eckert with Mr. Healey.

The result of the vote was announced as above recorded.

Mr. NICHOLS. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. NICHOLS. Mr. Speaker, I had no idea that the House of Representatives so misunderstood this proposed legislation that the action which has just been taken by the House might happen. Had I had any idea of this, I would have made an attempt to gain recognition before this time to explain to the Members what would happen in the event they did what they have just done. Since I have had no opportunity before, I want to point out to you at this time that the government of the District of Columbia is some $6,000,000 short of funds enough to run the District government.

There are only two ways that this money can be raised. One way is to place a tax upon the citizens of the District of Columbia so that they themselves who reside here shall pay the cost of their own government. This is one way. The only other way is by Federal contributions; and when it comes by Federal contributions your constituents and mine pay or help to pay the cost of government in the District of Columbia, and you, today, by your action have said that you do not want the citizenship of the District of Columbia to pay taxes to maintain their own government, but that you want your constituents to contribute to the support of the government that you will not permit the people themselves to maintain.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. NICHOLS. No; I cannot yield. You have voted not to consider this legislation.

Mr. CHURCH. Mr. Speaker, will the gentleman yield?

Mr. NICHOLS. No; I cannot yield.

Mr. CHURCH. The gentleman pointed at me.

Mr. NICHOLS. I refuse to yield, Mr. Speaker. The effect of this action is that if the tax bill for the District of Columbia is not considered and passed before July 1, then there likely will be no police department, there likely will be no fire department—they certainly will be reduced by at least 50 percent. [Laughter.] Laugh, if you will, but let us see. The Federal Government has contributed $5,000,000 by your vote to help pay the cost of the District of Columbia government, and, unless this bill passes, only the tax of $1.50 on real estate and the small amount of tax which is paid by the public utilities will be the revenue provided for the District of Columbia, and they will be $6,000,000 short of enough money to carry on the government.

Many of you gentlemen today voted against the motion to consider this bill because you were advised by Members and by the press that this bill was about to impose a tax on the incomes of Members of Congress. This is not the case. No one will pay an income tax under this bill in the District of Columbia who is not domiciled within the District of Columbia, and if you are familiar with the definition of the term "domicile", domicile is synonymous with legal residence, or unless you maintain a permanent place of abode within the District of Columbia and live there for at least 3 months out of each calendar year.

What Member of Congress comes within the classification of an employee of the Federal Government, or what Member makes this a permanent place of abode? If he does, then I say that he should pay an income tax within the district where he lives as a permanent residence.

The SPEAKER. The time of the gentleman from Oklahoma has expired.

Mr. NICHOLS. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER. Is there objection?

Mr. CARTER. Mr. Speaker, I reserve the right to object, and I do this for the purpose of finding out what is to take place the remainder of the afternoon. Has the District any other bills?

Mr. PALMISANO. There are three other bills, one of them a bill respecting beauty parlors.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

Mr. BOILEAU. Mr. Speaker, I reserve the right to object, to propound a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. BOILEAU. Would it be in order at this time to move to reconsider the vote by which the House refused to go into the Committee of the Whole House on the state of the Union for the consideration of this bill?

The SPEAKER. It would not be in order under the rules of the House. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. NICHOLS. Mr. Speaker, there is only one other route that the Committee on the District of Columbia can pursue, and I do not know what that committee will do. If Members of this House are not willing to consider on the floor of the House legislation which is brought to the floor by a regular standing committee of this body, not even willing to go into the consideration of the legislation that is recommended to you by one of your own committees, then there is only one other route. That committee must go to the Committee on Rules and ask for a rule. Perhaps they will get a rule. If they do, then the legislation can only be considered at such time as the Calendar of the House will permit its being considered. This is the 14th day of June, and it is entirely conceivable that July 1 may get here before this House can again take up consideration of this bill. If that happens, then the responsibility for the District of Columbia Government not having funds with which to operate is squarely upon your shoulders by reason of the vote cast in this House this afternoon.

The SPEAKER. The time of the gentleman from Oklahoma has expired.

LEAVE TO ADDRESS THE HOUSE

Mr. SMITH of Virginia. Mr. Speaker, I ask unanimous consent to speak for 5 minutes.

Mr. PALMISANO. Mr. Speaker, of course, I do not care to object, but it seems to me after having lost an hour and a half of time already, the District Committee ought to go on with its program. If the gentleman from Virginia or any other gentleman desires time, I shall be very glad to grant it to him.

Mr. MAVERICK. Mr. Speaker, I think we ought to finish talking about this matter.

Mr. DINGELL. Mr. Speaker, I reserve the right to object. I think we could have finished this thing properly had we gone into debate upon the bill instead of "gassing" about what ought or ought not to be done. I object.

The SPEAKER. The gentleman from Michigan objects.

Mr. DIRKSEN. Mr. Speaker, as a member of the subcommittee handling this matter of taxation, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER. Is there objection?

Mr. SMITH of Virginia. I object.

COSMETOLOGY

Mr. PALMISANO. Mr. Speaker, I call up the bill H. R. 6869, to regulate the occupation and practices of cosmetology, to create a District of Columbia Board of Cosmetology for the examination and licensing of persons to carry on or to teach such practices, to insure the better education of such practitioners, to provide rules regulating the proper conduct and sanitation of cosmetological establishments and schools, for the protection of the public health, and to provide penalties for violation thereof, and ask unanimous consent that it be considered in the House as in Committee of the Whole.

The SPEAKER. The gentleman from Maryland calls up the bill H. R. 6869, on the Union Calendar, and asks unanimous consent that the bill be considered in the House as in Committee of the Whole. Is there objection?

Mr. PATMAN. Mr. Speaker, I reserve the right to object. I want time in opposition to the bill. If the gentleman will agree to give me 30 minutes I shall not object.

Mr. DIES. I want some time.

Mr. PALMISANO. Mr. Speaker, I ask unanimous consent that debate proceed for 1 hour, the gentleman from Texas [Mr. PATMAN] to control 30 minutes, and I to control 30 minutes.

Mr. DIRKSEN. Mr. Speaker, I reserve the right to object. Unless the time is regularly parceled out so that we may participate in at least one-half of the time, I shall object.

A MEMBER. Mr. Speaker, I demand the regular order.

The SPEAKER. The regular order is demanded. Is there objection to the request of the gentleman from Maryland that the bill be considered in the House as in Committee of the Whole?

Mr. DIRKSEN. I object.

The SPEAKER. The gentleman from Illinois objects.

PERMISSION TO SIT DURING SESSIONS OF HOUSE

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent that the Committee on Labor be permitted to sit during the sessions of the House this week.

The SPEAKER. Is there objection?

There was no objection.

DISTRICT OF COLUMBIA LEGISLATION—COSMETOLOGY

Mr. PALMISANO. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 6869) to regulate the occupation and practices of cosmetology, to create a District of Columbia Board of Cosmetology for the examination and licensing of persons to carry on or to teach such practices, to insure the better education of such practitioners, to provide rules regulating the proper conduct and sanitation of cosmetological establishments and schools, for the protection of the public health, and to provide penalties for violation thereof, and, pending that, I ask unanimous consent that the debate be limited to 1½ hours, 30 minutes of the time to be controlled by the gentleman from Illinois [Mr. DIRKSEN], 30 minutes by the gentleman from Texas [Mr. PATMAN], with the understanding that he allow some time to other Members, and 30 minutes to be controlled by myself.

The SPEAKER. Is there objection to the request of the gentleman from Maryland [Mr. PALMISANO]?

Mr. DIRKSEN. Mr. Speaker, reserving the right to object, I wish to say to the gentleman from Maryland [Mr. PALMISANO] that there is not any reason that I know of why one-half of the time should not be accorded to this side. If we have time to spare, we can parcel it out over here just as well as the gentleman can on that side. I shall have to insist on that equal division of the time.

Mr. PALMISANO. Very well. I may say that under the rules unless debate is limited, any Member of the House who can obtain the floor will be recognized for 1 hour. So if you want to go ahead and kill this bill or kill the rest of the day, it is all right with me.

Mr. DIRKSEN. But we are automatically entitled to one-half the time, and, Mr. Speaker, I shall object to the request.

The SPEAKER. The question is on the motion of the gentleman from Maryland [Mr. PALMISANO].

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 6869, with Mr. MCREYNOLDS in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Without objection, the first reading of the bill will be dispensed with.

There was no objection.

The CHAIRMAN. The gentleman from Maryland [Mr. PALMISANO] is recognized for 1 hour.

Mr. PALMISANO. Mr. Chairman, I yield 5 minutes to the gentleman from Virginia [Mr. SMITH].

Mr. SMITH of Virginia. Mr. Chairman, in the bill upon which we just voted on the motion to resolve the House into the Committee of the Whole House on the state of the Union, I think a little explanation is due to the Members of the House in response to the remarks of the gentleman from Oklahoma [Mr. NICHOLS], who indicated that the House perhaps did not understand what it was doing when it voted not to consider this bill and did not understand the result of its vote. I think I can safely say that the House understood exactly what it was doing. [Applause.] The gentleman from Oklahoma said there was no route to take after we had voted down consideration of this bill. I want to say for the District Committee, in all friendliness and kindliness—I know they have a difficult job, because I was a member of that committee, and I would not have it again for anything—there are two routes you can take that will settle this matter very easily. One route is to strike out everything in this bill after the first title. The first title provides that the District Commissioners may draw on the Federal Government in advance for its needs.

Mr. DIRKSEN. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. I am not going to yield, because I only have 5 minutes.

Mr. DIRKSEN. Mr. Chairman, I make the point of order that the gentleman from Virginia is not proceeding in order. He is addressing himself to a matter that has already been disposed of. The matter now under consideration is a bill dealing with cosmetology.

The CHAIRMAN. This is general debate, and the gentleman from Virginia may proceed.

Mr. SMITH of Virginia. I am surprised at the interruption of the gentleman from Illinois. I would have thought that everybody in this Committee would like to have the House thoroughly understand the matter so that there would not be any question, and that when one side had been heard I think the other side should be heard.

Mr. MICHENER. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state the point of order.

Mr. SMITH of Virginia. I seem to have a mistaken idea of the attitude of some Members on the District of Columbia Committee.

Mr. MICHENER. Mr. Chairman, I understand we are discussing the bill under consideration. We are not in general debate. Under the rules, if that is true, debate must be confined to the bill.

The CHAIRMAN. The gentleman is mistaken. We are not under unanimous consent. We are under the general rules of the House, and the gentleman from Maryland has 1 hour and he has yielded 5 minutes to the gentleman from Virginia, who can talk about whatever he pleases.

Mr. SMITH of Virginia. May I appeal to the Chair that none of this interruption be taken out of my time?

I want to say to the House there are two distinct routes that this Committee can take. One is to adopt title I of this bill, which would permit the District to draw in advance for their needs during the coming fiscal year, and during that interim they would have ample time in which to make a study of the tax situation in the District of Columbia and bring in a bill that would be comprehensive.

That is one route that can be taken, one way to settle this controversy. The other route that can be taken, if the committee will take it—and I cannot for the life of me understand why the committee will not do it—the other route that is very simple is for the committee to strike out that title in the bill which undertakes to impose an income tax for the benefit of the residents of the District of Columbia upon those people who reside back in your district and my district and who have to pay their taxes back home. If anybody can give any good reason why a man living in Oklahoma who merely happens to draw an income from here by reason of being here for 3 months in the year should have to pay an income tax to the Federal Government, an income tax to the State of Oklahoma, and then an income tax for the purpose of running the District of Columbia, I wish he would take the floor and tell us what it is.

Mr. KENNEDY of Maryland. Mr. Chairman, will the gentleman yield for one question?

Mr. SMITH of Virginia. I am sorry; I cannot yield.

A strange thing about this, as I said before we took this vote, is that this bill was not printed and available to the Members of the House until Friday morning.

Mr. NICHOLS. Mr. Chairman, if the gentleman will yield, that is not correct.

Mr. SMITH of Virginia. I beg the gentleman's pardon. The bill was not printed until Friday. We should have more time in which to consider it. I want the gentleman to understand that I am not unfriendly.

Mr. NICHOLS. Why has the gentleman said that this bill was not available until Friday? As a matter of fact, the bill has been in the House for 10 days. The gentleman is correct as to the report; the report was not printed until Saturday.

Mr. SMITH of Virginia. Mr. Chairman, I do not yield further.

[Here the gavel fell.]

Mr. PALMISANO. Mr. Chairman, I yield 5 additional minutes to the gentleman from Virginia.

Mr. SMITH of Virginia. Now, I want the gentleman from Oklahoma [Mr. NICHOLS] to correct me if I am wrong about this: The bill was not printed until Friday, June 11, as shown on the face of the bill itself. There was a previous bill introduced, but that bill differs from this bill. The bill that we were asked to consider today was never printed until Friday. I do not know exactly what was in the other bill, but my understanding is that these most controversial points were not in there.

Mr. MAVERICK. The bill has never been printed?

Mr. SMITH of Virginia. No; that is another bill. It was printed; but this bill that we were asked to consider today was not printed and ready for the House until Friday morning, and the report upon which the bill was based was not available until Saturday. You are asked to digest a bill of 80 pages in one afternoon.

Mr. KENNEDY of Maryland. Mr. Chairman, will the gentleman yield for one brief question?

Mr. SMITH of Virginia. I yield.

Mr. KENNEDY of Maryland. This bill provides for deductions to those paying income taxes in the States.

Mr. SMITH of Virginia. That brings me to one other point that I think interests the Members of the House.

Mr. KENNEDY of Maryland. I am advised that several amendments have been prepared by members of the committee which would exclude those who already have paid an income tax in other States.

Mr. SMITH of Virginia. We could not know what the amendments were; the amendments were not available. We would have to vote on whatever amendments were thrown at us. What I am saying is that we ought not to be required to digest, with such little consideration, and vote upon a bill which may affect many of our constituents, and it does affect thousands of my constituents living right here adjacent to Washington.

If the members of the committee would agree to strike out the income-tax features of this bill I am sure they would have no trouble in passing it today. If the committee would say that they were willing to do that, I think they could still call the bill up today.

Mr. HARLAN. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. HARLAN. The gentleman certainly would not want to pass the inheritance-tax provisions of this bill in their present form, would he?

Mr. SMITH of Virginia. I do not know, I have not given any attention to that, I do not know anything about it. As far as I am concerned, I have no objection except to those clauses in the bill which impose on my constituents, who are already paying two income taxes, another income tax in order to maintain the District of Columbia. That is my chief objection to the bill. If the committee will agree to strike out the income-tax features I have no doubt but what they still could pass the bill today.

Mr. Chairman, I yield back the balance of my time.

Mr. PALMISANO. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, I did not intend to take the floor on this subject, but inasmuch as the income-tax question has been raised by various Members, I think I should make a little statement in regard to it.

I think I told the gentleman from Virginia in the cloakroom that I had prepared an amendment to eliminate the features that Members were objecting to. I offered such an amendment in the committee. It passed by one vote, but upon reconsideration it lost by one vote. At the time I did not believe the Members of the House were in sympathy with that provision.

I think, if the Members had considered this bill, unquestionably the income-tax feature would have been eliminated. I cannot see why the Members refused to consider the bill which has to do with equalization of taxes. There is another tax provided for in this bill which, in my opinion, would not affect the Members of the House or the people of their districts. By virtue of the vote that has been taken, that provision cannot be considered. There are also other provisions that affect only the people of the District. I am sorry the question is settled, and I hope the Rules Committee will give the District Committee a rule to bring this bill up for consideration immediately.

[Here the gavel fell.]

Mr. PALMISANO. Mr. Chairman, I yield myself 1 additional minute.

Mr. SMITH of Virginia. Will the gentleman yield?

Mr. PALMISANO. I yield to the gentleman from Virginia.

Mr. SMITH of Virginia. The gentleman states he expects to ask for a rule from the Rules Committee. I hope this matter may be taken back to the District Committee and the controversial feature eliminated before the Rules Committee is asked for a rule, because I am afraid if that is not done the gentleman will have the same trouble.

Mr. PALMISANO. I may say we will request an open rule which permits the Members of the House to offer all sorts of amendments to eliminate the objectionable features.

Mr. COX. Will the gentleman yield?

Mr. PALMISANO. I yield to the gentleman from Georgia.

Mr. COX. In view of the action just taken by the House, does the gentleman feel he can approach the Rules Committee with any degree of confidence in that direction?

Mr. KENNEDY of Maryland. If the gentleman will yield, I will answer "yes"; I think we can.

[Here the gavel fell.]

Mr. PALMISANO. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. QUINN].

Mr. QUINN. Mr. Chairman, we are now going from the material and sordid things of taxes, revenue, and controversial matters into something involving charm and beauty. The committee deliberately presented this bill following the highly controversial bill that has been eliminated from consideration by the House today with the hope it might place perfumed oil upon our troubled waters this afternoon and that we might be permitted to proceed in an orderly manner so far as the present bill is concerned.

All down the ages, since man came out of the wilderness as a semisavage, the beauty of women has been paramount. Great artists have painted her immortal picture upon canvass; sculptors have carved her charm and beauty in marble; and above and beyond all her crowning glory is her hair.

This bill with a high-sounding title, cosmetology, does nothing more than protect a very intimate personal service, possibly the most intimate personal service that the public contacts. That is the regulation of beauty parlors in the District of Columbia. Forty-two States have enacted this law to throw safeguards around women and their health. This bill pertains to women's contact with beauty parlors. It is a parallel of practically all other State bills of the Nation, and I can see no good reason why it should not be on the statute books of the District of Columbia. Very much to my surprise, I find there is going to be some opposition. It is rather mysterious to me to find a charming gentleman, like the gentleman from Texas, opposed to this bill, and I am rather curious to find out what his objections are. I anticipate that the Members, with their usual gallantry, will, by unanimous vote, pass this measure which simply protects the health of women who enter beauty parlors. It has to do with sanitary measures and other features.

There is no expense connected with it so far as the public or the District of Columbia are concerned. A board is provided which regulates the method of procedure, and there are inspectors to see that the regulations are carried out. The bill is self-supporting in view of the fact the license fee goes to pay for the expenses involved. It is a worthwhile measure, and I know of no city in the Nation where there is more urgent or crying need for sanitary regulation of beauty parlors than in the District of Columbia.

Mr. THOMPSON of Illinois. Will the gentleman yield?

Mr. QUINN. I yield to the gentleman from Illinois.

Mr. THOMPSON of Illinois. Does the measure now under consideration provide for Sunday closing of these beauty parlors and a penalty if they fail to close on Sunday?

Mr. QUINN. It provides they shall close 1 day a week and register the day on which they will close, which may not necessarily be Sunday.

Mr. THOMPSON of Illinois. The bill permits only 6 days' operation for each of these institutions?

Mr. QUINN. Yes.

Mr. ANDRESEN of Minnesota. Will the gentleman yield?

Mr. QUINN. I yield to the gentleman from Minnesota.

Mr. ANDRESEN of Minnesota. Are the beauty-parlor operators in favor of this legislation?

Mr. QUINN. The beauty-parlor operators throughout the Nation have helped and encouraged the adoption of this bill.

Mr. ANDRESEN of Minnesota. I mean in the District of Columbia.

Mr. QUINN. Absolutely. It has the approval of all the organized beauty operators here.

Mr. PATMAN. Will the gentleman yield?

Mr. QUINN. I yield to the gentleman from Texas.

Mr. PATMAN. How many such schools of cosmetology are there in the District of Columbia?

Mr. QUINN. Some four or five.

Mr. PATMAN. What is the object of stating that not more than two members of the board shall be graduates of the same school?

Mr. QUINN. The object is to prevent a particular school from dominating the profession.

Mr. PATMAN. There are four or five schools now?

Mr. QUINN. Possibly that many; yes.

[Here the gavel fell.]

Mr. PALMISANO. Mr. Chairman, I yield 20 minutes to the gentleman from Texas [Mr. PATMAN].

RESTRICTING BUSINESS

Mr. PATMAN. Mr. Chairman, I am opposed to all bills of this type whether the specific bill applies to beauty-parlor operators or the manicurists, as this bill does, or applies to real-estate operators or other groups or classes who expect to obtain passage of laws that will permit them to restrict their business to a few. If we want more unemployment in this country and if we want to render it more difficult for people to change from one business or profession to another in case of an emergency we can cause just such situation by placing every business in a strait jacket.

If this was such a business as medicine, or law, or professions of that kind, it is all right to license them and they should be licensed, but is the business of a beauty-parlor operator or a manicurist such a business that we should consider it a profession and not permit anyone to practice, not even permit girls going to school who work their way through school by doing this beauty work, because we have said that you must be licensed by the board?

You must have a permit, you must have operated in this line of business for a number of years, or you must have gone to a certain school and received a certain training. Otherwise you cannot have a license to operate under this bill.

This bill is just a forerunner of other bills. At one time I was on the Committee on the District of Columbia. I know many people in the District are wanting to place the realty business in a strait jacket, to fix it so only certain people can engage in the real-estate business. They have almost a monopoly on the handling of real estate, rents, hotels, and apartments, and they want a full and complete monopoly. Therefore, when we pass this kind of a bill, it will be used to boost the real estate bill. The object of such legislation is to keep the other fellow out, to restrict the field to the few who are in, and keep everybody else out.

I was in Philadelphia not long ago and learned something there about such boards as would be set up here. During a certain campaign a certain political party wanted to raise so much money from all these different groups, from the barbers so much money, from the manicurists so much, from the beauty-parlor operators so much, and also from workers in some of the other occupations which came under boards. All these people had to do was to tell their inspector to go around and solicit money. If he happened to run across one who said, "No; I do not believe that way; I belong to the other party and I want to contribute to the other party", he would say. "Remember, you have about 500 rules to go by here, and you are always violating these rules. Of course, you think they are very minor and insignificant, but at the same time I can charge you with violating them and bring you up before the board, and you may lose your license. Maybe you had better speak to So-and-So over in your district about it before you make up your mind." The So-and-So referred to is the political leader of the political party.

When Mr. So-and-So comes around, he invariably gets a contribution. You build up all kinds of rackets like this. The people who are in charge of the work and the inspectors have unlimited power over the workers, managers, and operators. It is like anything else where laws or rules and regulations require lots of things, violations can always be found. If we need health laws to protect the people who patronize this business we should enact them, but no board should be permitted to restrict the number in this business.

Mr. QUINN. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. Yes.

Mr. QUINN. The gentleman cited an instance in Philadelphia, in the State of Pennsylvania.

Mr. PATMAN. Yes; I cited that instance. The gentleman is from Pennsylvania.

Mr. QUINN. There is such an act in the State of Texas. Would this practice be adaptable to use there?

Mr. PATMAN. It all depends on whether you have angels or devils administering these laws. You do not always get good people to administer them, and you give such persons plenty of power. Of course, if you have good people all the time, possibly it will be all right, but sometimes, regardless of the party in power, you will have a person who is not so honest.

Mr. QUINN. That is the human element.

Mr. PATMAN. That is the human element. Should we place in the hands of even a few dishonest people the great power which is lodged in such a bill as this? The gentleman's bill will fix it so no one can come here from the out-

side and engage in beauty-culture work or even become a manicurist. I believe the gentleman is honest and sincere, but I believe the gentleman will admit the object of this bill is to keep the outsiders out and arrange it so that there will be only one or two or three schools here, which will train these people. There are provisions in the bill requiring people who wish to engage in this occupation to go to a certain school in the District of Columbia and to be trained by people here in the District. Also they have to be residents of the District of Columbia.

My theory has always been that this is a Federal city, that people from all over the country have a right to come to Washington and practice law if they want to, or do anything else they want to, so long as they comply with reasonable rules and regulations relating to the real professions. I know and the gentleman knows that the lawyers are trying to get just such a bill as this through to keep out the outside lawyers. Will not the gentleman admit they are urging his committee to pass such a bill right now, which would prevent outside lawyers from coming into the District of Columbia to practice law?

Mr. QUINN. No.

Mr. PATMAN. The gentleman will not admit that?

Mr. QUINN. No.

Mr. PATMAN. I was on this committee, and I will admit it, because I know it is true. They were always after the members of the committee to do that.

Mr. QUINN. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield for a question.

Mr. QUINN. I want to answer in regard to that.

Mr. PATMAN. Do not answer; just ask me a question. The gentleman can speak later.

Mr. QUINN. The gentleman admits the District of Columbia is now a dumping ground for operators of beauty parlors who are unable to qualify in other and neighboring States?

Mr. PATMAN. The gentleman is trying to keep them from being operators. The gentleman has it fixed so a manicurist will have to have a license. What is there about manicuring nails so difficult one would have to go to school in the District of Columbia in order to get a license to manicure nails?

Mr. QUINN. The same thing is true in other States.

Mr. PATMAN. That is no justification. Two wrongs do not make a right. This is a Federal city. We are going to have serious trouble right here before long if we do not take a different attitude toward this Federal city of ours.

Mr. McFARLANE. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Texas.

Mr. McFARLANE. I just want to call to the attention of the gentleman the fact we had up in the last Congress a bill to give the local lawyers a monopoly of the business here.

Mr. PATMAN. Yes; and the gentleman had never heard of it.

Mr. McFARLANE. We killed it on this floor.

Mr. PATMAN. Yes.

I may say that I have never heard of as many rackets or would-be rackets in any city of the world as there are right here in Washington, D. C. They are always trying to get a fresh hold on the throats of the people who come to the District. We have had all kinds of rent trouble. The taxicab men one time brought in a bill claiming they wanted insurance. It was not for that purpose, and I knew it was not. No one claimed it was for insurance. It was to restrict the number of cabs so as to permit a few people to get control of the cab business in Washington. They will bring in a bill in one way or another, then after it is passed a board will have a right to administer the law, and the members of the board will do what they originally intended. These people expected to cut down the number of cabs and double the taxicab rate.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Missouri.

Mr. COCHRAN. I do not know anything about any bill that was ever brought in here providing for liability insurance for all automobiles, the purpose of which was to limit the number, but on several occasions I have offered an amendment to the District of Columbia appropriation bill, and I may assure the gentleman that my only interest in offering such an amendment was that if anyone were hurt in the District of Columbia he or she would have somewhere to go to be reimbursed for personal injury or property damage. All automobiles should be required to carry liability insurance.

Mr. PATMAN. I do not object to real insurance because that is all right, but insurance is quite different from what they want, I will say to my good friend from Missouri. They want a law that will restrict the number of taxicabs, and watch all these bills that come to this District of Columbia Committee, and you will find several Negroes in the woodpile in practically every one of them where they restrict the number of people who can engage in any particular work here in the District.

I think, really, this should be a Federal city. Personally, I should like to see a certain part of the District set aside, for instance, with sufficient area to take in the Library of Congress, the Capitol, the House Office Buildings, and the buildings on Constitution Avenue, as well as other Government buildings, which would constitute a small area, and in this area not permit anyone to live, and then turn the rest of it back to Maryland. Then the people now in the District will be permitted to vote, they will be permitted to have their own city and elect their own officers, and we will have a real Federal City here in charge of Federal officers. If we were to have serious trouble here in Washington, we do not know whether we would have police protection or not. We have as a Congress in many ways lost control of Washington, D. C. It is in different hands. Possibly we would have protection, or possibly we would not. We should go back and make a real Federal City out of this area and stop a few racketeers from getting a monopoly on every business and trade.

Mr. PALMISANO. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman.

Mr. PALMISANO. The gentleman spoke about taxicabs. I presume the gentleman knows there are more taxicabs in the District of Columbia than in any other city in the Union?

Mr. PATMAN. That is right. We need more of them here. That is the only thing that is cheap, but if you restrict them——

Mr. PALMISANO. Does not the gentleman realize——

Mr. PATMAN. If you permit them to have control of taxicabs like they have of rents, we will pay taxi fares here that will be in proportion to rents.

Mr. PALMISANO. Does the gentleman favor having taxicab drivers work 18 hours a day?

Mr. PATMAN. No; that is a different question entirely. We are not talking about hours and wages.

Mr. PALMISANO. They are compelled to do that now in order to make a living.

Mr. PATMAN. That is what any monopolist would tell you. He would tell you that in order to get you to vote for such a bill, and in that way he would get control of and a monopoly on the business. That is a good argument for anyone who does not look all the way down the line.

Mr. PALMISANO. Will the gentleman support a bill limiting the hours of taxicab drivers to 10 hours a day?

Mr. PATMAN. Bring in such a bill and I will be very pleased to consider it, and if I can consistently do so I will be glad to support it, as I am for good wages; but I think every bill should be voted on on its own merits, and we have a bill before us now to make professional people out of beauty culturists and manicurists. The question is, Do we want to go that far? Do we want to set up a board here that will have such unlimited power?

Mr. QUINN. My recollection is that $2 is the fee for a temporary license.

Mr. PATMAN. What would be the fee for a continuance of the license and how much of a fee would a school have to pay?

Mr. QUINN. The fees are very reasonable and they are much lower than in other States and cities.

Mr. PATMAN. It is just the case of a camel getting his nose under the tent. It is just getting started, and this is to keep the outsiders out and the insiders in and keep a few people in the business.

Mr. QUINN. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. Yes.

Mr. QUINN. The gentleman does not believe there is any Ethiopian in the lumber yard of this bill, does he?

Mr. PATMAN. Well, it is the same type of bill that has been brought in here for a long time, and I have always found several Ethiopians in every one of them.

Mr. QUINN. The gentleman will admit that it is necessary to place some safeguard around a business of this sort for the benefit of health and sanitation, because the operators of beauty parlors come into intimate and personal contact with the people.

Mr. PATMAN. Where it is a business which should be recognized as a profession, like law or medicine, it is all right; but should we bring in all these other different lines of business and trade and treat them the same as the professions? If we do that, we will soon have all business in this country in a strait jacket so that people will find it very difficult to change from one line of employment to another. If we need laws to protect the health of the people, let us enact them.

Mr. McFARLANE. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. McFARLANE. In reading this bill, it seems to me it would require any maid or any hired help who is looking after anyone's children to be a licensed cosmetologist before they could comb their hair or give them a bath or administer any of the thousand things they may have to do for the children. [Laughter.]

An ordinary nurse in a hospital would also have to be a licensed cosmetologist before she could take care of any of the patients in a hospital.

Mr. PATMAN. I do not care to go into detail, but I invite your attention to page 2 of the bill and ask you to read the definitions on that page and see for yourself just how far this measure goes.

If you believe in this type of legislation, this is a good time for you to make a start, but it is a type of legislation in which I do not believe.

Mr. CUMMINGS. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I do not yield.

Mr. Chairman, after you pass this bill, if you do pass it, the next will be the real-estate bill, and next any other kind of business where you can conceive of how a few people can get control of it through a board. I ask you to take this bill and read the definitions, read the power of this board of three persons to be appointed by the District Commissioners.

Mr. PALMISANO. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. Yes.

Mr. PALMISANO. Has the gentleman ever voted for a board in the District of Columbia?

Mr. PATMAN. Yes; probably so; but not like this, not to carry out business like this board is to carry out.

Mr. PALMISANO. The gentleman has voted for a board and given that board large powers?

Mr. PATMAN. It is not just a board. This board is set up to protect these people against competition. That is the object of it, and it will protect them against competition, and for that the board will collect from these people who receive the benefits. The people who receive the benefits will be glad to pay, because they are receiving more in return for it. They are keeping competitors out; they are keeping outsiders from coming in here and entering into business. They will prevent students and others from engaging in this business even to a limited extent. They would have to come here and have to go to a school. What are the powers and duties of the board? The board would fix the eligible requirements for examination, how old these applicants must be, and that they must go to a certain school, and that they must go there for a certain length of time. Read the requirements in respect to the school and about the certificates. Then there is the matter of practical experience, and the examinations and the fees; and then, after you have read this bill, if you believe it is a fine thing to do, to leave the matter to a board of three in the District to say who can manicure nails and then who can sell real estate, and do all of these other things, vote for the bill, because that will be a long step in that direction. Then before it is over you will find that some of your lawyers from your districts are coming here and are debarred from practicing law. They will have to employ a lawyer in the District in order to get their cases properly considered.

Mr. QUINN. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. Yes.

Mr. QUINN. I want to correct the gentleman when he says it is necessary for the operator from some other State to come here and go to school.

Mr. PATMAN. Yes; unless the board grants a special dispensation.

Mr. QUINN. A license.

Mr. PATMAN. Will they grant a special dispensation?

Mr. QUINN. Not necessarily a special dispensation; it is a license. If an operator from Texas, which has a similar law, comes in here——

Mr. PATMAN. It will be left to the board.

Mr. QUINN. Just the same as they do in Texas.

Mr. PATMAN. I am not against this bill because it applies to these particular people. I am against this type of legislation.

Mr. SOUTH. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. Yes.

Mr. SOUTH. Is it not the gentleman's opinion that a license, where trades and professions are involved, should be granted when the public interest requires it, and not when the person applying for the license needs it for his own protection?

Mr. PATMAN. Yes; where there is a public demand by reason of an evil existing. No evil has been shown to exist in the district necessitating the passage of this bill. The evil is the harm done by the competitors, the student, the part-time operators. They feel that the students who engage in this are unfair competitors, and they want to fix it so that they will have to go to a regular school.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. PALMISANO. Mr. Chairman, I yield 10 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN rose.

Mr. RANDOLPH. Mr. Chairman, before the gentleman begins, I want to ask him to yield to me at some time in the course of his remarks.

Mr. DIRKSEN. I shall be glad to yield later on.

I think history records that once upon a time a Minister of Finance in France was asked by the King as to what the problem of taxation was. His answer to the king was that "the problem of taxation is to pluck the goose so that the goose won't squawk." We had an example of that last Friday in the enactment of nuisance taxation, which in my own humble opinion, is a tax abomination, because it is taxation by misrepresentation. I have kept that thing in mind in wrestling with the problem of taxation for the District of Columbia.

I believe it is necessary to present to this committee a perspective picture of what has happened so that you can appreciate the present fiscal difficulty of the District. The District of Columbia subcommittee of the Committee on Appropriations, which appropriates every dime that can be expended in the District of Columbia, brought a bill into this House some months ago, which was enacted and went to the Senate, and is probably now in conference.

As a result of that appropriation bill there was a deficit of approximately $6,100,000 in the District fund. There is

a reason for that deficit that goes back several years. There was a time when they had an unexpended balance of $18,000,000 in the Treasury. That balance has shuttled up and down. There was a time back in 1929 when they had surplus revenues of $9,000,000 for a single year. Those revenues and those balances for the most part have disappeared, with the result that when the District of Columbia appropriation bill came in this year there was a deficit of $11,100,000. The Appropriations Committee then proposed that $5,000,000 in a lump sum be given to the District so that the deficit was reduced to $6,100,000. When that appropriation bill passed the House, it became incumbent upon the House District of Columbia Committee to devise ways and means of raising the necessary revenue, namely, $6,100,000, to offset that deficit. The chairwoman of the District of Columbia Committee [Mrs. NORTON] appointed two subcommittees to examine into these problems. At a subsequent time those subcommittees were consolidated into one committee under the chairmanship of the gentleman from Maryland [Mr. KENNEDY]. Today I wish to pay testimony to that gentleman, who, in addition to all his responsibilities as subcommittee chairman, is also chairman of the Claims Committee of the House. There are 2,500 private claims pending in his committee today. He has to reach down in his pocket and out of his own money hire extra help so that he can discharge the responsibilities of the Claims Committee as they should be discharged.

But notwithstanding all that, that gentleman has given generously and freely of his time, along with the other members of that subcommittee, for the purpose of working out what we thought was an acceptable and agreeable tax bill. The Commissioners came and sat with us day after day. The corporation counsel and the assistant corporation counsel, together with the other officials of the District, counselled with us daily. Together we wrestled with this problem of taxes.

There were some forms of taxes that were, in a sense, noncontroversial. For instance, the Commissioners suggested to the committee that we should raise some money from automobiles. Heretofore, and even now, you could obtain a license tag for your automobile for $1. It makes no difference whether it is a 600-pound pleasure car or a 16,000-pound truck, it cost exactly $1. The average license rate in the 48 States on pleasure cars is $8.72. The average for all cars, including busses and trucks, in the 48 States, is about $12.35. Thus we thought we might raise $1,500,000 by raising the tax on vehicles in the form of a weight tax, beginning with $5 and going up to $12 for passenger cars; starting with $12 on trucks and going up to $150. That was a noncontroversial tax. It is one of the titles in the bill that was so summarily disposed of in this House this afternoon without a hearing.

Another noncontroversial item was the inheritance and estate tax. With the exception of Nevada, every State in the United States has an inheritance tax or an estate tax, or both. There was paid into the Federal Treasury by the District of Columbia, as the result of the Federal estate tax in 1935, about $2,000,000.

In 1936 it was about a million and three-quarters dollars. We felt that in view of the fact that other States had that kind of taxation we should with propriety enact it in the District of Columbia. There is a title in this bill providing for an inheritance tax and for the recapture of 80 percent of the Federal estate tax under the law of 1932, precisely as is done by virtually all of the States in the Union.

Still another item that was noncontroversial was a proposed tax upon the net premiums paid to life insurance, fire insurance, and other kinds of insurance companies in the District of Columbia. At the present time the rate is 1½ percent of the net premium. There are 21 States in the Union that have a premium tax of 2 percent; 19 that have a premium tax of more than 2 percent; we therefore raised that tax from 1½ to 2 percent in the hope of raising approximately $220,000. The singular fact is that the underwriters and others representing insurance companies came before the committee and agreed that that was a proper tax, and they had no objection to it. That tax, wholly noncontroversial, is covered by one of the titles in the bill that came to such a premature demise today.

There were some taxes suggested that were controversial. For instance, the Commissioners suggested to us that we raise the gas tax from 2 to 3 cents. There is a reason why we could not very well embrace that. In the first place, the District of Columbia is entitled to share in the road funds that are appropriated by the Congress of the United States, provided they do not divert their gas-tax revenue. Some question arose as to whether there was a diversion of the gas-tax fund, with the result that we placed a title in this bill, lumping all these sums that are derived from motorists to obviate all charges of diversion, and found the fund would suffice for the purpose of taking care of street improvements, construction, and other proper items. There was therefore no justification for raising the gas tax from 2 to 3 cents.

That proposal was then laid upon the table. There were other proposals, such as a sales tax, a 2-percent tax on all retail sales, with the exception of crude-food items—those things that you buy in the raw in the grocery stores. Nothing else was exempt outside of staple food. I may say that I am personally opposed to a sales tax, and I always have been opposed to it, because I think it violates one of the essentials of taxation, namely, the principle of capacity to pay. It seems to me, if we are ever going to get out of the welter of taxation, if we are ever going to get away from the taxation hodgepodge that exists in the Federal Government and in the State jurisdictions as well, we will have to recast our tax structure, both State and National. Sooner or later we must predicate a law on the particular ground that taxes ought to be paid in proportion of ability to pay.

The other items of taxation in this bill included a gross privilege tax and an income tax. I have read a lot of newspaper accounts and I have heard a lot of comment of one kind or another. I want to say to the Members this afternoon that we can defend this whole program upon the floor if we had the opportunity, and if summary and biased judgment had not been manifested by the House.

The program embraced in this tax bill is founded upon scientific taxing principles. Let me say that there is an association in this country known as the National Tax Policy League. They have laid out a model tax program for State and local purposes, and in that program is included first a property tax on real, personal, and intangible. This we have at the present time. They include next a gasoline and vehicle tax. This we have or it is proposed. They include an inheritance and estate tax, which we proposed in this bill; then a gross privilege tax, such as obtains in West Virginia and New York, and which is proposed in this bill; and finally a personal and corporate income tax, which is also proposed in this bill.

Now, it seems that the Members of the House were shying away from the idea that they might be included within the provisions of the income tax. Speaking only for myself, not seeking to commit anybody to the principle, I believe that that tax is justified.

Mr. RANDOLPH. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. RANDOLPH. I want to make this short statement at this time and thank the gentleman for yielding to me.

[Here the gavel fell.]

Mr. PALMISANO. Mr. Chairman, I yield 5 additional minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Chairman, I yield to the gentleman from West Virginia.

Mr. RANDOLPH. I know that since the 17th of March the special subcommittee, under the leadership of the gentleman from Maryland [Mr. KENNEDY], the gentleman from Illinois [Mr. DIRKSEN], and others, have given to this subject of taxation in the District of Columbia every proper and sincere consideration. I believe that this afternoon the House was ill-advised in its action in not allowing consideration on the measure. I like the gentleman's statement; I agree with him in most of his remarks, although there are items in that bill with which I was not in agreement and

would have fought on the floor. The House should have, in my opinion, amended and refined the bill on the floor of this body.

Mr. DIRKSEN. I thank the gentleman very much for his contribution.

Mr. Chairman, may I say to the Members that whether they realize it or not, in 31 States today there is personal or corporate income tax law on both. I remember when I was a student in college reading Professor Seligman, who at that time, in my judgment, was the outstanding tax authority in this country. Over, and over, and over again he reaffirmed the principle that no matter what the yield might be, every jurisdiction, State and National, ought to have an income tax, because the purpose and the foundation of the income tax is essentially sound and based on ability to pay. So we proposed an income tax here. It does not differ essentially from the provisions set up in the Federal law except that it starts with 1 percent on net incomes of $1,000 and is graduated upward until it reaches a maximum of 5 percent on $50,000 of net income or over. Corporations would pay a flat 5-percent tax.

The crux of this matter therefore seems to be whether Members of Congress were included. Let me say to the members of the committee that possibly they were not aware of the fact that almost this identical measure passed the House of Representatives on the 16th of December 1931. The provision on page 69 of the instant bill providing for a tax on nonresidents based on earnings which accrued in the District of Columbia was carried in that bill. I examined the debates, I examined everything I could find on the earlier bill, which had been introduced by the gentleman from Michigan [Mr. MAPES]. That bill passed in 1931 without a dissenting vote; so I wonder why, with that history behind us, we had all the billingsgate and fury this afternoon with respect to this income tax, as if it were an innovation or a novelty. It passed the House and went to the Senate. The Bureau of Efficiency at that time passed upon it and suggested amendments. I suppose it might have gotten through the Senate also had it not been so near the close of the session.

It seems rather singular to me that so very little was said about it at that time but so much is said about it at this time. Speaking for myself, I do not see how you can have an income tax in the District of Columbia that is worthy of the name unless you include Members of Congress and members of the Cabinet, as well as the Federal employees. There are 127,000 Federal employees in the District of Columbia. You know, and I know, that many of them have lived here 20 years and more. They use all of the services that are supplied by this municipality. They have all the rights and privileges, and share in every service that this municipality has to offer; yet they vote back home, they go back home once a year or perhaps once in 2 years, maintain a legal residence. When we come along and suggest that by means of an income tax they ought to pay something like a fair share of the cost of operating this municipality they throw up their hands in horror as if we were proposing a novelty or as if we were proposing to confiscate their property and their earnings.

Those in the lower brackets would not be touched because of the exemptions. Those in the higher brackets would pay their share, and rightly so.

Do you think it is fair for anybody to use all of the facilities of the District for 20 or 30 years and not make proper remuneration to the District for the services they enjoy? We proposed putting all Federal employees under this bill. We proposed putting certain others under the bill, with respect to which I will give you an illustration. A man came to me about 2 weeks ago and said: "I understand you are going to tax the nonresidents." I said: "We are going to do the same as they did with the income taxes in 28 States. We are going to tax that proportion of the earnings of the nonresident that accrues and is earned within the jurisdiction of the District of Columbia." I began to inquire, and I found this man lived in another jurisdiction. He has been in the District for 10 years and has practiced before the departments and made his money here. He lived in a rented establishment. He was bringing up his family here and probably schooled his children in the schools of the District of Columbia. When I suggested, however, that he ought to pay an income tax, oh, he thought that the very earth was going to descend upon him because it was a monstrous kind of a proposition and never heard of before. Yet this same bill practically passed the House in 1931.

How are you going to get these attorneys who practice before the Federal departments and who for all practical purposes live here year in and year out unless you also include Members of Congress? In all justice and in order to avoid captious criticism on the part of the taxpayers of the country, how are you going to include Federal employees in the low-salary brackets unless you also include Members of Congress so far as those earnings that accrue while they are resident in the District of Columbia are concerned? We could not resolve the problem equitably without bringing in everybody, and as a result there is a provision in the bill to that effect. Yet there are some who feel that somehow they should not be taxed.

There is a lot of confusion upon this subject of income taxes. Members do not pay any State income taxes on their salaries today, even if they live in a jurisdiction which has an income tax. You pay a Federal tax, not a State tax, because it has been determined long ago by an unbroken line of court decisions that the State cannot tax the instrumentalities of the Federal Government and the Federal Government cannot tax State salaries and functions. I think if we pass an income-tax law, and if we lend ourselves to it sympathetically and tolerantly, we are going to make some progress on behalf of an amendment suggested by the gentleman from Missouri [Mr. COCHRAN] sometime ago. He dropped a resolution in the hopper calling for a constitutional amendment so that each State might tax Federal salaries and the Federal Government might tax State salaries.

Mr. Chairman, are you aware of the fact there are three and a half million employees—State, local, township, and county—who, if net income is large enough, may pay a Federal or State income tax, but not both?

[Here the gavel fell.]

Mr. PALMISANO. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. DIRKSEN. Mr. Chairman, there are 3,500,000 public employees who may pay one or the other of these taxes, if they come within the brackets, but who do not pay both. Yet the butcher, the baker, and the candlestick maker, the man in the shoe store, the man behind the grocery counter, the man who is in the office in the various districts back home, if he comes within the income bracket, must pay both a State and Federal tax.

We talk about tax evasion and tax avoidance. This very day we have appointed a joint committee of the House and Senate to investigate.

We might stop right here on this matter of tax avoidance in order to bring these people within the purview of the Federal and State income tax. It seems to me if we unselfishly made a start and paid our $25 or $30 to the District of Columbia for the service we share, as well as the domiciled residents, we might have gone a long way toward equitable taxes and not opened ourselves to the criticism that is bound to follow.

I know of no other way to get momentum behind this thing and give it impetus so that these inequities will be resolved as quickly as they possibly can unless you and I pay our share. I, for one, was willing to come within the purview of that provision in the bill that we brought into the House for consideration, but the House said "no", and that ends it until such time as procedure can be devised to bring it in again.

I stand on that bill from the standpoint of principle. It was resolved on a scientific basis, with the help of organizations that have tax experts among their personnel, such as the Tax Policy League, the National Tax Association,

and others, and we have in the main followed the pattern which they laid down. The details could have been ironed out and refined by House action in reading the bill section by section. I think those who opposed consideration have given out to the country today the impression that you are willing to vote for taxes, such as nuisance taxes, so long as they are hidden and invisible, but the minute the tax collector threatens to put his hand into your pocket and make you conscious of the burdens of government you run like a flock of shy and frightened children.

There, in brief, ladies and gentlemen of the Committee, is our bill. By way of recapitulation, let me say that it embraces an increase in the tax on insurance premiums, an inheritance tax, an estate tax, a weight tax on motorcars and trucks, a business-privilege tax, and an income tax. It is a forward-looking program. I for one shared the hope that it was a beginning in setting up a tax model that might conceivably be followed in other States of the Union. This program will produce adequate revenue. It is fair, it is elastic to meet the growing needs of the District, and it is based upon sound principles.

But what is most amazing about the strange performance of the House today is that after all the years of wrangling and futile fury over rents and high cost of living and the alleged sponging proclivities of the District, we present an effective tax program under which the residents of the District would be compelled to pay their way and it is turned down.

There is, however, small comfort in your adverse vote today. This House passed the appropriation bill which binds the District on expenditures. This House has undertaken to say how much shall be expended in the Nation's Capital for all purposes and for what items, and now it becomes the responsibility of this House to provide the revenues unless it wishes to reach into the Federal Treasury for a larger contribution. You can shirk your duty, but the tax problem is still there. For my part, I shall want to see this identic bill returned to this House without a single change, for to make changes would be but to yield to expediency. I fancy that this selfsame bill will come back before many days roll by.

There has been some discussion about raising the rate on real estate on the theory that it does not pay its share, and that in other jurisdictions the real-estate tax is much higher than in the District. While the rate is only $1.50 per hundred in the District of Columbia, it is assessed against the full fair cash value of the property, and insofar as home owners are concerned the amount actually paid in taxes does not vary greatly from that paid in other jurisdictions. Quite aside from that, I am opposed to increase in the real-estate tax. As a general thing, taxes on real property in the United States are much higher than in any other nation that has come to my attention.

In the District of Columbia, real estate for a 10-year average has produced about 84 percent of the gross revenues. Little by little it becomes onerous and burdensome to the point where home building and home owning is discouraged. The tendency today is to attempt to limit the tax on real estate to 1 percent. Efforts are being made now to effect such a limitation and I for one feel that it is a step in the right direction because it produces an incentive for home owning and home building.

I have listened to all the arguments pro and con for this kind and that kind of a tax; I have listened to a multitude of alternative proposals, and when all is said and done, I still feel that we have produced a tax pattern that is sound and from which I do not care to recede.

I cannot conclude without saying that the fabrication of this bill and the interchange of thought and opinion with the officials of the District, with witnesses before the committee and with fellow members of the committee has been an enriching experience. It afforded an opportunity to make an examination into the merits and demerits of many kinds of tax proposals, it was instructive, even though laborious, and whether it is accepted or rejected by this House, I for one am the richer for the information and experience gained which I can devote to the welfare of the folks in my district in Illinois whom I represent.

Mr. Chairman, I stand on this bill because I think it is a good bill. My colleagues on the subcommittee have rendered yeoman service when they brought this kind of a bill in here for the consideration of the Members of the House. [Applause.]

[Here the gavel fell.]

Mr. DIES. Mr. Chairman, I ask for recognition in opposition to the bill.

Mr. Chairman, I have listened with a great deal of interest to the fervent speech made by my colleague, the gentleman from Illinois, in which he has rather heroically declared he is willing to submit to a District income tax. As one Member of this House I am not willing to submit to it in addition to Federal and State income taxes, and I see no reason why Members of Congress should not frankly state their position, regardless of any criticism they may receive from the newspapers in the District.

Members of Congress already pay a heavy Federal tax, about which many people do not know. We are willing to pay income taxes to our home States. We are not allowed to deduct from our tax returns the heavy expenditures that we are compelled to incur during election year. A large part of the salary of the Members of Congress, as every Member of this House will bear witness, is consumed in the effort to be reelected, and in addition to that Members of the House have innumerable items of expense that the average man does not have to pay. We have to pay our local and State taxes, and I am perfectly willing to pay a State income tax.

Members of Congress are compelled to maintain establishments in their home towns, and then, when they come to the District of Columbia, are compelled to pay enormous rents for the privilege of living here to discharge their official business. Therefore, as one Member of the House, I do not hesitate to say it is not right and is not just to impose an income tax for the support of the District Government on Congressmen in view of all the other expenditures and taxes Members of Congress must pay.

No one in the House objects to a reasonable and fair tax bill. It seems to me from my observation in the District that the residents of this city who own property escape a great deal of taxation. I know in my own home town taxes are three or four times as high as they are in the District of Columbia. For a long time I have been in favor of a graduated land tax. I have been in favor and am still in favor of exempting small homes and small farms from all taxation. We know a large percentage of our citizenship in the United States have become tenants. We are now confronted with the great problem of tenancy, which is steadily growing worse. In some sections of the country 65 percent of the farmers are tenants, and in many cities of this country tenants are in the majority. We know that the Federal Government cannot finance a program adequate to place all these people in their own homes or on their own farms. If we want to give the District of Columbia an adequate and fair tax bill, why not exempt owners of small homes up to a value of $4,000, $5,000, or $6,000, and then place a graduated land tax upon those who own magnificent homes and huge apartments from which they derive enormous profits? In doing this we shall be establishing a precedent for the entire country, for when we enact a tax bill for the District it represents our idea of taxation. My idea of taxation is and has been for a long time that we should encourage the ownership of homes and farms on the part of a majority of our people. The only way this can be accomplished is by exempting the small homes and farms from taxation, and then imposing a graduated land tax to break up the ownership by a few of millions of acres of land and of huge city properties.

We talk about the concentration of wealth into the hands of a few, yet by some of our policies we aggravate this condition instead of mitigating it. When this Republic was

established, our fathers sought to establish a political democracy. It was their idea that in order to preserve freedom and independence equality of opportunity must be preserved at all hazards and at all times. In the course of years, however, there has grown up in the United States an economic feudalism within the framework of a political democracy. We have political institutions based primarily upon the laws of competition, but under these political institutions and existing side by side with them we have seen develop through the course of years an economic feudalism steadily increasing in power and influence, until today there are in the United States gigantic monopolies and corporate interests spreading from coast to coast, until it is said by many people that opportunity no longer exists in this land of freedom.

This condition cannot be corrected by some of the enormous expenditures of money we vote out of the Federal Treasury, millions and millions of dollars. Who derives the greatest benefit from some of this expenditure? Certainly not the man or the woman for whom it is intended. There is a veritable army of parasites, men who subsist without physical toil, who exact their toll, until finally, when the money reaches the hands of those for whom it was intended, there is very little left.

Therefore I maintain, Mr. Chairman—and I say it in all seriousness—that this country cannot survive half competitive and half monopolistic. This country is not in a position constitutionally to deal with economic feudalism unless we prohibit its existence. We have vainly sought to recognize the legal status of these gigantic corporate enterprises and then to regulate their existence.

However, we know, and every man who has dealt with the question knows, that by their tremendous wealth and shrewd manipulation some of them are able to evade the letter and the spirit of the law. We talk about taxing them, and we undertake to bring about decentralization of wealth through gift and inheritance taxes, through income taxes, and through various other devices, but at the same time, Mr. Chairman, we permit them an avenue of escape through tax-exempt bonds. We say, "We will increase your income taxes, we will increase your corporate taxes", but the men who possess immense wealth know they can buy Government bonds and then retire to Florida or to California and spend the remainder of their lives in ease, with the taxpayers of the United States paying the bill.

Therefore, Mr. Chairman, until we get at the root of our economic trouble and courageously face the facts, we cannot cure this great national disease. We cannot cure it by palliatives, by undertaking to rub salve and ointment on it. We cannot cure it by administering drugs and opiates, by the expenditure of vast sums of money, which only tend to demoralize those who receive it. We must go to the very source of the disease and apply courageously and intelligently the remedies necessary to effectuate a cure.

One of the great curses in my country and in yours is the fact there has been a trend for a half century toward the ownership of land in the hands of a few. In my own congressional district a few great corporations own millions of acres of land, and this is true in other congressional districts, while there are millions of our people, who, today, have no roof above them, no home to call their own, and yet we expect, Mr. Chairman, to resist and prevent radicalism. I say to you that the very first thing we must do in this country is to encourage people to live on their own land, in their own homes; and I would like to see a tax bill written for the District of Columbia that would represent a model tax bill for the other States and cities of this Union.

I would like to see the small home owner in the District and in every State of the Union enjoy his home and the protection of his home, free from taxation, and I would impose a graduated tax upon those who own thousands and millions of acres of land, those who own great apartment houses, and in this way make up the deficiency and get whatever taxes are needed to administer the affairs of the District.

Not only would I do this, but let me suggest to the Committee that you increase your gift and inheritance taxes in this bill. You have imposed a nominal tax in the bill. Why not bring in a tax bill that will represent a real honest attempt to decentralize the wealth not only in the District of Columbia but which will represent the attitude of the Congress of the United States toward the Nation at large. The only way you can bring about this decentralization about which we have talked so much is through gift and inheritance taxes. All other taxes, with the possible exception of income taxes in competitive industries, are passed on to the ultimate consumer. You cannot decentralize gigantic concentrations of wealth in this country by imposing corporate taxes. You cannot do it by many of the methods we are using. The ultimate result is that the one against whom the tax is levied passes it on to the consumer.

Therefore, there is a magnificent opportunity for this committee to bring in a tax bill that will affect those who own these large apartment houses and hotels. Many of them are nonresidents who come here and invest their money in apartment houses, and every day a new apartment house is being erected in the District because taxes here are comparatively cheap, regardless of what anyone may tell you. They may undertake to cite figures to show this or that, but any man who owns property in his own State and who has had occasion to observe the tax rate in the District and the valuations, knows that in the District the tax is considerably less, while the rent is tremendously high.

Mr. SACKS. Mr. Chairman, will the gentleman yield to me to make an observation?

Mr. DIES. I yield.

Mr. SACKS. Does the gentleman know that in the city of Washington with rents as high as they are, the tax rate is only $1.50, which is more than a dollar lower than the tax rate in any other comparable city?

Mr. DIES. Of course, that is true.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. DIES. Let me first answer the gentleman from Pennsylvania.

That is absolutely true, and there is not any justification for the imposition of nuisance taxes when you permit the monopolists who own the apartment racket in Washington to escape just and reasonable taxation. Therefore I would like to see this committee bring in a bill that will exempt the small homes here, so that the little Government worker and those who want to own a home may be encouraged to do so, and then you can put on a graduated land tax that will get taxes from the pockets of these people who are making greater returns through enormous rents than people in any other place in the United States. You know they are doing this, and what is the use of arguing about it. Compare what you pay for an apartment in Washington with what you pay for one in your home town or in any city in your district, and you must admit the truth of my statement. I know colleagues of mine who are renting two rooms for $125 or $150 a month. This is absolutely ridiculous, and, of course, as long as they can get by on a low tax valuation and a low tax rate and agitate for some other form of taxation, they are going to do it, for it increases the profits they make.

I believe if the District Committee will come in with a bill that seeks to accomplish the purposes I have outlined, first, to encourage the little man to own his own home in the District and then place a comparable tax upon the owners of apartments and big hotels who are not at all conscientious when it comes to charging rents——

Mr. SHORT. Mr. Chairman, will the gentleman now yield?

Mr. DIES. I yield to the gentleman.

Mr. SHORT. Of course, I believe, as I think all the Members of Congress believe, that the Federal Government should make a reasonable and fair contribution toward the cost of government in the District of Columbia——

Mr. DIES. That is right.

Mr. SHORT. But it should not be overlooked or forgotten that at the present time the people in the District of Columbia pay no income tax, they pay no gift tax, they pay no inheritance tax, they pay no estate tax, they pay no sales tax, they pay no county tax, they pay no State tax, they pay a tax of only 2 cents a gallon on gasoline, whereas in other cities in different States of the Union they pay from 4 to 7 cents per gallon, and they pay here only $1 a year for registration of their automobile, whether it be a $10,000 limousine or a Ford or Chevrolet——

Mr. DIES. The gentleman is correct.

Mr. SHORT. And they pay only $2.67 in taxes on cars of the value of the Packard.

Mr. DIES. I appreciate the gentleman's observation very much. I might say that I have no objection whatever to equalizing the gasoline tax, to make it the same in the District as the average in other States. I certainly believe that the license on vehicles should be increased, to be comparable with the charge in the States, but the point I am trying to stress is this: Why permit the owners of these great apartment houses and magnificent homes to escape any increase in taxation, when you propose to place this tax upon the rank and file of the citizens of the District?

Mr. NICHOLS. Mr. Chairman, will the gentleman yield?

Mr. DIES. Yes.

Mr. NICHOLS. To say this, if the gentleman will permit. The gentleman from Missouri [Mr. SHORT] has pointed out all of this lack of taxes being levied in the District, and the cheapness of taxes. That is correct, and this bill which we brought here this morning for consideration is the first bill that has been brought on the floor of the House since I have been a Member of the House that would have required the citizens of the District of Columbia to pay these taxes.

Mr. DIES. Why did the gentleman leave out any increase in the gasoline tax?

Mr. NICHOLS. First, because the Federal Government, in the Hayden-Cartwright Act, has said that it will not give Federal aid to any jurisdiction which converts gasoline tax funds. Under the amount of money to be expended by the District of Columbia on streets and highways and highway improvements and construction, it is not possible for the District of Columbia to use more than 2 cents without converting those funds, and if they do that, then the District of Columbia will lose about seven or eight hundred thousand dollars a year from Federal aid.

Mr. SHORT. That is quite true, because at the present time there is a surplus in that fund.

Mr. SACKS. Mr. Chairman, will the gentleman yield?

Mr. DIES. Yes.

Mr. SACKS. In answer to the gentleman I say that the Cartwright bill would not affect this in any way, that the original 2 cents which would go to the maintenance of roads and highway construction in Washington is enough to take care of it, and the additional 2 cents, as we wrote it into the act that it was to go into the general fund, would not be affected by the Cartwright Act at all.

Mr. NICHOLS. Of course, that would be a conversion.

Mr. O'CONNOR of New York. Mr. Chairman, will the gentleman yield?

Mr. DIES. Yes.

Mr. O'CONNOR of New York. I think the gentleman agrees with me that the District of Columbia is the tax-dodgers' paradise, that people come here from all over this country to dodge all sorts of taxes, and that there has never been any civic pride in the residents of the District to contribute to anything. I have never seen them contribute to bringing one convention here. The people just come here to avoid income taxes. Unfortunately this morning the vote went off on the theory that Congressmen's salaries are taxed in the bill. Of course, the bill did not apply to that and could not apply. Will the gentleman agree on that?

Mr. DIES. No.

Mr. O'CONNOR of New York. Will the gentleman tell me how it could apply?

Mr. DIES. There are members of the committee who say that it does apply.

Mr. O'CONNOR of New York. I have not heard that.

Mr. DIES. The gentleman from Illinois [Mr. DIRKSEN] just made an argument that it did and should apply.

Mr. O'CONNOR of New York. Will the gentleman attempt to justify the position taken by the residents of the District of Columbia? I am talking about the people who come here and make a permanent residence, never go back home to vote, do not pay any taxes back home, who live under the lowest tax rate in America and who do not contribute to their city, who contribute nothing to the beautification of the city, who do not ever build anything in the city. Why, even the Boy Scouts' jamboree, which will bring millions of dollars to the District of Columbia, is being financed by the Federal Government. With such a convention in any other city the merchants in that city would raise hundreds of thousands of dollars to bring that convention there. These merchants of the District of Columbia and the residents and property owners will never contribute one cent for the benefit of the District, but will continue to be leeches on the Federal Government, for which my people back home have to pay.

Mr. HOFFMAN. Oh, but the people here have to put up with Congressmen living here.

Mr. DIES. Mr. Chairman, the gentleman knows that there is no disposition on the part of any Members of this House to permit such a condition as he has described to continue.

Getting down to the bill which is under consideration, as I said, Mr. Chairman, we have in this country two classes of people, those who are subject to the laws of competition, the farmers, the little merchants, those who have not been shrewd enough to avoid the laws of competition and who are compelled to produce and sell on an open market. Then we have another class in the United States, those who have freed themselves from the laws of competition by all manner of corporate devices. One of the strangest things in our economic history is the origin of corporations. They did not exist to any extent at all prior to the War between the States. After the War between the States, when the fourteenth amendment was placed in the Constitution for the purpose of protecting the Negroes from enforced slavery, the Supreme Court of the United States interpreted that provision to mean corporations, so that we have had a situation in the United States for half a century under which two or three men can go into the State of Delaware, which is smaller than my congressional district, and secure a corporation charter.

They are able to escape personal liability by reason of that transaction. They are able to perpetuate their business for a hundred years or sometimes hundreds of years. They are able to protect themselves even as a person or citizen of the United States can protect himself. Then having been created under the laws of the State of Delaware, that corporation is able to go into the great State of Texas and when we undertake to properly regulate them we are told that under the Constitution we can do nothing to abridge the immunities and privileges given that corporation in the State of Delaware.

So, by all of these fictions, by all of these schemes and devices, we have built up in the United States a class that is not subject to the laws of competition, and we have a nation half competitive, or competitive as to the many and monopolistic as to the few.

I know that our objectives in the past 4 years have been most laudable; that we have sincerely sought to decentralize wealth in the United States and to bring about a restoration of equality of opportunity, which is the foundation upon which our Government was erected; but I sometimes inquire whether or not the ultimate effect of some of our measures is not to strengthen monopoly instead of decentralizing it. I sometimes wonder whether or not the process of wealth concentration is not steadily moving forward in the United States. Some day we must reckon with this great political truth, that either we must make our economic system conform to our political system or we are going to be compelled to make our political system conform to the economic

system. That, to my mind, is the greatest question which the American people must answer, and in my judgment they must answer that question soon.

Now, this bill under consideration is another attempt to bring about a monopolistic condition, an attempt to restrict a class of people who ought to have a right to engage in their occupation without unreasonable interference and molestation; without having to go to some board and beg consent, or conform to a number of rules and regulations; people who are engaged in a very simple business, the business of manicurist or beauty-parlor worker, dyeing hair and cleaning hair. Of course, no one opposes any reasonable sanitary regulation in the interest of public health.

This is the trend of the times. Steadily, day by day, we are throwing one restriction after another around the independence and freedom of the American people. What does it lead to? It leads to fascism in the United States, for when men are compelled to constantly comply with innumerable rules and regulations of some board, when they are compelled to watch every step and every move for the mere right, a right which our fathers fought and died for, to engage in business without being continually hamstrung by the Government or by boards or by bureaus, they become discontented. We all know perfectly well what the tendency of it is. When a board is established, if that board were dominated by politics, or if the members of the same occupation were members of that board and they wanted to keep out their competitors, what do they do? They continue to narrow the field of competition.

Mr. QUINN. Mr. Chairman, will the gentleman yield for a question?

Mr. DIES. I yield for a question.

Mr. QUINN. I would like to ask the gentleman from Texas if the objections which the gentleman states prevail in the great State of Texas where you have a similar bill?

Mr. DIES. Well, we have some pretty bad things in Texas. We have many situations in Texas that I do not approve of, and if I had my way I would change them. So I would not want to hold up some of the actions of some of the legislators in Texas as a model for this Congress. But I will say that Texas passed a public-health bill, not a monopolistic bill such as this.

Mr. QUINN. The bill passed last year and it was admitted that the act was very satisfactory in the gentleman's State of Texas.

Mr. DIES. The bill passed by Texas might be satisfactory to the Legislature of the State of Texas and still this bill would not be satisfactory to me, because I believe that in some business, like manicuring or dyeing hair, they ought to have an inherent, inalienable right to engage in that without having to go to some board upon which sit their competitors whose only purpose is not to bring about sanitary conditions, not to prevent infection, but to narrow the field of competition so that their returns will be greater. [Applause.]

Mr. MAHON of Texas. Mr. Chairman, will the gentleman yield?

Mr. DIES. I yield.

Mr. MAHON of Texas. I do not want to break the gentleman's trend of thought, but it has been said during this discussion, by the gentleman from New York [Mr. O'CONNOR] that the Federal Government was paying the expenses of the Boy Scout jamboree in Washington.

I am afraid the statement of the gentleman is liable to be misconstrued. I agree with his statement that the District of Columbia does not make a just and adequate contribution to the Federal Treasury or to civic enterprises, but I think in justice to the Boy Scouts of America that it ought to be said that the Federal Government is not paying their expenses in connection with the jamboree that is to be held in Washington. The Federal Government is not paying the expenses of the Scouts in coming to Washington. It is not paying the expenses of the Scouts while in Washington. There are about 30,000 Scouts expected in Washington during the jamboree. Some of the finest boys in the world from all over the United States and several foreign countries will be here. It will cost the Scouts and their friends much money to come to Washington and it will cost the Scouts about $800,000 to be maintained in Washington during the jamboree. It is not costing the Federal Government anything.

It is true that the Government is furnishing the Scouts with certain camping equipment, such as tents, and so forth, but the Scouts pay for the delivery of this equipment and its return after the jamboree to the Government, paying for any necessary repairs to the equipment used. A few C. C. C. boys are helping install the camps, but all carpenter, plumbing, and general work is being paid for by the Scouts. I think the Boy Scout movement is a wonderful movement and I am sure the gentleman from New York is of the same opinion, and in his statement he was thinking principally of the selfishness of certain Washington people who want all the privileges of the Capital City without assuming the responsibilities that are customarily assumed in public and civic matters by the citizens of other localities. I make these statements with reference to the Scouts because not long ago I heard Mr. James E. West, chief executive of the Boy Scouts of America, praise the independence of the Boy Scouts, who were sponsoring in Washington such a great meeting without asking the Federal Government or the city of Washington for a penny. Here is a lesson in self-reliance by the Boy Scouts that is worthy of the commendation of Congress.

Mr. O'CONNOR of New York. Mr. Chairman, will the gentleman yield?

Mr. DIES. I yield.

Mr. O'CONNOR of New York. Of course, I did not say that the Federal Government was paying the expenses of the Boy Scouts to come to Washington, but I would like to know who is erecting all these tents, and so forth, on Government property, in Potomac Park, and so forth?

Mr. MAHON of Texas. It is my understanding that the Boy Scouts are doing it and paying for it, but the property belongs to the Government.

Mr. O'CONNOR of New York. Oh, when they came here before, we made a direct appropriation, but the Federal Government put up all these quarters and the District of Columbia is not providing one cent. Any other city in America would raise a fund contributed to by the merchants of at least $300,000 to get that show there.

Mr. MAHON of Texas. I agree with the gentleman, but they have only been lent Government property.

Mr. O'CONNOR of New York. Those are Government tents on Government property and are being put up for the Boy Scouts. The point I make is that the District of Columbia gets all these conventions and has all these millions spent here but the merchants here do not spend one cent to induce them to come here.

Mr. DIES. Mr. Chairman, I think these gentlemen have had sufficient opportunity to air their views.

Mr. Chairman, the point I want to make is that if this trend keeps up in the United States we are going to find ourselves in the same situation that Germany or Italy is in. There are some people, of course, who like restriction, regulation, and regimentation; but the American people do not like it when it becomes unreasonable. It was for the reason that our people abhorred the eternal interference and meddling on the part of some governmental agency that they braved the dangers of the wilderness and established this great Republic.

Mr. RANDOLPH. Mr. Chairman, will the gentleman yield?

Mr. DIES. I yield.

Mr. RANDOLPH. The gentleman is not opposed to regulatory measures for health, is he?

Mr. DIES. Oh, in the name of health what great evils are committed. [Applause.] I may say to the gentleman that when I was a boy I lived on a farm in Hunt County, SAM RAYBURN'S district, and we had a dairy farm. They did not have so many regulations or rules. Well, the milk was just as pure—of course once in a while the old cow's tail got in the milk but no one knew any difference, and everybody drank the milk. It was rich milk and there was no complaint, but now they want so many rules and regulations

about selling milk that the farmer cannot go to town and sell his milk no matter how clean it is. Of course, we all favor reasonable regulations to safeguard the health of the people. The whole effect of this governmental trend is to surround the average citizen with innumerable requirements, regulations, and prohibitions. Between being the victim of monopoly in the business world and the Government monopoly we are establishing, the average American citizen finds it is daily growing less and less possible to move in any direction without running afoul of some kind of legal obstacle.

Mr. RANDOLPH. Mr. Chairman, will the gentleman yield?

Mr. DIES. I yield.

Mr. RANDOLPH. The gentleman would not want to do away with the United States Public Health Service, would he?

Mr. DIES. No; I would not want to do away with the splendid Public Health Service, but when we establish some bureau like the Public Health Service, those who work in the bureau, of course, are anxious to expand their operations. They, therefore, begin to agitate for every conceivable plan whereby they can make people healthy whether they want to be healthy or not. [Applause.]

You have a situation in the District of Columbia in which you have a bunch of bureaucrats who are self-perpetuating, self-governing; and these bureaucrats, many of them, are engaged day and night in what business? In one business, and that is trying to expand their functions. They write pamphlets and clutter up my desk with them every morning. No one ever reads them, but that does not keep the bureaucrats from writing pamphlets; and constantly they are finding new means and new schemes and new functions to do what? To superimpose upon our political institution a gigantic bureaucracy, a bureaucracy which will be just as dictatorial, just as destructive of liberty as the Fascist government of Italy or the Nazi government in Germany, for they are all predicated upon the same premise, that of so-called brain—I will not use the phrase "brain trust", for that is misconceived and misinterpreted sometimes [laughter]—but people who feel that they are superior to the legislative body. There they sit in their offices. They do not have to run for reelection; they never have to go back and appease an irate constituency. [Laughter.] As a result they become more and more impressed with their own importance as the days go by, and finally, when a Member of Congress telephones them, they become outraged to think that a Member would humbly solicit their aid in the performance of the duty with which they are entrusted. This illustrates the result of bureaucracy in any country; and I do feel, Mr. Chairman, with all the sincerity in my heart, that we can accomplish the necessary objectives of government, that we can bring about greater privileges for the underprivileged, that we can achieve all of these liberal objectives that we are seeking without pursuing a remedy which sometimes I think may be worse than the disease itself.

This is only an illustration of what we propose to do. When we shall have set up this board, then there is a clamor tomorrow for another board, and another board, until finally, Mr. Chairman, the American citizen when he gets up in the morning will have to telephone some board to find out whether he can comb his hair.

Then he will have to telephone another board to find out whether or not he can wear a blue suit or a white suit. Then he will have to get somebody's permission as to the route he must pursue to go to work, and, finally, when he gets to his job, he will be subject to another set of rules and regulations. Where will there be any liberty left?

Mr. RANDOLPH. Will the gentleman yield?

Mr. DIES. I yield to the gentleman from West Virginia.

Mr. RANDOLPH. I saw last night in the March of Time the desolation which exists in a part of Texas, which has been laid to waste by dust storms. It was shown that the people locally were unable to cope with the problem and it was a governmental agency that had gone down there the past few years and attempted by education and assistance to the people to solve that problem.

Mr. DIES. There is no objection to this fine work. But, on the other hand, I may say to the gentleman that while I have no objection to the Federal Government doing something absolutely necessary which cannot be done by local communities, the gentleman knows as well as I do that some county judges and Governors are constantly beseeching us to get larger appropriations for what purpose? So that they can make a big showing in the next election. This has brought about a spirit of rivalry between various Governors as to which one is going to get the most. One Governor says, "I got $500,000 last year out of the Federal Government that you will not have to pay back." That necessitates the Governor in the adjoining State to undertake to make a big showing, with the result that the Federal Government has embarked upon a great many enterprises, the utility of which may be the subject of some doubt.

Mr. SHORT. Will the gentleman yield?

Mr. DIES. I yield to the gentleman from Missouri.

Mr. SHORT. In other words, there is a mad scramble among local politicians throughout the entire United States today to see which one can become the biggest beggar and the biggest thief in robbing the National Treasury?

Mr. DIES. I would not go that far.

Mr. KOPPLEMANN. Is that limited to any one party?

Mr. DIES. I think the answer is self-evident.

Mr. LUTHER A. JOHNSON. Will the gentleman yield?

Mr. DIES. I yield to the gentleman from Texas.

Mr. LUTHER A. JOHNSON. Is the gentleman giving us some of the same philosophy he sometimes gives us in the cloakroom?

Mr. DIES. I do not know how good it is, I may say to the gentleman, but I think the time has come when the Congress of the United States must seriously consider the question as to whether or not we are going to delegate to boards, bureaus, and commissions of all sorts and character the legislative power that the Constitution vested in us. I do not mean by that that some discretionary power should not be vested in boards; but I do say, Mr. Chairman, the trend of this House, as far back as I can remember, and I remember from the days when Woodrow Wilson was President and my father was a Member of the House, year by year is toward an encroachment upon State sovereignty. With one voice we say, "We are for State rights", but by our acts and by our conduct we legislate to further encroach upon the sovereignty of the respective States.

Mr. O'MALLEY. Will the gentleman yield?

Mr. DIES. I yield to the gentleman.

Mr. O'MALLEY. The gentleman is making a very excellent speech. Does he not think it is also time that the Congress say outside what they say in the cloakroom so that the people will be advised?

Mr. DIES. If it does, there will be some new faces here.

Mr. Chairman, I have no disposition to delay consideration of this bill; but I think the House is entitled to consider the measure very carefully. It involves a principle which, if continued in the United States, will result in a complete Fascist government, a government such as Mussolini proclaimed—everything for the State, nothing outside the State, and nothing against the State. Throughout Europe today the one principle that underlies all the Fascist governments is regimentation, the declaration that the State can do no wrong, that the individual is a servant of the State; and because I want to resist that trend I shall oppose this measure and vote against it.

Mr. MAHON of Texas. Will the gentleman yield?

Mr. DIES. I yield to the gentleman from Texas.

Mr. MAHON of Texas. The gentleman has made a very wonderful speech, and he always does. The gentleman does not imply by his opposition to this bill that he would necessarily oppose a bill which would really bring about sanitation? The gentleman does not mean to imply he would oppose a good law that would require more sanitation in the barber shops and beauty parlors of the District of Columbia?

Mr. DIES. I do not oppose that; but I do oppose in the guise of sanitation a bill to promote this monopolistic tendency in the United States, a bill which has for its object

the shutting of the doors of equal opportunity to the people of our land.

Mr. PATMAN. Will the gentleman yield?

Mr. DIES. I yield to the gentleman from Texas.

Mr. PATMAN. If the gentleman will read the definitions on page 2, he will discover this law will apply to barbers. The barber in pursuing his trade or business in the future will have to become a manicurist or a beauty culturist.

Mr. DIES. In the guise of sanitation and health, the bill gives the board dictatorial powers which are not needed to accomplish the avowed purposes of the bill, but which may be used to narrow the field of competition so that competent and worthy people will be denied an opportunity to make a living. No one opposes any sane measure to promote health and sanitation. This is not such a bill. [Applause.]

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc.—

DEFINITIONS

SECTION 1. That the following words or phrases, unless the context clearly indicates otherwise, shall have the meanings ascribed to them in this section:

(a) The word "cosmetology", as used in this act, shall be defined and construed to mean any one or any combination of practices generally and usually, heretofore and hereafter, performed by, and known as the occupation of, beauty culturists, or cosmeticians, or cosmetologists, or hairdressers, or of any other person holding him or herself out as practicing cosmetology by whatever designation and within the meaning of this act and in and upon whatever place or premises; and in particular "cosmetology" shall be defined and shall include, but otherwise not be limited thereby, the following or any one of a combination of practices, to wit: Arranging, dressing, styling, curling, waving, cleansing, cutting, removing, singeing, bleaching, coloring, or similar work, upon the hair of any person by any means, and with hands or mechanical or electrical apparatus or appliances, or by the use of cosmetic preparations, antiseptics, tonics, lotions, or creams, massaging, cleansing, stimulating, manipulating, exercising, beautifying, or similar work, the scalp, face, neck, arms, bust, or upper part of the body, or manicuring the nails of any person, exclusive of such of the foregoing practices as come within the scope of the Healing Arts Practice Act in force in the District of Columbia at the time of the passage of this act.

(b) Any place or premises, or part thereof, wherein or whereupon cosmetology or any of its practices are followed or taught, or any person therein or thereabouts practicing cosmetology, whether such place is known or designated as a cosmetician, cosmetological or beauty shop, establishment, or school or whether the person is known or holds him or herself out as a cosmetician, cosmetologist, or beauty culturist, or by any other name or designation indicating that cosmetology is practiced or taught, shall be subject to the provision and within the meaning of this act. For the purpose of this act such place shall hereinafter be considered and referred to as a beauty shop or school of cosmetology, as the case may be, and the person practicing cosmetology therein, as a cosmetologist: *Provided, however,* That any appropriate name herein mentioned may be used, but shall be displayed upon or over the entrance door or doors of such place designating it as a beauty shop or school of cosmetology within the meaning of this act.

(c) A person who is engaged in learning or acquiring any or all practices of cosmetology, and while so learning, performs or assists in any of the practices of cosmetology, under the immediate supervision of a registered or licensed practitioner or instructor of cosmetology, shall be known as an apprentice or student of cosmetology and hereinafter referred to as a student.

(d) Any person, not an apprentice or a student, following or practicing cosmetology, not owning or managing a beauty shop or school of cosmetology, shall be known as an operator cosmetologist and hereinafter referred to as an operator.

(e) Any person, being an operator, and managing, conducting, or owning a beauty shop or school of cosmetology, shall be known as a manager or managing cosmetologist and hereinafter referred to as a manager.

(f) Any person being an operator and teaching cosmetology or any practices thereof in a school of cosmetology shall be known as an instructor of cosmetology and hereinafter referred to as an instructor.

(g) Any person who engages only in the practice of manicuring the nails of any person shall be known as and hereinafter referred to as a manicurist.

(h) The agent or employee of any manufacturer of beauty shop and cosmetological products and equipment employed by the said manufacturer for the purpose of conducting sales demonstrations, lectures, or expositions shall be known as a demonstrator and hereinafter referred to as such.

(i) Whenever the word "board" shall appear or be used, it shall mean and refer to the Board of Cosmetology as hereinafter provided.

Mr. PATMAN. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. PATMAN moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken out.

Mr. PATMAN. Mr. Chairman, this bill, according to its terms and definitions, will include the barbers. The bill provides that anyone who is engaged in arranging the hair of any person by any means whatsoever, with the hands or mechanical or electrical apparatus or appliances, or anyone who dresses hair or styles hair, as well as curling, waving, cleaning, or cutting hair, must get a license. This bill includes the barbers. It would probably put the barbers out of business.

Mr. McFARLANE. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. Yes.

Mr. McFARLANE. It would also include the maids and cooks, or anyone who waits on your family.

Mr. PATMAN. This is a very far-reaching bill. If the Members of the House want to go in the direction discussed by my colleague, the gentleman from Texas [Mr. DIES], this is a good opportunity to make a long start in that direction. However, if you want to go in the direction of preventing these useless and unnecessary boards and bureaus which harass and annoy people for the purpose of keeping people out of business, fixing prices, and establishing rates for a few, I insist you vote for this motion to strike out the enacting clause.

Mr. DIRKSEN. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. Yes.

Mr. DIRKSEN. I have listened very attentively to the arguments both of the gentleman and the gentleman from Texas [Mr. DIES]. It occurs to me that facts have a way of knocking arguments into a cocked hat. I should also state that you have this law in Texas.

Mr. PATMAN. That is all right; maybe it is or is not the same law.

Mr. DIRKSEN. It is substantially the same.

Mr. PATMAN. Perhaps the legislature made a mistake. I do not agree that every law in Texas is a wise law. If the legislature passed a law like this, it made a mistake, and I would tell the legislature so. Because some legislature passed some law in some State, that does not make that law a perfect law for the District of Columbia.

Mr. DIRKSEN. I may state to the gentleman that approximately 40 States have this law on their statute books.

Mr. PATMAN. I venture to say they did not pass a law like this proposed one.

Mr. DIRKSEN. Substantially like this.

Mr. McFARLANE. There is no law like this on the statute books of Texas.

May I call the attention of the gentleman to the fact that the Democratic national platform provides we shall eliminate useless boards and commissions? This does not mean we shall continue to create more useless boards and commissions.

Mr. PATMAN. This is creating another board or commission. If the House wants to adopt this, it is perfectly all right with me. It does not make any difference about this particular board or the people engaged in this particular work, but it is the trend to which I object. I hope the House today goes in the direction of stopping this trend.

Mr. THOMASON of Texas. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. Yes.

Mr. THOMASON of Texas. Does the gentleman feel the same way about barber-shop inspection laws?

Mr. PATMAN. It is not the same thing. I feel the same way about barber shop inspection laws, except where they are purely health and sanitation laws. Anything which relates purely to health and sanitation is all right, but this is not the object of the pending bill. This bill comes about by reason of the desire of certain people to keep the other fellow out of their business and to keep students from work-

ing their way through college in competition with the people engaged in that business. You cannot blame them, in a way, because they want just as much of the business as possible.

Mr. THOMASON of Texas. Since reference has been made to the situation in Texas, may I ask my friend the gentleman from Texas, if it is not a fact that Texas has barber inspection laws as well as beauty-parlor inspection laws, that boards have been set up under the same general principle as set out in this bill, and that the law is enforced in the gentleman's city, in my city, and in every other city in Texas and has given practically unanimous and universal satisfaction?

Mr. PATMAN. I venture to say that law is to protect the health of the people and for the purpose of sanitation and is not for the objects and purposes disclosed in this bill. I venture to say further Texas does not have any such law as this or as restricted as this.

Mr. THOMASON of Texas. I want to get the gentleman's viewpoint. Does the gentleman feel the same way about milk and water inspection?

Mr. PATMAN. We are talking about this particular bill. He is now referring to health and sanitation laws, something I favor.

Mr. THOMASON of Texas. I am talking about the principle involved.

Mr. PATMAN. I am in favor of protecting the health of the people, but there is no reason why under the name of health and sanitation we should place every business in a strait jacket and harass and annoy people who want to engage in such lines of business.

Mr. THOMASON of Texas. Where would the gentleman put that responsibility?

Mr. PATMAN. The responsibility? We have it now.

[Here the gavel fell.]

Mr. PALMISANO. Mr. Chairman, I rise in opposition to the motion.

Mr. Chairman, I do not know anything about this bill. The gentleman from Pennsylvania [Mr. QUINN], who introduced the bill, has told you the facts about it, as has the gentleman from Illinois [Mr. DIRKSEN], who is a member of the subcommittee. However, I cannot understand the position of the gentleman from Texas. It seems to me this is a Texas field day in opposition to the bill.

I have always taken the position that whatever I give to my State I shall give to the District of Columbia. Texas has such a law as this, of which the gentleman from Texas [Mr. THOMASON] has told you every man, woman, and child in that State approves. Texas also has a barber bill such as will follow the bill now under discussion. Texas has such laws, yet four or five Members from the State of Texas tell you what is good for their State shall not prevail in the District of Columbia. I say it is not good sportsmanship when men argue for one thing for themselves but deny to their fellows the same thing they claim for themselves.

Mr. PATMAN. Mr. Chairman, will the gentleman yield for a question?

Mr. PALMISANO. Yes.

Mr. PATMAN. The gentleman states the barber bill will follow this measure, and the gentleman has a real-estate bill to follow that bill, has he not?

Mr. PALMISANO. Yes; and I think the opposition of the gentleman from Texas to this bill leads to opposition to the real-estate bill under which the District of Columbia will receive some revenue by charging a real-estate man $50 a year to obtain a license. If I had my way every business in the District would pay a license fee and there would be no necessity for the great bill that the gentleman from Texas sponsored some time ago, known as the Robinson-Patman bill, which meant nothing so far as the little merchant is concerned. I want an individual licensing bill in order to put the little man on an equality with the chain store, which was supposed to have been accomplished by the Robinson-Patman bill.

I am seeking to help the little man and I say to you that this bill does not hurt anyone. It gives the people of the District of Columbia the right to regulate their own affairs the same as we do back in our own States. I understand there are 40 States of the Union that have a law which is identical with the one we are asking you now to consider. If there is any phrase in the bill that is wrong, amend it and strike it out, but do not vote for this motion which would mean striking down the whole bill.

Mr. THOMAS of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. PALMISANO. I yield.

Mr. THOMAS of New Jersey. I do not know what the situation is in Texas, but I do know that the State of New Jersey has a law very similar to this one, and if you say that every man, woman, or child in Texas is in favor of their law, I will tell you that most of the people in New Jersey are against this law. It has not worked out there satisfactorily at all. The law has just set up another board, and my State has boarditis, the same as the New Deal, and we are opposed to that particular law now in New Jersey, and I think we ought to be opposed to such a law for the District of Columbia.

Mr. PALMISANO. May I ask how long the law has been in effect in New Jersey?

Mr. THOMAS of New Jersey. About 2 years, and the only thing that has been accomplished has been to pay out a salary to somebody.

[Here the gavel fell.]

The CHAIRMAN. The question is on the motion of the gentleman from Texas to strike out the enacting clause.

The question was taken; and on a division (demanded by Mr. PALMISANO) there were—ayes 38, noes 42.

Mr. PATMAN. Mr. Chairman, I demand tellers.

Tellers were refused.

So the motion was rejected.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Pennsylvania [Mr. QUINN].

The Clerk read as follows:

Amendment offered by Mr. QUINN: On page 2, line 18, strike out the word "manipulating."

The amendment was agreed to.

The Clerk read as follows:

BOARD OF COSMETOLOGY

SEC. 2. (a) There is hereby created the District of Columbia Board of Cosmetology, consisting of three members to be appointed by the Commissioners of the District of Columbia within 30 days after this act becomes effective. Each member of the Board shall be at least 25 years of age, shall have had at least 5 years' practical experience in the practices of cosmetology, shall be a citizen of the United States, and a resident of the District of Columbia. No member of the Board shall be a member of nor affiliated with any school of cosmetology while in office, nor shall any two members of said Board be graduates of the same school.

(b) Each member of the Board shall serve a term of 3 years, and until his or her successor is appointed and qualified, except in the case of the first Board, whose members shall serve 1, 2, and 3 years, respectively. The members of the Board shall take the oath provided for public officers. Vacancies shall be filled by the Commissioners of the District of Columbia for the unexpired portion of the term of a member caused by death, resignation, or otherwise. The said Commissioners are hereby empowered to remove, after full hearing, any member of the Board for neglect of duty or any other just cause.

(c) The members of the Board shall, annually, elect from among their number a president and also a treasurer, and shall annually appoint a secretary, who shall not be a member of the Board. The compensation of the secretary, to be fixed by the Board, shall not exceed the sum of $3,000 per year, and shall be paid out of the funds received by it, and no part of such compensation shall be paid otherwise by the District of Columbia. Said Board shall have a common seal, and the said treasurer shall give such bond for the faithful performance of his duties as the Commissioners of the District of Columbia may deem necessary. Two members of the Board shall constitute a quorum.

(d) The Board shall meet in the District of Columbia not less than four times during the year and at such other times as the Board may deem advisable.

(e) The Board shall keep a record of its proceedings. It shall keep a register of applicants for certificates or licenses showing the name of the applicant, the name and location of his place of occupation or business, and whether the applicant was granted or refused a certificate or license. The books and records of the Board shall be prima-facie evidence of matters therein contained, shall constitute public records, and shall at all reasonable times be open for public inspection.

Mr. THOMASON of Texas. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am just wondering what kind of bill could be brought in here by the District Committee that would meet with the approval of this House. This is about the third bill, I believe, that has been up here today that has been submitted to the most violent form of criticism, and inasmuch as someone has suggested that this seems to be a kind of field day for Texans, I rise in opposition to the position taken by my very warm and close personal friends, the gentlemen from Texas, Mr. DIES and Mr. PATMAN. [Applause.] I am one of those who believes that the principle of this bill, as well as the barbers' bill, which I understand is to follow, is absolutely sound and workable.

If you will pardon a personal allusion, I may say that I had a small part in the passage of such a law in the Texas Legislature and, later, as the mayor of a small city, had a little to do with the enforcement of the same act, and I want to tell you that the barbers' law in my State, in my judgment, with all due deference to my good friends who have taken an opposite view, has resulted in a very much improved sanitary condition.

I believe with respect to sanitation in barber shops and beauty parlors, that such regulation and sanitation is in a way comparable with inspection of milk, and I was absolutely surprised at my good friend from Texas [Mr. DIES], who seemed to take exception to the milk-inspection laws promulgated by the Government and by every State in the American Union.

It is a great satisfaction, may I say right along this same line, when I ride down through the grand Old Dominion State of Virginia and stop at a place to get drinking water for myself and my family, to find a sign there telling that the water has been inspected by the State health department and is fit to drink.

Mr. RANDOLPH. Mr. Chairman, will the gentleman yield?

Mr. THOMASON of Texas. I yield.

Mr. RANDOLPH. I agree with the gentleman and may I say that I only wish every Member of this House could see the really wonderful picture portraying the life of Louis Pasteur, which shows the work he did in protecting health and bringing about sanitary conditions.

Mr. THOMASON of Texas. That is a very wonderful picture. I am glad we are living in this marvelous and modern age. I am not willing that bureaus run our Government, but I am quite willing that lawmaking bodies shall set up agencies to insure pure water and milk, inspection of barber shops, beauty parlors, hotels, restaurants, and soda fountains. I am for strict inspection, high standards, and good wages for all such places that serve the public.

I know that in my own city of something more than 100,000 people, with a large percentage of Mexican population, before the barber law was passed, there were many insanitary little barber shops where one could go in and get a shave for 10 or 15 cents and a haircut for 25 cents, with not the slightest sign or pretense of inspection. None of us want to patronize a barber shop that is not sanitary in every respect. I am one of those who believes that the principle of this bill is absolutely sound and whether it is this beauty-parlor bill or the barber bill or the taxation bill which this morning we voted not to take up, I am here to raise my voice in defense of this committee, which has spent days and weeks and, in some instances, months in trying to bring out legislation that will be of benefit to the people of this great big Capital city, which belongs to all of us.

Mr. RANDOLPH. Mr. Chairman, the gentleman is one of those who believes in the refinement of amendment to this tax bill that has been brought here on the floor after 3 months of work.

Mr. THOMASON of Texas. Inasmuch as this has been a sort of general discussion running through all these bills, I am glad that I voted this morning to take up the tax bill, and I was much impressed with the able speech of the gentleman from Illinois [Mr. DIRKSEN] explaining the financial situation of the people of the District of Columbia.

If you do not want to put a tax on the people here in order to support their own government, it is going to require a Federal appropriation to make up the deficit, and I observe that several Members are satisfied that the bill did not apply to Congressmen, and it did not have anything in it that would have prevented an amendment to increase the taxes on real estate. So I think the thing to have done about that—and I am not saying this in a spirit of criticism—was to let that bill come up on the floor and let us thresh it out; and if the bill were not right, amend it in order to meet this local situation. I regret when I see the spirit that seems to permeate this House in respect to the District of Columbia. Of course, rents are too high, taxes are too low, a lot of big apartment houses and fine buildings are not paying their just share of the taxes, but nevertheless it is absolutely inexcusable that many Federal officials and employees are contributing little to the support of government. In a spirit of fairness and justice to the taxpayers of the District, as well as the taxpayers back home, we ought to arrive at some fair and just means by which we shall raise sufficient revenue in the District of Columbia to meet the just and fair demands of government in the District. Everybody should pay an income tax. We should pass the Cochran amendment. State, county, and city officials in every State should be required to pay an income tax. [Applause.]

Mr. SACKS. Mr. Chairman, I rise in opposition to the pro-forma amendment. I am a member of the Committee on the District of Columbia and I know the work that the District Committee has carried on in order to get this tax bill on the floor. There are many features in the bill that I am not in favor of, and I was prepared, if the bill were taken up today, to offer amendments that I felt would be enacted into law. I was one of those who was in favor of cutting out the income tax and raising the taxes here by an additional gasoline tax, which would raise the money much more easily, and which would raise more than the income tax would bring. I feel keenly about the House action in refusing to take this up for the reason that the people of the District are in the same position that our Colonies were when we fought against the imposition of taxes without representation. The people of the District of Columbia have no say in what their taxes should be, and they have no vote, nobody to represent them on the committee except Members of Congress from other States.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. SACKS. And in view of that fact, I feel that we ought to be fair to these people and we ought to have taken the bill up this morning. I yield to the gentleman from Texas.

Mr. PATMAN. The gentleman at one time was an assistant attorney general of the State of Pennsylvania.

Mr. SACKS. Yes.

Mr. PATMAN. And he had something to do with boards such as we are attempting to set up here.

Mr. SACKS. Yes.

Mr. PATMAN. Will the gentleman state whether or not they are operating satisfactorily or unsatisfactorily?

Mr. SACKS. Mr. Chairman, it was my good fortune as deputy attorney general of the State of Pennsylvania to represent some 30 of these boards before I came to Congress. Those boards which regulated the business, and which had on them members of that business did not work so well. However, those boards that were appointed by the Governor from amongst the people to regulate a business, did very well.

I am afraid that wherever you create a board and put men on that board who are actively engaged in the business, their greatest desire is to protect themselves and their fellow members in the business, to the detriment of the general public.

Mr. NICHOLS. Mr. Chairman, will the gentleman yield?

Mr. SACKS. I yield.

Mr. NICHOLS. Is there any board created in the tax bill?

Mr. SACKS. No. The gentleman was talking about this particular bill.

Mr. BRADLEY. Mr. Chairman, will the gentleman yield?

Mr. SACKS. I yield.

Mr. BRADLEY. Is it not a fact that in connection with the various boards which we have in the State of Pennsyl-

vania there have been abuses in conjunction with their functions that have been in some cases scandalous?

Mr. SACKS. There is no doubt about that. It is those boards that have been appointed out of the membership of those engaged in the business.

Mr. DIES. Mr. Chairman, will the gentleman yield?

Mr. SACKS. I yield.

Mr. DIES. With reference to the tax bill, since it had no mention of real-estate taxes in it, an amendment to increase the tax rate on real estate would not have been germane, so that insofar as the House being able to write any views it might have on an increase in the real-estate rate was concerned, it could not have done so.

Mr. SACKS. That is a question that might have been raised. The gentleman may be right, but I still say, in view of the fact that July 1 is so near at hand and that is the beginning of the fiscal year, and in view of the fact that we are acting as guardians of the people of the District of Columbia, we should at least have accorded them the right to take up this tax bill on the floor. I agree with the gentleman from Texas that there were many features in that bill that were not right, but I was willing to take up the bill and willing to appear on the floor and fight for those things which we thought were right, to take the place of those things now in the bill.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. SACKS. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

Mr. CRAWFORD. Reserving the right to object, I would like to ask the gentleman a question or two.

Mr. SACKS. All right. I will yield to the gentleman in a moment.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. KENNEDY of Maryland. Mr. Chairman, will the gentleman yield?

Mr. SACKS. I yield.

Mr. KENNEDY of Maryland. The Commissioners of the District all along have had authority to increase the tax rate, and the subcommittee considered that in the consideration of this bill. We thought this was not the time to do that, because there is no question but that if we increased the tax rate, it would be passed on to the tenants in increased rental rather than decreases.

Mr. SACKS. I, like the gentleman from Texas, am in favor of protecting the small-home owner, the man who is earning a meager living and buying his own home, but I am not in favor of protecting these big hotels and apartment houses which we all know are receiving exorbitant rates and paying very little toward carrying on the government of the District of Columbia. [Applause.]

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. SACKS. I yield.

Mr. CRAWFORD. I am very much in sympathy with what the gentleman is saying and I was very much inclined to vote against consideration of the bill. I did not vote for its consideration, for this reason: It is an income-tax bill, and I think we deserve a week to consider its provisions. I believe that is the reason why many Members voted against the bill today.

Mr. SACKS. While I am on the question of income taxes, we had a message from the President of the United States telling us that the income-tax law which was passed by this Congress was being violated; that there were such loopholes in it that yachts were able to go through them, and other things; that we were not collecting half of the tax that was due.

[Here the gavel fell.]

The pro-forma amendment was withdrawn.

The Clerk read as follows:

REGULATION BY THE BOARD

SEC. 3. The Board is hereby empowered to make and enforce such rules and regulations, subject to the approval of the Commissioners of the District of Columbia, as it deems necessary to carry out the provisions of this act.

POWERS AND DUTIES OF THE BOARD

SEC. 4. The Board shall have the power to refuse, revoke, or suspend licenses or certificates, after full hearing, on proof of violation of any provisions of this act or the rules and regulations established by the Board under this act, and shall have the power to require the production of such books, records, and papers as it may desire. Before any certificate shall be suspended or revoked for any of the reasons contained in this section, the holder thereof shall have notice, in writing, of the charge or charges against him or her, and shall, at a day specified in said notice, which shall be at least 5 days after the service thereof, be given a public hearing with a full opportunity to produce testimony in his or her behalf. Any person whose certificate of registration has been so suspended or revoked may, after the expiration of 90 days, on application to the Board, have the same reissued to him or her upon satisfactory proof that the disqualification has ceased.

APPEAL FROM ACTION OF THE BOARD

SEC. 5. An appeal may be taken from any action of the Board to the Commissioners of the District of Columbia and the decision of the said Commissioners shall be final.

PRACTICE OF COSMETOLOGY WITHOUT REGISTRATION PROHIBITED

SEC. 6. It shall be unlawful for any person in the District of Columbia to practice or teach cosmetology or manage a beauty shop, or to use or maintain any place for the practice or teaching of cosmetology for compensation, unless he or she shall have first obtained from the Board a certificate of registration as provided in this act. Nothing contained in this act, however, shall apply to or affect any person who is now actually engaged in any such occupation, except as hereinafter provided.

REQUIREMENTS TO PRACTICE

SEC. 7. Before any person may practice or teach cosmetology or manage a beauty shop, such person shall file with the Board a written application for registration, accompanied by a health certificate issued by a registered licensed physician of the District of Columbia, under oath, on a form which shall be prescribed and supplied by the Board, and such applicant shall submit satisfactory proof of the required age, educational qualifications, and be of good moral character, shall deposit with the said Board the registration fee, and pass an examination as to fitness to practice or teach cosmetology or manage a beauty shop, as hereinafter provided in this act.

ELIGIBILITY REQUIREMENTS FOR EXAMINATION

SEC. 8. No person shall be permitted by the Board to take an examination to receive a certificate as an operator unless such person shall be at least 16 years of age, of good moral character, has received an education equivalent to the completion of the eighth grade of elementary school, and either has been registered as a student and has had training, as hereinafter provided in this act, in a school of cosmetology duly registered by the Board or has been registered and served as an apprentice at least 8 months as hereinafter provided in this act: *Provided, however*, That the Board may permit a person to take an examination without the prior studentship or apprenticeship herein required if such person shall establish, to the satisfaction of the Board, that he or she has been an operator in the active practice of cosmetology for at least 24 months within the 5 years next preceding the effective date of this act. No person shall be permitted to take an examination for a certificate to teach cosmetology or act as manager of a beauty shop unless such person shall be at least 18 years of age, of good moral character, has received an education equivalent to the completion of the eighth grade of elementary school, and either has had at least 3 years' experience as an operator in a beauty shop or has served as such operator in a registered beauty shop for a period of not less than 6 months and shall have a training in a registered school of cosmetology of not less than 2,000 hours, including the hours of study necessary to become an operator. The sufficiency of the qualifications of applicants for admission to the examination or for registration shall be determined by the Board, but the Board may delegate the authority to determine the sufficiency of such requirements to the secretary of the Board, subject to such provisions as the Board shall make for appeal to the Board.

LIMITED CERTIFICATES

SEC. 9. A limited certificate of registration to manicure the nails only may be applied for and granted under all of the terms and conditions of this act, except that the examination therefor may be limited to such practice only and the required schooling shall be not less than 100 hours. A limited certificate of registration for any one or a combination of practices as license is applied for may be granted under all of the terms and conditions of this act, except that the examination therefor shall be limited to the subjects in question, and a proportionate number of hours of training as determined by the Board shall be required.

REQUIREMENTS OF A SCHOOL OF COSMETOLOGY

SEC. 10. No school of cosmetology shall be granted a certificate of registration unless it shall attach to its staff as a consultant a person licensed by the District of Columbia to practice medicine and employ and maintain a sufficient number of competent instructors, registered as such, and shall possess apparatus and equipment sufficient for the proper and full teaching of all subjects of its curriculum which shall be as prescribed by the Board; shall keep a daily record of the attendance of each student, maintain regular class and instruction hours, establish grades, and

hold examinations before issuance of diplomas; and shall require a school term of training of not less than 1,500 hours within a period of not less than 8 months for a complete course comprising all or the majority of the practices of cosmetology as provided in this act; and to include practical demonstrations and theoretical studies and study in sanitation, sterilization, and the use of antiseptics, cosmetics, and electrical applicances consistent with the practical and theoretical requirements as applicable to cosmetology or any practice thereof, as provided in this act. In no case shall there be less than 1 instructor to each 25 pupils. Any person, firm, or corporation teaching any or all practices of cosmetology shall be required to comply with all provisions applying to schools of cosmetology within the meaning of this act.

Mr. QUINN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. QUINN: Page 11, line 5, after the word "medicine", insert "and surgery or osteopathy and surgery."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania.

The amendment was agreed to.

The Clerk read as follows:

STUDENT PRACTICE UPON THE PUBLIC FOR PAY PROHIBITED

SEC. 11. It shall be unlawful for any school of cosmetology to permit its students to practice cosmetology upon the public under any circumstances except by way of clinical work upon persons willing to submit themselves to such practice after having first been properly informed that operator is a student. No school of cosmetology shall, directly or indirectly, charge any money whatsoever for treatment by its students or for materials used in such treatment, until such student shall have had at least 500 hours of training: *Provided*, That any law now in force or which may hereafter be enacted providing for minimum wages and hours of labor in the District of Columbia shall be applicable to any student for whose services a charge shall be made.

PRACTICE IN BEAUTY SHOPS ONLY

SEC. 12. It shall be unlawful for any person to practice cosmetology for pay in any place other than a registered beauty shop: Provided, That a registered operator may in an emergency furnish cosmetological treatments to persons in the permanent or temporary residences of such persons by appointment. Every beauty shop shall have a manager, who shall have immediate charge and supervision over the operators practicing cosmetology.

EXCEPTIONS TO EXAMINATION REQUIREMENTS; PRESENT STUDENTS AND APPRENTICES

SEC. 13. The Board may issue the certificate of registration required by this act without an examination or compliance with the other requirements as to age or education to any person who has practiced or taught cosmetology or acted as a manager of a beauty shop or school of cosmetology in the District of Columbia for at least 6 months immediately prior to the passage of this act: *Provided*, That such person shall make application to the Board for a certificate of registration within 90 days after the effective date of this act. Such application shall be accompanied by an affidavit of a registered licensed physician that the applicant was examined and is free from all contagious and infectious diseases and the registration fee required by this act. Any person studying cosmetology in a school of cosmetology or as an apprentice in a beauty shop in the District of Columbia at any time this act goes into effect shall receive credit for such time and studies without complying with the requirements of this act as to age and preliminary education: *Provided*, That such person shall make application to the Board for registration as a student or apprentice within 3 months after this act goes into effect. Students, upon graduating from registered schools of cosmetology, may apply for and receive from the Board a temporary permit to practice as an operator until the next regular examination held by the Board under the provisions of this act.

APPRENTICES IN BEAUTY SHOPS

SEC. 14. Any cosmetologist who is a beauty-shop owner and who is a holder of a teacher's certificate may instruct apprentices: *Provided*, That there shall be no less than three licensed operators for each apprentice in any shop and there shall be no more than two apprentices in any shop, and provided such shop is not held out as a school of cosmetology. Such apprentices may apply for examination at the end of their apprenticeship at the next regular examination held by the Board and, if successful therein, shall be registered as operators. Registered apprentices, upon completion of their required term of apprenticeship, may apply for and receive from the Board a temporary permit to practice as an operator until the next regular examination.

DEMONSTRATORS

SEC. 15. The agents or employees of manufacturers of beauty-shop and cosmetological products and equipment employed by the said manufacturers for the purpose of conducting sales demonstrations, lectures, or expositions shall be required to register with the Board within 3 days after such employment. The Board shall issue permits to such agents or employees for the purpose of permitting such persons to conduct sales demonstrations, lectures, and expositions of beauty-shop and cosmetological products and equipment upon the payment of the required fee: *Provided, however*, That no charge of any kind, whether for materials used or services rendered, shall be made by the manufacturer, his agent or employee, for said services rendered or said materials used in connection with or incidental to the conduct of such sales demonstration, lecture, or exposition. In the event of the termination of the employment of such agent or employee referred to in this section, the said employer herein referred to shall immediately report such fact to the Board, and the permit of such person shall thereupon be canceled and voided. No person canvassing the residents of the District of Columbia, in connection with the advertisement or sale or both of cosmetological products or equipment, shall be permitted to give practical demonstration of such products or equipment unless each such person or his agent shall first have procured from the Board a certificate of registration and a license so to demonstrate upon the payment of the required fee as hereinafter provided.

RECIPROCITY

SEC. 16. The Board may dispense with examinations of applicants as provided in this act and may grant a certificate of registration as provided in this act in all cases where such applicants have complied with the requirements of another State, Territory, or foreign country, state, or province, wherein the requirements for registration are substantially equal to those in force in the District of Columbia at the time of filing application for such certificate, or upon due proof that such applicant has continuously engaged in the practices or occupation for which a license is applied for at least 5 years immediately prior to such application and upon the payment of the required fee.

CERTIFICATES OR LICENSES

SEC. 17. If an applicant to examination to practice cosmetology passes such examination to the satisfaction of the Board, and has paid the required fee, and otherwise complies with the requirements provided in this act, or an applicant otherwise for registration, has paid the required fee and complies with the requirements for registration as provided in this act, the Board shall issue a certificate or license, as the case may be, to that effect, signed by the president and secretary of the Board and attested by its seal. Such certificate or license shall be evidence that the person to whom it is issued is entitled to follow the practices, occupation, or occupations as an operator, manager, or instructor, or own and maintain a beauty shop or school of cosmetology as stipulated therein and as prescribed in this act. Such certificate or license shall be conspicuously displayed in his or her principal office, place of business, or employment.

EXAMINATIONS

SEC. 18. The examination of applicants for a license to practice under this act shall be conducted under the rules prescribed by the Board and shall include both practical demonstrations and written or oral tests in reference to the practices for which a license is applied for and such related studies or subjects as the Board may determine necessary for the proper and efficient performance of such practices; and shall not be confined to any specific system or method; and such examination shall be consistent with a prescribed curriculum for a beauty school or school of cosmetology and the practical and theoretical requirements of the occupation of cosmetology as provided by this act. The Board shall hold public examinations on the third Tuesdays in January, April, July, and October in the District of Columbia, at such hours as the Board shall prescribe.

FEES

SEC. 19. The initial registration fee for the issuance of a license, with or without examination, shall be as follows: $10 for owners, managers, and instructors; $5 for operators; $3 for manicurists; and $100 for schools of cosmetology. Annual renewal fees shall be $5 for owners, managers, and instructors; $3 for operators; $2 for manicurists; and $50 for schools of cosmetology. The fee for a temporary certificate for a student or an apprentice shall be $2. For the issuance of a certificate to a sales demonstrator or lecturer or to an itinerant demonstrator, canvassing the residents of the District of Columbia, the fee shall be $5. For the issuance of a certificate without examination to operators or instructors licensed in jurisdictions meeting the requirements of the District of Columbia, or to those who furnish satisfactory proof that they have been engaged elsewhere in the occupation of cosmetology for a period of 5 years, the initial fee for a certificate of registration shall be $15. On failure to pass an examination the fees shall not be returned to the applicant, but within the year after such failure he or she may present himself or herself and be again examined without the payment of an additional fee. Out of the fees paid the Board there shall be defrayed all expenses incurred in carrying out the provisions of this act, together with a fee of $10 per day for each member of the Board and the actual and necessary expenses incurred for each day he may be actually engaged upon business pertaining to his official duties as such Board member: *Provided*, That such expenses shall in no event exceed the total of receipts: *Provided further*, That at the close of each fiscal year any funds unexpended in excess of the sum of $1,000 shall be paid into the Treasury of the United States to the credit of the District of Columbia.

PERSONS CALLED TO AID OF BOARD

SEC. 20. The Board may call to its aid any person or persons of established reputation and known ability in the practices as provided in this act for the purpose of conducting examinations, inspections, and investigations of any or all persons, firms, or corporations affected by this act. Such aid or aids shall not be connected with any school teaching cosmetology. Any person

called by the Board to its aid as provided herein shall receive for his or her services not more than $10 for each day employed in the actual discharge of his or her official duties, and his or her actual and necessary expenses incurred, to be paid in the same manner as herein provided for the payment of compensation and expenses of members of the Board.

Mr. HILL of Alabama. Mr. Chairman, today is the one hundredth birthday of Gen. A. S. Daggett, one of the bravest and most distinguished officers of the United States Army. Born in the great State of Maine and entering the Army as a volunteer in 1861 as a second lieutenant in the Fifth Maine Infantry, General Daggett participated in practically every important battle of the Army of the Potomac. He was at the first and second battles of Bull Run, Gaines Mill, Sharpsburg, Fredericksburg, Gettysburg, Wilderness, Spottsylvania, Cold Harbor, and Petersburg. Through heroism and leadership, he rose to the rank of lieutenant colonel.

In the days immediately following the War between the States General Daggett was on duty with the Army in the South. He proved himself a magnanimous friend to the people of the South and often spoke of the reconstruction period as the darkest page in American history. He was a great student and admirer of Gen. Robert E. Lee.

General Daggett served in numerous Indian wars. He fought in the battle of San Juan during the Cuban campaign and in many engagements in the Philippine Insurrection. He lead the China relief expedition in the successful assault on the gates of the imperial city in Pekin in 1900. Decorated for repeated acts of gallantry and recognized as a gallant soldier and fearless leader he was retired from the Army with the rank of brigadier general in 1901.

"The glory of man", said Solomon, "is strength." General Daggett has indeed been strong. He has been physically strong as evidenced by the fact that today he enters the second century of life. He has been mentally strong as attested by his brilliant record as strategist and soldier. He has been morally strong, standing four square to the winds of destiny and holding steadfast in his devotion to duty. Although a hundred years old, General Daggett has not lost his sense of humor. Last fall after the election, as a Maine Democrat, he wrote one of his Republican friends here in Washington:

Several persons voted for Roosevelt lately. In case you have not heard of it I thought I would let you know.

Today the President of the United States, the Secretary of War, and the Chief of Staff of the Army have conveyed to General Daggett their congratulations. I join in those congratulations to this great soldier, a generous foe, a distinguished citizen. In doing so I know that I voice the sentiment in the hearts of all patriotic Americans. [Applause.]

The Clerk read as follows:

SANITARY RULES

SEC. 21. The said Board shall, with the approval of the District of Columbia health authorities, prescribe such sanitary rules as it may deem necessary, with particular reference to the precautions necessary to be employed to prevent the creating and spreading of infectious and contagious diseases, and it shall be unlawful for the owner or manager of any beauty shop or school of cosmetology to permit any person to sleep in or use for residential purposes any room used wholly or in part as a beauty shop or school of cosmetology. It shall be unlawful for any person, firm, or corporation to practice cosmetology except in a bona-fide established beauty shop or school of cosmetology, wherein the requirements of the Board as to proper, sanitary, and exclusive practices of cosmetology are complied with: *Provided, however,* That a person may practice outside of such establishment under the direction and control of an owner or manager thereof under such regulations as the Board may provide.

HEARING MAY BE HELD BY ANY MEMBER

SEC. 22. Any investigation, inquiry, or hearing which the Board is empowered by law to hold or undertake may be held or undertaken by or before any member or members of said Board and shall be deemed to be the finding or order of said Board when approved and confirmed by it.

TEMPORARY LICENSES

SEC. 23. The Board may issue a temporary license to any person who otherwise is subject to examination as provided in this act, upon documentary or other satisfactory evidence that the applicant therefor has the necessary qualifications to practice any one or any combination of practices of cosmetology for which a temporary license is applied for: *Provided, however,* That such application for a temporary license is accompanied by an application for an examination as provided in this act and the necessary fee therefor and a fee of $2 for such temporary license. Such temporary license shall remain in force until the next regular meeting of the Board at which examinations are held and no longer. Two such temporary licenses may not be issued to the same person. Each temporary license shall state the date of expiration and the temporary license shall after such date be void and of no effect.

TO WHOM THE PROVISIONS OF THIS ACT SHALL NOT APPLY

SEC. 24. Nothing in this act shall prohibit service in case of emergency, or domestic administration, without compensation, nor services by persons authorized under the laws of the District of Columbia to practice medicine, surgery, dentistry, chiropody, osteopathy, or chiropractic, nor services by barbers, insofar as their usual and ordinary vocation and profession is concerned, when engaged in any of the following practices, namely: Arranging, cleansing, cutting, or singeing the hair of any person; or in massaging, cleansing, stimulating, exercising, or similar work, the scalp, face, or neck of any person, with the hands, or with mechanical or electrical apparatus or appliances, or by the use of cosmetic preparations, antiseptics, tonics, lotions, or creams.

Mr. QUINN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. QUINN: Page 21, section 24, line 20, strike out the period, insert in lieu thereof a semicolon and the following:

"Nor shall anything in this act apply to the practice of psychotherapy, or massaging, stimulating, or exercising of the head, neck, arm, bust, or upper part of the body when done for purposes of health and hygiene rather than for cosmetic purposes."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania.

The amendment was agreed to.

The Clerk read as follows:

RENEWAL OF CERTIFICATES

SEC. 25. The certificates of registration issued in the year in which this act goes into effect shall expire as of April 15, 1938. Thereafter certificates shall be issued for no longer than 1 year. All certificates shall expire on the 15th day of April next succeeding unless renewed for the next year. Certificates may be renewed by application made prior to the 15th day of April of each year accompanied by a health certificate in the manner prescribed in section 7 and the payment of the renewal fees provided in this act. The holder of an expired certificate or license may have within 3 years of the date of expiration the certificate restored upon the payment of the required renewal fee and satisfactory proof of his or her qualifications to assume practice or occupation.

PENALTIES

SEC. 26. (a) Any person who shall violate or aid or abet in violating any of the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction shall be punished by a fine of not more than $300 or imprisonment in the workhouse of the District of Columbia for not more than 6 months, or by both such fine and imprisonment.

(b) Any operator, manager, instructor, student, or apprentice who shall practice the occupation of cosmetology while knowingly suffering from contagious or infectious disease, or who shall knowingly serve any person afflicted with such disease, shall be guilty of a misdemeanor and, upon conviction thereof, shall be punished by a fine of not more than $300 or imprisonment in the workhouse of the District of Columbia for not more than 6 months, or by both such fine and imprisonment.

PROSECUTIONS

SEC. 27. It shall be the duty of the corporation counsel, or one of his assistants, to prosecute in the name of the District of Columbia all violations of the provisions of this act.

EFFECT OF PARTIAL INVALIDITY OF ACT

SEC. 28. Each section of this act, and every part of each section, is hereby declared to be independent of every other, and the holding of any section or part thereof to be void or ineffective for any cause shall not be deemed to affect any other section or part thereof.

REPEAL

SEC. 29. All acts or parts of acts inconsistent with this act are hereby repealed.

Mr. PALMISANO. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MCREYNOLDS, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 6869) to regulate the occupation and practices of cosmetology, to create a District of Columbia Board of Cosmetology for the examination and licensing of persons to carry on or to teach such practices, to insure the better education of such practictioners, to provide rules regulating the proper conduct and sanitation of cosmetological establishments and schools, for the protection of the public

health, and to provide penalties for violation thereof, instructed him to report the same back to the House with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. PALMISANO. Mr. Speaker, I move the previous question on the bill and all amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? [After a pause.] If not the Chair will put them en gros.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. PATMAN) there were—ayes 60, noes 28.

Mr. PATMAN. Mr. Speaker, I object to the vote on the ground there is not a quorum present, and I make the point of order that there is not a quorum present.

The SPEAKER. Obviously there is not a quorum present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 221, nays 69, not voting 143, as follows:

[Roll No. 91]

YEAS—221

Aleshire	Doughton	Lambeth	Rankin
Allen, Del.	Dowell	Lanham	Rayburn
Allen, La.	Drew, Pa.	Lanzetta	Reilly
Allen, Pa.	Drewry, Va.	Lea	Rigney
Anderson, Mo.	Duncan	Leavy	Rogers, Mass.
Arends	Dunn	Lemke	Rogers, Okla.
Ashbrook	Edmiston	Lesinski	Romjue
Atkinson	Eicher	Lewis, Colo.	Sacks
Barden	Ellenbogen	Long	Sauthoff
Barry	Engel	Luce	Schaefer, Ill.
Beam	Englebright	Luckey, Nebr.	Schneider, Wis.
Beiter	Farley	Luecke, Mich.	Schulte
Biermann	Ferguson	McAndrews	Shanley
Bloom	Fernandez	McCormack	Sheppard
Boehne	Fitzgerald	McGehee	Short
Boileau	Flannagan	McGrath	Smith, Conn.
Boland, Pa.	Fleger	McKeough	Smith, Va.
Boren	Fletcher	McLaughlin	Snyder, Pa.
Boykin	Ford, Miss.	McMillan	South
Boylan, N. Y.	Gambrill	McReynolds	Sparkman
Brooks	Garrett	Mahon, Tex.	Spence
Brown	Gasque	Mapes	Starnes
Buck	Gehrmann	Martin, Colo.	Stefan
Bulwinkle	Gilchrist	Martin, Mass.	Sumners, Tex.
Burdick	Goldsborough	Mason	Tarver
Cannon, Mo.	Gray, Pa.	Maverick	Thom
Carter	Greenwood	Mead	Thomason, Tex.
Champion	Gregory	Meeks	Thompson, Ill.
Church	Griffith	Merritt	Tolan
Citron	Halleck	Millard	Towey
Clark, Idaho	Harrington	Mills	Transue
Clark, N. C.	Hart	Moser, Pa.	Treadway
Clason	Havenner	Murdock, Ariz.	Umstead
Cluett	Hildebrandt	Nichols	Vincent, B. M.
Cochran	Hill, Ala.	O'Brien, Ill.	Vinson, Fred M.
Coffee, Wash.	Hobbs	O'Brien, Mich.	Vinson, Ga.
Cole, Md.	Holmes	O'Connell, R. I.	Wallgren
Cole, N. Y.	Honeyman	O'Connor, Mont.	Walter
Colmer	Hull	O'Connor, N. Y.	Warren
Cooper	Imhoff	O'Day	Wearin
Costello	Jenckes, Ind.	O'Leary	Weaver
Cox	Jenkins, Ohio	O'Neill, N. J.	Welch
Crawford	Johnson, Lyndon	O'Toole	Wene
Crosser	Johnson, W. Va.	Palmisano	Whelchel
Crowe	Kee	Parsons	Whittington
Culkin	Kelly, Ill.	Patrick	Wigglesworth
Cullen	Kelly, N. Y.	Patton	Wilcox
Daly	Kennedy, Md.	Peterson, Fla.	Williams
Deen	Kennedy, N. Y.	Pettengill	Withrow
DeMuth	Keogh	Pfeifer	Wolfenden
DeRouen	Kerr	Phillips	Wolverton
Dingell	Kirwan	Powers	Wood
Dirksen	Kloeb	Quinn	The Speaker
Disney	Kniffin	Rabaut	
Dixon	Kocialkowski	Ramspeck	
Dorsey	Kramer	Randolph	

NAYS—69

Allen, Ill.	Elliott	Hope	Knutson
Bacon	Faddis	Houston	Kopplemann
Binderup	Fries, Ill.	Izac	Lamneck
Boyer	Gearhart	Jarman	Larrabee
Bradley	Gingery	Johnson, Luther A.	McClellan
Buckler, Minn.	Gray, Ind.	Johnson, Minn.	McFarlane
Carlson	Green	Johnson, Okla.	McGroarty
Cartwright	Gwynne	Jones	Massingale
Colden	Hancock, N. Y.	Kenney	May
Dies	Hill, Okla.	Kinzer	Michener
Driver	Hoffman	Kitchens	Mitchell, Ill.
Mitchell, Tenn.	Reece, Tenn.	Secrest	Thurston
Nelson	Reed, Ill.	Seger	Tinkham
O'Malley	Reed, N. Y.	Shafer, Mich.	Turner
Patman	Rees, Kans.	Smith, Maine	Woodruff
Patterson	Robsion, Ky.	Snell	
Poage	Rutherford	Taylor, Tenn.	
Polk	Sanders	Thomas, N. J.	

NOT VOTING—143

Amlie	Dondero	Jenks, N. H.	Robertson
Andresen, Minn.	Douglas	Keller	Robinson, Utah
Andrews	Doxey	Kleberg	Ryan
Arnold	Eaton	Kvale	Sabath
Bates	Eberharter	Lambertson	Sadowski
Bell	Eckert	Lewis, Md.	Schuetz
Bernard	Evans	Lord	Scott
Bigelow	Fish	Lucas	Scrugham
Bland	Fitzpatrick	Ludlow	Shannon
Brewster	Flannery	McGranery	Simpson
Buckley, N. Y.	Forand	McLean	Sirovich
Burch	Ford, Calif.	McSweeney	Smith, Wash.
Byrne	Frey, Pa.	Maas	Smith, W. Va.
Caldwell	Fuller	Magnuson	Somers, N. Y.
Cannon, Wis.	Fulmer	Mahon, S. C.	Stack
Case, S. Dak.	Gavagan	Maloney	Steagall
Casey, Mass.	Gifford	Mansfield	Sullivan
Celler	Gildea	Miller	Sutphin
Chandler	Greever	Mosier, Ohio	Sweeney
Chapman	Griswold	Mott	Swope
Claypool	Guyer	Mouton	Taber
Coffee, Nebr.	Haines	Murdock, Utah	Taylor, Colo.
Collins	Hamilton	Norton	Taylor, S. C.
Connery	Hancock, N. C.	O'Connell, Mont.	Teigan
Cooley	Harlan	Oliver	Terry
Cravens	Harter	O'Neal, Ky.	Thomas, Tex.
Creal	Hartley	Owen	Tobey
Crosby	Healey	Pace	Voorhis
Crowther	Hendricks	Pearson	Wadsworth
Cummings	Hennings	Peterson, Ga.	West
Curley	Higgins	Peyser	White, Idaho
Delaney	Hill, Wash.	Pierce	White, Ohio
Dempsey	Hook	Plumley	Wolcott
Dickstein	Hunter	Ramsay	Woodrum
Ditter	Jacobsen	Rich	Zimmerman
Dockweiler	Jarrett	Richards	

The SPEAKER. The Clerk will call my name.

The Clerk called the name of Mr. BANKHEAD, and he answered "yea."

So the bill was passed.

The Clerk announced the following additional pairs:

Until further notice:

Mr. Mansfield with Mr. Guyer.
Mr. Robertson with Mr. Simpson.
Mr. Steagall with Mr. Andresen of Minnesota.
Mr. Burch with Mr. Brewster.
Mr. Kleberg with Mr. White of Ohio.
Mr. Sweeney with Mr. Lambertson.
Mr. Mosier of Ohio with Mr. Andrews.
Mr. Taylor of Colorado with Mr. Wadsworth.
Mr. Bland with Mr. Hartley.
Mr. Fuller with Mr. Ditter.
Mr. Taylor of South Carolina with Mr. Crowther.
Mr. Sabath with Mr. Gifford.
Mr. West with Mr. Lord.
Mr. Chapman with Mr. Taber.
Mr. Fulmer with Mr. Rich.
Mr. Dempsey with Mr. Wolcott.
Mr. Pearson with Mr. Tobey.
Mr. Woodrum with Mr. Eaton.
Mr. Sullivan with Mr. Kvale.
Mr. Bell with Mr. Maas.
Mr. Fitzpatrick with Mr. Douglas.
Mr. Ludlow with Mr. Fish.
Mrs. Norton with Mr. Dondero.
Mr. Hancock of North Carolina with Mr. Mott.
Mr. Terry with Mr. Oliver.
Mr. Dockweiler with Mr. Plumley.
Mr. Hunter with Mr. McLean.
Mr. Richards with Mr. Jenks of New Hampshire.
Mr. Peterson of Georgia with Mr. Case of South Dakota.
Mr. Arnold with Mr. Bates.
Mr. Forand with Mr. Bernard.
Mr. Flannery with Mr. Smith of West Virginia.
Mr. Lucas with Mr. Evans.
Mr. Shannon with Mr. Frey of Pennsylvania.
Mr. McSweeney with Mr. Byrne.
Mr. Somers of New York with Mr. McGranery.
Mr. Claypool with Mr. Hamilton.
Mr. Collins with Mr. Zimmerman.
Mr. Dickstein with Mr. Hook.
Mr. Delaney with Mr. Hill of Washington.
Mr. Higgins with Mr. Curley.
Mr. Connery with Mr. Hendricks.
Mr. Crosby with Mr. O'Neal of Kentucky.
Mr. Sutphin with Mr. Casey of Massachusetts.
Mr. Mahon of South Carolina with Mr. Stack.
Mr. Swope with Mr. Chandler.
Mr. O'Connell of Montana with Mr. Coffee of Nebraska.
Mr. Harter with Mr. White of Ohio.
Mr. Sadowski with Mr. Scott.
Mr. Eckert with Mr. Healey.
Mr. Hennings with Mr. Mouton.
Mr. Griswold with Mr. Teigan.

Mr. Harlan with Mr. Cannon of Wisconsin.
Mr. Maloney with Mr. Voorhis.
Mr. Schuetz with Mr. Haines.
Mr. Lewis of Maryland with Mr. Eberharter.
Mr. Cravens with Mr. Sirovich.
Mr. Miller with Mr. Scrugham.
Mr. Bigelow with Mr. Celler.
Mr. Ryan with Mr. Gildea.
Mr. Keller with Mr. Gavagan.
Mr. Pierce with Mr. Caldwell.
Mr. Ramsay with Mr. Doxey.
Mr. Creal with Mr. Greever.
Mr. Thomas of Texas with Mr. Cooley.
Mr. Owen with Mr. Cummings.
Mr. Robinson of Utah with Mr. Jacobsen.
Mr. Pace with Mr. Murdock of Utah.
Mr. Ford of California with Mr. Smith of Washington.

Mr. IMHOFF and Mr. ALESHIRE changed their vote from "nay" to "yea."

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

DISTRICT OF COLUMBIA TAX BILL

Mr. KENNEDY of Maryland. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 7472) to provide additional revenue for the District of Columbia, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to 2 hours, to be equally divided and controlled by the gentleman from Illinois [Mr. DIRKSEN] and myself.

The SPEAKER. The gentleman from Maryland moves that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 7472.

Pending this motion, the gentleman from Maryland asks unanimous consent that general debate upon the bill may be limited to 2 hours, one-half to be controlled by himself and one-half to be controlled by the gentleman from Illinois [Mr. DIRKSEN]. Is there objection?

Mr. LAMNECK. Mr. Speaker, I object.

Mr. KENNEDY of Maryland. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 7472) to provide additional revenue for the District of Columbia, and for other purposes.

Mr. O'MALLEY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. O'MALLEY. Is this the tax bill that the House refused to consider earlier in the day?

The SPEAKER. The bill that is now being called up is the bill which the House refused to consider earlier today.

The question is on the motion of the gentleman from Maryland.

The question was taken; and on a division (demanded by Mr. DIRKSEN) there were—ayes 35, noes 114.

So the motion was rejected.

EXCISE TAX ON DEALERS IN MARIHUANA

Mr. BUCK. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 6906) to impose an occupational excise tax upon certain dealers in marihuana, to impose a transfer tax upon certain dealings in marihuana, and to safeguard the revenue therefrom by registry and recording.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. SNELL. Mr. Speaker, reserving the right to object, I do not know that there is any special objection, but I think the gentleman should explain the bill briefly to the House.

Mr. BUCK. Mr. Speaker, marihuana is a dangerous narcotic drug that is found in the resin extracted from the flowering tops, leaves, and seeds of the hemp plant. It is a drug used by the medical profession to a very limited extent, but its illicit use is extensive. We cannot regulate its use by bringing it under the Harrison Narcotics Act, because the Harrison Narcotics Act applies to drugs which are not grown in this country, while this plant, Cannabis sativa L., is grown practically throughout the United States. Moreover, fiber from the stems, and the seeds are used commercially in a legitimate manner.

In this bill we have presented for the consideration of the Congress a combination of the Harrison Narcotics Act and the National Firearms Act. By it dealers in marihuana must be registered and an occupational tax will be levied on them. Further, a reasonable revenue-producing tax of $1 an ounce is to be placed upon those transfers of marihuana which are legitimate and $100 an ounce placed upon those which are illicit. The illicit dealings in marihuana consist principally in the sale of cigarettes into which the leaves and tops of the plant are manufactured. The growth of this trade in the last few years has been phenomenal. Some years ago it was only in the southwest part of the country where the plant was grown and sold at all, but today it grows wild in almost every State of the Union. The worst thing about this trade is not that hardened criminals use the drug to steel themselves for their operations but it is being peddled by itinerant dealers and peddlers throughout the country and sold to our high-school students, starting the young out as drug addicts. There is hardly anyone that appeared before our committee who was not horrified at the growth of the traffic and at its effects.

Mr. COOPER. Will the gentleman yield?

Mr. BUCK. I yield to the gentleman from Tennessee.

Mr. COOPER. It is true that extensive hearings were held on this bill before the Ways and Means Committee and that the bill has been reported unanimously by the committee, there not being any opposition from any source to the passage of the bill?

Mr. BUCK. The gentleman is correct.

Mr. REED of New York. Will the gentleman yield?

Mr. BUCK. I yield to the gentleman from New York.

Mr. REED of New York. Mr. Speaker, the Congress from time to time has passed legislation to suppress the traffic in narcotics. This has been done with some measure of success by invoking the taxing power of the Federal Government. The bill, H. R. 6906, now before the House for consideration, has for its chief purpose the suppression and, if possible, the destruction of traffic in a deadly drug sold in the form of a cigarette. This new smoke is known by several names, but the name applied to it in this country is marihuana. This demoralizing dope is sold by a class of degenerate peddlers in dens, dives, and on the streets of cities throughout the country.

The most alarming aspect of this illicit traffic is the sale of marihuana cigarettes to the boys and girls, especially those of high-school age. The testimony given by experts shows that the use of the drug leads to insanity and crime.

I commend to every Member of the House a careful study of the hearings on this bill. I may add for the benefit of those who have not had time to read the testimony given to our committee that it was shown that in one city alone in the United States 125 out of 450 prisoners were addicted to the use of marihuana and that slightly less than one-half of the murders were committed by marihuana addicts. The statement was made before our committee that the major criminal in the United States is the drug addict, and that of all the offenses committed against the laws of this country, the narcotic addict is the most frequent offender.

A case was presented to us from California where "a man under the influence of marihuana actually decapitated his best friend and then, coming out of the effects of the drug, was as horrified as anyone over what he had done." Another case is recorded where "A young boy who had become addicted to smoking marihuana cigarettes, in a fit of frenzy because, as he stated while still under the marihuana influence, a number of people were trying to cut off his arms and legs, seized an ax and killed his father, mother, two brothers, and a sister, wiping out the entire family except himself." I mention these cases to illustrate the effects of this deadly drug.

This drug known as marihuana is found in the flowering tops, seeds, and leaves of Indian hemp. It is a plant that grows in practically all parts of the United States. Within

the last few years its cultivation for illicit purposes has increased rapidly and over a large area of the country. It is grown in the back yards of city lots and sold to peddlers, who make it into cigarettes, which they then retail to school children and to their adult victims.

The general use of cigarettes by all classes of society makes it easy for the drug peddler to foist the marihuana cigarette upon the unsuspecting boy and girl who think it smart to try something that promises a kick in it. The experts told our committee that 10 years ago there was little traffic in this country in marihuana except in parts of the Southwest. The record shows that traffic in this drug had so increased that in 1936 there were 338 seizures of this drug in 29 States. The State of Pennsylvania destroyed 200,000 pounds of this product.

There are 50 nations that recognize the seriousness of this evil traffic and each one has enacted a national law to combat it. The United States has no law with which to deal with the problem.

The Treasury Department assures the Ways and Means Committee that the enactment of the bill before us will enable the Government to stamp out the illicit traffic in this dangerous and deadly drug.

It is proposed to do this by using the taxing power of the Federal Government. The Treasury Department stated to the Ways and Means Committee that:

> In accomplishing this general purpose two objectives should dictate the form of the proposed legislation: First, the development of a scheme of taxation which would raise revenue and which would also render virtually impossible the acquisition of marihuana by persons who would put it to illicit uses, without unduly interfering with the use of the plant for industrial, medical, and scientific purposes; and, second, the development of an adequate means of publicising dealings in marihuana in order that the traffic may be effectively taxed and controlled.

The bill before the House is based upon the principles found in the Harrison Narcotics Act and the National Firearms Act, both of which have been sustained by the courts.

I am glad to support this bill for the reasons which I have stated. I have fought the traffic in narcotics for many years. I worked in close cooperation with the late Admiral Richmond P. Hobson, of Spanish War fame, who practically dedicated his life to this important work.

Every citizen interested in protecting society from crime, and in throwing the safeguards of Federal law around the youth of the land to save them from contact with this horrible and illicit traffic should be glad to cooperate with the Government to achieve these ends.

Mr. ROBSION of Kentucky. Mr. Speaker, reserving the right to object, of course, I am opposed to the use of the drug taken from the hemp, but is this bill so drawn that it will not interfere with or injure the production of hemp for commercial purposes in a legitimate way?

Mr. BUCK. This bill defines marihuana so that every legitimate use of hemp is protected.

Mr. ROBSION of Kentucky. The gentleman from Kentucky [Mr. FRED M. VINSON] is present. Kentucky is a hemp-producing State. I would like to have a statement from the gentleman from Kentucky [Mr. VINSON].

Mr. FRED M. VINSON. The industry was represented in the person of Mr. Lozier and it was agreed that the language in the bill took care of the industrial end of it. May I say, if the gentleman will permit, that the term "marihuana" refers to the same thing that we heard throughout the years termed "hashish."

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. BOILEAU. Mr. Speaker, reserving the right to object, I would like to make just one observation. The other day when this bill was called up for consideration I reserved the right to object, at which time the majority leader moved that the House adjourn. I was only attempting to get an explanation of the bill at that time. I have no objection now, and I would not have had ojection at that time if an explanation had been made. I am heartly in favor of the bill.

Mr. MEEKS. Is this substance that is called marihuana used in the manufacture of commercial articles for sale besides drugs and cigarettes?

Mr. BUCK. The fiber of the plant and the stem of the plant are used to manufacture twine. There are no poisonous materials contained in that fiber or stem. The poisonous material is contained in the flowering top and the leaves. That is what we define as marihuana in this bill, and that is what we propose to control.

Mr. MEEKS. It does not interfere with the manufacture of the fiber and the other elements of the stem?

Mr. BUCK. It will not.

The SPEAKER. Is there objection to the request of the gentleman from California?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That when used in this act—

(a) The term "person" means an individual, a partnership, trust, association, company, or corporation and includes an officer or employee of a trust, association, company, or corporation, or a member or employee of a partnership, who, as such officer, employee, or member, is under a duty to perform any act in respect of which any violation of this act occurs.

(b) The term "marihuana" means all parts of the plant Cannabis sativa L., whether growing or not; the seeds thereof; the resin extracted from any part of such plant; and every compound, manufacture, salt, derivative, mixture, or preparation of such plant, its seeds, or resins; but shall not include the mature stalks of such plant, oil or cake made from the seeds of such plant, any compound, manufacture, salt, derivative, mixture, or preparation of such mature stalks (except the resin extracted therefrom), oil, or cake, or the sterilized seed of such plant which is incapable of germination.

(c) The term "producer" means any person who (1) plants, cultivates, or in any way facilitates the natural growth of marihuana; or (2) harvests and transfers or makes use of marihuana.

(d) The term "Secretary" means the Secretary of the Treasury and the term "collector" means collector of internal revenue.

(e) The term "transfer" or "transferred" means any type of disposition resulting in a change of possession but shall not include a transfer to a common carrier for the purpose of transporting marihuana.

SEC. 2. (a) Every person who imports, manufactures, produces, compounds, sells, deals in, dispenses, prescribes, administers, or gives away marihuana shall (1) within 15 days after the effective date of this act, or (2) before engaging after the expiration of such 15-day period in any of the above-mentioned activities, and (3) thereafter, on or before July 1 of each year, pay the following special taxes respectively:

(1) Importers, manufacturers, and compounders of marihuana, $24 per year.

(2) Producers of marihuana (except those included within subdivision (4) of this subsection), $5 per year.

(3) Physicians, dentists, veterinary surgeons, and other practitioners who distribute, dispense, give away, administer, or prescribe marihuana to patients upon whom they in the course of their professional practice are in attendance, $1 per year of fraction thereof during which they engage in any of such activities.

(4) Any person not registered as an importer, manufacturer, producer, or compounder who obtains and uses marihuana in a laboratory for the purpose of research, instruction, or analysis, or who produces marihuana for any such purpose, $1 per year or fraction thereof during which he engages in such activities.

(5) Any person who is not a physician, dentist, veterinary surgeon, or other practitioner and who deals in, dispenses, or gives away marihuana, $3 per year: *Provided*, That any person who has registered and paid the special tax as an importer, manufacturer, compounder, or producer, as required by subdivisions (1) and (2) of this subsection, may deal in, dispense, or give away marihuana imported, manufactured, compounded, or produced by him without further payment of the tax imposed by this section.

(b) Where a tax under subdivision (1), (2), or (5) is payable on July 1 of any year, it shall be computed for 1 year; where any such tax is payable on any other day, it shall be computed proportionately from the first day of the month in which the liability for the tax accrued to the following July 1.

(c) In the event that any person subject to a tax imposed by this section engages in any of the activities enumerated in subsection (a) of this section at more than one place, such person shall pay the tax with respect to each such place.

(d) Except as otherwise provided, whenever more than one of the activities enumerated in subsection (a) of this section is carried on by the same person at the same time, such person shall pay the tax for each such activity according to the respective rates prescribed.

(e) Any person subject to the tax imposed by this section shall, upon payment of such tax, register his name or style and his place or places of business with the collector of the district in which such place or places of business are located.

(f) Collectors are authorized to furnish, upon written request, to any person a certified copy of the names of any or all persons who may be listed in their respective collection districts as special

taxpayers under this section, upon payment of a fee of $1 for each 100 of such names or fraction thereof upon such copy so requested.

SEC. 3. (a) No employee of any person who has paid the special tax and registered, as required by section 2 of this act, acting within the scope of his employment, shall be required to register and pay such special tax.

(b) An officer or employee of the United States, any State, Territory, the District of Columbia, or insular possession, or political subdivision, who, in the exercise of his official duties, engages in any of the activities enumerated in section 2 of this act shall not be required to register or pay the special tax, but his right to this exemption shall be evidenced in such manner as the Secretary may by regulations prescribe.

SEC. 4. (a) It shall be unlawful for any person required to register and pay the special tax under the provisions of section 2 to import, manufacture, produce, compound, sell, deal in, dispense, distribute, prescribe, administer, or give away marihuana without having so registered and paid such tax.

(b) In any suit or proceeding to enforce the liability imposed by this section or section 2, if proof is made that marihuana was at any time growing upon land under the control of the defendant, such proof shall be presumptive evidence that at such time the defendant was a producer and liable under this section as well as under section 2.

SEC. 5. It shall be unlawful for any person who shall not have paid the special tax and registered, as required by section 2, to send, ship, carry, transport, or deliver any marihuana within any Territory, the District of Columbia, any insular possession, or the Canal Zone, or from any State, Territory, the District of Columbia, any insular possession of the United States, or the Canal Zone, into any other State, Territory, the District of Columbia, insular possession of the United States, or the Canal Zone: *Provided*, That nothing contained in this section shall apply to any common carrier engaged in transporting marihuana; or to any employee of any person who shall have registered and paid the special tax as required by section 2 while acting within the scope of his employment; or to any person who shall deliver marihuana which has been prescribed or dispensed by a physician, dentist, veterinary surgeon, or other practitioner registered under section 2, who has been employed to prescribe for the particular patient receiving such marihuana; or to any United States, State, county, municipal, District, Territorial, or insular officer or official acting within the scope of his official duties.

SEC. 6 (a) It shall be unlawful for any person, whether or not required to pay a special tax and register under section 2, to transfer marihuana, except in pursuance of a written order of the person to whom such marihuana is transferred, on a form to be issued in blank for that purpose by the Secretary.

(b) Subject to such regulations as the Secretary may prescribe, nothing contained in this section shall apply—

(1) To a transfer of marihuana to a patient by a physician, dentist, veterinary surgeon, or other practitioner registered under section 2, in the course of his professional practice only: *Provided*, That such physician, dentist, veterinary surgeon, or other practitioner shall keep a record of all such marihuana transferred, showing the amount transferred and the name and address of the patient to whom such marihuana is transferred, and such record shall be kept for a period of 2 years from the date of the transfer of such marihuana, and subject to inspection as provided in section 11.

(2) To a transfer of marihuana, made in good faith by a dealer to a consumer under and in pursuance of a written prescription issued by a physician, dentist, veterinary surgeon, or other practitioner registered under section 2: *Provided*, That such prescription shall be dated as of the day on which signed and shall be signed by the physician, dentist, veterinary surgeon, or other practitioner who issues the same: *Provided further*, That such dealer shall preserve such prescription for a period of 2 years from the day on which such prescription is filled so as to be readily accessible for inspection by the officers, agents, employees, and officials mentioned in section 11.

(3) To the sale, exportation, shipment, or delivery of marihuana by any person within the United States, any Territory, the District of Columbia, any of the insular possessions of the United States or the Canal Zone, to any person in any foreign country regulating the entry of marihuana, if such sale, shipment, or delivery of marihuana is made in accordance with such regulations for importation into such foreign country as are prescribed by such foreign country, such regulations to be promulgated from time to time by the Secretary of State of the United States.

(4) To a transfer of marihuana to any officer or employee of the United States Government or of any State, Territorial, District, county, or municipal or insular government lawfully engaged in making purchases thereof for the various departments of the Army and Navy, the Public Health Service, and for Government, State, Territorial, District, county, or municipal or insular hospitals or prisons.

(5) To a transfer of any seeds of the plant Cannabis sativa L. to a person, registered as a producer under section 2, for use by such person for the further production of such plant, or to a person, registered under section 2 as a manufacturer, importer, or compounder, for use by such person for the manufacture of birdseed or for the manufacture of seed oil, seed cake, or any compound, manufacture, salt, derivative, mixture, or preparation of such oil or cake.

(c) The Secretary shall cause suitable forms to be prepared for the purposes before mentioned and shall cause them to be distributed to collectors for sale. The price at which such forms shall be sold by said collectors shall be fixed by the Secretary, but shall not exceed 2 cents each. Whenever any collector shall sell any of such forms he shall cause the date of sale, the name and address of the proposed vendor, the name and address of the purchaser, and the amount of marihuana ordered to be plainly written or stamped thereon before delivering the same.

(d) Each such order form sold by a collector shall be prepared by him and shall include an original and two copies, any one of which shall be admissible in evidence as an original. The original and one copy shall be given by the collector to the purchaser thereof. The original shall in turn be given by the purchaser thereof to any person who shall, in pursuance thereof, transfer marihuana to him and shall be preserved by such person for a period of 2 years so as to be readily accessible for inspection by any officer, agent, or employee mentioned in section 11. The copy given to the purchaser by the collector shall be retained by the purchaser and preserved for a period of 2 years so as to be readily accessible to inspection by any officer, agent, or employee mentioned in section 11. The second copy shall be preserved in the records of the collector.

SEC. 7. (a) There shall be levied, collected, and paid upon all transfers of marihuana which are required by section 6 to be carried out in pursuance of written order forms taxes at the following rates:

(1) Upon each transfer to any person who has paid the special tax and registered under section 2 of this act, $1 per ounce of marihuana or fraction thereof.

(2) Upon each transfer to any person who has not paid the special tax and registered under section 2 of this act, $100 per ounce of marihuana or fraction thereof.

(b) Such tax shall be paid by the transferee at the time of securing each order form and shall be in addition to the price of such form. Such transferee shall be liable for the tax imposed by this section but in the event that the transfer is made in violation of section 6 without an order form and without payment of the transfer tax imposed by this section, the transferor shall also be liable for such tax.

(c) Payment of the tax herein provided shall be represented by appropriate stamps to be provided by the Secretary and said stamps shall be affixed by the collector or his representative to the original order form.

(d) All provisions of law relating to the engraving, issuance, sale, accountability, cancelation, and destruction of tax-paid stamps provided for in the internal-revenue laws shall, insofar as applicable and not inconsistent with this act, be extended and made to apply to stamps provided for in this section.

(e) All provisions of law (including penalties) applicable in respect of the taxes imposed by the act of December 17, 1914 (38 Stat. 785; U. S. C., 1934 ed., title 26, secs. 1040–1061, 1383–1391), as amended, shall, insofar as not inconsistent with this act, be applicable in respect of the taxes imposed by this act.

SEC. 8. (a) It shall be unlawful for any person who is a transferee required to pay the transfer tax imposed by section 7 to acquire or otherwise obtain any marihuana without having paid such tax; and proof that any person shall have had in his possession any marihuana and shall have failed, after reasonable notice and demand by the collector, to produce the order form required by section 6 to be retained by him, shall be presumptive evidence of guilt under this section and of liability for the tax imposed by section 7.

(b) No liability shall be imposed by virtue of this section upon any duly authorized officer of the Treasury Department engaged in the enforcement of this act or upon any duly authorized officer of any State, or Territory, or of any political subdivision thereof, or the District of Columbia, or of any insular possession of the United States, who shall be engaged in the enforcement of any law or municipal ordinance dealing with the production, sale, prescribing, dispensing, dealing in, or distributing of marihuana.

SEC. 9. (a) Any marihuana which has been imported, manufactured, compounded, transferred, or produced in violation of any of the provisions of this act shall be subject to seizure and forfeiture and, except as inconsistent with the provisions of this act, all the provisions of internal-revenue laws relating to searches, seizures, and forfeitures are extended to include marihuana.

(b) Any marihuana which may be seized by the United States Government from any person or persons charged with any violation of this act shall upon conviction of the person or persons from whom seized be confiscated by and forfeited to the United States.

(c) Any marihuana seized or coming into the possession of the United States in the enforcement of this act, the owner or owners of which are unknown, shall be confiscated by and forfeited to the United States.

(d) The Secretary is hereby directed to destroy any marihuana confiscated by and forfeited to the United States under this section or to deliver such marihuana to any department, bureau, or other agency of the United States Government, upon proper application therefor under such regulations as may be prescribed by the Secretary.

SEC. 10. (a) Every person liable to any tax imposed by this act shall keep such books and records, render under oath such statements,

make such returns, and comply with such rules and regulations as the Secretary may from time to time prescribe.

(b) Any person who shall be registered under the provisions of section 2 in any internal-revenue district shall, whenever required so to do by the collector of the district, render to the collector a true and correct statement or return, verified by affidavits, setting forth the quantity of marihuana received or harvested by him during such period immediately preceding the demand of the collector, not exceeding 3 months, as the said collector may fix and determine. If such person is not solely a producer, he shall set forth in such statement or return the names of the persons from whom said marihuana was received, the quantity in each instance received from such persons, and the date when received.

SEC. 11. The order forms and copies thereof and the prescriptions and records required to be preserved under the provisions of section 6, and the statements or returns filed in the office of the collector of the district under the provisions of section 10 (b) shall be open to inspection by officers, agents, and employees of the Treasury Department duly authorized for that purpose, and such officers of any State, or Territory, or of any political subdivision thereof, or the District of Columbia, or of any insular possession of the United States as shall be charged with the enforcement of any law or municipal ordinance regulating the production, sale, prescribing, dispensing, dealing in, or distributing of marihuana. Each collector shall be authorized to furnish, upon written request, copies of any of the said statements or returns filed in his office to any of such officials of any State or Territory, or political subdivision thereof, or the District of Columbia, or any insular possession of the United States as shall be entitled to inspect the said statements or returns filed in the office of the said collector, upon the payment of a fee of $1 for each 100 words or fraction thereof in the copy or copies so requested.

SEC. 12. Any person who is convicted of a violation of any provision of this act shall be fined not more than $2,000 or imprisoned not more than 5 years, or both, in the discretion of the court.

SEC. 13. It shall not be necessary to negative any exemptions set forth in this act in any complaint, information, indictment, or other writ or proceeding laid or brought under this act, and the burden of proof of any such exemption shall be upon the defendant. In the absence of the production of evidence by the defendant that he has complied with the provisions of section 2 relating to registration or that he has complied with the provisions of section 6 relating to order forms, he shall be presumed not to have complied with such provisions of such sections, as the case may be.

SEC. 14. The Secretary is authorized to make, prescribe, and publish all necessary rules and regulations for carrying out the provisions of this act and to confer or impose any of the rights, privileges, powers, and duties conferred or imposed upon him by this act upon such officers or employees of the Treasury Department as he shall designate or appoint.

SEC. 15. The provisions of this act shall apply to the several States, the District of Columbia, the Territory of Alaska, the Territory of Hawaii, the Canal Zone, and the insular possessions of the United States, except the Philippine Islands. In Puerto Rico the administration of this act, the collection of the special taxes and transfer taxes, and the issuance of the order forms provided for in section 6 shall be performed by the appropriate internal-revenue officers of that Government, and all revenues collected under this act in Puerto Rico shall accrue intact to the general Government thereof. The President is hereby authorized and directed to issue such Executive orders as will carry into effect in the Canal Zone and the Virgin Islands the intent and purpose of this act by providing for the registration with appropriate officers and the imposition of the special and transfer taxes upon all persons in the Canal Zone and the Virgin Islands who import, manufacture, produce, compound, sell, deal in, dispense, prescribe, administer, or give away marihuana.

SEC. 16. If any provision of this act or the application thereof to any person or circumstances is held invalid, the remainder of the act and the application of such provision to other persons or circumstances shall not be affected thereby.

SEC. 17. This act shall take effect on the first day of the second month after the month during which it is enacted.

SEC. 18. This act may be cited as the "Marihuana Tax Act of 1937."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. REED of New York, Mr. SNYDER of Pennsylvania, Mr. DIES, Mr. DIRKSEN, and Mr. MAHON of Texas asked and were given permission to revise and extend their own remarks in the RECORD.

Mr. BURDICK. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from Minnesota [Mr. TEIGAN] may have permission to revise and extend his own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. SACKS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD by including therein an editorial in the Philadelphia Record of Monday, June 14, 1937.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SNELL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD by printing an editorial from the United States Daily.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER. Under a previous order of the House, the gentleman from California [Mr. MCGROARTY] is recognized for 15 minutes.

THE TOWNSEND PLAN

Mr. MCGROARTY. Mr. Speaker, my purpose in addressing the House this afternoon is to endeavor to clear up some confusion and misunderstanding which I am aware exists in the minds of Members of Congress regarding the so-called and once popularly styled old-age pension movement as the "Townsend plan."

It is well known in Congress and throughout the country that I was the first sponsor in Congress of this Townsend plan which, for a time, justly boasted of a vast following among the people, but which is now a complete and total wreck due, I believe, wholly to the erratic and dubious methods employed by the man whose name the movement bore.

When I came to Washington as a new Member of the Seventy-fourth Congress I felt that if I could help in any way to secure a Federal pension for the aged citizens of our country not otherwise provided for in national legislation, I would have performed a real service. I felt that the effort to achieve this desirable goal would be greatly speeded if there were an organized movement back of it. And I found that this was the case. In my home State of California and in every State of the Union there were thousands of Townsend Clubs, active and filled with the spirit of crusade, the memberships increasing by leaps and bounds until at last it loomed as the greatest movement in the political history of this Republic.

A GREAT ORGANIZER

This amazing achievement was the work of Robert E. Clements who ranks as perhaps the greatest organizer I have ever contacted in a somewhat long career both as a public official and a working journalist. The movement came to attain such political power and influence that no candidate for public office anywhere in the country could afford to ignore it.

In close touch with Clements during the heyday of the movement, I saw him forging ahead to the accomplishment of his objective, which was the election of a sufficient number of pledged Townsendites to control the Congress. And I am here to tell you he was on his way. He had mapped the United States into congressional districts in which he was throwing Townsend Clubs hourly like a general throwing new armies into a battle. He was on his way to have in every congressional district in this country a balance of political power, if not a clear majority of the electorate. The result at which he aimed was to seat in this present Congress a bloc sufficiently strong in numbers to tie the Congress in a knot. To create a situation that would compel the Congress to bargain with the Townsendites, or, if in the event of refusal, to find itself unable to turn a wheel.

And he certainly would have brought that very situation about had not happened a certain unexpected and unlooked for thing.

DR. TOWNSEND'S MONKEY WRENCH

The thing that happened was the sudden decision of Dr. Townsend himself to throw a monkey wrench into the Clements machinery. Able and efficient as Clements was, he made one fatal mistake—he overplayed Dr. Townsend. Clements had realized that the crusade must have an idol, a Peter the Hermit, a Richard of the Lion Heart. And here, to his hand, was an idol more perfect for the purpose than Peter and Richard put together. An old country doctor whose heart burned with love for all humanity. An old

country doctor who had forded swollen streams and braved wintry blizzards to allay human pain and save human life.

So well did Clements succeed in this that Dr. Townsend became the best known and most talked of man in America. His picture appeared daily in the great newspapers and constantly in the magazines. His every utterance, indeed his slightest word, was greedily devoured by news hawks everywhere. Every nod of his head was news. He was front-page stuff to the exclusion of all possible rivalry.

At the same time, however, the news writers sensed that the fine Italian hand of Clements was back of it all. So, the news began to take note of Clements. His picture also began to appear in the newspapers and magazines. He also was regarded as news.

The good doctor could not stand for a rival. He had come to believe he really was what Clements had built him up to be in the minds of the crusaders. And when this state of affairs had come to pass, Clements had to go. There was no room for two idols.

CLEMENTS EXITS

The doctor had the power to act. The movement was controlled wholly by a common-law corporation composed of three directors of whom the doctor and his brother were—and I think still are—two.

On 6 hours' notice one eventful day Clements was summarily kicked out of the bed he occupied. But he left clean sheets behind him. No debts, every obligation met and discharged, $130,000 in the bank and a reserve fund of $15,000 for the Townsend Weekly.

With the exit of Clements went the brains of the Townsend movement. It is a long story from that day to this. A long story of a once tremendous power crumbled to wreck and ruin.

ENTER MR. JOHNSON

There is now on the Clerk's desk of the House a petition to discharge the Ways and Means Committee from a House resolution which represents this wreck. It is called "the general welfare act" by its author, the latest of the adventurers to enter the once lush green Townsend pastures which are now a waste of withered grass. It is a strange document. I am embarassed beyond words to learn that Members of the House think it is my bill and have signed the discharge petition in that understanding. It is not my bill. I have nothing to do with it. I trust that Members of the House who have signed the petition will remove their names from it. If they do not do so I fear they will live to regret it. They are in danger of losing the respect and confidence of the people. Their names on the petition places them in the unenviable position of aiding and abetting an effort to raise $5,000,000 in nickels and dimes from the old folks on the promise of Dr. Townsend that he be given that huge sum to enable him to pass his $200 a month "general welfare" bill in the present Congress. That is what your name means on the petition. Your names have appeared in the Townsend Weekly 6 consecutive weeks as backers of the campaign to get the old folks to raise $5,000,000, hand it over to Dr. Townsend without any strings on it, and on the understanding that they will get $200-a-month pensions at this session of Congress—not away off in the future, but now. That is the word, the word "now", published in the Townsend Weekly. My dear colleagues, can you afford to lend your names to this palpable fraud? You cannot. You must take your names off the petition.

BUT THE FIGHT GOES ON

But let no one think for one moment that the collapse of the Townsend organization means that there is an end to the fight for old-age pensions.

On the contrary, the fight goes on in greater vigor, greater strength, and far greater determination than ever. The thousands of old-age pension clubs throughout the country are still intact. Thousands of new clubs are being organized. As an instance. let me cite the case of the famous Club 93 of Los Angeles, with a membership exceeding 100,000 men and women. It holds daily meetings. The founder and organizer of this vast organization, Mr. George Highley, is now on a speaking tour of the States, addressing huge audiences. He addressed a gathering of 10,000 people in Indiana last week. He is at present in Washington and, I believe, at this moment sitting in the House gallery. No nickels and dimes are being collected from these clubs to maintain a central oligarchy in Chicago, Washington, or elsewhere. The clubs handle their own funds and keep their nickels and dimes in their own pockets.

THE REAL PENSION BILL

There has been no disbandment of the forces, but merely a purge. These forces are now behind a bill, H. R. 10, which I introduced in the House last January. It is a bill worked out of the experiences of the past. It fixes a pension to be paid pro rata from a levy of a transaction tax, the amount not to exceed $100 a month. The compulsory spending clause has been eliminated. It is a straight pension bill and nothing else. It is not designed to cure all human ills, as does this preposterous, so-called general welfare bill of Mr. JOHNSON's, a petition in favor of which some Members of the House have unwittingly signed.

No. The battle to secure the aged citizens of our country against want is not ended. It has not been abandoned even. Indeed, the fight has just begun.

I have asked a hearing for H. R. 10 by the Ways and Means Committee, from which I shall doubtless hear in due time. I am proceeding in the regular way.

And I now ask all Members of this House to secure copies of H. R. 10, to study it, and to help to perform a duty which should have been performed long ago. [Applause.]

The SPEAKER. Under a previous order of the House, the gentleman from New York [Mr. BEITER] is recognized for 10 minutes.

FLAG-RAISING DAY

Mr. BEITER. Mr. Speaker, today the people of these United States display flags, large and small, in commemoration of that June 14 of 160 years ago when Congress resolved:

> That the flag of the United States be 13 stripes, alternate red and white; that the Union be 13 stars, white on a blue field, representing a constellation.

No State, however great, however prosperous; no organization, no matter how influential or how powerful; no person, whether he be rich or poor, aristocrat or peasant, should forget the debt owed to these Thirteen English Colonies that made this great Nation possible. It is this feeling of gratitude which led to the establishment of Flag-raising Day, which was first recognized on June 14, 1894, when, at the request of the Sons of the Revolution and the Colonial Dames of America, the Stars and Stripes were raised on all public buildings.

As early as 1700 most of the Colonies had badges of their own to distinguish their vessels from each other's and from those of England, and with the coming of the Revolutionary War each State adopted a flag of its own. But with the Declaration of Independence, a common emblem of unity was called for, and in 1775 a committee was appointed to consider a design for a single flag for the 13 States. The result of this consideration was the recommendation that the union jack be retained in the upper corner next the staff, with 13 horizontal stripes alternately red and white for the remainder of the field of the flag. George Washington displayed this Grand Union or Cambridge flag when he first took command of the Army at Cambridge. This was the flag that John Paul Jones hoisted, not over the *Bonhomme Richard*, but over his first naval ship, the *Ranger*.

This flag, bearing the British union jack, was not altered until the Declaration of Independence, nearly 1 year later. With the signing of that declaration the new nation refused to use the union jack as a part of their flag, and so, on June 14, 1777, that congressional resolution which provided the foundation of our present emblem was passed, a flag with 13 alternate red and white stripes for the Thirteen Original Colonies and 13 white stars on a field of blue. The Treaty of Paris in 1783, by which Great Britain acknowledged each one of these Thirteen Colonies by name to be a free, sovereign, and independent state, admitted this, our national flag, to the august company of historic banners of the Old World. There is today one of those great banners older

than ours. This one is the white cross on a field of red, that represents the free confederate states of Switzerland.

Let us never lose sight of the debt the whole world owes to these Thirteen Colonies. Those 13 stripes stand to Europe and the world as the sign and token of a free people requiring of their government a charter of liberty, a written contract, limiting the power of rulers and reserving to themselves all the powers not granted to those rulers. Not until a Bill of Rights was embodied in the first 10 amendments did the Colonies agree to a ratification of their Constitution. And since that time, every State, without exception, has repeated in her own constitution, this guaranty of the personal, religious, and intellectual freedom of man.

Whenever we fling our banner to the breeze, we are apt to speak of it as Old Glory. No doubt this is done partly on account of its age, because our flag is 23 years older than the present flag of Great Britain, 17 years older than that of France, nearly 100 years older than the tricolors of Germany and Italy, and 8 years older than the flag of Spain.

But the chief reason why we speak of our national banner as Old Glory, is its glorious history. Wherever it was hoisted, tyranny had to give way to freedom; despotism was superseded by liberty. It had its origin in that long and tedious conflict that brought independence to the Colonies. In 1812 it demonstrated to the world that American seamen cannot be compelled to serve on foreign ships. In 1845 Old Glory gave liberty to Texas. In 1861 it carried freedom to 4,000,000 slaves. In 1898 it spread abroad the spirit of true liberty in Cuba and the Philippines. What the Stars and Stripes achieved during the World War is scarcely necessary to recount. You are acquainted with the facts. We all know that it led our armies on to victory.

Moreover, Capt. C. P. Hall carried our national emblem into the Arctic regions; Rear Admiral Peary hoisted our national colors at the North Pole; and in 1909–10 the Smithsonian African expedition, under the direction of Col. Theodore Roosevelt, carried the American flag into the Dark Continent.

In view of these facts, how appropriate that we should show our appreciation of our national blessings and our triumphant banner.

Of course, a true American always honors his national emblem and all that it stands for, but it is only proper that we should, at least once a year, set aside one day for the express purpose of giving due respect to our flag.

Let us then renew our pledges of loyalty, allegiance, and obedience. Let us think of what it really means to be an American at this advanced stage of our country's history. Let us be mindful of America's blessings and opportunities and, with Longfellow, say:

> Our hearts, our hopes, are all with thee,
> Our hearts, our hopes, our prayers, our tears,
> Our faith triumphant, o'er our fears,
> Are all with thee, are all with thee.

[Applause.]

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. DOCKWEILER, indefinitely, on account of death in the family.

ENROLLED BILL SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 5779. An act making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1938, and for other purposes.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 665. An act for the relief of the estate of Everett P. Sheridan; and

S. 1112. An act awarding a Navy Cross to John W. Thomason and Robert Slover.

BILL PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H. R. 5779. An act making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1938, and for other purposes.

ADJOURNMENT

Mr. RAYBURN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 7 minutes p. m.) the House adjourned until tomorrow, Tuesday, June 15, 1937, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON FLOOD CONTROL

The Committee on Flood Control will continue hearings on Tuesday, June 15, 1937, at 10 a. m. on emergency and priority projects in the lower Ohio Basin.

COMMITTEE ON MILITARY AFFAIRS

The Committee on Military Affairs will meet at 10:30 a. m. on Tuesday, June 15, 1937, in room 1310, New House Office Building, for the consideration of S. 423, providing for continuing retirement pay, under certain conditions, of officers and former officers of the Army, Navy, and Marine Corps of the United States other than officers of the Regular Army, Navy, or Marine Corps who incurred physical disability while in the service of the United States during the World War, and for other purposes.

COMMITTEE ON NAVAL AFFAIRS

There will be an open hearing before the full Committee on Naval Affairs on Tuesday, June 15, 1937, at 10:30 a. m., for the consideration of House Joint Resolution 296, suspending action by Navy selection boards.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will resume public hearings in room 219, House Office Building, Washington, D. C., Tuesday, June 15, 1937, at 10 a. m., on H. R. 5719, known as the water-carrier bill.

COMMITTEE ON THE DISTRICT OF COLUMBIA

The subcommittee appointed to consider (H. R. 2732) a bill providing retirement pay for judges of the police, municipal, and juvenile courts of the District of Columbia, will resume its hearing Tuesday, June 15, 1937, at 10 a. m. in room 345, House Office Building.

COMMITTEE ON THE POST OFFICE AND POST ROADS

A hearing will be conducted by the whole Committee on the Post Office and Post Roads, on Tuesday, June 15, 1937, at 10 a. m., on foreign air-mail legislation.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of a subcommittee of the Committee on Interstate and Foreign Commerce at 2 p. m., Tuesday, June 15, 1937, which will be a continuation of hearings on H. R. 2253, authorizing loan for construction of two dirigible airships.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the Committee on Immigration and Naturalization in room 445, House Office Building at 10: 30 a. m., on Wednesday, June 16, 1937, for public consideration of H. R. 7206 and H. R. 4353, H. R. 4354, H. R. 4355, H. R. 4356 (STARNES), also H. R. 2002.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

The Committee on Interstate and Foreign Commerce will resume hearings at 10 a. m., Wednesday, June 16, 1937, on H. R. 6968, to amend the Securities Act of 1933.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

661. A letter from the Secretary of the Navy, transmitting the draft of a bill to provide for the reimbursement of Carl Dement Weaver, machinist's mate, first class, United States Navy, for the value of personal effects lost at Paducah, Ky., during the Ohio Valley flood, in January 1937; to the Committee on Claims.

662. A letter from the Acting Comptroller General of the United States, transmitting a report and recommendation concerning the claim of Brooks-Callaway Co., of Atlanta, Ga.; to the Committee on Claims.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. KELLER: Committee on the Library. H. R. 6482. A bill providing for cooperation with the State of Oklahoma in constructing a permanent memorial to Will Rogers; with amendment (Rept. No. 1018). Referred to the Committee of the Whole House on the state of the Union.

Mr. O'CONNOR of Montana: Committee on Indian Affairs. H. R. 4399. A bill authorizing payment for certain lands appropriated by the United States, and for other purposes; with amendment (Rept. No. 1019). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. PALMISANO: Committee on Immigration and Naturalization. S. 1265. An act for the relief of Chaim (Hyman) Kaplan; without amendment (Rept. No. 1017). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. GRAY of Pennsylvania: A bill (H. R. 7501) to authorize a preliminary examination and survey of the Kiskiminitas and Conemaugh Rivers and their tributaries in the State of Pennsylvania, with a view to providing flood protection for the towns and cities along their banks; to the Committee on Flood Control.

By Mr. SMITH of Washington: A bill (H. R. 7502) to amend section 601 (c) (6) of the Revenue Act of 1932, as amended, with respect to the tax on imported lumber; to the Committee on Ways and Means.

By Mr. MAVERICK: A bill (H. R. 7503) creating a United States Unemployment Commission to investigate the problem of unemployment in the United States, and for other purposes; to the Committee on Labor.

By Mr. COLDEN: A bill (H. R. 7504) to provide for the disposition of certain records of the United States Government; to the Committee on the Disposition of Executive Papers.

By Mr. ELLENBOGEN: A bill (H. R. 7505) prohibiting the importation of the United States flag or emblem from foreign countries, and for other purposes; to the Committee on Ways and Means.

By Mr. FRIES of Illinois: A bill (H. R. 7506) providing for a biennial census of employment and unemployment throughout the United States and Territories; to the Committee on the Census.

Also, a bill (H. R. 7507) to provide for the taking of the sixteenth decennial census in 1938, to provide for a complete census of employment and unemployment, and for other purposes; to the Committee on the Census.

By Mr. TARVER: A bill (H. R. 7508) to amend the Liquor Enforcement Act of 1936; to the Committee on the Judiciary.

By Mr. VINSON of Georgia: A bill (H. R. 7509) to provide a uniform method for examinations for promotion of warrant officers; to the Committee on Naval Affairs.

Also, a bill (H. R. 7510) to authorize the assignment of officers of the line of the Marine Corps to staff duty only as assistant quartermasters and assistant paymasters, and for other purposes; to the Committee on Naval Affairs.

Also, a bill (H. R. 7511) to authorize an exchange of lands between the city of San Diego, Calif., and the United States; to the Committee on Naval Affairs.

By Mr. McREYNOLDS: A bill (H. R. 7512) to amend the act approved March 26, 1934; to the Committee on Foreign Affairs.

By Mr. SCRUGHAM: A bill (H. R. 7513) to provide for the acquisition of certain lands for and the addition thereof to the Tahoe National Forest, in the State of Nevada, and for other purposes; to the Committee on the Public Lands.

By Mr. SNELL: A bill (H. R. 7514) to extend the times for commencing and completing the construction of a bridge across the St. Lawrence River at or near Ogdensburg, N. Y.; to the Committee on Interstate and Foreign Commerce.

By Mr. WEAVER: A bill (H. R. 7515) to authorize the sale of certain lands of the Eastern Band of Cherokee Indians, North Carolina; to the Committee on Indian Affairs.

By Mr. O'BRIEN of Michigan: A bill (H. R. 7516) to direct the Secretary of the Treasury to pay for gold purchases with non-interest-bearing currency instead of with Government bonds; to the Committee on Coinage, Weights, and Measures.

By Mr. SNYDER of Pennsylvania: A bill (H. R. 7517) to provide for the display of the American flag on every post office in the United States; to the Committee on the Post Office and Post Roads.

By Mr. McCORMACK (by request): A bill (H. R. 7518) to amend section 601 (c) (6) of the Revenue Act of 1932, as amended, with respect to the tax on imported lumber; to the Committee on Ways and Means.

By Mr. CROSSER: A bill (H. R. 7519) to amend an act entitled "An act to establish a retirement system for employees of carriers subject to the Interstate Commerce Act, and for other purposes", approved August 29, 1935; to the Committee on Interstate and Foreign Commerce.

By Mr. BATES: A bill (H. R. 7520) for the relief of sailors who were discharged from the Navy during the Spanish-American War, the Philippine Insurrection, and the Boxer Uprising because of minority or misrepresentation of age; to the Committee on Naval Affairs.

By Mr. BLOOM: Joint resolution (H. J. Res. 408) providing for the preparation and completion of plans for a comprehensive observance of the one hundred and fiftieth anniversary of the inauguration of George Washington as first President of the United States and authorizing the President to invite foreign countries to participate therein; to the Committee on Foreign Affairs.

By Mr. THOMAS of New Jersey: Joint resolution (H. J. Res. 409) requiring that a study and survey of all taxes which are required to be paid by any persons engaged in the business of manufacturing or processing all major food commodities be undertaken by the Department of the Treasury or such assistants in the said Department as the Secretary may designate; to the Committee on Ways and Means.

By Mr. PETERSON of Florida: Joint resolution (H. J. Res. 410) providing for participation by the United States in the Pan American Exposition to be held in Tampa, Fla., in the year 1939 in commemoration of the four hundredth anniversary of the landing of Hernando De Soto in Tampa Bay, and for other purposes; to the Committee on Foreign Affairs.

By Mr. KNUTSON: Joint resolution (H. J. Res. 411) to prohibit the exportation of arms, ammunition, or implements or materials of war to any foreign country when the President finds a state of war to exist between or among two or more foreign states or between or among two or more opposing forces in the same foreign state; to the Committee on Foreign Affairs.

By Mr. O'MALLEY: Joint resolution (H. J. Res. 412) to make unlawful loans by persons, corporations, or associations to foreign persons, corporations, associations, or governments to be used for preparations or prosecution of war and to prohibit the shipment of arms, ammunition, and implements of war from any place in the United States; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Wisconsin, memorializing the President and the Congress of the United States to adopt agricultural and tariff policies in furtherance of the welfare of the Wisconsin farmer; to the Committee on Ways and Means.

Also, a memorial of the Legislature of the State of Arizona, memorializing the President and the Congress of the United States to consider their House Concurrent Memorial No. 2 relative to protection of the copper-mining industry; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States relative to House bill 4009 with reference to eradication of noxious weeds; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CLARK of Idaho: A bill (H. R. 7521) for the relief of Joe F. Pedlichek; to the Committee on Claims.

By Mr. DISNEY: A bill (H. R. 7522) for the relief of Jennie May Lee; to the Committee on Claims.

By Mr. ENGLEBRIGHT: A bill (H. R. 7523) for the relief of L. W. Collins; to the Committee on Claims.

By Mr. MILLARD: A bill (H. R. 7524) authorizing the President to present a gold medal to Elsie Janis; to the Committee on the Library.

By Mr. REILLY: A bill (H. R. 7525) for the relief of the Chicago, Milwaukee, St. Paul & Pacific Railroad Co.; to the Committee on Claims.

Also, a bill (H. R. 7526) granting a pension to Martha Buck; to the Committee on Invalid Pensions.

By Mr. ROBSION of Kentucky: A bill (H. R. 7527) granting a pension to Henry Davenport; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2630. By Mr. BUCK: Memorial of the California State Legislature, Senate Joint Resolution No. 14, relative to memorializing the President and the Congress of the United States to enact House bill 4009, which proposes to appropriate $50,000,000 to cooperate with the States of the United States in the eradication of noxious weeds, and urging the Secretary of Agriculture to expedite consideration favorable to said bill; to the Committee on Agriculture.

2631. By Mr. LUTHER A. JOHNSON: Memorial of the Wolf Brand Products, City Office Supply, Kand Radio, and American Well & Prospecting Co., all of Corsicana, Tex., opposing the Black-Connery wage and hour-control bill; to the Committee on Labor.

2632. Also, petition of Dr. I. R. McCullough, of Hillsboro, Tex., favoring House bill 5244, concerning retirement pay of officers during the World War; to the Committee on Military Affairs.

2633. By Mr. KEOGH: Petition of the District of Columbia Motor Club of the American Automobile Association, concerning parking meters, contained in House bill 7472; to the Committee on the District of Columbia.

2634. Also, petition of the Pacific Coast Garment Manufacturers, Los Angeles, concerning the Black-Connery bill; to the Committee on Labor.

2635. By Mr. PFEIFER: Petition of the department of health, Dr. Edward S. Godfrey, Jr., commissioner, Albany, N. Y., urging defeat of Senate bill 2359; to the Committee on Agriculture.

2636. By the SPEAKER: Petition of Adam Th. Drekolias, Los Angeles, Calif., concerning an investigation into the merits of a new mechanical system devised for inexpensive generation of electric power; to the Committee on Rules.

2637. Also, petition of the State Camp of Pennsylvania, Patriotic Order Sons of America, Philadelphia, Pa., concerning omnibus bills with reference to immigration laws; to the Committee on Immigration and Naturalization.

2638. Also, petition of Kenneth Fury, San Francisco, Calif., and others, concerning the Wagner-Steagall bills, known as the United States Housing Authority; to the Committee on Banking and Currency.

2639. Also, petition of the board of directors of the New Orleans Association of Commerce, enlisting the cooperation of the Senators and Representatives of the State of Louisiana and other Southern States to vigorously oppose the passage of Senate bill 2025 and House bill 6275; to the Committee on Interstate and Foreign Commerce.

2640. Also, petition of the Chamber of Commerce of Mobile, endorsing a bill by Mr. BOYKIN which would authorize the Secretary of the Treasury of the United States to establish a Coast Guard station on the coast of Alabama at or near Dauphin Island, Ala.; to the Committee on Merchant Marine and Fisheries.

2641. Also, petition of the Pacific Coast Garment Manufacturers, Los Angeles, Calif., concerning House bill 7200, known as the Fair Labor Standards Act of 1937; to the Committee on Labor.

2642. Also, petition of the Association of Former Internes of Freedmen's Hospital, in regard to recommendations made to change the jurisdictional status of Freedmen's Hospital; to the Committee on the District of Columbia.

SENATE

TUESDAY, JUNE 15, 1937

Rev. Richard A. Cartmell, assistant rector of the Church of the Epiphany, Washington, D. C., offered the following prayer:

O Lord, our Heavenly Father, who art beyond the highest reaches of human thought and yet the very breath of life, we pray Thee that, amid the feverish turmoil of our worldly needs, we may never lose the sense of Thine abiding presence. May Thy indwelling impart to us such consecration and depth of purpose that we forget those smaller issues of self which provoke the spirit of strife. So draw our wills into Thy greater will that, though there be diversities of gifts among us, yet there may be one spirit. Engraft in our hearts the conviction that it is Thy work, not ours, we are called upon to do, and that when we have employed the highest of our human powers and still the way is dark, Thou art there to lead us on and bring to pass that which is beyond our reach. Through Him who came to set men free, Jesus our King. Amen.

THE JOURNAL

On request of Mr. ROBINSON, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Monday, June 14, 1937, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate, by Mr. Latta, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Megill, one of its clerks, announced that the House had agreed to the amendments of the Senate to the bill (H. R. 2924) for the relief of certain officers and employees of the Foreign Service of the United States who, while in the course of their respective duties, suffered losses of personal property by reason of war, catastrophes of nature, and other causes.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H. R. 3687) to extend the period during which the purposes specified in section 7 (a) of the Soil Conservation and Domestic Allotment Act may be carried out by payments by the Secretary of Agriculture to producers, with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 6869. An act to regulate the occupation and practices of cosmetology, to create a District of Columbia Board of Cosmetology for the examination and licensing of persons to carry on or to teach such practices, to insure the better education of such practitioners, to provide rules regulating the proper conduct and sanitation of cosmetological establishments and schools, for the protection of the public health, and to provide penalties for violation thereof; and

H. R. 6906. An act to impose an occupational excise tax upon certain dealers in marihuana, to impose a transfer tax upon certain dealings in marihuana, and to safeguard the revenue therefrom by registry and recording.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 665. An act for the relief of the estate of Everett P. Sheridan; and

S. 1112. An act awarding a Navy Cross to John W. Thomason and Robert Slover.

CALL OF THE ROLL

Mr. LEWIS. As the business of the day calls for a quorum, I ask for a roll call.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Copeland	La Follette	Radcliffe
Andrews	Davis	Lee	Reynolds
Ashurst	Dieterich	Lewis	Robinson
Austin	Donahey	Lodge	Russell
Bailey	Duffy	Logan	Schwartz
Bankhead	Ellender	Lonergan	Schwellenbach
Barkley	Frazier	Lundeen	Sheppard
Berry	George	McAdoo	Smathers
Bilbo	Gerry	McCarran	Stelwer
Black	Gibson	McGill	Thomas, Okla.
Bone	Gillette	McKellar	Thomas, Utah
Borah	Glass	McNary	Townsend
Bridges	Green	Minton	Truman
Brown, Mich.	Guffey	Moore	Tydings
Brown, N. H.	Harrison	Murray	Vandenberg
Bulkley	Hatch	Neely	Van Nuys
Bulow	Hayden	Norris	Wagner
Burke	Herring	Nye	Walsh
Byrd	Hitchcock	O'Mahoney	Wheeler
Byrnes	Holt	Overton	White
Capper	Hughes	Pittman	
Caraway	Johnson, Colo.	Pope	

Mr. LEWIS. I announce that the Senator from Utah [Mr. KING] and the Senator from Connecticut [Mr. MALONEY] are absent because of illness.

The Senator from Missouri [Mr. CLARK] is absent because of a death in his family.

The Senator from Texas [Mr. CONNALLY], the Senator from Florida [Mr. PEPPER], and the Senator from South Carolina [Mr. SMITH] are detained from the Senate on important public business.

Mr. HATCH. I desire to announce that my colleague the junior Senator from New Mexico [Mr. CHAVEZ] is ill today. I desire the announcement to stand for the day.

Mr. AUSTIN. I announce that the Senator from Minnesota [Mr. SHIPSTEAD] is necessarily absent from the Senate.

The PRESIDENT pro tempore. Eighty-six Senators having answered to their names, there is a quorum present.

ROBERT F. KELLEY—NOTIFICATION OF CONFIRMATION OF NOMINATION

Mr. ROBINSON. Mr. President, as in executive session, I desire to submit a request. Yesterday the nomination of Robert F. Kelley to be Foreign Service officer of class 3, a consul general and a secretary in the Diplomatic Service, was confirmed. It is necessary that his confirmation be completed, and, out of order, I ask unanimous consent that the President be notified.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the President will be notified.

DEFAULT IN PAYMENT OF WAR DEBTS

Mr. COPELAND. Mr. President, today is the day upon which the countries owing money to the Government of the United States should make payment. I understand that all except Finland have defaulted. I ask that a short editorial from the Washington Herald relating to the subject be read from the desk.

The PRESIDENT pro tempore. Without objection, the clerk will read, as requested.

The Chief Clerk read as follows:

DEFAULT DAY SHOULD BE "KEEP OUT OF WAR DAY"

Almost every other day European cables intimate the regret of the ex-Allies that they ever permitted the default of war debts. Their crying need at present is money, money with which to pursue the insatiable race for armaments. And there is only one place they can get that money—the United States.

To that end London, Paris, and Rome have been figuring out ways and means by which they can circumvent the Johnson Act. One plan is merely to recognize the war debts once more and resume token payments—a pitifully small sum compared with the original debts. Another plan is to pay 5 or 10 cents on the dollar. Still the latest is to negotiate trade agreements, particularly with Great Britain and France, by which they would be permitted to pay off their war debts in kind.

These suggestions might be entertainable were it not for the fact that the sole motive behind them is to get more money out of the United States, and thus drag us eventually into the next war.

For it is axiomatic, as proved conclusively by the Senate Munitions Committee, that war follows trade and loans.

In view of these facts the Washington Herald proposes that instead of bartering the war debts away for a mess of pottage, they become a national monument to remember the last war, and to remind of the dangers of the next.

Hereafter let June 15 become "keep out of war" day—the day on which the war debts of Europe were defaulted. Let that day be burned into the mind of the Nation. Let every veteran of the last war pause to think, on June 15, of the horrors of the past war and its bills which never have been paid.

Let every Gold Star mother and every mother of potential veterans pause to remember, on June 15, the war that was fought "to end wars", and the present drift of the world into the next catastrophe.

If now the defaulted war debts can be seared into the national mind as a reminder that the debts of the last war still are unpaid and that the debts of future wars also never can be paid, then these defaulted debts will be worth far more than any 5 cents or 50 cents or 90 cents on the dollar which Europe would offer.

They will be worth the entire total of $11,000,000,000.

The United States can afford to pay that much and more to stay out of the next war. Let us remember June 15 as "keep out of war" day.

RADIO APPLICATION OF MACKAY RADIO & TELEGRAPH CO.

The PRESIDENT pro tempore laid before the Senate a letter from the Chairman of the Federal Communications Commission, transmitting, in further response to Senate Resolution 133 (submitted by Mr. BORAH and agreed to May 17, 1937), memoranda and reports prepared by various departments of the Commission in connection with the applications of the Mackay Radio & Telegraph Co., for modification of licenses to add Oslo, Norway, as a point of communication, which, with the accompanying papers, was ordered to lie on the table.

PETITIONS AND MEMORIALS

The PRESIDENT pro tempore laid before the Senate the following concurrent memorial of the Legislature of the State of Arizona, which was referred to the Committee on Finance:

Concurrent memorial relating to protection of the copper-mining industry

To the President and the Congress of the United States:

Your memorialist respectfully represents:

The production of copper constitutes a major industry of a number of Western States, and in certain respects it is the leading industry of Arizona.

It is the principal resource and dependence of a score or more populous cities and towns of this State.

It provides the sole means of support of many hundreds of Arizona families, and indirectly of several thousands.

It is the largest purchaser of Arizona farm products, and contributes in important measure to the prosperity of Arizona farmers, fruit growers, and stockmen.

It accounts for the use of large quantities of Arizona timber and lumber, and is a source of material profit to the transportation industry.

Its annual expenditures for improvements run into the millions, and it forms an extensive market for the heavy goods industries.

As a source of essential war material it is of utmost importance that the copper mines of Arizona and other Western States be kept in continuous operation, for the renewal of equipment, unwatering mines, and renovating abandoned workings is a long and expensive procedure.

These are just a few of the reasons why it is of the utmost importance that the copper industry of the United States be afforded the benefits of a price level for raw copper consistent with profitable operation.

To maintain such a price level it is necessary that dependable protection be provided against the influx of foreign copper produced by means of the cheapest of labor and under conditions more conducive to low production costs than those which characterize the copper deposits of this country.

Under the provisions of the joint resolution of Congress approved June 28, 1935 (ch. 333, U. S. Stat., 74th Cong.) the present protective duty on copper of 4 cents per pound expires on June 30 of the present year. With the removal of such protection a comparatively small drop in the world price of copper will almost certainly result in the invasion of United States markets by huge supplies of foreign copper against which it will be impossible for home producers to compete, with the inevitable result of the closing of many mines.

Wherefore your memorialist, the House of Representatives of the State of Arizona (the Senate concurring) earnestly requests:

1. That at least the present protection afforded to United States copper be continued and made permanent.

The PRESIDENT pro tempore also laid before the Senate the statement of Wilhelm Kuehne, secretary-treasurer of the Federation of Building Trades Workmen of America, Jamaica, N. Y., relative to the so-called Black-Connery bill, to provide for the establishment of fair labor standards in employments in and affecting interstate commerce, and for other purposes, which was referred to the Committee on Education and Labor.

Mr. ASHURST presented memorials of sundry citizens of the State of Arizona, remonstrating against the enactment of the bill (S. 1270) to regulate barbers in the District of Columbia, and for other purposes, which were referred to the Committee on the District of Columbia.

Mr. TYDINGS presented a petition of sundry citizens of Baltimore, Md., praying for the enactment of the bill (H. R. 2257) to provide old-age compensation for the citizens of the United States, and for other purposes, which was referred to the Committee on Finance.

Mr. CAPPER presented petitions of sundry citizens of Beloit, Elk City, Eureka, Howard, Independence, Moline, Neodesha, Pittsburg, and Severy, all in the State of Kansas, praying for the enactment of legislation to repeal the Federal excise tax on cosmetics, which were referred to the Committee on Finance.

Mr. LODGE presented petitions of sundry citizens of the State of Massachusetts, praying for the enactment of legislation to abolish the Federal Reserve System as at present constituted, and also praying that Congress exercise its constitutional right to coin money and regulate the value thereof, which were referred to the Committee on Banking and Currency.

He also presented a letter in the nature of a memorial from John B. Wenzler, Esq., of South Boston, Mass., remonstrating against the alleged persecution of the Catholic Church in Germany, which was referred to the Committee on Foreign Relations.

He also presented a memorial of sundry citizens of the State of Massachusetts, remonstrating against the enactment of pending legislation to reorganize the judicial branch of the Government, which was ordered to lie on the table.

FARMERS' DRAFT OF PROPOSED AGRICULTURAL ADJUSTMENT LEGISLATION

Mr. BANKHEAD presented a paper in the nature of a petition from officers of various farm organizations, which was referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., *June 10, 1937.*

To the President of the United States, the Secretary of Agriculture, the Chairmen and Members of the Agricultural Committees of the Senate and House of Representatives.

GENTLEMEN: The undersigned, for and on behalf of themselves and for the organizations they represent and for the producers of the major agricultural commodities in the areas they represent, hereby endorse the provisions of the farmers' draft of the proposed bill designated "Agricultural Adjustment Act of 1937", dated June 10, 1937 [which farmers' draft is attached hereto]. The undersigned will use every rightful influence before Congress to secure support for this bill and to aggressively support the provisions of the proposed bill with their respective organizations and in their respective areas.

The large acreages already planted to the basic agricultural commodities covered in the bill are such that if followed with normal growing conditions will result in burdensome surpluses and resultant serious declines in the price levels for such commodities.

We therefore respectfully urge your favorable consideration of the proposed bill and its enactment by Congress before its summer recess, that the Government may be prepared to establish a permanent program in cooperation with farmers to control excessive supplies as may be necessary to keep the price levels of these commodities on a fair and stable basis and to insure the consumers adequate supplies at fair prices.

Respectfully submitted.

Edw. A. O'Neal, president, American Farm Bureau Federation, Florence, Ala.; Earl C. Smith, president, Illinois Agricultural Association, Detroit, Ill.; C. Y. Thompson, president, Nebraska Farm Bureau Federation, Lincoln, Nebr.; J. W. Schwartz, president, Wisconsin Farm Bureau Federation, Spring Green, Wis.; A. D. Stewart, Mississippi Cooperative Cotton Association, Jackson, Miss.; Francis Johnson, president, Iowa Farm Bureau Federation, Des Moines, Iowa; R. E. Aldrich, Mississippi Cotton Cooperative Association, Michigan City, Miss.; H. G. Lucas, president, Texas Agricultural Association, Brownwood, Tex.; F. W. White, president, Minnesota Farm Bureau Federation, Marshall, Minn.; H. G. Chalkley, Jr., president, Louisiana Farm Bureau Federation, Lake Charles, La.; H. B. Test, president, South Dakota Farm Bureau Federation, Frederick, S. Dak.; Chas. G. Henry, general manager, Mid-South Cotton Growers' Association, Memphis, Tenn.; O. O. Wolf, president, Kansas Farm Bureau, Ottawa, Kans.; N. C. Williamson, president, American Cotton Cooperative Association, New Orleans, La.; V. C. Marshall, Texas Agricultural Association, Temple, Tex.; Hayden Perry, Robstown, Tex.; George G. Chance, Texas Agricultural Association, Bryan, Tex.; R. E. Short, president, Arkansas Farm Bureau, and vice president, Arkansas Rice Growers' Cooperative Association, Brinkley, Ark.; Ben Kilgore, executive secretary, Kentucky Farm Bureau Federation, Louisville, Ky.; Addison Drake, Indiana Farm Bureau, Inc., Fairbanks, Ind.; R. W. Blackburn, president, California Farm Bureau Federation, South Pasadena, Calif.; J. F. Porter, president, Tennessee Farm Bureau Federation, Columbia, Tenn.; George M. Putnam, president, New Hampshire Farm Bureau Federation, Concord, N. H.; J. E. Winslow, president, North Carolina Farm Bureau Federation, Greenville, N. C.

REPORTS OF COMMITTEES

Mr. MINTON, from the Committee on Military Affairs, to which was referred the bill (S. 1626) to amend the military record of Maurice D. Pryor, and for other purposes, reported it with amendments and submitted a report (No. 727) thereon.

Mr. LONERGAN, from the Committee on Finance, to which was referred the bill (H. R. 6215) to repeal provisions of the income tax requiring lists of compensation paid to officers and employees of corporations, reported it without amendment and submitted a report (No. 728) thereon.

Mr. WALSH, from the Committee on Finance, to which was referred the bill (S. 2473) to provide that individual income-tax returns may be made without the formality of an oath, and for other purposes, reported it with amendments and submitted a report (No. 729) thereon.

Mr. HARRISON, from the Committee on Finance, to which was referred the bill (H. R. 5258) for the relief of the Jackson Casket & Manufacturing Co., reported it without amendment and submitted a report (No. 730) thereon.

Mr. BANKHEAD, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 106) to establish the Farmers' Home Corporation, to encourage and promote

the ownership of farm homes and to make the possession of such homes more secure, to provide for the general welfare of the United States, to provide additional credit facilities for agricultural development, to create a fiscal agent for the United States, and for other purposes, reported it with amendments and submitted a report (No. 732) thereon.

He also, from the same committee, to which was referred the bill (S. 2229) to permit Members of Congress to enter into agreements under agricultural programs, reported it without amendment and submitted a report (No. 733) thereon.

Mr. SHEPPARD, from the Committee on Commerce, to which was referred the bill (H. R. 4711) to extend the times for commencing and completing the construction of a bridge across Puget Sound at or near a point commonly known as The Narrows, in the State of Washington, reported it without amendment and submitted a report (No. 734) thereon.

Mr. TYDINGS, from the Committee on Territories and Insular Affairs, to which was referred the bill (S. 2349) to authorize the administration of oaths by the Chief Clerk and the Assistant Chief Clerk of the office of United States High Commissioner to the Philippine Islands, and for other purposes, reported it without amendment and submitted a report (No. 735) thereon.

Mr. HATCH (for Mr. KING), from the Committee on the Judiciary, to which was referred the bill (H. R. 2703) to provide for the representation of the United States Court of Appeals for the District of Columbia on the annual conference of senior circuit judges, reported it without amendment and submitted a report (No. 736) thereon.

Mr. WHEELER, from the Committee on Interstate Commerce, to which was referred the bill (S. 18) to establish a National Safety Standards Commission, to reduce the danger of accidents at highway grade crossings and draw bridges, and for other purposes, reported it with amendments and submitted a report (No. 737) thereon.

EXTENSION OF CERTAIN TAXES

Mr. HARRISON. From the Committee on Finance I report back favorably, with amendments, the joint resolution (H. J. Res. 375) to provide revenue, and for other purposes, and I submit a report (No. 731) thereon.

The joint resolution, as reported, proposes to extend the so-called nuisance taxes for 1 year. I may state in this connection that I hope to call up the joint resolution for the extension of taxes at the earliest possible date. The law expires on the 30th of this month and some action by the Senate is necessary at an early date.

The PRESIDENT pro tempore. The report will be received and the joint resolution will be placed on the calendar.

PRINTING OF FEDERAL TRADE COMMISSION'S REPORT ON AGRICULTURE

Mr. GILLETTE. Mr. President, by direction of the Committee on Agriculture and Forestry I report the recent reports of the Federal Trade Commission on Principal Farm Products—Agricultural Income Inquiry, and on Fruits, Vegetables, and Grapes—Agricultural Income Inquiry—prepared in response to Public Resolution No. 61, Seventy-fourth Congress, approved August 27, 1935, and I move that they be printed as a Senate document. I ask that this motion may be referred to the Committee on Printing.

The PRESIDENT pro tempore. Without objection, it is so ordered.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BONE:

A bill (S. 2641) to appropriate funds for construction of a graving dry dock at Puget Sound Navy Yard, Bremerton, Wash.; to the Committee on Appropriations.

By Mr. NEELY:

A bill (S. 2642) to authorize the issuance of a special series of stamps commemorative of Francis E. Clark, founder of the Christian Endeavor Society; to the Committee on Post Offices and Post Roads.

By Mr. STEIWER:

A bill (S. 2643) for the relief of Mr. and Mrs. James Crawford; and

A bill (S. 2644) for the relief of Sherm Sletholm, Loneata Sletholm, Lulu Yates, Madeline Yates, and the estate of Ella A. Morris; to the Committee on Claims.

A bill (S. 2645) to amend section 7 of the Adjusted Compensation Payment Act, 1936, as amended; to the Committee on Finance.

A bill (S. 2646) granting a pension to Julia H. Kenney (with accompanying papers); to the Committee on Pensions.

By Mr. WALSH:

A bill (S. 2647) to provide for the reimbursement of certain enlisted men and former enlisted men of the Navy for the value of personal effects lost while engaged in emergency relief expeditions during the Ohio Valley flood in January and February 1937; to the Committee on Naval Affairs.

By Mr. HAYDEN:

A bill (S. 2648) to define the exterior boundaries of the Saguaro National Monument, Ariz.; to the Committee on Public Lands and Surveys.

By Mr. SHEPPARD:

A bill (S. 2649) to authorize appropriations for construction and rehabilitation at military posts, and for other purposes; to the Committee on Military Affairs.

By Mr. WHEELER:

A bill (S. 2650) to authorize the completion, maintenance, and operation of the Fort Peck project for navigation, and for other purposes; to the Committee on Commerce.

By Mr. COPELAND:

A bill (S. 2651) to name the bridge to be erected over the Anacostia River in the District of Columbia after the late "March King", John Philip Sousa, composer of the Stars and Stripes Forever; to the Committee on the District of Columbia.

By Mr. TYDINGS:

A bill (S. 2652) to enable the Legislature of the Territory of Hawaii to authorize the issuance of certain bonds, and for other purposes; and

A bill (S. 2653) to amend an act entitled "An act to enable the Legislature of the Territory of Hawaii to authorize the issuance of certain bonds, and for other purposes", approved August 3, 1935; to the Committee on Territories and Insular Affairs.

By Mr. LUNDEEN (for Mr. SHIPSTEAD):

A bill (S. 2654) to amend an act entitled "The United States Grain Standards Act", approved August 11, 1916, and acts amendatory thereto; to the Committee on Agriculture and Forestry.

A bill (S. 2655) for the relief of Lt. T. L. Bartlett; to the Committee on Claims.

By Mr. THOMAS of Oklahoma:

A bill (S. 2656) to amend an act entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved June 22, 1936; to the Committee on Appropriations.

A joint resolution (S. J. Res. 167) defining and classifying gratuity expenditures or disbursements allowable as offsets in favor of the United States and against claims of Indian nations, tribes, or bands; to the Committee on Indian Affairs.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated below:

H. R. 6869. An act to regulate the occupation and practices of cosmetology, to create a District of Columbia Board of Cosmetology for the examination and licensing of persons to carry on or to teach such practices, to insure the better education of such practitioners, to provide rules regulating the proper conduct and sanitation of cosmetological establishments and schools, for the protection of the public health, and to provide penalties for violation thereof; to the Committee on the District of Columbia.

H. R. 6906. An act to impose an occupational excise tax upon certain dealers in marihuana, to impose a transfer tax upon certain dealings in marihuana, and to safeguard the revenue therefrom by registry and recording; to the Committee on Finance.

CHANGE OF REFERENCE

On motion by Mr. MOORE, the Committee on Commerce was discharged from the further consideration of the bill (S. 2608) to advance a program of national safety and accident prevention, and it was referred to the Committee on Interstate Commerce.

EXTENSION OF CERTAIN TAXES—AMENDMENTS

Mr. BONE submitted two amendments intended to be proposed by him to the joint resolution (H. J. Res. 375) to provide revenue, and for other purposes, which were ordered to lie on the table and to be printed.

DEPORTATION OF CERTAIN ALIENS—AMENDMENTS

Mr. COPELAND submitted sundry amendments intended to be proposed by him to the bill (H. R. 6391) to authorize the prompt deportation of criminals and certain other aliens, and for other purposes, which were referred to the Committee on Immigration and ordered to be printed.

RELIEF APPROPRIATIONS—AMENDMENT

Mr. LODGE submitted an amendment intended to be proposed by him to the joint resolution (H. J. Res. 361) making appropriations for relief purposes, which was ordered to lie on the table and to be printed, as follows:

On page 3, line 4, after the figures "$380,000,000" to add the following: "of which sum not more than $20,000,000 shall be allocated for a national census of population, employment, and unemployment, to be taken at the earliest date, for the purpose of obtaining authentic information as to the number of persons in each of the several States and all subdivisions thereof who are employed and unemployed, classified by sex, age, customary occupation, and such other pertinent standards as may be advisable of all such employed and unemployed persons, and the causes and duration of such unemployment."

MEMBERSHIP OF SPECIAL COMMITTEE ON INVESTIGATION OF UNEMPLOYMENT AND RELIEF PROBLEMS

Mr. HATCH submitted the following resolution (S. Res. 145), which was referred to the Special Committee on Investigation of Unemployment and Relief Problems:

Resolved, That the membership of the special committee of the Senate to study, survey, and investigate the problems of unemployment and relief, created under Senate Resolution No. 36, Seventy-fifth Congress, first session, agreed to June 10, 1937, is hereby increased by two Senators, to be appointed by the President of the Senate.

SYNOPSIS OF REPORT ON THE COLORADO-BIG THOMPSON PROJECT (S. DOC. 80)

Mr. ADAMS. I ask unanimous consent that the text of a Synopsis of the Report on the Colorado-Big Thompson Project—Plan of Development and Cost Estimate, prepared by the Bureau of Reclamation, Department of the Interior, may be printed, without the illustrations, as a Senate document.

The PRESIDENT pro tempore. Without objection, it is so ordered.

MEMORIAL DAY ADDRESS BY SENATOR GIBSON AT WEST RUTLAND, VT.

[Mr. GIBSON asked and obtained leave to have printed in the RECORD a Memorial Day address delivered by him at West Rutland, Vt., on May 31, 1937, which appears in the Appendix.]

AMERICA'S NEW TRADE SHIPS—ADDRESS BY SENATOR GUFFEY

[Mr. OVERTON asked and obtained leave to have printed in the RECORD a radio address on the subject "America's New Trade Ships", delivered by Senator GUFFEY on June 14, 1937, which appears in the Appendix.]

THE FLAG OF THE UNITED STATES—ADDRESS BY SENATOR LEE

[Mr. THOMAS of Oklahoma asked and obtained leave to have printed in the RECORD a radio address delivered by Senator LEE on June 14, 1937, on the subject "The Flag of the United States", which appears in the Appendix.]

ADDRESS BY SENATOR BLACK ON FAIR LABOR STANDARDS BILL

[Mr. MINTON asked and obtained leave to have printed in the RECORD a radio address delivered by Senator BLACK on the 7th instant, relative to the so-called fair labor standards bill, which appears in the Appendix.]

AMERICAN-JAPANESE TRADE RELATIONS—ADDRESS BY SECRETARY ROPER

[Mr. COPELAND asked and obtained leave to have printed in the RECORD an address on American-Japanese trade relations, delivered by Hon. Daniel C. Roper, Secretary of Commerce, which appears in the Appendix.]

STATEMENT BY SECRETARY PERKINS ON FAIR LABOR STANDARDS BILL

[Mr. WAGNER asked and obtained leave to have printed in the RECORD a statement made by Secretary Perkins before the joint hearing of the Senate Committee on Education and Labor and the House Committee on Labor on the 4th instant, relative to the so-called fair labor standards bill of 1937, which appears in the Appendix.]

THE SUPREME COURT AND THE SOUTH

[Mr. COPELAND asked and obtained leave to have printed in the RECORD a letter written by Frederick H. Allen, of Charleston, S. C., and published in the New York Herald Tribune, which appears in the Appendix.]

RELIEF APPROPRIATIONS

The PRESIDENT pro tempore. Morning business is closed.

Mr. ADAMS. Mr. President, I move that the Senate proceed to the consideration of the emergency relief resolution, being House Joint Resolution 361.

The motion was agreed to; and the Senate proceeded to consider the joint resolution (H. J. Res. 361) making appropriations for relief purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. ADAMS. I ask unanimous consent that the formal reading of the bill be dispensed with, and that the bill be read for amendment, the committee amendments be first considered.

The PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will state the first amendment of the Committee on Appropriations.

The first amendment of the Committee on Appropriations was, on page 1, line 3, to insert the heading "Title I."

The amendment was agreed to.

The next amendment was, on page 2, line 3, after the word "balances", to insert "which have on the date of enactment of this joint resolution been obligated or the expenditure of which has been contracted", so as to read:

That in order to continue to provide relief, and work relief on useful public projects, in the United States and its Territories and possessions (including projects heretofore approved for the Works Progress Administration, which projects shall not be subject to the limitations hereinafter specified in this section), there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, to remain available until June 30, 1938, and to be used in the discretion and under the direction of the President, $1,500,000,000, together with such unexpended balances which have on the date of enactment of this joint resolution been obligated or the expenditure of which has been contracted, as the President may determine, of appropriations made by (a) the second paragraph of the Emergency Relief Appropriation Act of 1936, as supplemented by the First Deficiency Appropriation Act, fiscal year 1937, and (b) section 1 of the Emergency Relief Appropriation Act of 1935, etc.

Mr. McKELLAR. Mr. President, will the Senator from Colorado, in charge of the bill, make a statement concerning unexpended balances?

Mr. ADAMS. I shall be glad to do so.

Mr. McKELLAR. I think, in the interest of orderly procedure, the Senator had better do so at this time.

Mr. ADAMS. Mr. President, the explanation of this particular amendment involves a consideration of the general plan of appropriations, allocations, and obligations of funds allocated and appropriated.

We find from the report of the Director of the Budget, as appears on page 76 of the House hearings on the joint resolution, that on March 31, 1937, there remained unexpended,

of the funds which had been appropriated for various relief purposes, $4,514,000,000. This sum represents unexpended balances which come from a series of appropriations for relief and recovery purposes.

The Director of the Budget then gave a statement of items which are to be charged against these unexpended balances, being items for which the Government has incurred obligations, entered into contracts, or in some way bound the unexpended balances. On the 31st of March last these items aggregated $3,741,000,000, leaving an unobligated balance of $773,000,000 on that date. Of course, the unobligated balance is a part of the unexpended balance.

Then the Director of the Budget made an estimate that by reason of the expenditures and obligations to be incurred between the 31st of March and the end of the fiscal year on June 30, 1937, the item of $773,000,000 of unobligated balances would be reduced until there would remain only $223,000,000 unobligated. This unobligated balance is derived from a series of seven different funds. In April 1935 there was an appropriation of $4,880,000,000; in 1936 an appropriation of $1,425,000,000; an appropriation of $789,000,000, the date of which escapes me at the moment; in June 1933 another appropriation of $3,300,000,000; in June 1934 an appropriation of $525,000,000 for drought purposes, and in the same act an appropriation for emergency relief of $899,000,000; and on February 15, 1934, another appropriation of $950,000,000 for relief.

Mr. President, it has been the custom, as relief bills have been passed, to reach back and reappropriate all unexpended balances. In the unexpended balances are included the unallocated and unobligated balances. Your Committee on Appropriations has had considerable difficulty in ascertaining the figures upon which the different members of the committee could agree. The figures given by the Director of the Budget in his testimony before the House committee, as I have said, show an unobligated balance of $223,000,000 on June 30, 1937, according to his best estimate. Another estimate given me a few days ago is $222,000,000 on the same date, being in substantial conformity with the earlier estimate. However, there is some uncertainty as to the amount of unobligated balances that will be available on the 30th day of June.

It seemed to a majority of the committee that Congress should definitely know the amount of money it is appropriating; that, instead of reaching back and taking undetermined and, in a measure, undeterminable amounts of unexpended and unobligated balances, we should fix the amount which we propose to appropriate, so that on the 1st day of July the President would know exactly the amount of money that is placed in his hands for expenditure for relief purposes, and so that we, as Members of the Congress, would know the amount of money that we have placed in the President's hands for expenditure for relief purposes.

Mr. SCHWELLENBACH. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Colorado yield to the Senator from Washington?

Mr. ADAMS. I yield.

Mr. SCHWELLENBACH. I should like to have the Senator discuss the testimony of Mr. Bell, Acting Director of the Budget, found at the bottom of page 83 of the House hearings. He testified there would be $223,000,000 unobligated from past appropriations. Representative BOYLAN asked:

> How much of the $223,000,000 would be available to the Works Progress Administration?
>
> Mr. BELL. I suppose there would be in the neighborhood of one hundred or one hundred and twenty-five million dollars, because it takes about that amount of money to supply a cushion for the Works Progress Administration to operate on so many projects over the country. It has to spread its money over the entire country, sometimes over forty or fifty thousand projects.
>
> Mr. BOYLAN. You do not think it would be more than that?
>
> Mr. BELL. It runs during the year anywhere from one hundred to one hundred and fifty million dollars as a cushion, and they could not operate without it.

I take it from Mr. Bell's testimony that if the amendment which the Senator favors should be adopted, it would mean in practical effect that instead of appropriating $1,500,000,000, we would be appropriating that amount less the amount which Mr. Bell says they must have upon which to operate.

Mr. ADAMS. I will say to the Senator that that is not my understanding. Necessarily a so-called "cushion" exists in any business. A certain amount of cash is necessary for the conduct of the daily business. The relief authorities at this time have adequate funds to carry them up until the 1st day of July. There is no question about that. There is a question as to how much they have. They have $223,000,000 prospectively as of the 1st of July. On the 20th of May, according to Mr. Bell, the unobligated balances were $474,000,000. That was some 3 weeks ago.

Mr. BARKLEY. Mr. President, will the Senator yield at that point?

Mr. ADAMS. Yes.

Mr. BARKLEY. Whatever the amounts may be, as I understand, unless they are reappropriated they will lapse as of July 1 and will not be available for expenditure after that time. Is that correct?

Mr. ADAMS. That is correct.

Mr. BARKLEY. So, while the Congress heretofore has appropriated this money, the mere fact that it cannot be expended by July 1 makes it unavailable for any future expenditure under the Works Progress Administration or any of the other relief organizations. That is true; is it?

Mr. ADAMS. It is. What we are trying to do by this joint resolution is to make the relief appropriations conform to the usual, customary, statutory method of handling Government funds.

The statutes which have been on the books for years provide that when an appropriation is made it is for the fiscal year, and moneys unexpended at the end of the fiscal year are not to be drawn from the Treasury, but lapse, unless as is the case in some appropriations the Congress has made the appropriation available until expended, or until some future date. But an ordinary appropriation merely providing a million dollars for a certain purpose is an appropriation for the fiscal year, and the unobligated portions of the money will lapse so as to be unexpendable after that time. Of course, if contracts have been made which obligate the appropriation, that money may be paid out at any time within 2 years after the end of the fiscal year. That is also the provision of the statute.

Mr. McKELLAR and Mr. BONE addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Colorado yield; and if so, to whom?

Mr. ADAMS. I yield first to the Senator from Tennessee.

Mr. McKELLAR. Mr. President, of course, under the general law, if these moneys or any moneys are not expended by the 30th day of June, they go back into the Treasury. That is the rule of law.

Mr. ADAMS. They do not go back; they simply do not come out of the Treasury.

Mr. McKELLAR. They are not to be used or expended.

Mr. ADAMS. They cannot be spent.

Mr. McKELLAR. They cannot be spent. Is it not well-established practice—do we not do it in almost every appropriation bill—to reappropriate unexpended balances? Coming down to relief measures, up to date we have passed seven relief measures. Have we not in each and every one of those measures reappropriated unexpended balances?

Mr. ADAMS. We have; and, while the Senator is on his feet, may I ask him a question?

Mr. McKELLAR. Certainly. I shall be delighted to answer it, if I can.

Mr. ADAMS. The Senator has been presiding as chairman of the Committee on Appropriations. I ask the Senator if we have not had the greatest difficulty in ascertaining accurately the amount of unexpended balances?

Mr. McKELLAR. Does the Senator mean the case of relief appropriations?

Mr. ADAMS. Yes.

Mr. McKELLAR. Yes; that is true. We have had a good deal of difficulty; but I think there is no question

about the substantial amount of the balances that will remain in the Treasury on the 1st of July. I think we can establish that amount, and if the Senator has not the figures I think I can furnish them.

Mr. ADAMS. The Senator and I both have the figures. The trouble is they do not agree.

Mr. McKELLAR. I think they do agree. I think substantially the amount is about $200,000,000; and when the Senator finishes I shall be very glad to explain the matter as I understand it.

Mr. BONE and Mr. BYRNES addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Colorado yield; and if so, to whom?

Mr. ADAMS. I yield first to the Senator from Washington.

Mr. BONE. Mr. President, if, as the Senator indicates, the appropriation lapses, as we all understand that it does, on July 1, may I ask the Senator whether the funds he has referred to—for instance, the funds appropriated in 1935 and 1936—have been reappropriated at any time; or, if not, how can they be made available by reference in this joint resolution? I am very curious about that.

Mr. ADAMS. I will say to the Senator that year by year, bill by bill, we have reached back in this vague way and reappropriated the unexpended balances of appropriations made by the previous bill, so that, whatever those balances may be, they have been carried along and are available to us today; and the question is whether or not we will again reach back over seven different bills and reappropriate the balances, or whether we will say how much money we propose shall be spent.

Mr. BONE. In other words, we have just been carrying these unexpended balances along and holding them in suspension, and they are now available under this joint resolution if we appropriate them. That is correct, is it not?

Mr. ADAMS. The question is whether we shall do that.

Mr. BONE. I want to be sure that I have this matter straight in my own mind. It is proposed to appropriate $1,500,000,000 and split it into three or four major brackets, and make it available for relief work in the various fields referred to on pages 2 and 3 of the joint resolution. That apparently is the clear purpose of this measure.

Mr. ADAMS. I will say to the Senator from Washington that we have provided the billion and a half dollars specifically. The joint resolution, as it came from the House, added to that amount all the unexpended balances running back to 1933. Then we have said that there are certain compartments in which not to exceed a certain amount may be spent for this purpose and not to exceed a certain amount for that purpose; but our action is not an allocation or an appropriation of those amounts of money for those purposes. The money in the first instance is appropriated for relief and work relief, subject to the discretion and disposition of the President.

Mr. BONE. Is it the Senator's opinion that more than $1,500,000,000 will be available in the long run under this joint resolution?

Mr. ADAMS. Unquestionably, if the joint resolution passes as it came from the House.

Mr. BONE. I have one more question. Adding up the figures which cannot be exceeded in the expenditures, we have $1,500,000,000; so, apparently, even though the language in the joint resolution authorizes the expenditure of any additional sum that may be available, nevertheless the Relief Administration may not spend in excess of $1,500,000,000?

Mr. ADAMS. I will say to the Senator that that is exactly the view I and the majority of the committee have taken—that we should appropriate one and one-half billion dollars, fix that sum definitely, give it to the President, and say, "That is the amount of money you are to have, and that is the amount that has been put into these compartments"; and if we merely take away these unobligated balances, it will not affect or reduce the billion and a half dollars or any one of these single compartments of expenditure.

Mr. BONE. Then, if there is, as I recall, somewhere from one hundred to two hundred and twenty million dollars that might be available, it could not be expended under this joint resolution, even though it were available.

Mr. ADAMS. No; if the Senator will read the joint resolution through, I think he will find some very elastic provisions in it.

Mr. BONE. That is what I wanted to get at. I am merely reading the language on pages 2 and 3.

Mr. ADAMS. There are some other provisions which might affect the matter.

Mr. BYRNES. Mr. President, will the Senator yield to me?

Mr. ADAMS. I yield.

Mr. BYRNES. The wording of the joint resolution is—

> One billion five hundred million dollars, together with such unexpended balances which have * * * been obligated or the expenditure of which has been contracted.

In answer to a question, I understood the Senator to say something with reference to $223,000,000. I desire to ask the Senator if it is not a fact that the Director of the Budget says that in addition there are certain appropriations, such as the appropriation for highways and the appropriation for an unemployment commission, which appropriations by their phraseology are carried over from year to year, and will not be affected by this language, but will be available.

Mr. ADAMS. That is correct. I think those appropriations approximate $100,000,000 in the aggregate.

Mr. BYRNES. And we were unable to get accurate information as to how many appropriations were in that exact status.

Mr. BARKLEY. Mr. President, will the Senator yield at that point?

Mr. ADAMS. Certainly.

Mr. BARKLEY. Of course, this turning back into the Treasury, or keeping in the Treasury without their appropriation, the unexpended balances, as I understand the Senator, does not apply where contracts have been entered into or obligations made for the expenditure of certain sums out of those unexpended balances. Is that correct?

Mr. ADAMS. That is correct.

Mr. BARKLEY. But where there is no obligation and no contract, any projects that might have been constructed out of the unexpended balances would have to be taken out of the $1,500,000,000 proposed to be appropriated by the pending measure.

Mr. ADAMS. Will the Senator make that a little clearer?

Mr. BARKLEY. Any projects that are not now contracted for or obligated for, but which would be projected or completed under the unobligated portion of these unexpended balances, would now have to be taken out of the billion and a half dollars which is provided in this joint resolution.

Mr. ADAMS. Of course.

Mr. BARKLEY. For instance, if there is $100,000,000 in the two-hundred-and-some-odd million dollars of unexpended balances for which no contracts have been made and no obligations have been incurred, then that $100,000,000 worth of work would come out of the billion and a half dollars appropriated in this joint resolution.

Mr. ADAMS. The Senator's question involves several "ifs." He is thinking of work which has not been contracted for and which has not been obligated. Of course if in the future a contract should be made or an obligation incurred, and the money which might have otherwise been applied to it at this time should have ceased to be available, of course it would have to come out of a separate appropriation.

Mr. BARKLEY. In other words, where projects have been approved by the State authorities, the State directors of the W. P. A. or any other of these agencies, and have come up to Washington, but have not yet been approved in Washington—no contract has been made, no obligation has been incurred, but in the normal course of events the projects probably would be approved and carried on under the unexpended balances—that work would have to be done out of this billion and a half dollars.

Mr. ADAMS. I think it should be made clear to the Senator that this provision does not affect the Public Works Administration or any projects which come up as public-works projects.

Mr. BARKLEY. I am speaking of the W. P. A. projects.

Mr. ADAMS. But the Senator is speaking in terms which apply to projects coming here for approval. The Works Progress Administration is the place where persons in need are employed and put to work upon projects. All that is obligated there is the 2 weeks' wages.

Mr. BARKLEY. They go through the same process. Those projects originate locally, come up through the State director, and finally reach Washington.

Mr. ADAMS. If those in charge run out of money, of course, they have to get more money.

Mr. BYRNES. Mr. President, will the Senator from Colorado yield to me?

Mr. ADAMS. I yield.

Mr. BYRNES. I ask the Senator whether the answer to the question of the Senator from Kentucky is not the statement of Mr. Hopkins, that of the funds available for W. P. A. there is approximately $125,000,000, $65,000,000 of which is to be paid for materials, the other $60,000,000 of which he will obligate for the payment of salaries? He obligates 2 weeks ahead. Therefore on the 1st of July he would apportion $60,000,000 to pay salaries, the money actually to be paid sometime in July. Unless a project were of that character, it would not be affected.

I admit it is a very confusing statement, but the only information we could get from the Director of W. P. A. was that his estimate was that he would have $125,000,000, $65,000,000 of which is obligated for payment of materials, and which will have to be paid out, and the other $60,000,000 will be obligated for the payment of salaries.

Mr. ADAMS. I really want to get back to the answer to the question of the Senator from Washington [Mr. SCHWELLENBACH].

Mr. SCHWELLENBACH. As I understand the testimony of Mr. Bell, it is necessary for W. P. A. to have between 100,000,000 and 150,000,000 as a cushion, cash on hand. If his testimony is correct—and I am accepting his testimony, knowing also that Mr. Hopkins testified in similar manner—we have a right to assume, and I think we must assume, that on the 30th of June 1938 there will still be the necessity for the 150,000,000, or 100,000,000, whatever the figure may be. It seems to me, therefore, that if we do not make that available to them, we are appropriating for the expenditure during this year, for relief purposes, not a billion and a half but a billion and a half less the 100,000,000 or the 150,000,000. That is the question I wanted to submit.

Mr. ADAMS. As a part of my answer to the Senator, I would say, in the form of a question, does he not think that if we should appropriate not merely a billion and a half, but if there should be an additional 100,000,000 for a cushion, we ought to appropriate in terms of a billion six hundred million, and fix the amount in terms, not leave it to an undetermined balance coming out of funds 5 or 6 or 7 years old?

Mr. SCHWELLENBACH. I am in absolute accord with that. I was never more surprised in my life than when I heard the testimony about the funds that had been appropriated back in 1933, 1934, and 1935. But I contend that if we arrive at the figure of a billion and a half dollars as the amount Congress wants to spend on relief this year, we ought to spend that amount, and if it is necessary to increase it to a billion six hundred million dollars, then we should increase the appropriation.

Mr. ADAMS. That is the view of the committee on the question of the cushion. I will say to the Senator from Washington that at this time we have more funds than are necessary to supply the cushion and to take us to the 1st of July, that is, we have in the funds now available $223,000,000 of unobligated balances as of July 1. That is more than would be needed for the cushion. We start in on the 1st of July with a brand new $1,500,000,000. There is the cushion to begin with, assuming we did not reappropriate the unobligated balances. There is ample money in the billion and a half to carry the cushion along for 10 or 11 months. I think that is perfectly clear. The question is whether or not we are deciding today that we are going to have to continue relief appropriations after July 1, 1938. The argument of the Senator from Washington is that we are going to have to have another cushion and to continue the appropriations beyond July 1, 1938. In that case, of course, we ought to have a cushion to go on with. I have been unwilling to concede that.

Mr. SCHWELLENBACH. I do not think the Senator is correct in drawing the conclusion that this cushion would be available after the 1st of July.

Mr. ADAMS. There is the billion and a half dollars.

Mr. SCHWELLENBACH. If it is necessary for them to have a hundred million dollars cash on hand, then that will mean that during the months of May and June 1938 they will have spent the money, and they will not have that amount of money to carry them along during the last month or month and a half of the year.

Mr. ADAMS. Let me call the Senator's attention to a misunderstanding which has developed today. The unobligated balance figure is really larger by some $60,000,000 than as given for the reason that prior to the 1st of July they will obligate the expenses for the first 2 weeks of July. The pay roll for the first 2 weeks of July and the cost of all materials to be used in the first 2 weeks, and perhaps for the whole month of July, will be charged up against the fund. So that we have taken off of the unobligated balances and put into the obligated balances money enough to run the Relief Administration for fully 2 weeks as to wages and more than 2 weeks as to materials. So that there is at least $60,000,000 to be added in our computation.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. ADAMS. Certainly.

Mr. BARKLEY. I note that the Senate committee amendment provides:

> Including the unexpended balances which have on the date of the enactment of this joint resolution been obligated or the expenditure of which has been contracted.

If that language should be adopted, it would mean that notwithstanding the fact that there might be 2 weeks or 10 days left in June prior to the beginning of the next fiscal year, or to the end of the present fiscal year, the Administration could not contract for the expenditure of any more of these unexpended balances between the date of the enactment of this joint resolution and July 1. So that, if it should take effect at once, they could not between now and that date enter into any more contracts or obligate any more money out of the funds available. Is not that true?

Mr. ADAMS. That would be true, but it would be very easy to correct that situation by a slight change in the wording, as the Senator knows.

Mr. BARKLEY. Of course, if the amendment is to be adopted in any form, it certainly ought to leave these administrative agencies free until July 1 to use the funds they now have available, but they could not do that under the amendment.

Mr. ADAMS. I assume it would be agreeable to the Senator if, instead of saying "the date of the enactment of this joint resolution", we would say "the 30th of June 1937"?

Mr. BARKLEY. That would be preferable; but I do not mean to intimate I would be for the amendment even if the date were changed.

Mr. BONE. Mr. President, will the Senator from Colorado yield?

Mr. ADAMS. I yield.

Mr. BONE. I notice on page 3 of the joint resolution language which we have frequently used, authorizing the President to increase these amounts proportionately. But the language to which the Senator from Kentucky has adverted seems very clearly to restrict both the use and the amount of those funds, because it provides "which have on the date of the enactment of this joint resolution been obligated or the

expenditure of which has been contracted." Obviously under that provision there would be no fresh amount of money available, but they would merely continue the work which has been contracted for. Am I correct in this understanding?

Mr. ADAMS. I think so.

Mr. BARKLEY. In other words, whatever the unexpended balance is, it would be frozen up between the date of the enactment of the joint resolution and July 1.

Mr. BONE. On page 2, near the top of the page, there is a reference to "unexpended balances which have on the date of the enactment of this joint resolution been obligated or the expenditure of which has been contracted." That simply means that we are authorizing going ahead with the projects concerned from unexpended balances, but we are not making the remainder of the unexpended balances available.

Mr. BARKLEY. That is true. The extension, with the committee amendment, limits the availability of these unexpended balances to contracts which are in existence on the date when the joint resolution is enacted.

Mr. BONE. That is correct. That seems to be the only way in which it can be interpreted.

Mr. BARKLEY. So that there is a hiatus between whatever date that is and July 1, when no funds would be available for new contracts or obligations.

Mr. LA FOLLETTE. Mr. President, will the Senator from Colorado yield?

Mr. ADAMS. I yield.

Mr. LA FOLLETTE. I understood the Senator, in response to a question asked by the Senator from Kentucky, to say that the language under discussion affected only the W. P. A.

Mr. ADAMS. No; I put it the other way, that it did not affect the Public Works Administration funds.

Mr. LA FOLLETTE. The question I desired to ask the Senator was, Does not this language apply to every dollar of money which has been transferred by Executive order from past relief appropriations to other agencies of the Government?

Mr. ADAMS. No; there are certain limitations, I will say to the Senator from Wisconsin. For instance, the money which has been set aside to the workmen's compensation fund specifically remains in the Treasury as a fixed fund. Regardless of whether or not it is expended, that fund is fixed; it is a definite fund. The same thing is true as to road funds; they are specifically provided. The same thing is true as to some other funds. I do not have a list of them all here, but in the statutes providing for some of these departments there were specific directions, equivalent to the common term with which we are familiar, that they should remain available until expended.

Mr. LA FOLLETTE. My question was prompted by the fact that, while I have not the figures before me, I recall that very large sums of money were transferred by Executive order from past relief appropriations to other agencies of the Government; and it seemed to be important, in considering this amendment, to know exactly how far reaching it may be.

Mr. ADAMS. I think I can furnish the Senator with an exact statement as to the funds in those various compartments, because the statement was furnished us by Mr. Bell, the Acting Director of the Bureau of the Budget, with a list of the various compartments. I can find it in a moment.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. ADAMS. I yield.

Mr. McKELLAR. In order to answer the question of the Senator from Wisconsin [Mr. LA FOLLETTE], I will say that it is conceded that the testimony before the committee shows that the President now has in his hands $63,000,000 of unallocated money. Of course, he may allocate it between now and the 1st of July. I do not know whether he will or not; but he now has that amount from the former appropriations. The Senator concedes that the $63,000,000 will be affected by his amendment, does he not?

Mr. ADAMS. It will go beyond that.

Mr. McKELLAR. Let us consider a number of other allocations. The President has allocated funds to a number of cities and towns for the purpose of building electric plants. That money has not been expended, it has not been obligated, because injunctions have been issued. All that money would go back to the Treasury, and could not be expended by the President in the future, under this amendment.

Mr. ADAMS. Will the Senator permit me to interrupt him? Title II of the bill takes care of the very case which the Senator from Tennessee has in mind.

Mr. McKELLAR. Where is it in title II?

Mr. ADAMS. Money would be allocated to the Public Works Administration if the projects were Public Works projects.

Mr. McKELLAR. No, Mr. President; title II does not take care of that. There are a number of uncompleted projects, a list of which I will give to the Senator from Colorado in a few minutes, after he shall have finished his statement, which are being constructed under the direction of the engineers of the War Department, many of them in Massachusetts, many in New York, many in other States. I recall very distinctly the projects in New York and Massachusetts. The cost of some of them amounts to more than a million dollars. All that work would be stopped immediately if the Senator's amendment were agreed to, because no funds would remain in the Treasury. The same situation exists with respect to half a dozen departments which are now expending relief money. The projects would be stopped if the amendment were agreed to, because those departments would not have the money with which to continue the projects. The Senator's amendment cutting off unexpended balances would affect a great many projects, some of which are nearly complete, some of them within $5,000 of completion, as I shall point out. All of them would be stopped, and it would take additional legislation to complete them if the Senator's amendment were agreed to.

Mr. ADAMS. Mr. President, I think the Senator from Tennessee, with his long experience on the Appropriations Committee and his very faithful adherence to the statutes governing appropriations, would not advocate having the President or anybody else obligate the Government of the United States beyond the amounts appropriated. I am sure we can agree that the Senator would not wish the Government to enter upon obligations, even moral obligations, in excess of the funds already provided. If funds exist in the appropriations, it is a very easy matter to provide that they shall become obligated. I will say to the Senator from Tennessee and to other Senators that neither the President of the United States nor the head of the relief administration nor the head of any other bureau has the right to impose upon the Government or impose upon the Congress obligations to which they bind themselves, but which really are not binding in their character, and are merely of a precatory nature. That is, those asking for the money are looking forward in the hope that the money will be provided.

Mr. President, by this amendment we are not taking anything away from anybody; we are not restricting anything; but we are making an appropriation. This is an appropriation, and not the withdrawal of funds. We are appropriating a billion and a half dollars, and in addition to that we are appropriating all the moneys which the President has obligated or which Mr. Hopkins has obligated. That is in addition to the billion and one-half dollars. We are not reaching out and taking back anything, but we are saying that here is a billion and one-half dollars, and here is all the money needed to meet the obligations and the contracts which have been made. I estimate that the amount involved, in addition to the billion and one-half dollars, will run well over $200,000,000; and in the case of the unexpended balances which are really appropriated because they are obligated, I think the Senator will find there is well over a billion and one-half dollars of obligated funds.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. ADAMS. I yield.

Mr. O'MAHONEY. I understood the Senator from Colorado to say just now, in response to the Senator from Tennessee, that the unallocated funds of the Public Works Administration would not be affected by this joint resolution.

Mr. ADAMS. That is my understanding.

Mr. O'MAHONEY. I assume that the Senator is referring to the language which is to be found on page 7, in title 2, that—

> All provisions of existing law relating to the availability of funds for carrying out any of the functions of said Administration are hereby continued until June 30, 1939.

Is that the language to which the Senator refers?

Mr. ADAMS. That is only part of it.

Mr. O'MAHONEY. Then, if I understand the Senator correctly this language makes available to the Public Works Administration the unexpended, unobligated balances which have heretofore been allocated to the Public Works Administration from previous appropriations.

Mr. ADAMS. As the Senator knows, all the moneys that have gone into the Public Works Administration are now in the revolving fund.

Mr. O'MAHONEY. I am not at all certain of that, because the figures to which the Senator just alluded and the information produced before the committee distinctly show that some fund, as I recall, was allocated to the Public Works Administration from the previous appropriation. The Senator from Tennessee, for example, referred to certain instances in which moneys allocated from previous appropriations have not been obligated and have not been expended because the projects have been held up by injunctions. Is not that correct?

Mr. ADAMS. I may say to the Senator that the tabulation furnished us by Mr. Bell, the Acting Director of the Bureau of the Budget, appears on page 348 of the Senate committee hearings. In that tabulation he shows that of the $4,880,000,000 appropriation there remains unobligated $15,000,000 in the Public Works Administration; of the $3,300,000,000 appropriation there remains unobligated $1,000,000; and of the $899,000,000 Emergency Relief appropriation there remains unobligated $1,000,000, or a total of $17,000,000 unobligated in the Public Works Administration.

Mr. O'MAHONEY. That is exactly the point. So the Senator proposes an amendment which cuts off the unexpended balances for the W. P. A. and for every other agency except the Public Works Administration. I now ask the Senator why the Public Works Administration should be put into a different category from any other department? Let me say to the Senator that I believe that the appropriation of this unexpended balance——

Mr. ADAMS. The Senator is not speaking by the book. Will the Senator wait a moment? The Senator says that the Public Works Administration is the only one which will be affected.

Mr. O'MAHONEY. I beg the Senator's pardon. Of course, the General Accounting Office and the Treasury and other departments are also affected; but I am now speaking of the agencies which have been set up under the special fund. I believe the unexpended balances of the Public Works Administration should be reappropriated, because I presume that if they are not reappropriated the inevitable effect will be to cut off valuable and important projects which have been heretofore approved, and I am sure no Member of this body wants to do that. I feel that the same rule which we apply to the Public Works Administration ought to be applied to the Works Progress Administration.

Mr. ADAMS. Mr. President, so far as I am concerned, I shall be very glad to decline to appropriate any unexpended balance, and simply cut off entirely the reappropriation of unexpended balances, letting Congress make its own appropriations, specify so much money, and specify the purposes for which the appropriations are made, rather than to reach back, as these appropriations do, to 1933, 1934, 1935, 1936, and 1937, and take entirely out of our hands the allocation of money appropriated for specific relief purposes, and which has been set apart in various compartments in amounts which the Members of the Senate do not know, and which it is almost beyond us to ascertain.

That is the reason why the Senate Appropriations Committee is suggesting to the Senate that if it would like to know where its money goes it should say so in the joint resolution. If the Senate is perfectly willing to act in the dark, so that it does not know the amounts which it is appropriating, or where they come from, or where they go, let it go ahead and appropriate the unexpended, unobligated balances.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. ADAMS. I yield.

Mr. McKELLAR. The Senator means, as I understand, that he is in favor of adopting the policy of discontinuing the reappropriation of unexpended balances.

Mr. ADAMS. That is correct.

Mr. McKELLAR. I am not sure that the Senator is not correct about it. However, this very year, time and again in appropriation bills we have reappropriated unexpended balances. Why should we take different action with respect to this particular measure?

Mr. ADAMS. I will say to the Senator that the fact that we may have been wrong once, twice, or a hundred times is no reason for not straightening out our course when the proper course is pointed out to us; and in no case have we gone back and reappropriated the balances from seven different funds, running back over a series of years.

Mr. McKELLAR. I do not think that has ever happened.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. ADAMS. I yield.

Mr. LODGE. Is the Senator from Colorado familiar with the projects in New York and Massachusetts to which the Senator from Tennessee referred, which, I believe, have not been completed?

Mr. ADAMS. I thought the Senator from Tennessee referred to projects in Tennessee.

Mr. McKELLAR. No; they were in Massachusetts and New York this time, though I frequently refer to projects in Tennessee.

Mr. LODGE. I believe they are projects undertaken by the Corps of Engineers with funds from the Emergency Relief appropriation. In my State they are flood-control projects in the Merrimack and Connecticut Rivers. I was wondering whether the Senator could tell me whether under this provision those projects would be completed?

Mr. ADAMS. I will say to the Senator from Massachusetts that nobody can tell what will happen under this joint resolution as to where the money will be spent. If the Senator from Massachusetts or other Members of the Senate want money to go to their projects, let them put the proper provision into the joint resolution. What are we doing in this measure? As it came from the House it merely appropriated, as an addition to the relief appropriation, an undetermined amount to be used in the discretion of the President. He may use it for the projects of the Senator from Massachusetts and other Senators or he may use it some place else.

Mr. McKELLAR. Mr. President, will the Senator yield to me sufficiently long to enable me to give him the information the Senator from Massachusetts asked for?

Mr. ADAMS. I yield.

Mr. McKELLAR. The Senator from Colorado says he does not know, and he does not think anybody can know, what will happen to the projects in which the Senator from Massachusetts is interested. I wish to read what General Pillsbury, the Acting Chief of Engineers, had to say about the projects to which the Senator from Massachusetts has referred. He says:

> If funds are no longer available on June 30, the above projects will have to be abandoned in a partially completed state, in which they would not serve the purposes for which the allotments were made.

Mr. ADAMS. Where does that testimony come from?

Mr. McKELLAR. I was reading from a letter from General Pillsbury dated June 14, 1937, showing what the effect would be on engineering works under the military branch of the Government.

Mr. ADAMS. Does the Senator from Tennessee feel that the military authorities are better advised as to the financial situation of the Government and what will happen to appropriations than is the Committee on Appropriations?

Mr. McKELLAR. I cannot answer that question.

Mr. BYRNES. Mr. President, will the Senator from Colorado yield to me?

Mr. ADAMS. I yield.

Mr. BYRNES. The letter read by the Senator from Tennessee states that the contingency mentioned would arise if on July 1 funds should not be available. It does not state whether under the appropriations heretofore made obligations have been entered into or contracts have been entered into. If obligations or contracts have been entered into, then, those funds are carried over, in addition to the billion and a half dollars. If that does not occur, then, on July 1, $1,500,000,000 will be available for the purposes set forth in previous bills, and would enable the apportionment of sufficient funds to complete some of the projects to which reference has been made.

Mr. ADAMS. May I ask the Senator if he understands that the Department is supervising or constructing the Works Progress Administration projects?

Mr. BYRNES. I did not know that they were.

Mr. ADAMS. I did not know so, either.

Mr. BYRNES. But the work has been done in the name of work-relief projects.

Mr. McKELLAR. Mr. President, will the Senator allow me to state further what General Pillsbury says?

Mr. ADAMS. Certainly.

Mr. McKELLAR. The letter is addressed to Colonel Harrington and reads:

DEAR COLONEL HARRINGTON: You asked to be advised if the action of the subcommittee of the Appropriations Committee of the United States Senate, in revising the relief appropriation to eliminate the provision for reappropriation of funds on hand, would affect the operations of this Department.

The elimination of this provision would seriously affect a number of projects being undertaken by this Department with funds provided from the emergency relief appropriation. These projects include—

And then there is a description of the projects.

Mr. ADAMS. Will the Senator be good enough to advise his military friend that the joint resolution and the amendment do not do what he seems to think they do?

Mr. McKELLAR. I agree with my military friend that they do exactly what my military friend says they do.

Mr. ADAMS. Just a moment. I wish to point out to the Senator that on March 31, according to Mr. Bell, there were $4,514,000,000 unexpended from the relief appropriations; that he anticipates that on the 1st of July there will remain unexpended $3,741,000,000. That amount will remain unexpended and available for these purposes if it has been set aside or obligated. The only portion of it that is affected by this provision is the portion which is unobligated and is not committed to any project. So there are $3,700,000,000 unexpended and available for the completion of projects in cases where the Government has entered into an obligation or a contract. We are not taking from those funds money available for the purposes mentioned. We are merely taking the money, for instance, $63,000,000, which is unallocated and which the President has in his hands absolutely, without strings and without allocation, and certain other funds. We are taking no money which in any way is committed to public improvements.

Mr. GEORGE. Mr. President, will the Senator yield?

Mr. ADAMS. I yield.

Mr. GEORGE. I should like to ask the Senator a question prompted by general statements which have been made that it was with the utmost difficulty that the committee was able to ascertain the amount of balances remaining unexpended from previous appropriations.

Mr. ADAMS. May I say that the committee had difficulty in agreeing about it?

Mr. GEORGE. Difficulty in agreeing about it?

Mr. ADAMS. Yes.

Mr. GEORGE. Let me ask the Senator another question. Is it ordinarily difficult to determine the amount of a general appropriation where a portion of the previous appropriation is unexpended at the time of the ending of the fiscal year?

Mr. ADAMS. No, sir. I will tell the Senator why the difficulty exists. It exists because we are dealing with several appropriations. The President has allocated money from this fund to over 40 different agencies. The President under the last bill allocated money to 20 agencies, and it is extremely difficult to gather the information from this multitude of agencies.

Mr. GEORGE. If the Senator from Colorado will pardon me, the suggestion that we have frequently and continually appropriated unexpended balances loses its entire force if we are dealing with certainties; but if, as in this case, we are dealing with odds and ends and balances left, and when even the members of the committee themselves are not able to agree from the testimony precisely what amount is involved, it looks to me as if an altogether different situation exists.

Mr. ADAMS. I will say to the Senator it seems to me that that situation is a conclusive reason for doing what we have done. We spent 2 days——

Mr. O'MAHONEY. Mr. President, may I interrupt the Senator?

Mr. ADAMS. Not until I have finished this statement. We spent 2 days and more with the Director of the Budget coming before us twice and Harry Hopkins coming before us twice, arguing with ourselves, and we left the committee room differing as to this item. It seemed to me that if we had reached a place where the computations led the committee studying them carefully to different conclusions it was time that we should reach a definite base and start with figures as to accuracy of which we were confident. As I have previously said, if more than a billion and a half dollars are needed, let us provide an additional amount in the joint resolution, but let us not reach back with a dragnet and see what we can get without knowing how much we are going to get or where it is going to come from. I am now glad to yield to the Senator from Wyoming.

Mr. O'MAHONEY. I understood the Senator from Colorado to say a moment ago that there were unexpended and unallocated in the river and harbor fund——

Mr. ADAMS. No; I did not mention at all the river and harbor fund.

Mr. O'MAHONEY. Then, I misunderstood the Senator. Referring, then to page 348 of the Senate hearings, to which the Senator himself alluded a moment ago, I find in the table there under the heading "Rough estimate of unobligated balances" the statement that the river and harbor fund will, on the 30th of June, contain $5,000,000, of which $1,000,000 came from the $4,880,000,000 relief appropriation and $4,000,000 from the $1,425,000,000 and $789,000,000 relief appropriations. So we are agreed, are we not, there is likely to be an unobligated balance of $5,000,000 allocated heretofore to rivers and harbors on the 30th of June of this year?

Mr. ADAMS. No; I cannot say that we are agreed, because I do not know that to be the fact.

Mr. O'MAHONEY. That is the statement in the report, is it not?

Mr. ADAMS. Let me read to the Senator a statement about this report.

Mr. Bell wrote me a letter when he sent this statement. He said:

I want to again impress upon you that these estimates are very rough and can represent only a guess as to what the situation will be on June 30 next.

Then further on he says:

The following represent my rough estimates of the unobligated balances of June 30, 1937, based on allocations through June 11, 1937, without consulting the various Government agen-

cies concerned, except in the case of the Works Progress Administration.

Then he says further:

The actual unobligated balance on that date for each organization may be entirely different from my estimate.

So I say I do not want to commit myself to things that Mr. Bell says are guesses and may be entirely inaccurate.

Mr. O'MAHONEY. I understand, and I quite sympathize with the attitude of the chairman of the subcommittee and of some of the members of the subcommittee with respect to this matter; but it seems to me that it is perfectly clear that no financial officer of the Government could give us an exact figure, because, as every member of the Appropriations Committee knows, there are items in transit upon the 30th of June which cannot by any possibility appear upon the books of the Treasury. There are items which may not be obligated until a week before the expiration of the appropriation period. The Director of the Budget was under the necessity of making a rough estimate. Only a moment ago the Senator from Colorado was referring to the fact that during the last 2 weeks of the present month the Works Progress Administration would necessarily be obligating funds for pay rolls in July. It is impossible in such circumstances for the Director of the Budget to state an accurate figure.

Mr. ADAMS. Not at all. I say not at all, for this reason: When we speak of items in transit, let me suggest to the Senator, that no item has any reason for going into transit until the issuance of the warrant and the entry of the item on the books. Without doubt, there is no justification for an item going in transit until that is done.

Mr. O'MAHONEY. But on the 15th of June, the 1st of July, or the 30th of March it is altogether physically impossible for the Director of the Budget or any finance officer to estimate what obligations should be made or may be made between that date and the end of the fiscal year.

Mr. ADAMS. The Senator draws the conclusion that we ourselves should make no effort to fix a line, but should reach back to 1933 and appropriate every unobligated balance accruing from 40 different funds, and simply say, "You may do what you please with these items of unexpended or unobligated balances."

Mr. O'MAHONEY. Not at all. I sympathize entirely with the objective the Senator has in mind, but I think it ought to be made perfectly clear to the Senate that if the amendment of the committee is adopted it will inevitably cut off funds which have been allocated to various projects.

The reason why I rose at this moment was to call attention to the fact that there have been allocated to river and harbor projects several million dollars which are neither expended nor obligated and which necessarily will revert to the Treasury, with the result that scores of projects all through the country will suffer. I do not believe it is the intention of the committee or of the Senator or of the Senate to visit that difficulty upon communities of the United States.

Mr. ADAMS. Of course it is perfectly easy to argue to the Senate and to each Senator that there may be some project in his State that is not going to get money if we perform our work in a businesslike way. It is perfectly easy to argue that money is obligated for some purpose and if we do not proceed to lump into this appropriation bill moneys appropriated back as far as 1933, they will not be available. For instance, on the 20th of May there was $475,000,000 unobligated, of which $118,000,000 came out of the $4,800,000,000 act of 1935; $325,000,000 came out of the two acts in 1936, one of $1,425,000,000, and the other, $789,000,000; $18,000,000 out of the $3,300,000,000 act; $10,000,000 out of the Drought Relief Act; $3,000,000 out of the $889,000,000 for public works; and $1,000,000 out of the $950,000,000 appropriated for the C. C. C.

The only point I am trying to make is that we should set our house in order. If the Marine Corps or some other branch of the Government should have money for a project, let us stand up like men, state it in the bill in so many words, and make the appropriation to carry on the project. But let us do it as a Congress. Congress, I thought, had charge of the national purse. We have made these great unrestrained, undefined appropriations to meet the relief problem of the country. We did not think we were making those appropriations for all manner of projects in every State in the Union. I think we have reached the point where we should say, "The money which we are appropriating in relief bills is for relief." Let us earmark it for relief and state clearly that the only purpose for which it is to be used is for relief and not for the construction of projects in communities which are solely interested in having the project and are not interested in feeding and clothing the hungry and the cold.

Mr. BARKLEY. Mr. President——

The PRESIDING OFFICER (Mr. THOMAS of Utah in the chair). Does the Senator from Colorado yield to the Senator from Kentucky?

Mr. ADAMS. I yield.

Mr. BARKLEY. I do not want to misunderstand the Senator, but I understood him to say Congress in the joint resolution ought itself to earmark the appropriations and designate the places where the money is to be spent.

Mr. ADAMS. What I think should be done is stated in this very measure. It is an amendment which was offered in and adopted by the committee. In line 6, page 3, the Senator will find the following language——

Mr. BARKLEY. There is a provision on page 3 in the form of an amendment designating the amount that can be expended for different classes of work, but that is not what I understood the Senator to have in mind a while ago.

Mr. ADAMS. The language which I was about to read is the following:

Provided further, That no portion of the funds hereby appropriated shall be allocated or used for any purpose except to provide relief or work relief for persons in need thereof.

That is my idea of earmarking the funds. Nobody could or should attempt to tell the President of the United States how or where he should set about to use the relief money. We cannot tell him just what relief is, but we can say to him—and I think we should say to him, as we are seeking to do in the measure now before us—that this money shall be used only for relief of needy people. That should be its primary purpose. If in order to accomplish that purpose, certain projects are to be constructed, well and good; but it is not the primary purpose of the measure to construct projects.

Mr. BARKLEY. I evidently misunderstood the Senator, which I do not want to do. I thought he said Congress should include in the measure itself, just as it used to establish post offices in the old days, a definition or statement of just where the money should be expended.

I do not want to misunderstand the Senator about another proposition. He does not believe, does he, that this money or any part of it ought to be expended exclusively for the purpose of feeding and clothing people rather than providing them work while they are being sustained, which work may provide useful projects?

Mr. ADAMS. The purpose, in accordance with the plan adopted by the Congress, is to provide relief through the employment upon useful projects of citizens of the United States who are in need.

Mr. BARKLEY. That is correct. Regardless of this language or any amendment, the fact is the President has already put that policy in force by requiring that all employment should be provided from relief or unemployment rolls in the communities where the works are to be carried on. It is not necessary to amend the law to accomplish that purpose.

Mr. ADAMS. There is a fundamental purpose which should be followed and that is the relief purpose through the provision of work relief by the employment of needy people. That is now the fundamental purpose.

Mr. BARKLEY. I quite agree with the Senator.

Mr. ADAMS. That should be done through the construction of useful projects, but we should not invert or reverse the situation and start by constructing useful projects and, merely incidental to their construction, employ people who are needy.

Mr. BARKLEY. I think the Senator is on sound ground. As I said a moment ago, that is already the policy of the President and the Works Progress Administration and, as a matter of fact, of the Public Works Administration also, because in all awards, in all contracts, and in the case of all projects approved recently it has been a sine qua non that the employees must be obtained from relief rolls.

Mr. ADAMS. If the Senator will go into the uses that have been made of the relief funds he will find there has been a very considerable liberality in the allocation of the funds.

Mr. BARKLEY. I think there should be. I do not want to be hard-boiled or hide-bound in such a matter.

Mr. ADAMS. I can point out to the Senator where relief money has been allocated to agencies which spent 100 percent of it in administration, 100 percent of the money allocated to the agency being consumed in administering the agency.

Mr. BARKLEY. I do not know what agency it was, and I would not undertake to pass upon the propriety of it.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. ADAMS. Certainly.

Mr. LODGE. Is it not true that under the terms of the joint resolution as it now stands the President could continue projects of the nature to which I previously adverted?

Mr. ADAMS. Unquestionably. He would have $1,500,000,000 with which to do it, together with the money which had previously been obligated.

Mr. LODGE. Is it true that, due to the proposed amendment, the work on projects would have to cease?

Mr. ADAMS. Not at all.

Mr. LODGE. That would not happen?

Mr. ADAMS. Not at all.

Mr. LODGE. There would be time to make new allocations and permit the projects to proceed?

Mr. ADAMS. A surplus of money is in the hands of the President and will be there the 1st of July. He starts the 1st of July with $1,500,000,000 of new money.

Mr. LODGE. All of the expert help would not have to be discharged and the project would not have to stop?

Mr. ADAMS. Absolutely not.

Mr. McKELLAR. Mr. President——

Mr. ADAMS. I yield to the Senator from Tennessee.

Mr. McKELLAR. If the amendment advocated by the Senator from Colorado should be adopted it is inconceivable that the President would be able to make the various allocations all over the country on some 300,000 projects on the first day of the new fiscal year, and keep them going. The President would have to wait until the machinery was arranged, the allocations made, and new contracts entered into, in order to complete the uncompleted projects.

Mr. ADAMS. The Senator from Tennessee is confusing two things.

Mr. McKELLAR. No; I am not. I am telling the Senator exactly what would happen.

Mr. ADAMS. The President and the Relief Administration do not make contracts. There is no occasion for the President or the Relief Administration under the W. P. A. to make contracts. When the Senator speaks of the Works Progress Administration there are contracts there. Under Mr. Hopkins' administration there are not merely 3,000 but over 50,000 projects under course of construction, no one of which will have to be stopped, because his supply of money will continue. He has adequate money to carry him up until the first of July. The billion and a half dollars will supplement his funds in such a way as to carry him on, so that not a single man on any of these projects will have, as a matter of necessity, to be laid off and the construction of the project stopped.

Mr. McKELLAR. Mr. President, I desire to explain to the Senator from Massachusetts [Mr. LODGE], in answer to his question, that General Pillsbury takes exactly the opposite view; and as he has charge of the work as Acting Chief of Engineers, that is what will happen. He says the work will stop; and, of course, it would be absolutely impossible for the President to start half a dozen projects in Massachusetts or New York or in any other State on the very first day of the fiscal year, and not only allocate the money but have it set apart and have all the necessary set-up for it.

Mr. ADAMS. Will the Senator again permit me to ask him to convey my compliments to the general, and say to him that it would be well for him to study the finances of the Government before he attempts to advise the Senate, because he is in error?

Mr. McKELLAR. I desire to say that I have known General Pillsbury for a very, very long time. He is one of the most accurate officers in the Corps of Engineers.

Mr. ADAMS. He does not know what is in this joint resolution.

Mr. McKELLAR. He knows more about appropriations than a great many of us who serve on the committee. I know that so far as the matters are concerned that relate to the engineering department, he knows more about them than I do, and I think he knows more about them than perhaps any other member of the committee. I refer to financial as well as military information, as a Senator suggests.

Mr. COPELAND. Mr. President——

Mr. ADAMS. I yield to the Senator from New York.

Mr. COPELAND. I congratulate the Senator from Colorado. He takes on the entire Senate, and several Senators at a time.

Mr. ADAMS. I will say to the Senator that they have me, and I cannot get away. [Laughter.]

Mr. COPELAND. I know; but our rules really do not mean anything. We get up and speak anyway.

I desire to pursue this matter, however. I was disturbed by what the Senator from Wyoming [Mr. O'MAHONEY] said about river and harbor items and flood-control items. The testimony before the Military Affairs Committee was that in flood-control work there is a possibility of an equal division of money, a dollar by direct appropriation and a dollar of labor under relief; that practically all the flood-control activities can be carried on in that way on the 50–50 basis. What is the significance of the statement of the Senator from Wyoming that, unless there is some change in the joint resolution, these activities will be discontinued? I think I am repeating what the Senator from Tennessee said out of order a few moments ago, but I should like to be reassured regarding this matter. May I ask the Senator about it? I see that the Senator from Wyoming is on his feet.

Mr. O'MAHONEY. Mr. President, with the consent of the Senator from Colorado, let us assume that the sum of $1,000,000 was allocated by the President out of the $4,880,000,000 appropriation of 1934 or 1935 for a rivers and harbors project. Let us assume that there have been expended out of that amount $250,000, and that contracts have been made for the expenditure of another $250,000. Therefore there would be expended and obligated the sum of $500,000. There would be a balance of $500,000 unobligated and unexpended. Under the amendment reported by the committee that $500,000 would lapse; and it would then be necessary for the President to dig into the $1,500,000,000 which we are appropriating for work relief and these other agencies to obtain the $500,000 to reallocate to this project and go on with the work.

Mr. ADAMS. What financial difference does it make whether we reach into one of the pockets or into the other?

Mr. O'MAHONEY. There is a very big difference, if I may say so to the Senator.

Mr. ADAMS. This money is all going into the same fund. On the Senator's theory, we were reappropriating these funds so that they were going in with the billion and a half dollars.

Mr. O'MAHONEY. I will say to the Senator that that was not my theory. The theory upon which I am operating is that under the amendment which the committee has

brought in here, definitely unallocated funds will lapse, and that should not be permitted to happen. Does not the Senator agree with me in that statement?

Mr. ADAMS. I cannot agree with the Senator in assuming that the law as it stands should not govern us.

Mr. O'MAHONEY. But the Senator avoids the question.

Mr. ADAMS. No; I am not avoiding the question. The Senator was assuming two things, one of which was that the making of contracts was involved. He illustrated making a contract for $250,000. No such contracts are made under the Works Progress Administration. The Senator overlooks the fact——

Mr. O'MAHONEY. But this provision refers to all agencies.

Mr. ADAMS. Just let me finish, please. The appropriation act under which the last appropriation, at least, was made, and into which all of the unexpended balances were gathered, provided that no project should be undertaken unless the money was absolutely and irrevocably set aside to complete it.

Mr. O'MAHONEY. Yes; but money irrevocably set aside would be withdrawn by the Senator's amendment.

Mr. ADAMS. No; not unless something can be withdrawn that has been irrevocably set aside.

Mr. O'MAHONEY. Let me read the language of the amendment:

> Unexpended balances which have—

What?—

> on the date of enactment of this joint resolution been obligated or the expenditure of which has been contracted.

The definition of the word "obligated" is the crux of this argument. "Obligated" does not mean "allocated."

Mr. ADAMS. I should say to the Senator that if money is irrevocably set aside, as the statute requires, it is obligated.

Mr. O'MAHONEY. What does the Senator mean by using the word "contracted"?

Mr. BARKLEY. Mr. President, if the Senator from Wyoming will permit me to interject a remark here——

Mr. O'MAHONEY. I am speaking in the time of the Senator from Colorado.

Mr. BARKLEY. Much of the work is being done, not by contract but by force account under the direction of the Works Progress Administration. None of that sort of work, which is in progress from day to day or from week to week, where relief labor is being employed by some agent of the Works Progress Administration, where there is no contract in the sense that a contractor has entered into an obligation for a certain price, and where there is no obligation that can be enforced on the part of the Government to continue it, would come even within the scope of the Senator's amendment. It would all stop immediately upon the signing of this joint resolution by the President, unless it should be delayed until after the 1st of July; and in that event the President would have to dig into this billion and a half dollars in order to go forward with that work, although there might now be enough money unexpended and unobligated to complete the project if the money were to remain available.

Mr. LEWIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Illinois?

Mr. ADAMS. I yield to the Senator.

Mr. LEWIS. I ask the Senator from Colorado please to note the assumption I now make:

Assume that the city of Chicago, in the State of Illinois—which I have the honor in part to represent, with my colleague—has had some understanding, so far as such understandings go, to the amount, say, of ten or twenty million dollars in respect to an airport undertaking, and twenty-five to fifty million dollars in advancement to the city in respect to a subway undertaking, an agreement being made at the time that the work is to be done upon these undertakings by those who are and who heretofore have been on relief. Suppose that under the amendment of the able Senator, tendered as a representative of the Appropriations Committee, this money is cut off and denied. In what manner, then, could the President or the W. P. A. carry out the agreement to grant this money, which heretofore, to use the words of the Senator from Kentucky and the Senator from New York and the Senator from Wyoming but a moment ago, has been obligated by some understanding with those who do make the contracts by which the work shall be done and the men be put to work? How will that work be carried on if this money is cut off?

Mr. ADAMS. I will say to the Senator that, in the first place, no money is being cut off.

Mr. LEWIS. Then, to what object is my able friend addressing his splendid philippic this afternoon?

Mr. ADAMS. I have endeavored to explain it. Apparently, I have not been successful. I will say to the Senator that the purpose is to carry out the statutes of the United States, which the Senator has had such a large hand in making.

Mr. LEWIS. And doubtless that is why they are deficient. [Laughter.]

Mr. ADAMS. Appropriations expire at the end of the fiscal year. All the appropriations which are now being talked about will expire on the 1st of July unless we take some action. The question is not whether we are taking money back, but how much are we going to appropriate? We are going to appropriate a billion and a half dollars; and the question is, Shall we also appropriate some other moneys which will not become available unless we include them in this joint resolution as an additional appropriation? I will say to the Senator that if we should strike out every word in the joint resolution in reference to unexpended balances—which would meet my approval—it would leave the situation just as I said it was. That is, none of the unexpended and unobligated balances would go over unless we should specifically appropriate them; so we are taking nothing away from anybody. It is a question as to how much we are going to give them in addition to that which they now have.

Mr. LEWIS. I say to the able Senator I cannot concur with him in his reasoning, but I will not take his time now. I merely wish to point out to him that if all he says be absolutely accurate, the fact will be that the President will be advised by our act that his power to carry out the understanding and the Works Progress Administration will be advised that its right to grant the money previously contracted have been cut off by our action.

Mr. ADAMS. If any contracts have been made they are absolutely protected by this joint resolution. If there has been any obligation of any kind, it is absolutely protected. As a matter of fact, we could not do away with it, because where money has been obligated, that money must be paid regardless. The money which may not be used after the 1st of July is that which has not been contracted, and that is the only money about which we are talking. The question is whether or not we shall pass on to the control of the President money as to which there is no contract. We are passing on some three and a half billion dollars of unused money as to which there are obligations and contracts. We are talking about some two hundred million dollars which has not been obligated. The question is whether or not we will make our appropriation vague and indefinite, or make it fixed.

Mr. LODGE. Mr. President, let me again refer to the flood-control projects along the Merrimac, Nashua, and Connecticut Rivers, to which I alluded earlier. These are being constructed by the Army engineers with W. P. A. labor, and they are fine projects from every standpoint. As I understand, under the pending joint resolution the continuation of these projects with unexpended balances would stop even if they could be started at once.

Mr. ADAMS. They would not stop at all.

Mr. LODGE. I thank the Senator. That is just what I wanted to know. The question I should like to ask now is, Is there a provision in the joint resolution which would assure that these projects which have already been begun would receive preferential consideration over W. P. A. projects which have not been begun?

Mr. ADAMS. There is no preferential consideration of anything provided. The money is specifically appropriated to be expended in the President's discretion.

Mr. LODGE. We would be trusting his judgment in selecting projects which have been begun?

Mr. ADAMS. It is true that as to every man in the United States who is on relief, if the President saw fit to say to Mr. Hopkins, "Is John Jones working on a project in Denver? If he is, cut him off", he would go off. John Jones might say, "Just where am I going to be? This appropriation runs out on the 30th of June. Am I going to have to stop that day and have the President issue another order putting me to work on the 1st of July?"

Mr. LODGE. We presume, then, that the Administration would follow the rule of common sense and continue the work already started. The Administration under this bill has as much authority in this respect as it has had from the beginning.

Mr. ADAMS. The words at the very beginning of the joint resolution are:

> That in order to continue to provide relief and work relief * * * in the United States.

That is the very purpose, and the declaration of the first sentence of the bill, to continue the work.

Mr. BARKLEY. That does not mean the continuation of any project; it means continuation of relief generally.

Mr. ADAMS. The projects have no place unless they are to provide relief.

Mr. BARKLEY. But that does not make the Government go ahead with them.

Mr. LOGAN. Mr. President, will the Senator from Colorado yield to me?

Mr. ADAMS. I yield.

Mr. LOGAN. I wish to see if I understand the contention of the Senator from Colorado. As I understand, it is not so much the appropriation of unexpended balances the Senator opposes as blindly appropriating them, and the Senator is contending that if they are to be appropriated the amounts ought to be put down in dollars and cents and added to the bill?

Mr. ADAMS. That is correct.

Mr. LOGAN. That is the whole contention, as I understand.

Mr. ADAMS. That is the whole story.

Mr. NEELY. Mr. President, I ask unanimous consent that the able Senator from New York be permitted to complete the question he started to ask the Senator from Colorado an hour and twenty-five minutes ago. [Laughter.]

Mr. ADAMS. I think, perhaps, I shall object, and then yield to the Senator from New York.

Mr. COPELAND. Mr. President, I think the matter over which I would worry is one about which I do not need to worry, because on page 2 the amendment inserted by the committee reads as follows, including a part of the original text:

> One billion five hundred million dollars, together with such unexpended balances which have on the date of the enactment of this joint resolution been obligated or the expenditure of which has been contracted.

If I understand that language, it means what it says. If the President has actually turned over to the Army engineers money to be used for the employment of relief workers on river and harbor or flood-control projects, if that obligation has been entered into and expenditure has been contracted for, by reason of the enactment of this joint resolution that money will be available for the purposes for which it was obligated and for which it was contracted. That is correct, is it not?

Mr. ADAMS. That is absolutely correct.

Mr. COPELAND. Then, why was the Senator from Wyoming worried about the river and harbor and flood-control projects? What was the significance, if I may ask, of his criticism of the joint resolution as written so far as these particular river and water projects are concerned? The Senator is now in the Chamber, and I ask him—and after I get through these questions and answers I will retire—what was the reason why the Senator from Wyoming was distressed over the matter of the obligation and contracting of sums to be used for flood-control projects?

Mr. O'MAHONEY. For the simple reason that I feel that it is unfair, as a general proposition, by the language of a joint resolution to upset definite allocations which have been made for public-works projects no matter what agency is carrying them out.

Let me add that this measure contains in title 2 a specific provision reappropriating the unexpended balances of the very funds which have been allocated to the Public Works Administration, and my discussion of rivers and harbors was a result of a question propounded by the junior Senator from Massachusetts, who was anxious to know what the effect would be on river and harbor allocations. I was merely calling the attention of the Senate to the fact that we here have two different rules, one of which reappropriates unexpended, unobligated balances for one agency, and the other of which repeals them for every other agency.

Mr. COPELAND. May I ask the Senator, is it a matter of the definition of words? Does the Senator make a distinction between an allocation of funds and an obligation?

Mr. O'MAHONEY. Absolutely.

Mr. COPELAND. What is the difference?

Mr. O'MAHONEY. An allocation is an act by authority of the President whereby there is set up upon the books of the Treasury an earmarked fund. For example, it is estimated that a particular project will cost, let us say, $4,000,000 to construct. Let us assume all the money cannot be expended within a particular year, all of it cannot be contracted within a particular year, but it is estimated that the total cost of the project will be, let us say, $4,000,000.

A certain proportion of that money is immediately contracted for, a certain proportion of it is obligated by word of mouth, and a certain other proportion is awaiting the development of the project before it falls into the category of being obligated or contracted. Therefore that balance would be withdrawn from that particular project by this language.

Mr. COPELAND. Let me press the matter with the Senator. Suppose the President allocates $10,000,000 for a flood-control project. Is not that an obligation?

Mr. O'MAHONEY. It is not an obligation, because it is merely an administrative act. And obligation is the engagement of the Government to lay the money out with some citizen, or corporation, or community.

Mr. COPELAND. Of course, to be honest about it, it seems to me we are splitting hairs.

Mr. O'MAHONEY. Mr. President, I will say to the Senator that I quite agree with him. My contention simply is that when the committee brings in an amendment restricting the reappropriation of unexpended balances to those funds which are technically obligated, or the expenditure of which is technically contracted for, they are splitting hairs, and they are doing it in a manner that will react unfavorably upon many communities in the land. We ought to reappropriate the allocated funds, and, therefore, I am for the reappropriation of all unexpended balances.

Mr. COPELAND. If I understand the Senator correctly, I do not think I can endorse what he says. The mere fact that we have in the past appropriated vast sums of money, more money than was needed to appropriate, so that there is a surplus, is, as I see it, no reason why we should now reach back and take that and add it to the money we are appropriating today. But I am clear in my mind that in cases where money has been allocated or obligated or contracted for in a specific direction, that amount of money should be included in this appropriation and added to the $1,500,000,000.

Mr. O'MAHONEY. That is exactly the principle for which I am contending, and I am sure the Senator from Colorado will tell the Senator from New York that the word "obligated" and the word "contracted" do not include the meaning "allocated."

Mr. COPELAND. I wish to defend the Senator, although he does not need any defense, and is well able to make his own defense. My feeling about the matter is that if, in a rather hazy way, an allocation had been made from this old fund for some department of government to spend as it saw fit, I should not be in favor of continuing that in this measure. But if any money has heretofore been appropriated, the projects for which it was intended to be spent have been studied, an agreement has been reached that they are worthy projects, and the money has been set aside to carry into effect those projects—if the administration has been obligated in a sense to spend that money—then I say that all such sums should properly be added to the billion and one-half dollars.

Mr. O'MAHONEY. Well, the Senator will vote against the amendment if that is what he wants to do.

Mr. COPELAND. Then I think we understand that we apparently do not agree; but I am not distressed now by reason of my immediate interest in river and harbor and water projects. I am quite clear that all sums which have been actually set aside and obligated for the purpose of carrying on these river and harbor improvements will be taken care of under the terms of the joint resolution as written.

Mr. McKELLAR. Mr. President, I shall take only a few moments to discuss this amendment.

The amendment will be found in two places on page 2 of the joint resolution. It will be found, first, in lines 3, 4, and 5. After the amount of $1,500,000,000, the language in the House bill was "together with such unexpended balances as the President may determine." The amendment proposed by the Senator from Colorado is, after the word "balances" in line 3, to insert:

which have on the date of enactment of this joint resolution been obligated or the expenditure of which has been contracted.

Again, on the same page, in lines 11, 12, and 13, the same words occur.

As I understand, we are now about to vote on only the first amendment, but what I have to say applies to both amendments. If the first one should be voted out or voted in, the other would be acted upon in the same way, as a matter of course.

Mr. President, I wish to say a word about these unexpended balances. This is the eighth relief measure which has been passed since 1933. In every other relief measure except the first we have appropriated the unexpended balances remaining under the appropriations in the preceding bill or bills. The reason for that is that the institution we have created is a very large one, having to do with some 50,000 projects, located in every State and in almost every county in the Union. An immense amount of money is required to carry on those projects even for a day, much more for a week or 2 weeks. So in order to carry out the proposal of relief and relief work, it is necessary for the W. P. A. to have a very large sum in its hands at all times.

For illustration, let us suppose that we were to reject the amendment proposed by the Senator from Colorado, and reappropriate the unexpended balances. Then at this time next June we should have about the same amount of unexpended balances remaining. We probably should not have exactly the same amount, but we should have the same sort of situation we now have; and if the W. P. A. were discontinued on the 30th of next June, about the same amount of money would remain in the Treasury as would remain if we were to discontinue the W. P. A. on the 1st of July this year.

What is called a "cushion" is required. Some hundreds of millions of dollars are required to keep going these projects all over the country. So if we want to continue the W. P. A. for another year it is absolutely necessary to leave the situation as it is at present.

Mr. President, it is true that these unexpended balances arise from moneys appropriated under a number of bills. They go back to the first relief bill of $3,300,000,000. Some of the money appropriated in that bill is unexpended. There is now in the hands of the President, according to the testimony, about $63,000,000 that he could allocate for hospitals or for schools or for any purpose that would bring relief and work relief. There is that much money in his hands today. If the amendment proposed by the Senator from Colorado were agreed to, one of the first effects of it would be that the President would no longer have that amount of money in his hands after the 1st of July unless, previous to that date, the President contracted for its expenditure, or, in the words of the amendment, unless he "obligated" its expenditure or contracted for it.

If the President were to say, "Here is a project in New York City, or in Cleveland, or in Oklahoma, which I think is a proper project, and I will allocate a million dollars for it", it would not be of any avail. That money would go by the board on the 1st of July. Other allocations which he has already made, some of which have been held up by injunction, would also go by the board on the 1st day of July. The result is that if this amendment should be agreed to it would result in virtually cutting off all projects for which money has been allocated, but for which it has not actually been obligated or contracted.

Mr. MINTON. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. MINTON. Is it not a fact that when the Works Progress Administration submitted the estimate of a billion and one-half dollars as the appropriation for this year, it took into consideration the fact that it would likely receive an appropriation of the unexpended balances?

Mr. McKELLAR. Of course; and that is the President's recommendation.

Mr. MINTON. And if it does not get the unexpended balances, instead of getting a billion and one-half dollars it will get a billion and one-half dollars less $223,000,000.

Mr. McKELLAR. The amount is not $223,000,000. It has been reduced to something in the neighborhood of $200,000,000.

Mr. ADAMS. Mr. President——

Mr. McKELLAR. If the Senator will permit me to make an explanation, I shall then gladly yield to him.

Let us consider this $200,000,000, or approximately $200,000,000. We cannot be entirely accurate as to the amount. There is some doubt about the exact amount, but it is in the neighborhood of $200,000,000. It is impossible, with 50,000 projects under way all over the country, to find the exact amount remaining. The Treasury figures cannot possibly agree with the W. P. A. figures, because the W. P. A. is expending money every day, and so there is a difference from day to day.

However, let us suppose about $200,000,000 are unexpended. In the first place, about $65,000,000 of that is to be paid to the employees for the first 2 weeks of July.

Senators, it would not make a particle of difference if we were to discontinue the W. P. A. on the 1st of July; we should have to pay those employees just the same, because under the law they are entitled to 2 weeks' pay. They must be given 2 weeks' notice of dismissal. So, even if we should stop W. P. A. absolutely, we should have to pay that sixty-odd million dollars.

Then there is another sixty-odd million dollars, or thereabouts—I cannot be accurate about the amount—for materials which have been bought. There has been no contract entered into, and there is no obligation with respect to them. There has simply been a purchase of materials, and, of course, we know that the Government is going to make good its purchase of materials; so that money has to be taken out of the total amount. When that is added to the fund necessary to carry on the business, we have the unexpended balances; and the unexpended balances should be reappropriated in this joint resolution.

Mr. BURKE. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. BURKE. I cannot understand how the Government could order and buy materials and not have any kind of contract or obligation with respect to them.

Mr. McKELLAR. There is no written obligation that goes on the books of the Treasury.

Mr. ADAMS. The Senator from Indiana, in asking a question, made the statement that evidently Mr. Hopkins and the Relief Administration expected something in addition to the billion and a half dollars if the joint resolution should pass. Mr. Hopkins was asked by the Senator from Nevada [Mr. McCARRAN] how much money he expected to get if the joint resolution was passed as it came from the House, and Mr. Hopkins said:

> Mr. HOPKINS. Well, Senator, in my opinion, when Congress passes this bill making this appropriation, the sum of money which we will be able to expend will not exceed $1,500,000,000.
> Senator McCARRAN. One billion five hundred million dollars?
> Mr. HOPKINS. Yes.
> Senator HAYDEN. That is for Works Progress?
> Mr. HOPKINS. No; altogether for the entire works program.
> Senator McKELLAR. If the unexpended balances are carried over?
> Mr. HOPKINS. That is my opinion.

In other words, Mr. Hopkins was only counting in his estimate on a billion and a half dollars. I may add that when he was asked the question he said he did not think the amount of unexpended balances that could possibly come to him would exceed $21,000,000. So he was not counting on anything extra.

Mr. McKELLAR. Mr. President, with all due deference, I think the Senator from Colorado is entirely mistaken. Mr. Hopkins said we were appropriating in new money this year a billion and a half dollars and that there were about $200,000,000 in all which were unobligated and unexpended, and that there would be about the same amount on hand the first of next July. In other words, he said that he will expend this year only the billion and a half that is in the pending measure, because he would have on hand next year about the same amount in the form of unexpended balances that he has this year. That is perfectly logical. We know that to be true; it cannot be otherwise, for an establishment of this kind cannot be operated without having on hand a large amount in unexpended balances.

Mr. MINTON. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. MINTON. And if Mr. Hopkins does not get the reappropriation of the unexpended balances, he will be short at the end of the next year by the amount of the unexpended balances the Congress fails to give him.

Mr. McKELLAR. Exactly. It will mean that we will be appropriating for W. P. A. this year about $1,300,000,000 instead of $1,500,000,000.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. BARKLEY. In other words, from the billion and a half now proposed to be appropriated there will be deducted the unexpended, uncontracted, and unobligated balances that will be left when the measure passes, and that at the end of the year there will be taken from it again the amount of the unexpended balances.

Mr. McKELLAR. That is exactly what would happen.

Mr. BARKLEY. So it is proposed to take out 2 years' unexpended balances from the net amount of the appropriation provided by the pending measure.

Mr. McKELLAR. If we stopped the W. P. A. on the 1st day of next July, that is precisely what would happen. In other words, they would have on hand on the 1st of next July about $200,000,000. If we should not now include the $200,000,000 of unexpended balances, that would leave the net amount to be expended at a billion three hundred million dollars.

Let us see what effect that would have. In order to meet the reduced appropriation for the ensuing year, namely, $1,500,000,000, Mr. Hopkins has already cut off nearly one-third of his force and nearly one-third of the people to whom relief is given. If the amendment advocated by the Senator from Colorado should be adopted, 120,000 people now on relief and needing relief would have to be dropped from the rolls. That is what would happen. That is why I am very much opposed to the adoption of the Senator's amendment. It would be a wrong to the people in need of relief. After making a tremendous reduction in the appropriation, representing one-third below that of last year—for last year Congress appropriated nearly $2,300,000,000, and this year it is going to appropriate $1,500,000,000—and after allowance has been made for that reduction by Mr. Hopkins, if a further reduction of unexpended balances is made it will mean that 120,000 more of the needy will not be cared for.

Mr. BARKLEY. Mr. President, as I understand the situation, with the appropriations that have been available, there are on the rolls of the employed under the W. P. A. about two and a quarter million people.

Mr. McKELLAR. Yes.

Mr. BARKLEY. With an appropriation of a billion and a half dollars, which is a reduction, of course, from the annual appropriation of a considerable amount, the number employed will have to be reduced from two and a quarter million to about 1,750,000.

Mr. McKELLAR. That is true; and if the unappropriated balances are not reappropriated the number will have to be reduced 120,000 more.

Mr. BARKLEY. So that, with the reappropriation of the unexpended balances, there will necessarily be a reduction of nearly a half million people on the employment rolls of the W. P. A.

Mr. McKELLAR. Those are the facts.

Mr. BARKLEY. And if we refuse to appropriate the unexpended balances, 120,000 more will have to be dropped from the rolls.

Mr. McKELLAR. Now, let me call attention to another thing. I see the Senator from Nebraska [Mr. NORRIS] whom we all love and admire sitting before me. He has been very much interested for a number of years in power questions. As the Senate knows and as the Senator from Nebraska knows, the President has allocated considerable sums of money for the building of electric light plants. He has $63,000,000 which he can use for that or other purposes between now and the 1st of July, although it is almost impossible to conceive that he could use it advantageously within that time. Take any city that has been allocated, as it is called, money for such a purpose. In other words, the President has written a letter to a city, say to the city of Birmingham, saying that so much has been allocated to aid in the building of a light plant, and suppose an injunction has been filed, as we know injunctions have been filed in nearly all such cases, against the building of the plant; then what happens to the allocation under the amendment of the Senator from Colorado? It would just wipe out the allocation entirely and the city of Birmingham would get no money.

Mr. ADAMS. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Colorado?

Mr. McKELLAR. I yield.

Mr. ADAMS. I understood from the Senator from Kentucky [Mr. BARKLEY] to say that if this amendment were adopted we would lose $200,000,000 of unobligated balances on the first of the year and then at the end of the year we would lose them again. So we are going to lose $400,000,000.

Mr. McKELLAR. The Senator from Kentucky meant relief would lose it and not that the Government would lose it, because next year, of course, if we stopped the W. P. A. on the 1st of next July, the unexpended balances would revert to the Treasury.

Mr. ADAMS. If we now give the Relief Administration $200,000,000, will it work the reverse, so that the $200,000,000 now will be $400,000,000 next year?

Mr. McKELLAR. No.

Mr. ADAMS. It would not work in that way?

Mr. McKELLAR. Not at all. It is just as Mr. Hopkins explained it. If the $200,000,000 of unexpended balances are reappropriated, this time next June there will be about the same amount, so that we will be actually expending only about a billion five hundred million dollars during this year. If the unexpended balances are not reappropriated, it will mean a cutting down of the appropriation of a billion five

hundred million dollars to a billion three hundred million dollars. That is all it is. Of course, that is the purpose of it. The Senator from Colorado could not have any other purpose. It is inconceivable that there could be any other purpose, because the Senator has voted time and again—he has voted six times, as I have, as I remember his votes, and if I am mistaken I hope I will be corrected——

Mr. ADAMS. I tried to follow the Senator from Tennessee.

Mr. McKELLAR. My recollection is that six times now we have voted in relief bills to reappropriate unexpended balances. Is not that so? The Senator has so voted six times. What is there in the present situation—what reason does the Senator have at this late date in the consideration of relief measures to come to the conclusion that he has been wrong six times heretofore in voting to reappropriate unexpended balances and that now he is right in desiring to prevent the appropriation of unexpended balances?

Mr. ADAMS. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield to the Senator to answer that question.

Mr. ADAMS. Will not the Senator yield a little beyond that?

Mr. McKELLAR. Yes; I will yield beyond that. I will yield to the Senator at any time.

Mr. ADAMS. The Senator belongs to a group who always believe that there is a place of repentance on the mourner's bench.

Mr. McKELLAR. No, sir; I am a Presbyterian and believe that whatever is, is, and whatever will be, will be, whether it is or not. [Laughter.]

Mr. ADAMS. Mr. President, the question of the unobligated balances crops up just as I indicated in the opening statement I made. The Senator from Wyoming [Mr. O'MAHONEY] pointed out a line of reasoning, which he has not followed clear through, which follows that pursued by Mr. Bell, the Acting Director of the Budget, who gives us a tabulation of compartments into which the unobligated balances have been distributed and from which it is said, if we adopt this amendment, they will be taken away.

This list only shows $17,000,000 going to the Public Works Administration. If Mr. Bell's statements are correct, we really cannot perpetrate the outrage on the Public Works Administration the Senator from Tennessee is portraying. In other words, there is only $17,000,000 unobligated which could be expended by the Public Works Administration for all the great projects in which the Senator from Nebraska and others are so much interested.

Mr. McKELLAR. The testimony before the committee was that the President had in his hands $63,000,000 which he could allocate for any purpose between now and the 1st of July; and if the Senator's amendment shall be adopted the President will be precluded from spending a dime of that money.

Mr. ADAMS. I will say, if the Senator will indulge me a moment——

Mr. McKELLAR. Indeed, I will.

Mr. ADAMS. That under the tabulation which the Acting Budget Director gave us day before yesterday, I think the unallocated money totaled $48,000,000. I notice the Treasury's statement, which was on my desk this morning, it showed this amount to be $50,000,000. The Acting Director of the Budget or someone else testified it was $63,000,000. I have had some difficulty in finding any accurate figures, but I wish to remind the Senator from Tennessee that some of the members of the committee felt that there really was a substantial amount of unobligated balances. We differed from others who felt that the amount of the unobligated balances involved in the amendment was very small. Mr. Hopkins said $21,000,000 and the Acting Director of the Budget said $23,000,000.

Mr. McKELLAR. I am sure the Senator wants to be accurate. The Senator will recall that both those gentlemen appeared before the committee, and I frankly admit there were discrepancies not only in the testimony of one as compared with the other but they were not exactly consistent with themselves occasionally. However, when one said $21,000,000 and the other said $23,000,000, it was pointed out that the money had to be paid out in the first 2 weeks in July, that the money had to be paid out for materials, and there was also $100,000,000 that they were obliged to have as a working fund to carry on the 50,000 projects. There is no real or substantial difference in their testimony at all.

Mr. ADAMS. The Committee amendment is not mine, though I happened to present it. I remind the Senator that in the committee there was a very close vote upon the amendment proposing to reduce the appropriation from $1,500,000,000 to $1,000,000,000, and it was only because of the fact that members of the committee felt that the unobligated balances, if they went back into the Treasury, would compensate for the failure to make the reduction which almost half the members of the committee felt ought to be made, that the motion did not prevail to reduce the amount to $1,000,000,000. I am calling attention to the fact that this item entered into the argument that revolved around the unobligated balance of only $21,000,000 or $23,000,000.

Mr. McKELLAR. I know the Senator will remember that I was opposed to any reduction of the $1,500,000,000; that I was opposed to the Senator's amendment to prevent the use of the unexpended balances; and that I was opposed to the amendment of the Senator from South Carolina [Mr. BYRNES] relating to the 40-60 plan.

I want to call attention to several other items, first the Public Works item. One witness said it was $15,600,000 and another said it was $17,000,000, but it is about that amount. That has been reappropriated in this very bill. The Senator so stated this morning, and I am sure he was correct about it. If it has been reappropriated, why should we reappropriate an unexpended balance for the P. W. A. and decline to reappropriate an unexpended balance for the W. P. A.? In principle I see no difference. I think in principle one is just the same as the other. If we reappropriate an unexpended balance for one, I do not see why we should not do it for the other.

Next is the Resettlement Administration. I believe the Resettlement Administration item is undisposed of. Some Senators from the West know more about it than I do; but, as I understand, if it is proper to reappropriate the unexpended balance in that case, it should be done in other cases.

Public roads have been taken care of in another bill, and that unexpended balance is reappropriated. Why should we reappropriate money for public roads and refuse to reappropriate money for the W. P. A.?

The unexpended balance of $18,000,000 has been reappropriated for employees' compensation. Why should we reappropriate for that purpose and not reappropriate for the W. P. A.? I do not see any difference in principle or policy.

I think it would be better if we could name the exact amount in every bill. Taking it generally, by and large, I think the policy of appropriating unexpended balances is probably a bad one, but how and why it should be done in the one case and not in another case is impossible for me to understand.

Through the years in all relief measures we have reappropriated unexpended balances, and yet we are asked to refuse to reappropriate such balances in this one case. I think we ought to reappropriate the unexpended balance in this case, as well as in other cases. I think the two amendments which we have been discussing are very unwise. The minority members of the committee, 10 in number, are opposed to it. The bill was really reported by a vote of 13 to 11, 1 member not being present who would have voted with the minority had he been present.

Mr. ADAMS. There was no record vote taken in the committee on this amendment.

Mr. McKELLAR. I think it was the same vote.

Mr. ADAMS. No; there was no vote taken on this amendment in the committee.

Mr. McKELLAR. I know the committee divided substantially 11 to 13. I think these two amendments are extremely unwise.

Mr. BORAH. Mr. President——

Mr. McKELLAR. I yield to the Senator from Idaho.

Mr. BORAH. I do not believe the Senator from Tennessee will be able to convince the Senator from Colorado, or that the Senator from Colorado will be able to convince the Senator from Tennessee.

Mr. McKELLAR. I am sure the latter is true.

Mr. BORAH. So I wish the Senator from Tennessee would talk to us on this side of the Chamber in order that we may have the benefit of his remarks.

Mr. McKELLAR. I shall endeavor to do so. I wish to show what will happen not only to the agency which we have been discussing but probably to 40 or 50 agencies of the Government which handle these funds in the event this amendment is agreed to.

I have here a letter dated yesterday, addressed to Lt. Col. Francis C. Harrington, Chief Engineer and Deputy Administrator, Works Progress Administration, Washington, D. C., and reading as follows:

WAR DEPARTMENT,
OFFICE OF THE CHIEF OF ENGINEERS,
Washington, June 14, 1937.

Lt. Col. FRANCIS C. HARRINGTON, C. E.
Chief Engineer and Deputy Administrator,
Works Progress Administration,
Walker-Johnson Building, Washington, D. C.

DEAR COLONEL HARRINGTON: You asked to be advised if the action of the subcommittee of the Appropriations Committee of the United States Senate, in revising the relief appropriation to eliminate the provision for reappropriation of funds on hand, would affect the operations of this Department.

The elimination of this provision would seriously affect a number of projects being undertaken by this Department with funds provided from the Emergency Relief appropriation. These projects include:

Project:	*Amount*
Channel improvement at Massillon, Ohio, a part of the Muskingum Valley project	$1,078,716.58
Merrimack River at Lowell, Mass. (36 percent completed)	316,956.45
Wallkill River, N. Y. (70 percent completed)	341,000.00
Survey of the Red River of the North (89 percent completed)	5,690.82
Nashua River at Fitchburg, Mass. (34 percent completed)	1,002,438.87
Merrimack River at Haverhill, Mass. (52 percent completed)	179,391.60
Connecticut River at Springfield, Mass. (65 percent completed)	77,495.22
Susquehanna River at Hornell, N. Y. (25 percent completed)	296,629.20
Susquehanna River at Painted Post, N. Y. (45 percent completed)	52,029.07
Susquehanna River at Lisle, N. Y. (25 percent completed)	60,006.72
Oxford, N. Y., channel clearing (18 percent completed)	49,664.07
Avoca, N. Y., channel clearing (40 percent completed)	12,257.32
Susquehanna River near Kingston and Edwardsville, Pa. (10 percent completed)	1,289,644.39
Susquehanna River near Wilkes-Barre and Hanover Township, Pa. (10 percent completed)	1,825,096.88
Ballona Creek and Arroyo De Los Jardines (part of Los Angeles project; 5 percent completed)	287,087.93
Verdugo Wash (part of Los Angeles project) (44 percent completed)	34,357.84

If funds are no longer available on June 30, the above projects will have to be abandoned in a partially completed state, in which they would not serve the purposes for which the allotments were made.

Very truly yours,

G. B. PILLSBURY,
Brigadier General, Acting Chief of Engineers.

Mr. BORAH. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. BORAH. Do I understand the Senator's contention to be that if the proposed amendment were adopted, all those projects would cease?

Mr. McKELLAR. They would absolutely cease, and the only possibility of their reinstatement would be from the $1,500,000,000, if application were made to the President. Of course, they would cease on the 1st of July, and it is not now long until the 1st of July. After that time, those who were interested in the projects could go to the President and secure additional money to complete those projects if the President desired to take that course. Otherwise, the projects would not be completed; and I do not think they ought to be left in that position. Especially ought they not to be left in that position in view of the fact that what we are doing now is simply to reappropriate unexpended balances, just as we have been doing for the past 5 years in these relief measures?

Mr. BORAH. Mr. President, how much does this amendment represent in the way of money?

Mr. McKELLAR. About $200,000,000. I do not think the Senator was here when I explained it.

Mr. BORAH. Yes; I was here, but I did not understand what the amount was.

Mr. McKELLAR. I am very sorry I did not make myself clear.

Mr. BORAH. It is about $200,000,000?

Mr. McKELLAR. Yes.

Mr. AUSTIN. Mr. President, will the Senator permit a question?

Mr. McKELLAR. Certainly.

Mr. AUSTIN. Apparently the joint resolution provides $630,000,000 for the type of projects mentioned in the letter of General Pillsbury, does it not? If so, is not that adequate for the completion of those projects?

Mr. McKELLAR. It would all have to be done over again, though, and new applications would have to be made. In other words, it would be a useless expenditure of money to go through all those processes again. If the Senator has had any experience—and I know he has, just as the others of us have had—in securing the building of projects in the various States, he knows how much trouble is involved and how long it takes to get projects through. Why do that when we know that we have about $200,000,000 in unexpended balances, that we have pursued this course all along, that it has been the uniform practice in the case of the last seven bills? I believe it is seven.

In the last seven bills, as I recall, we have reappropriated the balances every time. Now it is proposed to rub out that matter and start over again; and if we do that it will cost the Government a great deal more money and the relief workers will suffer and the projects will suffer.

Mr. AUSTIN. Mr. President, if the Senator will permit another question——

The PRESIDING OFFICER. Does the Senator yield further?

Mr. McKELLAR. I do.

Mr. AUSTIN. I have to state that I am entirely unfamiliar with this matter of obtaining money for projects. So far as I can recall, I have not had any experience of that kind.

Mr. McKELLAR. That is very unfortunate. I forgot for a moment that Vermont was out of the Union. [Laughter.]

Mr. AUSTIN. Mr. President, Vermont was out of the Union for 27 years, an entirely independent country. Vermont annexed a part of New Hampshire, and afterward a part of New York, and finally, in 1791, annexed the rest of the Union; and she may have to do it again. [Laughter.]

Now, I will proceed with my question. From what the Senator says, I do not understand why it is necessary to add to this appropriation of $630,000,000 the sum of $200,000,000 out of so-called unexpended balances. Is it not necessary to go through the same formality, to go through the same effort, to obtain money out of the $200,000,000 referred to as unexpended, as it is to obtain the same allocations out of the $630,000,000 expressly provided for in the joint resolution?

Mr. McKELLAR. No; it is not, for this reason: The projects mentioned in the letter I read from the Acting Chief of Engineers have not only already been arranged for, but

they have already been undertaken under some contracts between the Emergency Relief Administration and the War Department. If the unexpended balances should be reappropriated, undoubtedly these projects would be completed; but if the unexpended balances should not be reappropriated, all the projects would be up in the air again, and whether or not they would be completed would depend upon the action of the officials of the Department.

Mr. AUSTIN. Mr. President, will the Senator submit to another question?

Mr. McKELLAR. Certainly.

Mr. AUSTIN. I understood the Senator to say that these W. P. A. projects are contracted for. Is that the Senator's understanding?

Mr. McKELLAR. I may have stated the matter too broadly. They are contracted for only in the sense that the W. P. A., through the engineering department of the Government, is building these projects with relief labor. When the present appropriation expires that will stop. The authorities have allocated—not obligated, but allocated—so much money to these projects. If the money that has been allocated is required to remain in the Treasury after the 30th of June, of course, these projects will not proceed.

Mr. AUSTIN. Then, as I understand the matter—and I am inquiring for information—it is purely a question of allocation, a simple process of devoting money to the completion of these projects in order that they may be completed. That is all there is to it; is it not?

Mr. McKELLAR. I do not agree with the Senator at all. I think that has very little to do with it. What the Senator from Colorado [Mr. ADAMS] desires to do is to cut the amount that those in need of relief will receive from $1,500,000,000 to $1,300,000,000, and if that is done it will take off of relief 120,000 persons who are now on relief and who need relief.

Mr. AUSTIN. Mr. President, will the Senator yield for a further question?

Mr. McKELLAR. Yes; I yield.

Mr. AUSTIN. If the argument were reversed, is not this the way in which it should be stated—that the proponents of the reappropriation are for increasing the amount of the total appropriation by this obscure and unknown amount, which has to be stated on the floor of the Senate in order that Senators may know what it is?

Mr. McKELLAR. Oh, no; not at all, for the reason that the House joint resolution—I do not know where it was prepared, but probably with the aid of the Department—provides as follows in perfectly plain language:

> There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, to remain available until June 30, 1938, and to be used in the discretion and under the direction of the President, $1,500,000,000, together with such unexpended balances as the President may determine.

Instead of that being unusual, the same provision has been carried in every single relief bill. I take it the Senator from Vermont voted for the six previous relief bills. I do not know whether he did or not.

Mr. AUSTIN. Mr. President, according to my recollection, I voted for all the relief bills, after an effort to amend them.

Mr. McKELLAR. Then in the six bills for which the Senator voted, he voted for the reappropriation of unexpended balances just as it is proposed to reappropriate them in this joint resolution.

Mr. AUSTIN. Mr. President, I must say that it does not appear clear to me that there is any good reason for reappropriating these sums where they are not obligated.

Mr. McKELLAR. Mr. President, I take a different view of the matter. I take the same position as I took with the Senator from Idaho and the Senator from Colorado. I do not think I could convince the Senator from Vermont, and I am quite sure he could not convince me.

Mr. BARKLEY. Mr. President, will the Senator yield to me to clear up a matter?

Mr. McKELLAR. I yield to the Senator from Kentucky.

Mr. BARKLEY. Reference has been made to the inability of the committee to obtain accurate figures with reference to the amount of unexpended balances. No suspicion is to be attached to that circumstance. It seems to me that the very nature of the work, its widespread existence in every community in the United States, and the impossibility of keeping daily balances on all these widely scattered projects make it utterly impossible on any day to know what the unexpended balances are.

Mr. McKELLAR. That is absolutely true. Both the acting Director of the Budget, who is an official of the Treasury Department, and Mr. Hopkins, who is at the head of the W. P. A., testified to that fact. For instance, they spend millions in a day; and it is impossible for the records of such expenditures to be turned over to the Secretary of the Treasury and accurate books or accounts kept every minute of the day, or every day of the week.

Mr. BARKLEY. Not only is there nothing strange about it, but if we were able to have at the end of each day an accurate account of all the unexpended balances, it would look "phony."

Mr. McKELLAR. It would. I do not believe it could be done. I do not believe it was ever intended to be done. There is no reason why it should be done.

Mr. BORAH. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield to the Senator from Idaho.

Mr. BORAH. As I now understand the proposal, by this amendment the committee would practically reduce the appropriation from $1,500,000,000 to $1,300,000,000.

Mr. McKELLAR. That is true.

Mr. BORAH. And what the Senator from Tennessee would like to do would be really to increase the appropriation $200,000,000?

Mr. McKELLAR. Oh, no; $1,500,000,000 will be spent this year, according to Mr. Hopkins' testimony, and about the same amount that is now unexpended will be unexpended at the end of next June. If we should stop this work next year, we should have $200,000,000 left. Only $1,500,000,000 is proposed to be expended.

Mr. BORAH. I understand.

Mr. McKELLAR. But if these unexpended balances were not reappropriated, only $1,300,000,000 would be spent this year.

Mr. BORAH. In all probability the amount which we are appropriating, whether it is $1,300,000,000 or $1,700,000,000, will be necessarily used?

Mr. McKELLAR. I think so.

Mr. BORAH. Nevertheless, the effect is that we are really appropriating $1,700,000,000?

Mr. McKELLAR. Yes; including the unexpended balances; but we shall have $200,000,000 on hand at this time next June.

Mr. BORAH. We may or we may not.

Mr. BARKLEY. Mr. President, I had not finished my question. I should like to ask the Senator one other question.

Mr. McKELLAR. Very well. I wish to yield the floor, however.

Mr. BARKLEY. As I understand, when the President sent to Congress his message on relief he recommended the appropriation of a billion and a half dollars of new money to be expended for work relief.

Mr. McKELLAR. That is true.

Mr. BARKLEY. And that message and that request contemplated the use of all the money Congress had previously appropriated under previous appropriation bills. Is not that correct?

Mr. McKELLAR. That is correct.

Mr. BARKLEY. So that whether the amount is two hundred million or a hundred and fifty million or a hundred million, whatever the amount is, the adoption of this amendment would mean that to that extent Congress would withdraw from the expenditure for work-relief money which it had already heretofore appropriated for that purpose, and which was taken into consideration when the President asked for this billion and a half dollars?

Mr. McKELLAR. That is my understanding.

Mr. BORAH. Mr. President, may I ask another question?

Mr. McKELLAR. Certainly.

Mr. BORAH. Does it not all come down to the question of how much is really necessary to carry on this work?

Mr. McKELLAR. Mr. Hopkins testified that even if the billion five hundred million and the unexpended balances all were appropriated, he would have to reduce the number of people who are now on relief by about one-third, that if the amendment of the Senator from Colorado were agreed to it would mean that 120,000 more people on relief would have to be taken off relief entirely. In other words, it would reduce the number of those on relief.

Mr. BORAH. We are considering, then, whether or not this amount, with the amendment of the committee, would be sufficient?

Mr. McKELLAR. Yes.

Mr. BORAH. And the Senator contends it would not be?

Mr. McKELLAR. I say it would not be sufficient. As I have previously stated, we have reappropriated these balances each year. It is absolutely necessary to have this money. It is called a "cushion"; I call it a working capital. They are obliged to have $200,000,000 to work on. There are some 50,000 projects scattered throughout the Nation. It is absolutely necessary, as the Senator from Idaho and every other Senator can see, that it will take a large amount of capital to run the organization and to do the work they are required to do, and I think it would be very unwise to adopt the amendment.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. BARKLEY. The Senator has referred to people on relief. The Senator means that even with the billion and a half dollars, in addition to the unexpended balances, the Works Progress Administration will have to take about one-third of those who are now working off the employment rolls?

Mr. McKELLAR. Yes.

Mr. BARKLEY. And if this amendment shall be agreed to, 120,000 more who are now working will be deprived of jobs.

Mr. McKELLAR. That is exactly what I stated, or tried to state. I hope I made myself clear, and if I did not, I am glad the Senator from Kentucky has cleared the matter up.

Mr. BORAH. Mr. President, is the Senator contending that it would be impossible to conduct the administration of this relief agency on the reduced appropriation without reducing those on relief to a state of hunger?

Mr. McKELLAR. That is what Mr. Hopkins testified.

Mr. BORAH. Those who are not members of the committee are not familiar with the details, and what I would like to know is whether Mr. Hopkins thinks this amount of money is absolutely necessary to take care of those who otherwise would be in want.

Mr. McKELLAR. He thinks it is absolutely necessary to enable his organization to take care of those who are out of employment, and who otherwise would be hungry, and would be a charge on somebody.

Mr. President, we have trusted the President of the United States seven times with the administration of the relief funds. We have given him control of these appropriations, made exactly as it is proposed to make the appropriation before us, joining the new appropriation with the unexpended balance. I believe the President has made good each time. Our country has been enormously benefited and improved by reason of our policy.

Mr. President, what would those on relief have done if it had not been for these appropriations? Many of them would now have been in their graves, through no fault of their own, if we had not made the appropriations. Why change our policy at this late date?

It is true that the country is now in better condition. It is also true that we have tremendously decreased the relief appropriation. The Senate will remember that at one time in one bill we appropriated $4,800,000,000. The next year the appropriation was reduced to three billion and some hundred million. Last year it was reduced to $2,300,000,000, or thereabouts, and this year it is reduced to $1,500,000,000. I sincerely hope that we may not need it at all another year. But I for one do not propose by my vote to deprive those who, without fault of their own, are without the necessities of life, and who can work on these useful projects, of the opportunity to do so. Why change our policy at this time, when the appropriation has been so materially reduced?

Senators, I think the amendment of the Senator from Colorado should be defeated.

Mr. BURKE. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. BURKE. Did the Senator express the hope that in another year we might not have to make any appropriation at all or a very greatly reduced appropriation, for relief purposes?

Mr. McKELLAR. I hope that we will not have to make any at all. If we have to make any, I hope we will have to make only a very small one. I am not one of those who believe that this system ought to be a permanent policy; I think we ought to get rid of it; but I know from the evidence which was brought before the committee that we are not able to abandon it at this time. It is the duty of the Congress to appropriate this money for relief purposes, just as was done in the House, and I hope that the pending amendment, and the other amendment providing for a 40-percent contribution by States and localities, will be defeated.

Mr. BURKE. Mr. President, if the Senator's hope is realized and it is not necessary to have a Works Progress Administration after June 30, 1938, the "cushion" about which much has been said will not be needed.

Mr. McKELLAR. We may need to reappropriate it, but if it is not used, it will go back into the Treasury.

Mr. BURKE. We will not need any money for the "cushion" for the first 2 weeks after the need for the W. P. A. has expired.

Mr. McKELLAR. No; if it is through by the 1st of June, of course, a substantial amount of the unappropriated balances will remain in the Treasury.

Mr. BURKE. I fail to understand the Senator's point that unless we provide now for that "cushion" for the first 2 weeks of July 1938, we are necessarily going to take 120,000 or 160,000 men off the W. P. A. rolls at this time.

Mr. McKELLAR. That is only a portion of it. As I explained to the Senate, it takes about a hundred million dollars working capital for this enormous concern. It takes a lot of money. The projects are scattered all over the country, in the Senator's State, in my State, in the State of every Senator here, and in some of the Territories, I believe.

Mr. President, I hope the amendment will be defeated.

Mr. REYNOLDS. Mr. President, I should like to ask the Senator a question.

Mr. McKELLAR. I will be delighted to answer if I can.

Mr. REYNOLDS. It is my understanding that if the committee amendment is defeated, that will not mean an appropriation of $200,000,000; it will merely mean that the Administration will be provided the opportunity to use that money that was appropriated and that was contemplated.

Mr. McKELLAR. Absolutely.

Mr. REYNOLDS. And if we find at the end of next year that the $200,000,000 is not needed or if we find at that time that no part of the $1,500,000,000 is needed, all of that money can be returned to the Treasury?

Mr. McKELLAR. Somewhere in the neighborhood of $200,000,000.

Mr. ADAMS. Mr. President, the Senator from Tennessee has conjured up a most terrible picture of what would happen if this amendment were adopted. If I had believed he was accurate I would not have voted for the amendment in the committee, and I would not vote for it on the floor. As a matter of fact, there is involved in this question, so far as the Works Progress Administration is concerned, $23,000,000. There will not be 120,000 people put on the streets if it is adopted; nobody will be put on the street by reason of the adoption of the amendment.

Mr. McKELLAR. I do not know what information the Senator has, but the Senator must recollect the testimony

of Mr. Hopkins that if his admendment were adopted 120,000 more people would be taken from the employment rolls.

Mr. ADAMS. I recollect very clearly Mr. Hopkins' testimony that only $23,000,000 was involved, so far as his funds were concerned. Mr. Bell's statement, which was furnished us a few days ago, fixes the amount of the Works Progress Administration funds at $23,000,000. What the majority of the committee is trying to do is to establish a sound principle of appropriating money, trying to escape from the thoroughly unsound method which has been pursued. We have felt that the Congress of the United States should spend the Government's money, should specify where it should go, and how much should be spent. The majority are opposing the making of undetermined, indefinable, unascertainable appropriations.

Mr. BORAH. Mr. President, undoubtedly the sound principle which the Senator says the committee is seeking to establish ought to be established. But, after all, the practical question which some of us must determine in voting upon this amendment is what effect it is going to have with reference to taking care of those who need to be taken care of. I would defer the establishing of a sound principle if it were going to result in those not being cared for who ought to be cared for. For myself, I shall be governed in my vote by what I think is really necessary to take care of the unemployed—and by "unemployed" I mean those who are willing to work but who cannot get work. I should like to have the Senator state what he thinks as to the sufficiency of this fund to take care of the relief situation, if his amendment should be agreed to.

Mr. ADAMS. In answer to the Senator from Idaho, I will say that, in the first place, there is one and one-half billion dollars provided in this joint resolution which will become available at the beginning of the fiscal year. That is not all. The public works portion of the joint resolution, which was added by the Senate and was not in the House measure, adds $300,000,000 more. In other words, there is eighteen hundred million dollars in this joint resolution. The House sent the measure over here with a billion and one-half dollars, and we have added $300,000,000 to it. In this amendment we seek to take off $23,000,000, and that is all it will take off the Public Works Administration, according to the acting Director of the Budget, and $21,000,000 according to Mr. Hopkins. We have added, as I have said, $300,000,000 for public works which the House did not include.

In addition to that, I will say that the present Congress, and the preceding Congress, passed the Social Security Act and a number of other acts to provide for persons in old age and to take care of unemployment. Certainly those great measures are going to take some of the burden off the relief funds. So my judgment is that the funds appropriated by this joint resolution are adequate. If they are not adequate there is one body and only one body which has the power and which should exercise the judgment to provide the needed funds. Congress has not hesitated a moment in being liberal. If the need for relief crowds upon these funds so that they are not adequate, Congress will be in session after a comparatively short recess and can act to make them adequate.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. ADAMS. Yes.

Mr. McKELLAR. The Senator will recall that the House made a provision with respect to that matter which will be found on page 6 of the joint resolution, as follows:

> The funds allocated hereunder to the Works Progress Administration shall be so apportioned and distributed over the 12 months of the fiscal year ending June 30, 1938, and shall be so administered during such fiscal year, as to constitute the total amount that will be furnished during such fiscal year through such agency for relief purposes.

The Senate has agreed to that provision with slight amendments, and it will undoubtedly become a part of the law. The purpose of the provision was to hold the appropriation within the billion and one-half dollars and the unexpended balances. The Senator recalls that fact.

Mr. ADAMS. And I approve of it.

Mr. McKELLAR. The Senator approves of it, and so do I. It seems to me that a much better rule to establish is that the money we now appropriate shall be allocated over the 12 months and spent by the Administrator in that way, rather than to hold out the hope that he may come back for a deficiency appropriation.

Mr. ADAMS. The Relief Administrator is now spending—and it is the low point in his expenditures—from $131,000,000 to $135,000,000 a month. This amendment will affect, at the outset, the expenditure of less than $2,000,000 a month. That is the proportion of the total which is involved in this amendment. The amount is relatively small. It seems to me that when the Congress provides moneys it should tie them as best it can to 12 monthly allocations; but, if a great emergency arises, Congress will not sit by and say, in the month of June, "Do not spend this money; it must last until the first of the year, and we will not now appropriate any more money to feed hungry people."

Mr. SCHWELLENBACH. Mr. President, will the Senator yield?

Mr. ADAMS. I yield.

Mr. SCHWELLENBACH. There is involved, in the total item of unobligated balances, $220,000,000?

Mr. ADAMS. Twenty-three million dollars is Works Progress money only.

Mr. SCHWELLENBACH. As I understood the argument between the Senator from Colorado and the Senator from Tennessee, the answer of the Senator from Colorado to the argument which the Senator from Tennessee made was that the projects to which the Senator from Tennessee referred will not be stopped after the 1st of July, because of the fact that the money for carrying them on will come out of the billion and one-half dollars.

Mr. ADAMS. And will come instantly. The minute the one ends, the other begins.

Mr. SCHWELLENBACH. If that is correct, is it not logical to conclude that the total amount available for the Works Progress Administration will be reduced by the amount that is transferred to these other agencies, and, despite the fact that only $23,000,000 is involved in the Works Progress Administration, that the whole $220,000,000 will actually be taken out of the billion and one-half dollars, and the amount available for the Works Progress Administration will be reduced by that amount?

Mr. ADAMS. No; it will not be taken out of the billion and one-half dollars. The fact is simply that these amounts will not be added to the billion and one-half dollars. The billion and one-half dollars is a net amount.

Mr. SCHWELLENBACH. The Senator from Tennessee contended that certain projects in this list which are outside of the Works Progress Administration would stop; that it would not be possible to get the obligations through by the 1st of July. The answer of the Senator from Colorado to that was that they would not stop, because there would be newly appropriated money to take the place of the money that is appropriated but unobligated. If those projects are going ahead, then the money for those projects is going to come out of the billion and one-half dollars. Is not that correct?

Mr. ADAMS. Yes; but I will say to the Senator from Washington that unobligated money is not money now applicable to those projects. The very fact that the money is unobligated means that it is not now applicable to those projects.

Mr. SCHWELLENBACH. It is allocated.

Mr. ADAMS. Not to those projects.

Mr. SCHWELLENBACH. It is allocated to various departments, and it is intended in its allocation to be used in certain types of projects which the Senator from Tennessee has described.

Mr. SMATHERS. Mr. President, will the Senator from Colorado yield to me so that I may submit a question?

Mr. ADAMS. Certainly.

Mr. SMATHERS. Am I correct in my understanding that at the present time there are certain sums, known as

unexpended balances, which will lapse on the 1st of July if not expended? Is that correct?

Mr. ADAMS. I shall have to make an explanation. All of the unexpended balances will not lapse. Only those unexpended balances which have not been contracted for will lapse. There is three and one-half billion dollars of unexpended balances. There is only $200,000,000 of unobligated balances. In other words, there is roughly $3,300,000,000 of unexpended balances which will continue to operate and to meet the costs of the various projects, and only $200,000,000 is involved in this question.

Mr. SMATHERS. With respect to projects now under consideration and continued to the 1st of July, when the unexpended balances lapse, the purpose of the Senator's amendment, as I understand, is to force the President to go into the new appropriation of a billion and one-half dollars to continue such projects, instead of reaching back into the old unexpended balances. Is that correct?

Mr. ADAMS. No; that is not correct. There is no intent of that kind, I will say to the Senator from New Jersey.

Mr. SMATHERS. I did not mean the intent; but that is the effect of the Senator's amendment, is it not?

Mr. ADAMS. No; it is not. As a matter of fact, at the present time there is a fund of money available for relief purposes. A large portion of that money has already been obligated. There is a small part of it of which no use has been made. It stands there just like the change the Senator has in his pocket. It is not in any way contracted for. It is free for the President to spend or not to spend as he pleases.

Our position on the committee has been, with respect to money which was free, that the Congress should say what should be done with it. That is all that is involved—that Congress should say how much should be spent for these purposes; that we should not merely leave an unascertained and apparently unascertainable balance to be adjusted or spent or not spent as the President sees fit. We are definitely giving him $1,800,000,000 in this joint resolution. Then we seek to give him an amount of money which is free money, which he has not spent, which he has not obligated; and we merely say to him, "If you have not used it during the fiscal year, let Congress determine where it shall go."

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. ADAMS. I yield.

Mr. OVERTON. If it is the position of the Senator from Colorado that the objection to appropriating the unexpended balances is that the appropriation is of an indefinite and undetermined sum, I suggest to the Senator that that difficulty could readily be overcome.

It seems to be generally understood in the debate that the unexpended balances which have not been contracted for and have not been obligated, amount approximately to $200,000,000. I understand that the Senator from Colorado does not object to this relief resolution carrying $1,500,000,000, plus some additional definite amount, but he does object to an indefinite appropriation of unexpended balances. If that is the objection of the Senator from Colorado, let me make a suggestion.

Following the words, in line 3, "together with such unexpended balances", appears the committee amendment, "which have on the date of enactment of this joint resolution been obligated or the expenditure of which has been contracted." I suggest that there be added "and in addition the sum of $200,000,000", and then continue the language of the joint resolution, "as the President may determine, of appropriations made by", and so forth. That will remove the objection which the Senator makes as to the uncertainty of the appropriation.

Mr. ADAMS. I will say to the Senator that I shall be glad to have the Senate appropriate $1,600,000,000 or $1,700,000,000, and cut out all reference to unexpended balances and unobligated balances.

Mr. OVERTON. That would remove the uncertainty.

Mr. ADAMS. I am entirely agreeable to that. I am really representing the committee in trying to oppose a thoroughly unsound policy, a policy under which we find our funds shifting around where we cannot find them, either in amount or in location.

Mr. BORAH. Mr. President, I should like to ask the Senator a question. We are really debating not the question of appropriations but the question of a sound procedure with reference to making appropriations.

Mr. ADAMS. I think that is true, I will say to the Senator from Idaho, but there are other things necessarily underlying that, because every unsound policy leads to unsound practices.

The PRESIDING OFFICER (Mr. TRUMAN in the chair). The question is on agreeing to the amendment on page 2, lines 3, 4, and 5, which will be stated.

The CHIEF CLERK. On page 2, beginning in line 3, after the word "balances", it is proposed to insert "which have on the date of enactment of this joint resolution been obligated or the expenditure of which has been contracted", so as to read:

That in order to continue to provide relief, and work relief on useful public projects, in the United States and its Territories and possessions (including projects heretofore approved for the Works Progress Administration which projects shall not be subject to the limitations hereinafter specified in this section), there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, to remain available until June 30, 1938, and to be used in the discretion and under the direction of the President, $1,500,000,000 together with such unexpended balances which have on the date of enactment of this joint resolution been obligated or the expenditure of which has been contracted, as the President may determine, etc.

Mr. NORRIS. On that amendment I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. BYRD (when the name of Mr. GLASS was called). I desire to announce that my colleague the senior Senator from Virginia [Mr. GLASS] is necessarily detained from the Senate. He has a general pair with the Senator from Minnesota [Mr. SHIPSTEAD].

Mr. WHITE (when his name was called). On this amendment I have a pair with the Senator from North Carolina [Mr. REYNOLDS]. If he were present, he would vote "nay." If permitted to vote, I should vote "yea."

The roll call was concluded.

Mr. AUSTIN. I announce a pair between the Senator from Maine [Mr. HALE] and the Senator from Florida [Mr. PEPPER]. If present, the Senator from Maine would vote "yea", and the Senator from Florida would vote "nay."

The Senator from Minnesota [Mr. SHIPSTEAD] would vote "nay" if present. The Senator from Maine and the Senator from Minnesota are necessarily absent.

Mr. LEWIS. I announce that the Senator from Missouri [Mr. CLARK] is absent from the Senate because of a death in his family.

The Senator from Utah [Mr. KING] and the Senator from Connecticut [Mr. MALONEY] are absent because of illness.

The Senator from Texas [Mr. CONNALLY], the Senator from Nevada [Mr. MCCARRAN], the Senator from Florida [Mr. PEPPER], and the Senator from South Carolina [Mr. SMITH] are detained on important public business.

The Senator from Wisconsin [Mr. DUFFY], the Senator from Arizona [Mr. HAYDEN], the Senator from North Carolina [Mr. REYNOLDS], and the Senator from New York [Mr. WAGNER] are detained on departmental business.

The Senator from Utah [Mr. KING] is paired with the Senator from South Carolina [Mr. SMITH]. If present and voting, the Senator from Utah would vote "yea", and the Senator from South Carolina would vote "nay."

The Senator from Wisconsin [Mr. DUFFY] is paired with the Senator from New York [Mr. WAGNER]. If present and voting, the Senator from Wisconsin would vote "yea", and the Senator from New York would vote "nay."

The Senator from New Hampshire [Mr. BRIDGES] is paired with the Senator from Texas [Mr. CONNALLY]. I am not advised how the Senator from Texas would vote. The Senator from New Hampshire would vote "yea" if present.

Mr. HATCH. I desire to repeat the announcement made earlier in the day concerning the absence of my colleague the junior Senator from New Mexico [Mr. CHAVEZ], who is unavoidably detained on account of illness.

The result was announced—yeas 25, nays 53, as follows:

YEAS—25

Adams	Copeland	Johnson, Colo.	Truman
Austin	Davis	Lodge	Tydings
Bailey	George	Logan	Vandenberg
Bankhead	Gerry	McNary	Van Nuys
Burke	Gibson	Russell	
Byrd	Harrison	Steiwer	
Byrnes	Holt	Townsend	

NAYS 53

Andrews	Dieterich	Lonergan	Pope
Ashurst	Donahey	Lundeen	Radcliffe
Barkley	Ellender	McAdoo	Robinson
Berry	Frazier	McGill	Schwartz
Bilbo	Gillette	McKellar	Schwellenbach
Black	Green	Minton	Sheppard
Bone	Guffey	Moore	Smathers
Borah	Hatch	Murray	Thomas, Okla.
Brown, Mich.	Herring	Neely	Thomas, Utah
Brown, N. H.	Hitchcock	Norris	Walsh
Bulkley	Hughes	Nye	Wheeler
Bulow	La Follette	O'Mahoney	
Capper	Lee	Overton	
Caraway	Lewis	Pittman	

NOT VOTING—18

Bridges	Glass	McCarran	Smith
Chavez	Hale	Maloney	Wagner
Clark	Hayden	Pepper	White
Connally	Johnson, Calif.	Reynolds	
Duffy	King	Shipstead	

So the amendment of the committee was rejected.

Mr. WAGNER subsequently said: Mr. President, I wish to announce that I was absent from the Capitol upon official business and I misjudged the time of the vote on the amendment which was rejected a little while ago. I desire to have the RECORD show that, had I been present, I should have voted "nay."

Mr. McKELLAR. Mr. President, may I ask the Senator from Colorado, the chairman of the subcommittee, if he is not willing that identically the same amendment as that which has just been rejected, appearing in lines 11, 12, and 13, be now stricken from the joint resolution.

Mr. ADAMS. Certainly, that may be done.

Mr. McKELLAR. I ask that formal action be now taken to that effect.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 2, line 11, after the word "balances", it is proposed to insert "which have on the date of enactment of this joint resolution been obligated or the expenditure of which has been contracted."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was rejected.

The PRESIDING OFFICER. The next amendment reported by the Committtee on Appropriations will be stated.

The next amendment of the Committee on Appropriations was, on page 2, line 22, after the word "areas", to strike out "including projects sponsored by and for the benefit of nonprofit and cooperative associations", so as to read:

Provided, That this appropriation shall be available for the following classes of public projects, Federal and non-Federal, and the amounts to be used for each class shall not, except as hereinafter provided, exceed the respective amounts stated, namely: (a) Highways, roads, and streets, $415,000,000; (b) public buildings, parks, and other recreational facilities, including buildings therein, public utilities, including electric transmission and distribution lines or systems to serve persons in rural areas, sewer systems, water supply and purification, airports and other transportation facilities, etc.

Mr. LA FOLLETTE. Mr. President, may I ask the Senator from Colorado what prompted the committee to strike out the words, "including projects sponsored by and for the benefit of nonprofit and cooperative associations"? What was the objection to projects sponsored by organizations of that character?

Mr. ADAMS. There was no objection whatever to them. The reason for the amendment, however, was that this is a bill which specifically provides that the appropriation shall be for "public projects." It will be found on page 2, in line 15 that—

This appropriation shall be available for the following classes of public projects.

That has been true of all relief appropriations. The committee felt that, however meritorious a project might be, the moment we spread out and entered the field of private projects we were departing from a principle which was sound and which would embark the Government upon an endless field.

Mr. LA FOLLETTE. Am I to understand, then, that this language does not exclude any projects which have been authorized in the past?

Mr. ADAMS. If they have been authorized by a public body.

Mr. LA FOLLETTE. For example, I am not certain whether any projects have been sponsored by farmers' cooperative power organizations under the Rural Electrification Act. I do not know whether any such projects have ever been sponsored by them and approved by the W. P. A., but I wonder, in the first place, why the language was included by the House and, in the second place, why it was striken out by the Senate Committee on Appropriations. Was any testimony taken concerning it?

Mr. ADAMS. The language was inserted on the floor of the House. The Representative who offered it, Mr. RANKIN, of Mississippi, came before the committee and explained the situation to us. It was discussed with him, and the committee felt we ought not to go beyond the field of public projects.

Mr. LA FOLLETTE. Will the Senator explain what kind of projects, according to the author of the language, would be included?

Mr. ADAMS. As I understood from Mr. RANKIN's statement, he had in mind certain projects in his State sponsored by mutual organizations, not incorporated in the form of a public corporation, not a district, county, city, school district, or improvement district, but merely a voluntary grouping of individuals, carrying out certain enterprises which in their nature were private as distinguished from public. It did not seem proper to the committee to bring them into the class of public projects.

Mr. LA FOLLETTE. What I had particularly in mind, as indicated in my question to the Senator, is whether the language would cover cooperative electrical organizations which have been set up under the Rural Electrification Administration.

Mr. ADAMS. I assume it would cover them, and also would cover cooperative farm organizations, cooperative buying organizations—in fact, any form of cooperative organization.

Mr. NORRIS. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. NORRIS. Has the committee amendment on page 2, commencing in line 22, been disposed of?

The PRESIDENT pro tempore. That is the pending question.

Mr. NORRIS. I understood the clerk to read an amendment on page 3.

The PRESIDENT pro tempore. The pending amendment is the one on page 2, lines 22 and 23.

Mr. NORRIS. I desire to speak on the amendment.

Mr. President, the adoption of this amendment would preclude the allocation of any money under the Rural Electrification Act to any organization having a project sponsored by a nonprofit cooperative association. I can speak now with perfect freedom because the amendment will not affect my State in any degree. All organizations of farmers in my State, which are building rural electrification lines under the R. E. A., are not doing it through the instrumentality of a cooperative nonprofit organization, so that what I shall say has no application to my own State but I invite attention to the fact that it does have application to a very large number of States in the Union.

At a conference I had this morning with a representative of the R. E. A. Administrator—not with the Administrator himself but with one of his representatives—I was informed that under the R. E. A. Act loans made to organizations of farmers who are going into the business of constructing electric-light lines through the instrumentality of cooperative nonprofit organizations amounted to 87 percent of all the loans made to farm organizations, and every one of them will be affected by the committee amendment striking out this language.

In my own State the legislature which recently adjourned enacted a law particularly for the purpose of enabling farmers to take advantage of the R. E. A. Act. The law made provision for the farmers to get these loans and to organize what are termed "power districts." In most of the States such loans are obtained through cooperative organizations of farmers. It seems to me it is extremely unwise and unfair for Congress now to take this right from the great bulk of farm organizations which would be able to get some money allocated to them by the President, and make it impossible for any such organization to be designated by the President if he should wish to allocate any of this money to them.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. NORRIS. I yield.

Mr. BARKLEY. I do not know what the method is in various States—I presume there is some similarity—but in the State of Kentucky the rural associations of farmers make application for funds which will enable them to build electric-light lines.

Sometimes three or four or five counties are joined in the same project. The R. E. A. passes upon the application and makes the necessary loans and arrangements. By reason of the possibility of obtaining this form of rural electrification, in many communities the private companies have gone forward in an effort to provide all the facilities themselves, whereas previously they paid no attention whatever to the desire throughout the country districts to obtain electric facilities.

If the amendment should be adopted I am wondering whether the projects now under consideration, but which have not yet been approved or adopted, would be automatically stopped.

Mr. NORRIS. No; I do not think they would be automatically stopped, but the organization sponsoring them would be unable to get any money for that purpose.

Mr. BARKLEY. They would be able to get no money under the provisions of the appropriation?

Mr. NORRIS. That is correct.

Mr. BARKLEY. Where else could they get it?

Mr. NORRIS. They could get it under the R. E. A. Act.

Mr. BARKLEY. But that act does not provide a sum at all sufficient to enable the R. E. A. to approve all the projects which are really meritorious.

Mr. NORRIS. That is correct. I had a conference today with a representative of the R. E. A., as I said, and I was told by him that in my State of Nebraska applications have been made by farm-power organizations to borrow money under the R. E. A. Act which, in the aggregate, represent an amount greatly in excess of that available in 2 years under the R. E. A. Act. That is the situation before the first year under the act has expired.

A few months ago, talking with a Senator here in the Chamber, I was told that the same situation is arising in his State. Senators will remember that the R. E. A. Act was the first of its kind ever enacted anywhere. It was uncertain how much money would be taken. Some persons prophesied that there would not be any use for any money to speak of, and so we compromised. As the bill was introduced, it carried a much larger authorization for money than was in the bill as it was finally enacted. We compromised, and cut down the amount. The experience of the Rural Electrification Administrator shows that if we had retained the original high amount, it would not have covered the applications that are being made by farmers all over the United States to get some of that money in order to provide themselves with electric facilities on the farm.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. NORRIS. In just a moment.

I judge from what the Senator from Colorado [Mr. ADAMS] said in answer to the query of the Senator from Arkansas [Mr. ROBINSON] that all this difficulty comes about because these projects are not regarded as public projects. Technically, that may be true. To all intents and purposes, I do not know a single one of them in the United States that is not in reality a public project, nonprofit and cooperative in its nature. I am informed by the Administrator's attorney that there are some States in the Union where this is the only way they have to get money to establish a cooperative organization, and it is conceded to be a very fine way to do it.

The Senator from Georgia rose a moment ago. I now yield to him.

Mr. RUSSELL. Mr. President, I am interested to know just how the various local R. E. A. sponsors are to avail themselves of the funds provided in this measure. My State happens to be one of those in which we have a great many more applications pending to construct projects within the State under the original R. E. A. Act than funds are available for; but these sponsors of all those projects within my State have been borrowing the funds and assuming the obligation of repayment. Does the Senator understand that this language gives the President or the Administrator of the W. P. A. the right to loan money to these local projects?

Mr. NORRIS. No; I understand that this money is not in the control of the W. P. A. at all. This class of projects, however, is put in the same classification with highways, roads, streets, and public parks and buildings.

Mr. RUSSELL. In some sections of the country power lines are being constructed in part by relief labor paid out of relief funds, and the remainder of the funds are borrowed from the appropriation provided for the Rural Electrification Administration.

Mr. NORRIS. I presume so. I presume that these projects, as in the case of schoolhouses or similar public projects, could get allocations under the language of the joint resolution. I do not mean that striking them out of the joint resolution would prevent their borrowing money under the Rural Electrification Act as therein provided.

Mr. ROBINSON. Mr. President——

Mr. NORRIS. I yield to the Senator from Arkansas.

Mr. ROBINSON. A few moments ago the Senator from Wisconsin [Mr. LA FOLLETTE] asked questions of the Senator from Colorado as to the interpretation and effect of the language which it is proposed shall be stricken out, namely, "including projects sponsored by and for the benefit of nonprofit and cooperative associations."

It is not by any means clear to me that the interpretation which I understood the Senator from Colorado to place upon the language is correct; and the question I now address to the Senator from Nebraska is whether "including projects sponsored by and for the benefit of nonprofit and cooperative associations" is limited to "electric transmission and distribution lines or systems to serve persons in rural areas", or is broad enough to include any nonprofit and cooperative associations. In other words, would the language employed there, if not stricken out, permit the use of a portion of the funds appropriated in this joint resolution for a project of housing initiated by a nonprofit or by a cooperative association?

Mr. NORRIS. Mr. President, I should say it would not apply to that. However, I wish to say to the Senator—and I expect to go into that subject before taking my seat—that if there is any doubt about the meaning of the language which the committee strikes out, I certainly should be glad to have it made clear, and even to change the language.

For instance, it has been suggested by a member of the committee, beginning with the language stricken out, "including projects", that instead of that we insert "which may

be", so that it would read "which may be sponsored by and for the benefit of nonprofit and cooperative associations."

When we take that in connection with the language in line 20, "including buildings therein, public utilities, including electric transmission and distribution lines or systems to serve persons in rural areas"—we change that—"which may be sponsored by nonprofit and cooperative associations", I think that would make it perfectly plain, so that there would not be any doubt about it.

I say to the Senator that as far as I am concerned, and, I think, those who favor this kind of legislation, there is not any intention of reaching by this language anything except rural distribution lines established by cooperative organizations of farmers.

Mr. ROBINSON. Mr. President, will the Senator yield at that point?

Mr. NORRIS. Yes.

Mr. ROBINSON. I am not sure that the Senator from Colorado [Mr. ADAMS] heard this colloquy between the Senator from Nebraska and myself.

A question was raised as to the correctness of the interpretation which the Senator from Colorado placed upon the language which it is proposed shall be stricken out. It is my impression that it is intended to apply only to "electric transmission and distribution lines or systems to serve persons in rural areas", and I think the Senator from Wisconsin [Mr. LA FOLLETTE] had the same thought in mind when he interrogated the Senator from Colorado. Does the Senator from Colorado think that the language quoted, "including projects sponsored by and for the benefit of nonprofit and cooperative associations", would be broad enough to include any nonprofit or cooperative association, for whatever purpose organized?

Mr. ADAMS. I will say to the Senator from Arkansas that as a matter of legal interpretation of course it ought to be interpreted, as we say, in pari materia—that is, limited by that which has gone before that is of the same kind. I think that is the correct legal interpretation.

Mr. NORRIS. I think that is true; but, if the Senator desires, if it would make him feel that there is no doubt left about it, suppose we change "including projects", and say "which may be."

Mr. ROBINSON. If the Senator will pardon me for a further interruption at this point, I think the punctuation that is used here justifies the implication that a new class is created. If there were no comma following "areas", so that it would read "to serve persons in rural areas including projects sponsored by and for the benefit of nonprofit and cooperative associations", there would be little question as to the meaning of the language. But taking the whole context, and reading from "public buildings, parks and other recreational facilities", that is a second class; "including buildings therein"—that is a third class; "public utilities"—a fourth class; "including electric transmission and distribution lines or systems to serve persons in rural areas, including projects", and so forth, as if it were an entirely new class.

Mr. NORRIS. That is correct.

Mr. ROBINSON. And I am not sure that a court might not be justified in interpreting it to mean what I have stated.

Mr. NORRIS. We can easily amend that. In the first place, we can strike out the commas; and then if we use the words I have suggested, "which may be", that would refer directly to "areas"—"in rural areas which may be sponsored", and so forth.

Mr. McKELLAR. Mr. President, may I make a suggestion to the Senator? The Senator suggests changing the language to read "to serve persons in rural areas which may be sponsored by", and so forth. Does not the Senator think the better way of changing it would be "which projects may be sponsored?"

Mr. NORRIS. I think that would be all right.

Mr. McKELLAR. It seems to me that would be certain.

Mr. NORRIS. My own idea is that if we should strike out the comma after the word "areas", as suggested by the Senator from Arkansas, the language would be all right as it is, although I should not have any objection to the other language being used.

Mr. BONE. Mr. President, will the Senator yield before he makes his proposal for a change?

Mr. NORRIS. I yield.

Mr. BONE. I have been following this discussion; and it seems to me that in line 20, by using the term which is between commas, "public utilities", we would, of course, include private power utilities; and I think we ought to know whether or not we want to make loans to them. We have to determine whether we want to loan to private utilities, because they are really public utilities. The term "public" used there would have only its ordinary meaning; and any private power system is actually a public utility.

Mr. NORRIS. Let me make a suggestion to the Senator. Suppose we strike out the comma after "areas", and then there will be no doubt that the language applies to "electric transmission and distribution lines or systems to serve persons in rural areas sponsored by and for the benefit of nonprofit and cooperative associations." Then there could not be any doubt about its meaning.

Mr. BONE. I take it it is the Senator's purpose to restrict the loans to cooperative electric utilities?

Mr. NORRIS. Of course. I take it there would be no dispute on that point. Now, let me ask the Senator from Colorado whether it would be agreeable to him if we struck out the comma after the word "areas" in line 22 and struck out the word "and" in line 23 between "nonprofit" and "cooperative", so that it would read "nonprofit cooperative", and then restored the language the committee proposed to strike out?

Mr. ADAMS. So far as the committee is concerned, we merely struck the language out because we felt that it did not follow the provision of the paragraph in lines 14 and 15. We had no opinion in opposition to it. So far as I am personally concerned, it is entirely agreeable to me to have it applied to nonprofit cooperative associations.

Mr. NORRIS. I will have to get unanimous consent to propose the amendment, because the comma has not been stricken out by the committee, and I want to strike out in line 21 the word "including." I thought that while this matter was before us I would ask unanimous consent to offer those two motions, and then it would be agreeable, I think, to reject the committee amendment. Would the Senator object to permitting me now to offer an amendment to the text of the bill to strike out the word "including" and to strike out the word "and"? I could move to strike out the word "and", because that is in the committee amendment.

Mr. ADAMS. The Senator would not have to get unanimous consent merely to strike it out and insert something in place of it.

Mr. NORRIS. No; but under the unanimous-consent agreement committee amendments must be considered first.

Mr. ADAMS. Cannot the Senator amend it by moving to strike out the committee amendment and to insert in place of it a revision of it?

Mr. NORRIS. No. There is one word I want to strike out. Let me say to the Senate that I want to strike out in line 21 the word "including." That does affect my State and I want the word stricken out, because I think it does affect the State in a very prejudicial way.

As I said a while ago, in the State of Nebraska a measure was recently enacted by the legislature which has been signed by the Governor and is the law, and the legislature has adjourned. That act, passed in pursuance of consultations with the rural administrator here in Washington, was an effort to enable the farmers of the State to form power organizations in order to take advantage of the Federal law, and that act provides that farmers can form power organizations.

In consultation today with the general counsel for the Federal Relief Administration, I was worried a little about this word "including", and I asked him about it. Under the law applying to our State the electric transmission lines are not public utilities, and if we leave the word "including" in the

measure, I fear a court might hold, although I do not really believe it should, that it would be in effect making electric transmission lines public utilities, which would conflict with the law of my State, and make trouble in trying to carry out the Rural Administration Act. The word "including" certainly does not add anything here.

There is a comma after the word "utilities", and if we strike out the word "including", it will read "public buildings, parks and other recreational facilities, including buildings therein, public utilities, electric transmission and distribution lines." It separates the electric transmission and distribution lines from public utilities.

I may say to the Senator from Colorado that I do not know whether I made myself clear or not. I do not see how that word would do any good to anybody, but it might do harm in my State, and that is the reason why I want to strike it out.

Mr. LOGAN. Mr. President, may I ask the Senator this question: If we strike out the first word "including", to which he refers and which is not stricken out by the committee amendment, and then restore the word "including", which is stricken out, would that not make it read entirely satisfactory?

Mr. NORRIS. As I understand the Senator's question, it would be entirely satisfactory.

Mr. LOGAN. Then it would read:

> Including buildings therein, public utilities, electric transmission and distribution lines or systems to serve persons in rural areas, including projects sponsored by and for the benefit of nonprofit cooperative associations.

There are too many "includings" in it as it stands at present.

Mr. NORRIS. I ask unanimous consent that I may be allowed to offer an amendment to the text striking out the word "including" in line 21, page 2.

Mr. MURRAY. Mr. President, before the Senator's request is acted on, I should like to call attention to the fact that there should be some provision to permit farm organizations of a nonprofit character to construct dams and ditches, as well as rural electrification lines. There are a number of organizations of that kind in my section of the country, and I have one in mind at the present time which was just swept away by a flood.

Mr. NORRIS. I think that is provided for in the law now, under the Rural Electrification Act; but we have before us now an appropriation measure. The Senator's amendment certainly would not be proper on this joint resolution. My own idea, speaking from memory of the law, is that the amendment is not at all necessary. I think the organizations to which the Senator refers now have the power he would seek to give them. I think that in the administration of the law there have already been instances where the Rural Electrification Administrator has constructed, or loaned the money to construct, generating facilities. He could do that with a steam plant, or a dam, or a gas or oil plant.

Mr. MURRAY. The measure in its present form would not permit the W. P. A. to accept a project from a farm organization of a nonprofit character for the purpose of building or repairing a dam or a ditch, which is certainly work of a public character.

Mr. NORRIS. That cannot be affected. If the organization had authority under the Rural Electrification Act, then we could get an allotment under this joint resolution, if the President saw fit to give it, without putting any amendment in the measure. That would be the construction of a transmission line or distribution line, or the construction of a project authorized under existing law—not this measure but the law which provides for the Rural Electrification Administration. I ask the Chair to submit my request for unanimous consent.

The PRESIDENT pro tempore. Will not the Senator again state his request?

Mr. NORRIS. I ask unanimous consent that I may offer an amendment affecting the text of the original joint resolution by striking out the word "including" in line 21, page 2, and striking out the comma after the word "areas" in line 22.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the Senator's amendment will be stated.

The LEGISLATIVE CLERK. On page 2, line 21, before the word "electric", it is proposed to strike out the word "including", and on line 22, after the word "areas", to strike out the comma.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. NORRIS. Mr. President, I now desire to ask the Senator from Colorado whether he would rather that the language proposed to be stricken out by the committee should be changed, or whether he would not be satisfied to have the amendment rejected?

Mr. ADAMS. It is a matter about which there is no great question.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the committee on page 2, line 22.

The amendment was rejected.

The PRESIDENT pro tempore. The clerk will state the next amendment of the Committee on Appropriations.

The next amendment was, on page 2, line 25, after the word "flood", to strike out "control and other conservation" and to insert "control, conservation, eradication of insect pests, and minor miscellaneous."

The amendment was agreed to.

The next amendment of the committee was, on page 3, line 3, after the word "professional" and the comma, to strike out the words "and self-help."

Mr. SCHWELLENBACH. Mr. President, may I ask the chairman of the committee the reason for striking out the words "and self-help"?

Mr. ADAMS. I think I can answer by saying that we did not see any reason for leaving them in. That seemed to be a rather misplaced phrase.

Mr. SCHWELLENBACH. I asked the question because one of the Representatives from my State presented the amendment. It seems to me that the words "and self-help" in the text modify the words "persons", and, as such, have no meaning.

Mr. ADAMS. That was the feeling of the committee.

The PRESIDENT pro tempore. The question is on agreeing on the amendment of the committee.

The amendment was agreed to.

Mr. BONE. Mr. President, before we entirely pass from the subject which has been under discussion by the Senator from Nebraska, I should like to ask the Senator from Colorado to tell me whether or not in his judgment the use of the term "public utilities", in line 20, on page 2, would not imply the right to expend this money with any form of public utility, there being no qualification whatever in the use of the term? Public utilities comprehend telephone lines, telegraph systems, railroads, bus lines, truck lines, ferry systems, and similar utilities, and is it to be our policy, established by the Congress, to lend money to the American Telephone & Telegraph Co., or to the railroads, or to any organization that is comprehended in the term "public utilities"? If we leave that language in the joint resolution, that is a broad term, and the courts, or others who may be interpreting the law, can only be guided by what appears on the face of the record. I think we ought to qualify that expression. I believe we ought not to lend money to the American Telephone & Telegraph Co. for rural work.

Mr. ADAMS. May I ask the Senator if he has considered, in connection with his question, the beginning of the proviso, which says, "That this appropriation shall be available for the following classes of public projects", and as to whether or not that language limits and qualifies the other language so that the public utilities referred to could only be those owned by public corporations rather than privately owned utilities?

Mr. BONE. That is what I am trying to find out.

Mr. ADAMS. That is my understanding.

Mr. NORRIS. Mr. President, I did not hear all that was said on the other side of the aisle. As I read the joint resolution, there is no justification for the administration to lend money to the American Telegraph & Telephone Co. or any

similar organization, or to any private corporation; but it may lend money for projects sponsored by and for the benefit of nonprofit and cooperative associations connected with electric transmission and distribution lines or systems which serve rural areas.

Mr. BONE. Mr. President, I invite the Senator's attention to the fact that after the words "public utilities", ending at the beginning of line 21, there is a comma. It is in the disjunctive. We have set it off, we have identified it by the only language with which lawyers are familiar. Public utilities mean public utilities. Then we go on to add—because the Senator suggested setting it off completely—

Including electric transmission and distribution lines or systems to serve persons in rural areas, including projects sponsored by and for the benefit of nonprofit cooperative associations—

But the language is used in a disjunctive sense there. We have set "public utilities" off from the rest of the sentence. Unless the suggestion of the Senator from Colorado [Mr. ADAMS] should be the interpretation given to the language, I do not know how far we would let down the bars for loans to privately owned public utilities by this language.

Mr. STEIWER. Mr. President, will the Senator yield to me?

Mr. BONE. I yield.

Mr. STEIWER. Let me call the Senator's attention to the first part of the language in title I, which reads as follows:

That in order to continue to provide relief, and work relief on useful public projects—

This appropriation is made.

Then, again, on page 2 appears the language to which the Senator from Colorado called attention. Apparently this language limits the joint resolution to public projects; and I think that is made more clear by reason of the fact that the joint resolution is to continue to provide a certain type of relief, and in the earlier legislation upon the same subject the projects were limited to public projects. So far as I am advised, no grant or loan has ever been made to a private corporation, even though it is engaged in some utility operations; and if this joint resolution is regarded as supplemental to the earlier acts and as carrying forward the policy heretofore provided, it would not be interpreted as authorizing an advance to a private utility corporation.

Mr. BONE. Mr. President, the Senator from Oregon now is referring to relief funds, I take it.

Mr. STEIWER. All these projects are either relief or work-relief projects. No other kind is contemplated within the joint resolution.

Mr. BONE. The Senator, of course, is aware that the Rural Electrification Administration has made loans to private utilities in the rural electrification field.

Mr. STEIWER. That is not involved in this joint resolution.

Mr. BONE. I understand that; but, nevertheless, it is not antipathetic to the policy which Congress has adopted. The Senator may be accurate in what he has stated. I merely wished this matter explored a little before it passed, because it would be well to understand now that there is a possibility of loans being made to private utilities. I am willing, however, to accept the suggestion of the Senator from Colorado and other Senators that there is no probability of such action being taken under this joint resolution.

The PRESIDENT pro tempore. The clerk will state the next amendment of the committee.

The next amendment was, on page 3, after line 5, to insert the following proviso:

Provided further, That no portion of the funds hereby appropriated shall be allocated or used for any purpose except to provide relief or work relief for persons in need thereof: *Provided further,* That not to exceed 5 percent of the amount allotted or used by any department or agency may be expended for administration of such relief or work relief; except that this provision shall not apply to allocations made to the General Accounting Office, the Treasury Department, the Employees' Compensation Commission, or to the Resettlement Administration for administrative expenses in performing functions for or on behalf of the relief or work-relief program.

Mr. ROBINSON. Mr. President——

Mr. BYRNES. Mr. President, will the Senator yield to me to offer an amendment to this particular committee amendment?

Mr. ROBINSON. Yes; but I wanted to ask for an interpretation of certain language in the committee amendment. I shall wait until the Senator has offered his amendment.

Mr. BYRNES. The amendment which I send to the desk is simply a perfecting amendment.

The PRESIDENT pro tempore. The amendment to the amendment will be stated.

The LEGISLATIVE CLERK. On page 3, line 13, after the word "Office", it is proposed to insert the words "the Department of Justice."

Mr. ROBINSON. Mr. President, the language used in this committee amendment would seem to impose a very narrow limitation on the use of these funds, particularly if considered in connection with the amendment proposed by the committee to strike out section 10 on page 14.

The committee amendment reads, in part:

That no portion of the funds hereby appropriated shall be allocated or used for any purpose except to provide relief or work relief for persons in need thereof.

May I inquire of the Senator from Colorado what, in his opinion, is the true interpretation of that language?

Mr. ADAMS. I shall be very glad to give the Senator from Arkansas my interpretation. There might be question as to whether the interpretation is the true one.

Mr. ROBINSON. The Senator need not question his own interpretation unless he chooses to do so.

Mr. ADAMS. No; I do not. The occasion for that amendment, I will say to the Senator, was that in the preceding part of the paragraph there had been enumerated numerous kinds of projects, and we wanted to make it clear that in the construction of those projects the fundamental purpose was not the project itself but the granting of relief and work relief; that when, for instance, a building was constructed, the purpose of erecting it was to provide relief and work relief. It is merely a restatement of the first sentence of the joint resolution, which says:

That in order to continue to provide relief and work relief on useful public projects.

I will say to the Senator from Arkansas that, in my view of the matter, I should have been better pleased if the classification of various kinds of projects had been eliminated, and this sum of money had merely been turned over to the President with the direction that he use it for relief and work relief, and leave to him the full discretion.

Mr. ROBINSON. Mr. President, I should think that would be well worthy of consideration, for this reason: Manifestly in the case of every project it will be necessary to spend a portion of the fund used on the project for purposes which are not immediately for relief; in other words, for the purchase of equipment and material which are absolutely essential to all projects. The language used in this amendment is so restrictive and so narrow that it might be construed as forbidding the use of funds for the purchase of material. That thought is reenforced by the striking out of a provision on page 14 which gave the President express power—

To prescribe rules and regulations for the establishment of special funds in the nature of revolving funds for use, until January 30, 1938, in the purchase, distribution, or rental of materials, supplies, equipment, and tools—

And so forth. I assume that the Senate committee had no intention of limiting the use of the funds strictly to the employment of persons out of work.

Mr. ADAMS. For relief and work relief, and all things that were fairly included within those terms.

Mr. BYRNES. Mr. President, will the Senator yield?

Mr. ADAMS. I yield.

Mr. BYRNES. Is it the Senator's understanding that the words "work relief" give that authority? It was my understanding that that was the intention of the members of the committee who offered the amendment.

Mr. ADAMS. Yes; and I think that meaning has been given to the term over a period of years.

Mr. HOLT. Mr. President, will the Senator yield?

Mr. ADAMS. I yield.

Mr. HOLT. If the Senator will turn to page 3, in line 12, I suggest that after the words "or work relief" there be added "which amount shall include all salaries or wages of those who do not have relief status", in order to reach the type of administrative employee that works in an office or has charge of a project. Is there any objection to that?

Mr. BARKLEY. I should like to understand the Senator's suggested amendment before it is agreed to.

Mr. ADAMS. As I understood the amendment, it is a definition of administrative expense.

Mr. HOLT. I shall explain it. The provision, as I will explain to the Senator from Kentucky, is intended to catch employees who work in offices and are charged against a project, and in that way the administrative expense is cut down. Mr. Hopkins issued an order exempting all safety foremen from that group. That is the group that I intend to reach.

Mr. BARKLEY. Where is it suggested that the amendment be inserted?

Mr. HOLT. In line 12, on page 3. In other words, I propose that such administrative employees' salaries shall be included in administrative expense.

Mr. McKELLAR. I did not hear the Senator's suggestion.

Mr. HOLT. The proposed amendment to the amendment is on page 3, line 12, after the words "or work relief", to insert "which amount shall include all salaries or wages of those who do not have relief status." In other words, if an individual had relief status, and was still an administrative employee, his salary would not be charged against administration expense. The amendment to the amendment is intended to reach those who work in offices and are charged against the projects. I think the amendment proposed is the proper way of reaching the question of administration.

Mr. McKELLAR. The amendment, I understand, would come in after the word "relief", in line 12, on page 3?

Mr. HOLT. In line 12, on page 3.

Mr. McKELLAR. What is the exact language of the proposed amendment?

Mr. HOLT. The amendment reads:

Which amount shall include all salaries or wages of those who do not have relief status.

Mr. SCHWELLENBACH. Mr. President, the Senator started to give an illustration of the situation he intended to cover.

Mr. HOLT. In a given district there may be a number of safety employees who are not relief workers and yet such safety employees or foremen are charged to the project and are therefore exempted from the computation of administrative costs. The amendment is designed to reach that group. If a safety foreman had relief status he would not be charged against administrative costs.

Mr. ADAMS. Mr. President, it occurs to me, after listening to the reading of the amendment, that the definition is a little too broad; that is, the Senator is including everyone who does not have a relief status. There might be a project where it was necessary to employ, for instance, temporarily, an expert mechanic who is not available from the relief rolls and whose compensation ought not to be an administrative charge, for it is a definite charge against the project.

Mr. HOLT. I agree with the Senator as to that.

Mr. ADAMS. Therefore I think the definition ought to be qualified so as to make it clear that the employee is in an administrative or executive capacity.

Mr. HOLT. I accept such an amendment, and will modify the amendment in that way.

Mr. BARKLEY. Mr. President, I should like to ask the Senator from Colorado about this provision:

Provided further, That not to exceed 5 percent of the amount allotted or used by any department or agency may be expended for administration of such relief or work relief.

There are certain exceptions which include the Resettlement Administration, because of a certain very high administrative cost, due to the sparsely settled country, and other things in the rural districts. Take the Works Progress Administration, with an overhead here in Washington for the purpose of administration, and take the State director in any State of the Works Progress Administration, which has an overhead there. Is it intended that the 5 percent shall include all administrative purposes?

Mr. ADAMS. I may say to the Senator that this matter was discussed with Mr. Hopkins, and the provision was agreeable to him; that is, his administrative expenses are within that figure.

Mr. BARKLEY. What I am seeking to ascertain is whether that includes the combination of the administrative expenses in Washington in his office and also the administrative expenses in each State where there is a State director with a large number of employees of various types. Is the 5 percent to cover all that, or merely the administrative expense in the Washington office?

Mr. ADAMS. It covers it all.

Mr. McKELLAR. As I understand, the Administrator testified that the entire expense of the W. P. A., both here in Washington and in the field, amounted to 3.6 percent, that 5 percent was thought to be amply sufficient to cover it all, and the committee considered that such a limitation should be made.

Mr. BARKLEY. I use that, of course, as an illustration. I wanted to know whether it included both Washington and the field.

Mr. McKELLAR. It includes both. I think the amendment of the Senator from West Virginia is unnecessary, because there is ample leeway between 3.6 percent and 5 percent. I should think that would cover it.

Mr. HOLT. The amendment is designed to reach the particular group that have been exempted, such as safety foremen, and a good many engineers who work in the office and are charged against projects in the counties.

Mr. McKELLAR. The entire expense, as stated by the Administrator, was 3.6 percent, and that includes all groups.

Mr. HOLT. Yes; but that does not include—and that is the reason the figure is so low—the particular group that work within an office and yet are charged to particular projects.

Mr. SCHWELLENBACH. Mr. President, will the Senator yield?

Mr. HOLT. I am glad to yield.

Mr. SCHWELLENBACH. I think that the question which the Senator raises is one about which there arise more arguments between accounting departments and administrations in private business than in connection with any other one question. When it comes to the question whether a certain man is in the administrative department or in the operating department, countless discussions and arguments ensue, I think, in almost every business administration. That is the field the Senator wants to cover by his amendment. I think it would bring about many difficulties. Take an engineer who is working out the plans for the project; he is not doing any administrative work in the office; it may be that he is doing his work in some office; but, nevertheless, the value of that work is to the particular project; I think it is very properly charged against the project. I believe any reputable accountant would charge it against the project rather than against the general administrative expenses. I feel that the amendment which the Senator offers would get us into more difficulties than almost anything else I can think of.

Mr. HOLT. The amendment of the committee, according to the definition of the Senator from Colorado, as I understand, would prohibit the transfer of any individual from any office to a project, and, therefore, would limit the cost of administration. I want to reach that particular individual, because if we should allow the exemption to continue we would not have any limitation upon administrative expenses whatsoever. That is the group I want to reach, and I should

like to ask the Senator from Colorado if he thinks the language of the committee amendment reaches that particular group?

Mr. ADAMS. My attention was distracted for the moment.

Mr. HOLT. Does the Senator think the language reaches the individuals who work within an office in the different district State and Federal offices and are not chargeable to a project?

Mr. ADAMS. I do.

Mr. HOLT. And that there is no need to insert the particular language I have suggested?

Mr. ADAMS. The Senator, as I understand, has complained against the abuse of proper accounting methods; his complaint is against accounting methods rather than against the facts of the case.

Mr. HOLT. But, if we should provide a definition would not that strengthen and tighten the legislation?

Mr. ADAMS. I think the Senator from Washington made a good suggestion when he said that the adoption of the amendment would provoke many difficulties.

Mr. HOLT. If the provision as reported by the committee covers the ground, I have no objection, and I will withdraw my amendment.

The PRESIDENT pro tempore. The amendment of the Senator from West Virginia to the committee amendment is withdrawn. The question is on the amendment of the Senator from South Carolina [Mr. BYRNES] to the committee amendment. That amendment is to add in line 13 after the word "Office", the words "the Department of Justice." That is the amendment pending and the question is on that amendment.

The amendment to the amendment was agreed to.

The PRESIDENT pro tempore. The question recurs on agreeing to the committee amendment as amended.

The amendment, as amended, was agreed to.

The PRESIDENT pro tempore. The clerk will state the next amendment reported by the Committee on Appropriations.

The next amendment of the Committee on Appropriations was, on page 4, line 7, after the word "its", to strike out:

Completion; and no non-Federal project shall be undertaken or prosecuted under this appropriation unless and until adequate provision has been made or is assured for financing such part of the entire cost thereof as is not to be supplied from Federal funds.

And to insert:

Completion: *Provided further*, That after September 30, 1937, no new non-Federal project shall be undertaken or prosecuted under this appropriation unless and until (1) adequate provision has been made or is assured for financing such part of the entire cost thereof as is not to be supplied from Federal funds, and (2) at least 40 percent of the cost of the project is to be supplied from non-Federal funds, except that in any case in which the applicant for any such non-Federal project certifies in writing that it is unable to supply such 40 percent, the President is authorized, after investigation of the taxpaying capacity and credit of the applicant, to determine the maximum amount possible for such applicant to supply. The President shall furnish to the Secretary of the Senate and the Clerk of the House of Representatives, upon the 1st day of January and the 1st day of July 1938, a list of cases in which less than 40 percent of the cost of non-Federal projects was furnished by applicants, together with a statement of the amount furnished by the applicant in each such case,

So as to read:

Provided, That no Federal construction project shall be undertaken or prosecuted under this appropriation unless and until there shall have been allocated and irrevocably set aside Federal funds sufficient for its completion: *Provided further*, That after September 30, 1937, no new non-Federal project shall be undertaken or prosecuted under this appropriation unless and until (1) adequate provision has been made or is assured for financing such part of the entire cost thereof as is not to be supplied from Federal funds, and (2) at least 40 percent of the cost of the project is to be supplied from non-Federal funds, except that in any case in which the applicant for any such non-Federal project certifies in writing that it is unable to supply such 40 percent, the President is authorized, after investigation of the taxpaying capacity and credit of the applicant, to determine the maximum amount possible for such applicant to supply. The President shall furnish to the Secretary of the Senate and the Clerk of the House of Representatives, upon the 1st day of January and the 1st day of July 1938, a list of cases in which less than 40 percent of the cost of non-Federal projects was furnished by applicants, together with a statement of the amount furnished by the applicant in each such case.

Mr. BYRNES. Mr. President, I have conferred with the Senator from Arkansas and have informed him that a number of Senators who desire to be present when this amendment is discussed are unavoidably absent for the remainder of the afternoon. I ask unanimous consent that the amendment be passed over, and that the Senate proceed to consider the other committee amendments.

Mr. McNARY. The Senator refers to the amendment striking out the word "completion" and the language which follows beginning in line 7, and inserting a new provision in lieu thereof?

Mr. BYRNES. Yes.

Mr. McNARY. I should like to have that amendment go over for the day.

Mr. McKELLAR. In other words, the Senator asks that the 40-percent sponsors' fund provision go over for the day?

Mr. BYRNES. Yes.

Mr. ROBINSON. Mr. President, perhaps that amendment raises the most controversial issue involved in the joint resolution. I agree with the suggestion that the amendment go over.

The PRESIDENT pro tempore. Without objection, the amendment will be passed over temporarily. The clerk will state the next amendment.

The CHIEF CLERK. On page 5, line 4, it is proposed to strike out "This appropriation shall be available also", and insert "Not exceeding $100,000,000 of this appropriation shall be available for expenditure by the Resettlement Administration", and so forth.

Mr. McNARY. The Senator from Nebraska desired that that amendment go over, and, in his behalf. I ask that it go over.

The PRESIDENT pro tempore. Without objection, the amendment will be passed over.

The clerk will state the next amendment reported by the Committee on Appropriations.

The next amendment was, on page 6, line 10, after the word "funds", to strike out "allocated hereunder to the Works Progress Administration" and insert "herein appropriated."

Mr. McNARY. Mr. President, I think I have on my desk an amendment I desire to offer to this committee amendment. I should like to have the amendment go over, as I did not anticipate we would reach it this afternoon.

The PRESIDENT pro tempore. Without objection, the amendment will be passed over.

The next amendment was, on page 6, line 20, after the word "Government", to strike out "and to empower such agencies to prescribe rules and regulations", so as to read:

SEC. 2. In carrying out the purposes of the foregoing appropriation the President is authorized (a) to prescribe such rules and regulations as may be necessary and to utilize agencies within the Government to carry out the functions delegated thereto by the President.

Mr. LA FOLLETTE. Mr. President, may we have an explanation from the Senator from Colorado?

Mr. ADAMS. Mr. President, the idea the committee had in mind was to authorize the President to prescribe such rules and regulations as may be necessary and to utilize agencies within the Government, but we felt that the agencies themselves ought not to be given authority to prescribe rules and regulations. It was our belief that they ought to go back to the President for the rules and regulations and have his sanction.

Mr. LA FOLLETTE. Does the amendment change the existing procedure under the law?

Mr. ADAMS. I think the wording as it came from the House is existing law. There was a suggestion of a change in the law, but I am not absolutely certain about it. It seemed to us it was an unwise delegation of power. We did not feel that we ought to delegate to some subordinate agency the authority to make rules and regulations, but that the agency ought to come back to the President.

Mr. LA FOLLETTE. Was any testimony taken on this point?

Mr. ADAMS. None at all. It came up in an executive session of the Committee on Appropriations.

Mr. BARKLEY. Mr. President, as the Senator from Colorado is aware, the wage-scale regulations have varied in different sections of the country. They have been issued by the Administrator of the W. P. A. It may be that the President has been consulted about them. Would the adoption of this amendment make it necessary for the Administrator, not only of that agency but of any other similar agency, to have to take up all these details with the President rather than be able to have his agency take care of them?

Mr. ADAMS. I am not familiar with the situation the Senator has in mind.

Mr. BARKLEY. I am sure the Senator knows that the wage scale in different sections of the country has varied and also that the man-year allowance for projects has varied from time to time.

Mr. ADAMS. May I invite the Senator's attention to the next clause, which I think answers his question?

Mr. BARKLEY. That provides a minimum, but it still does not affect the question.

Mr. McKELLAR. It provides for the prevailing rates of pay.

Mr. BARKLEY. It relates to the rate of pay for laborers, but would it affect his ability to make a regulation affecting rules and regulations. I do not know that it is important, but would it affect his ability to make a regulation affecting the man-year allowance in money for projects in various parts of the country?

Mr. ADAMS. I do not think so.

Mr. HATCH. Mr. President, I understand it is the intention of the committee not to have the agencies make rules and regulations.

Mr. ADAMS. We do not want the President to delegate the power to some individual administrator and let him make his own rules and regulations to cover any situation that may arise.

Mr. HATCH. There is no restriction upon the power of the President?

Mr. ADAMS. None at all.

Mr. HATCH. He can make whatever regulations are necessary?

Mr. ADAMS. Yes.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the committee on page 6, line 20.

The amendment was agreed to.

The next amendment of the Committee on Appropriations was, on page 7, line 2, after the word "President", to insert the following proviso:

Provided further, That in the event the Congress or any Federal agency so authorized by act of Congress shall establish minimum rates of pay for persons employed by private employers in any occupation or occupations, thereafter no greater percentage differentials in the amount of compensation paid than the average minimum differentials established by the Congress or such Federal agency shall be applicable to persons engaged upon projects under the foregoing appropriations, and in the event no differential be established there shall be no differential in compensation applicable to such persons.

Mr. RUSSELL. Mr. President, I ask that that amendment may go over until tomorrow.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Georgia? The Chair hears none, and the amendment will be passed over. The next amendment will be stated.

The next amendment of the Committee on Appropriations was, on page 8, line 3, before the word "worker", to insert "relief"; in line 4, after the word "Administration", to strike out "who is needed and", so as to make the additional proviso read:

Provided further, That in order to insure the fulfillment of the purposes for which the foregoing appropriation is made and to avoid competition between the Works Progress Administration and other Federal or non-Federal agencies in the employment of labor on construction projects of any nature whatsoever, financed in whole or in part by the Federal Government, no relief worker shall be eligible for employment on any project of the Works Progress Administration who has refused to accept employment on any other Federal or non-Federal project at a wage rate comparable with or higher than the wage rate established for similar work on projects of the Works Progress Administration.

The amendment was agreed to.

The next amendment was, on page 8, line 9, after the word "any", to insert "relief", so as to make the additional proviso read:

Provided further, That any relief worker who has been engaged on any Federal or non-Federal project and whose service has been regularly terminated through no fault of his own shall not lose his eligibility for restoration to the relief rolls or for reemployment on any other Federal or non-Federal project on account of such previous employment.

The amendment was agreed to.

The next amendment was, in section 3, on page 8, line 23, after the word "employ", to insert "on such projects", and in line 24, after the name "United States" to strike out "on such projects" and insert "or aliens who have not prior to the enactment of this joint resolution filed a declaration of intention to become citizens", so as to read:

SEC. 3. The departments, agencies, or establishments having supervision of projects for which funds from the foregoing appropriation are made available shall not knowingly employ on such projects aliens illegally within the limits of the United States or aliens who have not prior to the enactment of this joint resolution filed a declaration of intention to become citizens and they shall make every reasonable effort consistent with prompt employment of the destitute unemployed to see that such aliens are not employed, and if employed and their status as such alien is disclosed they shall thereupon be discharged.

The amendment was agreed to.

The next amendment was, on page 9, line 6, after the word "citizens", to insert "who are in need and on relief rolls"; in line 8, after the word "aliens", to insert "who are in need and on relief rolls and"; in line 9, after the word "have", to strike out "taken out first papers" and insert "declared their intention to become citizens"; and in line 11, after the word "this", to strike out "act" and insert "joint resolution", so as to make the proviso read:

Provided, That preference shall be given to American citizens who are in need and on relief rolls in employment by the Works Progress Administration and next those aliens who are in need and on relief rolls and who have declared their intention to become citizens prior to the enactment of this joint resolution.

Mr. LA FOLLETTE. Mr. President, may I ask the Senator from Colorado a question?

Mr. ADAMS. Certainly.

Mr. LA FOLLETTE. As I read the amendment on page 9, beginning in line 8, it is intended to give preference, first, to American citizens, and, second, to aliens who have declared their intention to become citizens prior to the enactment of the joint resolution. Is that consistent with the language at the bottom of page 8?—

or aliens who have not prior to the enactment of this joint resolution filed a declaration of intention to become citizens.

Mr. ADAMS. Wherein does the Senator see any inconsistency?

Mr. BYRNES. Mr. President, if I may answer the Senator from Wisconsin, the Senator will see, in the language following, that preference is given to veterans of the World War and Spanish War. That is the same language that has been included heretofore relating to veterans.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The next amendment of the Committee on Appropriations was, on page 9, line 12, after the words "Spanish War", to insert "who are in need and on relief rolls", so as to make the additional proviso read:

Provided further, That veterans of the World War and Spanish War who are in need and on relief rolls shall be given preference for employment by the Works Progress Administration.

The amendment was agreed to.

The next amendment was, on page 9, line 15, after the word "officer", to strike out "named to have general supervision at the seat of government over the program and work contemplated under the foregoing appropriation and" and insert "or employee"; in line 18, after the word "salary", to insert "at the rate"; and in line 21, after the word "appropriation", to strike out the comma and "except persons now serving as such under other law", so as to read:

SEC. 4. Any Administrator or other officer or employee receiving a salary at the rate of $5,000 or more per annum from such appropriation, and any State or regional administrator receiving a salary of $5,000 or more per annum from such appropriation shall be appointed by the President, by and with the advice and consent of the Senate.

The amendment was agreed to.

The next amendment was, on page 10, line 5, after the word "State", to strike out "or county"; in line 6, after the word "bona-fide", to strike out "residents" and insert "citizens"; and in the same line, after the word "State", to strike out "or county", so as to read:

SEC. 5. Appointments to Federal positions of an administrative or advisory capacity under the foregoing appropriation in any State shall be made from among the bona-fide citizens of that State so far as not inconsistent with efficient administration.

The amendment was agreed to.

The next amendment was, on page 10, line 15, before the word "of", to strike out "resident" and insert "citizen", and in the same line, after the word "the", to strike out "State or Territory" and insert "State, Territory, region, or district", so as to read:

No part of the sums appropriated by this joint resolution shall be available to pay the compensation of any officer or employee of the United States who holds an administrative, executive, or supervisory position under this joint resolution, if the position is in any office located outside the District of Columbia or is on any project prosecuted in any place outside the District of Columbia, unless such person is an actual and bona-fide citizen of the State, Territory, region, or district in which the office or project is situated, but this provision shall not apply to the temporary and emergency assignment of any person to a position where the period of service in such position does not exceed 60 days.

The amendment was agreed to.

The next amendment was, on page 10, line 21, before the word "No", to strike out "(a)", and on page 11, line 2, after the word "candidate", to strike out the colon and the following additional proviso: "*And provided further*, That no part of the foregoing appropriation shall be available to pay the compensation of Works Progress Administration district officials unless such officials are bona-fide residents of the Works Progress Administration district in which the office is situated", so as to read:

SEC. 6. (a) No part of the foregoing appropriation shall be used to pay the salary or expenses of any person who is a candidate for any State, district, county, or municipal office (such office requiring full time of such person and to which office a salary attaches) in any primary, general, or special election, or who is serving as a campaign manager or assistant thereto for any such candidate.

The amendment was agreed to.

The next amendment was, on page 11, after line 7, to strike out:

(b) No part of the sums appropriated by this joint resolution shall be available to pay the compensation of any officer or employee of the United States who holds an administrative, executive, or supervisory position under this joint resolution if such person receives or earns compensation for personal services (rendered during the period when he holds such position) from any other source.

The amendment was agreed to.

The next amendment was, on page 11, after line 14, to strike out:

(c) No part of the foregoing appropriation shall be used to pay the salary or expenses of any person who is related to the State administrator, district manager, or county supervisor, or the appointing power within the third degree by blood or marriage.

The amendment was agreed to.

The next amendment was, on page 11, line 22, after the word "this", to strike out "act" and insert "joint resolution", so as to read:

SEC. 7. Hereafter all appointments of persons to the Federal service for employment within the District of Columbia, under the provisions of this joint resolution, whether such appointments be within the classified civil service or otherwise, shall be apportioned among the several States and the District of Columbia upon the basis of population as ascertained at the last preceding census.

The amendment was agreed to.

The next amendment was, on page 12, line 6, after the word "this", to strike out "act" and insert "joint resolution", so as to read:

In making separations from the Federal service, or furloughs without pay to last as long as 3 months, of persons employed within the District of Columbia, under the provisions of this joint resolution the appointing power shall give preference in retention to appointees from States that have not received their share of appointments according to population: *Provided, however*, That soldiers, sailors, and marines, the widows of such, or the wives of injured soldiers, sailors, and marines, who themselves are not qualified, but whose wives are qualified to hold a position in the Government service, shall be given preference in retention, in their several grades and classes, where their ratings are good or better.

The amendment was agreed to.

The next amendment was, on page 13, line 19, after the numeral "9" and the period to strike out "So" and insert "Subject to the limitations of section 1 of this joint resolution so"; in line 21, after the words "by the" to strike out "Director of the Bureau of the Budget" and insert "President"; and on page 14, line 1, after the numerals "1935" and the comma, to strike out "or as may be necessary for administrative expenses of any agency heretofore established by the President under section 4 of said act", so as to read:

SEC. 9. Subject to the limitations of section 1 of this joint resolution so much of the foregoing appropriation as may be determined by the President to be necessary for administrative expenses of any department, establishment, or agency of the United States for additional work incident to carrying out the purposes of such appropriation or the provisions of section 5 of the Emergency Relief Appropriation Act of 1935, may be allotted therefor by the President, and the funds so allotted shall be available until June 30, 1938, for expenditure in the discretion of the President for the purposes and in accordance with the provisions of the first paragraph of section 3 of said act.

Mr. LA FOLLETTE. Mr. President, may I ask the Senator from Colorado to state the effect of the committee amendment at the top of page 14?

Mr. ADAMS. I think that language was stricken out because the committee felt the matter was covered by the earlier provision in reference to the percentage that could be expended for administrative purposes.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The next amendment was, on page 14, after line 8, to strike out:

SEC. 10. In carrying out the purpose of the foregoing appropriation the President is authorized to prescribe rules and regulations for the establishment of special funds in the nature of revolving funds for use, until June 30, 1938, in the purchase, distribution, or rental of materials, supplies, equipment, and tools: *Provided*, That with the approval of the President, materials, equipment, and personnel of the Corps of Engineers, War Department, may be assigned to service in connection with flood-control and water-conservation projects prosecuted under this act notwithstanding that such projects have not been duly authorized by act of Congress: *Provided further*, That the requirements hereinafter established that no Federal construction project shall be undertaken unless and until there have been allocated and irrevocably set aside sufficient funds for its completion shall not apply to flood-control and water-conservation projects prosecuted hereunder.

The amendment was agreed to.

Mr. BARKLEY. Mr. President, my attention was distracted. What happened to the amendment on page 14, striking out section 10?

The PRESIDENT pro tempore. It was agreed to.

Mr. BARKLEY. I ask unanimous consent that the vote by which the amendment was agreed to be reconsidered.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the vote by which the amendment was agreed to is reconsidered.

Mr. BARKLEY. I should like to ask the Senator from Colorado why that section was stricken out. The provision, I understand, is the one which affects certain possible

flood-control projects that are not included in the act of 1936.

The language which is stricken out provides that—

In carrying out the purpose of the foregoing appropriation the President is authorized to prescribe rules and regulations for the establishment of special funds in the nature of revolving funds for use, until June 30, 1938, in the purchase, distribution, or rental of materials, supplies, equipment, and tools: *Provided*, That with the approval of the President, materials, equipment, and personnel of the Corps of Engineers, War Department, may be assigned to service in connection with flood-control and water-conservation projects prosecuted under this act, notwithstanding that such projects have not been duly authorized by act of Congress: *Provided further*, That the requirements hereinafter established that no Federal construction project shall be undertaken unless and until there have been allocated and irrevocably set aside sufficient funds for its completion shall not apply to flood-control and water-conservation projects prosecuted hereunder.

The facts are that this language was put in the joint resolution in the House in order to take care of a possible situation in recently flooded regions of the Ohio and other rivers of the United States where no authorization for flood-control projects was carried in the act of 1936. Of course, we all hope adequate funds are to be provided by Congress at least to make a respectable beginning in the flood-control projects and devices authorized last year under the bill reported and passed under the guidance of the Senator from New York [Mr. COPELAND]; but unfortunately that bill does not take care of situations that arose during the past winter in the lower Ohio, and other rivers tributary to it, and other rivers in the country.

In other words, as the matter now stands, there is no authorization for any flood-control projects outside of the Tennessee Valley and outside of the terms of the Act of 1936. If I am mistaken about that, I will ask my friend from New York [Mr. COPELAND] to correct me; but I think that is true.

Since the passage of the act of 1936 we have had the most disastrous flood in the history of the United States, involving about a million and a half persons, and causing damage estimated at nearly $400,000,000. Unless money is made available out of the funds appropriated in this joint resolution, or unless, in addition to the act of 1936, Congress authorizes the expenditure of funds for flood-control projects in the more recently flooded areas, there will be nothing available. It is my understanding that the House put in this section in order that there might be made available out of the appropriation, if the President found it was necessary and advisable, funds that might be expended for flood-control projects outside of those authorized in the act of 1936.

If that be true, and if it should turn out that we should not get any additional flood-control authorization at this session of Congress, it seems to me this language ought to be allowed to remain in the joint resolution.

Mr. ADAMS. Mr. President, I can make a very frank explanation of the action of the committee.

The subject came before the committee, and the Senator from Kentucky was not there, nor was any one else there who had a clear understanding of the matter; and we felt that we had better strike out that section, and then take it up in conference with the House, and work out what might be necessary. We did not strike out the section because of any disagreement with it on the part of the committee. It was due to a lack of explanation, and a feeling that if it should be stricken out by the committee and by the Senate the whole matter would be before the conference committee, and we could then reach those who could explain it to us.

Mr. BARKLEY. I appreciate that. The matter has been brought to my attention by a number of the Members of the other House who are vitally concerned with this proposal, and with the possibility of securing some assistance under this language. I can fully understand the situation to which they refer. It may be that the language ought to be revised. It may not be as clear as it ought to be; but I certainly should dislike to see the language permanently eliminated, so as to preclude the possibility of getting any assistance under this joint resolution in certain regions where the greatest disaster in the history of the country has recently occurred.

Mr. McKELLAR. Mr. President, when the matter came before the committee, there was no proof at all about it, as I recall; and the section seemed to have been adopted in the House as an amendment from the floor, if I am correct in my recollection. At all events, the purpose in striking out the section, as I understood, was not because the committee disagreed with it but simply to see if a better proposal could not be worked out in conference.

Mr. BARKLEY. With that explanation, I understand that the Senator from Colorado and the Senator from Tennessee are sympathetic with the objects intended to be accomplished by this language and will seek to work it out in better form.

Mr. COPELAND. Mr. President, I think the committee amendment is a wise one, because as the language of the section was written in the House there would be no orderly survey of projects to be undertaken; but certainly I agree with the Senator from Kentucky that in emergencies there ought to be some provision for dealing with them.

Mr. BARKLEY. It is difficult to work out the language here on the floor, and I appreciate the situation.

Mr. COPELAND. I have no doubt it can be done in conference.

Mr. HATCH. Mr. President, I desire to make an inquiry of the Senator from Colorado in connection with the subject discussed by the Senator from Kentucky and the Senator from New York. Recently in New Mexico there were some very disastrous floods on two rivers, the Rio Grande and the Pecos. Perhaps there were also floods on the Rio Grande in the State of Colorado. I do not know about that. Neither of those rivers is mentioned in the Flood Control Act of 1936. There is danger, perhaps, of recurrence of the floods on those rivers. Is it correct to assume, now that this language is stricken out, that no relief money could be expended on flood-control projects?

Mr. ADAMS. No; that is not my understanding, because if the Senator goes back to section 1 he will find specific provision for flood control.

Mr. HATCH. That is what I wanted to know.

Mr. ADAMS. That is in section 1 of the joint resolution.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the committee striking out lines 9 to 25 on page 14.

The amendment was agreed to.

The PRESIDENT pro tempore. The clerk will state the next amendment of the committee.

The next amendment was, on page 16, after line 8, to strike out:

SEC. 15. No part of the funds of the United States shall be loaned or granted, except pursuant to an obligation incurred prior to the date of the enactment of this joint resolution, to any State, or any of its political subdivisions or agencies, for the purpose of carrying out or assisting in carrying out any program or project of constructing, rebuilding, repairing, or replanning its penal or reformatory institutions, unless, under the laws of such State the sale in the open market of goods, wares, or merchandise, manufactured, produced, or mined in whole or in part by convicts or prisoners (except convicts or prisoners on parole or probation) has been prohibited.

Mr. ROBINSON. Mr. President, I desire to suggest two amendments to the original House text, with a view to asking then that the committee amendment be rejected, and that the House provision as amended be agreed to.

I send the amendment to the desk and ask to have it stated.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. On page 16, line 16, it is proposed to strike out all after the word "unless" down to and including the word "prohibited", in line 20, and in lieu thereof to insert:

The President shall find that the projects to be financed with such loan or grant will not cause or promote prison competition with private enterprises: *Provided further*, That prisoners may be used in the preparation of materials for and in labor upon the projects authorized as provided for in this section.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

Mr. RUSSELL. Mr. President, there were one or two members of the committee who were interested in this item who are not present this afternoon, and I suggest to the Senator from Arkansas that the amendment go over until tomorrow.

Mr. ROBINSON. I did wish to dispose of the matter this evening, if it could be done.

Mr. RUSSELL. I have just been advised that the Senators whom I had in mind do not care to have the matter postponed.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Arkansas.

The amendment was agreed to.

Mr. ROBINSON. I now propose another amendment, on page 16, line 9, after the word "funds", to strike out the words "of the United States" and to insert the words "appropriated in this joint resolution."

The amendment was agreed to.

The PRESIDENT pro tempore. The question now is on agreeing to the committee amendment striking out section 15.

The amendment was rejected.

The PRESIDENT pro tempore. The question now is on agreeing to section 15 as amended by the amendments of the Senator from Arkansas.

Section 15, as amended, was agreed to, as follows:

SEC. 15. No part of the funds appropriated in this joint resolution shall be loaned or granted, except pursuant to an obligation incurred prior to the date of the enactment of this joint resolution, to any State, or any of its political subdivisions or agencies, for the purpose of carrying out or assisting in carrying out any program or project of constructing, rebuilding, repairing, or replanning its penal or reformatory institutions, unless the President shall find that the projects to be financed with such loan or grant will not cause or promote prison competition with private enterprise: *Provided further*, That prisoners may be used in the preparation of materials for and in labor upon the projects authorized as provided for in this section.

EXECUTIVE SESSION

Mr. ROBINSON. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting the nominations of several collectors of customs, which were referred to the Committee on Finance.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

He also, from the same committee, reported adversely the nomination of Margaret Crew to be postmaster at Orchard Lake, Mich., in place of D. J. Wilson, whose commission expired February 5, 1936.

Mr. HARRISON, from the Committee on Finance, reported favorably the following nominations:

Raymond B. Stevens, of New Hampshire, to be a member of the United States Tariff Commission for the term expiring June 16, 1943, vice William J. Sears;

John O'Keefe, of Pembina, N. Dak., to be collector of customs for customs collection district no. 34, with headquarters at Pembina, N. Dak. (reappointment);

Passed Asst. Surg. Raymond A. Vonderlehr to be surgeon in the United States Public Health Service, to rank as such from April 10, 1937; and

Dr. Dwight K. Shellman to be assistant dental surgeon in the United States Public Health Service, to take effect from date of oath.

Mr. WALSH, from the Committee on Finance, reported favorably the nomination of Joseph A. Maynard, of Brookline, Mass., to be collector of customs for customs collection district no. 4, with headquarters at Boston, Mass. (Reappointment.)

Mr. HARRISON (for Mr. CONNALLY), from the Committee on Finance, reported favorably the nomination of William H. Gilliland, of Port Arthur, Tex., to be collector of customs for customs collection district no. 21, with headquarters at Port Arthur, Tex. (Reappointment.)

The PRESIDENT pro tempore. The reports will be placed on the Executive Calendar.

If there be no further reports of committees, the clerk will state in their order the nominations on the calendar.

THE JUDICIARY

The legislative clerk read the nomination of Albert Lee Stephens, of California, to be judge of the United States Circuit Court of Appeals for the Ninth Circuit.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of William Healy, of Idaho, to be judge of the United States Circuit Court of Appeals for the Ninth Circuit.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

HAROLD P. BURKE

The legislative clerk read the nomination of Harold P. Burke, of New York, to be United States district judge, western district of New York.

Mr. COPELAND. Mr. President, I should like to ask some representative of the Committee on the Judiciary if there was a hearing on the nomination?

Mr. HUGHES. Mr. President, I was the chairman of the subcommittee of the Committee on the Judiciary, to which the nomination was referred, and I spoke to the Senator from New York about it. The Representative in the House from the district affected [Mr. KELLY] asked that he be given an opportunity to present opposition to the nomination. I gave him as much time as he requested, and he presented some letters in opposition. Then I stated to him that our report would be made to the full committee on yesterday, and he said that that was satisfactory. The senior Senator from Idaho [Mr. BORAH] and I were on the subcommittee. I consulted the junior Senator from New York [Mr. WAGNER], and he said he was satisfied if Mr. KELLY had been accorded the courtesy which he requested. Mr. KELLY was satisfied and wrote me a letter to that effect.

Mr. COPELAND. The Senator will recall that my only request in the matter was that Representative KELLY be accorded an opportunity to be heard. I have no objection to the confirmation of the nomination, but I was anxious that the Representative be heard, and I have the assurance of the Senator from Delaware that he has been heard.

Mr. HUGHES. He was heard and presented all the letters he desired to present.

The PRESIDENT pro tempore. The question is, Will the Senate advise and consent to this nomination?

The nomination was confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask unanimous consent that the nominations of postmasters be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations of postmasters are confirmed en bloc.

IN THE ARMY

The legislative clerk read the nomination of Dichmann Peek to be brigadier general.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Frederic Harrison Smith to be brigadier general.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Philip Bradley Peyton to be brigadier general.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of William Bryden to be brigadier general.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk proceeded to read sundry other nominations in the Army.

Mr. SHEPPARD. Mr. President, I ask that the remaining nominations in the Army be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the remaining nominations in the Army are confirmed en bloc.

IN THE NAVY

The legislative clerk proceeded to read sundry nominations for promotion in the Navy.

Mr. WALSH. Mr. President, I ask that the nominations in the Navy be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations in the Navy are confirmed en bloc.

IN THE MARINE CORPS

The legislative clerk proceeded to read sundry nominations for promotion in the Marine Corps.

Mr. WALSH. I ask that the nominations in the Marine Corps be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations in the Marine Corps are confirmed en bloc.

RECESS

Mr. ROBINSON. I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 4 o'clock and 40 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, June 16, 1937, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 15, 1937

COLLECTORS OF CUSTOMS

Charles O. Dunbar, of Santa Rosa, Calif., to be collector of customs for customs collection district no. 28, with headquarters at San Francisco, Calif. (Reappointment.)

William B. George, of San Diego, Calif., to be collector of customs for customs collection district no. 25, with headquarters at San Diego, Calif. (Reappointment.)

CONFIRMATIONS

Executive nominations confirmed by the Senate June 15, 1937

JUDGES, UNITED STATES CIRCUIT COURT OF APPEALS

Albert Lee Stephens to be judge of the United States Court of Appeals for the Ninth Circuit.

William Healy to be judge of the United States Court of Appeals for the Ninth Circuit.

JUDGE, UNITED STATES DISTRICT COURT

Harold P. Burke to be United States district judge for the western district of New York.

APPOINTMENTS IN THE REGULAR ARMY

Ernest Dichmann Peek to be brigadier general.

Frederic Harrison Smith to be brigadier general.

Philip Bradley Peyton to be brigadier general.

William Bryden to be brigadier general.

APPOINTMENT, BY TRANSFER, IN THE REGULAR ARMY

Maj. Lawrence Locke Clayton to Coast Artillery Corps.

PROMOTIONS IN THE REGULAR ARMY

William Whinery Hicks to be colonel, Coast Artillery Corps.

Richard Herbert Somers to be colonel, Ordnance Department.

Eugene Bonfils Walker to be colonel, Coast Artillery Corps.

John Burges Johnson to be colonel, Cavalry.

Orva Earl Beezley to be lieutenant colonel, Field Artillery.

Frank Elmer Parker to be lieutenant colonel, Finance Department.

Edwin Fairbrother Ely to be lieutenant colonel, Finance Department.

Raymond George Moses to be lieutenant colonel, Corps of Engineers.

Wilhelm Delp Styer to be lieutenant colonel, Corps of Engineers.

Josef Robert Sheetz to be major, Field Artillery.

Charles Paul Cullen to be major, Infantry.

Frederic Arthur Metcalf to be major, Field Artillery.

Harry Emerson Storms to be major, Signal Corps.

David Dean Barrett to be major, Infantry.

Lawrence James Meyns to be major, Ordnance Department.

Thomas Harry Ramsey to be major, Quartermaster Corps.

PROMOTIONS IN THE NAVY

To be captain

Preston B. Haines

To be commanders

Henry B. Broadfoot
James P. Compton

To be lieutenant commanders

Walter R. Jones
Michael H. Kernodle
Jasper T. Acuff

To be lieutenants

Alfred M. Aichel
Paul R. Anderson
William F. Raborn, Jr.
Robert T. S. Keith

To be lieutenants (junior grade)

Charles E. King
Richard L. Poor
Hilary C. Rowe
Francis O. Iffrig
James R. Reedy
Edward E. Grimm
James B. Denny
Raymond P. Zimmerman
Albert H. Clark
James A. Smith
Charles W. Fielder
Elmer C. Long
Henry S. Monroe
Edward M. McMillan
Thomas E. Norris
David McCampbell
John N. Ogle
Robert E. Magoffin
James B. Barr
Frank G. Selby
Verne L. Skjonsby
Arthur R. Gralla
William A. Brockett
Forrest R. Biard
Frank L. Pinney, Jr.
William W. Keller
James M. Wright
Edward G. Bauer
George F. Pittard
Russell H. Maynard
Claude S. Kirkpatrick
William B. Brooks
Francis J. Novitski
William W. Walker
William R. Smith, 3d
Reginald Rutherford
William M. McCormick
Walter T. Griffith
Rollin E. Westholm
Charles Blenman, Jr.
Robert H. Close
John M. Phelps
John M. McMahon
James D. Fulp, Jr.
David S. Edwards, Jr.
John G. Roenigk
Arthur L. Newman
Charles C. Mann
Edward F. Dissette
Beverly R. Van Buskirk
James S. Shilson
Robert J. Hardy
Robert J. Oliver
Alexander G. Hay
Robert N. Robertson
Richard E. Nichols
John B. Morland
Walter H. Baumberger
William S. Maddox
Carl W. Rooney
William H. Lawrence
Wilson M. Coleman
Benedict J. Semmes, Jr.
Melvin H. Dry
Samuel Bradbard
John F. McGillis
Nels C. Johnson
Arthur R. Manning
Harold D. Fuller
Robert A. Paton
Paul S. Savidge, Jr.
Stanley S. Daunis
William I. Martin
Arthur C. House, Jr.
Benjamin C. Fulghum
Willard E. Hastings
George B. Nicol
Ernest L. E. Ritson
Francis A. G. Kelly
Louis Lefelar, Jr.
Colin J. Mackenzie
Henry C. Corbin
William T. Dutton
George D. Hoffman
Gordon A. Griffin
James H. Ashley, Jr.

Allen W. Moore	Archibald Stone, Jr.
Charles H. Becker	Douglas L. L. Cordiner
Henry L. Miller	Charles M. Bertholf
Joseph S. Lewis	John W. Geist
Frank G. Marshall, Jr.	James C. Bentley
Eugene W. Davis	Robert M. Lee
Carl W. Schoenweiss	Thomas H. DuBois
Clayton S. Clark	Albert P. Coffin

To be passed assistant paymaster

Walter N. Gray

To be assistant paymasters

Leland P. Kimball, Jr.	Louis M. Detweiler
Charles A. Blick	John B. Cline
Edward F. Metzger	Emory D. Stanley, Jr.
Roy G. Buck	Fletcher McC. Lamkin
Thomas A. Long	John G. O'Handley
Laurence A. White	Henry P. Knowles
Frederick K. Longshore	John W. Bottoms
William I. Robbins	Charles S. Sharrocks
John W. Kearns	Barclay J. Woodward, 3d
Dennison C. Ambrose	George S. Fuller
Edward M. Fagan	Edgar D. Vestel, Jr.
Raymond L. Abrahamson	Charles R. Beaman
Richard S. Klunk	Charles H. Keyser
Holman Lee, Jr.	Charles K. Phillips
Graham P. Bright	Allen B. Reed, Jr.

To be naval constructors

Norborne L. Rawlings
Joseph W. Fowler

To be chief gunner

Ted D. Fickes

MARINE CORPS

To be majors

John K. Martenstein	Arthur D. Challacombe
Albert W. Paul	William F. Brown

To be captains

Wilfred J. Huffman
Carson A. Roberts
John S. Holmberg

To be first lieutenants

Clyde R. Nelson	Joseph P. Fuchs
Joseph L. Dickey	Henry W. Buse, Jr.
Elmore W. Seeds	Bennet G. Powers
John P. Condon	Robert E. Hommel
John A. Butler	Frank C. Tharin
Ralph K. Rottet	Henry W. G. Vadnais
Victor H. Krulak	John W. Sapp, Jr.
George C. Ruffin, Jr.	Samuel F. Zeller
Harold O. Deakin	Lawrence B. Clark
Maurice T. Ireland	Lehman H. Kleppinger
Samuel R. Shaw	Floyd B. Parks
Robert S. Fairweather	John E. Weber

POSTMASTERS

ALASKA

Alice E. Gurtler, Nenana.

ARKANSAS

Louise May Scarlett, Parkin.
Joe L. McClellan, Pine Bluff.

GEORGIA

Ulysses S. Lancaster, Gray.
Mamie E. Harvey, Pembroke.

ILLINOIS

Delos Solterman, Evergreen Park.
William J. Dolamore, Franklin Park.
Muriel V. McNeil, Hazel Crest.

MICHIGAN

Neva J. DuVall, Coloma.
Tella C. Hunter, Gagetown.
Lulu H. O'Rourke, Richmond.

HOUSE OF REPRESENTATIVES

TUESDAY, JUNE 15, 1937

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Heavenly Father of every age, we thank Thee for the endless stretch of Thy wonderful love. We rejoice in the wideness of Thy mercy, along whose ocean shore lines there are no ill-fated travelers. Help us to come to full self-realization it is neither meat nor drink but righteousness, peace, and joy in the Holy Spirit. Earth's richest attainment and heaven's highest vocation is to make a life rather than a living. It will be a sad day for our age when material wealth outruns spiritual gain. Merciful Lord God, clothe us with the vestments of brotherly and consecrated activity, and we shall find ourselves nearer the perfect ideal. Look with divine favor upon our President, our Speaker, the leaders, and the whole membership of the Congress. We pray Thee to stir every impulse that makes for wise statesmanship and safeguards the happiness and contentment of our fellow citizens. In the name of Jesus. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment bills and joint resolutions of the House of the following titles:

H. R. 1277. An act for the relief of William Hayes;

H. R. 2080. An act for the relief of Eleanora S. Richardson;

H. R. 2705. An act to provide for the manner of inflicting the punishment of death;

H. R. 2887. An act to amend the provisions of the pension laws for peacetime service to include Reserve officers and members of the Enlisted Reserves;

H. R. 3203. An act for the relief of Rosalie Rose;

H. R. 3557. An act for the relief of the Coast Fir & Cedar Products Co., Inc.;

H. R. 4213. An act to amend the Inland Waterways Corporation Act, approved June 3, 1924, as amended; authorizing the Secretary of War to extend the services and operations of the Inland Waterways Corporation to the Savannah River;

H. R. 4575. An act for the relief of A. R. Netterville, Sr.;

H. R. 5721. An act to amend the Federal Register Act;

H. R. 5880. An act to amend Private Act No. 210, approved August 13, 1935, by substituting as payee therein the Clark Dredging Co. in lieu of the Bowers Southern Dredging Co.;

H. J. Res. 335. Joint resolution authorizing the Secretary of War to receive for instruction at the United States Military Academy at West Point, Olmedo Alfaro, a citizen of Ecuador; and

H. J. Res. 339. Joint resolution granting permission to George E. Ijams, civilian employee of the Veterans' Administration, to accept and wear the decoration bestowed upon him by the Republic of France.

The message also announced that the Senate had passed, with an amendment, in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 2562. An act for the relief of Mr. and Mrs. David Stoppel.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 455) entitled "An act for the relief of J. R. Collie and Eleanor Y. Collie", requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BAILEY, Mr. ELLENDER, and Mr. TOWNSEND to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills and joint resolutions of the following titles, in which the concurrence of the House is requested:

S. 178. An act for the relief of the estate of J. D. Warlick;

S. 187. An act providing for the suspension of annual assessment work on mining claims held by location in the United States;

S. 369. An act to allow credit to homestead settlers and entrymen for certain military service;

S. 432. An act to add certain lands to the Cache National Forest;

S. 947. An act to provide national flags for the burials of honorably discharged former service men and women;

S. 1040. An act placing provisional officers of the World War in the same status with emergency officers of the World War and extending to them the same benefits and privileges as are now or may hereafter be provided by law, orders, and regulations for said emergency officers, and for other purposes;

S. 1044. An act for the relief of Thomas W. Seay;

S. 1375. An act to provide for the punishment of persons transporting stolen animals in interstate commerce, and for other purposes;

S. 2097. An act providing for the advancement on the retired list of the Army of John E. Ketchum;

S. 2408. An act for the relief of John H. Balmat, Jr.;

S. 2531. An act to authorize the transfer of certain military reservations to other agencies of the Government and to the people of Puerto Rico, and for other purposes;

S. 2556. An act to authorize an appropriation to carry out the provisions of the act of May 3, 1928 (45 Stat. L. 484), and for other purposes;

S. 2587. An act providing for the sale of the two dormitory properties belonging to the Chickasaw Nation or Tribe of Indians, in the vicinity of the Murray State School of Agriculture at Tishomingo, Okla.;

S. J. Res. 57. Joint resolution to authorize the submission to Congress of a comprehensive national plan for the prevention and control of floods of all the major rivers of the United States, and for other purposes;

S. J. Res. 67. Joint resolution conferring jurisdiction upon the Court of Claims to hear and determine the claim of the estate of John F. Hackfeld, deceased;

S. J. Res. 68. Joint resolution providing for the appointment of a National Unemployment and Relief Commission; and

S. J. Res. 148. Joint resolution to provide for payment for nine airplanes obtained from the Stinson Aircraft Corporation by the Bureau of Air Commerce, Department of Commerce, and for other purposes.

DISTRICT OF COLUMBIA COMMITTEE

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent that the Committee on the District of Columbia may be permitted to sit during sessions of the House today.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

MARTHA L. BAILEY

Mr. WARREN. Mr. Speaker, I offer a privileged resolution from the Committee on Accounts, and ask for its immediate consideration.

The Clerk read as follows:

House Resolution 230

Resolved, That there shall be paid out of the contingent fund of the House to Martha L. Bailey, mother of Louen V. Bailey, late an employee of the House, an amount equal to 6 months' compensation, and an additional amount, not to exceed $250, to defray funeral expenses of the said Louen V. Bailey.

The resolution was agreed to.

EXTENSION OF REMARKS

Mr. ELLENBOGEN, Mr. CARTWRIGHT, and Mr. THOMAS of New Jersey asked and were given permission to extend their own remarks in the RECORD.

CONSERVATION OF WILDLIFE RESOURCES

Mr. ROBERTSON. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes to make an announcement.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. ROBERTSON. Mr. Speaker, tomorrow, at 10 o'clock, the Select Committee of the House on Conservation of Wildlife Resources will start hearings on the migratory bird situation, especially with respect to shooting regulations for the current season.

The Chief of the Biological Survey will be the first witness to explain the supply of ducks we have now and the regulations that the Biological Survey has in mind. The committee will be pleased to give an opportunity to all Members of the House, representing districts that are interested in duck hunting, to be heard on this subject.

WAR DEPARTMENT CIVIL FUNCTIONS APPROPRIATION BILL, 1938

Mr. SNYDER of Pennsylvania. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 7493) making appropriations for the fiscal year ending June 30, 1938, for civil functions administered by the War Department, and for other purposes; and pending that motion, Mr. Speaker, I wonder if we cannot agree with the gentleman from New Jersey [Mr. POWERS], the minority member of the subcommittee, with respect to time for general debate.

Mr. POWERS. Mr. Speaker, at the present time I have requests for over 2 hours. Many of the minority Members are not on the floor at the moment and I am sure more requests will be made. I would suggest to the gentleman from Pennsylvania that we run along for the balance of the afternoon in general debate, the time to be equally divided between the chairman of the subcommittee and myself.

Mr. RAYBURN. Mr. Speaker, if the gentleman from Pennsylvania will permit, I am willing that the debate should run along for a little while this afternoon, but I could not consent at this time to have it continue all the afternoon.

Mr. SNELL. Mr. Speaker, if the gentleman from Texas will yield, what great hurry is there about forcing this bill through this afternoon? Can the gentleman give me a definite reason?

Mr. RAYBURN. There is no reason for forcing it through, but we do have a very definite program for Thursday and Friday of this week and also a program in the making for next week, and tomorrow, as the gentleman knows, is Calendar Wednesday. This is not a very long bill. It contains about 15 pages. I doubt if there is a great deal of controversy about it and we would certainly like to finish it today, if possible. I am sure the gentleman from Pennsylvania [Mr. SNYDER] will be liberal about debate, but I would not like to agree now that debate should run all day.

Mr. SNELL. I think we should let the debate run along for 3 or 4 hours and find out if there is any controversy about the bill. It may be that we can pass it very quickly at the end of the debate, but there are several Members who want to make some statements today, and, as this is the last general appropriation bill, I think they should be allowed to do so.

Mr. RAYBURN. I certainly want to give them that opportunity.

Mr. SNYDER of Pennsylvania. May I suggest that we let the debate run along for three hours and a half, and I will take one hour and a half and give the minority side 2 hours.

Mr. POWERS. Then what am I going to do about the further requests when the Members come in and ask for time? This is the last appropriation bill and a number of Members want to speak in general debate.

Mr. SNYDER of Pennsylvania. Then, Mr. Speaker, I withdraw the request with respect to limiting the time for debate.

Mr. POWERS. What is the request now?

Mr. RAYBURN. The gentleman from Pennsylvania has withdrawn his request about time, and has moved that the House go into the Committee of the Whole House on the state of the Union.

Mr. SNELL. I think that is a better way to do it.

Mr. RICH. Mr. Speaker, will the majority leader yield for a moment? On June 8 I secured 15 minutes to speak today after the reading of the Journal and when the majority leader and the Speaker saw fit to let me have the time. Can the gentleman tell us now when that 15 minutes will be allotted me?

Mr. RAYBURN. At the completion of the consideration of the bill today.

Mr. RICH. Does the gentleman have any idea when that will be?

Mr. RAYBURN. I do not.

Mr. RICH. As the majority leader knows, he ran me over until after 6 o'clock a few weeks ago, and if it is after 6 o'clock today the gentleman knows I would not take any time of the Members of the House.

Mr. RAYBURN. I understand that, and I am wondering if the gentleman could not get some time from the minority side in general debate on this bill today.

Mr. POWERS. Mr. Speaker, will the gentleman yield?

Mr. RICH. No.

Mr. RAYBURN. The gentleman understands the arrangement under which he was to speak.

Mr. RICH. Whenever the majority leader gives me the time, I am to speak. I am trying to find out when that is going to be.

Mr. RAYBURN. I have no idea when the Committee will rise this afternoon.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. RICH. Yes.

Mr. McCORMACK. I might say that I have 15 minutes, and that I am satisfied with the position taken by the majority leader.

Mr. RICH. I will have to be.

The SPEAKER. The question is on the motion of the gentleman from Pennsylvania that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 7493.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 7493) making appropriations for the fiscal year ending June 30, 1938, for civil functions administered by the War Department, and for other purposes, with Mr. McCORMACK in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. SNYDER of Pennsylvania. Mr. Chairman, on Friday of last week I reported from the Committee on Appropriations the War Department civil functions appropriations bill. Today, at the outset of general debate upon that bill, I wish briefly to speak of some of its provisions and of the recommendations we are submitting for your approval.

This bill embraces appropriations which, since the fiscal year 1932, have been carried under the nonmilitary title of the War Department appropriation bill. Early in this session, even before the several subcommittees of the Committee on Appropriations had been appointed, our late beloved chairman, Representative Buchanan, directed that the War Department estimates in the 1938 Budget be handled in two separate measures—one to include the items carried in former War Department appropriation bills under the military title, and the other to be composed of appropriations formerly classified as nonmilitary. These latter are embraced by the bill now under consideration, which has been denominated the War Department civil functions appropriation bill.

Personally, I think the idea a splendid one. It is plain deception to charge to national defense the cost of purely nonmilitary activities. I am willing to concede that the item of "Cemeterial expenses" is in the twilight zone, and there may be other items of expense here and there, negligible in amount, about which there may be some question as to their place of lodgment, but all in all they would not aggregate more than a fraction of 1 percent of the amount carried by the bill.

I have yet to hear a sound reason against the separation. I may say that opposition to the consolidation has manifested itself in several quarters. I have heard objection voiced by those who are wont to carp about providing for national defense. The course suggested will take away some of their thunder. I have heard the fear expressed that the separation may have back of it ultimately taking river and harbor and flood-control work out of the hands of the Army Engineers. To my mind, that is absurd. I cannot conceive of the Congress ever consenting to such a course. Lastly, it has been bruited about that if continued together, Budget recommendations touching river and harbor and flood-control projects might be more easily overridden, since the President would be less apt to exercise the veto because of the presence of military appropriations. If these be the only reasons, if they may be so termed, I submit that the division is wise and should be adhered to.

The truth of the matter is, disjointure is not a new departure. Prior to the fiscal year 1933, with one exception, every item in this bill then an object of appropriation, was carried in a measure other than the War Department Appropriation bill. The exception is the item applying to the Alaska communication system. I am sure the predominating sentiment of the House is in favor of the new arrangement.

Mr. Chairman, the Budget submitted estimates for the activities embraced by this bill totaling $194,375,544. That amount exceeds the sum of current appropriations thus far made by $3,783,559. The bill we are presenting appropriates a total of $194,328,363. We have effected a net reduction of $47,181.

We have made a net addition of $59,119 to the estimate for cemeterial expenses.

We have made a reduction of $12,100 in the estimate on account of the United States High Commissioner to the Philippines.

And we have disallowed completely an item of $94,200 for making repairs to historical fortifications at San Juan, Puerto Rico.

Permit me briefly to enlarge upon those changes.

CEMETERIES

We carry an appropriation in this bill for the maintenance and improvement of national cemeteries—76 national cemeteries, 5 Confederate cemeteries, and 15 soldiers' lots. The estimates include $40,640 for 33 additional positions—24 at 5 new cemeteries, 8 at old cemeteries, and 1 at headquarters, Fifth Corps Area. The 5 new cemeteries are at Baltimore, Md., New York N. Y., Fort Sam Houston, Tex., Fort Rosecrans, Calif., and San Francisco, Calif. The 33 additional jobs are made up of 3 superintendents, 1 assistant superintendent, 1 clerk, 3 watchmen, 2 foremen, and 23 laborers. The pay ranges are from $780 to $1,620. The committee recommends approval of 27 of the 33 positions, 23 being laborers. The resultant saving of $7,800, and another small saving of $1,021 on some proposed construction work at Fort Gibson, Okla., have been employed partly to offset an increase of $5,000 for beautifying the grounds of all national cemeteries, and an increase of $62,940 for the procurement of headstones. Bids opened subsequent to the submission of the Budget indicate a probable advance in the average unit cost of headstones from $6.65 to $8.45.

PHILIPPINE HIGH COMMISSIONER

The reduction of $12,100 we are proposing in the appropriation for the United States High Commissioner to the Philippines involves three propositions. The present pay of the legal adviser to the High Commissioner is $12,000. The financial expert to the High Commissioner receives $10,000. Each of these officials has an assistant receiving $7,500. We have reduced the pay of the legal adviser to $8,000 and the pay of the financial expert to $7,500. For each of the assistants we recommend $6,500 each. It is our thought that the

present rates of pay are far beyond what they should be and are all out of line with pay rates attaching to positions in Washington and elsewhere in the United States fully as important and responsible.

On rent we have made a reduction of $1,400, which is the amount by which the estimate exceeds actual prospective obligations.

At present the High Commissioner has available $10,000 for expenditure at his discretion for maintenance of his household and such other purposes as he may deem proper. The estimate for 1938 proposes that a like amount be made available. The committee is recommending an allowance of $7,800, which is the maximum paid to Foreign Service officers for household maintenance and representation allowances.

HISTORICAL FORTIFICATIONS

The Puerto Rico project has considerable appeal, but the committee just did not feel that it could lend its endorsement to an expenditure of such magnitude for making extensive repairs to some old fortifications when there are so many necessary things for which money is needed, but which must be denied.

We have made no money change in the other items of appropriation which the bill embraces.

The estimate for the Alaska Communication System is stepped up $3,000 to permit the modernization-of-equipment program to go forward a little more rapidly. The equipment is old and is badly in need of replacement. The total to be applied to repairs and alterations is $12,000. This is one of the few income-producing activities of the Federal Government. Disregarding expenses on account of military personnel engaged with the system, the net earnings in 1936 were roundly $140,000.

The estimate for the Soldiers' Home in this city exceeds the current appropriation by $5,351. An additional amount is requested for care of mental cases and for repairs, and the amount for heat, light, fuel, and power is somewhat less, resulting in the net increase stated.

The home is financed out of a trust fund, upon which the Government pays 3-percent interest. In addition to such interest, the fund is maintained by credits of stoppages or fines adjudged against soldiers by courts martial, forfeitures on account of desertion, unclaimed assets of deceased soldiers, and by contributions of 25 cents per month by each enlisted man and warrant officer on the active list of the Regular Army. The balance in the fund on June 30, 1936, was $2,377,399.65. Outgo exceeded income in the fiscal year 1936 by $310,639.99. Contributions by enlisted personnel did not begin until March 1926. For the present and succeeding fiscal years the revenue from this source should result in a moderate building up of the capital of the fund.

Prior to the fiscal year 1936 the home was conducted under a permanent annual appropriation of this trust fund. Commencing with such fiscal year, in consequence of the Permanent Appropriation Repeal Act, the home authorities have been required to come to Congress each year and get advance approval of the amount which would be withdrawn from the Soldiers' Home Permanent Fund, instead of exercising that function independently, as had been the practice from the beginning back in 1851.

Because the home has been put upon a regular annual instead of a permanent annual appropriation basis, it appears that the Civil Service Commission and the General Accounting Office now wish the institution to be conducted like all other Federal agencies—that is, pay salaries in accordance with the Classification Act, adopt accounting forms and methods as prescribed by the General Accounting Office, and so on—to do which the home authorities advise would impose an additional annual charge upon their trust fund of an amount around $275,000, which would be the equivalent of an extra assessment of 25 cents per month upon, roundly, 92,000 enlisted men, unless the Congress should be willing to appropriate for the additional expense out of the Treasury.

There probably is no institution of the Government operated as economically as the local Soldiers' Home. In all of the years of its existence there has been no word of criticism of its conduct and management. It is run by a board of high-ranking Army officers and administered directly by retired officers of the Army chosen for their suitability for the work. The establishment is inspected once a month by a board of commissioners, and the Inspector General of the Army, assisted by an expert accountant, annually makes a searching inspection.

Why the procedure which has been followed so successfully for more than 86 years now should be overturned I confess I cannot understand. I do not believe it would add to efficiency and we know it would very appreciably add to the cost. The Budget proposes language going part way in avoiding this extra expense. The committee proposes to go the whole way and is recommending a provision designed to preserve completely intact the modus operandi which heretofore has prevailed.

PANAMA CANAL

The estimates on account of the Panama Canal total $10,573,760. This sum is $549,184 less than the sum of current year appropriations, which comes about largely because there will be no extensive lock-overhaul work during 1938.

The estimate does not contemplate any unusual expenditures—just the usual line of additions and betterments.

INLAND WATERWAYS CORPORATION

Section 2, on page 15 of the bill, relates to the Inland Waterways Corporation. There is no item in the estimates touching this Corporation, but we concluded it would be well to have General Asburn, the president of the Corporation, come before us and give an accounting. He told us that of the last appropriation of $10,000,000, made in 1929, for increasing the capital stock of the Corporation, only $7,000,000 had been withdrawn from the Treasury and that the Corporation was doing so well he felt sure that the remaining $3,000,000 would not be drawn. Consequently we are proposing the repeal of the $3,000,000.

FLOOD CONTROL

Mr. Chairman, I have deferred discussing until last the items relating to flood control. I shall try to be brief, because the subject is one about which we have heard a great deal of late.

We are presenting the Budget estimates under both the Copeland and Overton Acts. The former, the omnibus flood-control act, authorizes and adopts 270 projects in 31 States, at a total cost of $320,000,000. The Budget estimate is $30,000,000, of which $5,000,000 will need to be applied to the Conchas Dam project in New Mexico.

The law provides that appropriations shall be applied to projects in order of emergency as may be determined by the President. Therefore we are unable to advise you definitely how the remaining $25,000,000 of the appropriation proposed will be allocated. A tentative allocation appears on page 75 of the hearings. In all probability the Chief of Engineers will use that set-up in his recommendation to the President, in whom final decision rests.

The estimate under the Overton Act, which applies to the lower Mississippi, is $22,500,000. If flowage rights are bought—and the provision of floodways is the very essence of the Overton Act—somewhere in the neighborhood of $14,000,000 of the appropriation will need to be employed in that way, which would leave an absurdly small amount for levee building, channel straightening, and other protective works.

I do not know how many of you were fortunate enough to hear the splendid speech delivered in this Chamber on the 19th of last month by the distinguished chairman of the Flood Control Committee, Mr. WHITTINGTON, of Mississippi, on floods and their damage in the Ohio Valley. I hope if you were unable to hear it you have since found the time to read it. It is replete with facts and figures dealing with the Ohio and its tributaries and the damage occasioned by floods along the main stream and its many feeders, dating back many years before the War between the States. Starting up at the headwaters of these feeder streams in New

York State, in West Virginia, in the Johnstown area of my own State, in Kentucky, in Illinois, and Indiana, the story is told of the great devastation wrought year after year along these streams when in flood. I should like to read to you two or three excerpts from Mr. WHITTINGTON's speech:

Nobody knows the amount of damages in the Ohio Valley. When the flood waters receded Louisville estimated a loss of $71,000,000. At Paducah the estimate was $25,000,000. The losses on thousands of farms and in hundreds of smaller towns and villages will never be estimated. It is believed that the direct damages along the Ohio River amounted to more than $400,000,000. But this is not the whole story. Families were made bankrupt; citizens lost the savings of a lifetime; there was a cessation of business. It is difficult to estimate the loss of life through accident, through disease and sickness caused by the flood, through undernourisment and lack of clothing, and other necessaries of life through the destruction of the means of livelihood. The floods often came at night; they occurred during the winter. By what yardstick can we measure the intangible losses? The discouragement to Americans who lost their all through no fault of their own will drag into the years. Some day we may be able to estimate in dollars and cents the direct losses; but it will be difficult, if not impossible, to measure the intangible and the indirect losses.

Again, says Mr. WHITTINGTON:

It is safe to estimate that in the great Ohio flood of 1937 the direct and the indirect losses aggregate the staggering total of $800,000,000.

And, lastly, let me quote:

The money spent for protection against the ravages of flood is relatively small. Larger amounts have been spent for highways and railways. None of these expenditures, however, has resulted in as much revenue to the people, to the States, and to the Federal Government as has accrued by reason of flood-control work.

Think of it, my friends! One flood occasioning a loss of $800,000,000. And God knows what the total would have been had the White, the Arkansas, and the Red Rivers been at flood when the waters from the Ohio were swirling down the Mississippi. The loss of life and property that would have ensued is terrible even to contemplate..

It seems like folly to me not to attack this problem promptly and vigorously and bring to an early conclusion such remedial and protective measures as our engineers may advise, not alone in the Ohio Basin and the Mississippi Basin but in New England, southern New York, and eastern Pennsylvania, southern California, and elsewhere wherever these destructive forces are apt to recur. I submit it would be sound economics to pursue such a course. No one can say what the Federal Government loses by way of reduced income taxes because of property damage.

I know for a fact that one business house alone in the Golden Triangle district of Pittsburgh paid $300,000 less in taxes this year than it would have paid had there been no flood in 1936—just one establishment, mark you. I venture to say that if the damage annually paralleled that sustained early in this year, the entire cost to the Federal Government of the Copeland and Overton Acts would be saved in the course of a very few years. It would be saved in 1 year, considering losses of every character.

The obstacle to a vigorous program seems to be one of Budget balancing. The President and his advisers evidently feel that immediate Budget balancing is more important from a national standpoint. I bow to that judgment, much against my own. We may gamble with nature and win. On the other hand, if we lose, we are diminishing national wealth and national income far more, if the past be any criterion, than if we had gone ahead with an attack upon this problem in a way that would result in its early elimination. Furthermore, laying potential property losses aside, I do not like gambling with human lives as pawns.

While there seems to be a division of opinion as to the value of W. P. A. labor upon major flood-control projects, I believe that the projects that may be undertaken with the amounts proposed in the Budget may be very appreciably advanced if there be W. P. A. labor of the right kind available.

The President is keenly alive to this flood problem and personally has looked over much of the ground with remedial works definitely in mind, and I am sure that he will see that there will be made available of the relief appropriation which we passed a few days ago whatever amount may be required to employ available relief labor looking to advancing projects in the Ohio Basin and in the lower Mississippi to an extent very much greater than would be practicable with the amounts proposed in the Budget and carried in this bill.

With assistance in this way, we probably shall have to be content until a more liberal allocation may be set up in the regular Budget. In the meantime possibly Jupiter Pluvius may be kind to us and distribute his effusions more equably both as to time and place.

In conclusion, Mr. Chairman, let me say that I have a further word of assurance with respect to allotments of relief funds upon flood-control work. I asked Mr. Harry L. Hopkins to send to me his latest thought as to the amount he felt reasonably sure would be expended upon flood-control projects through the different channels of the W. P. A. during the fiscal year 1938. The letter is dated June 14, 1937, and reads as follows:

WORKS PROGRESS ADMINISTRATION,
Washington, D. C., June 14, 1937.

The Honorable J. BUELL SNYDER,
The House of Representatives, Washington, D. C.

MY DEAR MR. SNYDER: This letter is in response to your inquiry as to the amount of relief labor which the Works Progress Administration would be in position to furnish for work on flood-control projects during the fiscal year 1938.

On pages 5211 and 5212 of the CONGRESSIONAL RECORD of June 1, 1937, you will find the text of my letter of June 1 to the Honorable JOE STARNES, stating the amounts of relief labor which it was believed could be supplied on the flood-control projects which have been authorized by the Congress for the lower Mississippi Valley by the Overton Act and in the omnibus flood-control bill (Copeland Act).

The specific projects mentioned in that letter were those listed for prosecution in the first and second years of a program for flood-control work which has been outlined by the Chief of Engineers, United States Army. The total probable employment on the projects listed was estimated at approximately 65,000.

Subsequent to the date of my letter to Congressman STARNES, the Emergency Relief Appropriation Act of 1937 (H. J. Res. 361) passed the House of Representatives with the following provision inserted in section 10:

"*Provided*, That with the approval of the President, materials, equipment, and personnel of the Corps of Engineers, War Department, may be assigned to service in connection with flood-control and water-conservation projects prosecuted under this act, notwithstanding that such projects have not been duly authorized by act of Congress."

If the act as finally passed should contain the above provision, the situation would be changed from that on which my letter to Congressman STARNES was based, in that it would be possible for the Works Progress Administration to furnish relief labor for work under the supervision of the Corps of Engineers on flood-control projects which have not been authorized by the Congress. This would, of course, increase the possibility of the use of relief labor and would be of particular importance in connection with work in the Ohio River Valley on projects which have not yet received congressional authorization.

I am in receipt of information from the Chief of Engineers that his report of April 6, 1937, proposes 151 flood-control projects along the Ohio River between Pittsburgh, Pa., and Cairo, Ill., the work being the constructing of levees and concrete flood walls. He further informs me that the maximum amount of work that could profitably be carried on on these projects in the fiscal year 1938 would involve the employment of approximately 35,000 relief workers. The location of the projects and the amount of certified labor available in the Ohio Valley is such that the Works Progress Administration can and would supply this labor.

The use of relief labor on flood-control projects, as outlined in this letter, is necessarily dependent upon the availability of regularly appropriated funds to the Corps of Engineers in order that that agency may be in position to provide the necessary material, equipment, and supervisory personnel to enable the work to be effectively carried on. Furthermore, it is not possible at this time to give accurately and in complete detail definite amounts of relief labor that can be supplied on specific projects. The program which I have outlined would necessarily be subject to such adjustments as may become necessary in view of local conditions, such as difficulties which may arise in connection with obtaining rights-of-way or other complications.

Very sincerely yours,

HARRY HOPKINS, *Administrator.*

On June 1, 1937, Mr. Hopkins wrote our colleague the Honorable JOSEPH STARNES to the effect—see page 5211, CONGRESSIONAL RECORD—that there were available approximately 35,166 unemployed men who could be used on projects covered by the Overton Act and about 30,940 unemployed men available to be put to work on flood-control projects embodied

under the Omnibus Flood Control Act. That means that the way is open through W. P. A. channels to spend about $26,274,000 during the fiscal year of 1938 on projects as set forth in the Overton Act and approximately $23,205,000 during the same fiscal year on projects as embodied in the Omnibus Flood Control Act, making a total of $49,500,000 plus of W. P. A. money that can be or may be spent on flood-control projects through the W. P. A. channels during the fiscal year of 1938.

Mr. Chairman, the committee is much consoled that it is able to report this appropriation bill under the Budget estimate, even though the amount be small. The amount is only $47,000, and yet it is under the Budget estimate.

I wish to take this occasion to express my deep appreciation of the splendid cooperation which I received not only from my committee but from everyone else while building up and bringing before you the War Department civil functions bill. I deeply appreciate the attitude of the minority members of the committee, the gentleman from New Jersey [Mr. POWERS] and the gentleman from Michigan [Mr. ENGEL]. They were cooperative at all times. I may say the same thing of the majority members of the committee, Mr. DOCKWEILER, Mr. TERRY, Mr. STARNES, and Mr. COLLINS. There are no politics in this committee, I am very glad to report.

Above all, we all owe a debt of gratitude to another, and that is Mr. John Pugh. Someone said at the beginning of this session in presenting one of these bills—I forget who it was—that there are certain members of the staff of the Committee on Appropriations who work night and day and who are underpaid. I take this occasion to say that of John Pugh, who knows more about the Army and the Navy and flood control and river and harbor matters in the House and out of it than any other man in America. I thank you. [Applause.]

Mr. ENGEL. Mr. Chairman, I yield 20 minutes to the gentleman from Michigan [Mr. HOFFMAN].

MUDDLED THINKING

Mr. HOFFMAN. Mr. Chairman, Washington is a city of muddied waters and muddled thinking. Some men, coming to this city built in a swamp, soon imagine themselves dwelling upon the mountain tops, to be supermen, possessed of master minds. With delusions of grandeur but little different from the product of a diseased mind, they dwell in an artificial atmosphere, remote from practical affairs, from the realities of life. And Congress, like a flock of sheep, has followed such leaders.

Yielding its judgment, ignoring its common sense, refusing to listen to the voice of its conscience, betraying its constituents, Congress has followed, followed on, until today this country is on the verge of widespread bloody civil strife. About this there is no mistake.

We can talk and we can argue, as we did yesterday, over a petty piece of legislation which has to do with the regulation of those who practice the art of beautifying one's personal appearance. While we were discussing that measure, men, armed with clubs, bricks, guns, and knives, under the leadership of John L. Lewis and his crew of wreckers, without a word of disapproval from Franklin D. Roosevelt, are going about the country smashing the faces, breaking the limbs, and sending to the hospital honest laboring men, whose only sin is the desire to work.

COMMUNISM BREAKS IN AMERICA, AS PROPHESIED BY PRESIDENT ROOSEVELT

In a nationally known publication, it was asserted, and so far as I know it has never been denied, that about the time of Frank Murphy's return from the Philippine Islands at the request of the President, to become a candidate for the Governorship of Michigan, Murphy was reported as quoting President Roosevelt as saying:

If communism breaks in America, it will be in the Detroit area where it will first manifest itself.

Roosevelt was either possessed of prophetic vision or he had inside information as to the purpose of John L. Lewis. Great as the President may believe himself to be, there is no concrete evidence that he has supernatural powers, and there was no material fact then in existence justifying the supposition that in Michigan, where the motor industry was leading the way to recovery, there was unrest or discontent.

I do not understand how the President knew before the November election that communism was going to break in the Detroit area unless John L. Lewis told him so.

Mr. LUECKE of Michigan. Mr. Chairman, will the gentleman yield for a question?

Mr. HOFFMAN. Yes.

Mr. LUECKE of Michigan. Not so long ago the gentleman attributed that statement to Governor Murphy. Now which is correct?

Mr. HOFFMAN. What statement?

Mr. LUECKE of Michigan. The statement the gentleman has just made as attributed to the President.

Mr. HOFFMAN. Oh, no, no. Governor Murphy said that the President said that when communism broke it would break in the Detroit area.

Mr. LUECKE of Michigan. That is not the way I understood it.

Mr. HOFFMAN. Oh, yes. I have it right here now. The gentleman can read it. I put it in the RECORD on June 1 (CONGRESSIONAL RECORD, p. 5175). Later Murphy said that all it needed was confiscation of property to bring communism to Michigan. That, as the gentleman knows, we now have.

It is more probable that, at that time, he was fully aware of the purpose of John L. Lewis, in whose honor Soviet Moscow had renamed Detroit. That purpose, as it now stands disclosed, was to assist the President, who had expressed the thought that, while in his first administration, those who created jobs and gave employment had met their match, he hoped they would, in his second administration, meet their master.

INDUSTRY BEATEN TO ITS KNEES

The hope of the President is coming true. All you need to do is to read your daily papers and learn each morning that some new act of violence has been committed, that another law of State or Nation has been openly defied. And the President sits in the White House, when he is not on a vacation, while Lewis imposes the "rule of tooth and of claw" upon the worker.

Well may Franklin D. Roosevelt boast of the achievement of his purpose to beat industry to its knees. By the aid of his Secretary of Labor, who was born only God knows where, but whose destination, if the predictions of many be true, is absolutely certain [laughter and applause]; with the assistance of his traitorous tool, Murphy, and the aid of the flying squadrons of John L. Lewis, the President has become the master of industry in Michigan and in thousands of other localities throughout our land.

Yes; he has brought industry to its knees. Lewis has destroyed hundreds of thousands of jobs. He threatens to drive hundreds of thousands of additional workers from their places of employment and, with the President's aid, Lewis has established himself as master of the working man.

They invaded Michigan because they knew that back of Governor Murphy was the Secretary of Labor. She stands back of Murphy, and back of her stands President Roosevelt.

Mr. GIFFORD. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. I yield.

Mr. GIFFORD. I saw it stated lately, and I hope the gentleman will sympathize with the President—I read that it is very difficult for the President to talk with a $469,000 plaster—Lewis' contribution to his campaign—over his mouth. Cannot the gentleman sympathize with him in that situation?

Mr. HOFFMAN. I can sympathize with him and I can understand—no; I cannot do that because I am just an ordinary fellow. I can understand that presumably he is waiting for one of two things: He is either waiting for the situation to go on, this interference with the mails, the railroads, the closing of factories—he is either waiting until that reaches the stage where he can completely take over industry; or he is waiting until the sentiment of the people is

such that he knows there will be an uprising impossible to quell and then he will come forward, declare that another great emergency has arisen—but this time it will be of his own making and for it he must assume entire responsibility—and, with great ballyhoo, announce that he has been anointed to rescue us from our peril.

I cannot say that he is waiting for the one or for the other; doubtless he is waiting until expediency determines his course. Perhaps he is waiting to hear what Lewis wants to tell him.

Mr. DICKSTEIN. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. I yield.

Mr. DICKSTEIN. The gentleman made a statement a moment ago that I was very much interested in. He said that the Secretary of Labor is behind Murphy. What is there that the Secretary of Labor should do to stop these strikes that she did not do?

Mr. HOFFMAN. In the first place, she could have kept her mouth shut and not questioned the legality of the sit-down strike. [Applause.] In the second place, she could have stated, as could the President, that this thing is unlawful. She could have called upon the President to enforce the statutes of the United States to prevent interference with the United States mails. She could have shown how the stopping of these factories and the stopping of production was a burden on interstate commerce, a subject we have heard so much about. She could have called attention to the fact that throwing hundreds of thousands of men out of employment, depriving them of millions of dollars in wages, but increased the relief burden.

Mr. DICKSTEIN. Right there, to clear that question up, she is only the Secretary of Labor trying to enforce the laws of this Congress.

Mr. HOFFMAN. I told the gentleman what she could do. She has a mouth; she can talk. She did use it to call on Sloan and the General Motors officials when she wanted to interfere, when she wanted to prevent business going on.

Mrs. O'DAY. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. I yield.

Mrs. O'DAY. The gentleman said nobody knew where Miss Perkins was born.

Mr. HOFFMAN. I may have displayed my ignorance.

Mrs. O'DAY. The gentleman has, indeed.

Mr. HOFFMAN. It is not the first time.

Mrs. O'DAY. She was born near Boston.

Mr. HOFFMAN. I have heard that she has as many birthplaces as some people have husbands. [Laughter.]

The President is presumed to be the Chief Executive officer of the land. Unlimited funds and arbitrary power have by this Congress been granted to him. There is no doubt but that he cracks the whip over this body and, like driven slaves, we hasten to comply with his slightest wish. The House Members talk loudly of their independence, but, like a dog who answers to his master's whistle, a word of command from the White House has found them delivering the votes.

We have followed this disgraceful, cowardly course; but today in many of our districts the people realize that no longer is the President of the United States the head of our Nation, but that he, too, has found a master, and his master is John L. Lewis.

THE PRESIDENT PAYS A DEBT

Early in his second administration the President was reminded by Lewis that labor elected him and that labor demanded payment of the political debt, and payment of that debt is one obligation which the President is continuing to meet, and there seems no end to the payment.

Without one word of protest being uttered—rather sanctioned by his policy of tacit approval—John L. Lewis threw hundreds of armed invaders from a half dozen cities and more than one State into Michigan, where it was our pride that working conditions were better, wages higher, than in any other place in the Union.

Why did these armed men invade Flint? They invaded Michigan because they knew they would receive the support of Murphy and the approval of the Secretary of Labor and of the President.

Why were they permitted to impose upon those wage earners a loss of more than $44,000,000 in that one strike? Because they knew that Murphy, so-called Governor of Michigan, would not interfere with them; because they knew that John L. Lewis, their leader, had the support of the President of the United States in his attempt to destroy the American Federation of Labor, to establish himself as a dictator over labor.

Why did they go to Detroit and again, armed and by force, take possession of factories, of stores, and of hotels? Because they knew that the President of the United States knew that when communism came to this country it would come first in the Detroit area, and they knew that the President was hand in glove with the man who would bring it to Detroit; because they knew that peaceable, law-abiding citizens, that those charged with the enforcement of the law, would be prevented by the Governor of Michigan and his National Guard and his State police, compelled to act under his orders, from regaining their jobs, possession of their factories.

In daily communication with the President throughout these first strikes in Michigan, Murphy threw the whole power of his office over National Guard and State police not behind the officers of the law but behind this crew of outside wreckers, behind these racketeers; and from that day until this moment he has been actively engaged in assisting them in their unlawful schemes, their unlawful acts, and their plans to disregard all law.

CITIZENS REBEL

A week ago last Thursday a little group of six or seven men, encouraged by the acts of the Governor and of the President, drove from Munising, Mich., some 75 miles to Newberry and demanded that the lumber mill close. The workers had no grievances; they refused to leave their places of employment. The Munising men promised to return the following day. They did return, some 75 strong, again demanded that the local workers leave the plant, and, when they refused, they set upon John Sands, a C. I. O. member who desired to continue at his work, and sent him to the hospital with broken ribs.

Angered by this outrageous conduct, the mill workers and citizens who had been attracted to the scene quickly drove these lawless followers of the President and of Lewis beyond the city limits; and, so far, they have not returned.

So far the La Follette Civil Liberties Committee has not found time to go to the aid or lend its moral support to the Munising wreckers.

It was the Newberry workers and townspeople, worthy of their Revolutionary ancestors who fought the Redcoats at Lexington, who drove this mob of red Communists from their midst.

All praise to them, to their courage, to their fighting spirit, to their willingness to act rather than to talk. Citizens of Newberry, patriotic Americans of Michigan, of the Union, hail you as the Minute Men who, in Michigan at least, have turned back the invader.

STATE CAPITAL CAPTURED

With the connivance of Murphy, C. I. O. took, and for a day held, possession of Lansing, Michigan's capital, and invaded East Lansing, but their ringleaders there were thrown into the Cedar River by Michigan State College students, who prefer the doctrines of this country to those of "red" Russia and the complacent acquiescence of Murphy in their lawlessness.

C. I. O. DEMONSTRATES LACK OF HUMANITY

Let us look at the Saginaw Valley, on the eastern side of Michigan. No more peaceful, beautiful, prosperous spot exists anywhere in the Union. Rich in agricultural products, magnificent in its industrial development, with almost unlimited power supplied from its many streams, that part of our State, compared with the dust bowl of the Central West and the drought-stricken areas of other States, is a paradise for the thrifty, industrious, honest, decent citizen.

Electricity and the comforts and luxuries which have followed in its wake are available alike to rural and city dweller. Housewives use it in innumerable ways—ironing, cooking, the operation of incubators, the refrigeration of food. Light and power for household purposes were always available.

Farmers used the electricity to lighten their daily tasks, to shorten the hours of labor, to increase their income. In cities, factories were operated by it; fire protection was furnished; streets were lighted at night; people were enabled to eat fresh meat, fresh vegetables, because the markets had electricity. Hospitals cared for the sick and the dying because the hours of darkness were turned into light by the power companies.

In short and in fact, the whole existence of the community depended upon its ability to obtain electricity. And what happened? Lewis and his loud-mouthed, lawless creatures of revolution had demonstrated their power in Flint, in Detroit—not once but repeatedly, and so a group, dissatisfied with conditions, ignoring the rights of thousands of their fellowmen, shut off the current of the Consumers Power Co. because their demands were not complied with.

Take note of what happened. This crew of pirates kidnaped these power plants. Did it matter to them that food was spoiling in butcher shops, in refrigeration plants? Did they care that housewives were forced to discontinue the preparation of meals because the power was shut off? Were they concerned because motorists traveling through the country had difficulty in obtaining gasoline because it could no longer be pumped by electricity?

Did they think of the farmers and the farmer housewives whose work came to a standstill because they chose to strike and prevent anyone else from working?

Did they care because fire alarm and police alarm systems, upon which the citizens depended for protection, were thrown out of operation?

The milk in the household refrigerators, upon which the babies depended for health and even in some cases life itself, was spoiling. Were these C. I. O. strikers concerned about that?

The President and his associates talk much about their humanitarian principles and policies, but the people were deprived, not only of light, of heat, of fire and police protection, but babies were deprived of their food because the President of the United States stands back of John L. Lewis; because Murphy, of the Philippine Islands, does his bidding and follows his wishes; because the C. I. O. hails him as its sponsor and believes he views with approval its actions.

Go one step farther with me, if you will, and look into those hospitals in that district, dependent as they were upon electrical power for light, for the preparation of food, for the performance of surgical operations. The C. I. O. spellbinders talk much about the poor laboring man and his right to an American standard of living; but they, inhuman monsters that they are, turned off the current which furnished light which enabled doctors to perform operations which were necessary to promote health, to save life.

Go with me, if you will, for a moment as the evening shadows gather into a room in one of these hospitals, and it matters not, for the purpose of the argument, whether the scene be real or imaginary.

It is nighttime. Days of long suffering are about to draw to an end. Around that bed of a father, a mother, a daughter, or a son, are gathered the loved ones of the family. The last few moments of life are at hand. Soon the light which is feebly flickering in the eyes of the one to depart upon that last long journey will fade; soon the voice which has spoken words of cheer, of love, of affection, and of hope will be stilled forever. Those last few moments are precious—precious beyond price, and as the end approaches, as hand meets hand, and eye attempts to meet eye to catch a glimpse of a departing soul, the lights go out, and the loved one is gone—gone forever and gone in darkness, because someone pulled the switch in the power plant. The C. I. O. has pulled the switch in the power plant because of the orders of John L. Lewis, and Lewis acts with the knowledge and without a protest from the President.

Nero fiddled while Rome burned. The President sits in the White House, ponders his next vacation plans, contemplates new experiments while, throughout the land men, women, and children are ill-housed, ill-clothed, ill-nourished because he denies to men the exercise of their right to work.

The President should remember that words are but as sounding brass and tinkling cymbals. His actions, his failure to act, his violation of his constitutional oath of office, his refusal to uphold the laws of the United States which he has sworn to do, render him responsible for the "red" terror which has come to Michigan.

MONROE SHOWS THE WAY

On Sunday last, a dull, gloomy day, I stood at the entrance of an industrial plant in Monroe, Mich. Less than 3 miles away was the place of a mass meeting where, newspapers report, in the afternoon gathered from eight to twenty thousand C. I. O. sympathizers. Addressing that meeting, one Bittner, from Chicago, served notice upon the citizens of Monroe that in 2 days the C. I. O. would be back.

A few days before, 1,200 workers who for 2 weeks had been deprived of their jobs by 99 C. I. O. members, assisted by the townspeople, rushed the picket lines and went to work. This breaking of the picket line, this returning of peaceable, law-abiding citizens to their accustomed places of toil, would be designated by some organizations as an interference with civil liberties. To me, it seems like the assertion of the right to work.

To guard this factory, to protect these workers, citizens of Monroe have for several days, armed with clubs, shotguns, rifles, and machine guns, been on duty.

I noticed in particular two of these men. One, Leo Spade, treasurer of the Monroe Paper Products Co., and another, Howard Fashbaugh, vice president and secretary of the Greening Nursery Co.—neither in any way interested in the struck plant—had been on duty for 3 days and 3 nights, one getting but 9 hours' sleep, the other but 11.

Each of these men had served in the World War. Each was a Legionnaire; each, true to the traditions of the Legion, had answered when invasion threatened, when duty called. Armed with machine guns, they were prepared to resist, not only by words but by action, the invasion of their town. This they were compelled to do because the Governor of the State, the President of the Nation, had each failed to perform his duty.

Another, Ivor Ewing, a small man, weighing no more than 140 pounds, who, when a wreck from the ravages of tuberculosis, had been saved by the kindness of the mayor, had been almost continuously on duty since before the picket lines were broken. His boy, 26 years of age and a worker in the plant, had been crowded off the highway, injured by strikers who were determined he should not work. This father was fighting not only because of his gratitude to the mayor, who had saved him, but so that his son might work and live.

There were many, many others who rendered equal service and whose desire was but the preservation of their city, of their industrial plants, of the jobs of their workers.

Murphy, traitor to the State that he is, has refused to assist them. Apparently he is doing as he did at Flint, standing behind the lawlessness of the strikers; depriving the worker of his right, of his civil liberties, of his property—the only thing which many of them have—the right to use their hands in daily toil.

If Murphy had had his way, C. I. O. would today be in possession of Monroe and its industries. Fortunately for the people of Monroe and for the State of Michigan, Monroe has a mayor—Daniel A. Knaggs—just an ordinary, everyday American, a real friend of labor, the personal friend of many of the workers of the city.

When Monroe was invaded, when the law was set aside, Mayor Knaggs notified Murphy that, regardless of the inactivity of the State police or the National Guard, Monroe

could and would protect itself, and to date it has kept its promise.

But Monroe, in its opposition to the militant forces of John L. Lewis, is confronted by an overwhelming task and it must have help. The Governor of our State has failed it. The Governor of our State has betrayed it. He is in active cooperation with the forces of disorder and of lawlessness.

Their acts of violence, their lawlessness, the success of their program to stop production at its source, has become so widespread in Michigan that the motor industry which gives employment to thousands upon thousands of workers, which has a pay roll of millions of dollars, may be forced to close, bringing economic hardship to thousands of innocent workers and businessmen.

PRESIDENT BETR'YS "THE FORGOTTEN MAN"

A President of the United States, voluble on all other subjects and at all other times, remains silent. Strange as it may seem, although he has time and time again spoken in behalf of the worker, pledged his every effort to the betterment of the worker's condition, won two elections upon the theory that he not only would guarantee the worker freedom from coercion but was sympathetic toward his troubles, today he has betrayed the worker, the toiler of America, into the hands of a dictator, John L. Lewis, who would drive him from his job unless he pays tribute.

It is almost inconceivable, nevertheless the facts seem to indicate, that the President of the United States intends to let this violence, this bloodshed, this rioting, this civil strife—all in violation of law—continue until the psychological moment arrives. Then he will call in the reporters and after lives have been sacrificed and untold suffering has been brought to our people, will boldly declare that the law must be obeyed, and so reap political prestige.

While "reds", under the leadership of Lewis, with the approval of the President and the active assistance of Michigan's Governor, go from place to place, by force and violence closing factories, hotels, places of business, depriving men of the means of supporting their wives and their children, we sit here, discuss tax evasion, the beautifying of one's personal appearance, and many other matters which are insignificant when compared with this one great vital issue which confronts us.

Mr. SACKS. Will the gentleman yield?

Mr. HOFFMAN. No; unless the gentleman wants to ask me—and I do not suppose he does—about the milk in the refrigerators that those mothers up there in the Saginaw Valley were keeping for their babies when these fellows down below turned off the current.

Mr. SACKS. No. I would like to make an observation.

Mr. HOFFMAN. I yield to the gentleman from Pennsylvania.

Mr. SACKS. I wanted to make this observation: I agree with the gentleman in some respects, but he forgets there are some wrongs being committed by those industrialists, too.

Mr. HOFFMAN. Undoubtedly the gentleman from Pennsylvania is right, but those sins are sins of the past, because those industrialists have not even been able to raise their voice in justifiable protest under this administration. Under the domination of Lewis they have had no opportunity to protest. Under the Wagner law, as interpreted by the National Labor Relations Board, protests from them are of no moment.

If we continue our inaction, if we fail to heed the danger signals which can be read on every side, if we fail to demand the enforcement of the law, if we fail to enact legislation that may be needed to protect the freedom, the liberty, of our citizens, then we have betrayed those who sent us here. I, for one, refuse to remain silent and inactive in this situation.

WOULD WRECK THE NATION

Lewis goes about the country practicing extortion, leaving ruin and destruction in his wake.

The morning papers tell us that, failing to close the plants of the Republic Steel Co., he intends to close coal mines; that he intends to shut down ore mines; to interfere with the Great Lakes shipping; in fact, we learn that, unless those who oppose his demand for a signed contract yield to him, he will bring economic and financial disaster to the whole country.

IT WOULD BE A FUTILE GESTURE

Now, what is it that this man Lewis wants? He demands a signed contract. And do you inquire as to why such a contract need not be signed?

Let me give you the answer. The signing of a contract with the C. I. O. is a futile act. In the first place, he demands that a responsible employer sign a contract with an irresponsible C. I. O. As I have pointed out, the C. I. O. is not a legal entity. An agreement signed by it could not be legally enforced. A contract must have two parties, each responsible to the other. Lewis is responsible to no one.

Employer organizations are responsible. The C. I. O. is not. I refer now to the legal aspect.

As a practical proposition, the signing of such a contract would mean nothing. General Motors signed a written contract and that contract provided that while it was in existence strikes should not be called, but within 60 days from the signing of that contract there were 50 strikes in General Motors and industries upon which it depended for operation, and strikes are still continuing.

The settlement forced by Murphy upon General Motors fixed but one thing, and that the conviction in the minds of the citizens of Michigan that he was the tool of Lewis and his Communist bedfellows.

Consumers Power Co. signed a written contract with the C. I. O., but the ink upon it was not dry before it was violated by the C. I. O. members.

It has been demonstrated time and again that those who march under Lewis' banner recognize neither legal nor moral obligations.

Nor is there any lawful basis for the demand that a written contract be signed by any employer. Lewis has no legal justification for his demand. Listen to this quotation from a letter written by Senator ROBERT F. WAGNER on November 2, 1935, and published in the New York Sun of November 4, 1935. Speaking of the Wagner law, he said:

> The law does not require any employer to sign any agreement of any kind. Congress has no power to impose such a requirement.

The question now before us is whether the command of Lewis shall be obeyed. Upon the Ten Commandments he has superimposed another. It is: "Thou shalt not work without the consent of John L. Lewis."

As stated a moment ago, the time for action has arrived. In common with all right-thinking Americans, I abhor violence and bloodshed.

When the international bankers and traders of the world brought about the last war, I was not eligible to be drafted. I did not enlist because I do not believe in sacrificing life to promote trade or advance financial or political interests and because I did not want to be shot. Many others were of like mind.

But today a different situation confronts us. Our liberties, our homes, the safety, and the lives of our loved ones are threatened and this is not an exaggeration.

My visit at Monroe convinced me that, unless we give aid and assistance to communities who are willing to fight for their liberties, we will all go down together to destruction.

A RED THREAT

A few days after the civil authorities at Monroe, under the leadership of Mayor Knaggs, had given protection to the workers who returned to their jobs, C. I. O. called a mass meeting on the outskirts of Monroe. Newspaper reporters estimated the crowd at from two to eight thousand. Addressing them, Bittner, C. I. O. agitator from Chicago, among other things, said:

> By God, they'll pay for what they did at Monroe, and pay well.
>
> I say to the people of Monroe, "If you and your Knaggs want to run your government as you are running, we'll block you off from the rest of the United States."
>
> Do they imagine they'll keep us out of Monroe forever? No. If it wasn't for our loyal workers, we'd leave them alone to starve in

their own folly. But we'll bring our union in there and make decent citizens out of those hoodlums.

Reread this threat to peaceful, law-abiding citizens of Monroe, whose only offense was that they had insisted that men who wanted to work, rather than go upon relief rolls, should be permitted to work. It will be a wonderful blessing to the citizens of Monroe if a C. I. O. agitator never again comes within radio distance of their city.

Railroad trains, automobiles, are not speedy enough to carry these men from place to place. Lewis flies here and there and all over, and the object of his mission is to close factories or compel employers to do his will. Martin goes from town to town, city to city, and State to State, preaching the gospel of hate and of violence. The Reuthers, Victor and Walter, "red" Communists, and a dozen others who preach violence and who preach bloodshed, exhort workingmen to quit their jobs, join the army of unemployed, and establish a soviet government.

Stalin shoots those who disagree with him. Hitler has the heads of those who oppose him cut off. Mussolini sends the youth of his country to be slaughtered in foreign lands.

AN ANSWER TO THAT THREAT

In Porter Township, Cass County, Mich., is the farm my grandfather cut from the forest. By unceasing toil, by prudence, foresight, and self-denial, he saved it for my father. By like methods, it came on to me, and it is my intention that despite the intentions of Lewis and his ilk it shall go on to my children and my grandchildren.

On it there is an orchard which requires the labor of men in the gathering and packing of apples.

I do not want to be shot now. I do not want any trouble. I will never, if I can avoid it, enlist for any foreign war or do anything to bring about any foreign war or domestic strife. But when men come to Michigan, to my State, to my home, from other States, and, armed, invade it, then the hour has struck, and I am ready. I do not want to be a general, and I do not want to serve in the commissary department. I do not want to meet any of those poor deluded men who have been misled into acts of violence by Lewis, Homer Martin, the Reuthers, or any of those "red" Communists.

To Lewis, I say, if you think you can enforce your will in this land of freedom, come yourself and bring with you your Homer Martin, your Frankensteen, the Reuther boys, or any of the other of your gangsters, down to that farm in Michigan.

Leave your women and your children, behind whom your Communists so often hide, at home. Bring not with you some hired gangster from the slums of some great city; bring not with you some deluded worker who knows not what you would do to him and to this country of ours.

Come yourself to the scene of the disorder which you would create and bring with you your inciters of violence and disorder, and, for once in your life, do your own dirty work at the point of actual danger. Let me know the time of your arrival, and I will be there. [Applause.]

[Here the gavel fell.]

Mr. POWERS. Mr. Chairman, I yield to our distinguished minority leader the gentleman from New York [Mr. SNELL] such time as he may desire to use.

Mr. SNELL. Mr. Chairman, I desire at this time simply to make a very short statement relative to the severe economic conditions which are confronting the dairy farmer of the northeastern part of the United States at the present time.

There is no doubt that some of the various activities of the Department of Agriculture, through the N. R. A., the A. A. A., and other alphabetical institutions, have been of benefit to some parts of the country and to farmers producing certain crops; but the man who has been a producer of milk in the northeastern section of the United States has received practically no benefit whatever. As a matter of fact, I think he is probably producing milk today under a greater handicap than ever before, although the dairy farmer at the present time produces about 25 percent of our agricultural income.

As a result of these various activities, the farmer in my section of the country, who, unfortunately, has to buy a large amount of his grain and other feed, is paying anywhere from 50 to 100 percent more than he did a short time ago for the grain which he is using to feed his cattle to produce milk, and there has been practically no rise in the price of milk products. I have never seen the substantial farmers of my section of the country so absolutely discouraged as they are at the present time, and a great many of them are men who own their own farms, live on them, and work them, and are trying to get a living off them for themselves and their families, and they do not belong to the class who are continually wanting the Government to do something for them. All these people want is fair opportunity to earn a living.

I think the situation can be summed up in a short statement a friend of mine who is a farmer made to me when I was home a few days ago. He is one of our substantial farmers. He owns his farm. He works, and works hard. I happended to meet him on the street, and he told me, "I am going out of the dairy business." I said, "Cap, that is rather peculiar. I thought you had a pretty good farm and were doing pretty well." He replied, "I have been discouraged for some time, but this morning I brought in a load of milk and sold it for $1.35 a hundred, and paid $2.46 a hundred pounds for a balanced ration to feed my cattle. You see, it just cannot be done, and I am going to start disposing of my dairy immediately on my return home."

These are not men who are asking for any help. They do not want the Government to support them. They do not want anybody to support them. However, unless they can make a decent living by working hard all day 7 days a week, even strong men are going to break down and quit.

I wish I knew the answer. I am frank to say I do not know it; but I have one or two suggestions which I know would help the dairy interests of our section of the country. There is no question but what the reciprocal-trade treaties and the reduction of duty on various dairy products have been a serious drawback. I am going to extend my remarks and include in the extension a comparison of the imports and exports of dairy products for the last 4 or 5 years. It is really surprising to find how the imports have increased. As a matter of fact, as nearly as I can understand the situation, the result of the reciprocal-trade agreements has been much more in favor of the foreign farmer than in favor of the American farmer in the northeastern part of the United States.

Mr. HARLAN. Mr. Chairman, will the gentleman yield?

Mr. SNELL. I yield to my friend the gentleman from Ohio. I am waiting for information.

Mr. HARLAN. I am wondering if the gentleman is including in his extension the imports of farm produce, which, of course, would be very interesting information. Would the gentleman also include the exports of dairy products especially and other farm produce since reciprocity has gone into effect?

Mr. SNELL. My investigation was confined entirely to dairy products, but in my extension of remarks I shall include the exports of dairy products as well as the imports. This is the special object of my remarks at the present time. Our people in the northeastern part of New York State depend for a living very largely on the dairy farmer. If the dairyman does not get a reasonable price for his products, it is a pretty slim situation from an economic standpoint for all our people. We have no large manufacturers. We have very little to bring money there except the sale of dairy products.

Mr. GREEVER. Mr. Chairman, will the gentleman yield?

Mr. SNELL. Certainly.

Mr. GREEVER. Do I correctly understand the gentleman to say $1.35 a hundred is the prevailing price in his district for milk at the present time?

Mr. SNELL. That was the price of his milk. I cannot say whether it was the price of the Dairymen League, Shef-

field's, or Borden's, or to which factory this man was taking his milk. He told me, "The price of my milk this morning was $1.35, and I paid $2.46 a hundred for feed for my cattle, and I cannot afford to do it."

Mr. GREEVER. The reason I ask the gentleman that question is because in the Rocky Mountain section of the country at the present time it seems the price of dairy products is much better than it has been for some time.

Mr. SNELL. There is no material change in prices in the northeastern part of the United States. Of course, some people who have higher-test milk may have received more than $1.35, but for the average grade that is what they have received.

Mr. BOILEAU. Mr. Chairman, will the gentleman yield?

Mr. SNELL. I yield.

Mr. BOILEAU. I would like to support the statement of the gentleman from New York. While I do not have recent figures in the dairy section of Wisconsin, $1.35 seems to be in line with the prices we are getting for fluid milk sold to manufacturing plants.

Mr. SNELL. This man told me about this last week and I know he was telling the truth.

Mr. BOILEAU. And I may say further with regard to the statement that dairy prices are going up, within the last few weeks dairy prices have gone down materially because of the seasonal situation. As soon as the farmer gets a large supply of milk which goes into cheese or butter, the price invariably goes down.

Mr. SNELL. There has been no material rise in prices in the last year or two so far as dairy products are concerned.

Mr. THURSTON. Mr. Chairman, will the gentleman yield?

Mr. SNELL. I yield to the gentleman from Iowa.

Mr. THURSTON. If the Democratic Members had voted for my amendment last week, increasing the duty 25 percent on farm products, including dairy products, we would have benefited the situation of the farmer. All the Republicans voted for my amendment, and all Democrats, except two, voted against this aid for the farmer.

Mr. SNELL. Well, I did. I am in favor of anything that will help them out, but I am especially interested in helping them out from the tariff standpoint; this is the most effective of anything we have yet tried. Before these reductions in tariff, imports were comparatively small.

Mr. SAUTHOFF. Mr. Chairman, will the gentleman yield?

Mr. SNELL. I yield.

Mr. SAUTHOFF. I am very much interested in the remarks of the gentleman because he has had experience, particularly in the cheese business, if I am not mistaken. I represent, perhaps, one of the richest dairying districts in the United States. Our price of milk has dropped, while the price of agricultural machinery has risen 8 percent during the time of the drop. My colleague the gentleman from Wisconsin [Mr. BOILEAU] just referred to the fact that there has been a seasonal slump. There should not be a seasonal slump at this time, because your grass is better than it is at any other season of the year; but we are subject to the manipulations of the large processors who use the Canadian reciprocal-trade agreement to hammer down our prices.

Mr. SNELL. That is along the line of my suggestion that there is one thing I am quite sure of and that is that the Canadian agreement has really been a real detriment to the farmers in my section of the country.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. SNELL. I yield.

Mr. RANKIN. Let me say to the gentleman from New York that there has been a decline in all agricultural commodities and it is not due to seasonal conditions——

Mr. SNELL. Will the gentleman let me interrupt him right there, and then I will let the gentleman continue? If you compare the price of milk 3 or 4 years ago with the price of cotton 3 or 4 years ago, you can see how you come out. Your price of cotton has gone up 200 percent, because the gentleman told me so yesterday, and the price of milk remains practically the same.

Mr. RANKIN. Who told the gentleman that?

Mr. SNELL. The gentleman told me that himself. The gentleman said the price of cotton had gone up to 12 cents, whereas it was 5 and 6 cents a few years ago.

Mr. RANKIN. Cotton is now selling at the same price it was selling during the Taft administration.

Mr. SNELL. We were talking about prices in recent times, not ancient history. I am talking about present conditions.

Mr. RANKIN. There has been a decline in all agricultural commodities which has been due to contraction of the currency.

Mr. SNELL. Let us not get into a discussion of that question. I do not yield for that.

Mr. RANKIN. Raising rediscount rates and squeezing the currency are bringing about a decline in prices.

Mr. SNELL. I do not yield further, Mr. Chairman.

Mr. RANKIN. The gentleman asked for information and I am giving it to him.

Mr. SNELL. I do not yield for a speech on that subject. I would like some information that I can understand. I am discussing a practical situation, not a theoretical one.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. SNELL. I yield to the gentleman from New York.

Mr. REED of New York. Here is what we are up against in the matter of imports. There are several countries organized for export business, and exclusively for export business. We may take New Zealand or Denmark, for instance, and every time our farmers begin to see a glimmer of hope because prices are stepping up, just at that time these export countries begin subsidizing.

The farmers are subsidized and shipping is subsidized for people who produce for export and they glut our markets just in time to break the market. So we have no chance whatever as long as these foreign exporters are sending their products in here in competition with our dairy people.

Mr. SNELL. I simply wish to say that while we are giving consideration to a great many classes of people, we must, in the near future, give consideration to the hard-working, honest dairy farmer, who is now about ready to quit. These are real, genuine American citizens who have performed the work of this country for centuries and they are willing to work and want to work, but you will have them on the relief rolls unless some way can be devised whereby we can increase the price of dairy products and do away with some of the competition that comes into this country at the present time.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. SNELL. I yield to my friend from Kentucky.

Mr. ROBSION of Kentucky. I notice that the report issued by the Department of Agriculture on June 12, 1937, shows that in the last 10 months our exports of farm products have decreased $35,000,000 below the same period for last year.

Mr. SNELL. I have a long list of figures which I am going to put in the RECORD as an extension of my remarks.

Mr. ROBSION of Kentucky. And our imports have increased $280,000,000. I was in Kentucky the other day and I noticed a report along this line in the Kentucky papers. Louisville is one of the receiving ports and the statement showed an increase of collections at that port of $124,000,000 for May over May of last year, an increase of 200 percent, and the report went on to recite what had brought this about.

It was the import of malt, and the import of cottonseed oil to Louisville, Ky., the greatest farm country in the world.

Mr. SNELL. Mr. Chairman, it seems to me this whole subject is important enough for Congress to give it very serious consideration. Notwithstanding I am a protective-tariff man, with all propositions, my position has always been that we should give protection enough to protect the American farmer so that he can raise the foodstuffs that are necessary to feed our own population. I stand for that first, last, and all the time, and I am opposed to these tremendously

large imports that are coming in very largely on account of the policy of the administration in connection with the restriction of growth of products and the reciprocal-tariff agreements.

Mr. DICKSTEIN. Mr. Chairman, will the gentleman yield?

Mr. SNELL. Yes.

Mr. DICKSTEIN. What has the Governor and the legislature in the gentleman's own State and my State done on this very question?

Mr. SNELL. If I had 2 hours, and I knew more about it than I do, I could not tell the gentleman. It is very complicated, but they have never come to any agreement. The fact that the reciprocal-trade agreements let large imports of these very products in at reduced rates is something that the gentleman and I and every other man can understand. We have the figures from the Department to prove our statements.

Mr. DICKSTEIN. Will the gentleman put them into the RECORD?

Mr. SNELL. I shall be very glad to put them into the RECORD in my extension.

Mr. RICH. When we adopted the Bankhead Cotton Act several years ago we lost our foreign markets in cotton. Today the farmers of the South are increasing their dairy products because they have lost their cotton market, and that, with the reciprocal-trade agreements, provides one reason why the dairy farmers of the North are unable to find a market for their products.

Mr. SNELL. I think a certain part of the statement of the gentleman from Pennsylvania may be true. I have no opposition to the men in the South producing dairy products if they so desire. They are a part of this country. I did oppose taking land out of cotton and other agricultural products and allowing it to produce dairy products when we were paying these people to let their land lie idle; but if the South, the West, or any other part of the United States want to go into the dairy business, they have a perfect right to do so. I am speaking for the entire dairy interests of the country, which I am sure are pretty nearly done for under the present economic conditions.

Mr. DIES. Mr. Chairman, will the gentleman yield?

Mr. SNELL. Yes.

Mr. DIES. I call attention to the fact that the Federal Treasury is purchasing gold at the rate of $1,500,000,000——

Mr. SNELL. Oh, let us not get into the gold proposition. I am merely talking about some dairy matters that the average man can understand. I do not think many of us understand the "hifalutin" gold situation. I have not any gold, and I am sure that none of the farmers in the Thirty-first Congressional District of New York has any.

Mr. DIES. I was going to say to the gentleman that what is happening is that they are swapping us gold and sending in imports also.

Mr. SNELL. I am against these imports, especially at this time, of dairy products. I have always voted against these imports at all times during my service here.

Mr. Chairman, I ask unanimous consent to extend my remarks and to include therein some tables to which I have referred in my statement.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. SNELL. In the face of mounting dairy imports, in the face of tremendous amounts of butter, cheese, cattle, milk, and oil substitutes pouring into this country from Canada, Mexico, and other foreign countries, the administration took an added slap at the dairy industry.

IMPORTS GROWING—TARIFF REDUCED

Late in 1934 and in 1935 imports began to grow, but the administration placed in effect January 1, 1936, tariff reductions on cattle and dairy products to help swell the totals and they will not change them. Why?

TARIFF POWER TO PRESIDENT AND HULL

The tariff-making power belongs to the Congress, but in your great wisdom you turned over to the President the tariff-making power, and he is very pleasantly sharing it with Secretary Hull, altruistic, at least, if not a free trader de luxe. Hardly had the President been given this tariff power before down went the tariff on agricultural products, especially those of the dairy. Included were cattle, cheese, cream, and oil substitutes, which were bound on the free list.

WASHINGTON RINGS WITH PROTESTS

Washington rings with protests from dairy organizations, but the administration keeps on forgetting. Secretary Hull says it will promote peace—peace with babassu nuts.

HAS $50,000,000 DAIRY IMPORTS

And what has happened? In 1935 and 1936 this country has imported $50,000,000 in dairy products and cattle. In the same 2 years this country exported $10,000,000 in dairy products and cattle. Is not that nice for the neighbors and is it a drop in the bucket?

YEAR 1935 DAIRY IMPORTS $23,527,691

In 1935 we imported dairy products, including cream, milk, condensed milk, dried and malted milk, butter, and cheese, valued at $15,000,570, and cattle valued at $8,527,121, making a total of $23,527,691.

YEAR 1935 DAIRY EXPORTS $5,804,343

In 1935 this country exported dairy products valued at $4,533,019 and cattle valued at $271,324, making a total of $5,804,343.

YEAR 1936 DAIRY IMPORTS $26,811,184

In 1936 this country imported dairy products valued at $16,102,954 and cattle valued at $10,708,230, making a total of $26,811,184.

YEAR 1936 DAIRY EXPORTS $4,455,010

In 1936 we exported dairy products valued at $4,114,578 and cattle valued at $340,432, making a total of $4,455,010. Is this the right kind of reciprocity?

YEAR 1937 LOOKS LIKE BANNER IMPORT YEAR

Reports of the Bureau of Foreign and Domestic Commerce indicate 1937 is to be a banner import year. The reports for the first quarter show this.

HUGE CATTLE IMPORTS

In 1936 this country imported 399,113 head of cattle, valued at $10,708,230, the tariff reduction of 50 percent being effective January 1, 1936. Parenthetically speaking, this country imported only 59,000 head of cattle in 1934, valued at $616,000.

In 1936 this country exported or sold in foreign countries 4,240 head of cattle—about half for breeding—valued at $340,431.

In this little transaction the United States got the lesser end by some $10,000,000 and the tariff reduction by the President helped the other fellow.

WE BUY 60,000,000 POUNDS OF CHEESE

In 1936 this country imported 59,848,896 pounds of cheese, including Swiss, about 11,000,000 pounds more than in 1935. The value of the 1936 cheese imports was $12,716,795. The administration boosted this along with a decrease in the tariff on cheese from 7 to 5 cents a pound, effective January 1, 1936, although cheese imports were high in 1934 and 1935.

In 1936 this country exported 1,136,208 pounds of cheese, valued at $267,489. In 1935 the exports were about the same. In that little deal we took a loss of $12,000,000.

BUTTER IMPORTS, 32,000,000 POUNDS, 1935–36

In 1935 this country imported 22,674,642 pounds of butter, valued at $3,576,942.

In 1935 this country exported 957,701 pounds of butter, valued at $246,920.

In 1936 this country imported 9,874,005 pounds of butter, valued at $2,015,660.

In 1936 this country exported 825,934 pounds of butter, valued at $266,858. We took the count on butter in quite a tidy little sum.

In addition to all of this we imported in 1936 some 24,583,855 pounds of dried and malted milk, although in 1934 we imported only 6,000 pounds of dried and malted milk.

Is not that splendid cooperation for the benefit of our neighbors? The dairy industry is certainly helping in the Hull peace program; the dairy cow is for more peace.

COW DOES SOMETHING ABOUT IT

Secretary Hull talks of peace and says the reduced tariffs on dairy products and other agricultural products will help it along. We are all very seriously for peace; we are striving hard for it. Some of us do not see just how governmental sacrificing of agriculture will promote peace. The meek and humble cow has long been for peace, is almost symbolic of peace, but the difference is that the cow does something about it.

BLASTS AT DAIRY INDUSTRY

This is what the administration did to the dairy industry:

First. Reduced tariff on dairy cows coming into this country 50 percent.

Second. Reduced tariff on cheese from 7 to 5 cents a pound.

Third. Reduced tariff on cream.

Fourth. Bound palm oils on free list.

Fifth. Provided payments for placing staple crops in grasses and legumes, thus increasing pasture and feed, paving way for increasing milk supply.

CANADIAN TRADE AGREEMENT

In the reciprocal-trade agreement with Canada, which under the most-favored-nation clause applies to all countries except Germany and Australia—all other countries get the same reductions—the administration reduced the tariff on dairy cattle weighing over 700 pounds coming into this country from Canada from 3 to 1½ cents a pound. The reduction on other cattle was reduced from 3 to 2 cents a pound, a wallop at the livestock industry. Quota restrictions were provided, but the imports grew.

CATTLE IMPORTS HEAVY IN 1935

Canadian cattle and cattle from Mexico began coming into this country in 1935 as a result of the Roosevelt scarcity program, but in spite of that the administration went ahead and reduced the tariff on cattle effective in 1936.

HAD $10,000,000 IMPORTS IN 1936

In all of 1934 this country imported 59,000 head of cattle, valued at $616,000.

In all of 1936 this country imported 399,113 head of cattle, valued at $10,708,230.

In the first 3 months of 1937 this country has imported 142,149 head of cattle, valued at $4,626,391, so that barring accidents and the placing of tariff-making power back with Congress where it belongs, the total for 1937 should be huge, reaching maybe $15,000,000.

HOW WE HELPED THE NEIGHBORS

Here is a table showing how and to what extent we helped our neighbors in the cattle business:

Year	Number imported	Value
1931	85,000	$1,852,000
1932	98,600	1,499,000
1933	65,000	584,000
1934	59,000	616,000
1935	364,623	8,497,117
1936	399,113	10,708,230

In other words, since the Roosevelt policy of scarcity and tariff reduction has been in force, we have gone for $20,000,000 in foreign cattle.

HOW ABOUT THE CATTLE WE SOLD?

Now, for exports, the cattle we sold to these countries which were shipping to us. In all of 1935 we exported 3,348 head of cattle, valued at $271,324, including cattle for breeding.

In all of 1936 this country exported 4,420 head of cattle, valued at $340,432. About half were for breeding.

That is not much percentage for the United States of America.

BUTTER IMPORTS JUMP

Back in 1933 this country imported 899,000 pounds of butter, but in the last 3 years we have gone into millions in butter imports. For the first 3 months of 1937 we imported 7,839,517 pounds of butter, valued at $1,609,404. Looks like 1937 will eclipse 1935, a banner importing year, with its more than 22,000,000 pounds. Nineteen hundred and thirty-seven may show 30,000,000 pounds. That would take care of quite a lot of our surplus milk, but it is great for the neighbors. Butter is coming to us from Belgium, Denmark, New Zealand, Estonia, Greece, Latvia, Canada, Russia, Lithuania, the Netherlands, Cuba, and the Argentine.

BUYING OUR CHEESE ABROAD

Imports and exports of cheese tell the same story. The reduction in the tariff produced great results—for the foreign producer. In the first quarter of 1937 this country imported 13,027,897 pounds of cheese, valued at $2,523,160. At this rate our 1937 imports ought to trim the 1936 total of 60,000,000 pounds.

CREAM IMPORTS INCREASE

In 1935, before the tariff reduction on cream coming here from other countries was reduced from 56.6 cents a gallon to 35 cents a gallon, we imported 793 gallons. In 1936 this country imported 44,396 gallons of cream, valued at $65,380. They seem to be beginning on cream.

FOREIGN TRADE BUILD-UP

When the autocratic proposal was made that Congress turn over to the President the tariff-making power it was declared that the administration wanted to build up our foreign trade. Well, that is building up foreign trade for the dairymen abroad and taking it away from our own dairymen. The Tariff Commission is still a nervous wallflower; the star chamber is still the same star chamber. The National Grange has demanded the repeal of the whole Reciprocal Tariff Act if trade agreements reducing the tariff on agricultural products coming here from other countries were not rescinded. Still the same program goes forward, reducing, reducing, reducing; still the same star chamber.

PALM OILS

Palm oils, especially the oil of babassu nuts, is used in making substitutes for butter and take the place of fats produced on our farms. The administration bound such oils on the free list. National dairy organizations protested. But without avail; still the oils pour into our markets. Dairymen know what they do to the dairy business, and some people think they are not soothing to the great American stomach, but still they come.

NEARLY 300,000,000 POUNDS

In 1936 this country imported 338,788,706 pounds of palm oil, valued at $12,225,642; in 1935, 296,502,422 pounds, valued at $8,541,658. In the first 3 months of 1937 we imported 29,584,148 pounds of babassu nuts and 300,000 pounds of babassu oil.

Maybe we should change our slogan of "Buy American" to "Good-by America."

Mr. POWERS. Mr. Chairman, I yield 10 minutes to the gentleman from Minnesota [Mr. KNUTSON].

ONLY FINLAND PAYS

Mr. KNUTSON. Mr. Chairman, for the fifth consecutive time all the debtor nations of Europe, save Finland, have today defaulted on their payments to the American Government in the aggregate sum of $205,000,000, which should be an insignificant item for such rich countries as Great Britain, France, Italy, and Belgium, each one of whom is spending several times that amount every year in preparing for the next war. The total amount now in default is about $1,526,000,000, which the American taxpayer has had to dig up out of his own jeans.

June 15 is now known as "default day", but in order to spare the feeling of our debtors, who tell us they would pay if they could, I have today introduced a resolution changing the name from "default day" to "keep-out-of-war day." I would have June 15 set aside as a legal holiday to give the

American people an opportunity to reflect upon how they were played for suckers back in 1917, when we very foolishly went to Europe to pull the chestnuts out of the fire for the Allies under the hallucination that we were going to make the world safe for democracy.

Mr. Chairman, I would set June 15 aside as a day when we should reflect upon the futility of war. On that day we should hold parades in every city in the land, and I would only permit to participate in such parades the blind and the maimed veterans, gold-star mothers and fathers, and Boy Scouts carrying white crosses commemorating the memories of those who made the supreme sacrifice. The only sound would be that of stumbling feet marching to the time of muffled drums. I would have the exercises in charge of veterans' organizations, their auxiliaries, and gold-star mothers and fathers. The addresses should be delivered by those who have been in actual contact with war and its horrors.

Mr. Chairman, the time has come to put the American people on their guard against the subtle propaganda that is now being sprayed over the Nation like poison gas by several nations with which we were associated during the World War.

One can hardly pick up a paper today without finding some subtle propaganda that is intended to inflame the passions of our people. Even the patent insides of the lowliest country weekly is not free from this poison.

Members of the House, no major war can be waged for long without the American market to draw upon. That being the case, we should pass a neutrality law, such as I introduced on yesterday, which would place an absolute embargo on all shipments from this country in time of war. If we had had such a law back in 1914 I doubt if the World War would ever have broken out. Certainly it would have been of short duration. Oh, I know that there are those who will talk about the freedom of the seas and the rights of our ships to sail the seven seas. Yes, I grant that. I also grant that we have freedom of the streets when a riot is going on. However, none but the foolhardy would stand upon his rights at such a time except it be in defense of law and order.

My friends, let us on this "default day" dedicate ourselves anew to the principle that we will not again allow ourselves to be duped by Europe. Let us think only in terms of America, for in that direction lies eternal peace.

In closing, let me say all honor to little Finland, the country poorest in resources but richest in her regard for her sacred word of honor. The statesmen and the citizens of the defaulting countries should hang their heads in shame whenever they think of little Finland and her honorable record. [Applause.]

Mr. POWERS. Mr. Chairman, I yield 10 minutes to the gentleman from Wisconsin [Mr. WITHROW].

Mr. WITHROW. Mr. Chairman, I rise at this time to speak in support of House Joint Resolution 389, introduced by myself, calling for an investigation by the Federal Trade Commission of the relations between automobile manufacturers and their retailing dealers. I am informed by those who know best that out of those relations has grown a condition that is harmful to the consuming public and to the greatest of our American industries.

I have before me a resolution adopted by the legislature of my State, Wisconsin, requesting such an investigation, and which is the result of some 2 years of attempts by State authorities to curb some of the retailing practices of the automobile industry that are harmful to the consuming public. I assure you the State agency and the officials who urge the inquiry know whereof they speak. The resolution is as follows:

Whereas the banking commission, in administering chapter 218.01 of the Wisconsin statutes, a law licensing automobile dealers, automobile salesmen, and automobile finance companies, has found many inequities and abuses in automobile factory-automobile dealer relations which vitally affect the consuming public; and

Whereas the trade-practice commission in its findings of fact of conditions in the automobile retailing trade has found automobile factory-automobile dealer relations responsible for many of the existing unethical cutthroat competitive practices so harmful to the consuming public; and

Whereas some of this automobile manufacturer-automobile dealer relationship, because of its interstate character, is beyond the direct control of the banking commission, the trade-practice commission, and the State of Wisconsin: Therefore, be it

Resolved, That properly attested copies of this resolution be sent to the President of the United States, both Houses of Congress, and to each Wisconsin Member thereof.

Adding to our background of information is a letter I have in hand from the National Automobile Dealers' Association, which I will read, as follows:

DEAR CONGRESSMAN WITHROW: We have recently learned of the resolution in the House of Representatives introduced by yourself, and of a similar resolution introduced by your associate, Congressman HARRY SAUTHOFF, of Wisconsin, which resolutions authorize and direct an investigation of the procedure employed in the distribution of motor vehicles and the relationship between automobile manufacturers and their dealers, particularly insofar as these procedures and this relationship affect the public interest.

A business which has grown as rapidly and to such immense proportions as the automobile business affects the daily lives and well-being of millions of the citizens of this country. Practices employed by any division of an important industry also have an adverse influence upon public welfare.

For many years the automobile dealers of America have complained of policies pursued by manufacturers which, in their opinion, were inequitable. The N. A. D. A. on numerous occasions during the past several years has called the industry's attention to these problems, has suggested reforms, and has made many constructive recommendations relative thereto.

The high mortality rate of automobile dealers during the past 15 years indicates that conditions are not as they should be. It is alleged that the practices and policies employed by automobile manufacturers have resulted in the dissipation of a tremendous amount of dealer capital; that coercion has been used by the factories in requiring the dealers to make purchases and employ practices which are unprofitable and uneconomical; that automobile-dealer selling agreements have been canceled without cause; that sales have been forced beyond all reason by the manufacturers; and that the retailers have made very little profit during this period, while the manufacturers have made a tremendous amount of money.

An investigation such as you propose would doubtless bring to light the actual conditions which exist in this industry.

We are aware of the fact that there is more restlessness and dissatisfaction existing today among automobile dealers than at any time in the history of the business. Although the public is receiving greater value for the dollar spent for motor vehicles than ever before, although the factory worker is being paid more than at any time in history, many dealers are enjoying a "profitless" prosperity, due principally to competitive conditions created by the manufacturer and over which the dealer or the individual manufacturer has no control.

It is surprising to many people to know that there is more money invested and more people employed in the retailing of motor vehicles than there is in the manufacture of motor cars. This emphasizes the importance of this entire subject.

In our opinion, the great majority of the 40,000 and more motor-vehicle dealers of America welcome this investigation and feel that it will be helpful to both the public and to the industry.

Very truly yours,

E. M. LIED,
President, National Automobile Dealers' Association.

I know that unrest among the automobile dealers has been growing at the same rate as they have seen their investments disappear, as they have seen the manufacturers' net profits increase, and as they have experienced competition in the industry become so intense that they are now desperate to find means of self-preservation.

It is recognized by men in the retailing outlets, who have seen their fellow dealers come and quickly go, that there is an unreasonably high mortality among them. There is not available to my knowledge definite national figures except totals compiled by the Chilton Trade List for the years back to and including 1927, when the number of dealers was given as 51,440. This increased a few hundred in 1928, and started to drop steadily in following years until it was 34,129 in 1934, gained in 1935 and reached the total of 41,278 in 1936. In these figures we find a loss of some 17,000 dealers but it undoubtedly was much greater because of new dealers and new capital constantly coming into the picture to replace those disappearing.

In some cities telephone directories for some years have been checked to determine the mortality rate. Such experience proves conclusively that 25 percent of the dealers disappear from the business each year. It was cited at the

last convention of the National Automobile Dealers Association that in Baltimore, a city of more than 800,000 population, there were only two dealers remaining among those who originally comprised the dealers association of that city.

It is also asserted by members of the automobile retailing trade who have been in the business some years that a high percentage of the dealers would be insolvent if liquidated. Some definite records of automobile finance companies bear this out.

A few years ago the dealer put his own capital in the business but as the years passed continual losses, it is alleged, under conditions over which they have no control, have caused the loss or withdrawal of such individual capital. At least it no longer is in the retailing automobile business.

Today the dealers generally look to the finance companies to "floor plan" or finance their stocks of new cars. According to the National Association of Sales Finance Companies the amount of money it is now necessary to loan to dealers on their new and used car stocks in order for the dealers to continue in business has grown from $677,700,000 in 1929 to $1,703,600,000 in 1936.

This means that in 1929, the high year in new passenger car and truck registrations, with a total of 4,407,263 new units, the dealers required only about one-third as much outside capital as they did last year, when registrations were 3,911,220 units, almost 500,000 less units than in 1929.

Shall we say from this factual data that the difference between what they borrowed from the finance companies or banks in 1929, and what they had to borrow in 1936 to remain in business, represents approximately how much of their own, individual capital they had lost in those intervening years? That difference is $1,025,900,000. If they did not actually lose it, they certainly did not employ it in their business. Why? It is alleged that the cause lies in bad-trade practices and the fact that the manufacturer can cancel their franchises at will.

Another significant fact is seen in these figures. Do they not indicate that the more cars a dealer sells the larger become his losses, and the more profit the manufacturer makes? That is an allegation that is freely and generally made, and trade surveys have shown it to be true.

What is the cause? It is predicted that an investigation will show that one of the problems which the dealers are helpless to correct under existing conditions is the fact that the manufacturer, in order to increase his volume of production, often forces his dealers, under the implied threat of canceling the dealer's franchise, to accept and pay cash for an unreasonable amount of new cars and accessories that both know must be disposed of at an ultimate loss to the dealers.

I will explain how some of the losses occur, but time will not permit going thoroughly into that subject here. One of the practices, I am told, is for the manufacturer to unload cars on his dealers at the end of the production year and just before the introduction of new models. The dealer's capital is tied up in such stocks, which become obsolete and in order for him to stock up on the new models for which he must pay cash, he slashes prices on the obsolete stock, overallows on used-car trade-ins and takes the loss.

One of the matters which first engrossed the attention of the interim committee of the Wisconsin Legislature, which in 1933 started an investigation of the automobile dealers' relations in the State of Wisconsin, was the matter of dealer franchises. These contracts in the past have been very much one-sided. In many instances there have been clauses which compel the dealer to accept whatever merchandise, consisting of automobiles and accessories, the factory deemed proper in its discretion. Another clause puts the entire control of the dealer's business in the hands of the factory, and under its powers the factories have been in the habit of ordering the dealer to put in expensive racks for the purpose of holding nuts and bolts or other accessories. Many times this has occasioned a great deal of expense on the part of the dealer which could hardly be afforded.

Another provision of these contracts usually cancels on short term. That is, 30 days, even though the dealer may be tied up for a period of 5 or 6 years. In short, under these contracts the dealer has practically no rights whatsoever, and, of course, the factory really has a life or death proposition so far as the dealer is concerned, especially when that dealer has over a term of years built up a lucrative business.

Now, starting with this sort of a contract as a basis of operation, you can readily see the power which the factory has over its dealers. A careful count is made of the number of automobiles sold by each dealer each week. Of course, the cutthroat competition exists largely between the big three, and if the Plymouth dealer in a given territory falls below the Ford for a week, say in the matter of three sales, immediately the Plymouth dealer is called on the mat. This practice has gone so far in certain localities that dealers have resorted to fraud, misrepresentation, and even actual forgery for the purpose of getting sales. This factory pressure also leads to price cutting, overallowances on used cars, and then, staring actual bankruptcy in the face over a period of time, the dealer resorts to packing the finance charges. There have been instances where, on top of a reasonable finance charge for a period of 12 months or 18 months, there has been added to this a dealer participation as high as $67.

There has apparently been no attempt on the part of most of the factories during the past few years to attempt to build up quality dealers in a given territory. But, on the other hand, there has been a program which has been merciless to say the least. For instance, the factory representative time and time again has contacted a dealer in a particular locality who has a certain amount of capital, and usually the dealer is selected not because of his fairness nor his merchandising ability, but because he has capital to invest in automobiles and accessories. A huge factory production has been built up because this fortunate business demanded cash on the line and therefore it is the policy to seek the man with capital regardless of his ability as a merchandiser. In a few short years, usually about 3, this new dealer finds himself in serious difficulties. His capital has resolved itself into a bunch of used cars and his credit is destroyed at the bank. When the factory representative determines that this particular individual has no more money to invest in automobiles and accessories, then he immediately tries to contact other prospects with capital and proceeds to cancel out the dealer whose cash he has already absorbed, many times leaving him in a serious predicament, tied up with a long-term lease and staring actual bankruptcy in the face. Oftentimes, too, this canceled dealer leaves the public in the lurch; that is to say, he has accepted cars in exchange as well as cash and cannot deliver new cars nor return the old ones, so that there is an actual loss to the public.

In many instances under these kinds of cancelations no provision is made whatever to relieve the old dealer of his used cars or his accessories and service equipment.

During the past year of 1936, taking the dealers as an average over the country, there was a loss of $7.10 for each car the dealer sold. This condition could only continue to exist in a business like the automotive trade, because there has grown up a practice in the handling of automobiles known as dealer participations in finance charges. This is probably the only reason the vast body of dealers have been able to "get by." On account of the overcrowding of dealers in a given territory by factory representatives, a deplorable condition has arisen. The good dealer who has been a real businessman in his community has rarely been able to satisfy his factory demands. The minute the factory sees that this particular individual has made a little money it is the custom to put other dealers handling the same make of car in his territory. This, of course, cuts down the profit of the legitimate, honest dealer, and in many instances has ruined him.

These deplorable conditions have compelled the automobile dealer today to live not on his discounts which he receives for selling cars because he is under such pressure that he is not able to retain any of the discounts, being compelled to give over-allowances for used automobiles, but on his dealer

participation. In other words, the finance charge for the carrying of unpaid balances has been by general custom increased in order that the dealer might live from the burden of increased finance charges upon the public and not from the commissions which he should receive from the factory.

Let us not lose sight of the significant fact that back in 1929, when the volume of sales was the greatest in the history of the industry, the dealers handled their business with two-thirds less outside capital than they did last year with a less volume of sales. From a public consumer standpoint, is it not true that when bad trade practices drive out private capital, and any fly-by-night Tom, Dick, or Harry can get into the business as a gamble on some finance company's capital, that the standards of that trade are lowered, and the consumer is sure to suffer discrimination and other bad effects of vicious competition?

The whole theory of automobile financing has changed in a few years, and problems that are new and as yet unsolved, have arisen. This industry is a young giant whose stride forward within a very few decades has carried it beyond itself so far as its merchandising problems are concerned. Where other industries have progressed slowly but surely through many years, the automobile industry has had to hurdle, and leave unsolved, much of its merchandising difficulties that now approach fatal proportions. This has been due to fine engineering skill and improvement of the product, and extension of splendid highways, and the ever-increasing demand of the public for that product.

Before 1928 the dealer required little if any outside capital to run his business. His sales were made chiefly in the spring and summer months. The cars were the open or touring type. In those days the dealer might borrow a little money from his bank to carry some new cars through the winter, when the public could not use them and did not buy very many.

Then the closed car that the public could use the year around was produced.

Sales increased in the winter months. Before that there were no used-car problems. Today it is the crux of the whole situation. Then the merchant did not have to borrow money to finance a used car taken in trade in lieu of cash as part payment on a new car. According to factual data recently published by the National Association of Finance Companies, the percentage of wholesale dollars to new retail dollars in 1936 was 154. This means that the dealer must get outside financing at the rate of 154 percent for each new-car sale, or, in other words, if he takes a new car and must pay cash in full, say $600 wholesale, he must borrow $900 to finance the deal. First he must take in a used car as part payment, which ties up working capital. Usually when he does sell that used car taken in trade, he must take in another used car as part payment on the first. In 1929, the peak year, the rate was 60 percent.

Now, the dealers are constantly called upon by the manufacturers to obtain greater volume of sales, which to the dealer means greater used-car stocks on hand, capital tied up, and outside financing of both new and used-car stocks. The ratio of used cars to each new-car deal, as shown by a national survey of N. A. D. A. in 1935, is 1.75 used cars to each new-car sale. A 1937 survey shows the ratio now to be, for the dealers reporting in the survey, 1.67 used cars to each new-car sale.

The same survey showed that used-car losses are so tremendous that they more than offset the gross profit made on new automobiles. For example, in 1935, the reporting dealers lost $8.59 per new unit sold, when all expenses, losses, and all profits from finance reserves, service departments, and other sources are compared.

In the retail financing or installment buying the consuming public often is harmed according to evidence found in administering the Wisconsin licensing law, and as indicated by agreements being promoted by various automobile trade associations and the better finance companies in attempts to check the evil known as "finance packs."

The intense competition forced upon the dealer causes the dealer to allow a customer more for his trade-in used car than he can possibly get back in resale after proper reconditioning.

According to the N. A. D. A. analysis of surveys, dealers have failed to make a profit in their new- and used-car departments combined in any year in the last 10.

How do they survive? Remember, 25 percent is the estimated turnover of dealers per year. Then most of them make profit out of their service and repair department. Others stay a few years until their capital is gone. There is a profit in the dealer's finance reserve or rebate he gets from the finance company for the installment business, and there is the "finance pack", or an added amount above what is required or is right for the finance carrying charge, and which the customer pays with his installments on the car purchase.

Where does the automobile dealer's capital finally go? What eventually becomes of the dissipated discount on the new-car sales? Is it not obvious that when he loses money in the intense competition to increase the manufacturer's volume of production, that the dealer's losses in the new- and used-car departments finally find a resting place in the huge salaries and gigantic net profits of those manufacturers?

According to Barron's National Financial Weekly of March 22, 1937, the six leading automobile manufacturers in which the public holds an investment this year will likely have aggregate profits close to the 1936 total of about $300,000,000. The net profits of General Motors for 1936 was given in the annual report as $238,705,192. This was a net profit of $127 per new car. Hudson is given as having a profit of $3,000,000 in 1936, an official estimate of $24 per new car. Chrysler in 1936, according to Barron's, made a net profit of $62,110,543, or $97 per new car. Studebaker's net profit for the year was $2,187,783, or $24 per new car, and the net profit for Nash, not including Kelvinator, is given as $1,020,707, or $22 per new car.

A great many people are under the misapprehension that the automobile manufacturer has the majority of capital that is tied up in this great American industry. Nothing could be further from the truth. The automobile dealer with his capital invested in buildings, with his daily pay roll, advertising expense, and so forth, has in reality by far the larger investment in the automobile industry.

In closing I want to draw this one deduction. Here is a going industry, on the make as it were, with the dealer who has by far and above the larger investment, losing money consistently—25 percent of them going out of business every year. On the other hand, we have the manufacturer making undreamed-of profits. Something must be wrong. If the manufacturer's policies and his relations and dealings with the retailing dealers are above reproach and on the square, then surely he can have no objection to this investigation. [Applause.]

Mr. McFARLANE. Mr. Chairman, will the gentleman yield?

Mr. WITHROW. I yield.

Mr. McFARLANE. What does Henry Ford's crowd make?

Mr. WITHROW. I did not take occasion to look that up. I just have the ones I have given you. I can get that, and I will be pleased to put that in the RECORD.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. WITHROW. I yield.

Mr. CRAWFORD. Does the survey or report which the gentleman has clearly set forth any definite reason why these failures?

Mr. WITHROW. No; there were not any. This is the report as to net earnings and as to the per car unit net profit.

Mr. CRAWFORD. I understand; but the gentleman was speaking about a turn-over of 25 percent.

Mr. WITHROW. I say 25 percent turn-over in the dealers. In other words, 25 percent of the retail dealers are going

out of business every year because of these racketeering practices that are perpetrated upon them by the manufacturers, who hold the club over their heads at all times.

Mr. CRAWFORD. The question I was asking was, Does the report which the gentleman is discussing come to any conclusions as to why these failures; any definite reason?

Mr. WITHROW. Yes. I will give that to you if you will give me a chance.

Why are 25 percent of the dealers going out of business every year? The reason is that the manufacturer holds a contract. That contract, as far as the manufacturer is concerned, is a short-term contract. It can be canceled almost any time—as long as it takes to get a registered letter from Detroit to the dealer.

The CHAIRMAN. The time of the gentleman from Wisconsin [Mr. WITHROW] has expired.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. SNYDER] has 33 minutes remaining.

Mr. DITTER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DITTER. Mr. Chairman, as a member of the Committee on Appropriations opposed to the present bill, I believe I have a right to recognition for 1 hour, as well as the distinguished gentleman from New Jersey [Mr. POWERS]. Am I correct?

The CHAIRMAN. The gentleman is recognized for 1 hour.

Mr. DITTER. I yield 10 minutes to the distinguished gentleman from Ohio [Mr. JENKINS].

Mr. JENKINS of Ohio. Mr. Chairman, I take this time because I want to ask the chairman of the committee a few questions with reference to flood control. I know that he is very well posted on this subject, and I know that his sympathies are with the proposition. If there is any question I may ask that he cannot answer I want to have the privilege of asking the same question of someone else on the committee.

First, can the gentleman from Pennsylvania [Mr. SNYDER] advise me whether or not the $30,000,000 provided in this bill for flood control has been earmarked in any way?

Mr. SNYDER of Pennsylvania. It has not been earmarked in any way whatsoever.

Mr. JENKINS of Ohio. Is there any special reason why it was not earmarked?

Mr. SNYDER of Pennsylvania. The law provides that the President of the United States shall designate where the money shall be spent. He determines the order of emergency of projects.

Mr. JENKINS of Ohio. That is leading me to what I want to know.

Mr. DITTER. Mr. Chairman, will the gentleman yield?

Mr. JENKINS of Ohio. Yes; I yield to the gentleman from Pennsylvania.

Mr. DITTER. Part of it is earmarked for flood control on the Mississippi and its tributaries.

Mr. SNYDER of Pennsylvania. We carry another appropriation for $22,500,000 for expenditure upon the lower Mississippi and its tributaries in consequence of the Overton Act; yes.

Mr. DITTER. Then, the gentleman was in error when he said we had not earmarked flood-control money, so far as the inquiry of the gentleman from Ohio is concerned.

Mr. SNYDER of Pennsylvania. No; I may say to the gentleman from Pennsylvania that there are two separate acts, the omnibus Flood Control Act, sometimes known as the Copeland Act, and the Overton Act. The former covers all flood-control projects save those covered by the Overton Act, which applies entirely to the lower Mississippi.

Mr. DITTER. There are, however, certain funds that have been earmarked.

Mr. SNYDER of Pennsylvania. No; I would not say that any funds have been earmarked. The $30,000,000 is available for expenditure upon any of the projects included in the Copeland Act which have qualified or may qualify in accordance with the provisions of that act.

Mr. DITTER. Will my distinguished colleague yield further?

Mr. JENKINS of Ohio. I yield to the gentleman from Pennsylvania, for he is well informed on the question of the appropriation of money.

Mr. DITTER. I read from page 1042 of the hearings:

> If you have in the $22,500,000 the $14,000,000 to acquire flowage rights you will then have about $8,000,000 left for all the other projects under the Overton bill.

That would certainly imply, would it not, that $14,000,000 has been definitely earmarked to acquire flowage rights?

Mr. SNYDER of Pennsylvania. Oh, no; they may spend a portion of the appropriation for land or they may spend all of it upon construction.

Mr. DITTER. Then the gentleman was in error when that question was asked.

Mr. SNYDER of Pennsylvania. In what respect was I in error?

Mr. DITTER. I refer to the gentleman from Arkansas [Mr. TERRY]. He definitely said there that $14,000,000 was to be used for acquiring flowage rights. Now, was he correct or was he in error?

Mr. SNYDER of Pennsylvania. It can be applied to land purchase or not, just as they see fit.

Mr. DITTER. I am very much interested in this bill and I really would like to have some satisfactory information. I have studied the hearings. I wonder whether the gentleman from Arkansas [Mr. TERRY] was correct or incorrect when he definitely said that $14,000,000 was to be used to acquire flowage rights. Now, is that wrong? Was that presumption incorrect or was it correct? If the gentleman will answer that for me, I shall be satisfied.

Mr. SNYDER of Pennsylvania. Application of the money is entirely discretionary.

Mr. DITTER. I am not inquiring as to the gentleman's opinion; I am inquiring whether the Army, under this program, has authority and discretion, or whether this money has been definitely earmarked as was indicated by our distinguished colleague's inquiry on page 104 of the hearings?

Mr. SNYDER of Pennsylvania. The expenditure of the $22,500,000 is entirely within the discretion of the Army Engineers. They can spend it for land or they can spend it for channel straightening or they can spend it for levees, or whatever in their judgment they may think proper to do with it in order to stop floods on the lower Mississippi River, so long as the work is authorized by the Overton Act.

Mr. DITTER. Then this was an incorrect statement.

Mr. SNYDER of Pennsylvania. I suggest that the gentleman from Arkansas [Mr. TERRY] answer for himself.

Mr. TERRY. Mr. Chairman, will the gentleman yield?

Mr. JENKINS of Ohio. I yield to the gentleman from Arkansas, for he, too, is sympathetic with this problem of flood control.

Mr. TERRY. I may say for the information of my friend the gentleman from Pennsylvania that $22,500,000 was allotted under the Overton Act. I was trying to ascertain how much of that would go for flowage rights. I asked that question of General Markham, I believe.

Mr. DITTER. The gentleman is correct.

Mr. TERRY. I was asking if that was not the amount it was estimated that the flowage rights would cost. I was trying to point out what a meager amount had been allotted for the work, if the information I had was correct, that it would be $14,000,000 that would go for flowage rights, leaving about $8,000,000; but that was not a question of allocating that much for flowage rights. From some source I had learned that that was what the flowage rights would cost.

Mr. DITTER. Is the gentleman satisfied that the information upon which he predicated this question was authentic information? The answer of the gentleman from Pennsylvania [Mr. SNYDER] has not satisfied me. I wish he would supplement it.

Mr. TERRY. I do not think that the statement made by the gentleman from Pennsylvania was incorrect, because

the amount that I mentioned, $14,000,000, was not an allocation but an appraisal of the flowage rights.

Mr. DITTER. I thank the gentleman.

Mr. WHITTINGTON. Will the gentleman yield?

Mr. JENKINS of Ohio. I yield to the gentleman from Mississippi, the chairman of the Flood Control Committee.

Mr. WHITTINGTON. It occurs to me that the answer to the question propounded by the gentleman from Pennsylvania, as to the break-down of the $22,500,000 embraced in this act for the lower Mississippi, will be found on pages 102 and 103.

Mr. DITTER. I have studied that, and that is the thing that disturbed me.

Mr. WHITTINGTON. The whole project would contemplate the acquiring of some million acres of land down there and the expenditure of $14,000,000 and, as the gentleman from Arkansas stated, if $14,000,000 of the $22,000,000 were used for acquiring those flowage rights, there would be only $8,000,000 left for public works.

Mr. JENKINS of Ohio. Mr. Chairman, this colloquy confirms my judgment that there is nothing definite about this flood-relief program. The only thing definite is that we in the Ohio River Valley last winter experienced the most disastrous flood that part of the world ever saw, and up to this time, 5 months after the flood, no one can put his finger on any kind of a definite program. For instance, let us consider this $22,500,000 that is provided for by the Overton Act. No one knows whether $14,000,000 or $12,000,000 is going to be used for the purchase of land or not. If it is used for the purchase of land, it will leave the pitiful sum of $8,000,000 or $10,00,000 with which to make improvements, which will be practically nothing.

Mr. Chairman, when we look around and notice what the Government and the administration is trying to do for flood control, we cannot come to any other conclusion than that they do not want to do anything of a definite nature. I want to be respectful to the gentlemen because I appreciate the gentleman from Arkansas and the gentleman from Pennsylvania are vitally interested in this matter, and I think perhaps they would agree with me.

Mr. TERRY. The gentleman understands that the amounts mentioned in the Overton bill are entirely separate and distinct from the Copeland bill, which covers flood-control projects.

Mr. JENKINS of Ohio. I come now to the Copeland bill, which carries $30,000,000. That is just a bald appropriation of $30,000,000.

[Here the gavel fell.]

Mr. DITTER. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. JENKINS of Ohio. Mr. Chairman, there is provided in this bill a well-rounded figure of $30,000,000 to be spent in the Ohio River Valley. The chairman of the Subcommittee on Appropriations ought to know about it, and if he does not know it is because somebody has neglected and failed to give him the information; and I think, as distinguished a man as he is, a man who has shown his interest in this important subject to the extent he has, should have the information, and it is absolutely wrong to deny him that knowledge if anyone else has the knowledge. If they have only fed out this $30,000,000 as a sop, then we, who are interested in this matter, ought to know whether it is a sop or not. If it is a sop, we are not satisfied. We are not satisfied with one single dollar as a sop. We want a program. If we cannot get more than $30,000,000, we will take the $30,000,000 and be glad to get it, although it will not be nearly enough. We want a program. We are entitled to it.

Will the gentleman from Pennsylvania tell me whether or not my fears are well grounded in this respect, or whether he has something more definite to give me that I may take back to my people?

Mr. SNYDER of Pennsylvania. I may preface my reply to the gentleman's inquiry by saying that, as we look back over the flood-control procedure in this country for many years—and I do not care whether we go back 50, 100, or 125 years—we will not find that we ever had a program.

Mr. JENKINS of Ohio. Yes. We had a well-recognized program up to the last great flood. The Army engineers had a program that was very well defined. I want to say, by way of compliment to the gentleman from Pennsylvania and the different organizations in Pennsylvania, that they had a pretty well-defined program up there. You have done a splendid job.

Mr. SNYDER of Pennsylvania. We had a program for the Mississippi but not an adopted program elsewhere.

Mr. JENKINS of Ohio. Yes; we had a program for, I think, about 30 large reservoirs, calling for an expenditure of about $200,000,000. The various organizations in Pennsylvania, however, have done a fine job and have indicated a willingness to cooperate beyond the expectations of almost everyone. Before I leave the question I would like to know whether or not we will have a definite program? I think a man with the gentleman's understanding ought to have a definite program, or else somebody ought to give it to him.

Mr. TABER. Will the gentleman yield?

Mr. JENKINS of Ohio. I yield to the gentleman from New York.

Mr. TABER. In 1929 there was $24,892,000 expended; in 1930, $25,754,000; in 1931, $36,903,000; in 1932, $28,409,000; and in 1933, $38,632,000.

Mr. SNYDER of Pennsylvania. Will the gentleman yield?

Mr. TABER. I yield to the gentleman from Pennsylvania.

Mr. SNYDER of Pennsylvania. Where was that money spent?

Mr. TABER. That was spent on a flood-control program covering the Mississippi River.

Mr. SNYDER of Pennsylvania. That is what I thought. That is all on the Mississippi River. We are not talking about that. We are talking about the Ohio and upper Ohio.

Mr. JENKINS of Ohio. Mr. Chairman, I want to know whether or not we have anything definite. Let me indicate to the gentleman from Pennsylvania what I have in mind. We appreciate the $30,000,000 that it is proposed to give to us, but we cannot say whether it is going to be spent to buy land or what it is going to be spent for, and apparently the gentleman from Pennsylvania [Mr. SNYDER] does not know.

There is another bill having to do with flood-control matters that will come up for consideration. Everyone knows that the gentleman from Mississippi [Mr. WHITTINGTON] is a recognized and outstanding flood authority in this country and in this Congress. The gentleman may know more than I think he knows about the matter; however, in my conversations with him I know he wants to be honest with me. I have never been able to get anything tangible or definite from him. No doubt he has not been given anything definite.

[Here the gavel fell.]

Mr. DITTER. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. JENKINS of Ohio. Mr. Chairman, this morning it was brought out that 12 separate towns along the Ohio River were selected by the President himself to be beneficiaries of a flood program. There is one little town in my district that I think is to have $350,000 under the program. They will be expected to match at least a portion of that amount.

This town cannot do that. It is not financially able. There are two large cities right below it and one across the river from it. These cities, within 30 miles of the town, are what may be called large cities on the river. They are not mentioned at all.

What kind of a program is it? What is in the President's mind? What is in the mind of the administration? What is in anybody's mind if they just go around like this and shut their eyes and pick out one little place here and there and say this place shall have so much and another place shall have so much? This is not businesslike, this is not statesmanship, and cannot be consistent with good engi-

neering. Someone should be able to explain this. I fear that we are being fooled. I fear that in connection with the next big bill on which the President seems to be sold, which is the authorities bill, the President is just handing out these little sops to us, and we are not going to get anything. He is going to come along with this big authorities bill and say, "You have to take your flood control along with power."

Mr. Chairman, this is not what my people want. We do not want this kind of an arrangement. Let power stand on its own feet. We want something which will stop these perennial visitations of disastrous floods which take property, which take life, and which take ambition out of our people. We want something definite. I beseech the Chairman of the Committee, if he can, and I do not know that he can, and the distinguished gentleman from Mississippi [Mr. WHITTINGTON], who has done so much, to bring out something tangible, that they use their influence with the President that he may appreciate what a flood really is. So far he seems not to have realized what it means for a million people to be driven from their homes in the dead of winter.

Mr. MILLER. Mr. Chairman, will the gentleman yield?

Mr. JENKINS of Ohio. Yes; I yield gladly to my friend, the gentleman from Arkansas, who is another flood-prevention enthusiast and who generally knows what he is talking about.

Mr. MILLER. I may say I introduced this morning a bill which will solve the problem if the Members of Congress will vote to assume their responsibility as legislators and settle the problem themselves. There are many reasons why we do not have a program now insofar as the tributaries are concerned. It is because of the conflict between the act of June 22, 1936, and the act of June 15, 1936. The bill I introduced this morning covers the Ohio, the Missouri, the Arkansas, and the White Rivers, and provides a coordinated, integrated system of reservoirs at a cost of $480,000,000.

Mr. JENKINS of Ohio. How does the gentleman's proposal stand with reference to whether it has a chance of having the approval of the Army engineers?

Mr. MILLER. It is based on the report and recommendations of the Army engineers.

Mr. JENKINS of Ohio. Does the gentleman know anything about what is in the mind of the President with reference to what he expects to do regarding flood relief?

Mr. MILLER. Only what is included in the letter the President sent to the Committee on Flood Control when he asked the committee not to consider any further authorizations until January of next year.

Mr. JENKINS of Ohio. Did the gentleman take that to mean, as I did, that our chances for any flood control might be meager unless we come under the authorities bill?

Mr. MILLER. I take it to mean that if the Congress is going to sit down and let our people be washed away and our property destroyed—in other words, fiddle while Rome is being burned—it is our responsibility. This is why I introduced my bill, for the purpose of giving Congress the opportunity to assert its own individual responsibility and assume the authority it has.

Mr. JENKINS of Ohio. The gentleman from New York [Mr. TABER] has just shown me a figure indicating that less than 2 percent of all the flood-control moneys spent from 1930 up to the present time has been spent north of Cairo. How does the gentleman view this situation? The other day we passed a bill in which there was an item providing for the expenditure of $112,000,000 for one dam down in Kentucky. I have nothing against Kentucky or its people. May God bless them all, so far as that is concerned. However, why in the world should we spend $112,000,000 to build one dam for power purposes and hand out a meager proposition like $20,000,000 to the great Ohio Valley from Pittsburgh to Cairo? How can anybody justify this?

Mr. MILLER. It cannot be justified, in view of the tremendous damage which has been occasioned by floods this year in the Ohio, the White, the Arkansas, and the Missouri Valleys. We can correct that situation, according to General Markham, Chief of Engineers, by spending $480,000,000. Our damage to property this year alone amounted to that sum.

Mr. JENKINS of Ohio. What would be the period of time within which the bill of the gentleman would operate?

Mr. MILLER. It would probably take 2 or 3 years to complete all of the 69 reservoirs. This is a reservoir bill, pure and simple. Here is a committee document to which I would like to refer, committee document no. 1 of the Seventy-fifth Congress, Flood Control Committee. This is based on the report of General Markham; but, mind you, this is the report the President has said he does not want considered until January 1938.

Mr. JENKINS of Ohio. I think the gentleman has a splendid idea. I believe the great flood of 1937 brought out conclusively to the people, especially those who live in the Ohio River section, that the original program of the Army engineers for reservoirs at the headwaters will not be adequate. It is only one branch of a great program. Now, there is another program in regard to flood walls, such as the gentleman from Mississippi is trying to get through for us. It is generally conceded now that we ought to have a well-rounded program to take in the whole situation. I am glad the gentleman has submitted such a program. I hope something may develop from his bill. [Applause.]

Mr. DITTER. Mr. Chairman, I yield the balance of my time to the gentleman from New Jersey [Mr. POWERS].

Mr. POWERS. Mr. Chairman, I yield 22 minutes to the gentleman from Ohio [Mr. LAMNECK.]

Mr. SNYDER of Pennsylvania. Mr. Chairman, I yield 8 minutes to the gentleman from Ohio.

Mr. LAMNECK. Mr. Chairman, in his immortal Gettysburg Address, Abraham Lincoln said:

> Now we are engaged in a great civil war, testing whether that nation or any nation so conceived and so dedicated can long endure.

Little did I think that the day would come in my time when I should feel under a solemn duty to arise in my place in this House and give utterance, in my humble way, to a similar statement. Yet that is exactly why I stand here today, seriously disturbed because I know only too well that few of you will realize without my explanation the parallel which I am about to draw.

I refer to the present controversy between capital and labor which is sweeping this country like wildfire. I solemnly assure you that in my opinion the issue involved is just as vital to the future of my country and your country as any issue of the War between the States, just as "testing" whether our Democratic capitalistic form of society can long endure. And you have only to pick up your daily paper to learn that the issue is being fought out in a civil war, with all the violence and bloodshed, all the usual implements of any civil war.

My interest in the situation centers in the steel strikes now going on. It has been aroused for two reasons: First, because the most aggravated, the most unhappy, and the most menacing conditions exist in the State of Ohio which I represent in this House; and second, and much more important, because I feel that the very foundations of our National Government are threatened by the sinister implications which these strikes carry.

Let me first make myself clear as to my attitude toward labor.

I have said on the floor of this House on previous occasions that a laboring man has the right to strike when he wants to, work when he wants to, and quit when he wants to. He has the right to select leaders of his own choosing, free from any coercion or direction on the part of his employer, to negotiate in his interest. I do not believe that there is a person in this country who has given this any thought who would not agree generally with this proposition. I go further, as does the law, and claim that the employee has the right to use peaceable means of persuasion to influence his fellow workers to his way of thinking.

However, my personal belief is that there should be a justifiable reason for striking. If the laborers' wages are not sufficient, if their hours are too long, if their working conditions are improper, they have the right to complain, to protest, and to strike if they want to, in the hope of rectifying these conditions.

But the strikes to which I now refer do not involve these issues or any other issues which can really be said to require the invocation of that specious and much-abused phrase "human rights." I claim that no workingman who is interested in the future of this country and is a patriotic American citizen should strike unless there is a justifiable reason and a reason basically connected with his work.

Since 1930 the Federal Government has been compelled to spend $20,000,000,000 in an attempt to restore prosperity and to provide jobs for those American citizens who, through no fault of their own, were thrown out of employment. Great progress has been made, business was fast recovering until there was thrust upon it the present epidemic of strikes. This recovery is now seriously threatened by the drive of labor to secure more than their just and sensible rights. This drive is based solely upon the ambition of a small group of men who are trying to impose their will to organize upon employers and their fellow employees alike, regardless of their wishes in the matter.

I say that no workingman who will strike without a just and sufficient cause is a patriotic American citizen.

Let me next give you a little background on these particular strikes which I am discussing.

These strikes involve the Republic Steel Corporation and the Youngstown Sheet & Tube Co., whose principal activities are in the Mahoning Valley in the Youngstown district of Ohio. Inland Steel is also involved and now Bethlehem has been drawn in. They have no strikes in my congressional district, therefore my comments on the situation are based entirely upon a firm conviction that if these strikes are permitted to go on and if the communistic forces, with their growing strength in this country, are permitted to destroy property and hinder people who want to work, it will lead to disastrous results.

I say there are no strikes in my district now; but who knows how soon, if present indications elsewhere are realized, that some of the industries in my district will not be compelled to shut down because, forsooth, they see fit to buy from or to sell to one of the steel companies now on strike. Such is the trend and such is the threat.

I should like to tell you in detail how the present controversy arose, but time will not permit. The issue has been repeatedly set forth in the public press. There is only one issue, and that is whether the companies involved shall sign a contract binding them for the period thereof to stated terms of employment in general accord with the provisions of the Wagner Act. The union has not asked the National Labor Relations Board to hold an election to determine whether it controls a majority of the workmen in any plant or company. The corporations have no such right.

So the issue has been drawn, not over wages, not over hours of work, not over vacations, not over working conditions, but purely and solely on the question of whether or not the companies involved shall sign a written contract binding them to bargain collectively.

I think at this point it is important to state the legal aspects of this question.

The only law, except the natural law of force, compulsion, upon which the C. I. O. relies for authority in its present demands, is the Wagner Act. Does this act by its language impose an obligation upon employers to actually make contracts agreeing to its terms? It does not; it is absolutely silent on this point and in this regard.

Does the spirit of the act imply such an obligation as is suggested by the unions and their sympathizers, among whom are apparently numbered the National Labor Relations Board? Chief Justice Hughes, of the United States Supreme Court, speaking for the Court, would be generally regarded, I should have thought, as the highest authority on this point. Fortunately he has recently expressed himself on this subject after exhaustive study of the Wagner Act in the case of the National Labor Relations Board against the Jones & Laughlin Steel Co. There he said, within the past 30 days:

> The act does not compel agreements between employers and employees. It does not compel any agreement whatever. It does not prevent the employer "from refusing to make a collective contract and hiring individuals on whatever terms" the employer "may by unilateral action determine."

Despite the explicit language of the Chief Justice, labor leaders daily proclaim that they are within their rights in demanding a signed contract, and the National Labor Relations Board implies a similar belief. In other words, the Supreme Court is no longer the last word on the law of the land in some quarters.

I am advised by lawyers that if the Wagner Act had explicitly required employers to sign contracts, or if it should be so construed, it would be held unconstitutional.

But the question may be asked, Why do the steel companies object to signing a contract? Because obviously, in the first place, they are not obligated by law to do so and cannot legally be so obligated. But, second, and this is the essence, because they are absolutely convinced from their long experience in dealing with labor that the signing of the first contract marks the first step in future demands for more burdensome contracts, finally ending in a demand for a contract embodying the closed shop and the check-off. If this comes, they say, God help the steel industry; I say God help this country.

On this subject let me quote you from the well-known columnist, Westbrook Pegler. He has voiced my thought as well as I or anyone else can do it:

> Senator GUFFEY blames the steel trouble on the refusal of three companies to sign contracts with the C. I. O., and, granting only for the sake of argument that this is so, the justification for this refusal is obvious. This justification is that a contract with the C. I. O. isn't worth a damn, and won't be until the law provides some penalty in case of repudiation by the C. I. O.
>
> In fact, no contract with any union is worth any more than a treaty with Mussolini, nor will be until there is mutual responsibility, as there must be in any contract that is a contract.
>
> Under present conditions the employer is bound to observe the agreement down to the last comma and concede all border-line cases to avoid penalties, including possibly a term in jail. But a union has no more responsibility than a cyclone, and a leader who may be a thief or a dictator on the rise, with ambitions to emulate Stalin, Trotsky, or the Duce, may treat a contract as a scrap of paper if it suits his convenience to do so.
>
> Suppose the C. I. O. does break a contract dictated by its own representatives and backed on one side by the law, the Government, and the employer's property, and on the other side by nothing. Who is going to do what to whom? Nobody is going to do anything to anybody.
>
> So why should any employer sign a contract with the C. I. O. if he doesn't have to? Senator GUFFEY proposes a rather wide investigation of the steel strikes, but while they are at it the statesmen could do much worse than inquire into the affairs of labor in general with an eye to coercion, extortion, and the unofficial but inescapable income tax which is levied on the earnings of nominally free American workmen by labor unions, to which many of them have no desire to belong.

What does labor say to this question? Does John L. Lewis deny his ultimate objective is the closed shop and the check-off? No. On the contrary, he has made it abundantly clear in recent months that this is a goal toward which he is relentlessly driving. I say "a goal", not "the goal", deliberately, because neither I nor anyone else can say today what his real, full future objectives may be. As a matter of fact, they may well be shaped by the amount of power which he can gather to himself.

How far they may well go is even today fairly apparent.

Is there any definite recent experience by which to measure the force of the steel company's position with respect to signing a contract?

I need only call your attention to the fact that within the past few days the newspapers have reported that the automobile workers have instructed their delegates to advise General Motors of new demands when the contract so recently agreed upon expires in August.

So much for the question of signing a contract which, mark you, is the sole issue in the present strikes.

Let me now give you some idea of how these strikes are being conducted. Facts are public knowledge, therefore, there can be little question about them. The press of the Nation daily devotes most of its first page to incidents occurring in the strike-struck towns in my State of Ohio and elsewhere. Remember that I believe sincerely in the laboring man's right to strike so long as the strike is lawfully conducted. Let me say a little first about the situation in Chicago. Your recollection must be as vivid as mine of the recent riot in which eight men were killed. This occurred when the police of the city were, in the legal discharge of their sworn duty, seeing that law and order was being upheld. Who were these men in Chicago who sought to take the law into their own hands with such dreadful results? Were they all disgruntled employees of Republic Steel? I quote you from bold type on the first page of the Daily Worker, special Chicago supplement, of Wednesday, June 2, 1937, referring to one of the pickets who died as the result of injuries received while marching upon Republic's plant:

JOSEPH ROTHMUND, COMMUNIST PARTY MEMBER

One of the six labor martyrs was an active, loyal member of the Communist Party. He was active as a cook in the kitchen set up for pickets, and whenever he had a moment to spare he sold the Daily Worker to pickets and to workers generally in South Chicago.

When the Tribune learned from police that Comrade Rothmund was a member of the Communist Party, it again yelped about "reds" and "outsiders." But such vile attacks have no effect on intelligent people.

Comrade Rothmund was a useful worker, a member of the bakers' union, a citizen of Chicago, and far more valuable than Colonel McCormick, of the Chicago Tribune, or Tom Girdler, the parasite exploiter of steel workers and other tax dodgers who live off the sweat and blood of Chicago men, women, and children.

Yes; Communists are in this and every other strike. They are there because it is their duty as workers to fight for their class. Communists have no interests apart from the interests of the working class. The whole party and the whole working class mourns the death of Comrade Rothmund and the others who fell with him in their line of duty.

Let me ask you one question: Is this the type of American laborer and is this an example of human rights which the State and Federal Governments can afford to encourage or condone?

So far the only recorded deaths in these strikes occurred in connection with the Chicago riot. But in the State of Ohio the Mahoning Valley presents throughout its extent the spectacle of plants beseiged by lawless mobs in the guise of picket lines—the peaceful picketing which the law permits. But in those localities where workers of their own free will have elected to stand by their posts there are daily, nay, hourly, occurrences which we in the peaceful atmosphere of Washington cannot even begin to appreciate. Let me tell you about Niles and Warren. Several thousand men are at work in these plants. Others would like to return to work but dare not. These plants are surrounded day and night by a cordon of strikers and their sympathizers, armed with lethal weapons. These men have used every means at their command to prevent loyal workers from entering or leaving the plants. They have shot to kill at workers attempting to slip in under cover of night. They have threatened and coerced the wives and children of men in the plant. They have by threats of violence prevented the railroads serving the plants from taking cars in or bringing them out, thus restraining interstate commerce and breaching the Federal laws. In the early days of the strike they held up United States mail trucks and prevented them from delivering food, clothing, and newspapers mailed to persons in the plants. Such an act is a clear violation of the Postal Code of the United States. Latterly the local postmasters have declined to accept packages containing such articles into the United States mail, on the pretext of a technical rule of the Postmaster General or in the theory that danger would be involved in attempting to deliver them against the will of the strikers.

In other words, the Federal mail service at these points is virtually controlled by the wishes and commands of a group of men engaged daily in breaches of law in every direction. These are the mails which Grover Cleveland ordained should go through in his famous proclamation on July 8, 1894, when mobs of striking employees of the Pullman Co. attempted to arrogate to themselves the rights which the present strikers are assuming and up to this point without serious interposition by Federal authority. Let me read you what Cleveland said:

PROCLAMATION BY THE PRESIDENT OF THE UNITED STATES

Whereas, by reason of unlawful obstruction, combinations, and assemblages of persons, it has become impracticable, in the judgment of the President, to enforce, by the ordinary courts of judicial proceedings, the laws of the United States within the State of Illinois and especially in the city of Chicago within said State; and

Whereas, for the purpose of enforcing the faithful execution of the laws of the United States and protecting its property and removing obstructions to the United States mails in the State and city aforesaid, the President has employed a part of the military forces of the United States: Now, therefore, I, Grover Cleveland, President of the United States, do hereby admonish all good citizens and all persons who may be or may come within the city and State aforesaid against aiding, countenancing, encouraging, or taking any part in such unlawful obstructions, combinations, and assemblages; and I hereby warn all persons engaged in or in any way connected with such unlawful obstructions, combinations, and assemblages to disperse and retire peaceably to their respective abodes on or before 12 o'clock noon on the 9th day of July instant.

Those who disregard this warning and persist in taking part with a riotous mob in forcibly resisting and obstructing the execution of the laws of the United States or interfering with the function of the Government and destroying or attempting to destroy the property belonging to the United States or under its protection cannot be regarded otherwise than as public enemies.

Troops employed against such a riotous mob will act with all the moderation and forbearance consistent with the accomplishment of the desired end; but the stern necessity that confronts them will not certainly permit discrimination between guilty participants and those who are mingled with them from curiosity and without criminal intent. The only safe course, therefore, for those not actually unlawfully participating is to abide at their homes, or at least not to be found in the neighborhood of riotous assemblages.

While there will be no hesitation or vacillation in the decisive treatment of the guilty, this warning is especially intended to protect and save the innocent.

In testimony whereof I have hereunto set my hand and caused the seal of the United States to be hereto affixed.

Done at the city of Washington this 8th day of July in the year of our Lord 1894 and of the independence of the United States of America the one hundred and eighteenth.

I understand that the Republic Steel Corporation will file legal action, as a measure of desperation and of last resort, against the Postmaster General of the United States to compel him to deliver packages of food through the mails. Packages such as are being accepted for mailing and delivered by the thousands throughout the country. This food, mark you, is destined for the necessary sustenance of those men at work in the steel mills who by the thousands are marooned and deprived of ordinary mail service because and only because they wish to continue at work on their jobs.

Is there any more important human right than the right to work, the right to furnish support for a family? What differentiates the Government's boasted obligation to see that the unemployed are provided for from the Government's apparently forgotten obligation to see that those who are willing and able to work—who are even willing to fight for the right to work—are protected in this right?

Yet if the newspaper quotations of statements of Post Office officials are to be believed, and there seems no reason to doubt them, the Post Office Department first defends its position on a legalistic ground which rivals in sophistry the worst arguments of those social classes which are daily being held up to public shame and censure by proponents of the "more abundant life."

Its second line of defense is the fact that conditions surrounding the strike-bound plants present dangers of physical violence to men and equipment which the Post Office Department cannot afford to risk. Its Budget might be unbalanced if some of the mail trucks were damaged or destroyed.

Have the processes of law and order sunk to such a low degree in this country that the United States Government is to be deterred from the discharge of its duties by the menace of a group of self-willed men?

I have before me a cartoon from Monday's edition of the Washington Post. Is there any wonder that the men whose

job it is to picture current events to the people feel licensed to hold this situation up to ridicule and contempt? This cartoon depicts a bewildered postman seated with his mail bag before an industrial plant; near him is a signboard bearing the legend "On strike, C. I. O." He holds in his hand and is reading the well-known motto of the Post Office Department, "Neither snow nor rain nor heat nor gloom of the night stays these couriers from the swift completion of their rounds." The caption is, "It says nothing about strikes."

The flagrant breaches of Federal law which have occurred repeatedly, the definite restraint upon interstate commerce which has been imposed would, in Cleveland's time, without doubt, have resulted in prompt and appropriate action by the Attorney General of the United States.

So far as I am advised no voice has been raised from this quarter during the present period of violence.

The Sherman Act, the first of the antitrust laws of the United States, provides as follows:

Every contract combination in the form of trust or otherwise, or conspiracy in restraint of trade or commerce among the several States or with foreign nations is declared to be illegal. Every person who shall make any such contract or engage in any such combination or conspiracy shall be deemed guilty of a misdemeanor and on conviction thereof shall be punished by a fine not exceeding $5,000 or by imprisonment not exceeding 1 year, or by both said punishments in the discretion of the court.

The courts of last resort have held that this statute is applicable to labor unions. As I have read you, the statute provides for criminal prosecution for its violation; by a later section provision is made as well for civil action by those peculiarly damaged.

Can there be any doubt in anyone's mind that Lewis and his henchmen are conspiring to obstruct and interfere with interstate commerce for the purpose of achieving their ultimate objective. Where is our Department of Justice, which springs into such swift and drastic action when any corporate interest dares violate the spirit, not to say the letter, of the law—violations which from a standpoint of national importance fade into insignificance when compared to what Lewis and his C. I. O. are doing?

Has the loan of $50,000 to the Democratic National Committee, mentioned in last week's newspaper, and the campaign contribution which Mr. Lewis has so often and so feelingly referred to, any bearing on this situation?

In order to get food to workers in the plants the company has been compelled to resort to dropping it from airplanes. Today these planes are riddled with bullet holes, the act of men lying in ambush outside the plants, armed with high-powered rifles. Let me read you what a newspaper reporter who was flown over one of the plants to get first-hand news says. Read the Cleveland Press, June 3, 1937:

FLIES OVER STRIKE-BOUND MILL AT WARREN IN VOLLEY OF SHOTS

I went into the war zone of Trumbull County today, and luck brought me back.

It was luck, because when the pilot who flew me over the sheet mill of the Republic Steel Corporation at Niles dipped low over the strike-bound plant a volley of rifle fire greeted us.

The pilot, a youth not more than 22, zoomed the open biplane skyward when the firing began. At least 20 shots were fired at us as the plane circled and headed toward the Erie Railroad tracks.

Three bullets hit the airplane. One struck the wing to my right. The pilot, seated behind me, yelled a warning, and I ducked below the cowling.

A second later another rifle bullet hit the wing of the plane to my left.

ANOTHER BULLET

As the airplane shot skyward over the railroad tracks a third bullet hit us. This one gave me a most uncomfortable feeling. The shot tore a neat hole in the metal body of the front compartment.

The men in the mills, probably thinking the pilot was going to drop them food, waved at us as we flew overhead. The men on the picket lines near the railroad shook their fists.

"Let's go around once more", the pilot yelled. I shook my head and pointed my hand toward Cleveland. "Go back!" I hollered. More shots greeted us as we flew over the street.

As the bullets "zinged" past, the pilot shot the nose of the plane up and headed toward Cleveland. I gave a sigh of relief.

NINE BATTLE SCARS

When we had left Cleveland Airport 2 hours before there were six bullet holes in the body of the plane. When we taxied up to our hangar, the plane carried nine battle scars.

Let me read you a pamphlet which was dropped by the thousands from an airplane flying over Republic's Canton plant a week ago:

REPUBLIC STEEL WORKERS NOW WORKING

You are riding a losing horse. The C. I. O. has gone into this fight with a record of having never lost a strike. Republic Steel will not break that record.

This strike is being supported financially by all steel workers in the United States. Three hundred thousands workers will donate 1 day's pay each month to see us win.

Other C. I. O. unions in this vicinity are supporting us physically. These include Timken, Hercules, Hoover, and others. Akron rubber workers will close down their plants to come here if needed.

Republic coal mines are being closed down. Longshoremen are refusing to load and unload Republic freight.

Twelve of seventeen Republic plants are closed down completely. Forty-four thousand out of 52,000 workers are striking.

Our pickets are well fed and happy. Relief is being arranged for their families. Four departments of the United States Government are fighting on our side.

Republic Steel Corporation cannot win!

Your wives and families are worried about you and need you.

Your coming out may be the deciding factor in getting us all back to work!

You are still welcome out here with us. Extra precautions will be taken throughout the next 12 hours to guarantee your safety in leaving the plant. After that time your safety will be your own responsibility.

As far as I am advised the Federal Government has made no reply to the plain statement that four or its departments are fighting on the side of the strikers. Why?

It is my purpose now to make clear to you, as I see it, the full significance and the necessary implications of these strikes and of the present labor movement in the United States.

First let me say to you that it is my firm belief that the time has arrived when those of us who form the legislative and executive branches of the Federal Government as well as those to whom has been entrusted the government of the States affected, must take cognizance of this situation and act with all our power to keep it within bounds. As surely as I stand here if, recreant to our trust and blind to our plain duty, we fail to act and to act promptly, our children and our children's children will rue this day.

One opportunity, one crying demand for firm and positive governmental action, has come and gone unheeded. I refer to the recent sit-down strikes when governmental authority actuated by an alleged high regard for human rights and fear of bloodshed gave apparent sanction to the taking over of private property without due process.

In the sit-down strikes there was violated the sacred right of private property. Decrees of established courts to that effect were derided by the ravishers and unenforced by executive authority charged with that duty.

There was a sigh of relief throughout the country when these outrages were apparently ended, ended with the open and brazen violation of fundamental rights which had occurred unpunished and unredressed. What was the result of the policy, this policy of high regard for human rights? Today, within a few months of the so-called truce, we have before us the spectacle of even greater excesses. We have labor, in the form of the C. I. O. led by the ambition-ridden John L. Lewis, going to far greater lengths than the sit-down strikers, not in pursuit of higher wages, not in pursuit of shorter hours, not in pursuit of better working conditions, but seeking only to impose by force upon employers the performance of an act which even the one-sided Wagner Act does not require. And as a necessary part, the course of such autocratic and unwarranted demands subjecting their fellow workmen, who will not join hands with them, either to the penalty of not working at all or to staying at work, which they have freely chosen to do under conditions of indescribable hardship.

The opportunity presented by the sit-down strikes to make clear once and for all the fact that law and order must prevail in this country regardless of who is affected thereby, has come and gone. Now, we are confronted with an even more urgent call. Not only is the right to the peaceful possession of one's property threatened but the right to work without molestation at the job of one's choice is being denied.

If we fail to heed this call, what next?

I urge upon the municipal and State authorities that they do everything in their power within their several jurisdictions to see that their laws are obeyed and that the property rights of their citizens, including particularly the right to work, are protected, let the results be what they may. I invoke their most anxious, their most prayerful consideration of the fact that if they fail in this crisis they are furnishing the most effective possible ammunition to that school of thought whose constant effort today is to take from the powers of the State governments and add to those of the central government. No more persuasive argument exists than the shining example of failure by you to meet such an emergency as now exists.

I call upon the executive branch of our Federal Government to put an immediate stop to the flagrant and open violation of Federal statutes which, through the medium of the daily press, have become a matter of common knowledge throughout the country. The sovereignty of our Government is being openly flaunted and held up to ridicule by a group of self-willed men bent upon their own purposes without any regard whatever for our country's laws, who will go just as far in their disregard for law and order as the authorities will permit.

This is the first step to anarchy.

Failing action by the executive department under present laws, I call upon this House, this Congress, to enact legislation making it mandatory upon those charged with the enforcement of our laws to take those steps which are so evidently necessary now to preserve our form of government and to stop the further progress of these elements in our society which are so obviously bent upon a program of destruction. [Applause.]

Mr. SNELL. Mr. Chairman, will the gentleman yield for one question?

Mr. LAMNECK. Yes.

Mr. SNELL. In line with the gentleman's statement about the mails, I have in my hand a short ad put out by the Post Office Department, which reads as follows:

Use parcel post; reaches everywhere. This branch of the Postal Service was established to afford a safe, convenient, and inexpensive transportation and delivery service for your parcels. It belongs to you, learn more about it, and you cannot fail to use it. Ask your letter carrier or the postmaster. Valuable post-office information and rates will be found in the classified section of the telephone directory.

This is the ad put out by the Post Office Department itself.

Mr. LAMNECK. I thank the gentleman.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. LAMNECK. I yield.

Mr. KNUTSON. On June 5 there appeared a letter in the Chicago Tribune stating that the Post Office Department had made parcel-post delivery of food, medicine, and newspapers to sit-down strikers in the Fan Steel Mill in North Chicago.

[Here the gavel fell.]

Mr. SNYDER of Pennsylvania. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. KIRWAN].

Mr. KIRWAN. Mr. Chairman, as a new Member, this is my first attempt to address the House.

When my colleague, Mr. LAMNECK, told about the labor conditions which prevail in Ohio he was speaking of my district. I represent the Nineteenth District of Ohio, where the strike is going on.

Let us not confine our discussion to this strike, but let us go back to the first major strike in this country, which occurred in 1893. Let us consider the strike in Chicago, the Pullman and railroad strike, and recall how the troops shot the strikers down that day. Let us move on to the steel strike, a couple of years afterward, and remember when Carnegie paid Frick $1,000,000 to break that strike. It will never be forgotten how the Pinkerton detectives on a boat shot down those strikers on the river banks.

Frick went to the hospital after Carnegie paid him a million dollars to break that strike. He become melancholy from thinking over what he had done and the lives that had been lost there. When he came out of the hospital he and Carnegie became bitter enemies. Carnegie sent a messenger to him and undertook to bring about a reconciliation. You remember his reply, "I will see you in hell; we are both going there." This was Frick's reply to Carnegie in 1896 or 1897.

Remember the next strike of the coal miners in Pennsylvania in 1902, when 149,000 workers with 500,000 dependents were on strike. The 6 months of victorious strike freed labor from slavery.

Let us move on now to Colorado and consider the coal and fuel company strike there. We had a fellow named Roosevelt as President. Teddy, I think, was his first name, or they called him that. Remember when they burned the houses that these miners lived in and then loaded them in box cars, transported them to the plains of Kansas and left the women and children out in Colorado to starve.

I am asking my colleague from Ohio [Mr. LAMNECK], if he is in the House—in fact, I throw this challenge at him—show me anywhere in the world during the last 160 years, as long as this Government has been functioning, where they have committed a crime like that. Consider the other nations of the world. There was only one thing to equal it, and that was when Turkey gathered up her stray dogs in Constantinople and loaded them on a boat and put them out on an island, and the whole world complained about that, but you did not hear any complaint in 1903 or 1904, when they moved out these miners and left their women and children to starve.

At the turn of the century, if you asked for your rights, you were called an anarchist, and later, in 1910, a Socialist. Everything moved along until 1919, when, if you stood up for your rights, you were called a Bolshevik. Today, if you protest for your rights, they will call you a Communist or a Nazi-ist, or one of those terms; but go to the La Follette hearings, if you want information, and find out who was branded a rat or stool pigeon for giving information against labor. Look at the names appearing in that hearing and you will find that they were all good American names and not one of them from Russia.

I belong in the steel district, and last Sunday the only paper in that town, which is serving 300,000 people, in a front-page editorial was telling the owners to sign up with the men; that they had carried the thing too far; that the men are right. [Applause.]

The men are right; and every strike that we ever had in this country, whether the men lost or won, within 2 years at the latest, the companies put into practice what the men went out on strike for.

In 1919 Mr. Gary, chairman of the board of directors of United States Steel, said you could not put 8 hours a day into the steel plants, that it would never work, but it did work.

Look back on that Colorado strike, when John D. Rockefeller sent his son out there because he wanted a report on what was happening, and when young John D. reported to his own father, from that time on it made a good man out of Rockefeller and a credit to the Nation, as was his son also. He sold the holdings he had out there, and the Standard Oil is one of the best companies to work for in the country today. You are pensioned at 60 years of age, from the president on down.

Where was your Government in those days that it did not take a hand in keeping law and order, when they let those men and women starve? They starved in the anthracite region for 6 months. That was Teddy Roosevelt. He never took a hand. Where was he in 1903 and 1904, during the Colorado strike? He never took a hand.

We are complaining a lot about the steel situation. This reminds me of an old story that Walter Kelly, the Virginia judge, used to tell. Coming up through the Southland he stopped to watch a crowd of youngsters playing ball. He asked one of the boys who was chasing the ball, "What's the score, sonny?" The boy replied, "Fifty to nothing." Kelly said, "They are lamming the life out of you." The boy quickly replied, "Nope; we haven't had our turn at bat yet."

For 50 years labor has been chasing the ball. It begins to look like labor is beginning to have its turn at bat.

In Ohio they are doing all right, because those men are on strike demanding their rights. The paper stated on Sunday that the company should sign up. They are not asking much. All they are asking is for a definite contract. History has proven that when the amalgamated workers of steel companies were working under union contracts they never had any trouble; business men could get their stock every year, could go along and do business. Everybody seemed to be happy; but now, because a man is asking for his rights, he is called a Communist.

Mr. HARLAN. Mr. Chairman, does the gentleman have time to yield?

Mr. KIRWAN. Yes; I yield.

Mr. HARLAN. The gentleman spoke a moment ago about the La Follette investigating committee.

Mr. KIRWAN. Yes.

Mr. HARLAN. Our mutual colleague from Ohio [Mr. LAMNECK] mentioned the check-off. Does the gentleman recall that the La Follette investigating committee showed that the mine owners in Kentucky were exercising the check-off and making the miners contribute out of their pockets for the sake of fighting unionism and preventing the organization of miners in that district? The gentleman spoke about the opprobrious names applied to every group that attempts to do anything for the laboring man. Does the gentleman recall that when Thomas Jefferson was trying to get a third-grade public education in the United States he was referred to as a Jacobean, which was the worst and longest name they could think of in those days?

Mr. KIRWAN. I thank the gentleman for that information. The gentleman mentions Thomas Jefferson. At the convention last summer in Philadelphia the Philadelphia Record had a reprint of the proceedings during the first amendment to the Constitution of the United States, and stated that George Washington presided, and in 3 days did not make a speech. The paper pointed out that one of the most refreshing things of the Convention was to think that that "radical" Thomas Jefferson had not showed up. That is what the gentleman from Ohio [Mr. HARLAN] is referring to. But I say in regard to conditions in Ohio, I was out there last Sunday, and things are all right. The men are picketing the plants. The Wagner Act allows them to do that; it is a peaceful picketing. Last Sunday or the Sunday prior to that the city authorities demanded that if anyone had a stick, they should let go of it, and they did, and they are merely asking people not to go to work.

That is all right. I say that from my observation, from what I saw in Ohio, everything is moving along all right. I admire those men who are striking for their rights, and I do object when a colleague of mine stands up and slurs the laboring people of the State of Ohio, as does the gentleman from Ohio [Mr. LAMNECK]. I again repeat, the only newspaper in that vicinity, which serves 300,000 people, came out in a front-page editorial and demanded that the steel owners recognize the men. I do not think conditions are so bad out there. They have been on strike only 2 weeks. I call attention to the 6 months' strike that I was in from April until October. I do not think we had anything more than cornmeal and weeds to eat for 6 months. Yet we survived it. We made conditions better in this country after we won that strike. [Applause.] The President is trying to bring about a balanced prosperity in industry. If the steel companies put the same amount of weight on the scale as labor will do, the President's plan will be realized. [Applause.]

The CHAIRMAN. The time of the gentleman from Ohio has expired. The Chair informs the Committee that the gentleman from Pennsylvania [Mr. SNYDER] has consumed 44 minutes, the gentleman from New Jersey [Mr. POWERS] has consumed 1 hour, and the gentleman from Pennsylvania [Mr. DITTER] has consumed 43 minutes. One hour and forty-three minutes of the time has been allotted by the minority and 44 minutes by the majority.

Mr. MICHENER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MICHENER. As I understand it, the House went into the Committee of the Whole House on the state of the Union without fixing the time for debate. Therefore anyone recognized under the rule is recognized for 1 hour, and there is no limitation. I think the Parliamentarian will bear me out in that, that the Chair must recognize anyone seeking recognition for 1 hour.

The CHAIRMAN. Is the gentleman from Michigan propounding a parliamentary inquiry?

Mr. MICHENER. Yes.

The CHAIRMAN. The gentleman will please state it.

Mr. MICHENER. Under the rule, is not the Chair compelled to recognize anyone seeking recognition for 1 hour? The Chair cannot refuse to recognize anyone in that manner. In other words, we might continue day in and day out unless the Committee rose and went into the House and fixed the time.

The CHAIRMAN. The gentleman from Michigan is correct in his statement and the Chair has been acting in accordance therewith.

Mr. SNYDER of Pennsylvania. Mr. Chairman, I yield 15 minutes to the gentleman from Mississippi [Mr. WHITTINGTON].

Mr. WHITTINGTON. Mr. Chairman, the attention of Congress as well as the attention of the country has been centered during the last 6 months upon the question of flood control, as it has been on a few other subjects. I shall confine my remarks to that part of the pending bill that deals with the appropriations for flood control. In 1936 Congress passed two acts, which provided in the aggregate for the expenditure over a period of 6 years of some $672,000,000 for flood control. All of the projects embraced in those acts were carefully considered by the Congress. The amounts to be appropriated for the execution of the several projects were known to Congress and to the country.

I may say that one of these acts is known as the Overton Act. It has to do with flood control along the lower Mississippi River and three of its tributaries. Two hundred and seventy-two million dollars over a period of 6 years was authorized for the execution of that act. It contemplated the expenditure of around $40,000,000 annually. Substantially one-third of that expenditure is for navigation. It might be proper to remark here that navigation along the lower Mississippi River is almost as important as navigation at the great seaports and the great harbors of the country. For my part I believe that public expenditures and internal improvements should be wisely distributed.

When it is observed that Congress has heretofore appropriated for flood control in the lower Mississippi Valley, it will be kept in mind that the people of that valley, to protect themselves from the floodwaters of more than 30 States extending from the Alleghenies to the Rockies, have expended as much or more money than the Federal Government has expended for flood control. Moreover, it will be kept in mind that while some two hundred and seventy-five or three hundred million dollars has been expended for flood control along the Mississippi River, many more hundreds of millions of dollars have been expended for navigation—to improve rivers and harbors in other sections of the United States. For that I stand.

For instance, there have been expended some $250,000,000 for navigation along the Ohio River and its tributaries. I shall not detain you to tell you how much has been expended along the Hudson or at the great ports of New York and Boston; but for my part, as an American citizen, I believe that expenditures in internal improvements should be distributed so that the entire country will be benefited.

In 1936 we passed the omnibus flood control act. It provides for the expenditure, over a period of 6 years, of around $310,000,000. Projects are named in substantially 31 States of the Union. There are 272 of those projects. I am very grateful for the interest and cooperation of the members of the appropriations committee who have manifested in more ways than one their interest in flood con-

trol. I shall give facts. I want to be helpful. I want to be constructive.

It is my view that the time for planning, the time for allocation, is when bills are before the Congress of the United States; and when the Congress has adopted legislation it is for the Congress of the United States to provide for the execution of the projects in the orderly course and in the usual manner. What is the situation? More than a year has elapsed since these two acts were passed. We have appropriated not $975,000,000, not $1,500,000,000, but millions more for relief. The Director of the Budget recommended for the National Flood Control Act $30,000,000. That is substantially one-half the amount that the Congress said should be expended annually. For the lower Mississippi River the Director of the Budget recommended $22,500,000, substantially one-half what the representatives of the people said should be expended for the improvements, annually.

I went before the Subcommittee on Appropriations. I was aware that the Director of the Budget had spoken. I was aware of the economy wave and economy sentiment, but the time for economy—and for that I stand—is when legislative measures are being considered and before authorizations are made. I urged the committee to increase the amounts under both flood control acts.

The relief bill in the meantime came on for consideration. The members of that subcommittee—and I refer particularly to the gentleman from Alabama [Mr. STARNES] who has been most sympathetic, who has been most broad-minded, offered an amendment to earmark, as best he could, some of those funds.

I stated at the time, and you will find my remarks in the RECORD of May 25, 1937, page 5007, inasmuch as that amendment was presented by a member of the subcommittee handling this appropriation, and inasmuch as there were restrictions on the part of the Budget which the committee felt should follow, that while there were limitations in the use of relief funds, I would support and did support that earmarking amendment. Subsequently that amendment was voted down, and for this reason: There was inserted in the RECORD a letter from Mr. Hopkins to the gentleman from Alabama [Mr. STARNES], and in that letter, which you will find in the RECORD of Tuesday, June 1, 1937, page 5211, it was stated substantially:

> It is possible in flood-control works along the Mississippi, the Ohio, in New England, Pennsylvania, and elsewhere, to utilize relief labor for more than the amount of the earmarking.

Thereupon the amendment was voted down by the House.

What are the facts? When I supported the Starnes' amendment I stated that it had its limitations. When the Congress authorizes money for flood control, for internal improvements, there is no more reason why those funds should come out of relief funds than funds authorized for highways and for reclamation. Relief had its limitations. You cannot altogether do work with relief labor. I stated I hope those limitations would be removed if that earmarking obtained in another body. Let me remind you—and I say it in an effort to be helpful—I am skeptical and exceedingly doubtful as to whether very much of relief funds will be used for flood control. Why? These two acts have been on the statute books for almost a year—quite a year. Not one dollar, when there was more relief labor available than there will be in the next 12 months, has been allocated for the Overton or the Mississippi Flood Control Act.

The omnibus bill has been on the statute books for almost 12 months and Congress has not appropriated a dollar, and W. P. A. in that 12 months, with more relief labor available, has not allocated or appropriated or made available one dollar for the construction of any of the $45,000,000 that they say may be utilized, with this exception: The President of the United States, out of relief funds, did make available about $10,000,000 for an investigation of the projects under the act of 1936. But I am talking about actual construction.

I make that statement for the reason that the authorizations have been made. I favor economy. I know the unemployment that exists in many cities of our country. I am in sympathy with the efforts to relieve it, but I am doubtful of the policy of the Government to support in the congested centers of population those who are unemployed. Who built the transcontinental railways following the War between the States? Were they built by the laborers or workmen who resided on the Plains? Who constructed the Panama Canal? Were the laborers those who resided in that area? I tell you that in the solution of the problem of unemployment it is going to be necessary to transport those who are unemployed to places where we can provide permanent and satisfactory public works.

Another thing: I appreciate the cooperation of the committee. I tell you that, in my judgment, there can be no defense—and I speak plainly—of the proposition that has been submitted by the Budget, to wit, that where $272,000,000 has been authorized, only $22,500,000 for all the projects therein embraced is recommended. I tell you it is indefensible to say that when the Congress of the United States has provided for flood control from New England to Los Angeles only $30,000,000 of the $300,000,000 can be spent. I am giving you the facts.

One thing more and I shall have concluded: For the first time we are considering separately the nonmilitary activities of the War Department in the military appropriation bill. I am doubtful of the propriety of this action. I am a Member of Congress just as you are. I am here to cooperate. Why should there be a separation of these projects from the military parts of the bill? They have been handled together throughout the years. I know of the alleged reason assigned; I appreciate the statement of the chairman of the subcommittee that it makes the appropriations for the War Department appear too large. It would be just as sound to separate in the Department of Agriculture bill the public-works provisions, to wit, about $215,000,000 contained in that bill for highways.

It would be just as sound as to separate in the Interior Department appropriation bill the millions and millions of dollars provided for reservoirs, reclamation, and other internal improvements as it is to separate in the military appropriation bill the items for rivers and harbors, and flood control. I say that there was more reason for combining in the case of flood control than there was in the case of Agriculture and in the case of the Interior Department. Why? Because floods and their control have played a very important part in military campaigns. In 1937 for a distance of 900 miles, from Pittsburgh to Cairo, the river that is crossed by a number of railways and by dozens of highway bridges could not be crossed at all in that distance except at one highway bridge, and in that case the people had to go through water for part of the distance to reach the bridge. All railway bridges save one went out in the flood. I maintain that as part of the national defense of our country flood control should be considered in connection with the military activities of the Government. General Grant, in the War between the States, was greatly hindered by floods in his campaign against Vicksburg.

Mr. Chairman, under leave to revise and extend my remarks, I remind Congress that in the Flood Control Act of June 22, 1936, for the first time, Congress adopted a policy of national flood control. It provided for about 270 projects in about 31 States; it contemplated an annual expenditure of $50,000,000. I believe that the $30,000,000 carried in the bill should be increased to at least $50,000,000.

The gentlemen of the minority have criticized the majority for no flood-control program. The answer is that a policy and a program were adopted under the present administration in 1936. It is the responsibility of Congress to see that that program is executed. It can only be carried out by appropriating the amounts contemplated by the program.

The Overton or Mississippi River Flood Control Act authorizes $272,000,000. Of this amount substantially $72,000,000 is for navigation. A 6-year program was contemplated. It is necessary to supplement the levees by floodways. The act provides for substantially $40,000,000 annually. The

Chief of Engineers is to be the judge of the value of flowage rights. Flowage over something like a million acres in the Eudora and Morganza floodways is to be acquired. The moneys will not be expended unless the values are within the terms of the act. A limitation has been placed upon the amounts that may be paid for flowage rights in the Eudora and other floodways. If the owners of the lands do not furnish the flowage rights for reasonable values, the funds will not be disbursed. It is the duty of Congress, however, to make the funds available. The landowners would be sacrificing enough to give up their lands.

The gentlemen of the minority said that there was uncertainty about how the $22,500,000 carried in the pending bill for the lower Mississippi River would be disbursed. The break-down is to be found on page 102 of the hearings. A careful reading of the break-down shows that it is imperative that the appropriation be increased from $22,500,000 by at least $14,000,000 to provide for acquiring flowage rights in the Eudora and Morganza floodways.

The criticism of the administration with respect to the expenditure of the $30,000,000 carried in the pending bill under the Omnibus Flood Control Act is likewise unfounded. The break-down can be found on page 75 of the hearings. The projects extend from Massachusetts to California.

Of course the break-down in the case of both bills is tentative but there is no uncertainty; there is nothing haphazard. Priority and emergency projects would come first. The act of June 22, 1936, contemplates the expenditure of $50,000,000 annually for 6 years. The hearings show that more than $100,000,000 of projects are ready.

It is said that no provision is made for the regions that were devastated by the 1937 flood. The Chief of Engineers, in response to a resolution of the Committee on Flood Control, has recommended a comprehensive plan for flood control along the Ohio River and its tributaries, and along the Mississippi River and its tributaries. His report is dated April 6, 1937; it has been published as House Flood Control Committee Document No. 1, Seventy-fifth Congress, first session.

The President of the United States, in transmitting the report, asked that consideration of the comprehensive plan recommended by the Chief of Engineers be continued until the next session of the Congress. Personally, I was not content. I urged in season and out of season that provision should be made for at least priority and emergency projects in the lower Ohio River Basin. The President recognized that provision should be made for emergency projects in the lower Ohio River Basin. He recommended to the committee that approximately $25,000,000 for the relief of some 12 communities be authorized to be constructed over a period of 2 years. He stated he felt he could provide for $11,000,000 for the first year out of the relief appropriation.

The cities and communities were named in the suggested program of the President as emergency projects. Thereupon I introduced H. R. 7393. Personally I believe the amount of the authorization should be increased. The Committee on Flood Control is now conducting hearings. While I am not authorized to speak for the committee, I believe the hearings have gone far enough for me to say that the committee will report the largest authorization that it believes will be approved, but that the committee will not designate the projects. The projects are listed and have been reported by the Chief of Engineers. The construction of all the projects would cost much more than $25,000,000. I believe that the committee will report a bill that will authorize the Chief of Engineers, in cooperation with the local interests, to select from the projects studied and reported on by him and approved by him the prior and emergency projects for the amounts that may be authorized in the bill. In other words, I believe that the bill to be reported by the committee will give to all cities and communities in the Ohio Basin equal treatment.

The President of the United States has asked that the comprehensive plan be continued. I give it as my view that Congress will be recreant to its duty if it does not continue to consider a comprehensive plan and if it does not provide for its adoption before the adjournment of the next session of Congress. There is no conflict between the partial authorization during the present session and the comprehensive authorization during the next session of the Congress, but there is delay.

I have already stated that relief funds for flood-control works have their limitations. Personally I believe that the unemployed can be used advantageously in flood-control works.

Regular appropriations can be utilized to aid the unemployed. The Chief of Engineers, in furnishing programs, has utilized those who were unemployed but, as I have already pointed out, the fact remains that while Administrator Hopkins, in his letter to Mr. STARNES in the RECORD of Tuesday, June 1, page 5211, stated that relief labor might be available, there is no commitment that any definite amounts would be expended for flood control. I quote from the said letter:

> The following is in response to your inquiry regarding the possibility during the fiscal year of 1938 of furnishing relief labor for work on flood-control projects which have been authorized by the Congress for the lower Mississippi Valley (Overton Act) and in the omnibus Flood Control Act (Copeland Act).

There is a possibility that relief labor might be utilized. I know of no better way to judge the future than by the past. The fact is that during the past 12 months relief labor has not been utilized. There is certainly less unemployment today than 12 months ago. Relief funds are not satisfactory for permanent public works. The agencies charged with the execution of the work can utilize the unemployed. The restrictions and limitations on relief labor do not obtain.

I must not be misunderstood. I have consistently advocated that the appropriations be increased. I supported the earmarking of relief funds because such earmarking was proposed by the committee in charge of the pending appropriation. In the CONGRESSIONAL RECORD of Tuesday, May 25, 1937, page 5007, I stated:

> The earmarking of relief funds in the relief bill has limitations. In order to provide for the works adopted in the two flood-control acts of 1936, I trust these limitations will be removed in another body.

The pending bill carries the amounts recommended by the Budget. The picture has changed since the Budget was submitted to the Congress. The great flood of 1937 has come and gone. In emergency work the Corps of Engineers expended some $4,000,000. Surely provision should be made to replace these funds.

Under section 9 of the Overton bill, $15,000,000 is authorized for rescue, repair, and maintenance on the tributaries of the Mississippi River. This is really one of the constructive features of the legislation. It applies to all of the tributaries of the Mississippi River. The Ohio flood has come and gone. There was on hand some $200,000 at the time the Budget submitted its estimate. This appropriation should be materially increased for I have emphasized that there is no more constructive provision in the flood-control acts than the provisions of rescue, repair, and maintenance on the tributaries where the Federal Government, in many cases, is executing no flood-control projects.

If the amounts carried in the pending bill are increased there would be no occasion for diverting relief funds. Relief appropriations could thus be reduced. The sound policy is for Congress to appropriate for authorized projects. The best way to promote flood control in the future is to provide for the execution of flood-control projects that have already been adopted.

It is loosely asserted that large appropriations have been expended by the Federal Government in the construction of levees and for flood control along the lower Mississippi River. The fact is that in all of the 150 years of its history the Federal Government has expended for flood-control works along the lower Mississippi River, including the ex-

penditures under the act of 1928, to date, approximately $292,000,000. The local interests have expended more than this amount. In addition, the Federal Government has expended substantially $100,000,000 to improve navigation.

During the same period the Federal Government has expended hundreds of millions of dollars for the improvements of harbors, including the harbors of Boston, New York, and Philadelphia.

The Federal Government has expended for navigation along the Ohio, the Allegheny, and the Monongahela Rivers substantially $240,000,000, while the Government has expended for navigation along the Cumberland, the Muskingum, the Kentucky, and other tributaries of the Ohio River many millions more. Rivers and harbors along the oceans, lakes and gulf have been widely improved. Federal expenditures have been widely distributed.

It has been carelessly stated that the yardstick for local contributions along the lower Mississippi River is different from the yardstick that obtains for local contributions in the Copeland or omnibus Flood Control Act. The fact is that the yardstick is identical. The principal improvements along the lower Mississippi River are levees. Under the law the local interests are required to furnish rights-of-way for levees and river walls along the Mississippi River. A similar requirement obtains in the omnibus or Copeland Flood Control Act.

The provision for local contribution in section 8a of the Overton or Mississippi River Flood Control Act is identical with the provision of section 3 of the Copeland or omnibus Flood Control Act. There is just a little change in phraseclogy; both mean the same thing. Under the omnibus act the Conchas Reservoir, started as a relief project, is exempt. Under the Overton or Mississippi Flood Control Act the Sardis Reservoir, started as a relief project, is exempt. Otherwise, under both acts the local interests are required to furnish lands and rights-of-way for reservoirs.

Under both acts the local interests are required to pay for railroad relocations in reservoirs.

Under the Mississippi River or Overton Flood Control Act the Government pays the flowage rights in floodways. The cost of flowage rights in the floodways is a small part of the costs of flood-control improvements in the lower Mississippi Valley.

I repeat to emphasize that the local contribution under both acts is uniform and that the same yardstick obtains in both acts. There is not one rule on the Mississippi River and another rule on other streams. The rule in both cases is the same. I believe that the rule, especially respecting reservoirs, should be liberalized.

(Mr. WHITTINGTON asked and was given permission to revise and extend his own remarks.)

Mr. SNYDER of Pennsylvania. Mr. Chairman, I yield back the balance of my time.

Mr. STARNES. Mr. Chairman——

The CHAIRMAN. For what purpose does the gentleman from Alabama rise?

Mr. STARNES. I seek recognition in support of the bill.

The CHAIRMAN. The gentleman from Alabama is recognized for 1 hour.

Mr. RICH. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. RICH. After the gentleman from Alabama has consumed his hour will the Chair recognize me?

The CHAIRMAN. That is not a parliamentary inquiry, but the Chair will gratuitously state that the Chair will undertake to comply with the rules and will be governed by the situation when it arises.

Mr. RICH. Will the Chair recognize me? I ask to be recognized following the gentleman from Alabama.

The CHAIRMAN. The Chair has answered the gentleman's inquiry.

Mr. RICH. But will the Chair recognize me?

The CHAIRMAN. The Chair will act in accordance with the rules. The gentleman asks a hypothetical question. The Chair will meet the situation when the situation is presented.

Mr. RICH. Will the Chair force us out so that we will not be recognized?

The CHAIRMAN. The gentleman is basing his statement upon assumed facts which do not in fact exist.

The gentleman from Alabama is recognized.

Mr. STARNES. Mr. Chairman, I yield 5 minutes to the gentleman from Montana [Mr. O'CONNOR] and reserve the balance of my time.

Mr. O'CONNOR of Montana. Mr. Chairman, as this day is one of general debate I want to say a few words in behalf of an involuntarily subjected people, namely, the Indians.

In view of the fact that there are several bills pending in the House affecting the rights of Indians and amending existing statutes conferring jurisdiction on the Court of Claims, in order to give relief to Indians heretofore denied the same, and in view of the fact that apparently there is a feeling of prejudice entertained by some of the Members of the House toward these proposed measures, I feel that a few words in connection with the relationship between the Government of the United States and the Indians and their rights would not be out of place. Therefore these remarks.

The Indians were the aboriginal inhabitants and occupants of the vast domain comprising the United States. They were divided into nations, tribes, or bands, and supported themselves from Nature's abundance and by hunting and fishing. With the arrival of the colonists to this country, encroachments upon the lands of the Indians necessarily conflicted with the interests of the Indians, resulting in bitter contests between the Indians and the colonists, and many of the latter were massacred. Notwithstanding the dangers and hardships endured by the colonists they gradually increased in number, subdued the Indians, and prospered.

The great pacifier and "benevolent friend" of the Indians, William Penn, was among the first to recognize the right of the Indians to their lands, and in dealing with the Indians occupying what now comprises the State of Pennsylvania, he purchased the area within that State for the "princely" sum of about $500.00. The deed given to Penn by the Indians is of such a curious character that it is deemed worthy of reproduction here.

This indenture, made the fifteenth day of July, in the yeare of our Lord, according to English Accompt, One Thousand Six Hundred Eighty Two, Between Idquahon, Ieanottowem Idquoquequon, Sahoppe for himselfe and Okonikon, Merkekowon Orecton for Nannacussey, Shaurwawghon, Swanpisse, Nahoosey, Tomakhickon, Westkekitt & Tohawsis, Indyan Sachamakers of ye one pte, And William Penn, Esqr, Chief Proprietor of the Province of Pennsylvania of the other pte: WITNESSETH that for and in Consideracon of the sumes and particulars of Goods, merchandizes, and vtensills herein after mentioned and expressed, (That is to say,) Three Hundred and fifty ffathams of Wampam, Twenty white Blankit's, Twenty ffathams of Strawd waters, Sixty ffathams of Duffields, Twenty Kettles, ffower whereof large, Twenty Gunns, Twenty Coates, fforty Shirts, fforty payre of Stockings, fforty Howes, fforty Axes, Two Barrells of Powder, Two Hundred Barres of Lead, Two Hundred Knives, Two Hundred small Glasses, Twelve payre of Shooes, fforty Copper Boxes, fforty Tobacco Tonngs, Two small Barrels of Pipes, fforty payre of Sissors, fforty Combes, Twenty ffower pounds of Red Lead, One Hundred Aules, Two handfulls of fish-hooks, Two handfulls of needles, fforty pounds of Shott, Tenne Bundles of Beads, Tenne small Saws, Twelve drawing knives, ffower anchers of Tobacco, Two anchers of Rumme, Two anchers of Syder, Two anchers of Beere, And Three Hundred Gilders, by the said William Penn, his Agents or Assigns, to the said Indyan Sachmakers, for the use of them and their People, at and before Sealing and delivery hereof in hand paid and delivered, whereof and wherewith they the said Sachemakers doe hereby acknowledge themselves fully satisfyed, Contented and paid. The said Indyan Sachamakers, (parties to these presents), As well for and on behalfe of themselves as for and on the behalfe of their Respective Indyans or People for whom they are concerned, Have Granted, Bargained, sold and delivered, And by these presents doe fully, clearly and absolutely Grant, bargayne, sell and deliver vnto the sayd William Penn, his Heirs and Assignes forever, All that or Those Tract or Tracts of Land lyeing and being in the Province of Pennsylvania aforesaid, Beginning at a certaine white oake in the Land now in the tenure of John Wood, and by him called the Gray Stones over against the ffalls of Dellaware River, And soe

from thence up by the River side to a corner marked Spruce Tree with the letter P at the floot of a mountayne, And from the sayd corner marked Spruce Tree along by the Ledge or floot of the mountaines west northwest to a corner white oake, marked with the letter P, standing by the Indyan Path that Leads to an Indyan Towne called Playwickey, and near the head of a Creek called Towsissinck; and from thence westward to the Creek called Neshammonys Creek, And along by the sayd Neshammonyes Creek unto the River Dellaware, alias Makeriskhickon; and soe bounded by the sayd mayne River to the Sayd first mentioned white oake in John Wood's Land; And all those Islands called or knowne by the severall names of Mattinicunk Island, Sepassincks Island, and Orecktons Island, lying or being in the sayd River Dellaware, Togeather alsoe with all and singular Isles, Islands, Rivers, Rivoletts, Creeks, Waters, Ponds, Lakes, Plaines, Hills Mountaynes, Meadows, Marrishes, Swamps, Trees, Woods, Mynes, minerals and Appurtenences whatsoever to the sayd Tract or Tracts of Land belonging or in any wise Apperteyning; And the reversion and reversions, Remaindr. and Remaindrs. thereof, And all the Estate, Right, Tytle, Interest, vse, pperty, Clayme and demand whatsoever, as well as them the sayd Indyan Sachamakers (ptyes to these presents) as of all and every other the Indyans concerned therein or in any pte. or Peel. thereof. To have and to hold the sayd Tract or Tracts of Land, Islands, and all and every other the sayd Granted premises with their and every of their Appurtennces vnto the sayd William Penn, his Heires and Assigns forever, To the only pper vse & Behoofe of the sayd William Penn, his Heires and Assignes, forevermore. And the sayd Indyan Sachamakers and their Heirs and Successors, and every of them, the sayd Indyan Sachamakers and their Heires and Successors, and every of them, the sayd Tract or Tracts of Land, Islands, and all and every other the sayd Granted pmisses, with their and every of their Appurtennces unto the sayd William Penn, his Heires and Assignes forever, against them the sayd Indyan Sachamakers, their Heires and successors and against all and every Indyan and Indyans and their Heires and successors, Clayming or to Clayme, any Right, Tytle or Estate into or out of the sayd Granted prmisses, or any pte. or prcel. thereof, shall and will warrant and forever defend by these presents; In witness whereof the said Prtyes to these present Indentures Interchangeably have sett their hands and seals the day and yeare first above written, 1682.

The (x) mark of Kowockhickon
The (x) mark of Attolreham Wm. Markham.
Deputy Govr. to Wm. Penn, Esq.

Sealed and Delivered in ye presence of
Lasse Cock
Pieowjicom
Rich. Noble
Thos. Revell

(Indian Laws and Treaties, vol. 3, p. 696.)

When the American Revolution was won and the treaty between Great Britain and the United States of North America, dated January 20, 1783, was proclaimed, the United States as the successors of Great Britain acquired sovereignty over the Indians and their lands.

Among the first statutes enacted or ordained by the United States in Congress assembled was the Ordinance of July 13, 1787 (1 Stat. 52), reading, in part, as follows:

The utmost good faith shall always be observed toward the Indians; their lands and property shall never be taken from them without their consent; and in their property, rights and liberty, they never shall be invaded or disturbed, unless in just and lawful wars authorized by Congress; but laws founded in justice and humanity shall from time to time be made for preventing wrongs being done to them, and for preserving peace and friendship with them.

The first Indian treaty made was that of September 17, 1778 (7 Stat. 13), by Andrew and Thomas Lewis, commissioners for and on behalf of the United States of North America and the Delaware Nation; and among the last important treaties made and ratified prior to the act of March 3, 1871, prohibiting further treaty making with the Indians, were with the Crows of May 7, 1868; with the Eastern Shoshoni of Wyoming, of July 3, 1868; and with the Nez Perces of August 13, 1868 (Indian Affairs, Laws, and Treaties, vol. 2, p. 1020). In all, there were about 350 Indian treaties made and ratified by the Senate, thus becoming law.

Indian reservations are created or established by treaties, acts of Congress, or Executive orders of the President. (See act of Feb. 8, 1887; 24 Stat. 388; *Spaulding* v. *Chandler*, 160 U. S. 394.)

From the beginning to the ending of treaty making with the Indian tribes, Congress only once exercised its power to annul a treaty without the consent of the Indian tribe, viz: treaty with the Sioux Indians of Minnesota on account of violation of the treaty by warring against the United States. However, Congress subsequently paid to these Indians the proceeds arising from the sale of the lands they had vacated. (See Annual Report, Commissioner of Indian Affairs, 1890, p. 29.)

The Supreme Court of the United States in numerous cases has defined the nature of the rights of the Indians to their lands. A few leading cases are cited as follows:

Worcester v. *Georgia* (6 Pet. 575; U. S. Cook, 19 Wall. 593; 86 U. S. 591): The Indians are acknowledged to have an unquestionable and heretofore unquestioned right to the lands they occupy until that right shall have been extinguished by the voluntary cession to our Government.

Mitchell v. *United States* (9 Pet. 711, 746; 9 L. ed. 283, 296): Indian possession or occupation was considered with reference to their habits and modes of life; their hunting grounds were as much in their actual possession as the cleared fields of the whites; and their rights to its exclusive enjoyment in their own way and for their own purposes were as much respected until they abandoned them, made a cession to the Government, or an authorized sale to individuals * * *. It is enough to consider it as a settled principle that their right of occupancy is considered as sacred as the fee simple of the whites.

Holden v. *Joy* (17 Wall. 211, 244; 21 L. ed. 523, 534): Throughout, the Indians, as tribes or nations, have been considered as distinct, independent communities, retaining their original natural rights as the undisputed possessors of the soil from time immemorial, subject to the conditions imposed by the discoverers of the continent, which excluded them from intercourse with any other government than that of the first discoverer of the particular section claimed. They could sell to the government of the discoverer, but they could not sell to any other governments or their subjects, as the government of the discoverer acquired, by virtue of this discovery, the exclusive preemption right to purchase, and the right to exclude the subjects of all other governments, and even their own, from acquiring title to the lands.

Enough has already been remarked to show that the lands conveyed to the United States by the treaty were held by the Cherokees under their original title, acquired by immemorial possession, commencing ages before the New World was known to civilized man. Unmistakably their title was absolute, subject only to the preemption right of purchase acquired by the United States as the successors of Great Britain, and the right also on their part as such successors of the discoverer to prohibit the sale of the land to any other governments or their subjects and to exclude all other governments from any interference in their affairs.

Leavenworth R. R. Co. v. *United States* (23 Wall. 743): As long ago as in *Cherokee Nation* v. *Georgia* (5 Pet. 1) this court said that the Indians are acknowledged to have the unquestionable right to the lands they occupy until that right shall be extinguished by a voluntary cession to the Government; and recently (*United States* v. *Cook*, 19 Wall. 591, 22 L. ed. 210), this right of occupancy has been held to be sacred as the title of the United States to the fee. * * * This perpetual right of occupancy, with the correlative obligation of the Government to enforce it, negatives the idea that Congress, even in the absence of any positive stipulation to protect the Indians, intended to grant their lands to a railroad company, either absolutely or cum onere. For all practical purposes, the Osages owned the lands as the actual right of possession; the only thing they deemed of value was secured to them by the treaty of June 2, 1825, until they should elect to surrender it to the United States. In the free exercise of their choice, they might occupy their lands forever; and whatever changed this condition or interfered with it violated the guaranties under which they had lived since that date.

Minnesota v. *Hitchcock* (185 U. S. 373): The Indian right of occupancy has always been held to be sacred, something not to be taken from him except by his consent, and then upon such consideration as should be agreed upon.

Also see *United States* v. *Kagama* (118 U. S. 375); *Doe* v. *Wilson* (23 How. 457); *Buttz* v. *Northern Pacific Railroad Co.* (119 U. S. 55); *Beecher* v. *Wetherby* (95 U. S. 517).

From the beginning it may be said that the United States recognized as a general principle the right of Indian tribes covering the lands actually claimed and possessed by them perpetually to use, occupy, and possess such lands in common, the fee remaining in the United States.

Attorney General Stone (34 Op. Atty. Gen., pp. 171–181), in an opinion to the President and the Secretary of the Interior on the question whether the Indians' right to reservation lands included any right to the hidden and latent resources of the land, said:

If a transfer by the United States would convey only the naked fee, it goes without saying that the complete equitable property was in the Indians. The earlier and fundamental decisions make this plain. In *Worcester* v. *Georgia* (6 Pet. 515, 544, 545), Chief Justice Marshall clearly states that the right asserted in behalf of the discovering European nations was merely a right, as against each other, which he defines as "the exclusive right of purchasing such lands as the natives were willing to sell." As late as 1872 the Supreme Court said: "Unmistakably their title was absolute, subject only to the pre-

emption right of purchase acquired by the United States as the successors of Great Britain, and the right * * * to prohibit the sale of the land to any other governments or their subjects" (*Holden* v. *Joy*, 17 Wall. 211, 244).

If the extent of the Indian rights depended merely on definitions, or on deductions to be drawn from descriptive terms, there might be some question whether the right of "occupancy and use" included any right to the hidden or latent resources of the land, such as minerals or potential water power, of which the Indians in their original state had no knowledge. As a practical matter, however, that question has been resolved in favor of the Indians by a uniform series of legislative and treaty provisions beginning many years ago and extending to the present time. * * * In all these instances Congress has recognized the right of the Indians to receive the full sales value of the land, including the value of the timber, the minerals, and all other elements of value, less only the expenses of the Government in surveying and selling the land.

It will appear from the above quoted citations from the opinions of the Supreme Court and the opinion of the Attorney General of the United States that there is a material difference between a treaty or contract title to an Indian reservation and the mere aboriginal occupancy rights of Indans to lands which have not been recognized by the United States by treaty, act of Congress, or Executive order of the President. In the latter case the Court of Claims has held in the Duwamish case, 79 Court of Claims Report, 535, that where Indians have occupied lands immemorially, but such occupation had not been recognized by the United States either by treaty, act of Congress, or Executive order, claims for payment for the taking of such lands cannot be maintained; that only Congress can grant relief in such cases, the question involved being a political one in which the authority of the courts cannot intrude.

At this point I wish to dwell upon a most unusual occurrence in the history of treaty-making with the Indians, caused by the negligent or careless handling of important documents in the Indian Office. The treaty involved is that of the famous treaty of Fort Laramie of September 17, 1851, made by the United States with the Sioux or Dakotas, Cheyennes, Arapahoes, Crows, Assiniboines, Gros Ventres, Mandans, and Arickarees (Indian Affairs, Laws, and Treaties, vol. 4, p. 1065). Under this treaty each of the above tribes was granted a defined reservation, and in consideration for making the treaty and ceding certain rights to the United States, the United States agreed to pay the said Indian tribes the sum of $50,000 for 50 years. The treaty was ratified by the Senate May 24, 1852, with an amendment reducing 50 years to 10 years, with discretion in the President to extend the payment for 5 years additional. The State Department decided that the Senate amendment must be submitted to the several tribes for ratification, which was done; the final ratification by the Crows having been obtained September 18, 1854. Instead of the Interior Department immediately forwarding said ratifications to the State Department so that the treaty could be proclaimed, said ratifications for reasons still unexplained were retained in the files of the Indian Office. The State Department, not having been advised of the due ratification of the Senate amendment by the Indians, published in the Statutes at Large, volume 11, page 749, a note that this treaty had not yet been ratified by the Indians, and therefore was not printed as a law. This situation continued from 1854 to 1925, when, through the hearings on the Northern Pacific Railroad land grants by the joint congressional committee, the ratifications of the amendment to the Fort Laramie treaty came to light, and in 1930 the Court of Claims in the case of the Fort Berthold Indians, composed of the Arickarees, Mandans, and Gros Ventres, parties to the Laramie treaty of 1851, held said treaty valid and in force and effect.

From 1854 up to the time of the Court of Claims decision all Government officials, treaty commissioners, and superintendents of Indian affairs were laboring under the impression that the Fort Laramie treaty of September 17, 1851, was not law, and were guided accordingly. The early annual reports of the Commissioner of Indian Affairs, in tabulations of Indian moneys and appropriations, recited that the Laramie treaty was unratified; and in a report to Congress the Secretary of the Interior advised the treaty "not ratified" (S. Ex. Doc. 4, 40th Cong., special sess., p. 35, Mar. 1867). Under this false assumption the President by Executive order, in 1870, on the recommendation of the Secretary of the Interior, deprived the Fort Berthold Indians of North Dakota of several million acres of their treaty lands without compensation and without their consent, a large part of which went to the Northern Pacific Railroad Co. to satisfy land grants, and parts were opened to settlement. For this deprivation of lands belonging to the said Indians the Court of Claims awarded a judgment. In its decision describing what was done with the Indians' ratifications of the Senate amendment to the Laramie treaty of 1851, the court said (71 Ct. Cl. 336–337):

The treaty of Fort Laramie of 1851 was ratified by the Senate on May 24, 1852, after amending article 7 of the same. The amended treaty was returned to the tribes for their assent to the modification of the same. All tribes assented thereto, and due to an administrative error and oversight the treaty was never proclaimed, hence the Indian Office and other delegated officials concerned in negotiations with the Indians proceeded upon the erroneous conviction that the Fort Laramie treaty was never ratified. * * * There can be no doubt that the failure of Government officials and others dealing with the Indians at this time to recognize the treaty of 1851 was due exclusively to a belief that the treaty of 1851 was never ratified by the Senate. The plaintiff Indians were at the time an ignorant and unlettered people, forced by their status and situation to rely implicitly upon the representatives of the Government, and while they laid claim to a much larger territory than the 1870 reservation, they were in no position to controvert an alleged existing condition, which was represented to them by those in authority as leaving them without any landed reservation whatever. As we look at it, it was the Government's error and unintended misrepresentation which resulted in procuring a settlement with the Indians in 1870 which did not equitably compensate them for rights granted them under the Fort Laramie treaty of 1851.

Keeping in mind what the Court of Claims found as above quoted, namely: "The Indian Office and other delegated officials (meaning treaty commissioners) concerned in negotiations with the Indians proceeded upon the erroneous conviction that the Fort Laramie treaty was never ratified", and "There can be no doubt that the failure of Government officials and others dealing with the Indians at this time to recognize the treaty of 1851" as law, and that the "Indians were at the time an ignorant and unlettered people, forced by their status and situation to rely implicitly upon the representatives of the Government", and that "they were in no position to controvert an alleged existing condition, which was represented to them by those in authority as leaving them without any landed reservation whatever", we come to a similar situation relating to the Crow Indians of Montana, who, as the records show, were always the friends and allies of the Government. In substantiation of this statement the reports of the Government officials and Army officers are submitted.

General Augur, from Fort Phil Kearney, April 6, 1867, reported to the Secretary of War:

The conduct of the Crows during the recent Indian troubles has been all that we could expect. They have refrained from joining the hostile tribes against us, though every inducement was held out to them to do so, and I am firmly persuaded that it is to them that we are indebted for the safety of Fort C. F. Smith. * * *

The attitude of this tribe has been so commendable during the past year that I deem them entitled to every possible care and consideration from the Government.

Governor B. F. Potts, of Montana, reported to Assistant Secretary of the Interior B. R. Cowen, June 24, 1874:

I feel that the Mountain Crows are entitled to the thanks of our people for their loyal defense of our eastern settlements and so far as I can I shall aid them for the protection they have afforded our people. I shall take occasion to examine into their wants and report the facts to the Department.

Capt. D. W. Benham, commander of Fort Ellis, Mont., dated February 12, 1877, reported to Major Brisbin:

The Crow Indians have in every reasonable way shown themselves to be the fast friends of the white man and in proportion to their advantages loyal and true to the Government. Their scouts have been with the Army through the late campaigns against the Sioux and all the officers with whom I have conversed in regard to them bear testimony that they did good service.

In my opinion the Crows have been misused. I will not undertake to locate the cause of the wrongs which have existed and do exist at present, but simply state that there are faults somewhere that should be looked into and corrected. Aside from any desire to see right done by the Government toward the Crows, I feel that it is the interest of the Government to keep them friendly. They are not only a protection to the settlements in the valley against the hostile Sioux, as they are located between the settlements and the Sioux country, but this whole valley would be at their mercy at any time when the troops are away from Fort Ellis should they be provoked to become hostile toward the whites.

The Army has little to do with Indian matters, but there are times when it is proper for any class of citizens to speak in defense of a wronged people, and I believe that such a time has come in the history of our dealings with the Crows.

Endorsement by Maj. James A. Brisbin, Seventh Cavalry, March 12, 1877:

The Crow Indians are the firm friends and faithful allies of the whites, but I doubt if any Indians on the continent have been worse treated by the Government. The delay in supplying them is shameful and the frauds a disgrace to any civilization.

Endorsement by Gen. A. H. Terry, March 28, 1877:

Recommend Executive order of November 23, 1876, be so modified as to allow the sale of metallic ammunition to the Mountain Crows, as the events of the past year have shown that they can be implicitly relied on as friends of the whites, and that any ammunition furnished them will be neither used against white men nor disposed of to the Sioux Indians.

The United States Crow Indian superintendent, George W. Frost, dated Crow Agency, Mont., August 17, 1877, reported to the Commissioner of Indian Affairs, as follows:

If an Indian's word can be taken for anything, or if he can be judged by his acts, I believe that the disposition of the Crows is of the most friendly and loyal character. They have gone out as scouts with different Army officers in large numbers, and have been very efficient in fighting the Sioux and the Nez Perces. Although friendly with the latter tribe, they said: "We are the friends of the white man and of the Nez Perces; but we fight all of the white man's enemies, and if the Nez Perces fight the white man, then they are no longer our friends and we will fight them." This steady, uniform friendship when deprived by fraud of their annuities for 1 year is worthy of the highest commendation. (Rept. Com. Ind. Affrs., 1877, pp. 133–134.)

Gen. Hugh L. Scott, in his Some Memoirs of a Soldier, page 61, published in 1928, and who commanded a troop in the winter of 1876–77, says they sought the Crows one day to join in fighting the Sioux. "The next morning there were 200 Crows in camp ready to go to war with us."

Senator Dawes, who, as chairman of the Senate Committee on Indian Affairs, conducted an extensive Indian investigation in 1884, reported of the Crows:

These Indians have for a number of years been very quiet and orderly, not only giving the Government no trouble but rendering it great assistance in beating off the warlike Sioux from incursions and attacks upon the whites. They and the Sioux have long been enemies, and in any outbreak of the latter the Crows have sided with the Government of the United States and rendered great assistance in preserving life and property. As a lamentable consequence of this, they have been neglected by the Government. It has been too much and too long the policy of the Government to be solicitous only about those Indians who give the Government most trouble. (S. Rept. 283, 48th Cong., 1st sess., p. 10.)

As hereinbefore stated, the Crow Tribe was a party to the Fort Laramie Treaty of September 17, 1851. The Crows, as reported by Indian agents, and as shown by the above quotations, at all times observed their obligations under said treaty; said treaty granted them a defined reservation.

Gov. Francis F. Meagher, of Montana, stated, under date of December 14, 1865 (Commissioner of Indian Affairs Annual Report, 1866, p. 196):

That it is more than expedient such a treaty with the Crows shall be made as speedily as possible must be conceded, in view of the fact that hundreds of miners and others desirous of locating farms and laying out towns are, even now, passing down into the great valley of the Yellowstone and into the country beyond the junction of the Gallatin with the Missouri.

The President subsequently appointed what is known as the Northwest Indian Commission, composed of General Curtis, Governor Edmunds, Orrin Guernsey, and Henry W. Reed, to treat with the Crows and other tribes of Indians. This Commission proceeded up the Missouri River to Fort Union, convened the Crows in council, and on July 15, 1866, General Curtis told the "chiefs and headmen of the Mountain and Prairie (River) Crow Indians":

We now want to make a treaty with the Crows. We know that you have always been our friends. Your old treaty has expired, and we are here to make a new one. The Great Father does not want to injure but to help you. He wants a road up to Yellowstone Valley, and one up this river; with stages and traders along the lines, and a great depot for goods at this place. He wants the right-of-way along the Missouri and Yellowstone, and pieces of ground for stations. This is the kind of treaty we want to make and in consideration thereof you will have an agent at the mouth of Milk River and he can deliver your goods anywhere on this river. We will give you a much larger annuity than you ever had before. With the old treaty you got about $3,000; but under this treaty you will have 10 times as much.

That same afternoon Governor Edmunds told the Crows:

We told you this morning that the Laramie treaty had expired.

In its report to Secretary Harlan, dated August 25, 1866 (Ann. Rept. 1866, p. 168), the Northwest Treaty Commission said:

In accordance with our appointment by the President of the United States and the instructions of your Department given orally and otherwise, at sundry times, the undersigned have, during the past two seasons, visited the various tribes of Indians of the Northwest for the purpose of making treaties with such as have never made treaties, and renewing treaty arrangements with those who had been parties to the treaty of Laramie, which has terminated by its limitation of 15 years.

On April 5, 1866, Secretary Harlan wrote Indian Commissioner Cooley:

I have to state that the expiration of that (Laramie) treaty on account of the amendment adopted by the Senate, should be explained to the Indians, and urged as a reason, in connection with other reasons, for entering into another treaty.

He wrote that Indians should not expect payments "for the fulfillment of treaty stipulations which do not exist according to the terms of the amended treaty."

The Crows signed the treaty as drafted by the Commission on July 16, 1866, but it was not ratified.

Here were direct statements to the Crows by the official representatives of the Government that the Fort Laramie treaty which granted the Crows a defined reservation had "expired", and by the official report of the Commission to the Secretary of the Interior had "terminated by its limitation of 15 years", and by Secretary Harlan that it does not "exist."

It may be noted here that four of the leading Crows who were present at the above-described council in 1866 and heard the statement of Curtis and Edmunds, and who signed the treaty of 1866, were also signers of the later treaty of May 7, 1868, which, due to the mistake of fact as to the validity and effectiveness of the treaty of Fort Laramie, both by the representatives of the Government and the Crows, caused a wholly inadequate consideration to be paid the Crows for a cession of over 30,000,000 acres of their Fort Laramie treaty reservation lands.

After the making of treaties with the Crows and other western tribes in 1866, none of which were ratified, the Sioux started hostilities against the Government and the whites, which lasted through the years 1866 and 1867, and the Sioux made every effort by promises and presents to induce the Crows to join them, as hereinbefore described, without swaying the Crows—the Crows joining the Government Army forces to subdue the Sioux. In 1867, under an act of Congress, the so-called Indian Peace Commission was created, composed of Indian Commissioner Taylor, Army officers, and well-known civilians. This Commission proceeded westward in the fall of 1867, and assembled the Mountain Crows—at that time there were two bands of the Crow Nation, the Mountain and the River—in council at Laramie on November 12 and 13, 1867.

Keeping in mind that all Government officials, including the Commissioner of Indian Affairs, were under the erroneous conviction that the treaty of Fort Laramie of 1851 had not been ratified and was not a law, and that the Crows had been told by the Northwest Indian Commission in 1866 that

the Fort Laramie treaty had expired, terminated, and a new treaty was necessary, Indian Commissioner Taylor told the Crows on November 12, 1867:

We learn that valuable mines have been discovered in your country, which in some instances are taken possession of by the white people. We learn that roads are laid out and traveled through your land; that settlements have been made upon your lands; that your game is being driven away and is fast disappearing. We know also that the white people are rapidly increasing and are taking possession of and occupying all the valuable lands.

Under these circumstances we are sent by the Great Father and the Great Council at Washington to arrange some plan to relieve you as far as possible from the bad consequences of this state of things and to protect you from future difficulties. We desire to set apart a tract of your country as a home for yourselves and children forever, upon which your Great Father will not permit the white man to trespass. * * * We will always feel grateful for your friendship to us. We will show our friendship by our acts.

It may be stated here that the Crows had occupied the area embracing Montana and parts of Wyoming from time immemorial; that they held their country against all comers, and naturally they considered it their land and their home; they thought their occupancy and possession of their lands had been confirmed by the United States by the Laramie treaty of 1851, but they were told by the Northwest Indian Commission that such treaty had expired; had terminated, which the Court of Claims has held in the Fort Berthold case was erroneous.

Bear's Tooth, replying to Commissioner Taylor, among other things, said:

A long time ago you made a treaty with my nation, the Crows. * * * The Sioux told us you were going to fool us and not give us back our country, and that you would play us the same trick you did them.

Blackfoot said:

A long time ago a treaty was made with us. Our agent told us the Great Father wanted to see us. We had an enemy's country to go through, but we went. We sold them the California road. They were to give us goods for 50 years. * * * We are being surrounded by the whites and by other nations. Our country is getting smaller and smaller. The whites have made two branches of a road beside the California and have cut up the best game country we have. * * * You would be mad if we were to go into your country and kill all your stock. I cannot go anywhere without coming on some of your people. I would like to have them called in and the road stopped (meaning the Powder River Road). Your people do not make anything by that road that I can see. Your people going through the country looking for gold are the ones who cause us much trouble. I ask you to stop them. * * * Give us a good agent. Give us a copy of the treaty that you will make with us.

Wolf Bow:

None of us ever fought against you. We have never been your enemies. * * * Call off your young men from the Powder River Road and let that road be abandoned. * * * Put the Sioux Indians in their own country and keep them from troubling us.

Commissioner Taylor, the next day, said:

On account of your refusing to join the Sioux against us, when urgently requested to do so, you are dearer to us than ever. We hope when you return to your country that you will inform the Sioux of our promises, and that they will be induced to make peace. * * * Formerly you could find all the game you needed, but now the buffalo have entirely disappeared from a large portion of your country. The game will soon entirely disappear. Our people were formerly confined to the eastern country, but they are rapidly spreading all over the West. Your Great Father looks ahead and wishes to preserve, for your own use, some of the good lands as a reservation for you and your children forever. * * * We are sorry all who are interested in that (Powder River) road are not here. If they were we might settle the question at once, but as only a few are here we can only tell you what to say to the Sioux when you return. We will consider your wishes in that respect. We will meet you next spring [NOTE.—This was in the autumn of 1867] and settle the matter. * * * If you will stop the war and keep the peace in good faith until we hold our peace council next year, we may do as you wish us to do about the road and the posts. We hold that road to protect our people against bad Indians. If war continues, the posts and roads will be held. If we do not abandon the road in the spring we will pay you for it.

Blackfoot, replying, said:

We are not very numerous but are very strong and powerful. There is plenty of buffalo, deer, elk in my country, beaver in all the streams and plenty of fish. * * * Your people like to get my country for nothing. That is not right. I want to be paid for it. I believe all you tell me * * *. You have not kept the promises made to us in the last treaty. We have only received goods once, when we ought to have received them every year.

Commissioner Taylor:

The goods were sent by the Great Father, but were stolen by his agents. We will report the matter to him and have you righted.

Wolf Bow:

I am peaceable, and yet you refused me ammunition. The Sioux are trying to get me to join them, but I want to stay with the whites. I do not want my country made the battleground of the Sioux, as you might think my nation was mixed up with them. (Indian Office files, treaty box.)

General Sanborn said they had drawn up a treaty and asked if the Crows would sign then or next spring, to which Blackfoot replied that they would sign in the spring when the Commissioners came to Kearney and could see all the Indians together.

The Peace Commission again met the Mountain Crows in council at Fort Laramie, May 6 and 7, 1868, and after further but unimportant discussion the treaty drafted by the Commission was presented and signed on May 7, 1868 (15 Stat. 649).

The cession made by the Crows by this treaty was over 30,530,000 acres of valuable mineral and agricultural land and the consideration named in the treaty in the form of annuities and goods amounted to $1,499,866, or about 5 cents an acre.

The treaty of May 7, 1868, was made on the part of the Government under the erroneous conviction that the Fort Laramie treaty was not law and that the Crows had merely an occupancy right to the land, whereas in fact and in law they held a treaty title, which it is conceded is of far greater value than a mere right of occupancy. Under the circumstances it is plain that on account of the mistake of fact as to whether or not the Crows had a treaty title, the Government paid the Crows a wholly inadequate consideration. As stated, most of the consideration was paid in goods, and the following statement made by Chief Blackfoot before the Brunot Commission of 1873 shows the character of goods furnished the Crows:

The treaty (of 1868) you say, has bought all our land except on the side of the river. And what do we get for it? We get a pair of stockings, and when we put them on they go to pieces. They get some old shirts and have them washed, and give them to us; we put them on and our elbows go right through them. They send us tin kettles; we go to get water to carry to our lodges; we dip the water up, but it all runs out again. That is what we get for our land. Why do they send us annuity goods? We go to the buffalo country and get skins; our wives dress them, and we give them to our friends. We give more presents to our white friends than all the annuity goods we get are worth. And this is what we get for our lands! What goods are given us are no better than we give the whites, and I do not see what we are getting for our lands. (Report of Commissioner of Indian Affairs, 1873, p. 136.)

On the question of inadequacy of consideration paid the Crows, the following taken from the report of the Commission which made the treaty of May 7, 1868, which report is addressed to the Secretary of the Interior in submitting said treaty, proves the great value of the land ceded:

We have made our stipulations with them (Crows) as with a perfectly barbarous people. * * *

It will be seen from the above that in fixing the terms of these treaties the Commission has been governed less by the consideration of the value of possessions ceded by the Indians than by what they considered essential conditions to the maintenance of peace with and the civilization of the Indians. The whole expense of this 30 years' effort to civilize is no more expense than 30 weeks' expense of actual war with them.

But if the value of the possessions ceded is to be considered, then for stronger reasons the Government should not hesitate to have the treaties ratified and executed. Mineral lands of exhaustless wealth and inconceivable value extending over thousands of square miles; navigable streams, rivers of hundreds of miles in extent, on the banks of some of which (the Muscle Shell) our capitalists have already invested more than a million dollars in mines of copper that promise to exceed in richness any that have ever before been discovered. Large agricultural tracts, the finest of the eastern slopes of the mountains, are a portion of what these tribes have ceded by this treaty.

Former Assistant Commissioner of Indian Affairs, Mr. Meritt, before the Joint Congressional Committee on Northern Pacific Land Grants, testified under date of April 16,

1925—Hearings before Joint Congressional Committee on Investigation of Northern Pacific Land Grant, part 4, page 1927:

Mr. RAKER. What does the record show that the Crow Indians received, if anything, for making the treaty of May 7, 1868, and reducing the amount of land specified in the Laramie Treaty of 1851?

Mr. MERITT. In reading the treaty, gentlemen of the committee, I was impressed with how little they got for the large amount of territory they gave up under that treaty of 1868. * * * The Crows gave up approximately 30,000,000 acres of land under that treaty of 1868, and it is claimed that some of that land was very valuable for mineral and other purposes; and they got very little in return for it.

Mr. RAKER. Well, it has not been only in this case but in others; it has been demonstrated to me that the Indians, even following and after these treaties, have not been dealt with fairly.

In a report of the Secretary of the Interior to the Senate Indian Committee dated April 20, 1936, he stated:

The amount received by the Indians (Crows) for the vast area of 30,530,764 acres appears to have been inadequate.

By the Northern Pacific Land Grant Acts of 1864 and 1870 (13 Stat. 365 and 16 Stat. 378) it was provided the lands granted should bring the railroad company $2.50 per acre. In order to avoid competition with the Northern Pacific in the sales of its land grant the price of public lands in alternate sections was raised by the above acts from $1.25 to $2.50.

A letter by James B. Kerr, counsel for the Northern Pacific, to the Congressional Investigating Committee, part 6, page 3419, states that for the year ending June 30, 1875, "303,338 acres were sold for $1,766,326, the average price per acre being $5.82."

Northern Pacific Land-Grant Congressional Hearings, part 6, page 3294, show that up to June 30, 1925, the Northern Pacific Railroad Co. and its subsidiary, the Northwestern Improvement Co., reserved the mineral rights in the case of 3,109,898 acres and that 1,955,278 acres of these mineral-right reservations were in Montana. Of the mineral reservations in Montana, the hearings show—page 3295—160,176 acres were reserved in Custer County, 135,340 acres in Musselshell County, 105,413 acres in Yellowstone County, and 499,472 acres in Rosebud County, the mineral-right reservations being largely on account of coal and including the entire Forsyth coal field.

A statement submitted by Attorney Kerr, of the Northern Pacific—part 6, page 3323—states that on June 30, 1887, the gross proceeds of land sales by the Northern Pacific and its subsidiary land company was $57,890,622.17, and the net proceeds, after deducting expenses and taxes, was $45,146,306.07. The statement said the "average gross selling price as of June 30, 1887, was $2.048 per acre for land and an average net price of $1.50." The statement said that up to 1924 the gross from land sales was $109,745,100.70 and the net $81,549,819.09.

Many million acres of land within the boundaries of the Crow Fort Laramie Treaty Reservation, ceded by the treaty of May 7, 1868, were granted to the Northern Pacific Railroad Co. for land grants, and an action is now pending in the courts of the State of Washington, brought by the Government, to secure the return of such lands as have been unlawfully received by the company.

I will now repeat the quotation from the decision of the Court of Claims in the Fort Berthold Indian case, above cited, on the point of the "erroneous conviction" on the part of the Government officials that the Fort Laramie treaty of 1851 was not law, viz:

The treaty of Fort Laramie of 1851 was ratified by the Senate on May 24, 1852, after amending article 7 of the same. The amended treaty was returned to the tribes for their assent to the modification of the same. All tribes assented thereto, and, due to an administrative error and oversight, the treaty was never proclaimed; hence the Indian Office and other delegated officials concerned in negotiations with the Indians proceeded upon the erroneous conviction that the Fort Laramie treaty was never ratified. Congress, however, recognized its terms and appropriated the sums mentioned in the treaty to meet the Government's annual obligation under it to the Indians. There can be no doubt that the failure of governmental officials and others dealing with the Indians at this time to recognize the treaty of 1851 was due exclusively to a belief that the treaty of 1851 was never ratified by the Senate. The plaintiff Indians were at the time an ignorant and unlettered people, forced by their status and situation to rely implicitly upon the representatives of the Government; and while they laid claim to a much larger territory than the 1870 reservation, they were in no position to controvert an alleged existing condition, which was represented to them by those in authority as leaving them without any landed reservation whatever. As we look at it, it was the Government's error and unintended misrepresentation which resulted in procuring a settlement with the Indians in 1870 which did not equitably compensate them for rights granted under the Fort Laramie treaty of 1851.

The claims presented by the Crows come squarely within the above holding of the Court of Claims. The conditions as to knowledge of Government officials prevailing in May 1868, when the Crow treaty was made, were identically the same that prevailed 2 years later when a transaction was consummated regarding the lands of the Fort Berthold Indians. Both had been treated as though the Fort Laramie treaty was nonexistent. Under the "erroneous conviction" and "belief" of Government officials, as stated by the court, that the Laramie treaty was not a law and consequently neither the Fort Berthold Indians nor the Crow Indians had a treaty title to the lands they occupied, the Government in the Fort Berthold case took away their lands without compensation and in the Crow case obtained their lands for an inadequate consideration.

There was a mutual mistake of fact on the part of the United States when it made the Crow treaty of May 7, 1868, and informed the Crows that the 1851 Laramie treaty had expired, had terminated, and the Crows accepted the statement from the official representatives of the Government as correct. Coming as it did from superior beings, who possessed the treaty and knew, or should have known, all about what happened to it, it cannot be argued that the Crows knew the true facts in 1868. In view of what the Government commission told the Crows the United States cannot contend that the Crows should have known to the contrary. As stated by the Court of Claims in the Fort Berthold case, "they were in no position to controvert an alleged existing condition which was represented to them by those in authority as leaving them without any landed reservation whatever." In other words, it was a mistake of fact as to title which induced payment of a wholly inadequate consideration for a valid treaty title to a defined area. Payment was not made or provided for on the basis of a valid treaty title. This point is basic in the Crow case.

There is now pending on the House Calendar Senate Joint Resolution 55, conferring adequate and effective jurisdiction upon the Court of Claims to adjudicate the claims of the Crow Indians, and when said joint resolution is under consideration I am confident that this House will see that justice and equity are done the Crow Indians of Montana.

As long as I am in Congress I am going to fight to see that the Indians get a square deal. I do not believe that they have always been dealt with fairly. This work I will regard as a large part of my duties as Congressman. [Applause.]

Mr. STARNES. Mr. Chairman, I yield 5 minutes to the gentleman from Tennessee [Mr. CHANDLER].

THE RECORD MADE AT MEMPHIS IN THE 1937 FLOOD ON THE MISSISSIPPI RIVER

Mr. CHANDLER. Mr. Chairman, as the most disastrous flood in the annals of the Mississippi Valley becomes part of the history of our country, it is proper to record the magnificent fight made by National, State, county, city, and private agencies centered at Memphis for the relief of hundreds of thousands of homeless and suffering people, for the protection of millions of dollars' worth of property from damage and loss, and for the care and treatment of the thousands who were made ill from exposure, fatigue, and hunger.

No finer exhibition of the American spirit exists than that displayed over the length and breadth of the Nation when the news spread that cities, towns, villages, and farms along the Ohio and Mississippi Rivers and their tributaries were being inundated by a superflood. Almost $25,000,000 flowed into the treasury of the American Red Cross, and the hearts

of the people went out to a stricken humanity. A heroic struggle against a destructive force of nature was necessary. Along a front of more than 2,000 miles, courageous men and women labored day and night while the rivers drowned their banks and the floodwaters rushed on to the Gulf of Mexico in a volume of 3,000,000 cubic feet per second.

The President of the United States, based on early reports of unprecedented rainfalls and summer temperatures in the upper Ohio Valley, quickly recognized the danger and called upon the American Red Cross and various governmental agencies to do everything in their power to prevent deaths among the threatened inhabitants and destruction of their property, and to ameliorate suffering. The Army being prepared for emergencies of this nature, Gen. Malin Craig, the Chief of Staff, under the general direction of the Secretary of War, was put in immediate charge. Prompt decisions were vital. Time and distance were important elements. An improvised organization had to be accomplished quickly, not only to direct the Army's efforts, but to coordinate all the other splendid units, governmental and civil, which wanted to cooperate. Without hesitation, General Craig threw in the entire support and resources of the War Department. In brief radiograms to corps area commanders and district engineers, the situation was explained, troops and supply establishments were alerted and instructed, and most important of all, responsibilities were definitely placed, so that every one of the thousands of miles of river bank in danger would be watched and precautions taken to avert the impending disaster.

As the crests moved southward, Memphis became the flood capital of the Mississippi Valley. Built on the fourth Chickasaw bluff, high above the river, and possessing extensive urban facilities and a large depot of the United States Engineer Corps, Memphis was the strategic point of resistance and became the shelter of more than 60,000 panic-stricken refugees who hurried into the city from the lowlands of eastern Arkansas, southeastern Missouri, northern Mississippi, and western Tennessee.

When it appeared that the crest might exceed the height of the levees which protected the rich and populous St. Francis Valley, word went out to prepare for an all-time high-water record on the Mississippi. Troubled and overwrought people construed the warning as an order to evacuate the valley and a flight which has been described as comparable to that of the helpless Belgians before the German Army in 1914 was suddenly under way. All roads led to Memphis. "On they came, like trails of ants", laden with all the worldly goods which they could carry in wagons, on trucks, or in packs on their rain-soaked, shivering backs. The lame, the sick, and the weary faltered on the roadside, overladen vehicles failed under the loads and jammed the highways for hours, while shrewd traders, taking advantage of misery and distress, bought livestock and household effects from the refugees at grossly inadequate prices.

For a hundred years Memphis has been known as the place of refuge from floodwaters, and as the unbroken caravans entered the open gates our people rose in mass to meet the new emergency. In this crisis Memphians faced a double task. More refugees than ever before had to be fed, clothed, housed, and given medical care, and the outskirts of the city had to be protected from the rapidly rising river. Two populated sections would be subject to overflow at a 55-foot stage of the Mississippi River—the North Memphis, or Wolf River Basin, embracing 3,051 acres, on which are located 4,600 dwellings and store buildings and 40 industrial plants, all of an aggregate value of approximately $18,800,000; and the South Memphis, or Nonconnah River Basin, north of the levee, 1,789 acres in area, and including more than 300 homes and stores and 20 industries, aggregating in value $5,100,000. A valuable riverside drive and extensive wharf and dock facilities were seriously menaced also. But human needs would be met first.

On January 20, 1937, the city government granted Mayor Watkins Overton extraordinary powers to take all such steps as he deemed necessary to meet the crisis and the county commission reposed special authority in its chairman, E. W. Hale. Immediately a comprehensive plan was drafted and an emergency flood committee was created to handle every problem that might arise. An efficient organization was set up and went into action on a 24-hour schedule, and by the time that arrivals of refugees reached a daily load of 6,000 persons Memphis was prepared to receive them.

The Mid-South Fair Grounds, comprising 125 acres, became an immense camp. To supplement permanent structures already available, eight 100-bed dormitories, 4 bathhouses, kitchens, mess halls, an administration building, and a clinic were built to provide essential facilities. The United States Army sent more than 25,000 cots and 6,000 blankets for the use of the refugees at the camp. The city closed 18 public schools and transformed 12 buildings into hospitals and refugee centers. The new Juvenile Court Building became a hospital for 200 children, many of whom had been separated from their parents during the panic. A "well babies' clinic" was established at the fair-grounds camp, where doctors and nurses experienced in infant and child hygiene examined, bathed, clothed, and fed the babies and youngsters.

Each refugee was registered and tagged on arrival and was immunized against typhoid fever and smallpox. Many children were also given diphtheria serum. Isolation hospitals were set up to care for cases of communicable diseases, for which the centers were checked daily. Clinics were held. A corps of inspectors was put on sanitary patrol duty at the camps and centers. A small army of doctors, internes, nurses, medical students, and attendants worked unceasingly to hospitalize the sick and prevent the spread of disease. As there were fewer than 1,000 cases of serious illness among 60,000 or more refugees, the health measures which were adopted proved effective. When the dangers of overcrowding became imminent, large contingents of refugees were transferred to other points in Tennessee and to Mississippi and Alabama, where especial care likewise was given.

The American Red Cross, sensing a disaster, established headquarters in Memphis on January 22 and sent some of its most efficient and experienced representatives to have charge of the work of rescue, relief, and rehabilitation. The local chapter of that great organization raised over $213,000, considerably more than the community's quota, and expressive of a generous desire to do its own part and help to relieve the distress elsewhere.

The completeness and effectiveness of the work of the Red Cross whenever and wherever disaster strikes has become so traditional that to comment on its signal efforts in the Memphis area during the 1937 flood emergency is but to repeat an ofttold story. Throughout the years we have learned to expect 100 percent cooperation and efficiency from the Red Cross in times of stress, and of course it was forthcoming in this instance. From the Memphis headquarters all operations of the Red Cross in the local area and in the States of Tennessee, Mississippi, and Louisiana were directed. In the event of levee crevasses the wide territory adjacent to the Mississippi River would be inundated and cause a repetition of what had already happened in the Ohio Valley. Part of the basin actually was submerged where waters from the Mississippi backed into the tributary feeders. It was responsibility of the Red Cross not only to care for refugees who found their own way to Memphis and elsewhere, but also to supervise and direct the organization of rescue parties and seek out and bring into this port of safety those who were marooned on housetops, in trees, in barn lofts, and in other precarious situations. A very real hazard of life existed in the rural areas where only about one-half of the people could be induced to leave their homes. Those remaining were determined to stay until the floodwaters actually reached them. When they were forced to leave many were ill from exposure and lack of nourishment, and the Red Cross provided warm clothing, wholesome food, medicines, and comfortable shelter to all alike. The Junior Red Cross, too, did a most helpful service in presenting recreational programs for each concentration center.

In conjunction with the Red Cross, the ministers of all denominations formed a religious-work committee, under the leadership of Rev. R. J. Bateman, chairman, and Rev.

Robert H. McCaslin, vice-chairman. The committee organized the pastors and the religious workers, white and colored, and served in every concentration point, day and night, comforting and ministering to the sufferers, holding services, and placing refugees in homes wherever possible.

The railroads, air lines, street railway and bus lines, ambulances, steamboat and other transportation agencies, including taxicab companies and private automobile owners, cooperated to the fullest in moving refugees into and out of Memphis. The four large radio stations broadcasting from Memphis joined with hundreds of smaller stations in the flood areas and with amateur and short-wave stations in disseminating information of vital importance to those in the path of the onrushing waters, as well as to the scores of rescue parties working day and night to save those in danger. The Signal Corps improvised an effective communication system for the battle. It consisted of radio, supplemented by wire lines, Air Corps and messenger service, in order that reserves of manpower and supplies could be started to threatened points in time. At Memphis the Army engineers had 23 radio stations, the Army flood relief had 21 river stations, and the Federal Barge Line 3. The Army also provided 400 miles of military field wire and 400 field telephones so that the levee patrolmen could flash each indication of a levee failure. The newspapers, telephone, and telegraph companies also were tremendous factors in giving needed publicity to all phases of the vast relief program.

As soon as it appeared that the problem was reaching critical proportions, President Roosevelt sent Maj. Gen. George V. H. Moseley, commanding Fourth Corps Area, United States Army; Maj. Gen. Edward M. Markham, Chief of Engineers; Surg. Gen. Thomas Parran, of the United States Public Health Service; Director Harry L. Hopkins, of the Works Progress Administration; Col. F. C. Harrington, of the United States engineers, and others to Memphis for a complete survey of the situation. The Army, the Navy, the Coast Guard, the Marines, the Civilian Conservation Corps, the Tennessee Valley Authority, the Tennessee National Guard, the National and State Public Health Services, and the Forestry Service all converged in Memphis for the performance of particular duty in each field.

Memphis Post, No. 1, of the American Legion, in cooperation with the Red Cross, commanded and operated the camp at the fair grounds, and its members held key positions in many of the organizations which were on duty everywhere. The Legionnaires worked day and night throughout the campaign, and discharged loyally and thoroughly the particularly arduous tasks placed upon them. The Boy Scouts likewise gave unstintingly of their services.

Medical-relief activities at Memphis were consolidated and achieved the utmost efficency. Local physicians to the number of approximately 300, including the entire membership of the Memphis and Shelby County Medical Society, played a very large part in extending medical care to the sick and suffering. These volunteer physicians, working in close cooperation with the medical relief committee of the American Red Cross, rotated in assisting the nine doctors composing that committee, on duty in emergency hospitals. The records show 70,707 out-patient treatments administered and 2,515 sick refugees cared for in all the hospitals. Medical students of the University of Tennessee also did their part by assisting physicians at first-aid stations and the health authorities in administering 70,646 vaccinations and inoculations.

The United State Public Health Service did a most creditable job under the direction of Dr. M. S. Lombard, medical officer in charge of the Marine Hospital at Memphis, and deserves high praise for the way in which this all-important phase of the flood-relief work was coordinated and carried through. A most heartening spirit of harmony prevailed among those who participated in all the staggering human tasks, and there were practically no delays or misunderstandings to hinder the work and thereby jeopardize the lives of those requiring medical attention. Nothing was left undone that could and should have been done to insure a maximum of health and minimum of suffering among the flood victims.

The Army engineers, who, as a corps, have studied the rivers for over a hundred years, were admirably suited to direct the protective work against the flood. They mobilized a great body of workers consisting of civilians in the various localities, P. W. A. workers, C. C. C. men, and soldiers, both of the Regular Army and the National Guard, and continuously fought the sinister encroachment of the yellow waters up the levees. As rapidly as the Mississippi River rose, the work of rescuing thousands who had been unwilling to leave their homes became an acute problem. Every available craft was pressed into service and fleets of small boats were built by the Engineers Corps, the city of Memphis, and the Red Cross, and sent in search of stranded refugees. Several thousand people, large quantities of household equipment, livestock, and farming implements also were brought to safety in Memphis through the efforts of volunteers, many of them doing heroic duty in the face of hazards seen and unseen.

The United State Coast Guard, which well might be called the Red Cross of the sea, rendered invaluable aid in the Memphis area. It is axiomatic that the Coast Guard may be relied upon to appear upon the scene, stripped for action, on the approach of any threatened marine disaster, and its efficiency in protecting property and human life has rarely been more clearly shown than during the 1937 flood. Starting with the first threat of an overflow in the upper Ohio Valley, the Coast Guard rode with, and often in advance of, the crest of the flood over its entire course, rescuing its hapless victims, ministering to the suffering, and salvaging the property of the homeless.

The arrival of two picket boats from New Orleans on the evening of January 23 with seven rescued persons aboard marked the beginning of Coast Guard activities at and around Memphis. This modest nucleus was quickly augmented by six 165-foot, eight 125-foot, and nine 75-foot patrol boats, stationed at crucial points along the Mississippi River, where anxiety over threatened breaks in the levee system prevailed as the flood crest drew near. These boats were radio equipped and provided shelter for the crews of innumerable small Coast Guard boats of the open motorboat type that were dispatched in all directions to respond to calls for help from marooned flood victims.

Under the direction of Commander Henry Coyle, headquarters and an emergency radio station were set up in the same building with the Red Cross, and these two great humane agencies joined hands, under the supervision of the latter, in linking Memphis with a chain of 240 radio stations operating throughout the flood area and carrying to a successful conclusion rescue work that was nothing short of magnificent. As many as 1,000 messages a day were cleared through the Memphis emergency Coast Guard radio center.

After the flood crest passed from the Ohio River into the Mississippi and was rushing headlong toward Memphis and the lower valley, Commander Coyle was joined by Captain Reinburg, commander of all Coast Guard relief forces, and with him came reinforcements, including 6 observation planes, and additional boats to bring the total up to 64, with a total personnel of 300 Coast Guardsmen. The service of this highly trained force embraced not only rescue work but the return of refugees to their homes, the transportation of mails, towing of boats, houses, and barns, and miscellaneous duties too numerous to mention. A summary of Coast Guard operations in and around Memphis discloses that transportation was provided to 3,112 refugees, 615 passengers, 183 Red Cross nurses and doctors, 809 troops, 432 head of livestock, and 6 tons of feed grain.

Of no less importance than the part of other agencies was the role of the Works Progress Administration in the general flood-relief drama at Memphis. For 27 days and nights the W. P. A. remained on duty, supplying relief labor to man the forces required in bolstering the levees protecting the threatened industrial districts of the city and county, and

also in lending assistance to the Red Cross in the establishment and operation of warehouses, the distribution of food and clothing, and the servicing of refugee camps and emergency hospitals. Throughout the period the W. P. A. employed and superintended the work of an average of 4,400 persons per day, reaching the limit of 10,000 during the several days when the work was at its peak. Practically all of this labor was drawn from relief rolls, affording temporary employment to persons who were without income and who could not afford to volunteer their services when they themselves were in what might be described as a state of emergency.

Activities of the W. P. A. did not cease with the passing of the flood threat and the return of refugees to their homes, but continued well beyond that time and were directed to the cleaning up and restoring of buildings and camp sites utilized for relief work. From the beginning to the end the Works Progress Administration was most useful, and the people of the district which I represent appreciate it.

The Tennessee Valley Authority volunteered its services and contributed materially to the successful handling of the situation in the Memphis area. Under the direction of Maj. H. E. Davis, chief of its reservoir clearance division, the T. V. A. almost overnight established the camp at Hodges Field, a local athletic center, from which was directed the activities of an emergency personnel of 600 trained employees, including physicians, nurses, first-aid men, engineers, guards, carpenters, boat operators, car and truck drivers, and mechanics. Many carloads of equipment were supplied, including 62 boats with or without motors, 74 passenger automobiles, 115 trucks, 7 ambulances, and such miscellaneous equipment as tractors, tents, bedding, waterproof clothing, and so forth.

Of course, Mr. Chairman, we recognize the fact that the Tennessee Valley Authority had already performed a service of far greater magnitude by protecting the vast Tennessee Valley area from any flood at all. That was accomplished, shall we say, automatically, through the normal operation of the series of dams constructed thus far as a part of the President's great flood protection and water program. This experience alone should pave the way toward an expansion of this program to other sections of the country.

The Tennessee Valley Authority has earned and has already received the highest praise from Army and Red Cross officials, as well as from the mayor of Memphis for the conspicuous service it rendered in the fight against a common foe—flood disaster—even though the battleground lay beyond its immediate field of activities.

The rising waters brought to Memphis another and an exceedingly difficult task of protecting the marginal lands in the north and south portion of the city from overflow. On Wolf River, the city government constructed a levee of 500,000 sand bags, and employed 2,000 men to protect an important section from irreparable damage. On the south side, only the most extraordinary efforts prevented the inundation of a large industrial area and a section in which the homes of many factory workers were located. There, the combat was hardest, and was led by my valiant and distinguished predecessor, the Honorable E. H. Crump. He took personal charge of 5,000 toiling men, and stood in mud and water for days and portions of nights in order to construct and strengthen a levee along the north bank of Nonconnah River where rising back waters from the Mississippi River flowed into an otherwise peaceful stream and threatened destruction of life and property. To those of us who know Mr. Crump, it was not surprising that he was in the forefront of the fight and exposed himself to dangers without regard to his personal safety and health. Volunteers joined him, and men from the prison camps, pressed into emergency service, worked with revived spirits while under his charge, without promise of any sort of compensation. Nevertheless, they were justly rewarded when the job was done.

Rising from a stage of 30 feet at Memphis on January 14, the Mississippi River crested there on February 9, at 50.4 feet, or 3.8 feet above any previous record, and rose to within 1.6 feet of the top of the North Memphis levee. Fortunately, the high bluff protected the major portions of the city from danger, but the lowlands on Wolf River and Nonconnah River were submerged by backwaters from the Mississippi River. The crest remained at Memphis for 3 days and slowly receded, leaving in its wake the correspondingly serious problem of cleaning the inundated areas, and returning the bewildered refugees and victims to their homes. Many had lost everything in the flood. Clothes were supplied, sufficient food provided, and transportation was furnished wherever needed. The problem of rehabilitation was a prodigious one and sometimes heart rending.

A stubborn fight was won, with remarkably satisfactory results. Of the more than 60,000 refugees assembled in the city of Memphis, there were only 150 deaths, caused principally by pneumonia resulting from exposure, and contracted before reaching the city. The great levee across the Mississippi from Memphis, constructed under the supervision of the Army engineers, and protecting the rich agricultural land in eastern Arkansas and Missouri, withstood the flood. On that eventuality, everything hinged. The city of Memphis sustained property damage amounting to about $300,000; and about $900,000 was raised by the city and private interests and spent in providing flood prevention.

The people of America have drawn real lessons from the gigantic 1937 flood. We know that we have in the Federal Government the available facilities and the trained personnel to meet and overcome many of the effects of sudden and terrific emergencies, although the people themselves are wholly unprepared to cope with the sweeping destruction of a vis major. We know that great cataclysms of water will fall again as they have fallen before to deluge the earth. We know that there is no escape from the surging waters of a flood and its consequences, but we can minimize the loss and damage by man-made barriers and human understanding.

The people of the Ohio and Mississippi Valleys faced their adversities with fortitude and resignation. A calamity of the magnitude of the 1937 flood makes all of the victims akin and knits the people into an unity of spirit and purpose, bringing the traditional American trait of neighborliness to the fore today as distinctly as it was evidenced in earlier days. The name "Memphis" means "place of good abode", and the people of this hospitable city of the old South proved themselves good neighbors in a time of great strain, and I am proud to pay tribute to them. And this American trait is not confined to my home city. It is everywhere in our wonderful land. It permeates the atmosphere of America. In that spirit of unselfish cooperation and with a deep sense of thankfulness and gratitude to everyone, the people of the Mississippi Valley, a sturdy people, have joined hands in the rehabilitation of farm, home, and business, and are working their way back to prosperity even before the new chapter in American history is written.

Set up primarily as a temporary emergency organization, Mayor Overton's emergency flood committee has been converted into a permanent institution, subject to call at any other time that Memphis may be privileged to play the role of "good neighbor" to those in distress. The work of the committee, under the supervision of the mayor, is apportioned among no less than 28 subcommittees, each under the direct guidance of a public-spirited citizen and each charged with some specific phase of relief work. It is a well-knit, skillfully coordinated fighting force that can be mobilized and thrown into high gear within 24 hours should the occasion demand.

On us in Congress the 1937 flood has placed the responsibility of seeing that no such devastation shall ever occur again if human hands can prevent and human ingenuity devise means to avoid. From the standpoint of economic stability, safety, public health, and common humanity, a program of adequate flood protection for the Ohio and Mississippi Valleys must be undertaken and pushed to early completion. All of the cities and towns and villages must be made safe, and impartial consideration must be given to the problems of each and every community. Along with other places, Memphis, the haven of refuge, needs protection, and her problem of flood control is one of concern to the entire lower valley.

As in the past, Memphis may be depended upon as the strategical position in any mid-Mississippi flood emergency. The city's lofty bluff overlooking the river ever beckons the refugee. It is the highest point between St. Louis and New Orleans to which the unfortunate may fly for safety, and if and when Memphis is called upon again to become the snug harbor for Mississippi River flood victims, the city should not be hampered by the necessity of providing temporary flood protection on its own account. This Congress should see to that. For value received during the recent flood period alone, the Federal Government should compensate the city of Memphis by providing permanent protection for its outlying sections, thereby leaving the citizens free to concentrate their attention and resources on the far greater task of caring for the refugees who come from every nook and corner of the lowlands.

A comprehensive plan for flood control at Memphis has been submitted by the city to the Mississippi River Commission, which has made recommendations to the War Department for appropriate action by Congress. In brief, this plan contemplates the construction of two retaining walls, supplemented by two earth levees further inland, one along the northern border of the city, and the other at the extreme southern boundary. Provision also is made for construction at the city's expense of auxiliary pumping stations of sufficient capacity to pump surface storm water over the barriers and into the river. The effect thereof would be to protect submarginal areas from any flood reaching a level of 55 feet on the United States engineers' gage, and thereby preserve homes and industrial properties having a conservatively estimated value of approximately $25,000,000. Suffice it to say here that the city of Memphis, situated at the crossroads of the South and supplying the needs of 10,775,000 people, occupies an important place in the well-being and security of our country, and that the proposed program of permanent flood protection is of national importance and wide public interest.

[Here the gavel fell.]

Mr. STARNES. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. ELLENBOGEN]

Mr. ELLENBOGEN. Mr. Chairman, I endorse what has just been said by the gentleman from Tennessee [Mr. CHANDLER] and the gentleman from Mississippi [Mr. WHITTINGTON], chairman of the Flood Control Committee.

BUDGET RECOMMENDATION OF $30,000,000 INSUFFICIENT

I believe that the sum of $30,000,000 recommended by the Budget for the construction of projects under the omnibus Flood Control Act is insufficient and in support of that statement I call upon no less an authority than the report of the committee itself. The report on this bill, as my colleagues will note, states on page 6:

> The Chief of Engineers indicated to the committee that definite plans have been prepared and assurances of local cooperation received for projects totaling a cost of $150,000,000.

Here is another passage from the committee report:

> Because of the almost certain recurrences, with always the possibility of unprecedented proportions of these forces, the Budget estimate quite obviously is not adequate.

The committee itself states that the Budget estimate of $30,000,000 for the construction of projects under the omnibus act is inadequate, still the committee comes in here and reports a bill appropriating only $30,000,000. I say that constitutes an open invitation to the members of the Committee of the Whole to increase that amount to such an extent as we think is necessary to meet the urgent needs for protecting the lives of our people and the property of our people.

Mr. DITTER. Will the gentleman yield?

Mr. ELLENBOGEN. I am sorry. I only have a few minutes.

THE PRIMARY FUNCTION OF GOVERNMENT IS THE PROTECTION OF THE LIVES AND PROPERTY OF THE PEOPLE

Mr. Chairman, I call the attention of the Members to the fact that the Congress and not the Bureau of the Budget is responsible for legislation and every Member is charged with responsibility to provide protection against future floods. If you do not appropriate a sufficient amount, will you take it upon your conscience to answer for the thousands of lives that may be lost in the future? Will you, my colleagues, take it upon your conscience to answer for the millions and millions of dollars that might be lost, because you are trying to save a few pennies? Will you take it upon your conscience to cripple national defense?

Mr. DITTER. Will the gentleman yield?

Mr. ELLENBOGEN. I cannot yield.

Mr. Chairman, will the Members take it upon their conscience to subject the Ohio Valley, in which is concentrated the industrial might and force of this Nation, to flood damages, so that if any flood occurs it might interrupt preparations for national defense? I say that we have a duty to perform. The primary function of government is the protection of the lives and the property of our people and we must protect those lives and that property against floods. Last year and this year the floods alone drove 300,000 people from their homes and cost $750,000,000 in property damages.

I hope the committee itself will offer an amendment increasing this amount and if nobody else does I shall.

[Here the gavel fell.]

Mr. STARNES. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. DEMUTH].

Mr. DEMUTH. Mr. Chairman, I wish to point out that while we are embarking on a definite program to protect the lives and property of the citizens of this country, I think it behooves us all to know that our plans are correct. According to the figures I have received from the War Department, the cost of the nine dams authorized to protect Pittsburgh and the people living on the tributaries of the Ohio River, including those on the Allegheny, Monongahela, and upper Ohio River, will cost $44,994,305.

According to the records offered at the hearing, it is proposed to supply the sum of $5,000,000 the first year, $6,000,000 the second year, $6,000,000 the third year, $6,000,000 the fourth year, and $607,500 for the fifth year.

This makes a total of only $23,607,500, which will leave a deficit to complete the program of $21,386,805. Therefore, I would urge the committee to make a recommendation to include sufficient money to carry out the program, because, according to these figures, the only way the program can be completed is by spending the total amount of approximately $45,000,000, or by eliminating some of the nine reservoirs already authorized to protect Pittsburgh. I know it is not the intention to eliminate any of the reservoirs, because we should have additional reservoirs rather than fewer reservoirs to protect Pittsburgh. The information that has been submitted is that the nine reservoirs will reduce the crest at Pittsburgh 10.1 feet, and this will increase as you go upstream and decrease proportionately as you go downstream. Since we in Pittsburgh and in that district understand our program calls for nine reservoirs, the Budget and the appropriation should be sufficient to take care of this amount over a 5-year period and not fall short by more than $21,000,000 over the 5-year program. [Applause.]

Mr. STARNES. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. MAHON].

Mr. MAHON of Texas. Mr. Chairman, I would like to direct attention for a moment from the subject of flood control to the item in this bill under the caption of the Bureau of Insular Affairs, which provides for an appropriation of approximately $140,000 for the Bureau of Insular Affairs in administering our government in the Philippine Islands. Of course, this $140,000 item is not tremendously large. The item is in the bill to take care of the salaries of the High Commissioner and other salaries and incidental expenses of approximately 40 employees of the United States Government in Manila. We are paying the former Governor of Indiana, Hon. Paul V. McNutt, the sum of $18,000 per year in his present capacity of United States High Commissioner to the Philippines.

The mention of his name will recall to your mind an unfortunate incident which occurred in Manila a few weeks ago. It was somewhat of a "tempest in a teapot", but it precipitated a very awkward situation in Filipino-American relations. You will recall that Mr. McNutt issued a rather abrupt notice that in the future at social functions he should be toasted prior to the President of the Philippines, Hon. Manuel Quezon. The High Commissioner was technically correct, but his lack of diplomacy in handling this situation brought forth a burst of unfavorable comment in American newspapers and created friction and ill-will on the part of the Filipinos against the United States. Our rating for diplomacy in the Far East suffered one more jolt.

This little incident over such a small matter shows that it is not difficult to get into embarrassing situations in the Orient. The world is full of war and rumors of war. Peace is the dearest thing to the hearts of the American people but a survey of world conditions does not make one feel that there is much hope for world peace. A major war in Europe or in the Orient would not surprise many people. We are legislating for neutrality. We are bent on preserving peace for America regardless of war in Europe or Asia. We are far from Europe but as long as we maintain our sovereignty in the Philippines, we are liable to be in the middle of a conflict in the Orient. This is most unfortunate, and this untenable position should be terminated at the earliest possible moment. It is one of the major threats to peace for the United States.

The people of the Philippines have clamored for independence for years and finally in 1934 we agreed to give them complete independence on July 4, 1946. They voted by a vote of 1,213,046 to 44,963 to accept our terms of independence. On November 15, 1935, the Filipinos began a period of probation with Manuel Quezon as the first President.

Mr. Quezon is now in the United States. He arrived here several months ago. He told us that his mission to Washington was to ask for complete independence for the Philippines in 1938 or 1939. President Roosevelt has appointed an interdepartmental committee consisting of Hon. Joseph E. Jacobs, vice chairman, Chief of the Office of Philippine Affairs, Department of State; Hon. Louis Domeratzky, Chief, Division of Regional Information, Bureau of Foreign and Domestic Commerce, Department of Commerce; Hon. Lynn R. Edminster, chief economic analyst, Division of Trade Agreements, Department of State; Col. Donald C. McDonald, Assistant to the Chief, Bureau of Insular Affairs, War Department; Hon. Carl Robbins, Assistant Chief, Sugar Section, Agricultural Adjustment Administration, Department of Agriculture; Hon. Frank A. Waring, senior economist, United States Tariff Commission; Hon. Jose Yulo, vice chairman of the committee and chairman of the Philippine group, secretary of justice of the Philippine Commonwealth; Hon. Conrado Benitez, dean, college of business, University of the Philippines; Hon. Joaquin M. Elizalde, member of the Philippine National Economic Council; Hon. Quintin Paredes, Resident Commissioner for the Philippines; Hon. Jose E. Romero, floor leader, majority party, Philippine National Assembly; and Hon. Manuel Roxas, floor leader, minority party, Philippine National Assembly.

Since the Filipinos want independence in the near future, and since the granting of this request will be equivalent to writing a vital peace insurance policy for America in this troubled stage in world affairs, I say that it is time for the Congress to prepare to pass an act granting complete independence to the Philippines at the earliest practicable moment. May I now point out that in addition to being a war hazard, the Philippine Islands are and have been very expensive financially to the United States.

A few striking facts from the history of our relationship to the Philippines will be appropriate to illustrate this point:

We paid Spain the sum of $20,000,000 for the Islands upon taking them over in the treaty at the end of the war with Spain.

Pacification of the islands several years after Dewey's fleet sank the Spanish fleet cost us 4,165 good American lives.

From May 1, 1898, to June 30, 1902, occupation and pacification of the islands cost, in money, $190,000,000.

In 1934, it was estimated that the United States Army and Navy had expended approximately $614,000,000 since peace was established.

It is also estimated that the balance of trade which has always been in favor of the islands has cost the American consumer about $30,000,000 per year.

The total actual cost to the United States, including all departments of the Government which have made expenditures in the islands, from the date of occupation to the present year, would safely be estimated at approximately $900,000,000.

This $140,000 item in the bill before us does not look excessive here, but if we stop to consider that such an expenditure must be continued over the next 10 years it can be readily seen that the cost takes on larger proportions. Furthermore, the item is only for governmental functions on the part of the United States in the islands and does not cover the cost of maintaining our Army and Navy there. During the last fiscal year, according to definite figures given me by the Departments today, we spent $11,953,933 for the Army and $2,653,341 for the Navy. Maintaining this expenditure over the next 10 years imposes an excessive burden upon this country. These millions could best be spent in America in the development of the institutions of our own country.

There are those who will say that we ought not to surrender the Philippines. Perhaps not, but that question is no longer debatable. We have already agreed to independence for the islands. The law is written and our honor is at stake. The question is not independence, but independence when? In 1946 or prior to that time? It might well be said to those who want the Philippines as a military and naval base for the United States that the 7,000 Philippine Islands are hardly capable of being defended and that insofar as our interest in the Pacific is concerned we are building the military and naval Gibraltar of the Pacific in the Hawaiian Islands. If we ever have to make our last stand in the Pacific we can make it with confidence at Pearl Harbor in the Hawaiian Islands.

I do not want my remarks to indicate any lack of consideration for our "little brown brothers" across the sea. They have been under the dominion of other powers for more than 400 years. They long for liberty. It is not a foregone conclusion that Japan will take over the islands when they become independent. We hope that that can be prevented. At any rate, we cannot deny them their right of choice.

I have a sincere affection for the Filipino people. They are a wonderfully kind and grateful people. They realize that American arms, money, and educational and religious institutions have done much for them. In many ways they have done much for America and we must also be mindful of that.

And so, ladies and gentlemen of the Committee, I have felt it appropriate during the debate on this appropriation item for the American official establishment in the Philippine Islands to point out the grave danger to peace involved in our Philippine problem. I hope that this important problem may receive the attention of the Congress, and that next year we may be able to pass a bill permitting the independence of the Filipinos at the earliest practicable moment and the withdrawal of American sovereignty from the troubled shores of the Far East.

Mr. STARNES. Mr. Chairman, the bill presented to the House carries the full amount recommended to the committee by the Bureau of the Budget, for flood control particularly, $22,500,000 for the lower Mississippi under the terms of the Overton Act and $30,000,000 for flood-control projects throughout the country under the terms of the Copeland Act, both acts approved in June 1936.

The committee realizes the amount of funds provided herein is not sufficient to carry on 1 year's work under these two flood-control acts. In an effort to obtain sufficient funds to carry on a complete 1-year program and at the same time not override the recommendations of the Budget, I introduced an amendment which sought to earmark at lease $45,000,000 of the $1,500,000,000 relief fund for use on flood-control projects to supplement the amounts provided for in this bill. We have had definite and positive assurance from Mr. Hopkins, who is the Administrator of W. P. A., that a sufficient amount of relief labor is available and will be used on authorized projects in excess of the amount provided in the amendment which I proposed to the work-relief bill. Therefore, Mr. Chairman, under the terms of this appropriation bill, and with the direct promise given by the W. P. A. and the positive assurance from an even higher authority in the affairs of our Government, we can reasonably expect to expend at least $100,000,000 on flood-control work this year.

I think it is high time the Government discharges its responsibility to its citizenship and take steps looking to a well-balanced integrated program for the solution of the flood problems which confront this country.

According to the testimony of General Markham before our committee, this country has suffered more than a billion dollars in the past 18 months from floods alone. By a system of reservoir dams in the headwaters of these streams of ours, and by a system of levees and spillways in the lower stretches of the streams of the country as they near the sea we can, to a large extent, control floods and save an untold amount of monetary damage each year in this country, make our citizens secure in life and property, and make life happier and sweeter to them.

This system of reservoir dams, levees, and spillways must be supplemented by watershed protection which is afforded by upstream engineering, run-off retardation, and soil-erosion-prevention methods. A proper integration of the work of the War Department and the Agriculture Department will, in my judgment, offer the only workable solution of flood-control problems. The War Department will direct its major efforts to engineering problems on waterways, while the Department of Agriculture will devote its main efforts on watersheds, the one having to do with floods in the rivers, the other to floods on lands. I have no doubt that with the funds provided in this bill and with the amounts which will be available under work relief, we will have a sufficient amount of money to carry on all projects the coming fiscal year upon which the money can be wisely and well spent.

Mr. PARSONS. Mr. Chairman, will the gentleman yield there for a brief observation?

Mr. STARNES. Yes.

Mr. PARSONS. Does the gentleman know that the Senate committee eliminated from the W. P. A. bill, which the Senate has before it for consideration today, the amendment placed in the bill for the assignment of materials, equipment, and personnel of the War Department for construction by W. P. A. relief labor of the flood-control program we had planned here as a compromise? This has been stricken from the bill by the committee, but the amendment has not been voted on by the Senate.

Mr. STARNES. I did not have that information, but I do know that the Flood Control Committee, of which the distinguished and able gentleman from Mississippi [Mr. WHITTINGTON] is chairman, has been holding hearings and studying a measure to take care of the lower Ohio Valley. We hope they will report a bill to authorize these projects, and, if they are authorized, then a considerable amount of relief labor can be used in the lower Ohio, because Mr. Hopkins informed us that the labor was available and could be used if the projects were authorized.

Mr. PARSONS. But we cannot do that unless the amendment is carried in the bill.

Mr. STARNES. The gentleman is correct.

Mr. Chairman, may I inquire how much time I have remaining?

The CHAIRMAN. The gentleman has 30 minutes remaining.

Mr. STARNES. Mr. Chairman, I reserve 2 minutes of that time, and I now yield 28 minutes to the gentleman from New Jersey [Mr. POWERS].

Mr. POWERS. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. BACON].

Mr. BACON. Mr. Chairman, yesterday my good friend the gentleman from Missouri [Mr. COCHRAN] inserted in the RECORD a statement made in 1924 by the late James M. Beck, a former Member of Congress from Pennsylvania. The statement which was inserted in the RECORD was made in 1924 before the Committee on the Judiciary in favor of a Comptroller General under the control of the President.

Mr. Beck did make this statement in 1924; but in fairness to him I want to read a statement that he made in 1932 in a chapter of his book which is entitled "Our Wonderland of Bureaucracy." Mr. Beck, in one of the chapters of this book, argues in favor of an independent Comptroller General, subject only to Congress, and I quote as follows from the closing paragraph of that chapter:

In concluding this chapter a word of personal explanation seems necessary. When the author was Solicitor General, a bill had been introduced in the House and referred to its Committee on the Judiciary affecting the powers of the Comptroller General, and the author made an argument on May 27, 1924, before the committee to the effect that there should be no official at the head of the accounting system who was not responsible to and removable by the President. No action was taken on the bill by the committee, and subsequently in my argument of the Myers case I attempted to strengthen it by reference to the Comptroller General's tenure of office, following in some respects my arguments before the House Committee on the Judiciary. After I had resigned the office of Solicitor General and pending the decision of the Supreme Court of the United States in the Myers case, I had the leisure and opportunity to examine more thoroughly the history and jurisdiction of the Comptroller General's office; and after the decision was handed down in the Myers case I stated in an article in the New York Times, Sunday, November 7, 1926, that the decision did not necessarily include legislative agents of Congress, who are not in strictness executive officers and therefore not removable by the President, and I added that among such limited class of officers "the Comptroller General is regarded as the special representative of Congress in seeing that its appropriations are faithfully disbursed."

My further study and reflection and especially my service in the House of Representatives have convinced me that my first position in this matter was unsound and that it is necessary, to prevent irresponsible spending of public funds, that the Comptroller General be responsible only to Congress. Congress has the power over the public purse. It is its greatest power, and in the history of the English-speaking race it has been a most potent one, not merely in safeguarding the Commonwealth but the liberties of the citizen. To enable Congress to retain full control over the public purse, it must have its own appropriate agency. That agency is the Comptroller General, and he must be independent of the Executive.

This method—so consistent with the best traditions of the English-speaking race—has been admirably vindicated by its results. No scandal has ever besmirched the office of Comptroller General, and there would be fewer suggestions of favoritism and scandals in the bureaucracy if the Comptroller General were given more power.

I quote this to show that in 1932, upon further reflection, Mr. Beck repudiated what he had stated in 1924 and which my good friend has put in the RECORD. In fairness to one of the finest and ablest minds that has ever been in the House of Representatives I include in the RECORD his later statement, which I have just read to the Committee.

[Here the gavel fell.]

Mr. POWERS. Mr. Chairman, I yield 15 minutes to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Chairman, there has been much debate this afternoon upon the merits and demerits of the C. I. O. Much has been said in condemnation and also in commendation of the activities of the C. I. O. I do not propose to join issue at this time. I merely point out that there have been more strikes in the last 4 years under the Roosevelt administration than there have been in the prior 12 years under Republican administrations. I would be sur-

prised if there have not been more strikes under this administration in the last 4 years than in the entire history of our country. I listened to the gentleman from Ohio [Mr. KIRWAN] speak about a few scattered strikes that have occurred in the last 50 years. I am given to understand that there have been 50 strikes since the General Motors signed their contract with C. I. O. in the General Motors companies in the last 2 or 3 months.

I happen to be a friend of labor. I believe in the right of labor to strike; I believe in collective bargaining; I believe in social and industrial justice. I believe in labor receiving a fair share of the fruits of their labor, but I do not believe in illegal strikes, lawlessness, or in violence or in the unlawful seizure of private property. I make this prediction, that we have not yet begun to see the violence and the bloodshed in the past few months that we will see in the next year or two, and why? Because under the C. I. O.—and I do not charge Mr. Lewis with being a Communist, for he appeared before the House investigating committee, of which I was the chairman, and denounced the Communist vigorously and openly—but Mr. Lewis and the C. I. O., and nobody can contradict it, are using the Communists today, aiding and abetting the Communists, who have rushed into his organization, using the C. I. O. as a vehicle to spread revolutionary activity and communism.

You can read these facts in the Daily Worker. You do not have to take my word for it. You can read it in the Russian newspapers that are translated here, that the Communists of America are participating in the C. I. O. strikes and fanning and inflaming class hatred and promoting communism. I make the prediction that within a short time there will be a bitter contest in the C. I. O. to determine whether Mr. Lewis controls or whether the Communists do. If the Communists gain control of the C. I. O., then you will have a very serious industrial situation in the United States from north to south, and east to west. Mr. Green, president of the American Federation of Labor, has always refused to compromise with Communists and communism. He has driven them out of the ranks of his organization, and naturally they hate Mr. Green and the American Federation of Labor and have rushed pell mell into the C. I. O. and have been welcomed into the ranks of that new organization. The Communists, native-born and alien, are using the C. I. O. to spread communism, revolutionary activities, class hatred, sabotage, and industrial unrest in the United States.

Mr. BEITER. Mr. Chairman, will the gentleman yield?

Mr. FISH. Yes.

Mr. BEITER. The gentleman has been condemning communism. On December 15, 1936, he addressed the State Teachers College of Buffalo and at that time he said that there is something admirable about communism. He said that they had the same principle every year, and in every country.

Mr. FISH. Precisely; and let me go on and finish the sentence which the gentleman has attempted to quote. I said that there is something admirable about Communists; that you know exactly where they stand; that they stand for the same principles whether they are Communists in Russia, in Paris, in New York, in Chicago, or Pekin. They stand for class hatred, they stand for destruction of private property, they stand for hatred of God and of all religion, they stand for the overthrow of democracy and our republican form of government, and all other forms of government except communism, and for the substitution in our country of the red flag for the American flag. You know exactly where they stand. They are to be admired for that. They are not like the Republicans and the Democrats, who write their platforms one day and forget about them the next—and I refer particularly to the Democratic Party and its recent promises and pledges which have been discarded and repudiated.

Mr. DICKSTEIN. Mr. Chairman, will the gentleman yield?

Mr. FISH. Yes.

Mr. DICKSTEIN. Which is the worst menace, communism or fascism?

Mr. FISH. The gentleman knows perfectly well that I am against both of them.

Mr. DICKSTEIN. We all are.

Mr. FISH. They are both practically the same; they are both governments by compulsion and force and violence, seeking to destroy free institutions and democratic governments and the rights and liberties of liberty-loving people throughout the world. So I am opposed to both of them. There is no room in this country for either one of them. They are brothers under the skin, autocratic, militaristic, ruthless, and despotic.

Mr. Chairman, I rose for the purpose of calling attention of the reigning party, the Democratic Party, to the fact that this is the due date for the payment of the war debts. What are you doing about it? The ides of June are here. Today is the 15th of June. What are you doing about collecting any of the $12,000,000,000 defaulted war debt? This administration gave a deliberate promise. The President said that it would be the first objective of his administration to collect the war debt, and added, "I propose to collect them, but I propose to collect them in my own way."

Four years have gone by, but he has not collected a penny except from little honest Finland, which is still paying her debt to us.

Mr. ELLENBOGEN. Mr. Chairman, will the gentleman yield?

Mr. FISH. Yes.

Mr. ELLENBOGEN. Is it not a fact that Mr. Hoover's moratorium started the default of war debts and that if it were not for that the debts would still be being paid?

Mr. FISH. Oh, no. At that time there was a world financial crisis and some temporary postponement in the collection of the war debts had to be arranged if the entire financial structure of Europe was to be preserved. The moratorium was only a temporary breathing spell based on justice, equity, and fair dealing.

At that time the Democratic leaders in Congress, at the invitation of President Hoover, agreed to put through a moratorium bill in the House of Representatives and the Senate which was the right and square thing to do. You had a majority in this House and in the Senate at that time. Make no mistake about the facts. Up to that time, under Republican administrations for years and years, we received $200,000,000 annually in payment of those war debts. President Roosevelt promised to collect those debts, and he has not collected anything at all except from little Finland.

I propose to rise on every June 15 and every December 15 and ask the party in power what they are doing, what do they propose to do to collect any of this money that is owed the American people. Why should we continue to be Santa Claus for the entire world?

Mr. DICKSTEIN. Mr. Chairman, will the gentleman yield?

Mr. FISH. I yield.

Mr. DICKSTEIN. If the gentleman were President of the United States, would he please explain to this House and to the American people how he would collect the debts at this time?

Mr. FISH. Gladly. I will tell the gentleman and I will tell the world, if the press will carry it.

Mr. DICKSTEIN. They will carry it, all right.

Mr. FISH. We were talking a few moments ago about Soviet Russia. The gentleman knows about Soviet Russia, as he was born there. Now, Soviet Russia is one of the nations which has repudiated her war debt. When we recognized Soviet Russia we were promised payment of that war debt.

That was only a few years ago. They have not paid a penny. Does the gentleman want to know how Soviet Russia can pay her war debt to us? We have bought in the last few years through the fantastic gold-purchasing policy

of this administration hundreds of millions of dollars of gold from Soviet Russia, produced at $5 or $10 or less an ounce, and for which we paid $35 an ounce. The profit in American dollars is now in New York banks to the credit of Soviet Russia, and there is enough money there to pay all those war debts to us. All they would have to do is to turn that profit which they made on the sale of gold to us over to the Treasury of the United States.

Mr. DICKSTEIN. But what would the gentleman do if he were President of the United States? Would he confiscate the money?

Mr. FISH. I would call attention to the default; I would make a protest. Does the gentleman remember a Democratic President by the name of Andrew Jackson, how he collected the French war debts and the spoliation claims? He did not remain silent as this man now in the White House has done. He protested and he continued to protest and then he demanded, and he got payment.

Now, let us take the British Empire, for example. They owe us $5,000,000,000 in war debts. They are not even paying us the interest on the money we loaned them after the Armistice. They practically repudiated those debts. Their Chancellor of the Exchequer, Neville Chamberlain, recently said they not only had balanced their budget, but they had a surplus, and their financial house was never in better order, and was the envy of the world. Why? Because they did not make any effort whatever to pay their debts to us. If they wanted to pay it, there are four or five ways of paying it.

Mr. DICKSTEIN. I wanted the gentleman to explain that.

Mr. FISH. They could pay us in rubber. We do not produce any rubber. They could pay us in tea. They could pay us in tin. They could build battleships for us with their own pound sterling and save us hundreds of millions of dollars in building battleships. If they do not like that, they could give us Bermuda, the Bahama Islands, Jamaica, and the other British islands in the Caribbean Sea. There are many ways by which they could liquidate that debt to us without seriously hampering themselves financially.

Mr. DICKSTEIN. I agree with the gentleman, but the fact is they refuse to pay. What is the gentleman going to do, and what would he do if he were President of the United States?

Mr. FISH. I claim that this administration has not raised a finger except to send a bill on the due date. Why not make a protest? Why not try to get around the table and propose a settlement? We have not done one thing, and I defy you or any other Democrat to show where this administration has in the last 4 years made any sensible effort to collect these war debts.

Mr. WOODRUFF. Mr. Chairman, will the gentleman yield?

Mr. FISH. I yield.

Mr. WOODRUFF. Great Britain can hardly offer the plea that she is not able to pay. In other words, she looks ridiculous when she offers that plea, in view of the fact that within the last 2 or 3 months she has announced a military program costing something like $7,000,000,000.

Mr. FISH. The gentleman is quite right. Great Britain has announced a program of a billion and a half pounds, or $7,500,000,000, in 3 years to be spent on armaments alone, for purposes of war, but they have not paid their war debts to us, and we are still holding the bag. The same thing goes for Italy. Italy owes us $81,000,000, due today. We do not get a penny and we have not received a penny under this administration, but Italy can bankrupt itself on armaments for the purpose of promoting another world war, and we do nothing about it. [Applause.]

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. POWERS. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Chairman, I wish to call attention to the War Department civil-functions appropriation bill, and to the fact that the expenditures for these nonmilitary activities of the War Department this year amount to $194,328,363. Last year we appropriated for the civil functions of the War Department $189,341,985. The pending bill carries $4,986,378 more than the bill of a year ago for like activities. I also call attention to the War Department appropriation bill. Last year it was $393,375,854. This year it is $416,413,382, an increase of $23,037,528. In other words, the total War Department appropriation bill, war and civil, is $28,023,906 more than a year ago.

Now, let me call attention to the Treasury statement of June 11, showing that the total receipts up to that date of this year were $4,639,000,000. The total expenditures have been $7,056,434,949.99. You have spent more than you have received by $2,417,240,941.77. These figures, as I say, are as of June 11, with a national debt of over $35,000,000,000.

I cannot help calling attention to the statement made by President Roosevelt in his Budget message of January 3, 1934. I quote:

> Furthermore, the Government during the balance of this calendar (1934) year should plan to build its 1936 expenditures, including recovery and relief, within the revenues expected within the fiscal year 1936. We should plan to have a definitely balanced Budget for the third year of recovery and from that time on seek a continuing reduction of the national debt.

The President of the United States made that assertion in his Budget message of January 3, 1934. I now quote from the President's inaugural address of March 4, 1933:

> Though this program of action we address ourselves to putting our own national house in order and making the income balance the outgo.

If ever in the history of this Nation a man has made statements in reference to trying to make the income balance the outgo so that we would have a balanced Budget, Franklin D. Roosevelt is that man; if ever there was a President of the United States who has gone so far afield as this President in trying to do the things he said he would do, then black is white and green is red, because the President of the United States certainly has betrayed the American people since 1933 in his promises and in his performance.

Mr. BEITER. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield.

Mr. BEITER. Does the gentleman believe that former President Hoover betrayed the people of the United States when he told them every other day that prosperity was just around the corner?

Mr. RICH. When former President Hoover made that statement he thought he would get some assistance and aid from Congress, but he found a Democratic Congress, a Congress that had turned completely around and would not give him the least power or help. He was helpless. When Mr. Roosevelt came into power they gave him complete, absolute authority, and you fellows have been nothing but the greatest rubber stamps any Members of Congress have ever been in all history. You gave all power to Mr. Roosevelt. Notwithstanding the fact that he has had the power to do these things he has not done them. That is the difference between the two men. One President, Mr. Hoover, did not have the power but had his hands tied; this President, Mr. Roosevelt, has the power but is doing absolutely the opposite from what he promised to do. Quite a difference, I would say. All the difference in the world.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. RICH. I will yield to the gentleman when he resumes the chair. [Laughter.]

The CHAIRMAN. The gentleman declines to yield.

Mr. RICH. The President of the United States has taken two vacations since January 1, but many Members of Congress have not had a chance to go back home even once. Think of it! He has gone fishing once for 2 weeks and he

has gone down to Hot Springs to take a 2 weeks' vacation. It is right that he should do so if it is necessary. He has been back home to his great mansion a little ways above New York City a number of times. Nothing wrong about that. The Supreme Court is taking a vacation. I pick up this morning's Washington Post and find that Mrs. Roosevelt reveals that she, too, will take a vacation. May joy go with her. The Vice President, Mr. Garner, is going on a vacation. Joy go with him.

Mr. JOHNSON of Minnesota. Mr. Chairman, will the gentleman yield for a question in regard to Roosevelt?

Mr. McCORMACK and Mr. SACKS rose.

Mr. RICH. They are not going to let Mrs. Roosevelt take this vacation and I want her to have it. I want her to go out just as much as she wants to and wherever she is welcome.

Mr. Chairman, if we were not in the Committee of the Whole, I would move that the House adjourn sine die and take a vacation. I think that would be the best thing in the world for the United States. I think it would be the best thing in the world if we could get this Congress out of here. Why? Because you fellows have appropriated over $8,000,000,000 already in this session of Congress. Think of it! Over $8,000,000,000, and the national income is going to be less than $6,000,000,000. Can you figure it out? Do you think that the President is going to make his party keep their pledges?

I want to be serious so far as expenditures are concerned. In this bill there is a lot of money appropriated which we can cut out. May I call attention to the amount appropriated for the Inland Waterway Corporation, a corporation owned by the Government which functions on the Mississippi and Missouri Rivers. This corporation has been losing money ever since it was started. They are figuring on spending on the Mississippi River between the Ohio and Missouri Rivers, $43,000,000; between the Missouri River and Minneapolis on the Mississippi River, $148,177,000; on the Illinois waterway, $30,189,500; a total to be spent on the Mississippi River of $221,356,500 for the benefit of the inland waterways. It is all wrong to do so.

Mr. JOHNSON of Minnesota. That is not correct.

[Here the gavel fell.]

Mr. JOHNSON of Minnesota. The gentleman is off $23,000,000 on the Mississippi River.

Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 1 minute to clarify a statement he has made.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

Mr. HOFFMAN. Mr. Chairman, I object.

Mr. POWERS. Mr. Chairman, I yield 10 minutes to the gentleman from Kansas [Mr. LAMBERTSON].

Mr. LAMBERTSON. Mr. Chairman, today I intend to point out one of the most flagrant invasions of the rights of Congress and the abuse of executive confidence, both brought about through the workings of a bunch of civic shysters who have wormed their way into the graces of the President only to deceive him.

I refer again to the allocation of $6,750,000 of work-relief funds appropriated under the Emergency Relief Appropriation Act of 1935, which has been set aside for the special benefit of the real-estate promoters of St. Louis for the building in that city of the world's greatest monument to fraud, corruption, graft, and waste—the Jefferson National Expansion Memorial. No project ever conceived by the mind of man was ever more self-indicting once the true facts became known about it.

This project is now being brought under way contrary to all the basic laws of the Nation and with absolute indifference to the rights of either the people of St. Louis or of this Congress, to whom the Constitution gives the supervision over public spending for projects of the character this has been represented to be. Mr. Chairman, our laws, if properly enforced, would not permit the invasion of the rights of Congress in any such manner as is contemplated in this case.

To begin with, money appropriated under the Emergency Relief Appropriation Act, which was passed and became a law April 8, 1933, sets up as its major objective to "provide relief, work relief, and to increase employment by providing for useful projects."

In the face of the examining engineer's report that the memorial to Jefferson in St. Louis "cannot be classed as a public necessity", and in view of the additional fact that in the acquisition of land for the building of this memorial thousands of people now engaged in industry in this area will have to suspend operations and move to other locations to provide but a modicum of work relief—this project can in no way be said to come under the head of a work-relief project; neither can it be said to fill any known useful purpose.

Mr. Chairman, I have previously called the attention of the Congress to the provisions of the United States Code which prohibit the erection of or expenditure of money for buildings in national parks in an amount exceeding $1,500 except by and with the consent of Congress.

While this proposed memorial is presumed to be an improved national park or plaza, it has been carried forward under the guise of an attempt to preserve "historic sites."

Mr. Chairman, the Historic Sites Act was passed by the Congress and became a law August 21, 1935.

This act itself contained no appropriation for the specific purpose of preserving historic sites, but on the contrary, specifically delegates the power of making such appropriations to the Congress and denies it to all agencies and departments of the Federal Government.

The act in section 2, subsection (d) says:

> *Provided further*, That no such property shall be acquired or contract or agreement for the acquisition thereof made which will obligate the general fund of the Treasury for the payment of such property, unless and until Congress has appropriated money which is available for that purpose.

To say that the money appropriated by the Emergency Relief Appropriation Act of 1935, which became a law April 8, 1935, is money for the Historic Sites Act which became a law August 21, 1935, is more than anticipating the fact, and just a plain fantasy.

To dig a little deeper into the Historic Sites Act we find again in subsection (e) the following words used:

> *Provided*, That no contract or cooperative agreement shall be made or entered into which will obligate the general fund of the Treasury, unless or until Congress has appropriated money for such purpose.

This shatters the claim the President had a right to accept money from the city of St. Louis, raised as the result of a bond issue election in which fraud and corruption are the outstanding features, or to enter into any kind of an agreement either directly with the city of St. Louis or the real-estate mayor, Bernard Dickman, for the building of this second monument to Jefferson in their city.

The President acted beyond his authority if I can properly interpret the English language as written into the laws by my associates here in Congress. If these laws we pass do not mean what they say, then we better fold up and go home. And if we do not do something in cases like this, the people are going to wake up and get wise to where their money is being wasted, and a lot of the Members will be left at home.

Mr. Chairman, I do not bring these matters to the attention of the Congress with any malice either toward the President or the Members of this House. I believe the President has been basely deceived. And I know that the Members of this House would not appropriate a dime for the St. Louis real-estate promoters. So I want to read you one more section of the Historic Sites Act. Section 6 says:

> There is authorized to be appropriated for carrying out the purposes of this act such sums as the Congress may from time to time determine—

Keep those words in mind—

> may from time to time determine—

Not shall from time to time determine. It was left entirely to the discretion of Congress to say how much shall be spent for historic sites and where.

But that is not the worst of this rotten deal; it is the historic sites themselves. Here is where the President was more than hornswoggled.

A bunch of slickers from St. Louis came down here to Washington with a hot-shot idea when their plan for a loan and grant of around $22,000,000 blew up after the frauds in the election had been brought to the attention of Secretary Ickes and Mr. Hackett in the fall of 1935.

The promoters camped around the White House offices and fixed up the data on which the President issued his Executive order of December 21, 1935, naming the 37-block site on the river front in downtown St. Louis as the place whereon were situate—

the Spanish colonial office where during the administration of Thomas Jefferson all the territory comprised in the upper Louisiana Purchase were transferred to the United States. The Government house (which is the same as the previous place) where on March 9, 1804, Charles Dehault Delassus, the Spanish commandant in St. Louis, transferred possession of upper Louisiana to Capt. Amos Stoddart, of the United States Army, who had been designated by France as its representative and where on the following morning of March 10, 1804, as agent of the United States, Capt. Stoddart took possession for the United States and raised the American flag.

Now, in brief, here were two minor incidents of history, nothing much to brag about, because lower Louisiana had been for months past part of the Union and the hauling down of the Spanish and French flags were only a ceremonial much the same as has been carried out by our Government on countless occasions in all parts of the world. Our flag has been up and down, but never so basely disgraced as when we propose to spend $9,000,000 buying property in St. Louis for such a useless project as this appears to be. I can see where St. Louis can use more charities, more hospitals, and more money for civic improvements, but I cannot reconcile myself to any idea but that this memorial promotion is the biggest boondoggle ever before the Congress, and up to the Congress to either put an end to or be subjected to eternal ridicule for having permitted it without an investigation.

But I want to go a little further, if you please, into these fake historic sites.

The President was led to believe, and he set up in his order that this was the place where the Oregon, the Santa Fe, and other trails originated. This cannot be established by the records. These trails did not originate here any more so than they did in the minds of somebody hanging around Washington for a purpose. The Santa Fe trail, according to reliable encyclopedias, originated at or near the town of Old Franklin, Mo., more than 150 miles by river from St. Louis. The Oregon trail had its beginnings at St. Joseph, Mo., more than 250 miles from St. Louis, and so it is with most of the historic sites. If there were ever any sites worthy of preserving here the people of St. Louis did not care very much about them, for they have all been torn down dozens of years ago, excepting the old Cathedral of St. Louis, which is in daily use as a common Catholic church, and cannot be acquired under the provisions of the Historic Sites Act. All the rest of this historic sites stuff is just camouflage to conceal the real purpose of the memorial promoters, which in short is to unload 37 blocks of real estate onto the Government at fancy top prices and make profits by forcing people who are in business in the district to rent their unoccupied buildings elsewhere in St. Louis.

All the newspapers of St. Louis know about the infamy of this whole proposal, yet but two have had the courage to protest. The St. Louis Post-Dispatch in an editorial last Friday said:

[From the St. Louis Post-Dispatch of June 11, 1937]

IF CONGRESS INVESTIGATES

If Congress grants the request of Representative Lambertson, of Kansas to investigate the proposed Jefferson Memorial on the St. Louis river front, it will discover facts that will humiliate this city in the Nation's eyes.

It will discover that the city held a bond-issue election in September 1935 to determine whether or not bonds in the sum of $7,500,000 should be issued to defray the city's share of the cost of the memorial.

It will discover that the project was advertised as a means of putting the unemployed to work, and that the voters were told that work could be started 10 days after the election. Nearly 2 years have now elapsed and not a shovelful of earth has been turned.

It will discover that the voters were told that the Government would put up $3 for every $1 contributed by the city, and that the Government's total contribution would be $22,500,000.

It will discover that, despite this glowing prospectus, the bond issue fell far short of obtaining the two-thirds vote necessary for passage in nine wards, containing one-third of the city's population, while in the 19 other wards it was given a vote in the approximate relation of 5 to 1.

It will discover that, in each of the 19 wards where the bond issue was certified as passing, wholesale fraud was demonstrated.

It will discover that grave doubt exists as to whether or not a recount of the ballots would bear out the city administration's claim of victory for the bond issue; so flagrant were the frauds, and so suspicious is the circumstance that the topheavy vote was confined to certain wards, that it is a fair presumption the election was stolen.

A congressional investigation would bring out these facts and more. It would bring out the highly significant story of how all attempts to institute a grand jury inquiry into the frauds have failed.

Congress will be interested in the remarkable story of Judge Padberg's grand jury, on which sat four men with political connections or associations. The Padberg jury refused flatly to investigate the frauds, because, as its foreman said, the memorial project was a good thing for the city.

Congress will be interested in the subsequent history of the case in the courts—the strange proceedings before Judge Joynt, for example, a suit filed by dummy plaintiffs. It will be interested in the fact that every effort has been made by political lawyers—thus far successfully—to keep the lid on the ballot boxes where the incriminating evidence lies.

In examining the memorial project, as it stands at present, Congress will find that, instead of a $30,000,000 project, it is only a $9,000,000 project, the city putting up $2,250,000 and the Federal Government $6,750,000. The latter sum was allocated by the President, and Congress had nothing to say about it.

It will find that the $9,000,000, instead of being a work-relief fund, will be used to condemn and purchase the site.

It will find that after the property owners have been paid off, there will be little, if anything, left over for the employment of labor.

It will find that, instead of a great memorial to Thomas Jefferson, there is likely to be nothing on the river front but a grassy sward.

Finally, it will find that a great many St. Louisans are appalled at the idea of going ahead with a project, in honor of a man who held sacred the processes of democracy, which has its roots in the prostitution of the ballot.

Mr. Chairman, time will not permit me to go further today. In closing may I direct your attention again to the fact that this is not a work-relief project, neither are there any worth-while legitimate historic sites in this area that can now be preserved. But supposing, for the sake of argument, that there were such historic sites still existent and that they could be preserved even now at this late date, Mr. Chairman, I submit the language of the Historic Sites Act reserves to this Congress the right to say how much money will be spent, and how and when and where.

Therefore I again call on the Democratic majority of this House to institute such proceedings as decency demands, a full and complete investigation of this Jefferson Memorial in St. Louis.

Mr. POWERS. Mr. Chairman, I yield 5 minutes to the gentleman from Nebraska [Mr. STEFAN].

Mr. STEFAN. Mr. Chairman, the gentleman from Texas [Mr. MAHON] has perhaps made the speech I really intended to make this afternoon. I want to endorse everything the gentleman had to say in connection with the early withdrawal of American troops from the Philippine Islands.

I have consistently appeared before the membership of the House on this particular question. I have appeared before the subcommittee on the question, and believe I have the sympathy of the chairman and the membership of the subcommittee in the statements I have made indicating we

could save $15,000,000 to $20,000,000 annually by withdrawing our idle troops in the Philippine Islands, who are now doing absolutely nothing.

I bring some good news to you today. I usually bring you news of drought and suffering and starving livestock. It has rained in my district. The farmers in my district are cutting their first crop of alfalfa, they are plowing the corn, and they are hoping and praying for a real harvest. However, the conditions in my district are such we are short of feed to feed the livestock. Much of the feed is being imported. In fact, all of the corn coming into the State of Nebraska is being imported from other States and is being fed upon arrival. I wish the Members would pray with us that we do have a harvest, because if we do not and we have another drought, we will be in worse condition to face another winter than we have ever been in the history of our State. Because of this and because I feel that perhaps along the line we may be called upon to come here and ask for more help, I have studied the hearings in connection with the various appropriation bills and have called attention to some instances where I thought we were spending money uselessly.

Mr. Chairman, I wish to speak briefly today on this bill which we have under consideration—a bill to appropriate nearly $200,000,000 additional to the War Department for civil functions for 1938. There are many meritorious items in this bill, but to remain consistent I must go on record against some of the items which appear to me to be too high and which in my opinion represent useless expenditures of the taxpayers' money.

Only recently this House passed a War Department bill appropriating nearly half a billion dollars for 1 year—the largest amount for the Army during peacetime. When that bill was before us I endeavored to cut down the amount by endeavoring to show to the membership of this House where many millions of dollars could be saved for the taxpayers. I refer specifically to the useless expenditures we are making for the maintenance of an idle army in the Philippine Islands. In the bill before us we find another item for spending considerable money in the Philippine Islands which no longer belong to us.

As I understand it, this is the first time this appropriation for civil functions of the War Department comes before us separately. Heretofore it came to us combined with the Regular Army appropriations, but evidently the amounts have increased to such large proportions that it is brought to us in a separate bill. Even the Army apparently does not want it mixed up with the Regular Army functions of the War Department.

I call your attention to only one item in this bill which apparently has puzzled even the subcommittee which held exhaustive hearings. I refer to the amount of about $152,000 for the High Commissioner to the Philippine Islands. This amount, in my opinion should be cut in half. It would be enough to maintain one High Commissioner in those islands.

I wish to commend the membership of the subcommittee for cutting down some of this appropriation. The subcommittee members before which I appeared on the question of stopping further appropriations for an idle army in those islands has not only worked hard and diligently on this item, but has seen through much of the waste of the taxpayers' money which we are dumping into those islands by the millons each year. The result is that the committee members which have had a tremendous task to perform have gone into these items with great care and should be congratulated. However, I feel that the real picture has not been presented to the membership of the committee, which can only act on the information they receive from Army people.

The membership of the House, however, should know something about the lavish manner in which our High Commissioner is going to live in those islands at the expense of the American taxpayer. I do not wish to be recorded as having any personal feelings in the matter insofar as the High Commissioner is concerned individually. I make the protest and demand for further cuts in expenditures in the Philippine Islands on the basis of principle. I do not even wish to go into the question of the charges made in the newspapers that our High Commissioner in those islands is demanding to be toasted first at public functions and banquets. That is a personal matter which, in my opinion, would never have occurred if the island affairs were turned over to the Department of State instead of being in the hands of political patronage.

Mr. Chairman, American people should know that we were very generous when we inaugurated the Philippine Commonwealth in 1935 and turned over practically everything we owned in the islands to the Philippine Government. When we took that step we decided that so far as American rule is concerned we would no longer have anything to say about the islands. With the exception of our idle army, we decided to have there only one High Commissioner, who would report to our President the fiscal conditions of the islands. So we even gave to the Philippine Government the grand palace which had been occupied by our Governor General for many years. It is located on the Pasig River and has grand grounds, beautifully parked. The palace itself is one of the most complete and beautiful buildings in the islands. We just walked out and had to rent space for our High Commissioner. Congress then appropriated about $750,000 to build a palace for our Commissioner. In the meantime our taxpayers are called upon to pay around $20,000 a year for rent.

The new quarters for our High Commissioner will not be completed for another year or more. The rent of $20,000 annually will have to be paid. We could have made a better bargain and have kept our own palace until such time that our own building was completed. I believe that part of the bargain we made was not shrewd Yankee business on our part.

Something has been said to the effect that the Philippine people have given us the ground on which we are to build our Commissioner's palace. The membership of this House should know that we never were given any ground by the Philippine Government. That, in fact, we were given water in Manila Bay around which we are building a retaining wall and other construction to keep out the water at an already incurred expense to our taxpayers of $61,000.

The Filipinos in harbor dredging are pumping earth into that enclosure of water without cost to us. But never let it be said that we were given anything but water in this bad American bargain.

Now as to the expenses of our High Commissioner in the Philippine Islands. Let me tell Members that we are appropriating more money here for this High Commissioner than we are for our Ambassadors to countries as large as Great Britain. I refer to the $10,000 we are appropriating for the Commissioner's entertainment fund. I feel the committee did wisely when they cut this amount down. The cut is not deep enough. It should not be more than the $4,800 we give to our Ambassador at London.

Little did we dream that we would not save much money in the islands when we withdrew a Governor General and put in a High Commissioner. The fact is that the present expenditures in the islands will be very little less than they were when we thought we were through with the islands.

Let us look at the records. I ask every Member to read the hearings on this item. You will find them on page 205 in the hearings you now have in your possession. The High Commissioner draws a salary of $18,000. That does not include the $10,000 for entertainment and household expenses. He has $20,000 more for renting his present quarters and a residence. He has a legal adviser costing us $12,000 a year; three chauffeurs and three automobiles paid

by the American taxpayers. Here are a few figures of what you are spending on this item alone:

		Estimate, 1938	
		Positions	Average salary
	PERSONAL SERVICES, FIELD		
	Professional service:		
	Legal adviser	1	$12,000
	Assistant legal adviser	1	7,500
	Financial expert	1	10,000
	Assistant financial expert	1	7,500
	Clerical, administrative, and fiscal service:		
	High Commissioner	1	18,000
	Private secretary to High Commissioner	1	5,000
	Administrative assistant	1	6,000
	Accountant statistician	3	3,500
	Clerk:		
	American	6	2,850
	Filipino	6	1,167
	Custodial service:		
	Messenger and porter	6	200
	Chauffeur	3	533
	Gardener	1	500
	Janitor	4	250
	Laborer	2	250
	Watchman, guard	2	900
	Total, personal services	40	107,200
02	Supplies and materials		4,200
05	Communication service		3,500
06	Travel expenses		4,000
07	Transportation of things		1,000
10	Furnishing of heat, light, power, electricity		1,200
11	Rents		20,000
12	Repairs and alterations		500
13	Special and miscellaneous current expenses		10,000
30	Equipment		1,000
	Total other obligations		50,900
	Total estimate or appropriation		152,600

Mr. Chairman, feeling that many of our Ambassadors to countries much larger than the Philippine Islands are not furnished with such tremendous amounts of money and do not have the opportunity to live in such lavish fashion, I hope that this House can see fit to make more reductions in this item of expense. It will in some way equal the expenditures we make for the same purpose in other countries and indicate to the American taxpayer that we are ever on the alert to save some of their money wherever that is possible. I say this because I know that we are through in the Philippines and that money is badly needed in our own country. It will in some way serve economy notice on the Army and Navy which insists on maintaining our present force of idle troops there until the completion of the present commonwealth period. If we make more cuts in this appropriation, we will keep the membership of this House on the alert to make an effort to save many millions of dollars when next year's Army appropriation bill comes up and when we again will go into the question of useless expenditures in the Philippines.

We know that we must continue to spend money in our own country to keep people employed. We are served notice by the executive department to economize. We who have gone through these vast appropriation bills know that there are many items of useless expenditures which we could easily eliminate and save money instead of piling on more and more taxes. We could make these savings without injuring the program of relief here in the United States. Do not forget the nearly billion dollars the Army and Navy took out of our relief funds during the last 4 years. Do not overlook the fact that a demand is made on us to balance the Budget. Do not forget that we are still spending $8 for every four and a half dollars we bring into the people's Treasury. Also, do not overlook the fact that our public debt is now close to $40,000,000,000. If we can save a few hundred million dollars by going more thoroughly into these items and cut useless expenditures where they do not affect the actual welfare and happiness of our own people, let us do it now.

Mr. STARNES and Mr. RICH rose.

Mr. STARNES. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania, the chairman of the committee [Mr. SNYDER].

Mr. SNYDER of Pennsylvania. Mr. Chairman, I move that the Committee do now rise.

Mr. RICH. Mr. Chairman——

The CHAIRMAN. For what purpose does the gentleman from Pennsylvania rise?

Mr. RICH. Mr. Chairman, I ask recognition.

The CHAIRMAN. A preferential motion is before the Committee. The Chair cannot recognize the gentleman from Pennsylvania.

Mr. RICH. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. RICH. The Chairman knew I intended to seek recognition. What reason has the Chair for recognizing the chairman of the committee when he knew definitely that I wanted recognition because I had told him so a half dozen times? Why is the Chair not going to recognize me?

Mr. RAYBURN. Mr. Chairman, I ask for the regular order.

Mr. MARTIN of Colorado. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. There is one parliamentary inquiry pending. Pending action on that inquiry, the Chair cannot entertain another one.

The Chair in response to the inquiry of the gentleman will state there are several reasons why the Chair is compelled under the rules to recognize the gentleman from Pennsylvania [Mr. SNYDER]. In the first place, the gentleman has made a motion which has a preferred status under the rules. Until the motion of the gentleman from Pennsylvania has been acted upon, the Chair, under the rules, is precluded from recognizing any other Member who may seek recognition.

Mr. MARTIN of Colorado. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MARTIN of Colorado. Mr. Chairman, the British war debts, the Jefferson Memorial, the other extraneous matters having been fully covered in debate, some of us would like to be heard for a minute or two on this bill. I want to know what will become of it under the 5-minute rule if the Committee rises now?

Mr. MICHENER. Regular order, Mr. Chairman.

The CHAIRMAN. The gentleman's inquiry being made for the purpose of obtaining information, the Chair will state that while it does not constitute a parliamentary inquiry, insofar as the Chair can convey information to the gentleman on the inquiry he may say that such decision rests with the House.

The question is on the motion of the gentleman from Pennsylvania that the Committee do now rise.

The question was taken; and on a division (demanded by Mr. RICH) there were—ayes 102, noes 4.

So the motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MCCORMACK, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill H. R. 7493, had come to no resolution thereon.

Mr. SNYDER of Pennsylvania. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 7493) making appropriations for the fiscal year ending June 30, 1938, for civil functions administered by the War Department, and for other purposes; and pending that motion, I move that general debate on the bill do now close, and on that motion I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion of the gentleman from Pennsylvania that general debate do now close.

The motion was agreed to.

The SPEAKER. The question is on the motion of the gentleman from Pennsylvania that the House resolve itself

into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 7493.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 7493, with Mr. McCORMACK in the chair.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending June 30, 1938, for civil functions administered by the War Department, and for other purposes, namely:

QUARTERMASTER CORPS

CEMETERIAL EXPENSES

For maintaining and improving national cemeteries, including fuel for and pay of superintendents and the superintendent at Mexico City, and other employees; purchase of land; purchase of tools and materials; purchase of one motor-propelled hearse at a cost not to exceed $3,150; and for the repair, maintenance, and operation of motor vehicles; care and maintenance of the Arlington Memorial Amphitheater, chapel, and grounds in the Arlington National Cemetery; repair to roadways but not to more than a single approach road to any national cemetery constructed under special act of Congress; headstones for unmarked graves of soldiers, sailors, and marines under the acts approved March 3, 1873 (U. S. C., title 24, sec. 279), February 3, 1879 (U. S. C., title 24, sec. 280), March 9, 1906 (34 Stat., p. 56), March 14, 1914 (38 Stat., p. 768), and February 26, 1929 (U. S. C., title 24, sec. 280a), and civilians interred in post cemeteries; recovery of bodies and disposition of remains of military personnel and civilian employees of the Army under act approved March 9, 1928 (U. S. C., title 10, sec. 916); for repairs and preservation of monuments, tablets, roads, fences, etc., made and constructed by the United States in Cuba and China to mark the places where American soldiers fell; care, protection, and maintenance of the Confederate Mound in Oakwood Cemetery at Chicago, the Confederate Stockade Cemetery at Johnstons Island, the Confederate burial plats owned by the United States in Confederate Cemetery at North Alton, the Confederate Cemetery, Camp Chase, at Columbus, the Confederate Cemetery at Point Lookout, and the Confederate Cemetery at Rock Island, $1,227,009, of which $295,477 shall be available immediately: *Provided*, That no railroad shall be permitted upon any right-of-way which may have been acquired by the United States leading to a national cemetery, or to encroach upon any roads or walks constructed thereon and maintained by the United States: *Provided further*, That no part of this appropriation shall be used for repairing any roadway not owned by the United States within the corporate limits of any city, town, or village.

Mr. LANHAM. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I offer this pro-forma motion for the purpose of propounding an inquiry in order to get information.

In this paragraph there is provision made for appropriations for headstones for unmarked graves of soldiers under the various acts herein recited. It was called to my attention a few months ago that, especially with reference to the headstones for veterans of the World War, they are of such a character that they are not adapted well to the purpose, that they frequently chip or scale or discolor in such a way that the engraving upon them becomes illegible after a certain length of time. It has been called to my attention, furthermore, that they are not in keeping with the kind of monuments used in marking tombs in various private or municipal cemeteries over the country, and for this reason, frequently, these veterans who have passed away are interred in a rather isolated spot in a cemetery where these small marble markers appear.

The suggestion has been made that these markers should be of granite, which would be more enduring, or of bronze or some kind of metal in order that the inscriptions may remain for identification and in order that these burial plots may be more in keeping with others in the various cemeteries.

I should like to know whether under existing law there is authority for change in the character and design of these headstones in order that they may more appropriately conform to the kind of monuments used in various cemeteries throughout the country, and in order that there may be no discrimination in location with reference to the burial places of those who served in the great World War.

Mr. SNYDER of Pennsylvania. Mr. Chairman, I may say to the gentleman from Texas that there is no law that prevents a change in the type or kind of marker, neither is there any law to prevent them from changing from marble to granite. I invite the gentleman's attention to section 279 of title 24 of the United States Code.

Mr. LANHAM. In other words, it is a matter that is optional with those who have the selection of these stones?

Mr. SNYDER of Pennsylvania. Yes.

Mr. LANHAM. In this connection, may I bring this to the attention of the chairman of the subcommittee in order that it may be investigated—and I shall be pleased to bring this to his attention again and give him the benefit of any information which I have—because the statement which I am making is not predicated upon a purely local consideration, but one that applies throughout our country, and one in which those who have control of various cemeteries that are not owned by the Government have a great deal of interest.

Mr. SNYDER of Pennsylvania. I thank the gentleman from Texas for his contribution and I am sure I voice the sentiment of the committee in stating that we shall take the matter up with the Quartermaster General in connection with the next annual appropriation. I may say that this year the cost of the markers we are now supplying has advanced $1.85 apiece.

Mr. LANHAM. I think, perhaps, there would be no additional cost in providing the other markers, and this suggestion is not offered for the purpose of increasing the cost, but to get something that will be more permanent and that will cause the inscriptions to endure for the history that they contain, and also to have markers that are more in keeping with monuments generally used in cemeteries. In this way they may be able to prevent their isolation in some little place where they are not in conformity with the general requirements of cemeteries.

[Here the gavel fell.]

Mr. JOHNSON of Minnesota. Mr. Chairman, I rise in opposition to the pro-forma amendment. A statement was made by the gentleman from Pennsylvania [Mr. RICH] which I think is not quite accurate. He says that the bill carries an appropriation for the upper part of the Mississippi River from the Missouri River to Minneapolis of $148,000,000 for a so-called 9-foot channel. That is not correct.

The appropriation so far expended on the river is $113,000,000, and the bill carries $27,000,000 for the fiscal year 1938, which leaves an amount of $8,000,000 under the total Budget recommendation of $148,000,000 to complete the job. And I ask members of the committee whether or not that is correct. The inference was that this expenditure, measured from the standpoint of returns to the economic betterment of the Middle West, is not justified. That is not true. Even with a 6-foot channel in the Mississippi, which in the low periods of the summer is only 5 feet, today with such a low stage of water with only the Inland Waterways Corporation practically operating on the Mississippi River, there has been a tonnage of 1,700,000 in what is practically a 5-foot channel. That is not a great deal when you compare it with the tonnage on the Ohio River, due to the industrial cities in Pennsylvania, down to the Mississippi, where they carry 20,000,000 tons, but up at Minneapolis, in the upper part of the river, where we proposed to get a harbor if the administration will grant the canalization and locking of the St. Anthony Falls, we have 10,000,000 tons annually, of which 55 percent is available for water transportation down to the South, where you have lumber in Arkansas, Mississippi, and Tennessee. You have coal along the Ohio River. That can all be transported by water transportation to Minneapolis.

We have iron which can be transported down the Mississippi to the Ohio and up the Ohio to the Pennsylvania steel mills. About five and a half million tons of freight are within five blocks of the Mississippi River in the Minneapolis area alone. That means that the economic practicality of

a 9-foot channel is absolutely assured, and when it is completed in less than 2 years it will be one of the greatest benefits to the country in that it will balance the economics of the United States. It will give the inland part of the country an outlet to the ocean, the same influence that made the cities on the Ohio, Cincinnati, Pittsburgh, and the rest of the towns, all great cities, and that will give the same opportunity to the river towns on the upper Mississippi. The Army engineers who have done the job have done a wonderful thing from an engineering standpoint, and in behalf of the people of the twin cities of Minnesota and the upper Mississippi River, and in behalf of the Upper Mississippi Waterway Association, I want this RECORD to show a vote of thanks given by them to the administration for the wonderful support we have had in that area, and the completion of the project that we have been waiting for, for decades. [Applause.]

All that is now necessary to bring the 9-foot channel to the practical reach of all agriculture and industry of the Northwest is for this Congress to define and fix the northern termini of this 9-foot channel to the north city limits of the city of Minneapolis. This definition should be made at once by appropriate legislation.

Mr. RICH. Mr. Chairman, I move to strike out the last word. I say to my colleague from Minnesota [Mr. JOHNSON] and to Members of the House that I do not wish to leave any false impressions. If I said there were $221,356,500 in this bill for inland waterways I intended to say it was the intention to spend on the Mississippi River, for the benefit of the inland waterways, that amount; you know that the bill calls for a whole lot less than that and it shows that it was an error on my part if I made the statement. I do not believe I did make the statement.

We are spending for the inland waterways on the Missouri River from the mouth to Kansas City $72,000,000, and from Kansas City to Sioux City $92,000,000, and from the Missouri River at Fort Peck $108,600,000, or a total of $272,600,000 on the Missouri, plus the amount we are spending on the upper Mississippi of $221,356,500, which makes a total of $493,946,500 for the area of the inland waterways on those two rivers. What I want to bring to your attention is the fact that this inland waterways corporation was chartered in 1928, and, according to the statement made by Major General Ashburn, on page 221 of the hearings, that from 1924 to 1936 it made a profit of $1,581,718.49. If you figure the $12,000,000 of capital for 12½ years at 3 percent, it would have netted the Government $4,240,000, three times what he says they earned, but I say to you that when Major General Ashburn makes a report in reference to the inland waterways he does not know the first thing about business. He is running the inland waterways and telling you that he has made a profit, and if you look at that report you will see the amount for each year.

Four years he ran in the red. Major General Ashburn has his salary paid by the Army. He is the head of it. All the mail of the inland waterways is franked. He has his office rent in Washington paid by other departments of the Government. He pays no taxes; he pays nothing for the money he will spend building up his right-of-way running into millions and millions of dollars. That is all given him. He does not know how to charge off depreciation. Then he comes in after you have given him this $15,000,000 for capital and all these advantages and says that he has made a profit. If anyone could not make a profit under those conditions, there is something wrong with him. Are you going to continue to put the Government in business when you know it is losing money and it is in competition with the railroads that are in that locality and which you are trying to put out of business by continuing the inland waterway and the railroads of the country help pay the taxes to support it?

Is it fair to the railroads of this country? Is it fair to the stockholders who have their money invested in those railroads? Is it not communistic to put the Government into business when this inland waterways was supposed to be taken out of business several years ago? I defy any Member of Congress to take the statement and figure out where Major General Ashburn is making any money on the operation of this Inland Waterways Corporation if it is figured in the legitimate and proper way. It is a crime for the Government to continue in business. It is a crime to continue to spend this $500,000,000 on a waterway that is frozen up 6 months of the year. For 6 months of the year you cannot even go up and down this river highway that you are constructing for this Inland Waterways Corporation, because it is frozen up.

Mr. MARTIN of Colorado. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield for a question.

Mr. MARTIN of Colorado. The Inland Waterways Corporation was created under the Coolidge administration and is a Republican baby. [Laughter.]

Mr. RICH. Well, it is a sick Republican baby. [Laughter.] I will say that. I am glad the gentleman brought that out. If the Republican Party is responsible for its birth, then the Democratic Party ought to have common sense enough to get up and kick it out. I hope they will. [Laughter and applause.]

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. COCHRAN. Mr. Chairman, I rise in opposition to the pro-forma amendment.

Mr. Chairman, the gentleman from Pennsylvania spoke of putting the Government in business. I desire to make some reference to that subject. Two years ago I made a trip to the Panama Canal. The appropriation for the Panama Canal Commission is in this bill. There is a Government corporation known as the Panama Railroad Co. They have two passenger ships that are 35 years old and two cargo ships. Those ships carried all the cement and so forth for the construction of the locks on the Canal. The passenger ships are fine old tubs, but the time had arrived when they should be replaced. I made a little investigation, and I found the Panama Railroad Co. had a replacement fund. Money in the Treasury that could only be used for one purpose, money that could be used to alleviate the unemployment situation and not to be taken out of the general fund of the Treasury.

I called this to the attention of the President when I came back and the President ordered the Panama Railroad Co. to build two new ships. Just a few days ago they let a contract for three new ships. My view was that if you had two new ships which could make 15 or 16 knots an hour they would take the place of four ships which they now have making 8 to 10 knots an hour. My contention was that the Panama Railroad Co. should not be competing with private steamship companies as it is doing now. If they will mind their own business and carry their own freight and the employees of the Panama Canal they can get along with two ships. They do not need four ships. There is no way whereby the construction of that third ship can be prevented in this bill, because the contracts are already let, and I believe that when the Government of the United States makes a contract it should keep that contract. However, two ships would have been sufficient. There is absolutely no reason why those ships should go into Haiti any longer, because our marines are out of Haiti, thank the good Lord; but if those two ships which they are about to start constructing will go direct from New York to Cristobal they can make the trip in 4 or 4½ days. They are taking 8 or 9 days because they stop at Haiti going and coming.

I want to suggest now that it will be to the advantage of the Panama Railroad Co. to stop competition with private steamship companies. They should handle Government freight, and Government freight alone, and carry the employees of the Panama Canal. If they do not do this, some of these days on this floor you will see some opposition to the Panama Railroad. They should remember one experience some years ago when they tried to take those ships off altogether. The House defeated that movement,

but it will be revived if they continue to compete with private steamship companies. This Government steamship line has absolutely no business competing with private steamship companies. I am sure they can get along with two ships instead of three, if they would confine themselves to handling Government freight and Government employees. A word to the wise should be sufficient. [Applause.]

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, it is with deep regret that I announce the death of Mrs. Champ Clark, wife of the Great War Speaker of the House and mother of the Senior Senator from Missouri, who died this morning at the home of her devoted daughter, Mrs. James M. Thompson, of New Orleans. For a generation—a period of more than 30 years—she was a resident of Washington and during the Sixty-second Congress, when her husband was officially the titular leader of his party, and succeeding Congresses was one of the most loved women in the Nation. I am certain that the Members of the House who knew her in those eventful days will learn of her passing with profound regret.

The Clerk read as follows:

SIGNAL CORPS

ALASKA COMMUNICATION SYSTEM

For operation, maintenance, and improvement of the Alaska Communication System and for purchase, including exchange, of one motor-propelled passenger-carrying vehicle, and for operation and maintenance of vehicles of this character, $166,338, to be derived from the receipts of the Alaska Communication System which have been covered into the Treasury of the United States, and to remain available until the close of the fiscal year 1939: *Provided*, That the Secretary of War shall report to Congress the extent and cost of any extensions and betterments which may be effected under this appropriation.

Mr. PATMAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have just finished the compilation of certain information on the concentration of wealth by banks and corporations. I ask unanimous consent to insert this information in the CONGRESSIONAL RECORD together with certain excerpts in explanation thereof.

The CHAIRMAN. The Chair feels that with reference to the excerpts the gentleman would have to secure permission in the House.

Mr. PATMAN. Then, Mr. Chairman, I modify my request to leave out the excerpts.

The CHAIRMAN. Without objection it is so ordered.

There was no objection.

Mr. PATMAN. Mr. Chairman, a few men controlling a few banks control a majority of the corporate wealth of the Nation, if not a majority of the entire wealth of the Nation. Something must be done in the direction of encouraging local banks and local business. Branch banks should be discouraged and absentee ownership of business should be discouraged. The broad road of opportunity cannot long remain open to the deserving young men and young women of this country if monopoly and concentration of wealth and power continue as they have in the past. Independent businessmen and independent bankers have a common cause. They should unite to protect their own interest, which in this fight against monopoly is in the interest of the general welfare of the people. I hope the day will never come when the deserving young people of this Nation will be compelled, in order to obtain positions, to seek such employment only from our few industrial leaders and bank executives of the East.

I have asked for this time for the purpose of disclosing a study that I have recently completed regarding the concentration of wealth and power.

OWNERSHIP AND CONTROL OF WEALTH

The national wealth of the United States of America is estimated at approximately $320,000,000,000, and the population of this country at 128,000,000 as at the end of 1935. This vast amount of wealth and the large number of people whose economic existence is affected by its ownership and control have made this subject one of increasing importance to every individual.

The importance of this subject is further emphasized by the increase that has taken place in our population, national wealth, and per-capita wealth since 1900, shown as follows:

Year	Population	National wealth	Per-capita wealth
1900	76, 129, 000	$88, 500, 000, 000	$1, 163
1904	82, 601, 600	107, 100, 000, 000	1, 297
1912	95, 097, 000	186, 300, 000, 000	1, 959
1922	109, 872, 000	320, 000, 000, 000	2, 912
1929	121, 526, 000	385, 000, 000, 000	3, 168
1935	127, 521, 000	320, 000, 000, 000	2, 509

A study has been made to ascertain if there is a concentration of the ownership of wealth in a few groups, how the control of this wealth is exercised, and to determine any trends relating to the concentration and control of wealth. This study, due to the magnitude of the subject can deal only with the major phases of ownership and control of wealth.

Almost 40 percent of our national wealth is owned by nonfinancial corporations, the remainder is represented by the wealth owned by financial corporations and by agricultural land and improvements, residential real estate, personal property, including automobiles, and the large volume of Government property. To ascertain if there exists a concentration of wealth, the wealth in the hands of corporations, and the resources of financial corporations and institutions is dealt with. While that part of the wealth represented by agricultural land and equipment, residential real estate, and so forth, is not directly covered in this study, much of this wealth is indirectly influenced by the major corporate units dealt with in this study.

REFERENCE MATERIAL

In connection with the study, the following material has been reviewed and is listed here for reference in the event any additional information may be desired:

(1) The Modern Corporation and Private Property, Berle and Means.

(2) The Internal Debts of the United States, Evans Clark.

(3) Concentration in American Industry, Harry W. Laidler.

(4) Statistical Abstract of the United States, 1935.

(5) Lords of Creation, Frederick Lewis Allen.

(6) Moody's Manual of Banks, Insurance, Real Estate, Investment Trusts, 1930, 1936.

(7) Moody's Manual of Steam Railroads, 1930, 1936.

(8) Moody's Manual of Public Utilities, 1930, 1936.

(9) Poor's Industrial Manual, 1930, 1936.

(10) Poor's Register of Directors, 1937.

(11) National Income of the United States, 1929, 1935.

(12) National Wealth and Income, Federal Trade Commission, 1926.

(13) The New Freedom, Woodrow Wilson.

(14) Weeds of Wall Street, Wickwire.

(15) Other People's Money, Brandeis.

Several of the above books have bibliographies listing additional reference material on this subject.

DIVISIONS OF STUDY

After a review of the material and data available relating to the concentration and control of wealth it was decided to treat the study in three major divisions, as follows:

A. The concentration of corporate wealth in major corporations.

B. The concentration of banking resources in the largest commercial banks.

C. The interlocking control of the major corporations, financial institutions, and largest commercial banks.

These are discussed in the order listed. A summary is included for each division, the final summary covering the entire study. The previous general and introductory material is included in this first division.

NATIONAL AND CORPORATE WEALTH

In a study dealing with the concentration of wealth, it is first necessary to have some estimate as to our national

wealth for use as a yardstick; and since we propose to study corporate wealth, estimates must be secured as to this division of our national wealth. For the purposes of this study, I have dealt with the corporate wealth of the nonfinancial corporations. Needless to say, estimates of wealth may be controversial. These have been prepared primarily for comparative purposes in order to estimate general relationships.

The recent estimates as to national and corporate wealth were obtained by taking the trend indicated by the national income and applying it to the last available estimates.

The following amounts are used in this study as of the approximate date of December 31, 1935:

National wealth	$320,000,000,000
Corporate wealth (nonfinancial)	120,000,000,000

CONCENTRATION OF CORPORATE WEALTH

For the year 1934, 528,882 corporations filed income-tax returns. Of this number, approximately 300,000 are nonfinancial corporations. This first division of the study deals with the concentration and control of the assets of the major nonfinancial corporations. As estimated, the total wealth of nonfinancial corporations is approximately $120,000,000,000.

A review of the available data indicated that sufficient information relating to the concentration of nonfinancial corporate wealth could be obtained by the study of less than 200 nonfinancial corporations out of a total of approximately 300,000.

In the Modern Corporation and Private Property, Berle and Means, it is estimated that 200 of the largest nonbanking corporations, as of January 1, 1930, had assets of $81,077,000,000 and that approximately one-half of the assets of the nonfinancial corporations of the country had been concentrated under the control of these 200 corporations out of a total number in excess of 300,000.

INFLUENCE OF HUGE CORPORATIONS

In dealing with the subject of concentration of assets it must be pointed out that the influence of these huge corporations extends beyond the assets under their control, since the smaller corporations which sell to or buy from the larger corporations are likely to be influenced by them to a great extent. Therefore, it would be fair to assume that if the 200 large corporations control one-half of the assets of nonfinancial corporations much more than one-half is indirectly controlled by these same corporations.

TWO THOUSAND INDIVIDUALS CONTROL ONE-HALF OF INDUSTRY

This concentration is more significant when it is recalled that approximately 2,000 individuals who are the active officers and directors of these 200 corporations, out of a total population of 127,500,000, are in a position to control and direct more than one-half of industry.

As an illustration to show the extent to which concentration has progressed, the following estimates are significant. These indicate the total assets of the 200 largest corporations at various dates:

Year	Total assets	Increase (percent)
1909	$26,000,000,000	
1919	43,700,000,000	68
1929	81,100,000,000	85

LARGER CORPORATIONS GROWING THREE TIMES AS FAST AS SMALLER CORPORATIONS

In the book previously mentioned, from which the above information was taken, it is indicated that from the period 1909 to 1928 the annual rate of growth of the 200 largest corporations was 50 percent faster than all corporations, or two and one-half times as fast as smaller corporations. During the period of 1924 to 1928 it appears that the larger corporations were growing three times as fast as smaller corporations.

ONE HUNDRED AND SEVENTY-FIVE CORPORATIONS STUDIED

The data on the above 200 nonfinancial was tabulated as of January 1, 1030. No tabulated information of this nature has been available as of a recent date. In order to show the degree of concentration of assets as of a recent date and to furnish specific data relating to the major corporations a tabulation has been prepared of the 175 major nonfinancial corporations showing their assets as of January 1, 1930, and December 31, 1935. In order to obtain comparable data the number of corporations was reduced from 200 to 175, since several corporations included in the 1930 tabulation were reorganized or merged.

In the information hereafter shown in this study there are, in a few instances, slight variations in the amounts reported for 1930 when compared with the figures used by Berle and Means. In each case the amount was checked against the manuals and where the variation was slight the amount reported by the manual was used. If a wide variation was indicated, the figure used by Berle and Means was taken, since in some cases certain subsidiaries may have been consolidated for the purpose of the study, which are not ordinarily included in published statements. The amounts for 1935 have been obtained from the manuals and placed on a comparable basis for the purposes of this study. The main purpose of this study has been to ascertain if there is a concentration of wealth.

The 175 largest nonbanking corporations in the United States

	Gross assets on or about Dec. 31, 1929 (millions)	Gross assets on or about Dec. 31, 1935 (millions)
AMUSEMENTS		
Eastman Kodak Co	$163.4	$168.3
Loew's, Inc	124.2	129.2
Paramount Publix Corporation	236.7	118.9
Radio Corporation of America	158.6	102.5
Warner Bros. Pictures, Inc	167.1	168.5
Subtotal	850.0	687.4
CHEMICALS		
PETROLEUM		
Atlantic Refining Co	167.2	163.0
Continental Oil Co	198.0	91.7
Gulf Oil Corporation	430.9	430.2
Ohio Oil Co	110.6	139.7
Phillips Petroleum Co	145.3	174.4
Pure Oil Co	215.4	157.2
Richfield Oil Co. of California	131.9	52.6
Shell Union Oil Corporation	486.4	358.0
Standard Oil Co. of California	604.7	579.5
Standard Oil Co. of Indiana	[1]825.0	693.5
Standard Oil Co. of New Jersey	1,767.3	1,894.9
Socony Vacuum Oil Co	[1]914.1	789.7
Texas Corporation	609.8	473.7
Tide Water Associates Oil Co	251.4	182.8
Union Oil Associates	240.0	151.6
OTHER CHEMICALS, SOAP, ETC.		
Allied Chemical & Dye Corporation	277.2	217.5
Corn Products Refining Co	126.7	50.3
Du Pont de Nemours & Co	541.9	666.7
Koppers Co	143.8	177.3
Procter & Gamble Co	109.4	127.0
Union Carbide & Carbon Corporation	306.6	336.5
Subtotal	8,603.6	7,907.8
COAL		
Consolidation Coal	94.0	34.8
Glen Alden Coal Co	[1]300.0	151.3
Philadelphia & Reading Coal & Iron Corporation	129.0	92.9
Pittsburgh Coal Co	171.5	142.2
Subtotal	694.5	421.2
FOOD PRODUCTS, DRUGS, TOBACCO, ETC.		
DAIRY PRODUCTS		
Borden Co	174.0	120.1
National Dairy Products Corporation	179.9	192.0
FRUIT		
United Fruit Co	226.0	184.9
MEAT		
Armour & Co	452.3	317.1
Swift & Co	351.2	321.3
Wilson & Co	98.0	79.1
SUGAR		
American Sugar Refining Co	157.1	117.6
TOBACCO		
American Tobacco Co	265.4	271.6
Liggett & Myers Tobacco Co	150.3	170.5
Lorillard (P.) Co	110.0	58.9
Reynolds Tobacco Co	163.1	153.9

[Footnotes at end of table]

The 175 largest nonbanking corporations in the United States—Continued

	Gross assets on or about Dec. 31, 1929 (millions)	Gross assets on or about Dec. 31, 1935 (millions)
FOOD PRODUCTS, DRUGS, TOBACCO, ETC.—Continued		
OTHERS		
National Biscuit Co	$133.2	$124.5
Subtotal	2,460.5	2,111.5
GLASS		
Pittsburgh Plate Glass Co	101.6	109.6
LEATHER		
International Shoe Co	111.3	83.1
LUMBER		
Long-Bell Lumber Corporation	116.1	67.5
MERCANTILE		
Great Atlantic & Pacific Tea Co	132.7	184.2
Kresge Co	109.5	118.5
Macy, R. H., & Co	[1] 97.0	90.5
Marshall Field & Co	142.7	97.0
Montgomery Ward & Co	187.5	168.6
Sears, Roebuck & Co	251.8	234.0
Woolworth & Co	165.4	192.2
Subtotal	1,086.6	1,085.0
METAL PRODUCTS		
AUTOMOBILES		
Chrysler Corporation	209.7	193.5
Ford Motor Co	761.0	681.5
General Motors Corporation	[1] 1,400.0	1,414.0
Studebaker Corporation	134.2	30.2
ELECTRICAL EQUIPMENT		
General Electric Co	491.6	398.1
Westinghouse Electric & Manufacturing Co	253.9	194.4
MACHINERY		
Deere & Co	84.7	79.6
International Harvester Co	334.0	365.2
United Shoe Machinery Corporation	94.1	96.3
OTHERS		
American Can Co	191.3	209.0
American Car & Foundry Co	119.5	93.1
American Locomotive Co	106.2	84.2
American Radiator & Standard Sanitary Corporation	199.4	159.1
Baldwin Locomotive Works	98.8	69.6
Crane Co	115.9	95.1
Subtotal	4,644.3	4,134.9
METALS		
ALUMINUM		
Aluminum Co. of America	234.7	222.9
COPPER AND LEAD		
American Smelting & Refining Co	241.0	173.7
Anaconda Copper Mining Co	680.6	581.5
Kennecott Copper Corporation	337.8	323.5
National Lead Co	108.4	104.0
Phelps Dodge Corporation	124.7	185.1
IRON AND STEEL		
American Rolling Mill Co	104.3	42.7
Bethlehem Steel Corporation	861.6	673.0
Cliffs Corporation	98.0	102.2
Crucible Steel Co. of America	124.3	109.1
Inland Steel Co	103.2	118.3
Jones & Laughlin Steel Corporation	222.0	184.9
National Steel Corporation	120.8	180.5
Republic Iron & Steel Co	331.7	297.4
United States Steel Corporation	2,286.1	1,822.4
Wheeling Steel Corporation	127.9	113.0
Youngstown Sheet & Tube Co	235.7	207.4
Subtotal	6,282.8	5,441.6
PAPER		
Crown Zellerbach Corporation	117.7	101.3
International Paper & Power Co.[2]	767.1	828.2
Minnesota & Ontario Paper Co	90.3	78.2
Subtotal	975.1	1,007.7

[Footnotes at end of table]

The 175 largest nonbanking corporations in the United States—Continued

	Gross assets on or about Dec. 31, 1929 (millions)	Gross assets on or about Dec. 31, 1935 (millions)
PUBLIC UTILITIES		
COMMUNICATIONS		
American Telephone & Telegraph	$4,228.4	$4,901.5
International Telephone & Telegraph Corporation	535.2	513.7
Western Union Telegraph Co	359.2	382.7
ELECTRICITY AND GAS		
American Water Works & Electric Co	408.3	434.6
Associated Gas & Electric Co	900.4	1,016.7
New England Gas & Electric Association	108.7	108.5
Cities Service Co	989.6	1,250.3
Consolidated Edison Co. of New York	1,171.5	1,376.9
Consolidated Gas, Electric Light & Power Co. of Baltimore	135.9	160.1
Detroit Edison Co	296.1	327.1
Duke Power Co	212.1	213.5
Edison Electric Illuminating Co. of Boston	156.3	181.8
Electric Bond & Share Co	1,002.6	551.9
American Gas & Electric Co	431.0	467.6
American Power & Light Co	754.1	795.9
Electric Power & Light Corporation	[4] 839.7	683.8
National Power & Light Co	[4] 575.3	586.5
Commonwealth Edison Co	[1] 440.0	448.3
Peoples Gas, Light & Coke Co	192.1	211.3
Public Service Co. of Northern Illinois	190.0	226.0
Koppers Co. Group:		
Brooklyn Union Gas Co	123.7	121.8
Eastern Gas & Fuel Association	167.1	227.9
Lone Star Gas Corporation	127.7	158.5
North American Co	908.7	891.3
North American Light & Power Co	320.1	328.7
Pacific Gas & Electric Co	454.0	725.8
Pacific Lighting Corporation	240.5	261.0
Southern California Edison Co., Ltd	340.6	393.8
Stone & Webster, Inc	474.3	397.5
United Corporation Group:		
Columbia Gas & Electric Corporation	671.2	703.9
Commonwealth & Southern Corporation	1,133.7	1,173.8
Niagara Hudson Power Corporation	756.9	648.0
Public Service Corporation of New Jersey	634.6	694.0
United Gas Improvement Co	802.0	802.0
United Light & Power Co	597.3	597.3
Utilities Power & Light Corporation	401.8	404.7
Subtotal	22,040.7	23,368.7
RAILROADS		
Alleghany Corporation:		
Erie R. R. Co	601.3	620.6
Kansas City Southern Ry. Co	149.4	137.9
New York, Chicago & St. Louis R. R. Co	291.1	286.9
Wheeling & Lake Erie Ry. Co	109.8	105.1
Atchison, Topeka & Santa Fe Ry	1,135.4	1,272.2
Atlantic Coast Line R. R. Co	390.4	368.2
Baltimore & Ohio R. R. Co	1,040.8	1,199.6
Chicago & Alton R. R. Co	172.4	85.1
Western Maryland Ry. Co	175.1	171.7
Chicago & Eastern Illinois Ry. Co	101.5	83.8
Chicago Great Western R. R. Co	149.9	145.7
Chicago, Milwaukee, St. Paul & Pacific R. R. Co	787.0	741.0
Chicago & North Western Ry. Co	741.6	672.2
Chicago, Rock Island & Pacific Ry. Co	512.0	529.5
Chicago Union Station Co	96.8	88.9
Delaware & Hudson Co	110.7	113.4
Delaware, Lackawanna & Western R. R. Co	223.6	215.3
Denver & Rio Grande Western R. R. Co	227.5	243.1
Florida West Coast Ry. Co	130.6	133.4
Great Northern Ry. Co	852.1	856.6
Northern Pacific Ry. Co	813.9	834.9
Chicago, Burlington & Quincy R. R. Co	712.0	667.8
Spokane, Portland & Seattle Ry	172.7	156.1
Missouri-Kansas-Texas R. R. Co	320.2	261.3
New York Central R. R. Co	2,250.0	2,240.4
New York, New Haven & Hartford R. R. Co	600.7	587.9
Boston & Maine R. R. Co	278.8	330.0
Pennsylvania R. R. Co	2,600.0	2,724.3
Lehigh Valley R. R. Co	251.2	243.1
Norfolk & Western Ry. Co	542.3	529.7
Wabash Ry. Co	350.3	344.3
St. Louis-San Francisco Ry. Co	473.8	462.1
St. Louis Southwestern Ry. Co	146.7	139.4
Seaboard Air Line Ry. Co	295.8	291.9
Southern Pacific Co	1,175.9	1,211.7
Southern Ry. Co	680.2	624.2
Union Pacific R. R. Co	1,208.0	1,172.6
Illinois Central R. R. Co	722.3	716.6
Virginian Ry. Co	160.5	165.4
Western Pacific R. R. Corporation	171.8	166.9
Subtotal	21,926.1	21,939.8

[Footnotes at end of table]

The 175 largest nonbanking corporations in the United States— Continued

	Gross assets on or about Dec. 31, 1929 (millions)	Gross assets on or about Dec. 31, 1935 (millions)
REAL ESTATE		
U. S. Realty & Improvement Co.	$128.4	$29.4
RUBBER		
B. F. Goodrich Co.	163.6	124.0
Firestone Tire & Rubber Co.	161.6	139.2
Goodyear Tire & Rubber Co.	243.2	192.3
United States Rubber Co.	307.8	159.3
Subtotal	876.2	614.8
TEXTILES		
American Woolen Co.	113.9	71.6
TRACTION		
Boston Elevated Ry. Co.	121.1	127.5
Brooklyn & Manhattan Transit Co.	288.5	335.8
Chicago Railways Co.	118.9	123.9
Hudson Manhattan R. R. Co.	139.7	135.5
Interborough Rapid Transit Co.	458.6	557.0
Philadelphia Rapid Transit Co.	105.7	98.2
Third Avenue Ry. Co.	95.1	87.4
Subtotal	1,327.6	1,465.3
TRANSPORTATION		
Pullman, Inc.	281.5	276.2
Total	72,620.8	70,822.5

[1] Estimated.
[2] Combined assets of predecessors.
[3] Includes utility properties.
[4] 1930.

The relationships of the total assets of the previously listed companies to the national and corporate wealth is indicated by the following tabulation:

Relationship of assets of 175 major nonbanking corporations to corporate and national wealth

	Jan. 1, 1930	Dec. 31, 1936
Assets of 175 major nonfinancial corporations	$72,620,800,000	$70,822,500,000
Wealth of nonfinancial corporations	$135,000,000,000	$120,000,000,000
Percent 175 corporations	53.8	58.7
National wealth	$385,000,000,000	$320,000,000,000
Percent 175 corporations	18.9	22.1

From the above it is apparent that there is a decided concentration of assets in the hands of 175 major nonfinancial corporations, and there is no indication that the trend toward further concentration will not continue.

The relationship of the companies listed to our everyday living is sometimes difficult to comprehend. Figures alone do not tell the complete story.

PEOPLE COMPELLED TO PATRONIZE LARGE CONCERNS

These great companies represented in the previous list form the very framework of American industry. The individual must come in contact with them constantly. He may own an interest in one or more of them. He may be employed by one of them. At least he is continually accepting their services. If he travels any distance, he is almost certain to ride on one of the great railroad systems whose engines have been constructed by the American Locomotive Co. or the Baldwin Locomotive Works. The car in which he rides was probably made by the American Car & Foundry Co. or one of its subsidiaries, unless he is enjoying the services of the Pullman Co. The rails were supplied by one of the major steel companies. If he travels by automobile, probably the car was manufactured by General Motors, Chrysler, or Ford, and his tires supplied by Firestone, Goodrich, Goodyear, or United States Rubber Co. Even if the individual stays in his own home in comparative isolation and privacy, his electricity and gas are probably furnished by one of the major public-utility systems, the aluminum in his kitchen utensils by the Aluminum Co. of America, his electric refrigerator by General Motors, General Electric, or Westinghouse, and the chances are the Crane Co. has supplied his plumbing fixtures and the American Radiator & Standard Sanitary Corporation his heating equipment. He usually buys some of his groceries from the Great Atlantic & Pacific Tea Co., a company that in 1930 expected to sell one-eighth of all the groceries in this country. The cans which contain his food may have been made by the American Can Co. or Continental Can Co. His sugar was refined by one of the major companies, such as American Sugar Refining Co.; his meat was probably prepared by Swift, Armour, or Wilson; and his crackers put up by the National Biscuit Co. The newspaper he reads may be printed on International Paper Co. paper, and the radio he uses will almost of necessity be made under the license of the Radio Corporation of America. If he goes to a "movie", he probably will see a Paramount, Fox, or Warner Bros. picture taken on Eastman Kodak film in a theater controlled by one of these producing groups. If he smokes cigarettes, he will usually find himself smoking one of the many brands put out by one of the Big Four tobacco companies.

In studying the growth of the corporate system and the concentration of wealth in corporations there are other phases that may be considered.

CONCENTRATION OF WEALTH SILENT PROCESS

The concentration of wealth in a few corporations is a silent process. Generally little public attention is focused in the gradual acquisition of one corporation by another, and the objectives that individuals may have in building and expanding these major corporations are not realized until the results have been accomplished. It is the essence of evolutions of the more silent sort that they are not recognized until they are far advanced. This was the case with the so-called industrial revolution, and is the case with the corporate revolution through which we are at present passing.

CONTROL BY MINORITY OF INTEREST

Frequently in these major corporations ownership is so widely scattered that working control can be maintained with but a minority interest. Separation of ownership and control becomes almost complete, and not even a substantial minority interest exists, as in the American Telephone & Telegraph Co. In the case of both minority control and management control the separation of ownership from control has taken place, and a large body of security holders has been created who exercise virtually no control over the wealth which they or their predecessors in interest have contributed to the enterprise.

The corporate system further commands attention because its development is progressive as its features become more marked and as new areas come, one by one, under its sway. Economic power in terms of control over physical assets is apparently responding to a centripetal force tending more and more to concentrate in the hands of a few corporate managements. At the same time beneficial ownership is centrifugal, tending to divide and subdivide, to separate into smaller units. In other words, ownership continually becomes more dispersed—the control and power formerly joined to it, increasingly concentrated.

SUMMARY

Summarizing this section dealing with concentration of assets in nonbanking corporations, the following conclusions may be drawn:

First. There exists a decided concentration of nonfinancial corporate wealth in the major corporations.

Second. The assets of the 175 companies out of a total of 300,000 represent approximately one-fifth of the national wealth and one-half of nonfinancial corporate wealth.

Third. The control exercised by the 175 corporations extends beyond the assets owned due to the number of smaller corporations and others who buy from and sell to them.

Fourth. The trend continues toward further concentration in this field.

Fifth. The control of this wealth is in the hands of less than 2,000 active directors and officers.

Sixth. The assets of the 175 major corporations extend into every State in the Union and directly affect the economic welfare of every section of this country.

CONCENTRATION OF BANKING RESOURCES IN LEADING COMMERCIAL BANKS

As of June 30, 1936, there were 15,988 State and National banks with total resources in the amount of $67,525,335,000. Through the control exercised by these banks over the credit facilities of the country, their importance in our economic life cannot be overemphasized.

In the first division of this study the concentration of assets in the hands of 175 major nonfinancial corporations was shown. Here it was indicated that a very decided concentration of wealth exists since 175 corporations out of a total of about 300,000 control more than one-half of nonfinancial corporate wealth.

The purpose of this division of the study is to ascertain the extent to which the sixty-seven billions of banking resources of this country are concentrated in the hands of leading banks.

Moody's Manual for Banks for 1937 reports the resources of each of the larger banks. From a review of this tabulation it is apparent that there is a decided concentration of banking resources in the larger commercial banks. From this list the 24 largest banks were selected, each reporting resources in excess of $350,000,000. In the study of corporations, the tabulation was prepared showing assets as of January 1, 1930, and December 31, 1936. A similar tabulation was prepared for the banks as shown on the following page, showing the resources of each bank and totals as of December 31, 1929, and December 31, 1936, and the number of officers and directors as at December 31, 1936.

List of banks in the United States with resources in excess of $350,000,000 in the order of their size at Dec. 31, 1936

	Officers	Directors	Resources Dec. 31, 1929 (millions)	Resources Dec. 31, 1936 (millions)
1. Chase National Bank (New York)	63	25	$1,714,829	$2,562,182
2. Guaranty Trust Co. (New York)	42	23	2,017,119	2,086,979
3. National City Bank (New York)	86	19	2,206,241	1,904,800
4. Bank of America National Trust & Savings Association	20	25	1,055,113	1,430,337
5. Continental Illinois National Bank & Trust Co	29	21	1,176,603	1,232,513
6. Bankers Trust Co. (New York)	34	20	817,977	1,079,173
7. First National Bank of Chicago	45	25	365,559	991,280
8. Central Hanover Bank & Trust Co. (New York)	34	23	709,259	979,309
9. First National Bank of Boston	28	25	703,347	756,202
10. Manufacturers Trust Co. (New York)	20	25	508,226	748,564
11. Irving Trust Co. (New York)	27	23	865,980	728,677
12. Chemical Bank & Trust Co. (New York	32	20	423,172	686,676
13. Security First National Bank (Los Angeles)	44	25	610,683	649,173
14. First National Bank of the City of New York	9	10	568,425	648,019
15. Bank of the Manhattan Co	30	14	506,939	570,538
16. J. P. Morgan & Co., Drexel & Co.	[1]19	19	[2]	550,338
17. Philadelphia National Bank	13	24	358,423	497,392
18. New York Trust Co	15	19	401,665	444,556
19. National Bank of Detroit	15	14	[3]	442,803
20. Union Trust Co. of Pittsburgh	10	14	217,786	386,913
21. Mellon National Bank (Pittsburgh)	7	23	192,501	380,895
22. Cleveland Trust Co	38	25	316,508	380,070
23. Corn Exchange Bank Trust Co. (New York)	16	15	298,483	360,262
24. Northern Trust Co. (Chicago)	33	8	60,395	355,701
Total	678	484	16,164,233	20,853,352
Comparable figures 21 banks [4]			16,094,838	19,504,510
Total resources, all banks			72,038,566	67,525,335
Percent of total resources in 21 large banks			22.34	28.88

[1] Partners.
[2] No report made public.
[3] Organized Mar. 24, 1933.
[4] Eliminating J. P. Morgan & Co., National Bank of Detroit, and Northern Trust Co., Chicago.

It will be noticed that the resources of the 24 banks increased more than four and one-half billion dollars during the depression. These 24 largest banks are located—13 in New York City, 2 in California, 3 in Illinois, 1 in Massachusetts, 3 in Pennsylvania, 1 in Michigan, and 1 in Ohio.

The relationship of these banks to all banks and banking resources as of June 30, 1936, is shown as follows:

Relation of 24 largest commercial banks to all commercial banks

Class of banks	Number of banks	Total resources	Percent of total
1. Resources exceeding $350,000,000	24	$20,853,352,000	30.88
2. All other banks	15,964	46,671,983,000	69.12
3. Total	15,988	67,525,335,000	100.00

From the above summary it is shown that over 30 percent of all commercial banking resources is in the hands of 24 banks out of a total of 15,988, or less than sixteen-hundredths of 1 percent of all banks. Reference to the previous tabulation indicates there was a trend toward increased concentration of banking resources for the period 1930–36.

As in the case of corporations the banking control exercised by these banks extends beyond the resources in their own hands since many of the smaller banks have banking relationships with the larger banks and are subject to their control in many ways.

These 24 banks are controlled by 484 directors, but from a practical standpoint, as in the case with boards of directors of other corporations, many directors are not generally active in the affairs of the banks.

The above number is also reduced to duplications resulting from interlocking directorates. Therefore it may be assumed that the actual control of these banking resources is concentrated in the hands of a relatively few men.

The relationships among the 24 leading banks were studied and it was found that further concentration exists in this group, as evidenced by interlocking directorates.

In order to show the trend of banks and banking resources from 1919 through 1936, a statistical table was prepared. This table shows that from the peak year of 1921 the number of banks decreased one-half, while banking resources increased from $49,721,000 to $67,525,000, and that the resources of the average bank increased from $1,612,000 to $4,223,000.

TWENTY-FOUR BANKS HAVE ENORMOUS POWER

From the preceding data it is apparent that (1) there is a concentration of banking resources in the 24 leading commercial banks, (2) that there is a further community of interest as indicated by the interlocking directorates in the leading banks, (3) that there is a well-established trend toward fewer and larger banks, and (4) that the trend is more rapid and consistent with banks than with nonfinancial corporations.

INTERLOCKING DIRECTORS OF THE 24 BANKS

Thomas W. Lamont is a director in both J. P. Morgan Co. and Guaranty Trust.

George Whitney is a director in both J. P. Morgan Co. and Guaranty Trust.

S. Parker Gilbert is a director in J. P. Morgan Co. and the Bankers Trust.

Arthur M. Anderson is a director in J. P. Morgan Co. and New York Trust Co.

Harry P. Davison is a director in J. P. Morgan Co. and New York Trust Co.

Cornelius Vanderbilt is a director in the Chase National Bank and the Central Hanover.

Robert W. Goelet is a director in the Chemical Bank & Trust Co. and the Guaranty Trust.

A. P. Giannini is a director in the National City Bank and the Bank of America.

A. J. County is a director in the Chemical Bank & Trust Co. and the Philadelphia National.

Arthur V. Davis is a director in the Mellon Trust Co. and the Union Trust Co. of Pittsburgh.

Charles Frick is a director in the Mellon Trust Co. and the Union Trust Co. of Pittsburgh.

Roy A. Hunt is a director in the Union Trust Co. of Pittsburgh and the Mellon Trust Co.

Benjamin F. Jones, 3d, is a director in the Union Trust Co. of Pittsburgh and the Mellon Trust Co.

James H. Lockhart is a director in the Union Trust Co. of Pittsburgh and the Mellon Trust Co.

John M. Lockhart is a director in the Union Trust Co. of Pittsburgh and the Mellon Trust Co.

Richard K. Mellon is a director in the Union Trust Co. of Pittsburgh and the Mellon Trust Co.

William L. Mellon is a director in the Union Trust Co. of Pittsburgh and the Mellon Trust Co.

Paul Mellon is a director in the Union Trust Co. of Pittsburgh and the Mellon Trust Co.

David A. Reed is a director in the Union Trust Co. of Pittsburgh and the Mellon Trust Co.

William C. Robinson is a director in the Union Trust Co. of Pittsburgh and the Mellon Trust Co.

George E. Shaw is a director in the Union Trust Co. of Pittsburgh and the Mellon Trust Co.

Number of banks and total resources by years from 1919 to 1936

Year	Total number of banks			Total banking resources (millions)			Average resources per bank (thousands)
	State	National	Total	State	National	Total	
1919	21,028	7,785	28,813	$25,906	$20,800	$46,766	$1,623
1920	21,923	8,030	29,953	29,191	22,197	51,388	1,716
1921	22,705	8,143	30,848	29,413	20,308	49,721	1,612
1922	22,302	8,197	30,499	28,809	19,815	48,624	1,594
1923	22,084	8,229	30,313	32,081	21,613	53,694	1,771
1924	21,350	8,115	29,465	33,641	22,063	55,704	1,891
1925	21,122	8,016	29,138	36,679	23,832	60,511	2,077
1926	20,289	8,000	28,289	39,106	24,894	64,000	2,262
1927	19,597	7,828	27,425	40,047	25,699	65,746	2,397
1928	18,965	7,734	26,699	41,866	27,574	69,440	2,601
1929	18,357	7,575	25,932	43,645	29,022	72,667	2,802
1930	17,298	7,316	24,614	44,690	27,348	72,038	2,927
1931	15,865	6,935	22,800	42,686	28,126	70,812	3,106
1932	13,882	6,373	20,255	38,468	24,662	63,130	3,117
1933	11,513	5,887	17,400	31,727	22,302	54,029	3,105
1934	10,903	5,422	16,325	32,621	23,902	56,523	3,462
1935	10,742	5,431	16,173	34,372	26,061	60,433	3,737
1936	10,614	5,374	15,988	37,822	29,703	67,525	4,223

The possible effect on our economic system of this concentration of the control of credit has from time to time engaged the study of many men prominent in the affairs of our Nation, and the following excerpts are taken from various writings and reports.

In 1909 Woodrow Wilson, in his New Freedom, maintained that as a result of the concentration of the credit system in the hands of the few, we had become "the most highly controlled and dominated Government in the civilized world." This subject was commented on from time to time by men prominent in public affairs, and as a result of these comments, and the general situation existing, Congress appointed the Pujo investigating committee in 1912 with Samuel Untermyer as counsel. After extended investigation this committee issued its report analyzing the financial control of the Nation as the committee then saw it. It directed attention to the First National Bank of New York; National City Bank of New York; Lee Higginson & Co., of Boston; Kidder-Peabody & Co.; and Kuhn, Loeb & Co. as the most active agents in bringing about concentration of credit control.

According to this committee, the internationally known banking firm of J. P. Morgan & Co. was head and shoulders above the other giants of finance. Following the investigation the committee issued charts showing that the firm members of Morgan & Co. and its allied banks held at the time of the hearings—

(1) One hundred and eighteen directorships in 34 banks and trust companies, having total resources of $2,679,000,000 and total deposits of $1,983,000,000.

(2) Thirty directorships in 10 insurance companies having total assets of $2,293,000,000.

(3) One hundred and five directorships in 32 transportation systems having a capitalization of $11,784,000,000; total mileage of 150,200.

(4) Sixty-three directorships in 23 producing and trading corporations having a total capitalization of $3,339,000,000.

(5) Twenty-five directorships in 12 public utility corporations having a total capitalization of $2,150,000,000.

The committee's report and recommendations created a stir, but of the specific recommendations enacted the restraint of interlocking directorates was the most important. As a result, on January 1, 1914, Morgan & Co. announced their retirement from a number of directorates. As a result of this investigation, the previous work of the National Monetary Commission formed a basis for the Federal Reserve Act, passed in 1914. Some of the proponents of the Federal Reserve System at that time wanted one central bank. Because, however, of the fear of centralization, 12 Federal Reserve banks were thought to be best, and these were created. Each of these banks has most of the attributes of a central bank. Such a decentralized system, it was thought, would tend to divest the Money Trust in Wall Street of much of its power. Experience has shown, however, that the Federal Reserve System has not arrested the movement toward concentration of credit control.

This view was also expressed in 1930 by Congressman McFadden, chairman of the Committee on Banking and Currency, who said:

> We find that the concentration of Nation-wide banking assets under the control of these big banks (possibly in New York and Chicago) or their affiliates has become so important as to overshadow the entire Federal Reserve System of operations. One naturally begins to wonder whether or not some of these larger banks or groups may not entirely dominate the election of officers and directors of many of the Federal Reserve banks and so be a factor in the determination of changes in the Federal Reserve policies which are made from time to time by the Federal Reserve Board.

From the date of the Pujo investigation until 1930 concentration continued. So at the beginning of 1930, 250 banks held resources of $33,400,000,000 out of total bank resources in this Nation of $72,000,000,000. Thus, 1 percent of the banks of the country directly controlled more than 46 percent of the total national resources. (Testimony of John W. Pole, Comptroller of the Currency.)

At the beginning of 1930, 24 New York banks, or less than one-tenth of 1 percent of the total, had combined resources of about $10,800,000,000, or 15 percent of the total resources of the banks of the Nation, while their capitalization of nearly $700,000,000 is almost comparable in total to that of 20,000 country banks situated in towns of 10,000 population or less. (Grief B. Hazlewood, president, American Banking Association.)

Concentration recently had been greatly advanced through the rapid consolidation of the key banks in the country, through the development of chain and branch banking, investment trusts, industrial activities of private banks, and other means. The unit bank is fast fading from the scene, and America bids fair sooner or later to follow the example of Canada, England, and other countries in the concentration of all banking power in the comparatively few gigantic central banking institutions. (Joseph Lawrence, Banking Concentration in the United States, 1931.)

SUMMARY

This section of the study may be summarized as follows:

(1) Twenty-four leading banks control approximately one-third of all banking resources.

(2) The control of the 24 banks is in the hands of 484 directors, many of whom are not normally active in the affairs of the banks.

(3) There is a community of interest between certain groups of the leading banks, as evidenced by interlocking directorates.

(4) In the period from 1930 to 1936 there was an increased concentration of banking resources in the major banks.

(5) During the period from 1921 to 1936 the total number of commercial banks decreased from 30,848 to 15,988, while resources increased from $49,721,000 to $67,525,000. The resources of the average bank increased from $1,612,000 to $4,223,000 during this period.

THE CONCENTRATION OF CONTROL OF WEALTH IN LEADING BANKS

This last division of the study has been for the purpose of ascertaining if there is an interlocking of control between the largest banks and the major corporations, savings banks, insurance companies, and others, indicating a further concentration of the control of a large and important part of our national wealth.

Since banks exercise so much control over the credit facilities of the country, the importance of any existing interlocking control and community of interest between banks and large corporations, financial institutions, and others is readily apparent.

In this study the two following divisions of the subject have been covered:

A. Concentration of corporate wealth in major corporations.

B. Concentration of banking resources in largest commercial banks.

In the first division it was shown that there now exists a very definite concentration of the nonfinancial corporate wealth in the hands of the largest corporations, 175 of them controlling directly more than half of the nonfinancial corporate wealth of the Nation and about one-fifth of the national wealth, and it was indicated that the control exercised by these corporations extends beyond the assets owned by them. In the second division of this study it was shown that 24 banks of a total of 15,988 control more than 30 percent of the banking resources of the country, indicating a very definite concentration of banking resources. In the case of banks it was also indicated that the control exercised by these banks extends beyond their own resources. In both cases it was apparent that the trend toward larger units and further concentration of wealth and banking resources has continued up to a recent date, and that there is no indication that this trend will not continue, and with it there is reason to believe that there will be a wider separation of ownership and control.

Insurance companies and savings banks were not studied in any detail, since it was apparent from a preliminary review that there is a very definite concentration of resources in the large insurance companies and savings banks.

The control of corporate wealth may be exercised through (1) majority ownership, (2) dominant minority interest, (3) management.

In most cases control is represented by dominant members of the boards of directors. This study deals with the control, or potential control, exercised through interlocking directorates between the leading banks and others.

In order to ascertain interlocking directorates, the directors of the 24 leading banks were listed. The directorships held by these individuals in major corporations and financial institutions were secured from Poor's Directory of Directors and the major connections tabulated. A complete list would include many hundreds of corporations, both large and small.

For the purpose of this study, 100 of the major corporations, savings banks, and insurance companies having interlocking directors were selected as being representative of the various fields of industry and finance. This tabulation cannot be printed without a special permit. This tabulation furnishes the names of the companies, the total number of their directors, the number of interlocking directorates between them and the 24 largest banks, and their assets as of January 1, 1930, and December 31, 1935.

It discloses that the directors of the Chase National Bank are also directors in 39 of the 100 largest corporations, and has 57 directors on the boards of the 39 large corporations. It discloses that 46 of the directors of the Guaranty Trust Co. are directors in 31 of the 100 largest corporations; that 24 of the National City Bank directors are also directors in 18 of the 100 largest corporations, and similar information for the other 24 banks.

These companies were then classified by groups and tabulated in order to show the assets or resources of companies by industries, and so forth, and the relative proportion of interlocking directorates of each group. This summary is shown as follows:

Summary by industries of 100 corporations having interlocking directorates with 24 largest banks

Name of industry	Directors	Bank connections	Number of companies	Assets	
				Jan. 1, 1930	Dec. 31, 1935
Automobiles and tires	87	19	5	$2,164,300,000	$2,012,500,000
Amusements	65	10	5	856,000,000	573,000,000
Chemicals and oils	89	15	6	2,194,500,000	2,171,900,000
Electric equipment	36	19	2	745,500,000	892,500,000
Foods and mercantiles	194	36	14	1,944,800,000	1,631,400,000
Steels	70	16	5	3,649,800,000	2,930,400,000
General industrials	202	47	15	1,956,500,000	1,830,400,000
Financial corporations	258	64	13	10,375,500,000	14,119,300,000
Metals	121	27	7	1,909,100,000	1,801,300,000
Public utilities	119	35	9	8,441,900,000	8,555,800,000
Railroads and transportation	218	82	15	14,091,500,000	14,389,400,000
Telephone and telegraph	84	33	4	5,255,100,000	5,924,100,000
Total	1,543	403	100	53,584,500,000	56,532,000,000

COMMUNITY OF INTEREST BETWEEN LARGE BANKS AND MAJOR CORPORATIONS

From the previous tabulation it is apparent that there is a definite community of interest between banks and the major corporate units of the country, since in practically every major unit of industry and finance there is a relationship existing through interlocking directors. The full extent of the relationship and community of interest is not completely revealed by interlocking directors alone. Officers of a company may often be representatives of banks and not appear on a list of the board of directors of either. By this means a very active control may be exercised. Also officers or employees of banks who are not directors may appear either as a director or officer of a company and thereby be in a position to exercise some control over industry. Control may be exercised through other relationships which if known would only emphasize the conclusions reached from this study. With the concentration of wealth in major corporations and financial institutions and of banking resources in leading banks, and these groups closely allied through interlocking directorates, it is not difficult to understand the control that a comparatively small group of men may exercise over the wealth and economic life of this country.

THE 100 MEN WHO CONTROL LARGE PART OF CORPORATE WEALTH

From the data reviewed a list of 100 of the prominent men of the country who are the interlocking directors has been prepared. This list covers directors of the 24 leading banks who are directors of one or more of the 100 companies or financial institutions and are a typical cross section of the men who are in a position to control a large portion of our national wealth. The extent and magnitude of this control and the part that these men play in the economic welfare of the people of this country is difficult to fully comprehend. A list of these 100 men, with their banking directorships, is as follows:

Winthrop W. Aldrich, Chase National Bank.
Arthur M. Anderson, New York Trust Co., J. P. Morgan & Co.
A. Watson Armour, Northern Trust Co. (Chicago).
Sewell L. Avery, Northern Trust Co. (Chicago).
M. H. Aylesworth, Irving Trust Co.
George F. Baker, First National Bank of New York.
Newton D. Baker, Cleveland Trust Co.
Steven Baker, Bank of the Manhattan Co.
Francis D. Bartow, J. P. Morgan & Co.
Sosthenes Behn, National City Bank.
Edward E. Brown, First National Bank (Chicago).
Francis H. Brownell, Chase National Bank.
Mortimer N. Buckner, New York Trust Co.
Ralph Budd, First National Bank (Chicago).
Newcomb Carlton, Chase National Bank.
Thomas L. Chadbourne, Manufacturers Trust Co.
Edward H. Clark, Irving Trust Co.

Henry J. Cochran, Bankers Trust Co.
Frank D. Comerford, First National Bank (Boston).
Albert J. County, Chemical Bank & Trust Co., Philadelphia National Bank.
David A. Crawford, Continental Illinois National Bank & Trust Co.
Harry W. Croft, Mellon National Bank.
Walter J. Cummings, Continental Illinois National Bank & Trust Co.
Bertram Cutler, Chase National Bank.
Arthur V. Davis, Mellon National Bank, Union Trust Co. (Pittsburgh).
Francis B. Davis, Jr., New York Trust Co.
John W. Davis, Guaranty Trust Co.
George W. Davison, Central Hanover Bank & Trust Co.
Henry P. Davison, J. P. Morgan & Co., New York Trust Co.
Henry W. deForest, Guaranty Trust Co.
Carl A. deGersdorf, Chemical Bank & Trust Co.
William Dexter, First National Bank (Boston).
Franklin D'Olier, Chase National Bank.
Lawrence A. Downs, Continental Illinois National Bank & Trust Co.
Edward A. Duffield, Guaranty Trust Co.
Frederick H. Ecker, Chase National Bank.
Frederick J. Fisher, National Bank of Detroit.
Leon Fraser, First National Bank (New York).
Walter E. Frew, Corn Exchange Bank Trust Co. (New York).
George Peabody Gardner, First National Bank (Boston).
Artemus L. Gates, New York Trust Co.
Paolino Gerli, Manufacturers Trust Co.
Amadeo P. Giannini, Bank of American National Trust & Savings Association; National City Bank.
Harvey Dow Gibson, Manufacturers Trust Co.
Walter S. Gifford, First National Bank (New York City).
S. Parker Gilbert, J. P. Morgan & Co., Bankers Trust Co.
Eugene G. Grace, Guaranty Trust Co.
Joseph P. Grace, National City Bank.
Edward B. Greene, Cleveland Trust Co.
William Steele Gray, Jr., Central Hanover Bank & Trust Co.
Robert W. Goelet, Chemical Bank & Trust Co.; Guaranty Trust Co.
James G. Harbord, Bankers Trust Co.
William A. Harriman, Guaranty Trust Co.
John A. Hartford, Guaranty Trust Co.
David F. Houston, Guaranty Trust Co.
Percy H. Johnston, Chemical Bank & Trust Co.
J. L. Johnston, Manufacturers' Trust Co.
Thomas W. Lamont, J. P. Morgan & Co.; Guaranty Trust Co.
Halfdon Lee, First National Bank (Boston).
Russell C. Leffingwell, J. P. Morgan & Co.
E. Eugene Loomis, New York Trust Co.
Lenore F. Loree, Chase National Bank.
Alvan Macauley, National Bank of Detroit.
Thomas N. McCarter, Chase National Bank.
Harold F. McCormick, First National Bank (Chicago).
Donald R. McLennan, Continental Illinois National Bank & Trust Co.
George McNeir, Bank of the Manhattan Co.
J. P. Morgan, J. P. Morgan & Co.
Richard K. Mellon, Mellon National Bank; Union Trust Co. (Pittsburgh).
William L. Mellon, Mellon National Bank; Union Trust Co. (Pittsburgh).
Thomas I. Parkinson, Chase National Bank.
James H. Perkins, National City Bank.
Thomas N. Perkins, First National Bank (Boston).
J. Howard Pew, Philadelphia National Bank.
William C. Potter, Guaranty Trust Co.
Herbert L. Pratt, Bankers Trust Co.
Seward Prosser, Bankers Trust Co.
John J. Raskob, Bankers Trust Co.
Jackson E. Reynolds, First National Bank (New York City).
Andrew W. Robertson, Chase National Bank.
Henry M. Robinson, Security First National Bank (Los Angeles).
Alfred P. Sloan, National Bank of Detroit.
Matthew S. Sloan, Irving Trust Co.
Solomon A. Smith, Northern Trust Co. (Chicago).
Robert C. Stanley, Chase National Bank.
Philip Stockton, First National Bank (Boston).
Silas H. Strawn, First National Bank (Chicago).
Gerard Swope, National City Bank.
Myron C. Taylor, First National Bank (New York City).
George N. Tidd, Irving Trust Co.
A. A. Tilney, Bankers Trust Co.
Cornelius Vanderbilt, Central Hanover Bank & Trust Co.; Chase National Bank.
Harold S. Vanderbilt, First National Bank (New York City).
Samuel M. Vauclain, Philadelphia National Bank.
James P. Warburg, Bank of the Manhattan Co.
Samuel A. Welldon, First National Bank (New York City).
George Whitney, J. P. Morgan & Co.; Guaranty Trust Co.
Richard Whitney, Corn Exchange Bank & Trust Co.
John P. Wilson, First National Bank (Chicago).
William Woodward, Central Hanover Bank & Trust Co.

The concentration of wealth in large corporate units and the ultimate control of this wealth by a few individuals have merited for some time the interest and study of men prominent in the affairs of the Nation. The following statements by Woodrow Wilson indicate the general tenor of a great mass of material on this subject, a portion of which may be obtained from the reference material listed in the first division of the study:

It is true that while most men are thus submerged in the corporation, a few, a very few, are exalted to a part which, as individuals, they could never have warranted. To the great organizations of which they are the heads, a few are able to play a part unprecedented by anything in history in the control of the business operations of the country, and in the determination of the happiness of great numbers of people.

American industry is not free, as it once was free; American enterprise is not free; the man with only a little capital is finding it harder to get into the field, more and more impossible to compete with the big fellow. No man can deny that the lines of endeavor have more and more narrowed and stiffened. No man who knows anything about the development of industry in this country can have failed to observe that the larger kinds of credit are more and more difficult to obtain unless you obtain them upon the terms of uniting your efforts with those who already control the industries of the country.

The dominating danger in this land is not the existence of the great individual combinations—that is dangerous enough in all consciousness—but the combination of the combinations—of the railroads, the manufacturing enterprises, the great mining projects, the big enterprises of the development of natural water power in the country, banded together in the personnel of a series of boards of directors into a "community of interest" more formidable than any conceivable single combination that dare appear in the open.

MONOPOLY OF BIG CREDITS

The great monopoly in this country is the monopoly of big credits. So long as that exists our old variety of freedom and individual energy of development are out of the question. A great industrial nation is controlled by its system of credit. Our system of credit is practically concentrated. The growth of the Nation, therefore, and all our activities are in the hands of a few men who, even if their action be honest and intended for the public interest, are necessarily concentrated upon the great undertakings in which their own money is involved and who necessarily by the very reason of their own limitations chill and check and destroy genuine economic freedom. This is the greatest question of all, and to this statesmen must address themselves with a determination to serve a long future and the true liberties of men.

SUMMARY

From the study of interlocking control between banks and industry the following conclusions may be reached:

First. There exists a definite community of interest and interlocking control between banks and industry.

Second. Of a total of 1,543 directorships in the 100 major corporations, there are 403 connections with the 24 banks through interlocking directorates.

Third. Of a total of 488 directorships in the 24 leading banks, there are 403 connections with the 100 corporations through the interlocking directorates.

Fourth. Of the 403 interlocking directorships between the 100 corporations and 24 banks, 230 are held by directors of 7 banks and 103 by directors of 2 banks.

Fifth. The 100 major corporate units having interlocking directorates represent concentration of wealth in their respective fields.

Sixth. Interlocking control is represented by the men holding the 403 interlocking directorates. One hundred men of this group represent the more important interlocking directorates and the potential control of a large part of our national wealth.

CONSPIRACY TO CONTROL RETAIL DISTRIBUTION

About 2 years ago I was appointed chairman of a special congressional investigating committee for the purpose of investigating large-scale buying and selling, which included, of course, national corporate chain stores. Our committee worked less than a year, but disclosed shocking and astounding information to the effect that a few men had conspired among themselves to obtain control of retail distribution in this Nation. Eventually they expected to make the public pay, and pay dearly; their methods and policies would line their own pockets with gold. This committee discovered and reported to Congress that certain laws would have to be passed or the independent merchant in this country could no longer survive. Every recommendation of this committee was included in the so-called Robinson-Patman bill and enacted into law June 19 of last year. This law applies to interstate commerce. Twenty-five State legislatures have already passed similar laws to apply to intrastate commerce. The disclosures were so startling that Mr. Justice Roberts, a few days ago, quoted some of them in support of the opinion of the Supreme Court of the United States upholding the Louisiana chain store tax law. Our fight for the independent merchant is not over; it must continue in order to save independent business. The people are interested as they have never been before. Public sentiment controls, and never again should we permit misleading and untruthful statements tending to sell the people on fallacious theories destructive to their welfare to go unchallenged and unanswered. As the printing press freed people from bondage and promoted culture and civilization, our modern means of communication permit a wide and quick dissemination of information that will free us from the cruel, cold, heartless grip of monopoly in any line of business.

REMEDY

We cannot cure this situation overnight. It can be cured gradually. Definite steps should commence immediately in the direction of depriving a few of the unfair privileges that they enjoy and permit more people to enjoy privileges that should be available to all.

I suggest the following:

First. That the stock in the 12 Federal Reserve banks should be owned by the Government; branch or chain banks prohibited; permit local citizens to purchase units of such chain and branch banks; permit the Government's credit to be used by all banks for the benefit of all the people instead of using it as it is now used, principally by a few large banks for the benefit of a few people.

Second. Cause all Government securities to be purchased by the Federal Reserve banks, and prevent inflation by raising the reserve requirements of the banks at the same time such securities are purchased. This cannot be done quickly, but it can be done gradually, and the taxpayers saved almost a billion dollars a year in interest which they are now paying.

Third. Encourage local business, locally owned and owner operated, and discourage absentee ownership of local business.

Fourth. Under no circumstances permit the credit of the Nation to be farmed out to private corporations as it is today.

Fifth. Limit salaries and bonuses of executives of large corporations.

Sixth. Break up all monopolies, encourage fair prices and good wages, and preserve competition.

Seventh. Every law passed by Congress or State legislature should recognize that there are approximately 36,000,000 people dependent upon production on the farms, in the orchards, in the mines, on the ranches, and in the forests for a livelihood; that they must receive fair prices or their purchasing power will be destroyed, which will cause other groups and classes to suffer; that approximately 40,000,000 people are dependent upon wage earning for a living; that they must receive a fair wage or their consuming power will be destroyed, which will cause other classes and groups to suffer; that 11,000,000 people are dependent upon transportation and communication for a livelihood, and they are entitled to a fair profit; that 18,000,000 people are dependent upon distribution for a livelihood, and they are entitled to a fair profit; that millions of people are dependent upon the professions for a livelihood, and they are entitled to a fair return for services rendered; that prosperity cannot commence from the top—it must commence from the bottom. If the masses are prosperous, the Nation is prosperous. It should be remembered that you cannot fatten the herd just by feeding the bull.

Eighth. Tax-exempt, interest-bearing bonds should be eliminated. They represent the principal means of tax avoidance. They cause the rich to be richer and the poor to be poorer. They permit the wealthy to escape taxation entirely and cause the poor to pay taxes upon what they owe and upon what they consume in order to support the different Federal, State, and other governments.

Ninth. We should know who our creditors are. Who owns our national debt? Who is escaping taxation in this way? Is it not right for the Government, the same as an individual, to know whom it owes? It is reasonable to request that this information be known. Its disclosure will be helpful in framing tax-avoidance laws and for other purposes.

PRESENT ADMINISTRATION COMMENDED

I commend the present administration for its efforts and accomplishments, which are so helpful to the general welfare of the people. No previous administration has helped the poor, the wage earners, the farmers, the small-business man, and the average citizen as much as this administration. No administration in the past has recognized the duty of the Government to protect the weak against the strong as this one has, and something has been done about it.

By unanimous consent the pro-forma amendment was withdrawn.

The Clerk read as follows:

BUREAU OF INSULAR AFFAIRS

UNITED STATES HIGH COMMISSIONER TO THE PHILIPPINE ISLANDS

For the maintenance of the office of the United States High Commissioner to the Philippine Islands as authorized by subsection 4 of section 7 of the act approved March 24, 1934 (48 Stat. 456), including salaries and wages; rental, furnishings, equipment, maintenance, renovation, and repair of office quarters and living quarters for the High Commissioner; supplies and equipment; purchase and exchange of lawbooks and books of reference, periodicals, and newspapers; traveling expenses, including for persons appointed hereunder within the United States and their families, actual expenses of travel and transportation of household effects from their homes in the United States to the Philippine Islands, utilizing Government vessels whenever practicable; operation, maintenance, and repair of motor vehicles, and all other necessary expenses, $140,500, of which amount not exceeding $7,800 shall be available for expenditure in the discretion of the High Commissioner for maintenance of his household and such other purposes as he may deem proper: *Provided*, That the salary of the legal adviser and the financial expert shall not exceed the annual rate of $8,000 and $7,500 each, respectively: *Provided further*, That section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5), shall not apply to any purchase or service rendered under this appropriation when the aggregate amount involved does not exceed the sum of $100.

Mr. DIRKSEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I observe that in the item for the Bureau of Insular Affairs, the committee has reduced the salary of the legal and financial advisers in the Philippine Islands from $12,000 and $10,000, respectively, to $8,000 and $7,500, respectively. It occurs to me that this reduction might have come with better grace had it been made in 1933, when Congress was economy-minded, when we were slashing Federal salaries. I doubt whether this decrease is justified at the present time, although I shall not make any effort to amend the bill to restore the original item. What I do want to allude to this afternoon is the newspaper report this morning that Mr. James Alley, the general counsel of the Reconstruction Finance Corporation, has resigned. It was my good fortune to know Mr. Alley in a limited way through his appearances before the Committee on Banking and Currency. I found him to be a very dignified, reticent sort of person, but with that kind of calm self-assurance that is founded upon knowledge and ability. He really was an outstanding servant of this great Government of ours, and his departure constitutes a genuine loss.

I do not know why Mr. Alley resigned, but reflecting upon his resignation I may say that as a general thing, judging from whatever observations I have made, good men are resigning from the service today because of the insecurity of their jobs and their future by virtue of the emotional actions of Congress. It is not so long ago that we penalized Mr. Hopkins by reducing his salary and later reinstating it. It is not so long ago that the Congress reduced from $12,000 to $10,000 the salary of Mr. Fechner, who directs the destinies of the Civilian Conservation Corps. This is a job, incidentally, that is the equivalent in responsibility to any job in any private corporation in this entire country. It is not so long ago that another body—it has not finished its labors yet—at least suggested that the salary of the Director of the Social Security Board be reduced from $9,500 to $9,000. Whether it was punitive in its purpose or not I cannot say, but I do feel that we cannot go on forever penalizing good men who come into the Government service. We cannot forever go on in hysterical fashion and imbue them with the idea that their jobs and their salaries are insecure and that the proper thing for them to do is to forsake the Government service and go back into private industry. That is the reason there are resignations of many good men from the Government service. How are we ever going to articulate our capacity for self-government and democracy and procure for this Government the best service that men can render unless we have good directing heads? I sincerely trust that we shall get over this emotional strain of ours and see that the men who are in places of responsibility giving executive direction to the functions of Government are secure in their positions, and their salaries so that they can freely, with untrammeled minds, give the best they have to their country. While I know nothing about the merits of the instant case I do believe that we ought to be more careful about indiscriminately cutting salaries than we have been in the past. High-grade personal service can always find a ready market and there is no reason to believe that men will or should remain in the service of the Nation unless that Nation expressed its appreciation by affording them some degree of security.

[Here the gavel fell.]

By unanimous consent the pro-forma amendment was withdrawn.

The Clerk read as follows:

CORPS OF ENGINEERS

RIVERS AND HARBORS

To be immediately available and to be expended under the direction of the Secretary of War and the supervision of the Chief of Engineers, and to remain available until expended:

For the preservation and maintenance of existing river and harbor works, and for the prosecution of such projects heretofore authorized as may be most desirable in the interests of commerce and navigation; for survey of northern and northwestern lakes and other boundary and connecting waters as heretofore authorized, including the preparation, correction, printing, and issuing of charts and bulletins and the investigation of lake levels; for prevention of obstructive and injurious deposits within the harbor and adjacent waters of New York City; for expenses of the California Debris Commission in carrying on the work authorized by the act approved March 1, 1893 (U. S. C., title 33, sec. 661); for such works, hereby authorized, as may be necessary for the protection of the town of Collinsville, Ala.; for removing sunken vessels or craft obstructing or endangering navigation as authorized by law; for operating and maintaining, keeping in repair, and continuing in use without interruption any lock, canal (except the Panama Canal), canalized river, or other public works for the use and benefit of navigation belonging to the United States; for payment annually of tuition fees of not to exceed 35 student officers of the Corps of Engineers at civil technical institutions under the provisions of section 127a of the National Defense Act, as amended (U. S. C., title 10, sec. 535); for examinations, surveys, and contingencies of rivers and harbors; and for printing, including illustrations, as may be authorized by the Committee on Printing of the House of Representatives, either during a recess or session of Congress, of surveys authorized by law, and such surveys as may be printed during a recess of Congress shall be printed, with illustrations, as documents of the next succeeding session of Congress, and for the purchase of motor-propelled passenger-carrying vehicles and motorboats, for official use, not to exceed $197,971: *Provided*, That no funds shall be expended for any preliminary examination, survey, project, or estimate not authorized by law, $128,000,000: *Provided further*, That from this appropriation the Secretary of War may, in his discretion and on the recommendation of the Chief of Engineers based on the recommendation by the Board for Rivers and Harbors in the review of a report or reports authorized by law, expend such sums as may be necessary for the maintenance of harbor channels provided by a State, municipality, or other public agency, outside of harbor lines and serving essential needs of general commerce and navigation, such work to be subject to the conditions recommended by the Chief of Engineers in his report or reports thereon: *Provided further*, That no appropriation under the Corps of Engineers for the fiscal year 1938 shall be available for any expenses incident to operating any power-driven boat or vessel on other than Government business: *Provided further*, That not to exceed $3,000 of the amount herein appropriated shall be available for the support and maintenance of the Permanent International Commission of the Congresses of Navigation and for the payment of the actual expenses of the properly accredited delegates of the United States to the meeting of the congresses and of the commission.

Mr. TABER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TABER: On page 6, line 21, strike out "$128,000,000", and insert in lieu thereof "$113,000,000."

Mr. TABER. Mr. Chairman, I have made this motion in order to try and save a little bit out of this large appropriation. In the first place I call attention to the hearings, at pages 44 and 45. It appears that we are spending for inland waterways $52,000,000, and that the traffic there is 33,000,000 tons. For seacoast harbors we are spending a total of approximately $29,000,000 and the traffic there is 370,000,000 tons. In particular we are spending $27,000,000 for the Mississippi River between the Missouri River and Minneapolis to support a traffic burden of 1,500,000 tons. On the Missouri River from its mouth to Kansas City we are spending $400,000, having previously spent $69,000,000, and the traffic is 487,000 tons with the project nine-tenths completed. We are spending $7,000,000 on the upper Missouri from Kansas City to Sioux City with traffic of only 1,080,000 tons.

In all we have spent $60,000,000 on this project. These expenditures are altogether out of line with the services that may be rendered. We should not spend so much money on these unproductive waterways.

This bill calls for upwards of $195,000,000, an increase of approximately $3,605,000 over last year. May I say that the regular departmental appropriations thus far that have passed the House, exclusive of the bonus, amount to $570,000,000 more than last year. The total is $6,493,000,000. Last year the total was $5,920,000,000. The appropriations altogether this year that have passed the House amount to $9,302,000,000 and last year, exclusive of the bonus, they were $9,000,000,000. With the bonus they ran over $10,000,000,000 last year.

Appropriations in second session of Seventy-fourth Congress and first session of Seventy-fifth Congress passed by House, June 15, 1937

	Seventy-fourth Congress, second session, 1937	Seventy-fifth Congress, first session, 1938
Independent offices	$1,060,000,000.00	$1,140,000,000.00
Independent offices (bonus deficiency)	1,874,751,000.00	
Agriculture	805,000,000.00	945,000,000.00
Treasury-Post Office	2,701,000,000.00	2,969,000,000.00
Navy	530,000,000.00	528,000,000.00
State, Justice, Commerce, and Labor	117,000,000.00	121,000,000.00
Legislative	25,400,000.00	24,000,000.00
Interior	116,560,195.00	124,871,264.85
Interior (reappropriation)		30,000,000.00
War Department:		
Military	388,500,000.00	416,000,000.00
Nonmilitary	191,729,685.00	195,335,063.00
Total	7,809,940,880.00	6,493,206,327.85
Relief and P. W. A.	2,675,397,537.96	1,770,000,000.00
Do		135,000,000.0
Total	10,485,338,417.96	8,398,206,327.85
In addition, a deficiency for 1936 of	368,234,000.00	
In addition, a deficiency for 1937 of		899,052,596.95
Total	10,853,572,417.96	9,297,258,924.80
District of Columbia, Federal contribution	5,000,000.00	5,000,000.00
Total	10,858,572,417.96	9,302,258,924.80
Bonus	1,874,751,000.00	
Last year, without bonus	8,983,821,417.96	

So you see that, without the bonus, we have already appropriated more money than last year by $318,437,000.

It is apparent that we are running out of hand with our appropriations and that we are getting to the point where we ought to come to our senses and stop this spending. I have offered the amendment to cut out a very moderate amount from these exorbitant apppropriations for nonproductive waterways. I hope the committee will adopt the amendment and save this very moderate amount and, in this connection, may I say also that the committee has saved approximately $47,000 under the Budget and we ought to go a good deal further than that.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Michigan.

Mr. CRAWFORD. Does the gentleman know of any factor or influence that has been more disturbing to the earnings of our railroads than the operation of the Mississippi River-Warrior service that has been subsidized all the way through by Government contribution?

Mr. TABER. It has almost destroyed some of the middle western railroads and put them out of business. There has been no profit in the final analysis to the shipper.

[Here the gavel fell.]

Mr. RICH and Mr. SNYDER of Pennsylvania rose.

The CHAIRMAN. For what purpose does the gentleman from Pennsylvania [Mr. RICH] rise?

Mr. RICH. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from New York [Mr. TABER].

The CHAIRMAN. For what purpose does the gentleman from Pennsylvania [Mr. SNYDER] rise?

Mr. SNYDER of Pennsylvania. I rise in opposition to the amendment offered by the gentleman from New York [Mr. TABER].

The CHAIRMAN. The gentleman from Pennsylvania [Mr. SNYDER], a member of the subcommittee, is recognized for 5 minutes.

Mr. SNYDER of Pennsylvania. Mr. Chairman, I yield to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. The Chairman rules me out every time, and I thank the gentleman for giving me this time.

The CHAIRMAN. The Chair may say for the benefit of the gentleman from Pennsylvania [Mr. RICH] that he inquired of the gentleman for what reason he rose in order to find out whether or not he was going to offer an amendment as a substitute and, if so, the Chair would have recognized the gentleman. In view of that fact, it was the duty of the Chair to recognize the gentleman from Pennsylvania [Mr. SNYDER], chairman of the Subcommittee on Appropriations.

The gentleman from Pennsylvania is recognized for 5 minutes.

Mr. RICH. It pleases me to have the Chairman chastise me. He is a fine fellow; but many times this afternoon I tried to get recognition but could not. I have a speech I want to make, but I cannot make it today. You see what time it is now, and the time is growing later every minute. I am going to ask for time to speak sometime in the future.

Mr. Chairman, the amendment offered by the gentleman from New York is a step in the right direction.

Mr. ELLENBOGEN. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. ELLENBOGEN. The gentleman was recognized to speak in opposition to the amendment offered by the gentleman from New York [Mr. TABER] but he is now speaking in favor of the amendment.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. RICH] rose in opposition to the amendment offered by the gentleman from New York [Mr. TABER] and will proceed in order.

Mr. RICH. Mr. Chairman, the gentleman from Colorado a few moments ago stated that the Inland Waterways Corporation was an organization established by a former Republican administration. I condemn the action of the former Republican administration in establishing the Inland Waterways Corporation. But if the Members on this side of the House are as emphatic in their condemnation of the Inland Waterways Corporation as I am, they will help the gentleman from New York by adopting the amendment, which will cut down the appropriation for the Inland Waterways Corporation.

Mr. Chairman, I hope the members of the Committee will vote in favor of the amendment. If by your action you do not cut this out, then you approve of the Inland Waterways Corporation that was established by a Republican administration. I want to see whether you approve of the Government going into business or whether you are going to vote for the amendment offered by the gentleman from New York [Mr. TABER] which will cut out the amount appropriated in this bill for the Inland Waterways Corporation.

[Here the gavel fell.]

Mr. SNYDER of Pennsylvania. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I ask the members of the Committee to vote down the amendment offered by the gentleman from New York [Mr. TABER].

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. TABER].

The amendment was rejected.

Mr. PETERSON of Florida. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. PETERSON of Florida: Page 7, after line 16, add a new paragraph, as follows:

"For experimental cut, Big Pass-Clearwater, Fla., in connection with survey authorized by the Rivers and Harbors Act approved August 30, 1935, $21,000: *Provided*, That local interest shall contribute not less than $10,000 toward such project."

Mr. SNYDER of Pennsylvania. Mr. Chairman, I reserve a point of order against the amendment.

Mr. PETERSON of Florida. Mr. Chairman, the cut will cost only $31,000. Jetties would cost something over $800,000, jetties of another type $175,000. The question of maintenance has been the main question. If under the survey this experimental cut is made it may show conclusively there are no jetties needed, and may ultimately save the $175,000.

I hope the chairman of the committee will not insist on the point of order and I hope the House will adopt this amendment, as it is very important to this community, which is growing to take care of a large amount of traffic, pleasure craft, and fishing boats. This improvement will be of untold benefit to the community.

The CHAIRMAN. Does the gentleman from Pennsylvania [Mr. SNYDER] insist on his point of order?

Mr. SNYDER of Pennsylvania. Mr. Chairman, it is very, very hard for me to insist on a point of order against an amendment offered by the gentleman from Florida, but there are certain circumstances involved which force me to insist on the point of order.

Mr. TARVER. Mr. Chairman, I make the point of order the gentleman from Pennsylvania has not stated a point of order. The gentleman has simply stated he makes a point of order, and has not outlined it.

Mr. SNYDER of Pennsylvania. Mr. Chairman, the point of order is that the matter covered by the proposed amendment is not authorized by law.

The CHAIRMAN. Does the gentleman from Florida desire to be heard on the point of order?

Mr. PETERSON of Florida. Mr. Chairman, the Rivers and Harbors Act of 1935 authorized a survey. This provides an appropriation for the purpose of carrying out that survey.

The CHAIRMAN. Will the gentleman cite the page?

Mr. PETERSON of Florida. I do not have it handy, but it is in the act. There is no dispute about that. It is authorized under Clearwater Harbor, Big Pass, and Little Pass.

I have specifically set forth an amount and have included in the amendment the verbiage "experimental cut." My theory is that in authorizing a survey you can authorize a cut just as well as you can authorize borings, or set forth the line on which the project shall go, or ascertain the cost by going through the various types of stone. The question to be determined by this survey is whether a cut there would silt and fill in, or whether it could scour itself.

Mr. GREEN. Mr. Chairman——

The CHAIRMAN. The Chair will be glad to hear from the gentleman from Florida, Mr. Green, particularly with respect to the present authority existing for the amendment.

Mr. GREEN. Mr. Chairman, under the 1935 Rivers and Harbors Act there was a survey item included for this harbor. The amendment offered by the gentleman from Florida, Mr. Peterson, may well be interpreted as a portion of the work of that survey. In this respect it is not legislation on an appropriation bill, and the amendment is in order.

The CHAIRMAN (Mr. MCCORMACK). The Chair is ready to rule:

Section 3 of the act of August 30, 1935, gives to the Secretary of War—

> Authority to cause preliminary examinations and surveys to be made at the following-named localities, the cost thereof to be paid from appropriations heretofore or hereafter made for such purposes: *Provided*, That no further examination, survey, project, or estimate for new works other than those designated in this or some prior act or joint resolution shall be made: *Provided further*, That after the regular or formal reports made as required by law on any examination, survey, project, or work under way or proposed or submitted no supplemental or additional report or estimate shall be made unless authorized by law: *And provided further*, That the Government shall not be deemed to have entered upon any project for the improvement of any waterway or harbor mentioned in this act until the project for the proposed work shall have been adopted by law.

The provision which the Chair has just read authorized preliminary examinations and surveys, and specifically provided:

> That the Government shall not be deemed to have entered upon any project for the improvement of any waterway or harbor mentioned in this act until the project for the proposed work shall have been adopted by law.

No law having been cited by the gentleman from Florida showing that Congress has adopted any program as the result of the recommendations of the Secretary of War by reason of the authority vested in the Secretary and contained in the section to which the Chair has referred, the Chair sustains the point of order.

The Clerk read as follows:

FLOOD CONTROL

> Flood control: For the construction of certain public works on rivers and harbors for flood control, and for other purposes, in accordance with the provisions of the Flood Control Act, approved June 22, 1936 (49 Stat. 1570–1595), including printing and binding and office supplies and equipment required in the Office of the Chief of Engineers to carry out the purposes of this act, the purchase (not to exceed $47,250) of motor-propelled passenger-carrying vehicles and motorboats for official use, and not to exceed $500,000 for preliminary examinations and surveys of flood-control projects authorized by law, $30,000,000: *Provided*, That $500,000 of this appropriation shall be transferred and made available to the Secretary of Agriculture for preliminary examinations and surveys for run-off and water-flow retardation and soil erosion prevention on the watersheds of flood-control projects authorized by law, including the employment of persons in the District of Columbia and elsewhere, purchase of books and periodicals, printing and binding, rent in the District of Columbia, the purchase (not to exceed $30,000) of motor-propelled passenger-carrying vehicles and motorboats, and for other necessary expenses.

Mr. ELLENBOGEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. ELLENBOGEN: On page 8, line 3, strike out "$30,000,000" and insert in lieu thereof, "$40,000,000."

Mr. ELLENBOGEN. Mr. Chairman, this proposed amendment increases the appropriation for flood control under the omnibus Flood Control Act of 1936 from $30,000,000 to $40,000,000.

I call the attention of the Members to the fact that this amendment, while an increase of $10,000,000 is a very modest one.

I say to you without hesitation that the recommendations of the Budget Bureau for flood control are not adequate. We are not satisfied with the recommendation of the Budget Bureau, and the people of the United States are not satisfied with it. They are not satisfied with the recommendation of the Budget Bureau with regard to appropriations for the construction of dams and reservoirs to stop these disastrous floods. We must preserve the lives and the property of the people. That is a fundamental function of the Government. You are going to appropriate this year $7,000,000,000, and out of the $7,000,000,000 it is proposed to appropriate not more than $30,000,000 for flood control—and that in the face of the tremendous floods, the greatest in history, in the Ohio River Basin this year and last year.

Those floods, or particularly the one this year, showed that the Ohio River Basin was flood emergency area no. 1. That is true because the flood was carried down the Mississippi River without doing any great damage, whereas the people living in the Ohio Valley suffered the greatest loss in all history. If you will take those floods of March 1936 and of January 1937 you will find that 300,000 people were driven from their homes, and that the property losses amounted to not less than $750,000,000. You will find that every year in the so-called mild floods, the damage runs in the neighborhood of $1,000,000.

In that basin there are 6,000,000 people. This is a matter that does not concern just one State. For instance, the reservoirs that are listed in the Army engineers' report for the protection of Pittsburgh, also protect a much greater area—the States of Pennsylvania, West Virginia, Ohio, Indiana, Kentucky, Illinois, Tennessee, and Mississippi. This project contributes to the protection of every State that borders the Mississippi.

I want to stress the fact that the Ohio River Valley Basin project is one that we have planned, surveyed, and resurveyed, until we are sick of surveys in the Pittsburgh area. In the Pittsburgh area, those surveys have been going on for 30 years. Then these projects were finally authorized in a great piece of legislation that Congress passed last year. It has been represented to you over and again that the surveys are complete, and that the construction can be started on some of those dams immediately, while on other dams the work can be commenced within a few months. The work can be started on all the dams in the Pittsburgh territory within the next fiscal year.

The State of Pennsylvania and the State of New York are the only States in the Union that have already fully met the requirements of the law. I would like to call to the attention of this great committee the provision on page 18 of the act passed last year—the Flood Control Act, 738—in which the Pittsburgh projects are outlined. I call your attention to this part of it: "Estimated construction cost,

$20,646,000; estimated cost of lands and damages, $34,569,000." The Pittsburgh projects are, perhaps, the only ones where the cost of the land purchase and damages is nearly double the cost of construction. Under this law it is our State and our local agencies which must pay the cost of the land and damages. The Federal Government undertakes to pay the cost of construction only. I believe that is wrong; I, for one, believe that the Federal Government should pay all of it. However, the law is to the contrary, and Pennsylvania stands ready to pay nearly double what the Federal Government will pay, provided the Federal Government will appropriate money for the construction of the dams and reservoirs. That certainly is more than evidence of good faith. An appropriation of $5,000,000 has already been made by the State Legislature of Pennsylvania, and a constitutional amendment has been passed at one session of the State legislature, and will undoubtedly pass in the next, providing for an appropriation of $50,000,000 by the people of Pennsylvania, so that they can meet whatever is required of the State in the coordinated Federal-State program.

I want to include in the RECORD, if I may, a statement of the estimated construction cost of the dams that are now being considered by the Army engineers, as first outlined, amounting to $44,250,000.

Estimated costs of construction of projects in upper Ohio River Basin

Tionesta Creek Dam	$5,000,000
Crooked Creek Dam	4,500,000
Red Bank Creek Dam	5,000,000
Loyalhanna Creek Dam	2,500,000
Johnstown Dam	14,500,000
Mahoning Creek Dam	5,000,000
French Creek Dam	1,750,000
Conemaugh River Dam	6,000,000
Total	44,250,000

The Bureau of the Budget has recommended to this Congress and this committee an appropriation limited to $30,000,000. That would give to the Pittsburgh district only $5,000,000.

The schedule that has been prepared by the local engineers, in cooperation with the Army engineers, shows that we use during the next fiscal year in the construction of the Pittsburgh projects not $5,000,000, but $10,500,000, or a little more than double this amount. If you appropriate only $30,000,000, the Pittsburgh district cannot get $10,000,000. That is the situation as it stands today.

Estimated expenditures which can be made during next fiscal year

Tionesta Creek	$2,000,000
Crooked Creek	2,000,000
Red Bank Creek	1,500,000
Loyalhanna Creek	1,000,000
Johnstown	2,000,000
Mahoning Creek	750,000
French Creek	500,000
Conemaugh River	500,000
Further studies and investigations	250,000
Total	10,500,000

Now, these are appropriations that should not be delayed. They should be made now. So far as highway construction is concerned, and many other appropriations that we could use, they could be postponed to next year. If the Appropriations Committee wants to save money, let them save it somewhere else, and not on the flood-control projects.

I hope you will give us the money with which to protect the lives and property of the people, because that is the fundamental and primary purposes of government. You are a great committee, and you are the judges of the way Congress shall appropriate money, and not the Bureau of the Budget. The President only makes his recommendations, and the responsibility lies with Congress. I submit to you that you will not meet your responsibility if you limit this appropriation to $30,000,000. You will have to give us at least twice that much. I do hope that the committee will not consider the appropriations for flood-control projects in the same light the Appropriations Committees generally look at expenditures. Of course, you want to save money, and you are to be commended for that, but this is a place where saving means losing. Saving money on these flood-prevention measures means wasting money. If you could save $100,000,000 or $300,000,000 by making an appropriation of $10,000,000, that would be saving money—and not wasting money.

I want to say in all sincerity that I am not appearing before you gentlemen for the purposes of the record. I am not appearing before you gentlemen to enable me to say to my constituents that I have been before the committee, but failed in my efforts, but I am appearing before you gentlemen because I think this is a matter of life and death to several million residents in the Ohio River Basin and along other river basins in the United States. I do hope that you gentlemen will not look at this from the viewpoint of providing for an ordinary expenditure, because these are not ordinary expenditures.

Our people are desperate. They cannot carry on their business, or carry on their daily lives, unless you protect them. As I have said, $30,000,000 will not do it. Now, let us not wait until next year. We hope we will not have another flood for many years, but who knows when it may occur. Will you assume the responsibility for next year, for 1939 and for 1940? If we have another flood, and you do not appropriate the necessary money, you cannot protect those people. That is the problem you are facing. It is not a question of the construction of a highway here or there, but it is a question of saving the lives and property of these people.

Mr. MARTIN of Colorado. Mr. Chairman, I offer a substitute for the amendment offered by the gentleman from Pennsylvania, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. MARTIN of Colorado as a substitute for the amendment offered by Mr. ELLENBOGEN: On page 8, line 3, strike out "$30,000,000" and insert in lieu thereof "$50,000,000."

Mr. MARTIN of Colorado. Mr. Chairman, with reference to my pending substitute to increase the flood-control appropriation from $30,000,000 to $50,000,000, I may say I have been greatly disturbed, in fact, more disturbed than by any other development during this Congress, by the evident let-down or slump in the prosecution of a national flood-control program. Ever since the President made his historic speech at the dedication of the Fort Peck Dam in 1934 in which, insofar as he could, he committed this Government to a policy which would conserve, as he put it, every drop of water which ran to waste into the sea through the Mississippi and all its great tributaries, the country has been promised, and has anticipated, a national flood-control policy and program, and it has the right to expect from Congress the means to carry out this program on a scale commensurate with its magnitude and importance.

Following the President's speech at the Fort Peck Dam, the Mississippi River Valley Committee of the National Resources Board published in an exhaustive report a preliminary survey of the Mississippi and all its tributaries, including all or parts of 31 States, in which they outlined a series of projects necessary to carry out this program insofar as the great Mississippi Basin is concerned. It has been roughly estimated that that program would cost five or six billion dollars.

To give you a rough idea of the immense area of the Mississippi Basin, in which occurs nearly all the destructive floods in the United States, it extends from western Montana eastward into and including the western third of Pennsylvania, and its southeastern boundaries are to be found in Alabama, Georgia, the Carolinas, and the Virginias. It drains the Tennessee, the Ohio, the Illinois, the Wabash, the Missouri, the Yellowstone, the Platte, the Arkansas, the Red Rivers of the north and south, the White, and many other nationally known streams which are tributary to those I have named. In short, the flood problem of the Mississippi Basin is very largely the flood problem of the United States.

Growing out of the Mississippi Valley Committee report, at the last session of the Seventy-fourth Congress, the Congress passed its first national flood-control act, and for the

first time in American history flood control was declared to be a national policy, and in that act it authorized the construction of 270 projects scattered out over 31 States of the Union at a cost of only $320,000,000, and I emphasize the amount only, because I consider that a very moderate start toward the execution of a program which it was estimated would ultimately cost five or six billion dollars. That bill was praised to the skies. No project got into that bill which had not been studied and authorized by the Army engineers. I know that Senate leaders of my party pleaded to get projects into the bill and threatened that they would defeat the bill if they did not get them in, but they were turned down because the Army engineers had not as yet approved them. It was said there was no pork in the bill, no logrolling, and that the bill had been carefully worked out as the first step in a policy of national flood control.

And now in this bill I find only $30,000,000 provided, and there is named in it just four projects out of the 270 that will get $17,500,000 out of the $30,000,000, leaving only $12,500,000 for the other 266 projects, and I ask the Members of this House when they expect they are going to get any flood projects in their districts if the program is going to be carried out on any such limited basis?

Members have stated in justification of the small initial appropriation to begin construction under the Flood Control Act of 1936 that it is not desired to appropriate an excessive amount of money at the outset and that we should only appropriate what is needed and can be used. The answer to that is the statement of the Chief of Engineers as quoted in the report of the Committee on Appropriations accompanying this bill, that "definite plans have been prepared and assurances of local cooperation received from projects totaling a cost of $150,000,000", to meet which we are appropriating only $30,000,000.

However, I do not want to leave the impression that the Committee on Appropriations is underwriting this grossly inadequate appropriation, because the committee itself, on page 7 of the report, following its quotation of the statement of the Army engineers, says:

> Because of that (readiness to begin execution of $150,000,000 of construction) and the almost certain recurrence with always the possibility of unprecedented proportions of these ravaging floods, the Budget estimate quite obviously is not adequate. Expedition is vital to the protection of property and the lives of millions of citizens in river basins from New England to the Gulf, from the Atlantic to the sources of the western tributaries of the Mississippi, and in other far-western areas.

But the committee felt unwilling to go beyond the amount estimated by the Bureau of the Budget, and says frankly that "without a larger direct appropriation recourse will need to be made to relief funds in order to make more rapid headway with the work Congress has authorized." This, no doubt, refers to the earmarking of $45,000,000 for flood control in the work-relief bill during the consideration of that bill in the Committee of the Whole House, but withdrawn by flood-control advocates before the bill was reached for final passage, as the result of some sort of an understanding between those Members and the administration, that where relief workers were available such work would be used on flood-control projects and that this might even exceed the sum of $45,000,000. The difficulty, as I see it, involved in this anticipated supplement to the $30,000,000 will be the greatly reduced number of relief workers during the next fiscal year and the lack of relief workers in close proximity to large flood-control projects. There are probably very few flood-control projects of any magnitude which will find available in convenient proximity any sufficient number of relief workers. Probably here and there this will occur, such as in the case of levee and such work in the vicinity of towns and cities.

No matter what is done in the way of such supplementing of the appropriation carried in this bill, it cannot obscure the fact that after years of planning on a national scale, until flood control, with its related objectives of soil and water conservation had assumed the proportions of the major national program for the conservation and upbuilding of the soil and water resources of the country, its major resources, and with these plans now written into law, we have begun with an initial appropriation which is simply trivial in comparison with many things for which we are appropriating money.

I have been much impressed by the foreword of the report of the Mississippi Valley Committee: "Make no little plans. They have no magic to stir men's souls." In the flood-control bill we have made no little plan, but when it comes to the execution of the plan the mountain has labored and brought forth a mouse.

Mind you, here is the disturbing thing, to my mind, about the obvious slump in the national flood-control program. It was not conditioned upon the economy drive, it was not conditioned upon the development of the falling off of Federal revenue in the last few months. These Budget figures were worked out before the first of the year. For some undisclosed reason there is virtually a temporary abandonment of an adequate flood-control program. The committee report admits this. These figures, this $30,000,000, were worked out before the first of the year, before there was any hint of an economy drive or before there was any falling-off of revenue.

This amendment of mine provides for $20,000,000 more. How little that is! How little is $50,000,000! We would be 100 years on the job under any such appropriation as this bill carries. Why, the stuff would wear out and wash away in that time! The pyramids of Egypt would be turned to dust before we could get this great Mississippi Valley program completed under such an appropriation as this. [Applause.]

The CHAIRMAN. The time of the gentleman from Colorado has expired.

Mr. MILLER. Mr. Chairman, I rise in opposition to the amendment, and ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MILLER. Mr. Chairman, in order that we may understand the effect of an appropriation for projects in the Copeland Act on the future of flood-control reservoirs, I should like to call the attention of the House for a few minutes to the condition of the law with reference to flood control. I think the appropriation of money for expenditure under the Copeland Act, the act of June 22, 1936, except for levees, is establishing a bad precedent and one that will destroy our chances to obtain reservoir control in most sections of our Nation. The $30,000,000 recommended should not be increased at this time until the law providing for the building of reservoirs is amended so that local contribution may not be required in the building of reservoirs.

The people who know me, who have served here with me, I think, will agree that I am as much interested in flood control and in the establishment of a workable flood-control plan and a workable flood-control law as is anyone.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. MILLER. Let me proceed for just a minute.

Mrs. ROGERS of Massachusetts. Would the gentleman yield if I could get him an additional minute?

Mr. MILLER. Yes.

Mrs. ROGERS of Massachusetts. The gentleman realizes I know that the other body has struck out of the relief bill a provision that would allow reappropriation to continue flood control, for instance, in the Connecticut Valley and the Merrimac Valley, my own valley, and also in California and other places. I hope the Members will join with us in continuing that. I ask unanimous consent that the gentleman may have another minute.

Mr. MILLER. There has been a great deal of talk here today about the flood-control program and why we do not have a coordinated program. There are reasons why we do not have a coordinated program, and we cannot have it until the Committee on Flood Control gives attention to the modification and amendment of the existing law in reference to reservoirs. Under the act of 1928, as amended by the Overton Act, applicable to the Mississippi River and the

area within the backwaters, we have a program on the Mississippi and that work is progressing. In this territory the only feasible plan is the levee and diversion or floodway plan. The law requires local interests to furnish the right-of-way for levees and to maintain and operate them when built. That is just and reasonable, because the benefit from levees is largely local. When it is necessary for a diversion channel or floodway to be provided the United States Government furnishes the land without cost to the local interests. The law as applicable to the Mississippi River and backwater area is just because the only flood-control works in that area are levees and floodways. We can safely proceed in that area under the existing law and the committee might well raise the amount of $22,500,000 for work under the general Flood Control Act, the act of 1928, as amended.

But this appropriation of $30,000,000 is under the act of June 22, 1936, the so-called omnibus act, or Copeland Act.

Now, the trouble with that act is that before a reservoir can be built, the local interests shall provide, without cost to the United States, all lands, easements, and rights-of-way necessary for the construction of the project; shall hold the Government free from any damages, and maintain and operate the works after completion.

Levees can be built under this act because of the local benefits arising from them, but benefits from reservoirs are not local but general, and there is no reason why local interests should be required to furnish the rights-of-way for reservoirs or do anything else, because the real benefit arises downstream many miles from the site of the reservoir.

It may be argued that the provisions of the Mississippi Flood Control Act of 1928, as amended, are the same as the act of June 22, 1936, the Copeland Act. They are practically the same insofar as the furnishing of rights-of-way, lands, and easements, and the operation of the projects are concerned. However, this equality and sameness is only on paper. From a practical viewpoint, there is a vast difference, because we on the tributaries of the Mississippi can only have adequate relief through reservoirs, supplemented by levees, while the property owners of the alluvial valleys can have relief by levees and floodways, and such reservoirs as are built on the tributaries add to the security of those in the alluvial valleys. Therefore we should not be required to furnish the rights-of-way for reservoirs, but no reasonable objection can be made to furnishing the rights-of-way for levees. The Copeland Act should be amended and require the Government to furnish rights-of-way, lands, and easements for reservoirs the same as is done when a floodway or diversion channel is built in the alluvial valley. By so doing justice will in fact be done all sections, not only on paper but in actual operations and practice.

Until that is done we are not going to have anything like a fair flood-control system. I dislike to see money continually fritted away by this Congress when we know what the trouble is. We know how to remedy it and we know how to meet the situation. It can be met by either repealing sections 2 and 3 of the Copeland Act or by a separate act modifying them insofar as reservoirs are concerned. When that is done then we will be rendering justice.

There is not any substitute for common sense. If there is, I have failed to find it in the few years I have been around here. The Government is not justified in spending a large sum of money on any project and then walking off and leaving that project to be taken care of by local interests. You cannot proceed under the Copeland Act except in building levees. It is simply not workable for the tributaries. I would fight for an appropriation much greater than $50,000,000, I will say to the gentleman from Colorado, if he will help me pass a flood-control bill which I introduced here today and which will make it possible for reservoirs to be built.

Mr. ELLENBOGEN. Mr. Chairman, will the gentleman yield?

Mr. MILLER. Yes; I yield.

Mr. ELLENBOGEN. I would gladly join the gentleman in changing the Copeland Act; but why should we wait until it can be changed when the Chief of Army Engineers says he has $150,000,000 worth of projects where the localities are willing to meet their responsibility and make the appropriation?

Mr. MILLER. The Chief of Engineers, in the hearings, did make the statement that there was approximately $150,000,000 that he thought local interests could and would qualify for; but let me call the gentleman's attention to this fact: There may be communities that can furnish the right-of-way for reservoirs, but I doubt it. I do know they ought not to be compelled to do it; and when we permit such action we will kill forever any chance to amend the law and will never have a uniform, practical system. Do you want a hodgepodge set of flood-control improvements in this country under one act and a different set under another act? I am talking about the practical application of the law, not to its seeming uniformity on paper, and I am trying to protect all alike, and I hope no community will bond itself for its contribution for reservoirs. My country is not able to do so, and I do not want you to do so. The amount provided is ample for levees. We have already spent in this country millions and millions of dollars, and yet we have not accomplished anything except along the Mississippi River, and that accomplishment has been because of a system applicable only to the Mississippi River and rivers within the backwater area.

Mr. MARTIN of Colorado. Mr. Chairman, will the gentleman yield?

Mr. MILLER. Let me proceed just a minute, please.

The gentleman from Colorado said he was alarmed at the break-down or apparent slackening of the activity for flood control. I am, too. Everybody else is. I do not know what has happened, but by the introduction of a bill today, H. R. 7529, I am giving this House an opportunity to show whether or not you believe in the Army engineers' method of controlling the floodwaters of the Ohio, the Missouri, the Arkansas, and the White Rivers and in the Mississippi River Basin. The Army engineers have pointed out in a report which they made to the Committee on Flood Control, through the President of the United States, which now appears as Committee Document No. 1, Seventy-fifth Congress, how that can be done. It will cost some money; yes. It will cost around $500,000,000 to do the work, but the damage this year in the Ohio Valley, the White River, the Arkansas, and others was more than $500,000,000 itself.

Now, what I am appealing to you for is this: First, let us amend the law. Let us write a flood-control program. We have a Flood Control Committee that is capable of it. Judge Whittington is one of the ablest men in the House of Representatives or anywhere else. Other members of the committee are perfectly able to do it. The only thing is we have just been coasting along, following the course of least resistance in these matters. Content with paper uniformity and not practical justice to all. Whenever we will do that, then we will have a program, whereby we can appropriate $50,000,000 or $100,000,000 a year until completed.

Mr. MARTIN of Colorado. Mr. Chairman, will the gentleman yield?

Mr. MILLER. I yield.

Mr. MARTIN of Colorado. I am in favor of the gentleman's bill, but he has just introduced it. Obviously it is too late to have any effect on the pending bill. We may never get it. I think the gentleman ought to go along with us on this small increase in this appropriation. Let me say there will be plenty of time and places to spend it.

Mr. MILLER. I think it will be a bad precedent, until the law is amended to afford practical uniformity and justice. That is the reason for my opposition to the amendment.

Mr. SNYDER of Pennsylvania. Mr. Chairman, I rise in opposition to the substitute amendment and to the amendment.

Suffice it to say in a few minutes that I feel that the committee agrees that the provision made in the pending bill is adequate for the time being. The Army engineers told us over the table that they had projects and that there were States already equipped with laws to cooperate

with the Federal Government to the extent of utilizing $60,000,000—maybe more. All that we are interested in at the present time is, I may state to the gentleman from Arkansas, that we are equipped to use successfully and efficiently $30,000,000.

Mr. ELLENBOGEN. One hundred and fifty million dollars.

Mr. SNYDER of Pennsylvania. I did not say that.

Mr. ELLENBOGEN. That is what the record shows.

Mr. SNYDER of Pennsylvania. Maybe they could use $150,000,000.

Permit me to say in this connection, Mr. Chairman, that we have made progress, for this is the first program we ever had. I do not say that I agree with the Copeland law 100 percent, but we have made progress. This is the start of the program. We shall be back here in January. If we need further money to carry on flood control we will be ready to grant that money. I shall be a member of the deficiency committee and I will support it.

I ask for a vote on the substitute amendment.

Mr. EBERHARTER. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, this bill carries a total of $195,375,000. Throughout the 5 hours we have considered this bill most of the debate has centered around the subject of flood control. I think this is an indication of what the people of the country think of this particular problem. It is one of the most important matters that has come before the House.

The committee recommends $30,000,000 for flood control. In their report they say that this sum is insufficient, that really a larger amount should be appropriated. Answering the gentleman from Arkansas I refer him to page 75 of the hearings where General Markham stated:

> We say that we have our preparations either all complete or nearly complete with local cooperation assured for a total of $150,000,000.

My own State of Pennsylvania alone has appropriated directly the sum of $5,000,000 for flood-control work. In addition they have made preparations for a bond issue of $50,000,000. The Government of the United States, through the Committee on Appropriations on this War Department bill, brings in a report recommending only $30,000,000 for the entire country whereas the lone State of Pennsylvania is ready to spend $55,000,000 on this work. Any person who reads the report of the committee and the testimony of the Army engineers will see that the committee bowed down to the wishes of the Budget Bureau, which made its recommendations long before the flood of 1937 occurred. I know that the Members would appreciate the necessity for adequate flood control had they only been present in some of the cities where these terrible catastrophes occurred, where damage to the extent of $200,000,000 was done within the period of a week, where thousands of families were made homeless and had to see their homes float down the river, where businesses were ruined and people bankrupted, where we stand in constant fear of this peril. We have had 75 floods in our district in the Ohio Valley within the last 50 years. They will continue, yet the gentleman from Arkansas wants to put it off for a longer period of time. It is unconscionable that this Congress should appropriate only $30,000,000. I venture to say there is no object for which the people of the country would be more eager to appropriate $100,000,000 than that of the control of floods. I trust that the Committee this afternoon will approve the substitute amendment appropriating $50,000,000 for flood control.

[Here the gavel fell.]

The CHAIRMAN. The question is on the substitute amendment offered by the gentleman from Colorado.

The question was taken; and on a division (demanded by Mr. MARTIN of Colorado) there were—ayes 21, noes 49.

So the amendment was rejected.

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from Pennsylvania [Mr. ELLENBOGEN].

The question was taken; and on a division (demanded by Mr. ELLENBOGEN) there were—ayes 17, noes 51.

So the amendment was rejected.

Mr. FERGUSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FERGUSON: Page 8, after line 13, insert a new paragraph, as follows:

"The act entitled 'An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes', approved June 22, 1936, is hereby amended by adding to the first paragraph of section 5, a proviso reading as follows:

" '*Provided further*, That the Secretary of War is authorized to receive from States, political subdivisions thereof, or other responsible local agencies, such funds as may be constributed by them to be expended in connection with funds appropriated by the United States for any authorized flood-control work whenever such work and expenditure may be considered by the Secretary of War, on recommendation of the Chief of Engineers, as advantageous in the public interest, and the plans for any reservoir project may, in the discretion of the Secretary of War, on recommendation of the Chief of Engineers, be modified to provide additional storage capacity for domestic water supply or other conservation storage, on condition that the cost of such increased storage capacity is contributed by local agencies and that the local agencies agree to utilize such additional storage capacity in a manner consistent with Federal uses and purposes: *And provided further*, That when contributions made by States, political subdivisions thereof, or other responsible local agencies, are in excess of the actual cost of the work contemplated and properly chargeable to such contributions, such excess contributions may, with the approval of the Secretary of War, be returned to the proper representatives of the contributing interest.' "

Mr. TABER. Mr. Chairman, I make a point of order against the amendment on the ground that it is legislation.

Mr. FERGUSON. Will the gentleman withhold his point of order?

The CHAIRMAN. The gentleman will state his point of order.

Mr. TABER. Mr. Chairman, it is legislation upon an appropriation bill and is not authorized by law.

The CHAIRMAN. Does the gentleman reserve his point of order?

Mr. TABER. No. I insist on my point of order.

The CHAIRMAN. Does the gentleman from Oklahoma desire to be heard?

Mr. FERGUSON. Mr. Chairman, may I say this amendment permits the Federal Government to accept contributions in the construction of projects authorized under the Copeland bill. There is some question whether the War Department can accept contributions, and in connection with one of these projects that will be constructed out of the appropriation carried in this bill the State of Oklahoma wants to contribute $2,000,000 toward the construction of the project.

This amendment would make it possible for the Secretary of War to accept the $2,000,000. I have here a letter from the Secretary of War stating his belief in the necessity of legislation in order that the Secretary of War may accept these funds.

In this time when we are looking toward State cooperation in the construction of public works I had hoped that no Member would make a point of order, but since the point of order has been made I may say it should not be sustained because this amendment does clarify the legislation under which the money will be expended as appropriated in this bill.

Since this amendment is so obviously necessary, and since it will not cost the Federal Government any additional funds, I can state to the Committee that every member of the subcommittee in charge of this bill, both Republicans and Democrats, and the chairman of the Appropriations Committee have told me they have no objections to the amendment and will accept it. In addition to that, I have discussed the amendment with the chairman of the Flood Control Committee, of which I am a member, and he has no objections to this amendment.

Since this is the legislative committee that will be affected, I cannot see how any Member of the House could fail to appreciate the necessity of this amendment.

I hope the gentleman from New York [Mr. TABER] will withdraw his point of order before this bill is returned to the House and allow the Committee to accept the amendment.

The CHAIRMAN. Clearly the amendment offered by the gentleman is legislation on an appropriation bill and, a point of order being made and insisted on, the Chair sustains the point of order.

Mr. FERGUSON. Mr. Chairman, I ask unanimous consent to revise and extend my own remarks in the RECORD and to include therein the letter to which I referred.

The CHAIRMAN. The gentleman will have to obtain that permission in the House.

The Clerk read as follows:

Flood control, Mississippi River and tributaries: For prosecuting work of flood control in accordance with the provisions of the Flood Control Act, approved May 15, 1928 (U. S. C., title 33, sec. 702a), as amended by the Flood Control Act approved June 15, 1936 (49 Stat. 1508), and for the purchase of motor-propelled passenger-carrying vehicles and motorboats, for official use, not to exceed $56,300, $22,500,000.

Mr. DIRKSEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am reluctant to trespass upon the time of the House at this late hour and yet I do wish to make an observation upon this matter of flood control as it affects the Illinois River.

I have the greatest respect for the Army engineers but that respect does not impel me to believe that they are infallible. I say this even though I am not an engineer myself. Too often laymen are inclined to accept the pronouncements of lawyers on the law or engineers upon engineering matters as the last and infallible word, and I do not subscribe to that viewpoint. There is, after all, much logic in the story of the flippant young man who was criticizing a painting without knowing that the artist stood right behind him. After listening for a bit, the artist upbraided him for his criticism and asked him how he knew the painting was defective when he was no artist. To that the flippant person said, "I'm no hen either, but I know when an egg is rotten." In that vein, may I say that I am no engineer but still presume to know when some things recommended by engineers are bad.

Under the Copeland Act of 1936 it was proposed, as a flood-control measure, that the levees along the Illinois be set back at an initial cost of $4,000,000. I am satisfied that before that job could be completed, it would cost more than $10,000,000. To me it appeared like a waste of the taxpayers' money because sooner or later, in order to provide adequate outdoor facilities and fishing and hunting privileges for the millions of folks in the State of Illinois, the areas enclosed by the levees which the engineers proposed to set back would have to be converted into hunting and fishing preserves and refuges. But the engineers proposed to proceed with the work.

I, for one, felt convinced that it would be a mistake and said so with whatever emphasis I could, and enlisted the interest of various agencies in the matter that no such setback program would be undertaken until the whole matter had been restudied and the people of Illinois given an opportunity to speak on this subject. After all, we still have some rights in this land.

Providing adequate fishing and hunting facilities for the people is much more than a mere fancy. If it is true that we are standing on the threshold of an age of leisure for our people, then there must be a constructive outlet for that leisure as a moral equivalent for work, and the most constructive and practical outlet for those energies can be found in outdoor pursuits.

I therefore felt that these bottom lands along the Illinois River must be taken over by purchase or abandonment and title vested in the people, for their perpetual use and enjoyment. At once, the drainage landowners were taking me to task and directing resolutions to the Army engineers and the Committee on Rivers and Harbors, to protest against such a proposal.

Let us then examine the premises in this matter. On page 298 of the hearings you will find the statement by Mr. Robert Kingery, chairman of the Illinois Planning Commission, in which he comments upon my proposal by saying that "a substantial acreage should be abandoned for agricultural use." Yet under the Copeland Act it was proposed to go ahead with an expensive program of setting back these levees.

On page 356 of the hearings you will find a statement from the letter of Dr. Frison, of the Natural History Survey of Illinois, to the effect that—

The reclamation of much of this bottom land was based upon the assumption that the land would produce more when devoted to an intensive type of agriculture. I believe I am correct in stating that there are few drainage districts in the area which have successfully proved this point.

Yet under the Copeland Act it is proposed to spend millions of public funds to set back the levees enclosing the areas alluded to.

Finally, if you will examine the tables on page 367 of the hearings, you will note the recommendations made by the Illinois Waterways Division as to whether these districts should share in emergency funds that had been appropriated by the Illinois Legislature.

Note the comments in this table on various districts. It states, for instance, that this district is "economically unsound." In that district "financially unsound." In another they say, "District should be abandoned for benefit of river." In still another case they say, "District has been refinanced by R. F. C. Cost of improvements entirely too high. Past history bad." Yet under the Copeland Act it is proposed to go blithely forward with public funds and set the levees back at terrific expense, when the whole areas should be abandoned and restored to wildlife.

What more is needed to indicate that the engineers too often see through engineering eyes alone, untempered by other considerations. And, if that be the case, we must exercise the greatest caution in blandly approving flood-control projects until the social and economic as well as the engineering aspects have been fully disclosed.

The Clerk read as follows:

For maintenance and operation of the Panama Canal: Salary of the Governor, $10,000; purchase, inspection, delivery, handling, and storing of materials, supplies, and equipment for issue to all departments of the Panama Canal, the Panama Railroad, other branches of the United States Government, and for authorized sales; payment in lump sums of not exceeding the amounts authorized by the Injury Compensation Act approved September 7, 1916 (U. S. C., title 5, sec. 793), to alien cripples who are now a charge upon the Panama Canal by reason of injuries sustained while employed in the construction of the Panama Canal; in all, $8,519,000, together with all moneys arising from the conduct of business operations authorized by the Panama Canal Act.

Mr. WHITTINGTON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, in order to keep the record straight, and referring to the remarks of the gentleman from Arkansas [Mr. MILLER], wherein he stated that one rule obtained with reference to flood-control work along the Mississippi River and another with reference to the Omnibus Control Act, I am sure the gentleman will correct his remarks in this respect because section 3 of the Omnibus Control Act is identical with section 8a of the Mississippi River Flood Control Act, both acts requiring local interests to furnish rights-of-way for levees and river walls. Both acts, with the two exceptions mentioned, require the local interests to provide rights-of-way and lands for reservoirs. In the Omnibus Flood Control Act there was a reservoir exempted that was started under the public works. In the Mississippi River Act there was a reservoir exempted that was started under the Public Works Administration. But with the exception of the large floodways, the provisions and the requirements of the two acts are not only similar but they are identical and the same yardstick applies to both. I did not want the occasion to pass here without the Congress and the country knowing that there is no conflict between the two acts with respect to local contribution, and that

the requirement of both acts as to levees, river walls, and reservoirs is the same. The same yardstick applies in the two acts.

The pro-forma amendment was withdrawn.

The Clerk read as follows:

For civil government of the Panama Canal and Canal Zone, including gratuities and necessary clothing for indigent discharged prisoners, $1,131,760.

Mr. FERGUSON. Mr. Chairman, I ask unanimous consent to return to page 8, line 9, for the purpose of offering the amendment which I have heretofore submitted.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. FERGUSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FERGUSON: Page 8, after line 13, insert as a new paragraph:

"The act entitled 'An act authorizing the construction of certain public works on rivers and harbors for flood control and for other purposes,' approved June 22, 1936, is hereby amended by adding to the first paragraph of section 5, a proviso reading as follows:

"'*Provided further*, That the Secretary of War is authorized to receive from States, political subdivisions thereof, or other responsible local agencies, such funds as may be contributed by them to be expended in connection with funds appropriated by the United States for any authorized flood-control work whenever such work and expenditure may be considered by the Secretary of War, on recommendation of the Chief of Engineers, as advantageous in the public interest, and the plans for any reservoir project may, in the discretion of the Secretary of War, on recommendation of the Chief of Engineers, be modified to provide additional storage capacity for domestic water supply or other conservation storage, on condition that the cost of such increased storage capacity is contributed by local agencies and that the local agencies agree to utilize such additional storage capacity in a manner consistent with Federal uses and purposes: *And provided further*, That when contributions made by States, political subdivisions thereof, or other responsible local agencies, are in excess of the actual cost of the work contemplated and properly chargeable to such excess contributions may, with the approval of the Secretary of War, be returned to the proper representative of the contributing interests.'"

The amendment was agreed to.

Mr. SNYDER of Pennsylvania. Mr. Chairman, does this go back to the original amendment that the gentleman from Oklahoma offered? May I inquire as to what took place in the meantime? I thought the gentleman from New York made a point of order against it.

The Clerk concluded the reading of the bill.

Mr. SNYDER of Pennsylvania. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House, with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly, the Committee rose, and the Speaker having resumed the chair, Mr. MCCORMACK, Chairman of the Committee of the Whole House on the state of the Union, reported that the Committee, having had under consideration the bill H. R. 7493, had directed him to report the same back to the House, with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

Mr. SNYDER of Pennsylvania. Mr. Speaker, I move the previous question on the bill and amendment to final passage.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. TABER. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. TABER. I am, Mr. Speaker.

The SPEAKER. The gentleman qualifies. The Clerk will report the motion.

The Clerk read as follows:

Mr. TABER moves to recommit the bill to the Committee on Appropriations with instructions to that committee to report the same back forthwith with a reduction of 10 percent in the total amount.

Mr. SNYDER of Pennsylvania. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The question was taken and the bill was passed, and a motion to reconsider was laid on the table.

THREE HUNDRED AND FIFTIETH ANNIVERSARY OF THE BIRTH OF VIRGINIA DARE

Mr. WARREN. Mr. Speaker, I offer a House concurrent resolution, and ask unanimous consent for its immediate consideration.

The Clerk read as follows:

House Concurrent Resolution 17

Resolved by the House of Representatives (the Senate concurring), That a joint committee consisting of five Members of the Senate, to be appointed by the President of the Senate, and five Members of the House of Representatives, to be appointed by the Speaker of the House of Representatives, shall represent the Congress of the United States at the celebration of the three hundred and fiftieth anniversary of the birth of Virginia Dare (the first child of English parentage to be born on the American Continent), and the three hundred and fiftieth anniversary of the disappearance of Sir Walter Raleigh's Colony (known in history as "The Lost Colony"), to be held at Roanoke Island, North Carolina, on August 18, 1937. The joint committee shall select a chairman from among its members.

SEC. 2. The necessary expenses of the joint committee herein authorized not exceeding $1,000, shall be paid one-half out of the contingent fund of the Senate and one-half out of the contingent fund of the House of Representatives on vouchers authorized by the joint committee and signed by the chairman thereof.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. RICH. Mr. Speaker, reserving the right to object, and I certainly shall not object, I hope that when the members of the committee which will be appointed go down to North Carolina they will invite us all to go fishing down there.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. SNYDER of Pennsylvania. Mr. Speaker, I ask unanimous consent that all Members who have talked on the bill (H. R. 7493), making appropriations for the fiscal year ending June 30, 1938, for civil functions administered by the War Department, and for other purposes, may have five legislative days within which to revise and extend their own remarks in the RECORD on that subject.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. JOHNSON of Oklahoma. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

Mr. RICH. Mr. Speaker, reserving the right to object, I would like to know when the special orders are coming up today.

The SPEAKER. The legislative business has been concluded. If there is objection to the request of the gentleman from Oklahoma, the special orders will be called.

Mr. RICH. I certainly would not object to the request of the gentleman from Oklahoma, but I have been trying for 2 weeks to get 15 minutes. I just wondered when the

Speaker of the House and the majority leader were going to give us that time.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

FARM-TENANT LEGISLATION

Mr. JOHNSON of Oklahoma. Mr. Speaker, I have asked for this brief time to announce that the Democratic steering committee of the House has had a rather lengthy session this afternoon. The meeting was called primarily for the purpose of discussing the proposed farm-tenant legislation now pending in both Houses of Congress.

Hon. Marvin Jones, chairman of the Committee on Agriculture of the House and author of the Jones farm-tenant bill that has been reported out of the Committee on Agriculture, was invited to appear before the committee and explain the salient features of his bill.

The committee also invited Hon. JOHN H. BANKHEAD, author of the Bankhead farm-tenant bill now being considered before the Senate committee. Both of these distinguished gentlemen appeared before our committee this afternoon and explained in some detail the provisions of these measures of so vital importance to the landless farmers of the country.

Although it has been generally assumed that a wide difference of opinion exists between these two distinguished leaders who are sponsoring this important legislation, the committee found this to be untrue. The committee found, I am glad to say, that the opposite is true. Both Congressman JONES and Senator BANKHEAD showed a cooperative spirit and assured the committee that they are anxious that this legislation pass during the present session of Congress.

After hearing both gentlemen discuss the merits of their respective bills and after members of the committee discussed the entire subject of this legislation at some length, the committee went on record unanimously favoring such legislation and urging that a farm-tenant measure be enacted at the present session of Congress. The House steering committee pledges its loyal and enthusiastic support to this legislation of so vital importance to the farmers of the Nation.

It will be recalled that in the last session there were hearings on this legislation before the Committee on Agriculture of the House, as well as before the Senate committee. There was much sentiment and agitation in both Houses of Congress for the passage of such a bill during the last session of Congress, but because of the fact that the committees having jurisdiction over same in the House and Senate could not agree upon the details of a bill no farm-tenant legislation was had, and we went home empty-handed so far as our long-suffering landless farmers are concerned.

The purpose of the meeting of the Democratic steering committee of the House this afternoon and in inviting the two leaders of this movement in Congress to appear was to see if there could not be worked out a compromise or at least an agreeemnt that this Congress will not adjourn without keeping faith with the people in the passage of this all-important legislation. I feel hopeful that the meeting of our committee today has been a turning point in the fight to enact farm-tenant legislation during the present session of Congress and that the giant obstacles that we have heard so much about were not mountains but mere molehills. As chairman of the Democratic steering committee of the House, I desire here and now to pledge Chairman JONES, who has rendered invaluable service in his efforts to promote this constructive and humane legislation, our united and enthusiastic support.

It is needless for me to say, Mr. Speaker, that we will never be able to have a happy, prosperous Nation until we become a Nation of home owners. The gradual increase of farm tenantry, especially throughout the South, over a long period of years, has become alarming. The fact that 60 to 75 percent of the farmers of the South, through no fault of their own, do not own the farms on which they manage some way to exist, is appalling. Under present conditions, prices of farm commodities, high interest rates, and the impossibility of borrowing money make it practically impossible for them to become home owners. This situation is constantly growing worse. It is causing the development of a roving population who do not know one year where they will be the next. It has the effect of breaking up home ties, of interfering with school work of children, and of demoralizing the hundreds of thousands of landless farmers who are eking out a bare existence. This growing army of homeless people have a right to live under their own roofs, sit by their own firesides, and become permanent citizens of the communities in which they reside. [Applause.]

It will be recalled that the last national Democratic convention went on record pledging the country, if retained in power, that this legislation would be enacted. The farm-tenancy problem was an issue in the campaign. President Roosevelt in more than one speech pledged himself and his administration to this legislation. During his first administration he appointed a committee to go into the study of this important problem facing us, and the country was assured over and over that a farm-tenant bill would be enacted into law. Only a few days ago the President gave out a statement to the effect that he still desires Congress to keep faith with the landless farmers of America, and I just want to say that Congress cannot afford to adjourn and go home without at least making a start on this important program.

At a future date I expect to address the House on the details of this legislation. Neither the bill in the House nor that before the Committee on Agriculture and Forestry in the Senate is entirely satisfactory to me, and I reserve the privileges of offering suggestions and proposing amendments to either bill when it reaches the floor of the House. But I do want to impress upon Members the importance of the early consideration of this measure, and I sincerely hope that Chairman JONES, who has been diligent, patient, and enthusiastic in his support of this legislation will be able to get a rule at an early date for the consideration of his bill now on the House calendar. [Applause.]

CONSERVATION CORPS

Mr. RAMSPECK submitted a conference report and statement on the bill (H. R. 6551) to create a Civilian Conservation Corps, and for other purposes.

EXTENSION OF REMARKS

Mr. LEAVY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the subject of national old-age pensions.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

OFFICIAL PAPERS OF THE TERRITORIES OF THE UNITED STATES

Mr. LAMBETH. Mr. Speaker, I ask unanimous consent to file a supplemental report from the Joint Committee on Printing on the bill (S. 2242) to further amend the act entitled "An act to authorize the collection and editing of official papers of the Territories of the United States now in The National Archives", approved March 3, 1925, as amended.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

EXTENSION OF REMARKS

Mr. TABER. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made this afternoon and to include therein a table showing appropriations to this date and comparative tables for last year.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. COLDEN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a very brief quotation.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mrs. O'DAY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to insert therein a speech made by the Postmaster General at a women's dinner last week in Syracuse, N. Y.

The SPEAKER. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Mr. FERGUSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a letter from the Secretary of War.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. DICKSTEIN. Mr. Speaker, under a special order of the House, I had permission to address the House tonight for 15 minutes. I think the time is too late, and I do not want to penalize the Members of the House by sitting here any further, and I ask unanimous consent that after disposition of the business on the Speaker's table and the business of Calendar Wednesday I may address the House for 15 minutes tomorrow.

The SPEAKER. The Chair may state to the gentleman from New York that it is not probable the House will be in session very long tomorrow.

Mr. DICKSTEIN. In view of the circumstances, Mr. Speaker, I withdraw the request.

The SPEAKER. Under the previous order of the House, the gentleman from Pennsylvania [Mr. RICH] is recognized for 15 minutes.

Mr. RICH. Mr. Speaker, according to my watch it is now after 6 o'clock and I am certainly not going to impose upon the membership of the House at this time, but I am going to ask, Mr. Speaker, that next Monday, after the reading of the Journal and the disposition of business on the Speaker's table, and when the majority leader and the Speaker of the House see fit to give me 15 minutes, if it is prior to 6 o'clock, I may have that much time to address the House.

The SPEAKER. The Chair will state that so far as the Chair is concerned, that is a matter that is not within his control.

The gentleman from Pennsylvania asks unanimous consent that on Monday next, after the disposition of the legislative business of that day, he may be permitted to address the House for 15 minutes. Is there objection?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that immediately following the special order of the gentleman from Pennsylvania, Mr. Rich, I may be permitted to address the House for 15 minutes.

Mr. RICH. Mr. Speaker, reserving the right to object, and I shall not object, I may say to the membership of the House that I have a proposition to submit to the House about the Post Office Department——

Mr. McCORMACK. Mr. Speaker, I demand the regular order.

Mr. RICH. The gentleman from Massachusetts has been after me for 3 weeks because he wants to follow me and I am pleased to have him do it.

The SPEAKER. The regular order is demanded. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER. The gentleman from Massachusetts, under a previous order of the House heretofore entered, is entitled to recognition for 15 minutes. The gentleman from Massachusetts has indicated he does not desire recognition at this time.

The gentleman from Florida [Mr. GREEN], under a previous order of the House, is entitled to recognition for 30 minutes.

Mr. GREEN. Mr. Speaker and Members of the House: In the short while allotted to me this afternoon, 30 minutes, it would be impossible for me to answer questions of my colleagues and at the same time place before you the information which is desired; therefore, I request that I not be interrupted during the course of my remarks. At a future date, it is my intention to again address you on the subject of the Florida canal at which time it will be a pleasure to yield to my colleagues for questions.

On the evening of the 12th of this month I talked to the American people on this subject. This speech was broadcast over the National Broadcasting System, from Station WMAL, Washington, D. C. I shall print it in my remarks today and ask my colleagues to read it.

Now, Mr. Speaker, I desire to call to the attention of the House the present status of the Florida canal. It is not my intention to discuss this subject at length at this time, but I do feel that it is appropriate that your attention be directed to the fact that this project, pursuant to the Rivers and Harbors Act of 1930, has now been examined and surveyed by the Chief of Engineers as a river and harbor item, and that the Chief of Engineers, through the Secretary of War, has made his report to the Congress, under date of April 1, 1937. In that report, the Chief of Engineers finds that the project is economically justified and recommends its completion.

In accordance with the regular procedure followed by all river and harbor projects, this matter was referred to the Rivers and Harbors Committee, and that committee has held exhaustive and lengthy hearings and has made an unusually thorough examination of this great public work, covering all its phases.

The committee held hearings for more than 21 days, during which it heard the Chief of Engineers and officers of the Corps, the Chief of the United States Geological Survey, and a large number of other witnesses, including a number who offered objections to the construction of the canal.

The committee has completed its work, and has reported its findings to the House, recommending the authorization of this project. The committee report states:

> Your committee recommends that its completion be now authorized.
>
> In conclusion it may be said that your committee, after an unusually extensive examination of all phases of this project, concludes that the opposition is not well founded; that the project is of unusual merit; that its economic justification is beyond question; that its benefits will increase with time and will accrue to a larger portion of our country and its population than those of almost any other Federal public work; and that its construction is needful and in the public interest.

I very earnestly wish every Member of the House to know that this committee report has been made and is now available for examination and study, and I trust the Members of the House will carefully examine it and learn for themselves the reasons why the committee has arrived at these conclusions and made this recommendation. At another time I shall seek an opportunity to speak again of this project in more detail, and I feel that if, during the interim, the House will inform itself from the report of its own committee as to the facts, we shall all be in a better position to discuss and act upon it.

I do want to point out at this time, however, two things: First, this House has, in the past, insisted that this project, in common with all other river and harbor projects, should proceed in an orderly fashion through a due course of processing before being taken up for action by the House. In other words, that it should appear here in the course of regular and orderly legislative procedure. Many Members of the House, in the past, both explicitly and implicitly, have taken the attitude that they would not object to the Florida canal in principle if it could be proven to be economically justified and in the public interest, but that it must first be submitted to the processing of the regular legislative machinery. Now, all this has been done. The project has been completely processed in the regular way, and when it comes up for discussion and action, it will stand upon the same basis as any other river and harbor project. It will not be necessary for the House to consider and base its action upon ex-parte statements, but the House will have before it, for its information, the report of the Chief of Engineers and the report and recommendation of the Rivers and Harbors Committee.

The second item which I desire to point out to the House today is the fact that what is being sought at the present time is nothing more than an authorization by Congress of the completion of this work, now declared by your committee to be needful and in the public interest, and upon which millions of dollars of Federal funds have already been expended through the Secretary of War and the Chief of Engineers in getting it well under way. No appropriation is sought at this time, but when the appropriations are sought, they can be made to conform to the financial situation and the spending policy of the Government at the time. Your committee has plainly stated in its report its opinion that the authorization of this project at the present time is in entire accord with a sound fiscal policy. It will take a number of years for actual construction of the canal, and the rate of construction and rate of spending is a matter which we can determine in the light of conditions from time to time.

I should like to make it plain to everyone just what this project is and what it is designed to accomplish. On this point the committee sets forth in its report the following:

This project is designed primarily to facilitate, safeguard, and cheapen the commerce between the Mississippi Valley and Gulf States on the one hand and the States of the Atlantic seaboard on the other, and to serve as an important element in the national defense by safeguarding the transportation of water-borne troops, munitions, and supplies in time of war, and to serve as a connecting link between the intracoastal waterway system of the Atlantic seaboard and that of the Gulf of Mexico.

As a barge canal, to serve the last-named purpose, the project has been the subject of surveys and examinations by the Corps of Engineers from time to time over a period of more than 100 years. As a ship canal it has been under examination and survey over the past 10 years.

A comprehensive report of the Chief of Engineers upon the matter has been submitted by the Secretary of War to the Congress, under date of April 1, 1937 (H. Doc. No. 194, 75th Cong., 1st sess.), in which he finds the project to be economically justified and recommends its construction. Your committee is of the opinion that few, if any, river and harbor projects have ever been accorded more exhaustive study and discussion.

Your committee held public hearings on this project over a period of approximately 3 weeks, at which there appeared the Chief of Engineers and other Army engineer officers, representatives of the United States Geological Survey, Representatives in Congress from the State of Florida, and numerous proponents and opponents of the project.

Your committee also received and considered in executive session communications regarding the national-defense value of the project from the Secretary of War and the Secretary of the Navy, and oral testimony on the same phase of the matter by Gen. Charles P. Summerall, United States Army, retired, former Chief of Staff of the Army, and Rear Admiral F. B. Bassett, United States Navy, retired, former Chief Hydrographer of the Navy.

I think it is important that we review the history of the Florida canal so that we may be entirely familiar with just what has happened in this matter to date.

When I came to the Congress 13 years ago, I then firmly believed in this project. I introduced a resolution for the preliminary survey of this project. This was included in the 1927 rivers and harbors bill and became a law. Later I introduced a bill for detailed physical survey of this project. It was included in the 1930 Rivers and Harbors Act and became a law. H. R. 6150, introduced by me at the present session, is the subject of the report before us now. Based upon this legislation, surveys leading to the report before us were made; however, I cannot do better than quote the statement of the committee on this point, which is as follows:

(1) History of the project: In compliance with the provisions of the River and Harbor Acts approved January 21, 1927, and July 3, 1930, and upon the recommendation of the Board of Engineers for Rivers and Harbors, the Chief of Engineers ordered a survey of the project as a ship canal by a special board of Army engineers on January 25, 1932.

A preliminary report of this special board was made under date of June 3, 1933, and made available to the Federal Administration of Public Works which had under consideration at that time an application from the Ship Canal Authority of the State of Florida to construct the canal as a Federal project by means of a loan and grant from that agency. This preliminary report of the special board and the report of the Engineering Division of the Administration of Public Works dealt with the project as a lock canal. The Engineering Division of the Administration of Public Works, under date of October 19, 1933, made a report finding "that the project covered herein constitutes a public necessity and is of real social value * * * that the project is economically sound. It is recommended that the loan, with or without the grant, be made."

In December 1933 the special board of Army engineers made its report, finding that while the benefits of a lock canal would be great and far reaching, these were not sufficient to justify the cost of a canal of that type.

To review these two reports and to make such further independent study of the project as it might deem proper, the President caused to be appointed an interdepartmental board of review consisting of two engineers representing the Administration of Public Works, two Army Engineer officers representing the War Department, and a fifth engineer, from civil life, selected by the other four. This board, in its reports under date of June 28, 1934, and September 15, 1934, respectively, recommended for the consideration of the President a sea-level canal as being economically justified by its benefits to the Nation, but advising him that it did not appear that cash tolls could be collected from shipping using the canal to an extent beyond 40 percent of the actual transportation savings, and that the amount represented by this 40 percent would not form a satisfactory basis for liquidating a construction loan.

Under date of August 30, 1935, acting with the authority vested in him by the Emergency Relief Appropriation Act of 1935, the President authorized the sea-level project recommended by the interdepartmental board and allocated toward its construction $5,000,000. Proceeding under this authorization and allotment and two subsequent allotments of $200,000 each, the Secretary of War, through the Chief of Engineers, began the work of construction, which was continued until the exhaustion of funds in the summer of 1936, by which time there had been completed the excavation of approximately 13,000,000 cubic yards of material, the clearing of about 4,700 acres of right-of-way, the partial construction of one of the bridges, and the provision of shelter for the force engaged on the work.

To cooperate with the Federal Government, the State of Florida, by an act of its legislature, has created the Ship Canal Navigation District with power to issue bonds in the amount of $1,500,000 and to levy taxes for the payment of the same for the purpose of acquiring and donating to the Federal Government all necessary rights-of-way. These bonds and taxes have been voted by the freeholders of the district. A large portion of the bonds have been sold and the proceeds used to convey many thousand acres of right-of-way to the Federal Government.

The State road department has undertaken the obligation of maintaining all highway bridges crossing the canal.

On April 16, 1936, the Chief of Engineers appointed a special revisory board of Army engineer officers for the purpose of reviewing all previous reports and for making such further studies as might appear requisite or desirable. This revisory board reported under date of November 1, 1936—

"That the benefits to the general public that may be expected from the construction of a sea-level ship canal across Florida, with adequate dimensions and facilities, are fully commensurate with the expenditures involved, and that material collateral damages to agriculture, forestry, and water supply will not result from its construction."

That board recommended the completion of the project with a minimum depth of 33 feet and a minimum width of 250 feet.

The Board of Engineers for Rivers and Harbors reviewed this report and, under date of February 24, 1937, reported to the Chief of Engineers that the canal should have a minimum depth of 35 feet and a minimum width of 400 feet, with a width of 600 feet throughout a large part of its length. This Board based the estimated benefits of the project upon the existing traffic of 1935 without reference to probable future growth. Upon such a basis, it found that the cost of a canal with the greater widths and depths which it adopted was disproportionate to its benefits. The senior member of the Board of Engineers for Rivers and Harbors, Brig. Gen. George B. Pillsbury, being called before the committee, stated that there is no material difference between the views of the Board and those reported by the Chief of Engineers so far as the great economic value of the project is concerned; that due to the tremendous traffic anticipated, the Board had thought it better to construct the canal at the outset of somewhat larger dimensions than those finally decided upon by the Chief of Engineers as being adequate; that, allowance being made for the lower cost of the lesser dimensions and for the traffic growth reasonably to be anticipated, the project is fully justified.

The Chief of Engineers reviewed all the previous reports, including the report of the revisory board and the report of the Board of Engineers for Rivers and Harbors. His report, under date of April 1, 1937, was transmitted to the Congress by the Secretary of War, under date of April 3, 1937 (H. Doc. 194). The Chief of Engineers finds that a canal with a minimum depth of 33 feet and a width of 400 feet throughout, at an estimated cost of $197,921,000, will be ample to meet the traffic requirements; that the existing traffic which will use the canal is more than twice that passing through the Panama Canal or Suez Canals; and that the transportation benefits to be derived fully justify the canal on the basis of this existing traffic, with a continuously increasing justification in step with future traffic growth. He recommends completion of the project of the dimensions last stated.

One of the phases of every project, and especially projects of great magnitude which it is always helpful to scrutinize, is the public demand for it. I think that the taxpayer, and

the people of this country generally, may well be consulted. The following is what the committee finds with regard to this important aspect:

(2) Public demand for the project: Evidence submitted to your committee shows a widespread public support for the project. This includes the endorsement of the Governors of a large number of States, representatives of organized labor, civic and commercial bodies, and national associations, especially those located in or representing the Mississippi Valley and Gulf States and those on the Atlantic seaboard. The evidence also includes objections to the project from some communities in southern Florida, from a number of railroads, and from certain shipping companies, as well as from organizations interested in wildlife and ecology. With the exception of the railroad and steamship companies, these objections are stated to be based solely upon a fear that the construction of the canal will damage agriculture, plant, and bird life of Florida through overdrainage of its fresh-water supply.

The project is actively supported by an official act of the Legislature of the State of Florida, the Governor, both Senators, and three out of five Representatives from that State, including the Representatives from the districts through which the canal runs. The Secretary of the Navy has advised the committee that the project will be of material aid in the national defense.

Few people realize the tremendous area of the territory which will be benefited by the canal. In its report the committee states:

(3) Tributary area: Evidence submitted to your committee and the report of the revisory board show that—

"the area within the United States which should benefit directly by reduced transportation costs if the canal is constructed extends along the Atlantic and Gulf coasts and well into the interior, especially in the Central and Southwestern States. This area includes about 45 percent of continental United States, with 74 percent of the population." * * *

It is not probable that any such distribution of benefits over the Nation as a whole can be shown by any other Federal project.

Just as the territory served by the canal is great, so are its benefits of tremendous size and importance to this country, not only in dollars and cents, but in indirect collateral benefits which are incalculable but nevertheless real. The committee finds:

(4) Benefits: The Chief of Engineers reports that the direct annual benefits of the canal to traffic existing in 1935, had the project been completed at that time, would have been $8,741,000. He states:

"The great development in the Gulf States in recent years is certain to continue for many years to come, with a considerable, though necessarily indeterminable, expansion of general commerce between the Gulf and Atlantic seaboards. While the oil movement may approximately stabilize in the next several decades, I believe that a sustained and substantial increase in the general commercial use of the canal is a safe anticipation."

Evidence submitted to your committee affords ample foundation for the conclusion that the above statement of direct annual benefits is highly conservative, and that it will substantially increase from year to year over a long period. In addition to these direct benefits, there are undoubtedly collateral benefits which give additional value to the project. Among these are the stimulation of trade, the exchange of commodities which do not move at present because of uneconomic transportational facilities, and a very great and real value in the increased safety to life and property afforded by ship transit by way of this protected route, as opposed to exposure to the extreme seasonal hazards incident to violent hurricanes in the Straits of Florida. By connecting the intracoastal canal system of the Atlantic seaboard and that of the Gulf of Mexico, upon each of which many millions of dollars have been expended by the Federal Government, this canal will serve to complete these systems and substantially enhance the value of both.

There has been a great deal of discussion of the cost of this project. The Chief of Engineers has stated that the estimate of the cost of this project, because of the very simple nature of the work involved, renders the figures more than usually safe and prudent. With regard to this point, the committee finds as follows:

(5) Cost estimates: The Chief of Engineers has stated to your committee that he believes his estimates of cost to be prudent and conservative. He has shown that they include unusual margins of safety, and are based upon extensive experience and cost records related to similar work; that the project involves no new or untried types of operation, construction, or equipment; and that the conditions obtaining and the very nature of the project are such as to lend an increased margin of safety to these estimates.

There is one point which I desire to stress at length. That is the fact developed by the Chief of Engineers and concurred in by your committee, that the Florida canal is not only economically justified by all the tests which are usually applied to river and harbor projects, but that it is justified to an unusual degree. It is not only just a good project and a justifiable project, but it is in the very highest bracket of projects which pay large dividends in public service. The committee report states:

(6) Relative economic value: The Chief of Engineers has stated to your committee that the reasonably to be anticipated annual minimum direct benefits of this project to shipping at the time of its opening will be $10,447,000, or something over 5 percent on its cost, and that these direct benefits will increase with the years. Offsetting these minimum annual benefits, the Chief of Engineers estimates a total annual charge, including interest (at 3½ percent), operation, maintenance, and depreciation, of $8,641,000, or an annual surplus beginning with $1,806,000 and increasing yearly thereafter. He has also stated that the entire cost of the project, with interest, will in all probability be repaid to the Federal Government by transportation benefits in less than 36 years, and possibly within a substantially shorter period. The relative economic value of this canal is seen to be great when compared with that of many worthy and justifiable river and harbor projects heretofore constructed at Federal expense. The initial ratio of annual charges to annual benefits of certain of these as compared with this canal are shown, as follows:

Name of project and ratio of annual charges to annual benefits

Atlantic-Gulf Ship Canal	1 to 1.21
Delaware River (Philadelphia-Trenton)	1 to 1.20
Delaware and Chesapeake Canal	1 to 1.05
Upper Mississippi River improvements	1 to 1.01
Missouri River	1 to 1.00

One phase of this project which merits special consideration from Congress is its tremendous value in the national defense. Gen. Charles P. Summerall, former Chief of Staff of the United States Army, has stated that the national-defense value alone would entirely justify the building of this project by the Federal Government. A little consideration by those who are acquainted by experience with the tremendous difficulties we had with transportation during the World War will convince them that this is true. On this point the committee finds:

(7) Value to the national defense: In the event of war, with the theater of operations on either the Atlantic or Pacific coast, transportation problems of the Nation would involve the transport of immense quantities of troops, munitions, raw materials, and supplies from the region between the Alleghenies and the Rockies to either or both coasts. The experience in this regard of our World War participation demonstrates that peacetime facilities and equipment of the railroads cannot adequately meet such a demand, and that a large part of this movement must necessarily be by water. The committee has had evidence presented to it which demonstrates conclusively that as a protected route for the movement of troops, munitions, and supplies between the Gulf of Mexico and the Atlantic seaboard, and as a safe alternate route to the Panama Canal, compared with the potentially hazardous route via the Windward Passage, ordinarily used, the Atlantic-Gulf ship canal will serve as a major element of national defense in time of war.

Now, I desire to say a word with regard to the opposition to this project. Every Member of this House knows that there has never been a great river and harbor project designed to facilitate water transportation and thereby to reduce freight rates, that has not been constantly and violently opposed by the railroads and the established shipping interests. The Florida canal has been no exception to this. The railroads and the great oil companies and their associated interests have bitterly contested the Florida canal from its inception. The very magnitude and intensity of their effort should be proof enough to Congress that the Florida canal will bring about tremendous and far-reaching economies in transportation—economies which are not desired by these opposing interests.

Working through every possible private and public source at their command they have attempted, and no doubt will continue to attempt, to coax Congress and the people of the United States away from this idea. But, fortunately, the examination by the War Department and the examination by the Rivers and Harbors Committee has stripped from the face of this opposition the veil of pretended public interest, and it stands revealed for what it is, that is, the same reactionary and selfish corporate interests which have always set themselves against great public works. They have never hesitated to use false propaganda and misstatements, and they have endeavored by a campaign of fear to frighten the people away from this great undertaking. But, fortunately for the public interest and for the Congress, the Rivers and Harbors Committee has been able to deal ex-

haustively and dispassionately with this phase of the project, and has rendered, in detail, its opinion which I commend to the attention of every Member of this House. In its report the committee states:

8. Opposition to the project: Opponents of the project have, by appearance before your committe and by testimony submitted in writing, presented argument and views in opposition to those of the Chief of Engineers and other authorities recommending construction of the canal. Nine days of hearings were occupied in taking opposition testimony, to which your committee has given careful consideration. The opposition may be generally divided into two groups: Certain railway and steamship operators, and certain communities in southern Florida. Among the railroad companies which oppose the project are the Atlantic Coast Line Railroad, the Seaboard Air Line Railway Co., the Florida East Coast Railway Co., and the Southern Railway System. The Association of American Railroads also made appearance in opposition. No steamship-operating companies were represented at the hearings, but letters and comments filed with the committee indicate a measure of opposition, including that of the Standard Oil Co. of New Jersey, the Socony-Vacuum Oil Co., and the Standard Vacuum Transportation Co. Communities of southern Florida in opposition included Bradenton, Fort Myers, and Miami. All opposing witnesses from the State represented communities distant 50 miles or more south from the canal. In addition to the opposition indicated, your committee heard protesting argument by a representative of the National Association of Audubon Societies. The Honorable J. HARDIN PETERSON, Member of Congress, representing the First District of Florida, appeared in opposition.

The principal arguments raised in opposition to the project may be listed as follows:

(a) That the estimated benefits of the project are more theoretical than real.

The assertion was made that the loss of time to ships because of the alleged necessity for slow speed in the canal, and the ordinary hazards incident to navigation of restricted waters, would more than offset the saving in time estimated by the Chief of Engineers. It was also argued that certain minor items of benefit to local commerce, as well as certain items of through commerce, credited to the project by the revisory board of Army Engineers, would not materialize. Your committee has carefully considered these questions and concludes that the evidence submitted by the Chief of Engineers and the Army Engineer boards, and by navigation experts, prove the objections cited to be not well founded.

(b) That the Chief of Engineers' estimate of traffic which will transit the canal is too great; that, in fact, many ships will not use the canal.

There are in evidence before your committee letters from a number of steamship companies which indicate that they would not use this waterway. On the other hand, there are, in a number of cases, letters from the same companies, written at a different date, stating that they would use the canal with substantial savings. In view of the fact that manifestly the canal will shorten the distance between Gulf and Atlantic ports by approximately 400 miles, and in view of the testimony presented by the Chief of Engineers and the Board of Engineers for Rivers and Harbors, and by navigation experts, that the canal will afford an unusually expeditious, safe, and convenient waterway for practically all vessels sailing to and from the Gulf of Mexico, your committee finds it impossible to agree with the nonuse theory, and concludes that the estimates of traffic of the Chief of Engineers are conservative, representing probably a minimum of commerce which would benefit by the project.

(c) Witnesses in opposition have argued that, regardless of the existing traffic available to the canal, that because of the present preponderance of petroleum cargoes in that traffic, it will tend to substantially decline with the passage of time due to the alleged approaching exhaustion of petroleum reserves.

Evidence submitted by the Chief of Engineers and petroleum experts indicates that there is no reason to expect even a stabilization of this petroleum movement for many years to come, and that regardless of this commerce, the general factors operating to increase the population and the growth of industry, agriculture, and general commerce in the territory tributary to the canal, are such that every reasonable expectation points to a gradual increase of the total canal traffic over an indefinite period of years. Your committee, therefore, concludes that this traffic is a growing one and that anticipations based upon a prudent assumption of the rate of such growth, as stated by the Chief of Engineers, form a safe premise from which to judge the benefits of the undertaking.

(d) That in the future the speed of ships will be so much greater than at present, that savings due to the shortened distance afforded by the canal will materially shrink, when, and if, that situation should obtain.

Your committee has given careful consideration to this point and finds that the evidence submitted by the Chief of Engineers and other Army Engineer officers, and by marine architects and navigation experts, shows clearly three things: First, that it is practically certain that, due to the very great increase in cost of constructing and operating higher-speed ships, a balance has possibly already been struck; second, that, granting the contrary, the value of time saved will be enhanced to such a degree that even in the case of faster ships, the savings afforded by the canal would still cause it to be generally used; third, that, over a long period of years, there appears no reasonable probability that the average speed of the fleet conveying the commerce under consideration will increase sufficiently to materially lessen the savings afforded by the canal, and that, in any event, the growth of the volume of this traffic will much more than offset any decrease in savings which might result from this factor.

(e) That cost estimates of the project are too low.

It was contended by certain witnesses in opposition that the Chief of Engineers has erred in his estimates of cost, and that the project, as planned by him, would actually cost much more than the total of his estimate. The Chief of Engineers, the Assistant Chief of Engineers, Lt. Col. Brehon B. Somervell (in charge of the construction work), and other engineering authorities developed in great detail this phase of the project before your committee. Their evidence shows clearly that the estimates under consideration are based upon extensive experience and proven methods and machines; that they involve no hypothetical consideration, and that they include unusual margins of safety. Your committee concludes that the estimate submitted by the Chief of Engineers is soundly and prudently developed and represents a maximum of cost.

(f) That hazards to navigation afforded by the canal are too great.

This point was presented in argument by opposition witnesses. Your committee finds no supporting evidence. On the other hand, the testimony of the Chief of Engineers and other Army engineer officers, pilots, and navigation experts, is unanimous to the effect that the project, as planned and recommended by the Chief of Engineers, is not only free from all but the normal hazards to navigation but, compared with other canals and waterways now in use throughout the world, will be conspicuous for its safety and convenience.

(g) That the construction of the canal will be injurious to the agriculture and plant life of Florida through adverse effects on the underground fresh-water supply of the State.

Exhaustive hearings were held by your committee as to this important matter, during which those holding this view developed at great length and detail their argument to support it. Likewise, the Chief of Engineers, the officers of the corps, and their associated geological and engineering experts, demonstrated the facts and reasons upon which the Chief of Engineers has reported that he is "of the opinion that a sea-level canal will not to any consequential, or vitiative, degree influence the ground-water levels of the State, or result in serious intrusion of salt water." Among these were Mr. Sidney Page, formerly Chief of the Division of Geology of the United States Geological Survey, and Mr. Malcolm Pirnie, water-resources expert for numerous municipalities of central and southern Florida, both of whom, it was shown, had conducted an intensive study of this question extending over more than 3 years. These witnesses presented convincing evidence of facts which preclude the possibility of any damage whatever to either the water resources or the agriculture of any part of the State of Florida resulting from the construction of the canal at sea level. Mr. Page stated:

"There is nothing mysterious about the ground water of Florida and nothing mysterious as to what will happen when a sea-level canal is constructed * * *.

"The long-continued and excellent work of the United States Geological Survey, coupled with the intensive work and special investigation of the Army engineers, has made possible the delineation on the map of the extent and nature of the underground reservoir. * * *.

"There has been much loose talk of damage to ground-water levels * * *.

"A committee of able men from the Department of Agriculture have held that the findings of the revisory board are sound; that vegetation is not related to the water table, except in swamp areas, which, if drained, will greatly improve agricultural conditions * * *.

"We know that the canal cannot be salt water * * *.

"It is a striking fact that an immense area of Florida on the surface is exceedingly wet * * * surplus water exists in immense quantities, water which does not enter the underground reservoir because the land is saturated to capacity * * *.

"The terrain along the canal is given over to forest and scrub oak, with a few farms * * *.

"We think the water table will be affected from practically nothing at a distance 10 to 15 miles from the canal to the canal, where it will fall to sea level * * * as a matter of fact, it will not affect the vegetation immediately adjacent the canal * * *.

"Miami, Tampa, or Palm Beach, or any of those cities, will be no more affected than digging a foundation in New York would affect the water supply of Washington, D. C." * * *.

Your committee also considered the report of the Special Board of Geologists and Army Engineers (S. Doc. No. 147) appointed to study this question. Among the conclusions of this Board are the following:

"The canal cut, insofar as its effects on the water reservoir are concerned, will be but a 'nick' in the western coast line of the peninsula * * *.

"The Ocala limestone will not be cut beyond the vicinity of Silver Springs. The artesian reservoir will not be cut anywhere * * *.

"The pursuit of agriculture and the growth of vegetation, even in the area contiguous to the right-of-way where the ground-water table will be lowered by the canal cut, will not be affected * * *."

Your committee also considered the report of the revisory board of Army engineers (H. Doc. No. 194), which concludes that:

"* * * material collateral damages to agriculture, forestry, and water supply will not result from its construction * * *."

Your committee also considered the report of the special committee of experts from the Department of Agriculture, appointed to study this question, the conclusions of which are substantially in accord with those of the revisory board.

Your committee called and heard the Director of the United States Geological Survey, Dr. W. C. Mendenhall, who stated:

"I have not heard * * * anybody who is a student of ground-water conditions in Florida express an opinion that southern Florida, Miami, or Tampa, would be affected in the slightest by the cutting of the canal. I certainly do not believe it, and no member of the staff believes it * * *.

"You will not get a desert in Florida, because you have too much rainfall. All of the surface vegetation, of course, is supported by the surface rainfall of 50 or 60 inches * * *."

The Chief of Engineers, the Director of the United States Geological Survey, the representatives of the Department of Agriculture, and all other departmental representatives are in entire agreement that there is no possibility that the construction of the canal at sea level will affect in any way the agriculture or plant life of any portion of the State of Florida. They are also in agreement that the only effect can be a certain lowering over a limited area of the ground-water table, already far below the surface, as would be the case in the cutting of any sea-level channel in any part of the country; that this effect will not in any way reduce the available water resources of any of this region and will not constitute damage except as to the possible necessity for deepening certain nonartesian surface wells in the canal zone, and that such damage, if it should materialize, would be inconsequential.

After a very careful consideration of all the evidence submitted, both pro and con, your committee concludes that the findings of the Chief of Engineers in this matter are correct and supported by ample data, evidence, and authoritative opinion. It regards the assertions that ground-water supplies in southern Florida will be adversely affected to be wholly beyond the realm of reason.

(h) That the construction of the canal is opposed to a sound fiscal policy of the Federal Government.

This contention has been made by several opposing witnesses. Your committee is of the opinion that the policy of the construction by the Federal Government of river and harbor projects and improvements for navigation in general, when these are found to be in the public interest and to be economically justifiable, will always form a basic element in any sound fiscal policy, and that this view is supported by the expressed legislative judgments of the Congress throughout our history. The authorization of the Atlantic-Gulf Ship Canal is governed by that policy. The work, already well begun, will necessarily require a number of years. Your committee recommends that its completion be now authorized.

Mr. Speaker, I again most earnestly urge the entire membership of the House to take the time to read not only this report of the Rivers and Harbors Committee but to study the evidence upon which it is based as set forth in the hearings.

It is a noteworthy fact that your committee has in the past diligently followed the recommendation of the Army Engineers in all river and harbor improvement projects. We have consistently approved their recommendations and reported favorably to the Congress their recommendations. In turn the Congress has in the past, I believe without exception, written into law every one of their favorable recommendations. I urge that similar action be taken on the Florida canal.

During the course of committee hearings something was said concerning the possible decrease and increase of oil tonnage in the South. This tonnage, of course, is tonnage—practically all of it—which will pass through the Florida canal when completed. For the information of the House I include herewith the brief statement taken from a recent issue of the Manufacturers' Record, as follows:

63 PERCENT OF NATION'S PROVEN OIL RESERVES IN THE SOUTH

An increase of 886,000,000 barrels of petroleum in the proven reserves of the United States on January 1, 1937, over the January 1, 1935, figure is estimated by the American Petroleum Institute. During this 2-year period approximately 2,044,000,000 barrels were produced, but discovery of new pools and development of old ones have covered this and the total reserves of the country are placed at 13,063,000,000 barrels, of which 8,242,000,000 barrels, or 63 percent, are in the southern oil-producing States.

The increase in the South since the last estimate 2 years ago is 1,032,000,000 barrels, compared with a decline of 146,000,000 barrels in the oil regions of the rest of the country, principally California.

"These figures", the president of the A. P. I., Mr. Axtell J. Byles, explained, "do not mean that the country has available only 13,063,000,000 barrels of oil, but that it has proved reserves up to that amount. * * * The probability is that these proven reserves constitute only a small portion of the supply which will be made available. But these reserves do assure that there is no imminent danger of shortage."

Following is a table showing the distribution of reserves in southern fields:

Proven petroleum reserves, Southern States

(As estimated by the American Petroleum Institute for Jan. 1, 1937)

	Barrels
Arkansas	84,000,000
Kentucky	39,000,000
Louisiana	524,000,000
Oklahoma	1,141,000,000
Texas	6,422,000,000
West Virginia	32,000,000
Total	8,242,000,000
Total, United States	13,063,000,000

The American Petroleum Institute is authority for the above statistics, and it is noteworthy that the South supplies two-thirds of the country's petroleum energy and that it has an estimated investment of $6,000,000,000 in southern oil reserve and production enterprises. This tonnage—the bulk of it—will find its way through the Florida canal. The canal will save in distance approximately one-fourth of the time between New York and New Orleans, which is about 2½ days' round trip between these two ports. Of course, this saving will exist to other ports between these two ports. There will be a 2 days' saving, round-trip average, from Gulf ports to United States Atlantic and European ports. A careful study of the project indicates that it will benefit a greater area of the United States than any other project in the country. Practically speaking, its benefits will apply to the United States as follows:

	Percent
Population	74
Number farms	70
Acreage farms	73
Income farms	72
Manufactures	73
Wholesale and retail trade	84
Forests	53
Minerals	82
Finances	84

No other American project can show anything like half these benefits; therefore, Mr. Speaker and Members of the House, it is truly a national project and cannot be considered as a local or sectional project.

My prime interest in this project has always been to bring about a reduction to the shippers and consumers of transportation charges. Particularly my interest is to lower this charge to the farmers and fruit growers of Florida who are struggling against great odds for their own existence. In my State we produce each year hundreds of thousands of crates of vegetables and fruits which rot on the ground because the transportation charge to the consuming market is prohibitive. While these edible fruits and vegetables are decaying and rotting on the ground consumers in the various parts of the country in America are in need of and in want of these very products. Through the extortionate freight charge they are denied these fruits and vegetables which are their necessities of life. This same condition obtains in the shipment of nonperishable products, such as oil, gasoline, lumber, naval stores, cotton, tobacco and bacon; in fact, all commodities. After the freight is paid, in many instances the producer does not have half of the cost of production, and, at the same time, the consumer has been compelled to pay a price which is extortionate. For the information of the committee, I include herewith a short letter just received by me from the Honorable I. T. Fugate, of Williston, Levy County, Fla., as follows:

BOARD OF COUNTY COMMISSIONERS OF LEVY COUNTY, FLA.,
Williston, Fla., April 24, 1937.

Hon. R. A. GREEN,
House of Representatives, Washington, D. C.

DEAR SIR: I note the fight by the railroads on continuing completion of the Florida cross-State canal. I want very much to see this canal completed, for the reason we need cheaper transportation rates for Florida commodities, especially watermelons, and I believe completing the canal will help in reducing rates by giving us water transportation.

While it is true that if the canal is built it would be 18 miles from us to the closest place on it, we have good roads and could easily truck our produce to it. This is much nearer than trucking it to Jacksonville, which is over a hundred miles distant, in order to get water transportation.

Two years ago I planted 30 acres of melons; I harvested and shipped around 20,000 large melons, which was more than 20 minimum cars of large melons. There was left in the field more than

20 cars of large melons. The price received above the transportation charges did not warrant shipping these. Just for hauling these melons to the markets the railroads received more than 20 cents per each melon shipped, while I, the grower, with the investment in the land and fencing, paying taxes on same, the expense of preparing the land, the fertilizer, cost of distributing the fertilizer, etc., making the crop, harvesting it, and trucking the melons to the railroad cars, equipping the cars with excelsior, paper, etc., and loading and packing the melons in the cars, received the insignificant sum of a fraction over 3 cents per each melon shipped. These statements can be verified by actual paid freight bills and returns from the sale of the melons.

I hope you will continue to fight for the canal. Its completion means the relief to us farmers, and we are behind you 100 percent in this great project. We feel that water damage is only a scarecrow. We have utmost confidence in General Markham's report.

It has been in the past, and now is as far as I know, a requirement of the railroads that shippers of melons must have a bond guaranteeing prepayment of freight charges or else they must pay them before melons move. This is another hardship to growers, as we must ship to houses having bonds or let brokers who have bonds handle them for us. Only a very few of us growers are able to have a bond.

I am a member of the Southwestern Melon Growers Association, whose head office is in Adel, Ga.; and thinking that perhaps it might be of some help to you, I am enclosing a copy of my letter to them in regard to this, which I trust will be of some use to you in your fight for this great project. I hope that they will take immediate action on it, as suggested by me.

With every wish for your success in this matter, I am

Yours truly,

I. T. FUGATE.

You will note in this letter that Mr. Fugate mentions that he produced watermelons which brought him only 3 cents each. At the same time the railroad obtained 20 cents for carrying it to its destination. In that instance Mr. Fugate prepared the soil, bought the seed and planted it, fertilized it, cultivated it, hauled it to the railroad and packed it in the freight car, and received 3 cents for it. After the brokerage man and railroad and retail man finally handled it the consumer probably paid 50 cents for it. Mr. Speaker and Members of the House, is it not an outrage that the farmer, who did all the labor and practically all of the performance concerning this melon, should receive the pitiful amount of 3 cents? Now, this is the reprehensible situation which the Florida Canal, when constructed, will correct. It will correct it not only for Florida but more or less for three-fourths of the population of our country.

No; I am not making any fight on the railroads and the construction of this canal will not be an injury to the railroads leading into Florida. The fact of the matter is, upon the resumption of construction of this canal, the business of these railroads will increase. It will continue to increase all through construction and after completion. Within 3 years after the canal is completed every railroad in Florida and every one leading into Florida will more than double its business. They will profit and pay dividends to the stockholders. Railroad employees will be benefited because more of them will be employed. The canal is a great project which will carry benefits without damage.

For the information of the House I include herewith a short communication just received by me from Hon. John L. Bogert, editor of the Marine News:

THE NEW YORK MARINE NEWS CO., INC.,
New York, May 18, 1937.

Hon. LEX GREEN,
Washington, D. C.

DEAR MR. GREEN: With rail charges for grain haulage 13.9 mills per ton-mile from Yankton, S. Dak., to Duluth, and water rates but 2.6 mills per ton-mile on the New York State Barge Canal, it is imperative to utilize the all-water route down the Missouri and Mississippi Rivers to New Orleans and thence up the coast to Atlantic ports. A canal across Florida becomes a necessity, since river barges cannot go to sea around Florida, and transshipment at New Orleans uneconomic. A canal shortens the haul 400 miles and links up the Gulf and Atlantic intracoastal waterways.

Very truly yours,

JOHN L. BOGERT, *Editor.*

I shall not go into the national-defense evidence as it was produced before our committee, because it was an executive session. However, the great asset along this line was pointed out by the eminent witnesses who appeared before the committee. Gen. Charles P. Summerall, former Chief of the Staff of the United States Army, and Admiral F. B. Bassett, United States Navy, retired, I consider the best authority in the country relative to national defense, testified. It is also significant that the Secretary of the Navy, the Honorable Claude Swanson, in a communication to your committee, stressed the importance of completion of this project as a great arm of national defense to our Government.

The elimination of storm hazards was very appropriately brought out in testimony before the committee. The elimination of storm hazards and national defense alone warrant our favorable action and the completion of the canal.

As an unemployment relief project the Florida canal is most worthy of our favorable consideration. We are forced to spend billions of dollars for the relief of the unemployed. About 75 percent of the money expended on this canal will go directly and indirectly to the relief of labor. If we admit that only 50 percent will go to labor, and that the canal will cost even $200,000,000, then this would leave a net cost to the Government of only $100,000,000. It is wiser and more prudent for us, who have the responsibility during these trying hours, to invest the Government's money in projects of a permanent nature than to idly expend vast sums for unworthy projects. This canal represents a permanent investment for every succeeding generation and it will carry benefits to every succeeding generation. Ten or twelve million dollars annually will be saved the consumers of America in transportation costs. Now, may I ask you, is it not wiser for us to invest public funds in projects of permanent duration and permanent benefit to the American people than to idly squander and expend the public funds on projects of a temporary and nonstable nature? I urge your favorable action and I believe you will vote to authorize completion of the canal.

THE CANAL ACROSS FLORIDA

RADIO SPEECH OF HON. LEX GREEN, OF FLORIDA, DELIVERED OVER NATIONAL BROADCASTING SYSTEM, STATION WMAL, WASHINGTON, D. C., JUNE 12, 1937

Good evening, ladies and gentlemen.

I am deeply grateful to the National Broadcasting Co. for this opportunity this evening to be whisked into your homes all over the country for a little chat with you—it is a chance I have been looking forward to for a long time.

You know, here in Congress, it is mighty hard, as a rule, to be able to get true facts across to the real government of the country—because it's the people, after all, who are the real government of the country—and sometimes it's pretty discouraging. There is so much happening in national affairs every day, and there are so many conflicting interests, with tremendous power and financial resources, always at work to becloud or disguise or misconstrue every situation. It's all very well to make speeches on the floor of the House of Representatives, but many of those speeches are only lost in the thick pages of the CONGRESSIONAL RECORD.

And so tonight, for just a few minutes, I am mighty glad to have a chance to step into your homes with you, so that we can talk over one of the greatest national projects in the history of the country—one of those projects that big, selfish interests have been trying to assassinate, for their own private reasons, for years—the Florida ship canal.

You have heard a great deal about the Florida ship canal and you read much in the newspapers. You have been told many fearful stories about ruining Florida's citrus crop and contaminating the water supply around Miami. You've heard that ship lines say that they won't use it even if it is built and a lot more details of the same kind.

That is just what I want to talk about tonight.

But, first of all, let us look back a little and just see what has happened to this canal in the past.

To begin with, that short cut across the Peninsula of Florida for more than a century has been catching the imagination of every man, woman, and child in the civilized world who has studied a map of the United States. It is so obvious as you look at the Nation's coast line that it is impossible to ignore it. More than 100 years ago President Andrew Jackson first proposed it, and ever since that time there have been efforts and proposals, now and again, to make it a reality.

But it took President Roosevelt finally to put imagination into practical terms. He investigated previous studies and surveys made during recent years, and he decided there was no use in just continuing to dream of this very obvious national asset; the thing to do was to find out what sort of a canal should be built, where it should be built, and then to go ahead and build it. Now, right here, let us clear up one important bit of false paint that the selfish interests have tried to smear on the canal.

This is not a Florida project. It is a great national enterprise—proposed for the immediate and concrete benefit of the entire Nation. Florida will, like other States, profit greatly by this project, but the chief beneficiaries will be the people living in the vast area between the Rocky Mountains and the Alleghenies and those along our Atlantic seaboard and the Gulf of

Mexico. The real benefits are those that will go to the workingman in Pennsylvania, in Maryland, in New York, and to the farmer and the grower in Missouri, in Kansas, and Oklahoma, and to the producers and consumers in Texas, Tennessee, and Alabama, and all the other States of the Union.

Now, let us see why this is.

Much of the traffic through the canal will consist of wheat and raw materials. This means that ships carrying these cargoes from the Mississippi Valley and the ports on the Gulf of Mexico to our people living along the Atlantic seaboard will save 400 miles on the journey, and that means cheaper food and cheaper wearing apparel to you and to me. Much of the traffic consists of petroleum. That means a cheaper gasoline to operate our automobiles. It's the mother and father in some little eastern town who take their children out for a Sunday afternoon jaunt in the automobile who really profit. They are the ones who draw the dividends.

Now we see why the ship lines and the tanker lines and the oil companies say they aren't interested in the canal.

Who gets those savings that the canal will make possible? Does the oil company or the shipping company get them? Not at all.

Competition is keen in shipping business. It is a dog-eat-dog arrangement. The minute the cost of transportation of any commodity is cut a half a cent a pound the price to the consumer is cut a half a cent a pound.

You can't expect the oil companies and the shipping companies to become enthusiastic over something that won't mean a dime of profit to them.

And then there are the railroad interests. For scores of years they have held a happy monopoly on the Nation's transportation business.

In wintertime, for instance, our Southern and Southwestern States raise fresh vegetables and ship them to the northern and eastern centers of population. But those vegetables are perishable and many of them must seek the shortest possible means of transportation to market.

But along comes this Florida canal, and it cuts more than a day off the time of transit from the farmer to the market. That means that in a vast area of our country the farmer will be able to ship by water and pay only a fraction of what rail shipping would cost him, and have his products reach the consumer as fresh as if he had shipped them by rail. The housewife will find the cost of living, instead of going up, as it has been doing, goes down.

But the railroads—they don't like it, of course. It means that that nice strangle hold they have enjoyed for years on the shipping of a large number of commodities is suddenly broken.

They go immediately to the oil companies—and don't forget they are the very best customers the oil companies have, because they buy millions of dollars' worth of oil every year to fuel their engines. They say to the oil companies:

"Now, look here; if this Florida canal goes through, it's going to cut down our business pretty badly. That will mean we'll buy less oil from you than we used to. Profits we have been making and profits you've been making will be going to a lot of farmers and housewives and such people. We've got to stop it."

The oil companies, as we have already seen, haven't anything to gain from the canal, financially, because their savings, due to the canal, will be all passed on to the general public. So they go along with the railroad interests and help to try to prevent the housewife and the farmer and the laboring man from finding out just how much the canal will mean to them in personal and individual benefits.

But now let's get back to a general review of the situation.

The President appointed a special board to study this canal situation from A to Z. That board came back and reported that the canal would be of untold benefit to the American people, that it would be a boon to business and agriculture and the consumer, and that it ought to be built.

That frightened the Railroads and the Oil Trusts, and they suddenly began spending money, big money, to try to coax business and agriculture and the consumer away from the idea.

Some millionaires in Miami, who were closely tied up with the railroads and the oil companies, went to work with the campaign of ghost stories about ruining the water supply of Florida and destroying the citrus crops.

Then the President appointed a special board of engineers and water experts to find out the truth of that situation. That board came back with a report that the stories were fantastic and that it was absolutely impossible that the water supply of south Florida could be injured in any way, and that it was even more impossible that any vegetation of any kind in the State could be hurt.

The President allocated $5,400,000 of Works Progress Administration funds and the canal was started. But the millionaires and their lobbyists had plenty of influence. What happened?

The lobbyists set up a hue and cry that such a big project as this one ought to be first formally authorized by Congress; that the Army engineers ought to make a survey of it, and report on it officially to Congress, and that the House Rivers and Harbors Committee ought to hold formal hearings on it.

So that is exactly what happened.

Congress turned the matter over to the Army engineers and they made a report. That War Department report literally took the wind out of the opposition. It was sweeping and unqualified. It said the canal would cost about $197,000,000 and that it would pay for itself in benefits to people like you and me—sitting here in this little chat—in a very, very short time.

And about the water supply—it said that ghost story was just a ghost story and nothing more. It said there couldn't be the slightest damage of any kind to Florida's water supply or to any of the vegetation or agriculture of that State.

Then the House Rivers and Harbors Committee held hearings. It went into every possible phase of the canal. It spent weeks listening to wild tales of hired experts, paid by the railroads and the oil interests, to testify. Then it listened to absolutely impartial engineers of the United States Army and representatives of the Government departments, who had been over the ground, who had made the surveys, and who knew what they were talking about. Early this week the committee made its report to the House of Representatives. That report said, in conclusion:

"Your committee recommends that its completion be now authorized. After an unusually extensive examination of all phases of this project, your committee concludes that the opposition is not well founded; that the project is of unusual merit; that its economic justification is beyond question; that its benefits will increase with time and will accrue to a larger portion of our country and its population than those of almost any other Federal public work; and that its construction is needful and in the public interest."

That is the verdict of an impartial committee of the House of Representatives, which has studied this question fairly and exhaustively, and has now recommended that Congress authorize the completion of this great national enterprise.

The Florida ship canal in going to become a reality. The housewife and the small-business man and the farmer may not be very highly regarded by the millionaire oil trusts and the railroad kings but this is not a government of millionaire interests. The Government is the people and this project that means millions upon millions of dollars each year saved to the people will now be made possible.

(Mr. GREEN asked and was given permission to revise and extend his remarks in the RECORD and to include therein certain excerpts from a committee report and two or three other short items of extraneous matter, and also a radio address delivered by him on the subject of the Florida Canal.)

The SPEAKER. Under a previous order of the House, the gentleman from New York [Mr. DICKSTEIN] is entitled to recognition for 15 minutes.

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent that I may be permitted to address the House for 15 minutes on next Monday after the disposition of matters on the Speaker's table and the business on the calendar for that day, and also following the special orders heretofore entered.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

SENATE BILLS AND JOINT RESOLUTIONS REFERRED

Bills and joint resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 178. An act for the relief of the estate of J. D. Warlick; to the Committee on Claims.

S. 187. An act providing for the suspension of annual assessment work on mining claims held by location in the United States; to the Committee on Mines and Mining.

S. 369. An act to allow credit to homestead settlers and entrymen for certain military service; to the Committee on the Public Lands.

S. 432. An act to add certain lands to the Cache National Forest; to the Committee on the Public Lands.

S. 947. An act to provide national flags for the burials of honorably discharged former service men and women; to the Committee on Military Affairs.

S. 1040. An act placing provisional officers of the World War in the same status with emergency officers of the World War and extending to them the same benefits and privileges as are now or may hereafter be provided by law, orders, and regulations for said emergency officers, and for other purposes; to the Committee on Military Affairs.

S. 1044. An act for the relief of Thomas W. Seay; to the Committee on Claims.

S. 1375. An act to provide for the punishment of persons transporting stolen animals in interstate commerce, and for other purposes; to the Committee on the Judiciary.

S. 2097. An act providing for the advancement on the retired list of the Army of John E. Ketchum; to the Committee on Military Affairs.

S. 2408. An act for the relief of John H. Balmat, Jr.; to the Committee on Military Affairs.

S. 2531. An act to authorize the transfer of certain military reservations to other agencies of the Government and to the people of Puerto Rico, and for other purposes; to the Committee on Military Affairs.

S. J. Res. 67. Joint resolution conferring jurisdiction upon the Court of Claims to hear and determine the claim of the estate of John F. Hackfeld, deceased; to the Committee on War Claims.

S. J. Res. 68. Joint resolution providing for the appointment of a National Unemployment and Relief Commission; to the Committee on Labor.

S. J. Res. 148. Joint resolution to provide for payment for nine airplanes obtained from the Stinson Aircraft Corporation by the Bureau of Air Commerce, Department of Commerce, and for other purposes; to the Committee on Appropriations.

ADJOURNMENT

Mr. RAYBURN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 1 minute p. m) the House adjourned until tomorrow, Wednesday, June 16, 1937, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON FLOOD CONTROL

The Committee on Flood Control will continue hearings on Wednesday, June 16, 1937, at 10 a. m., on emergency and priority projects in the lower Ohio Basin.

COMMITTEE ON NAVAL AFFAIRS

There will be an open hearing before the full Committee on Naval Affairs on Wednesday, June 16, 1937, at 10:30 a. m. for the consideration of S. 2193, to authorize the construction of certain auxiliary vessels for the Navy.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will continue public hearings in room 219, House Office Building, Wednesday, June 16, 1937, at 10 a. m., on H. R. 5719, known as the water carrier bill.

COMMITTEE ON PENSIONS

The Committee on Pensions will hold a hearing at 10 a. m., Wednesday, June 16, 1937, on H. R. 6294, a bill granting pensions and increases of pensions to needy war veterans.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the Committee on Immigration and Naturalization in room 445, House Office Building, at 10:30 a. m., on Wednesday, June 16, 1937, for public consideration of H. R. 7206 and H. R. 4353, H. R. 4354, H. R. 4355, H. R. 4356 (Starnes); also H. R. 2002.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

The Committee on Interstate and Foreign Commerce will resume hearings at 10 a. m., Wednesday June 16, 1937, on H. R. 6968, to amend the Securities Act of 1933.

EXECUTIVE COMMUNICATIONS, ETC.

663. Under clause 2 of rule XXIV a letter from the Acting Secretary of Navy, transmitting the draft of a bill to provide for the reimbursement of certain enlisted men and former enlisted men of the Navy for the value of personal effects lost while engaged in emergency relief expeditions during the Ohio Valley flood in January and February 1937, was taken from the Speaker's table and referred to the Committee on Claims.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII.

Mrs. O'DAY: Committee on Immigration and Naturalization. H. R. 7077. A bill to provide for the distribution to each naturalized citizen at the time of issuance of his certificate of citizenship of a copy of The Story of the Constitution; with amendment (Rept. No. 1022). Referred to the Committee of the Whole House on the state of the Union.

Mr. SOMERS of New York: Committee on Coinage, Weights, and Measures. H. R. 4087. A bill to reduce by 100,000 the number of 50-cent pieces authorized to be coined in celebration of the opening of the San Francisco-Oakland Bay Bridge, and to authorize the coinage of not to exceed 100,000 50-cent pieces in celebration of the opening of the Golden Gate Bridge; with amendment (Rept. No. 1024). Referred to the Committee of the Whole House on the state of the Union.

Mr. CROWE: Committee on Merchant Marine and Fisheries. H. R. 7017. A bill to amend section 4450 of the Revised Statutes of the United States, as amended by the act of May 27, 1936 (49 Stat. 1380, 1383; U. S. C., 1934 ed., title 46, sec. 239); without amendment (Rept. No. 1025). Referred to the Committee of the Whole House on the state of the Union.

Mr. WALLGREN: Committee on Merchant Marine and Fisheries. H. R. 6149. A bill for the protection of the northern Pacific halibut fishery; with amendment (Rept. No. 1026). Referred to the Committee of the Whole House on the state of the Union.

Mr. RAMSAY: Committee on the Judiciary. H. R. 4721. A bill relative to pleading and practice in civil and criminal causes in the district courts of continental United States; with amendment (Rept. No. 1027). Referred to the House Calendar.

Mr. O'CONNOR of Montana: Committee on Indian Affairs. H. R. 3162. A bill conferring jurisdiction upon the United States Court of Claims to hear, examine, adjudicate, and render judgment on any and all claims which the Uncompahgre (Tabegauche), Uintah (Uinta), and White River (Yampa and Grand River) Bands of the Ute Indians may have against the United States, and for other purposes; with amendment (Rept. No. 1028). Referred to the Committee of the Whole House on the state of the Union.

Mr. WHITE of Idaho: Committee on Irrigation and Reclamation. H. R. 5853. A bill to create a commission and to extend further relief to water users on United States reclamation projects and on Indian irrigation projects; with amendment (Rept. No. 1029). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLOOM: Committee on Foreign Affairs. House Joint Resolution 366. Joint resolution providing for the preparation and completion of plans for a comprehensive observance of the one hundred and fiftieth anniversary of the inauguration of George Washington as first President of the United States and authorizing the President to invite foreign countries to participate therein; with amendment (Rept. No. 1030). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mrs. O'DAY: Committee on Immigration and Naturalization. H. R. 3746. A bill for the relief of Ettore Cordovado; without amendment (Rept. No. 1021). Referred to the Committee of the Whole House.

Mrs. O'DAY: Committee on Immigration and Naturalization. H. R. 5565. A bill to authorize the cancelation of deportation proceedings in the case of Joseph Pellon; without amendment (Rept. No. 1023). Referred to the Committee of the Whole House.

Mr. McREYNOLDS: Committee on Foreign Affairs. H. R. 7387. A bill for the relief of Cecile C. Cameron; without amendment (Rept. No. 1031). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Military Affairs was discharged from the consideration of the bill

(H. R. 5274) for the relief of the widow, children, and dependant relatives of Maciej Wroblewski, and the same was referred to the Committee on Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HARTLEY: A bill (H. R. 7528) to establish special rates of postage for samples of merchandise; to the Committee on the Post Office and Post Roads.

By Mr. MILLER: A bill (H. R. 7529) authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes; to the Committee on Flood Control.

By Mr. KNUTSON: A bill (H. R. 7530) to make the 15th of June in each year a legal holiday; to the Committee on the Judiciary.

By Mr. GASQUE: A bill (H. R. 7531) to afford protection of pension benefits to peacetime veterans placed on the pension rolls after March 19, 1933, and for other purposes; to the Committee on Pensions.

By Mr. FLANNAGAN: A bill (H. R. 7532) to provide an adequate and balanced flow of tobacco in interstate and foreign commerce, and for other purposes; to the Committee on Agriculture.

By Mr. RAMSPECK (by request): A bill (H. R. 7533) to authorize the Secretary of Commerce to continue the existing system of classification and pay of positions of lighthouse keepers; to the Committee on the Civil Service.

By Mr. IZAC: A bill (H. R. 7534) to protect the telescope and scientific observations to be carried on at the observatory site on Palomar Mountain by withdrawal of certain public land included within the Cleveland National Forest, Calif., from location and entry under the mining laws; to the Committee on the Public Lands.

By Mr. SAUTHOFF: A bill (H. R. 7535) to protect the public health by regulating the importation of dairy products into the United States; to the Committee on Ways and Means.

By Mr. KELLY of New York: Joint resolution (H. J. Res. 413) to permit the transportation of passengers by Canadian passenger vessels between ports or places in the United States on Lake Ontario and the St. Lawrence River; to the Committee on Merchant Marine and Fisheries.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FLEGER: A bill (H. R. 7536) for the relief of Edwin B. Formhals; to the Committee on Claims.

By Mr. HAVENNER: A bill (H. R. 7537) for the relief of certain stevedores employed on the United States Army transport docks in San Francisco, Calif.; to the Committee on Claims.

By Mr. KENNEDY of Maryland: A bill (H. R. 7538) for the relief of the mayor and city council of Baltimore; to the Committee on Claims.

By Mr. STACK: A bill (H. R. 7539) for the relief of Joseph A. Dunn (alias Joseph A. Daley); to the Committee on Military Affairs.

By Mr. TEIGAN: A bill (H. R. 7540) for the relief of U. S. Pratt and Della Pratt; to the Committee on Claims.

By Mr. THURSTON: A bill (H. R. 7541) granting an increase of pension to Sarah J. Dodge; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2643. By Mr. DALY: Petition signed by 322 citizens and voters of the Fourth Congressional District of Pennsylvania, supplementing petitions presented May 25 and June 7, 1937, containing over 7,000 names, endorsing the President's proposal to enlarge the Supreme Court; to the Committee on the Judiciary.

2644. By Mr. FORD of California: Resolution of the Pacific Coast Garment Manufacturers, endorsing such portions of the Fair Labor Standards Act of 1937 (H. R. 7200) as set up a uniform standard minimum wage and maximum workweek for all industry and the regulation of child labor; to the Committee on Labor.

2645. By Mr. LUTHER A. JOHNSON: Petition of W. S. Brickell, of Waxahachie, Tex., favoring the so-called agricultural adjustment bill now being considered by the Committee on Agriculture; to the Committee on Agriculture.

2646. Also, petition of Richard E. Burleson, teacher of vocational agriculture, Barry, Tex., favoring the so-called agricultural adjustment bill now being considered by the Committee on Agriculture; to the Committee on Agriculture.

2647. By Mr. RUTHERFORD: Petition of residents of Wayne County, Pa., protesting against the passage of House bill 3291; to the Committee on the District of Columbia.

2648. Also, petition of residents of Ulster, Bradford County, Pa., protesting against the President's proposal to change the Supreme Court; to the Committee on the Judiciary.

2649. By Mr. SANDERS: Petition of the postal employees of Longview, Tex., urging passage of House bill 167, the longevity bill; to the Committee on the Post Office and Post Roads.

2650. Also, petition of certain residents of Smith County, Tex., opposing House bill 3291; to the Committee on the District of Columbia.

2651. Also, resolution adopted at the Eighteenth Annual Convention of the Texas Federation of Business and Professional Women's Clubs assembled in El Paso, June 3–5, 1937, urging the repeal of section 213 of the National Economy Act; to the Committee on Ways and Means.

2652. By Mr. SPARKMAN: Petition of Frank Seals and various other citizens of Lawrence County, Ala., urging the enactment of the old-age pension bill as embodied in House bill 2257, introduced by Representative WILL ROGERS, of Oklahoma; to the Committee on Ways and Means.

2653. Also, petition of J. R. Haddock and various other citizens of Lawrence County, Ala., urging the enactment of the old-age pension bill as embodied in House bill 2257, introduced by Representative WILL ROGERS, of Oklahoma; to the Committee on Ways and Means.

2654. By the SPEAKER: Petition of All American Nationalist Party, Belle Plaine, Kans., with reference to changing the legal holiday of Hon. George Washington to February 11 yearly; to the Committee on the Judiciary.

SENATE

WEDNESDAY, JUNE 16, 1937

(Legislative day of Tuesday, June 15, 1937)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

THE JOURNAL

On request of Mr. ROBINSON, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, June 15, 1937, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. LEWIS. I feel that it is necessary that a quorum be present, and I ask for a roll call.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Bankhead	Bone	Bulow
Andrews	Barkley	Borah	Burke
Ashurst	Berry	Bridges	Byrd
Austin	Bilbo	Brown, N. H.	Byrnes
Bailey	Black	Bulkley	Capper

Caraway	Hatch	McKellar	Schwartz
Copeland	Hayden	McNary	Schwellenbach
Davis	Herring	Minton	Sheppard
Dieterich	Hitchcock	Moore	Smathers
Donahey	Holt	Murray	Steiwer
Duffy	Hughes	Neely	Thomas, Okla.
Ellender	Johnson, Colo.	Norris	Thomas, Utah
Frazier	La Follette	Nye	Townsend
George	Lee	O'Mahoney	Truman
Gerry	Lewis	Overton	Tydings
Gibson	Lodge	Pepper	Vandenberg
Gillette	Logan	Pittman	Van Nuys
Glass	Lonergan	Pope	Wagner
Green	Lundeen	Radcliffe	Walsh
Guffey	McAdoo	Robinson	Wheeler
Harrison	McGill	Russell	White

Mr. LEWIS. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Utah [Mr. KING], and the Senator from Connecticut [Mr. MALONEY] are absent from the Senate because of illness.

The Senator from Missouri [Mr. CLARK] is absent because of a death in his family.

The Senator from Michigan [Mr. BROWN], the Senator from Texas [Mr. CONNALLY], the Senator from Nevada [Mr. MCCARRAN], the Senator from North Carolina [Mr. REYNOLDS], and the Senator from South Carolina [Mr. SMITH] are detained on important public business.

Mr. AUSTIN. I announce that the Senator from Minnesota [Mr. SHIPSTEAD] is necessarily absent.

The PRESIDENT pro tempore. Eighty-four Senators having answered to their names, there is a quorum present.

CLAIM OF ROBERT A. WATSON—VETO MESSAGE (S. DOC. NO. 81)

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States, which was read, and, with the accompanying bill, referred to the Committee on Claims and ordered to be printed, as follows:

To the Senate:

I return herewith, without my approval, Senate bill 733, "An act conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment on the claim of Robert A. Watson."

This bill proposes to confer on the Court of Claims jurisdiction over the claim of Robert A. Watson against the United States "for damages arising out of his purchase of 3,500 tons of sugar in the Argentine Republic in June 1920, and his importation of such sugar into the United States subject to the direction of the Department of Justice." The bill further proposes to bar the United States from availing itself of the defense that the Department of Justice acted without legal authority in issuing directions or fixing restrictions with regard to such importations.

The records show that Mr. Watson has been asserting a claim against the United States in an amount exceeding the sum of $700,000, as a result of certain importations of sugar from the Argentine Republic into the United States which resulted in losses to him.

In 1920 there was a shortage of sugar in the United States. The Department of Justice, which was charged with the enforcement of the antiprofiteering provisions of the Food Control Act, approved the plans of a number of dealers, among them Mr. Watson, to import sugar from the Argentine, agreeing that if the merchandise were resold at prices and in the manner approved by departmental representatives, no prosecutions would be instituted in respect of such transactions under the above-mentioned statute.

It appears that Mr. Watson thereupon imported approximately 3,500 tons of sugar and that as a result of an unexpected fall of prices, he was constrained to dispose of the merchandise at a loss. The records indicate that he asserts that a subordinate of the Department of Justice had entered into an oral understanding with him to find purchasers for the sugar upon its arrival in this country, and that he failed to fulfill this obligation.

It is quite evident that Mr. Watson imported the sugar as a business matter and assumed the usual hazards of such a venture. The object of his conferences with a representative of the Department of Justice appears to have been to obtain an assurance that if he complied with certain restrictions and did not resell the sugar at an excessive profit, he would not be subject to prosecution under the Food Control Act.

The bill proposes not only to permit Watson to sue the Government for damages said to have resulted from a breach of an alleged oral commitment of a very unusual and far-reaching character, claimed to have been made by a subordinate, but also to bar the Government from advancing the defense that its representatives had no authority to bind it in such manner.

I fail to find any moral obligation on the part of the United States to recompense Mr. Watson for his losses, or any reason for depriving the Government of a defense directed to the merits of the claim. The Attorney General and the Director of the Budget have informed me that after careful investigation they cannot recommend approval of this bill.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 15, 1937.*

PETITIONS AND MEMORIALS

The PRESIDENT pro tempore laid before the Senate the following concurrent resolution of the Legislature of the State of Michigan, which was referred to the Committee on Commerce:

MICHIGAN HOUSE OF REPRESENTATIVES.

House Concurrent Resolution No. 43

Concurrent resolution memorializing the Congress of the United States to adopt legislation providing for the granting of consent to the Mackinac Straits Bridge Authority of Michigan to construct a bridge across the Straits of Mackinac

Whereas there are before Congress at the present time Senate bill no. 1104 and House bill no. 3413, providing for the granting of consent to the Mackinac Straits Bridge Authority of Michigan to construct a bridge across the Straits of Mackinac; and

Whereas the Mackinac Straits Bridge Authority of Michigan is very anxious at this time to have these bills passed, so they can go forward in shaping their plans for the construction of this proposed Mackinac Straits Bridge; and

Whereas it is deemed advisable at this time that strong efforts be made to have our Michigan Representatives and Senators in Congress to support these said mentioned bills: Now, therefore, be it

Resolved by the house of representatives (the senate concurring), That the members of the Michigan Legislature hereby urge the Congress of the United States to adopt legislation providing for the granting of consent to the Mackinac Straits Bridge Authority of Michigan to construct a bridge across the Straits of Mackinac; and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States, to the President of the Senate and House of Representatives of Congress, and to the Michigan Members in the Senate and House of Congress.

Adopted June 9, 1937.

Mr. COPELAND presented resolutions adopted by Local Union No. 13, Amalgamated Meat Cutters and Butcher Workmen of North America, of Utica; Dressmakers' Union, No. 22, I. L. G. W. U., of New York City; and the Central New York Chapter of the American Institute of Architects, all in the State of New York, favoring the enactment of the pending low-cost housing bill, which were referred to the Committee on Education and Labor.

He also presented a resolution adopted by United Centre Branch, No. 645, International Workers Order, of Bronx, New York City, favoring the enactment of the so-called Boileau bill, proposing to appropriate $3,000,000,000 for public works and relief, which was referred to the Committee on Education and Labor.

He also presented a resolution of Local Union No. 21, Bricklayers, Masons, and Plasterers' International Union of America, of Port Richmond, N. Y., favoring the continuation of the Public Works Administration and the enactment of the pending low-cost housing bill, which was referred to the Committee on Education and Labor.

He also presented a resolution adopted by Maj. Ray H. Humphrey, D. S. C., Post No. 1449, Veterans of Foreign Wars of the United States, Endicott, N. Y., protesting against any reduction in governmental benefits for disabled veterans, which was referred to the Committee on Finance.

He also presented resolutions adopted by the Attica (N. Y.) Chamber of Commerce, protesting against the enactment of House bill 185, known as the signal inspection bill, and also protesting against the enactment of a pending bill known as the national train limit bill, which were referred to the Committee on Interstate Commerce.

Mr. WAGNER presented a resolution adopted by the National Federation of Settlements at Bloomington, Ind., favoring the extension of the National Youth program and its development to include health service, practical and realistic education for a vocation and a living, and vocational placement, which was referred to the Committee on Education and Labor.

LOW-COST HOUSING

Mr. WAGNER. Mr. President, I present and ask unanimous consent to have printed in the RECORD and appropriately referred several letters and resolutions endorsing the pending low-cost housing bill.

There being no objection, the letters and resolutions were referred to the Committee on Education and Labor and ordered to be printed in the RECORD, as follows:

NATIONAL FEDERATION OF SETTLEMENTS, INC.,
New York, N. Y., June 10, 1937.

Senator ROBERT F. WAGNER,
United States Senate, Washington, D. C.

MY DEAR SENATOR WAGNER: I have the honor to transmit to you the enclosed resolutions passed by the Twenty-fifth Conference of the National Federation of Settlements at Bloomington, Ind.

Very sincerely yours,

LILLIE M. PECK, *Secretary.*

Resolution passed unanimously by the board of directors and the general session of the Twenty-fifth Conference, National Federation of Settlements, held at Bloomington, Ind., May 19–23, 1937

Whereas President Roosevelt estimates that one-third of the people of the United States are ill-housed, and this means that approximately 10,000,000 families live under conditions that endanger their lives and safety, and menace the well-being of all communities; and

Whereas public support of slum clearance and the rehousing of low-income wage workers is rolling like a tidal wave across the country and all forces working for public housing, Federal, State, and municipal authorities, organized labor, the churches (Catholic, Protestant, and Jewish), civic and social agencies, are united in the belief that a plan for providing Federal assistance to local housing authorities must be adopted by the Congress in the present session: Be it therefore

Resolved, That the National Federation of Settlements urges prompt and favorable action on the Wagner-Steagall public housing bill, a measure that is second to none in social importance, economic necessity, and the urgency of the people's need.

DRESSMAKERS UNION,
New York, N. Y., June 14, 1937.

Hon. ROBERT F. WAGNER,
United States Senate, Washington, D. C.

DEAR SIR: Enclosed you will please find a copy of the resolution adopted at the meeting of our executive board held June 9, 1937.

Very truly yours,

CHARLES S. ZIMMERMAN,
Secretary-Manager.

Whereas housing conditions for workers have become intolerable in the cities and in many rural communities, so that large masses of people are often compelled to live in filthy, airless, and sunless shambles which impair their health and the physical and moral welfare of their children; and

Whereas experience in this and other countries has shown that no reliance can be put upon private enterprise working for private profit to alleviate or remedy these conditions; and

Whereas adequate housing for the people should be as immediate and direct a matter for public concern as education, public health, and public roads, etc.; and

Whereas the Wagner-Steagall housing bill, now before Congress, represents a vigorous effort to have the housing crisis met by vigorous action of the Federal Government: Now, therefore, be it

Resolved, That Dressmakers Union, Local 22, I. L. G. W. U., in the name of its 30,000 members, declares itself in favor of the Wagner-Steagall housing bill and strongly urges its immediate passage by Congress.

REPORTS OF COMMITTEES

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, to which was referred the bill (H. R. 6635) to dispense with the necessity for insurance by the Government against loss or damage to valuables in shipment, and for other purposes, reported it with an amendment and submitted a report (No. 738) thereon.

Mr. COPELAND, from the Committee on Appropriations, to which was referred the bill (H. R. 6692) making appropriations for the Military Establishment for the fiscal year ending June 30, 1938, and for other purposes, reported it with amendments and submitted a report (No. 739) thereon.

ENROLLED BILLS PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on June 15, 1937, that committee presented to the President of the United States the following enrolled bills:

S. 665. An act for the relief of the estate of Everett P. Sheridan; and

S. 1112. An act awarding a Navy Cross to John W. Thomason and Robert Slover.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. DAVIS:

A bill (S. 2657) granting a pension to Mary Leslie Wunderlich; to the Committee on Pensions.

By Mr. SHEPPARD:

A bill (S. 2658) to amend the retirement laws affecting certain grades of Army officers; to the Committee on Military Affairs.

By Mr. HARRISON:

A bill (S. 2659) for the relief of Chester L. Carroll; to the Committee on Claims.

By Mr. WALSH:

A bill (S. 2660) to authorize the Secretary of the Navy to remove a floating drydock from the United States Naval Station, New Orleans, La.; to the Committee on Naval Affairs.

By Mr. BROWN of New Hampshire (for himself and Mr. HALE):

A bill (S. 2661) granting the consent of Congress to a compact entered into by the States of Maine and New Hampshire for the creation of the Maine-New Hampshire Interstate Bridge Authority; and

A bill (S. 2662) authorizing the Maine-New Hampshire Interstate Bridge Authority to construct, maintain, and operate a toll bridge across the Piscataqua River at or near Portsmouth, State of New Hampshire; to the Committee on Commerce.

By Mr. JOHNSON of Colorado:

A bill (S. 2663) for the relief of George O. Willis; to the Committee on Claims.

By Mrs. CARAWAY:

A bill (S. 2664) to permit the temporary entry into the United States under certain conditions of alien participants and officials of the World Association of Girl Guides and Girl Scouts silver-jubilee camp to be held in the United States in 1937; to the Committee on Immigration.

By Mr. PITTMAN:

A bill (S. 2665) to amend the act approved March 26, 1934; to the Committee on Foreign Relations.

By Mr. BARKLEY:

A bill (S. 2666) granting a pension to Dallie Baker; to the Committee on Pensions.

CHANGE OF REFERENCE

On motion by Mr. PEPPER, the Committee on Commerce was discharged from the further consideration of the joint resolution (S. J. Res. 166) providing for participation by the United States in the Pan American Exposition to be held in Tampa, Fla., in the year 1939 in commemoration of the four hundredth anniversary of the landing of Hernando De Soto in Tampa Bay, and for other purposes, and it was referred to the Committee on Foreign Relations.

AMENDMENT TO INTERIOR DEPARTMENT APPROPRIATION BILL

Mr. WHEELER submitted an amendment intended to be proposed by him to the bill (H. R. 6958) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1938, and for other purposes, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

On page 37, line 18, after the word "reimbursable", to insert the following:

"Fort Peck, $100,000, reimbursable."

RELIEF APPROPRIATIONS—AMENDMENT

Mr. RUSSELL. Mr. President, I submit and ask to have printed and lie on the table an amendment which I intend to offer as a substitute for the committee amendment appearing on page 7, commencing in line 2, of the pending relief joint resolution.

The PRESIDENT pro tempore. The amendment will be received, printed, and lie on the table.

The amendment intended to be proposed by Mr. RUSSELL to the joint resolution (H. J. Res. 361) making appropriations for relief purposes is as follows:

On page 7, lines 2 to 12, to strike out the matter proposed to be inserted by the committee amendment and in lieu thereof to insert the following:

"*Provided further*, That in the event the Congress or any Federal agency so authorized by act of Congress shall establish minimum rates of pay for persons employed by private employers in any occupation or occupations and shall establish differentials applicable to different localities or sections of the country in such rates of pay, thereafter no greater percentage differentials shall be applicable to the compensation of persons engaged upon projects under the foregoing appropriation than the average differentials so established by the Congress or such Federal agency, and in the event the Congress or such Federal agency shall establish such minimum rates of pay without any differential applicable to different localities or sections of the country there shall be no such differential in compensation applicable to persons engaged on projects under the foregoing appropriation."

PRINTING ADDITIONAL COPIES OF REPORT ON REORGANIZATION OF FEDERAL JUDICIARY

Mr. O'MAHONEY submitted the following concurrent resolution (S. Con. Res. 17), which was referred to the Committee on Printing:

Resolved by the Senate (the House of Representatives concurring), That there shall be printed 50,000 additional copies of Senate Report No. 711, current session, on the bill (S. 1392) to reorganize the judicial branch of the Government, of which 10,000 copies shall be for the use of the Senate document room and 40,000 copies for the use of the House document room.

AMERICA AND THE WORLD CHALLENGE TO DEMOCRACY—ADDRESS BY GEORGE W. ALGER

[Mr. AUSTIN asked and obtained leave to have printed in the RECORD an address entitled "America and the World Challenge to Democracy", delivered by Hon. George W. Alger, of New York, at the commencement exercises of the University of Vermont, June 14, 1937, which appears in the Appendix.]

WAGES AND INFLATION—ADDRESS BY LEON HENDERSON

[Mr. BLACK asked and obtained leave to have printed in the RECORD a radio address entitled "Can Wages Beat Inflation?" delivered by Leon Henderson on Saturday, Apr. 24, 1937, which appears in the Appendix.]

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Megill, one of its clerks, communicated to the Senate the intelligence of the death of Hon. William P. Connery, Jr., late a Representative from the State of Massachusetts, and transmitted the resolutions of the House thereon.

The message announced that the House had passed a bill (H. R. 7493) making appropriations for the fiscal year ending June 30, 1938, for civil functions administered by the War Department, and for other purposes, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 17) authorizing the appointment of a committee to represent the Congress of the United States at the celebration of the three hundred and fiftieth anniversary of the birth of Virginia Dare, in which it requested the concurrence of the Senate.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolutions, and they were signed by the President pro tempore:

H. R. 1277. An act for the relief of William Hayes;

H. R. 2080. An act for the relief of Eleanora S. Richardson;

H. R. 2705. An act to provide for the manner of inflicting the punishment of death;

H. R. 2887. An act to amend the provisions of the pension laws for peacetime service to include Reserve officers and members of the Enlisted Reserves;

H. R. 2924. An act for the relief of certain officers and employees of the Foreign Service of the United States who, while in the course of their respective duties, suffered losses of personal property by reason of war, catastrophes of nature, and other causes;

H. R. 3203. An act for the relief of Rosalie Rose;

H. R. 3557. An act for the relief of the Coast Fir & Cedar Products Co., Inc.;

H. R. 4213. An act to amend the Inland Waterways Corporation Act, approved June 3, 1924, as amended; authorizing the Secretary of War to extend the services and operations of the Inland Waterways Corporation to the Savannah River;

H. R. 4575. An act for the relief of A. R. Netterville, Sr.;

H. R. 5721. An act to amend the Federal Register Act;

H. R. 5880. An act to amend Private Act No. 210, approved August 13, 1935, by substituting as payee therein the Clark Dredging Co. in lieu of the Bowers Southern Dredging Co.;

H. J. Res. 335. Joint resolution authorizing the Secretary of War to receive for instruction at the United States Military Academy at West Point Olmedo Alfaro, a citizen of Ecuador; and

H. J. Res. 339. Joint resolution granting permission to George E. Ijams, civilian employee of the Veterans' Administration, to accept and wear the decoration bestowed upon him by the Republic of France.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated below:

H. R. 5394. An act to provide for the acquisition of certain lands for, and the addition thereof to, the Yosemite National Park, in the State of California, and for other purposes; to the Committee on Public Lands and Surveys.

H. R. 7493. An act making appropriations for the fiscal year ending June 30, 1938, for civil functions administered by the War Department, and for other purposes; to the Committee on Appropriations.

RELIEF APPROPRIATIONS

The PRESIDENT pro tempore. The Chair lays before the Senate the unfinished business.

The Senate resumed consideration of the joint resolution (H. J. Res. 361) making appropriations for relief purposes.

Mr. ADAMS. Mr. President, a number of amendments were passed over, and I suggest that the Senate recur to the first amendment passed over, which is on page 4, beginning in line 7.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. On page 4, line 7, after the word "its", it is proposed to strike out "completion; and no non-Federal project shall be undertaken or prosecuted under this appropriation unless and until adequate provision has been made or is assured for financing such part of the entire cost thereof as is not to be supplied from Federal funds" and to insert "completion: *Provided further*, That after September 30, 1937, no new non-Federal project shall be undertaken or prosecuted under this appropriation unless and until (1) adequate provision has been made or is assured for financing such part of the entire cost thereof as is not to be supplied from Federal funds, and (2) at least 40 percent of the cost of the project is to be supplied from non-Federal funds, except that in any case in which the applicant for any such non-Federal project certifies in writing that it is unable to supply such 40 percent, the President is authorized, after investigation of the taxpaying capacity and credit of the applicant, to determine the maximum amount possible for such applicant to supply. The President shall furnish to the Secretary of the Senate and the Clerk of the House of Representatives, upon the 1st day of January and the 1st

day of July 1938, a list of cases in which less than 40 percent of the cost of non-Federal projects was furnished by applicants, together with a statement of the amount furnished by the applicant in each such case", so as to read:

Provided, That no Federal construction project shall be undertaken or prosecuted under this appropriation unless and until there shall have been allocated and irrevocably set aside Federal funds sufficient for its completion: *Provided further*, That after September 30, 1937, no new non-Federal project shall be undertaken or prosecuted under this appropriation unless and until (1) adequate provision has been made or is assured for financing such part of the entire cost thereof as is not to be supplied from Federal funds, and (2) at least 40 percent of the cost of the project is to be supplied from non-Federal funds, except that in any case in which the applicant for any such non-Federal project certifies in writing that it is unable to supply such 40 percent, the President is authorized, after investigation of the taxpaying capacity and credit of the applicant, to determine the maximum amount possible for such applicant to supply. The President shall furnish to the Secretary of the Senate and the Clerk of the House of Representatives, upon the 1st day of January and the 1st day of July 1938, a list of cases in which less than 40 percent of the cost of non-Federal projects was furnished by applicants, together with a statement of the amount furnished by the applicant in each such case.

Mr. BYRNES. Mr. President, I send to the desk two amendments modifying the committee amendment.

The PRESIDENT pro tempore. The first amendment offered by the Senator from South Carolina [Mr. BYRNES] to the committee amendment will be stated.

The LEGISLATIVE CLERK. In the committee amendment, on page 4, line 18, after the word "funds", it is proposed to insert "including money, material, and services."

Mr. MCNARY. Mr. President, I inquire where does the insertion come in?

The PRESIDENT pro tempore. The amendment will again be stated.

The CHIEF CLERK. On page 4, line 18, after the word "funds", it is proposed to insert "including money, material, and services", so as to read:

and (2) at least 40 percent of the cost of the project is to be supplied from non-Federal funds, including money, material, and services, except that in any case in which the applicant for any such non-Federal project certifies in writing that it is unable to supply such 40 percent, the President is authorized, after investigation of the taxpaying capacity and credit of the applicant, to determine the maximum amount possible for such applicant to supply.

Mr. WAGNER. Mr. President, may we have an explanation of the amendment to the amendment?

Mr. BYRNES. Mr. President, in explanation of the amendment I will state that it is simply to make certain the interpretation that the 40 percent to be provided by the sponsor could be provided in material or services as well as money. There was some doubt about it, and I desired to make that point certain.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from South Carolina to the amendment of the committee.

The amendment to the amendment was agreed to.

The PRESIDENT pro tempore. The second amendment offered by the Senator from South Carolina to the amendment will be stated.

The CHIEF CLERK. In the committee amendment, on page 4, line 14, after "until (1)", it is proposed to insert "the Works Progress Administrator shall find and certify that", so as to make the sentence read:

Provided further, That after September 30, 1937, no new non-Federal project shall be undertaken or prosecuted under this appropriation unless and until (1) the Works Progress Administrator shall find and certify that adequate provision has been made or is assured for financing such part of the cost thereof as is not to be supplied from Federal funds.

Mr. BYRNES. Mr. President, in explanation of the amendment to the committee amendment, it applies to language which was contained in the House text and is now set forth in the pending amendment. The Administrator expressed some doubt as to the attitude of the General Accounting Office with reference to that language and suggested that the General Accounting Office might desire to review the action of the Works Progress Administrator before proceeding with a project. I submitted the matter to the General Accounting Office, and it was suggested that, in order to avoid any doubt about the matter, the words proposed by me be inserted. That is the explanation of the amendment which I have just offered to the committee amendment.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from South Carolina to the amendment of the committee.

The amendment to the amendment was agreed to.

The PRESIDENT pro tempore. The question now is on agreeing to the amendment of the committee as amended.

Mr. BYRNES. Mr. President, with reference to the amendment itself as now amended, I ask the attention of the Senate for a short while. The purpose of the amendment, as is readily seen from its language, is to require a greater contribution by the local governments who are the sponsors of projects and to provide in the law a goal to which the Administrator can direct his efforts in securing contributions from sponsors.

First, I shall refer to a statement made by the distinguished Senator from Tennessee [Mr. MCKELLAR] in the minority report filed with reference to this amendment, because in that report it is stated the amendment should not be adopted, but that we should trust the President. I think it unnecessary to make the statement, but for the RECORD I will say that I believe my record in the Senate during the last 4 years would make certain there could be no distrust on my part of the President of the United States, and certainly the President would never take the view that the Congress, the legislative body of the United States, in performing its duty and saying how much money shall be spent and how much money shall be contributed by local governments, seeks by that action to express any distrust of him.

The fact is I have voted for every relief bill. The minority report stated, I believe, that there were six or seven such measures. I not only voted for them, but Members of the Senate know that I actively supported every one of them. Those bills gave to the President lump sums without any restriction at all at first. Subsequently the Congress sought to place a ceiling upon the expenditures for certain purposes, and inserted into later bills the language carried in this joint resolution providing certain amounts for certain purposes. The Congress showed no distrust of the President by that action.

In the pending measure the Congress goes further, and, because of the situation which has developed throughout the country, where administrators have taken the position that if a man employed on a works project shall take private employment, his name shall be stricken from the roll and he thereafter shall be denied reemployment. Because of the belief of Congress that such action is wrong, the Congress has written in the joint resolution now before us, with the full approval of every member of the Appropriations Committee, language seeking to remedy that situation, which has been complained of by Members of the Senate on several occasions within recent weeks.

But, Mr. President, it does not follow that because all of us during the days of the depression voted for billions without seeking to place any restriction upon the manner in which they should be spent we should forever decline to perform the duty of the Congress. It is the duty of the Congress to levy taxes, and it is the duty of the Congress to say how those taxes, when collected, shall be spent, and to fix any conditions Congress may deem wise as to the manner in which they shall be spent.

I do not deny that I voted for relief bills during the depression. On the contrary, I assert that I voted for them. I am glad that I voted for them. Under similar conditions I would vote today for the same bills.

I served in the Congress during the war. I voted then for bills giving to President Wilson powers never before given to a President of the United States. I helped frame appropriation bills, and voted for them, giving to President Wilson sums for expenditure never before given to any President of this Nation.

After the war I served on a subcommittee which framed and introduced a measure repealing $15,000,000,000 which had been appropriated prior to the armistice for expenditure. When we repealed that appropriation it was not because of distrust of the President of the United States but because, under our form of government, the executive department is the spending department, and we believed that when the war was over we should repeal those appropriations and permit the departments in time of peace to present the budgets of the various departments and convince the Congress of the wisdom of the expenditure of the money for which they were asking. That plan was adopted and has been followed.

Now recovery has taken place. The emergency which caused us to give a lump sum to the President without seeking to provide how it should be expended has passed, and it has passed in great measure because of the legislation of this Congress and this administration during the past 4 years. We recognized that an emergency existed. We did not stop to ask what restrictions should be placed upon the expenditure of the lump sums we were appropriating. We appropriated money to save the homes and the farms of the people. We courageously and humanely sought to relieve suffering where it was found.

In appropriating money to save the homes in the city we provided funds to pay the past-due taxes to the cities, counties, and States of the country. In refinancing mortgages upon farms of the Nation we provided money to pay all past-due taxes to States and counties. As a result today States, counties, and cities find themselves in much better financial condition. The condition of the United States Government is one that certainly is entitled to some consideration at the hands of the Congress of the United States.

Look at the Treasury statements upon your desks this morning, and you find that by reason of the generosity of this Government in helping States, counties, and cities in their day of distress, today the Government has an indebtedness of more than $35,000,000,000. That money has been borrowed from the people of the United States. On June 30, 1936, $17,270,401,000 of the direct obligations of the Government—bonds, notes, and bills—were held by the banks of the Nation. This is approximately 50 percent of our debt. In addition, the banks held obligations of the Home Owners' Loan Corporation and other Government corporations on which the Government had a limited liability, as they were guaranteed by the Government. These amounted to a little more than half a billion dollars. The situation certainly is one which demands our attention; for it does not require the use of higher mathematics to show that a drop of five points in the value of the bonds held by the banks of the country would cause a loss to the banks of the country of approximately $1,000,000,000.

There is no alarm now, because under the efficient management of the Treasury, investors and banks still have confidence in the Government; but confidence in a debtor on the part of an investor must be based upon the ability of the debtor to balance his budget. It does not matter whether it be government, corporation, or individual; if one forever lives beyond his income, and makes no provision for the retirement of his indebtedness, his credit will go.

No man can think of balancing his budget in time of depression. As I have often said, in the case of an individual, when sickness comes to a home, it is necessary to incur unusual debts. It is necessary to have hospitalization and to employ doctors and surgeons. In such times we never hesitate. We never think of budgets. We then resort to the credit which has been established in normal times by reason of our prudence; and, drawing upon that credit, we seek to remedy the situation that confronts us. However, when the emergency is over, the prudent man seeks to save money from his income with which to pay the debts incurred during the emergency.

That time has come to the United States Government. The President of the United States, believing it, sent to the Congress only a few weeks ago a message calling to our attention the fact that if we appropriate $1,500,000,000 in this joint resolution, and make the other appropriations asked of the Congress in the regular appropriation bills, on June 30, 1938, the Government, without applying a single dollar to the reduction of its indebtedness, will have added to that indebtedness the sum of $418,000,000. If in times such as now exist in this country we cannot reduce the indebtedness incurred during the emergency—if we cannot even live within our income—I ask the Members of the Congress, when can we hope to do it?

Next year will be an election year. Demands will be made upon the Congress. The time then will not be so propitious as it is this year to bring about a balance of income and outgo. If we agree that it should be done, I ask, How can it be done? Are we going to be able to take $418,000,000 out of the regular appropriation bills pending before Congress? If not, where is there a chance to comply with the request of the President to balance the Budget unless it is done here? It can be done here, not by reducing the funds that are provided for hungry people but by asking only that the States, counties, and cities of the Nation which have been helped by us in their time of distress shall now cease to make demands upon the Government of the United States.

Now let us see what is their condition.

Mr. MINTON. Mr. President, will the Senator yield?

Mr. BYRNES. I do not wish to refuse to yield; but, if the Senator will permit me, I should like to go on and finish my statement on this one point.

Mr. MINTON. Very well.

Mr. BYRNES. I hold in my hand a pamphlet issued by the Chemical Bank & Trust Co., giving the market quotations of State and municipal bonds. The pamphlet shows the comparative figures for 1933 and 1936. I will take the case of any State of the Union. The showing made by this pamphlet is a great tribute to the recovery which has taken place under this administration.

Alabama, Birmingham: In December 1933, 4-percent bonds, due in 1950, sold at 81. In December 1936 they sold at 112¼.

Arizona: December 1933, bonds sold at 85. December 1936, they sold at 108¼.

Arkansas, Little Rock: In December 1933 a 4½-percent bond sold at 52. In December 1936 the same bond was selling for 105¼.

I could go through this list from one State to another, and it would be found that the average increase in the selling price of the bonds of the municipalities of the Nation is more than 33⅓ percent.

In this pamphlet there is a statement of 20 selected long-term bonds which shows that the average yield in 1933 for 20 of the large cities of the country was 5.18 percent, but now the price of these bonds has gone so high that the average yield is only 2.65 percent.

I have on my desk this morning's New York newspaper. It shows that the great State of Pennsylvania is selling its 1-year obligations at less than 1 percent—eighty-five one-hundredths of 1 percent. My own State is offering bonds, advertised in this morning's newspapers for the first time, at a price far above par; and the yield is much lower than formerly because of the increase in the price of the bonds.

In investigating this matter I discovered some interesting facts. I found that since 1933 the average rate at which our States could borrow, as indicated by the yield on outstanding issues, has declined from 5.42 percent to 2.71 percent, or just one-half. These figures are the average for 29 States, and are typical of the average for all States. It was impossible to ascertain the exact average for the other States. Figures that were available for some of the other States were not for the same year, 1933.

I ask permission to have printed in the RECORD the yield on State bond issues, showing the remarkable increase in the market quotations of State bonds.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The matter referred to is as follows:

STATE BOND ISSUES

Since 1933 the average rate at which our States could borrow, as indicated by the yield on outstanding bond issues, has declined

from 5.42 percent to 2.71 percent, or by just one-half. These are the averages for 29 States, and they can be taken as typical of the average for all States. For the rest of the States it has not been possible to find market figures, either because the same issue has not been outstanding for the entire period, or because on one of the dates there was no market quotation.

The individual issues are shown in the following table. All the issues shown are also included in the table "Individual bond issues." They have been listed separately here merely to give a clearer picture of the extraordinary improvement in the borrowing position of our States.

Yield on State bond issues

[April prices]

State	Issue	1933	1937
		Percent	*Percent*
Alabama	43, 1956	6.50	3.40
Arkansas	4½'s, 1945	16.00	4.20
California	Highway 4's, 1961	4.27	3.20
Idaho	Capitol Building 4¾'s, 1939	4.40	1.75
Illinois	4¾'s, 1943	4.60	2.50
Iowa	4½'s, 1942	4.47	2.25
Kansas	Bonus 4's, 1954	4.12	2.60
Louisiana	Highway 5's, 1950	9.49	3.70
Maine	Highway 4's, 1954	4.30	2.50
Michigan	Highway 4½'s, 1940	4.75	1.80
Minnesota	4¼'s, 1947	4.05	2.70
Mississippi	4½'s, 1953	6.12	3.15
Missouri	4½'s, 1944	4.25	2.50
New Jersey	Highway 4's, 1950	4.32	2.80
New Mexico	Highway 6's, 1939	6.50	2.00
New York	Cnl. 3's, 1959	3.60	2.21
North Carolina	4's, 1950	6.75	3.25
North Dakota	5's, 1959	6.25	4.00
Oregon	4's, 1951	6.00	3.00
Pennsylvania	5's, 1951	3.53	2.00
Rhode Island	4's, 1977	4.00	2.85
South Carolina	4½'s, 1953	6.25	3.25
South Dakota	5's, 1943	6.25	3.30
Tennessee	4½'s, 1967	6.37	3.30
Utah	5½'s, 1941	4.30	1.50
Vermont	4¼'s, 1949	3.40	2.25
Virginia	4's, 1962	3.80	2.49
West Virginia	4½'s, 1948	4.50	2.75
Wyoming	Highway 4's, 1950	3.96	1.50
Average		5.42	2.71

Mr. BYRNES. At the same time I ask permission to insert in the RECORD the quotations of the State and municipal bonds of the various States of the Union as of December 1933 and December 1936.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The matter referred to is as follows:

State and municipal bonds, prices and yields, 1933–36

	Rate (percent)	Due	December 1933		December 1936	
			Price	Yield (percent)	Price	Yield (percent)
Alabama highway	4	1950	81	5.80	112¼	2.90
Birmingham	4½	1957	70	7.15	119½	3.20
Mobile	5	1960	[1] 24		[1] 76	
Arizona	3	1953	85	4.125	108¼	2.40
Phoenix	4½	1950	64	8.65	114¾	3.15
Arkansas refunding highway	4½	1958	([2] 2)	([2] 1)	97½	4.70
Little Rock	4½	1950	52	10.80	105¼	4.00
California	4	1961	99	4.05	126¾	2.55
Los Angeles	4¾	1960	89½	5.50	130¾	2.95
San Francisco	4½	1963	96	4.75	134	2.70
Colorado	5	1952/32	102	[4] 1.00	([3])	([3])
Colorado	2	1947	([3])	([3])	103¾	1.60
Denver	4	1944	101	3.90	117¾	1.50
Connecticut (no long-term debt):						
Bridgeport	4½	1950	100	4.50	124	2.40
Hartford	4	1950	103	3.75	125	1.90
New Haven	4¼	1951	103	4.00	126¾	2.10
Delaware	4¼	1950	108½	3.55	126½	2.00
Wilmington	4½	1953	101½	4.40	130¾	2.25
Florida (no general obligation bonded debt):						
Jacksonville	5	1950	96	5.35	125¼	2.75
Miami	5	1964	([3 6])	([3 6])	98¾	5.05
Tampa	4½	1950	50	11.20	99½	4.55
Georgia	4½	1944	105	3.70	118¼	1.65
Atlanta	4½	1956	107½	4.00	132½	2.40
Idaho	4¼	1945	101	4.15	116¾	2.10
Boise City	4¾	1941	100	4.75	111¾	2.00
Illinois	4	1959	100	4.00	130¾	2.25
Chicago	4	1947	83½	5.80	115¾	2.35
Indiana (no general obligation bonded debt):						
Indianapolis	4½	1951	105	4.10	125¾	2.40
Iowa	4½	1942	107½	3.50	117¾	1.25
Des Moines	4¾	1952	99	4.35	125¼	2.30
Kansas	4	1950	101	3.90	122¼	2.10
Kansas City	4	1948	98	4.25	113¾	1.75
Kentucky (no general obligation bonded debt):						
Lexington	4½	1951	102½	4.30	124¼	2.50
Louisville	4¼	1968	101	4.20	134	2.65
Louisiana Highway	5	1955	75	7.30	122½	3.35
New Orleans	4½	1950	84	6.05	116½	3.00
Maine	4	1954	106	3.60	129½	2.00
Portland	4	1945	100	4.00	117¾	1.75
Maryland	4	1949	108	3.35	123¼	1.90
Baltimore	4	1954	98	4.15	126	2.20
Massachusetts	3¼	1963	95½	3.50	123¼	2.10
Boston	4	1959	92½	4.50	121¾	2.70
Michigan highway	4	1944	100	4.00	118½	1.40
Detroit water (noncallable)	4½	1950	68		119¾	2.75
Detroit Street Ry. (noncallable)	4½	1950	61	9.10	116½	3.00
Detroit general purpose (noncallable)	4½	1950	[1] 49		115¼	3.10
Minnesota highway	3¾	1942	99	3.90	112½	1.40
Minnesota rural credit	4¾	1944	104½	4.20	121¾	1.65
Minneapolis	4	1950	96	4.35	118½	2.40
St. Paul	4	1943	97½	4.35	112¾	1.90
Mississippi	4½	1953	91	5.25	119½	3.00
Jackson	4½	1951	92	5.20	112½	3.40
Missouri	4	1944	101	3.90	117	1.60
Kansas City	4	1954	94½	4.40	118	2.70
St. Louis	4	1952	100½	3.95	124¼	2.15
Montana	4	1945/44	97½	[7] 4.30	113	[8] 2.10
Great Falls	4½	1950	84½	6.00	118½	2.85
Nebraska (no general obligation bonded debt):						
Omaha	4	1950	97½	4.20	119¾	2.30
Nevada (no bonds in hands of public):						
Reno	5	1948	99	5.10	119¼	3.00
New Hampshire	3½	1950	102½	3.30	119	1.90
Concord	4¼	1950	101	4.15	123¼	2.25
New Jersey	4	1950	98	4.15	122¼	2.10
Atlantic City	4½	1954	[1] 33		[1] 76	
Elizabeth	4¾	1960	76	6.70	127½	3.10
Jersey City	4¼	1953	60	8.50	110¾	3.40
Newark	4½	1960	77	6.30	119½	3.30
Trenton	4	1949	77	6.35	110¾	3.00
New Mexico highway	6	1941	106	5.00	117½	1.90
Alberquerque	4½	1950	92	5.25	116½	3.00
New York	3¾	1960	98	3.35	120½	2.15
Albany	4	1945	99	4.10	117¾	1.75
Buffalo	3.40	1959	86	4.30	110	2.80
New York City	4	1980	81	5.05	125	2.97
Do	4¼	1981	84	5.15	131	2.98
Do	4½	1979	87½	5.20	135½	3.02
Niagara Falls	4¼	1948	95½	4.70	121¾	2.10
Rochester	4¼	1956	95	4.60	129½	2.35
Schenectady	4.30	1942	99½	4.40	115¼	1.40
Syracuse	4	1946	97½	4.25	118¼	1.90
Erie County	4	1958	91	4.60	115¾	3.00
Nassau County	4½	1950	82½	6.20	119½	2.75
Westchester County	3½	1949	75	6.00	109½	2.60
Port of New York Authority:						
Holland Tunnel	4¼	[9] 1953	93½	[7] 4.75	116	[8] 1.45
George Washington Bridge	4½	[10] 1953	91	[7] 5.25	115	[8] .95
North Carolina highway	4½	1960	93	5.00	127	2.90
Charlotte	4½	1945	89	5.85	116	2.40
Durham	4½	1950	84½	6.00	117¾	2.90
Raleigh	4½	1950	65	8.50	110¾	3.50
Winston-Salem	4½	1950	82	6.25	117¾	2.90
North Dakota real estate	5¾	1946	80	8.35	118	3.50
Minot	5	1946	80	7.50	103¾	4.50
Ohio (no long-term debt):						
Akron	4½	1950	72	7.50	107¼	3.80
Cincinnati	4½	1955	104	4.20	131¼	2.40
Cleveland	5½	1964	76	7.50	133	3.60
Columbus	4¼	1950	92	5.25	119	2.80
Toledo	4½	1950	77	6.85	117¾	2.90
Oklahoma	2⅞	1945	([3])	([3])	106½	2.05
Oklahoma City	5	1944	100	5.00	117¾	2.40
Tulsa	4¼	1952	94	5.00	120½	2.85
Oregon highway	4½	1945	95½	5.00	119½	2.00
Portland	4	1946	86½	5.50	115¼	2.20
Pennsylvania	3¾	1943	103	3.40	115¼	1.30
Philadelphia	4	1980/50	76	[7] 5.40	114	[8] 2.75
Pittsburgh	4½	1953	104½	4.15	130¾	2.25
Rhode Island	4	1977	109	3.60	141½	2.40
Providence	4	1948	100	4.00	122¾	1.80
South Carolina highway	4½	1953	78	6.50	120¾	2.90
Charleston	4½	1942	82	7.35	105¾	3.35
Columbia	4½	1950	84½	6.00	110¾	3.50
South Dakota rural credit	5	1944	82	7.50	113¼	3.00
Sioux Falls	4½	1947	86	6.00	115¾	2.75
Tennessee	4½	1955	82	6.00	118¾	3.15
Chattanooga	5	1954	88	6.00	118	3.60
Knoxville	4½	1958	70	7.10	101½	4.40
Memphis	4½	1947	95	5.00	116½	2.70
Nashville	4½	1950	100	4.50	120¼	2.70
Texas relief	3	1943	([11])	([11])	109¼	1.50
Dallas	4½	1950	94½	5.00	120¼	2.70
Fort Worth	4½	1948	83½	6.25	114½	3.00
Galveston	5	1949	84½	6.60	120¾	3.00
Houston	4½	1955	87½	5.50	124½	2.80
San Antonio	4½	1950	89	5.50	117¾	2.90
Utah	4½	1942	103	4.05	117	1.30
Salt Lake City	4½	1954	104	4.20	126½	2.60

[Footnotes at end of table]

State and municipal bonds, prices and yields, 1933–36—Continued

[Footnotes at end of table]

State and municipal bonds, prices and yields, 1933–36—Continued

	Rate (percent)	Due	December 1933 Price	December 1933 Yield (percent)	December 1936 Price	December 1936 Yield (percent)
Vermont	4	1945	106½	3.30	120	1.50
Montpelier	4	1946	96	4.50	115	2.25
Virginia	4	1962	104½	3.75	131½	2.35
Lynchburg	4	1950	102	3.85	119½	2.30
Norfolk	4½	1945	84	6.50	114	2.65
Petersburg	4½	1954	90½	5.25	116½	3.25
Richmond	4½	1960	106½	4.10	137½	2.40
Roanoke	4½	1952	101	4.40	119¾	2.90
Washington	4½	1946	86	6.10	121½	2.00
Seattle	4½	1955	82	6.00	125¾	2.75
Spokane	4	1950	84	5.50	118¼	2.40
West Virginia	3½	1954	89	4.30	115¾	2.40
Charleston	5	1952	98½	5.15	127½	2.80
Huntington	5	1944	99½	5.05	118½	2.30
Wheeling	5	1950	99½	5.05	125¼	2.75
Wisconsin (no general obligation bonded debt):						
Milwaukee	4½	1946	105	4.00	120½	2.10
Racine	4½	1947	95	5.00	115¾	2.75
Wyoming	4	1951/41	102	[8] 3.70	112¾	[8] 1.20
Cheyenne	4½	1950	100	4.50	121½	2.60
TWENTY SELECTED LONG-TERM BONDS						
Birmingham, Ala	4½	1957	70	7.15	119½	3.20
Phoenix, Ariz	4½	1950	64	8.65	114¾	3.15
San Francisco, Calif	4½	1963	96	4.75	134	2.70
Hartford, Conn	4	1950	103	3.75	125	1.90
Jacksonville, Fla	5	1950	96	5.35	125¼	2.75
Atlanta, Ga	4½	1956	107½	4.00	132½	2.40
Louisville, Ky	4¾	1968	101	4.20	134	2.65
New Orleans, La	4½	1950	84	6.05	116½	3.00
Minneapolis, Minn	4	1950	96	4.35	118½	2.40
Omaha, Nebr	4	1950	97½	4.20	119¾	2.30
New York City	4¼	1981	84	5.15	131	2.98
Rochester, N. Y	4¼	1956	95	4.60	129½	2.35
Raleigh, N. C	4½	1950	65	8.50	110¾	3.50
Cincinnati, Ohio	4½	1955	104	4.20	131¼	2.40
Tulsa, Okla	4½	1952	94	5.00	120½	2.85
Pittsburgh, Pa	4½	1953	104½	4.15	130¾	2.25
Dallas, Tex	4½	1950	94½	5.00	120¼	2.70
Richmond, Va	4½	1960	106½	4.10	137½	2.40
Spokane, Wash	4	1950	84	5.50	118¼	2.40
Wheeling, W. Va	5	1950	99½	5.05	125¼	2.75
Average			92¼	5.18	124¾	2.65

[1] Flat.
[2] Not issued.
[3] Comparable maturities offered at 46 flat.
[4] Figured as 6 months' maturity.
[5] Refunded June 1935 into 2-percent bonds due 1936–47.
[6] Comparable maturities offered at 42 flat.
[7] Figured to final maturity.
[8] Figured to optional date.
[9] Callable 1941 or thereafter at 105.
[10] Callable 1939 or thereafter at 105.
[11] None outstanding.

Mr. BYRNES. One of the difficulties confronting local governments during the depression was the inability to collect taxes. Statistics show that that trouble has been greatly eliminated. Today the average percentage of taxes due and collected within the year is almost as large as it was in 1930. The exact figures are as follows: Between 1930 and 1933 the average percentage of collections of taxes in municipalities declined from 90.7 to 75.5. Since 1933 there has been continued improvement, with the result that the average collection last year was 87 percent, or only 3.7 percent less than the 1930 figure for the same municipalities. That necessarily has helped the financial condition of the cities and has made it easier for them to borrow.

There is another element to be considered—the per-capita debt. The per-capita debt of the municipalities has not changed as much as I had expected to find; but, on the average, our large cities have been able to reduce their per-capita debt during the past year. The table before me shows the per-capita debts of 13 of the largest cities for 1936 and 1937. Eight of the thirteen have a lower per-capita debt than a year ago. One has the same debt, while Chicago, Minneapolis, New York, and St. Louis have a larger debt. In none of these cases has the city had any difficulty in borrowing at substantially lower rates of interest than 4 or 5 years ago.

Mr. President, I ask permission to insert in the RECORD the statistics as to the per-capita debts of the 13 municipalities.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The matter referred to is as follows:

PER-CAPITA DEBT OF MUNICIPALITIES

On the average our large cities have been able to reduce their per-capital debt during the last year. The reduction has not been great it is true, but it stands as striking evidence of the improved financial position of the cities, and, consequently, of their ability to take care of additional burdens.

In the following table the per-capita debt for 13 of the larger cities is given for 1936 and 1937. Of the 13, 8 have a lower per-capita debt than a year ago; one has the same; four—Chicago, Minneapolis, New York, and St. Louis—have a larger debt. In none of these cases has the city had any difficulty, not only in borrowing, but in borrowing at substantially lower rates of interest than 4 and 5 years ago.

Per-capita debt of municipalities

	1936	1937
Baltimore	$135.00	$134.00
Boston	137.00	135.00
Chicago	133.00	141.00
Cleveland	153.00	145.00
Detroit	183.00	178.00
Los Angeles	135.00	135.00
Milwaukee	97.00	92.00
Minneapolis	122.00	132.00
Nashville	90.00	88.00
New York City	203.00	220.00
Philadelphia	247.00	222.00
San Francisco	161.00	152.00
St. Louis	90.00	99.00
Average	145.08	144.08

Mr. BYRNES. Mr. President, speaking in behalf of the payment of a greater proportion of the debts by local governments, I do not believe that the people of this Nation can say that the Government of the United States has not been generous. I call attention to the fact that this year the financial condition of the local governments has greatly improved. Practically every one of them has reduced its debt per capita, has greater borrowing power, and is in better financial condition, while the Federal Government is more than $35,000,000,000 in debt, and daily increasing that debt. If we could ever bring that home to the mayors and county officials I believe we could appeal to them to come to the relief of the United States Government instead of asking for further extension of relief from the United States Government.

Let me state what Congress is doing this year. We are appropriating in the bill before us $1,500,000,000; we have authorized the appropriation of funds for the C. C. C. camps. That is direct relief for the unemployed. The Director of the Budget tells me that Army officers will urge that $397,000,000 must be appropriated by us before adjournment to care for the Civilian Conservation Corps. Of course it does not follow that the Budget Director will agree to that, but I think it is fair to assume that he will submit an estimate for $350,000,000. I hope it will not be higher than that. Add that three hundred and fifty million to the one billion and a half carried in this bill.

Then in the independent offices bill we are appropriating $214,000,000. There is an appropriation for old-age pensions, and it goes to those in need. Then there is $54,000,000 for dependent children; for the blind, ten million; and for unemployment compensation, twenty-nine million. The total is $214,000,000.

We contribute to the States for the administration of unemployment compensation, without any amount being contributed by the States, the sum of $36,000,000. That makes $2,100,000,000 the Government of the United States is appropriating at this time for the relief of need throughout the country.

In addition to that, and since the Budget was submitted, without any request being made by the Chief Executive, solely on the initiative of the Congress, we have placed in this bill title II. Under that title $300,000,000 additional is made available for P. W. A. Under the act of 1935 the President makes regulations for the expenditure of that money. Under the regulations made by the President relief

workers must be given preference in the work upon all projects of P. W. A. The single exception is that if a contract is given to a contractor who has a contract with organized labor, he is not required to use relief labor, because he would thereby be obliged to violate his contract with organized labor. But, with the exception of such contracts, relief labor must be utilized.

We must assume that, if this bill shall pass in its present form and the $300,000,000 additional be made available, the President will issue the same regulations, and require the employment of relief labor upon all contracts where a contract does not exist between organized labor and the contractor securing the award. Therefore, it is fair to say that certainly the greater part of that sum will go to assist the unemployed. That makes $2,400,000,000 made available by this Congress for need, either through the Social Security Board, P. W. A., W. P. A., or other organizations. I should say that I have not taken into consideration some minor sums—just a few millions that are appropriated and made available through the Public Health Service and the Labor Department for work of a similar character.

Mr. BANKHEAD. Mr. President, will the Senator yield?

Mr. BYRNES. I said that I would yield to the Senator from Indiana, if he desires to ask me a question.

Mr. MINTON. I do not desire to interrupt the Senator at this time.

Mr. BYRNES. I yield to the Senator from Alabama.

Mr. BANKHEAD. I merely wish to remind the Senator that on yesterday the Senate voted to appropriate also the unexpended and unallocated balances, amounting, as the Senator from Colorado, the chairman of the subcommittee, has frequently asserted, to $200,000,000, which will also be added to the figure the Senator from South Carolina has given.

Mr. BYRNES. Mr. President, the Senator from Colorado was presenting that question yesterday. I ordinarily dislike to participate in a debate when another Member of the Senate is in charge of a bill, and I did not do so yesterday. I voted for the proposal in the committee. I stated at the time that I voted for it because after it was presented by the Senator from Colorado, the Director of the Budget did not furnish to the committee information that would enable us to answer the question we knew would be directed to the committee on the floor of the Senate as to how much money was affected by the provision. There is not a member of the committee who could secure information as to how much was affected by the language of the bill. At the conclusion of two hearings we varied all the way from the estimate of the Senator from Tennessee [Mr. McKELLAR] of $23,000,000 to my guess that it would be $60,000,000, a guess which was concurred in by the Senator from Arizona [Mr. HAYDEN], and up to the $233,000,000 estimate of the Senator from Colorado [Mr. ADAMS]. My idea in voting for the amendment was that if the Senate adopted it, before the bill went to conference, the committee might be able to secure accurate figures telling us exactly how much is reappropriated and we could give that information to you.

Specifically answering the question of the Senator from Alabama, and carrying out his line of thought, regardless of who is right, as to whether the amount carried over as unobligated and not contracted for is $223,000,000, or $23,000,000, as believed by the Senator from Tennessee after his calculation, the fact is that the figures read by the Senator from Colorado show that as of March 30, as I recall it, not that amount, but more than $2,000,000,000 is available for expenditure by the departments of the Government in the carrying out of contracts which have been made. The important part of that is that after July 1 there will be available for expenditure to the people of this country in various forms not merely the $2,400,000,000 to which I have called attention but this money which is in the Treasury for expenditure which is contracted for, and which will be put into circulation during the next fiscal year.

Mr. ADAMS. Mr. President, will the Senator yield?

Mr. BYRNES. I yield.

Mr. ADAMS. The Senator was speaking of the amount of the unexpended balances. On our desks this morning is a Treasury statement of June 14, showing on page 4, in the last column, unexpended, $3,916,958,000, and, in addition to that, unallocated funds, $50,674,000, or a total of $3,967,000,000 available for expenditure out of what are denominated funds appropriated and allocated for recovery and relief expenditures.

Mr. BYRNES. Mr. President, even in these times that is not an insignificant sum.

Let me now say something with reference to the amendment itself. In the hearings before the House committee Mr. Hopkins stated that in his opinion this assistance would have to be permanent. If that is so, should we not now consider what Congress is to do about it? Mr. Hopkins said in the House hearings that the local governments should be made to contribute more than they are now contributing. We agreed.

Why should there be complaint? If the city of any Senator here, I care not where it is, today wanted a project from P. W. A.—for instance, if the city of Spartanburg, S. C., wanted a project—under the language of this amendment it would come and gladly pay to P. W. A. 55 percent upon a sewerage system, upon a schoolhouse, upon anything else. All they want of P. W. A. is a chance to pay.

When we come to social security, for the protection of the aged, what does the Congress do? Congress says, "We will put up money to help you pay for those in need who are old", but asserting its right to function, the Congress says, "We will pay not more than $15 a month on a $30 pension. We will give 50 percent." No State in the Union raises any question about that. Senators can go through the list of the many laws we have enacted during these recent years in which we have required a 50-percent contribution by the local government, and they will realize that no Governor who comes to Washington seeking funds for his State, and no mayor of any city who comes to Washington seeking funds for his city, raises any question about it. No question is raised until we come to W. P. A. Then the Governor or the mayor says, "With respect to W. P. A. a different situation exists, and I do not think we should be called upon to put up any more money."

Mr. President, as a result of that situation let us see what will happen. I say the sole question is whether we shall fix as a goal a percentage which shall be sought by the Administrator, which will be of more help to the Administrator than any other one thing we could possibly do for him, even though he does not agree with it today. If we fix the percentage, he could insist that the city, county, or State comply unless they show that it is impossible for them to do it, and he would then have less trouble than he has now.

The Administrator is forced every day to turn to a bond division which he has. He has a division of credit men. Let us say that the mayor of the city of Spartanburg, S. C., comes to Washington and seeks aid. That mayor will be judged by his ability as a high-powered salesman. He has got to build a sewer system. Until now he never dreamed that he could come to the Government of the United States to get aid in building that sewer system. He would not do it today, but he sees the mayor of Columbia or the mayor of Greenville, rival cities, boasting of Federal grants they have received, and he knows when he goes back to the electorate he has got to say how much he was able to get.

The question will be asked him on his return, "What did you get?" He must make a showing, and the rivalry between the cities is on. He comes to Washington and says, "I do not have sufficient money to meet the requirement." If he is a good salesman, he sells his proposal and he puts up 15 percent. If he is a poor salesman, he may be required to put up 50 percent. The average contribution on all construction projects in my State is 40 percent. I think the contribution should be 50 percent. I know there is not one of the local governments which is not able to pay its share, and I think they ought to pay their share instead of coming to the United States Government, which is spending more every day than it is taking in.

Mr. President, the result of it is that we find a variance which appears in table 11 in the hearings before the House committee, and in table 43–B. I have copies of those tables here. If Senators do not have the hearings before them, I shall be glad to have the Senate pages distribute copies of these tables. I ask them to do so now.

In Alabama the administrator, after passing upon the need, upon the taxpaying ability and the credit facilities of that State, called on sponsors of projects to put up 17.3 percent. The local contributions range all the way from 7.2 percent in New York State to 29 percent which was asked of the State of Idaho. The State of Arizona was asked for 20 percent. The State of Arkansas was asked for 19.9 percent.

Mr. WAGNER. Mr. President, is the Senator speaking only of the one item of relief?

Mr. BYRNES. I shall make that clear.

Mr. WAGNER. I hope the Senator does make it clear.

Mr. BYRNES. I shall make it clear. I am not discussing anything but W. P. A., the appropriation for which is carried in this joint resolution, and which we are discussing. I do not want to have it confused nor to have that table confused. The heading clearly shows that it concerns nothing but W. P. A. It has nothing to do with these other matters. This joint resolution carries $1,500,000,000. I asked Mr. Hopkins how much he would get out of it for W. P. A. He said that he estimated there would be $100,000,000 for Resettlement, $60,000,000 I think he estimated for N. Y. A., some other allotment of no size, and the balance for W. P. A. So I am discussing whether there should be a matching, and how we should match this billion and one-half dollars which is carried in the joint resolution.

No one would criticize the Administrator for the way he has carried out his duties in connection with this administration. I often think what I would do under similar circumstances. What man could exercise a power of that kind without having variations occur which would arouse criticism from somebody? So far as I am concerned, I have said before and I say again that I think Mr. Hopkins has had the worst job that any man in the administration has had, and he has done a fine job. I say it here gladly.

What I have to say does not involve any criticism of any personality or any individual. But the question is here, Who determines who shall go on the relief rolls in this country? Does Mr. Hopkins do it? No. He cannot be charged with it. That is done by local officials in every State of the Union. At one time there were two sets of officials appointed by W. P. A., but today it is the officials in my State who put persons on W. P. A. It is the officials in my State who keep persons on W. P. A. Mr. Hopkins cannot take them off. We say under this dual system, this rather confused system under which we work, "You put them on the roll." Then what happens? The amount of money that he makes available upon projects is dependent upon the number of persons on the relief rolls. If a community takes the view that the resources of the public should be conserved, and it takes persons off the rolls who in our State are described as career workers, if it gets rid of its career workers, then when the community asks for a project, it may be denied because of the number on relief.

If I were mayor of my city, and I wished to get more money for projects for my city, I should keep more people on the rolls, otherwise I cannot get the money. Therefore it is incumbent upon me to make a showing as to the relief cases I must care for. There is every incentive on the part of officials to make such a showing, and there is no incentive on the part of the local official to remove persons from the relief rolls.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. BYRNES. I yield.

Mr. COPELAND. I am in full accord with the sentiments expressed by the Senator now addressing the Senate. The mayor of my city, Mr. LaGuardia, questions the figures which have been given out, saying that the amount contributed by New York City in 1936, for example, was $108,000,000, and that the first 6 months of this year we will spend about $52,000,000.

I ask that a telegram from Mayor LaGuardia, addressed to me, be printed in the RECORD at this point. I make this request on behalf of the mayor and not for the purpose of contradicting the doctrine of the Senator from South Carolina, which I fully approve.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

NEW YORK, N. Y., *June 15, 1937.*

Hon. ROYAL S. COPELAND,
United States Senate:

I am sure you will inform Senate of the misrepresentation made concerning New York City's contribution to the unemployment problem and to direct relief. Under any fair formula it will readily be seen that New York City has spent more than any other community in the country during this period. Naturally, communities that throw their entire unemployed on W. P. A. cannot be compared with all that New York City is doing. Administrator Hopkins gave figures concerning New York City before the subcommittee of the House. The city of New York spent $108,704,000 on relief in 1936. For the first 6 months of 1937 the city of New York will spend $52,139,000. Of this total, the city's share of the cost in 1936 was $61,091,000. For the first 6 months of 1937 the city's share will be $31,292,000. New York State contributed $47,613,000 in 1936 and will contribute $20,847,000 for the first 6 months of 1937. In addition to these relief costs the city of New York has appropriated over this 18-month period $3,051,000 for materials and supplies to be used on Works Progress Administration projects. The rate of expenditure by the city on relief purposes for 1936 and 1937 has been substantially in excess of expenditures in 1934 and 1935, partly because the city has had to assume a larger share of relief costs under the W. P. A. program. I am sending a similar telegram to Senator WAGNER.

F. H. LAGUARDIA,
Mayor of New York City.

Mr. BAILEY rose.

Mr. BYRNES. Mr. President, if the Senator from North Carolina will bear with me for a moment, I wish to make a statement. I repeat, because I always wish to be fair and never want anything I say to be misunderstood, that the figures submitted by Mr. Hopkins—they are not mine—apply only to W. P. A. Since they were submitted I know there has been inserted in the record of the Senate hearings a letter addressed to the Senator from New York [Mr. WAGNER] by Mr. Hopkins, submitting a statement which contains not only the appropriations for W. P. A. but the contributions for direct relief that are made by the mayor of New York, and for half a dozen other purposes. I have a copy of the statement here. It goes back to 1933 and makes a showing that the city of New York for highways and for various and sundry purposes has made very large contributions, which Mr. Hopkins states should be taken into consideration in connection with this matter. That is the statement of Mr. Hopkins, and I gladly call attention to it, and then I shall proceed to say why I differ with him.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. BYRNES. I yield.

Mr. WAGNER. I wish to make a statement in refutation of what the Senator is attempting to prove. I have a list of all the contributions made by the State of New York for all activities involving relief and work relief of all types. The record is very different from what the Senator has been trying to bring out by limiting his discussion to W. P. A. alone. The Senator was accurate as to W. P. A. But when we add all the relevant items together, we find that the total contributions of the State of New York were 37.6 percent of the total funds spent in New York during 1933–36, and during the same period the total contributions of South Carolina were only 9.6 percent of the total funds spent in South Carolina. I do not think that it is a fair way of dealing with this problem when we do not enumerate the total contributions made by the States for all forms of relief and work relief.

Mr. BYRNES. Mr. President, I think I am really more familiar with the table to which the Senator refers than he is. I have had it for some time. It includes 10 subjects. The figures are practically the same as those given by the Senator showing 37.6 percent for the 4-year total of expenditures from 1933 to 1936. I have two answers. The

figures include W. P. A., P. W. A., housing, conservation work, Bureau of Public Roads, C. W. A., and other Federal programs. In determining the contribution of sponsors of W. P. A. projects for the next fiscal year, I do not see how it is relevant to show what was spent for C. W. A. in South Carolina during 1933. It may be that I do not comprehend the significance, but, to my mind, it has absolutely nothing to do with the question before the Senate, and the only effect, if not the purpose, is to confuse the issue. It leads to this——

Mr. WAGNER. Mr. President, will the Senator yield for a moment?

Mr. BYRNES. I should like to finish this statement, and then I will yield to the Senator. This is what it leads to: If we say to the mayor of my city of Spartanburg, "Raise money by taxation or borrowing, but do not put it up with the W. P. A.; spend that money; give it to those you think are in need; give it to the needy, or certainly to the faithful who are needy. Let them know that that money comes not from Uncle Sam, not from President Roosevelt, or from Administrator Hopkins, but that it comes from the mayor, and they are receiving flour, clothes, medicine from your hands." Then when Mr. Hopkins asks the city to put up for a W. P. A. project 29 percent, which he demands of Idaho, the mayor can say, "No; I want you to take the whole picture into consideration; I want you to see what I have spent here in my town." Then you say, in the language of Luke in Holy Writ, "Give, and it shall be given unto you." And if you do not understand that, just say, as was said by Saint Matthew, "Ask and it will be given unto you."

The record shows that one-half of 1 percent is contributed to W. P. A. projects by the city of New York. The reason assigned for it is that money is spent by the mayor of that city in distributing among the people in direct relief large sums of money. If the mayors of Baltimore and Cleveland and Chicago do not take what money they can get from any source and give it to the needy of their cities as coming from Mr. Mayor, and they say, "I demand of you, Mr. Administrator of W. P. A., the same treatment accorded to the city of New York", they do not deserve to be elected; they do not deserve to continue in office.

This amendment would only ask that the mayor of every city put up 40 percent unless he could not do it; and if he said he could not do it—and I will discuss in a moment the question how it should be done—it would do him no harm; he would just take this money and put it up with W. P. A. Then, if he wanted to get any aid for direct relief, he could proceed to any other sources that were available to him.

I now yield to the Senator from New York.

Mr. WAGNER. Mr. President, I think that it is the Senator's statement heretofore made with reference to New York that has caused the confusion. Several Senators have asked me whether it was true that New York was contributing only one-half of 1 percent toward the relief of the unemployed. I wanted to bring out that it was quite the contrary; that, in spite of the Senator constantly using that one figure, when it comes to the handling of the entire subject of relief and work relief, New York has contributed nearly 40 percent toward the expenditures made.

I do not say this as in any way indicating that New York has done any more than have any other States; it just so happens that we were able to make that contribution; but I know that the people of New York are quite willing to have smaller contributions made by other States in the Union if the need exists.

This problem should not be handled in a provincial way, and complaint be made that one city or one particular locality gets more than another locality. We have long ago recognized that this is a national problem. The whole question, Mr. President, is where does the need exist? We are a united nation; we are not divided by economic barriers. The question is, Where does the need exist? Wherever it exists, we want to do our part to aid in the relief of the individual who is unfortunate enough to be unemployed.

So when I boast about New York making nearly a 40-percent contribution, I do not mean by that that other States should be required to contribute an equal sum. I am quite willing, if a State is in such economic situation that it cannot contribute a dollar, that the Federal Government shall provide the total contribution, and I know the taxpayers of New York would be quite willing to aid the unfortunate who are unemployed through no fault of their own and to have relief given to them. I do not look upon this question in any provincial spirit, Mr. President.

Mr. BYRNES. Mr. President, I cannot yield for a longer speech.

Mr. BAILEY. Mr. President——

Mr. BYRNES. I have to yield to my friend from North Carolina, who asked me to yield a few moments ago.

Mr. BAILEY. Mr. President, I wish to bring up two matters. I hope I may be heard later, but I do not care to make a speech, of course, at this time.

The Senator was acquitting the Administrator, Mr. Hopkins. He has called attention to the fact that there is a system of padding unemployment rolls going on under his administration throughout the country. I know that to be a fact with respect to some localities in North Carolina, and I can corroborate to that extent what the Senator says.

It is not to provide for the unemployed; it is to provide for a project, and when there are not sufficient unemployed in the city they go out and canvass for those who are willing to be enrolled as unemployed. I am saying that Mr. Hopkins knows that, and he cannot be acquitted as a good administrator so long as he permits that. That is all I have to say about that.

I wish to refer to the little controversy here between New York and South Carolina. The total amount of W. P. A. funds appropriated through March 31, 1937, was $2,774,000,000. Of this New York City got $384,500,000 and New York State got $122,000,000. Add the two together, and New York got $506,000,000. Now I suppose they do not want to pay 40 percent. Pennsylvania got $298,000,000. The two States together got $800,000,000 out of $2,700,000,000. That is about 30 percent of the total for the United States. When some of us protest against that situation we ought not to be charged with being provincial. It is not right.

Mr. WAGNER. I should like to ask the Senator whether he has examined all the contributions which the city of New York has made?

Mr. BAILEY. I have; and I would be willing to make contributions if I could get money from the remainder of the country at that rate.

Mr. WAGNER. I wish to say to the Senator that there are only two States in the Union that have made a larger contribution toward unemployment relief or work relief than has New York, and those two States are Montana and Rhode Island.

Mr. BYRNES. Will the Senators yield to me?

Mr. WAGNER. New York has contributed thirty-seven-and-some-odd percent, which is more than North or South Carolina have contributed.

Mr. BAILEY. The program is costing North Carolina so much——

Mr. BYRNES. Mr. President——

The PRESIDENT pro tempore. The Senator from South Carolina declines to yield further.

Mr. BYRNES. No; I asked if the Senators would yield to me.

Mr. BAILEY. I thought the Senator said he yielded to me. I beg pardon.

Mr. WAGNER. South Carolina's contribution——

Mr. BYRNES. May I ask the Senator from New York if he will yield to me?

Mr. WAGNER. I hope the Senator will permit me to say a word or two further.

The PRESIDENT pro tempore. The Senator from South Carolina has the floor and does not have to yield, and he declines to yield.

Mr. BYRNES. Mr. President, I think I have been generous.

Mr. WAGNER. Does the Senator decline to yield?

Mr. BYRNES. I asked the Senator from New York to yield to me, and he did so, I understood. I wish to continue my statement.

Mr. WAGNER. Very well.

Mr. BYRNES. The Senator, much to my regret, becomes irritated and talks about a table being unfair and expresses the belief that he has been interrogated by Senators because of a table handed out by me. It is not my table. It is in the hearings. It was furnished by the Administrator, Mr. Hopkins, to the House committee. It gives the figures for W. P. A. It sets forth the estimated cost of Works Progress Administration projects and nothing else. Nobody has ever said anything else. But when that statement was presented it naturally was disturbing. I assume that the officials of the city of New York, knowing that they did spend large sums for direct relief, called attention to those sums. I have no objection at all to any statement that was prepared or issued showing the sums spent for direct relief in New York, but I have contended that that has nothing to do with this question, for the reasons I have outlined. Those reasons may or may not be convincing to the Senator from New York. I took the statement from the record presented by Mr. Hopkins, appearing on page 247 of the House hearings, and requested by a Representative from New York State. That table shows the total amount for all projects to be $620,700,295 in New York. Federal funds provided were $575,873,076; the percentage of Federal funds was 92.8 percent; the amount paid by New York State was $44,827,219. The city of New York was granted $433,783,001 of Federal funds and put up $2,244,337, or one-half of 1 percent. The average contribution by the State was 7.2 percent for all works projects in New York State.

Mr. BARKLEY and Mr. DAVIS addressed the Chair.

Mr. BYRNES. That was the works-progress work alone. I repeat that for emphasis.

The PRESIDENT pro tempore. Does the Senator from South Carolina yield, and if so, to whom?

Mr. DAVIS. That was quoted from the House hearings?

Mr. BYRNES. Yes. I shall yield to the Senator from Kentucky in just a moment.

I make no criticism of the people of New York. I believe if New York will put up the percentage the other States are putting up on W. P. A. projects and to that extent lessen the money it has for direct relief in New York, that when they call upon the people of New York for funds to relieve need in New York the people of that city, who have responded to every appeal for aid that has come, even from other lands, will respond to that local appeal and look after the people of New York City. Why should not they put up the same amount of money for W. P. A. as any other city in the country?

Then if there is not enough money to take care of direct relief in New York, let them appeal for it. If they cannot get it in New York, we will pass a resolution as we have for other places which have been in distress, and we will provide the money. But they will never ask for it in that way, because the proud people of New York, who so generously respond to the appeals of other people, will look after their own. Those people do not know of Mr. Hopkins' figures. They would be willing to pay their share of the cost of W. P. A. projects.

Mr. WAGNER. Mr. President——

Mr. BYRNES. I yield now to the Senator from Kentucky.

Mr. WAGNER. Oh, the Senator from South Carolina will not yield to me?

Mr. BYRNES. The Senator from Kentucky has been on his feet and I promised to yield to him. I have yielded generously to the Senator from New York. The Senator from Kentucky was on his feet and I must yield to him.

Mr. BARKLEY. Mr. President, I am not troubled over the controversy between New York and South Carolina, or between New York and any other city or State. Whatever has happened to them has happened, and I am satisfied that what has happened can be justified. However, regardless of New York and regardless of any other State or any other city, is it not true that during the 4 years from 1933 to 1936 all of the States and all of the communities in the States increased each year their contributions toward the relief fund?

Whether it was spent on W. P. A. or on direct relief or whatever was done with it, whether it was for 10 or 20 different purposes, is it not true that all the States and all the communities, beginning with 1933, increased their contributions to that problem with which we were confronted?

Mr. BYRNES. That is certainly true. There may be some isolated community which did not do so, but it is certainly true as a general statement.

Mr. BARKLEY. I do not want to go into any detail because the contributions of the various States are shown in the schedule, but for 1933 local contributions of States and communities for relief purposes and employment and the work program were $338,000,000; for 1934, $691,000,000; for 1935, $714,000,000; and for 1936, $1,244,000,000.

Mr. BYRNES. What the Senator says is undoubtedly true. For instance, take the P. W. A. We had no such thing in 1933. To every State in the Union under the 55–45 plan of the P. W. A. we are making large contributions. Things that were heretofore done by the State governments of South Carolina and Kentucky are now done in cooperation with the Federal Government on the basis of 55–45, and necessarily any statement shows large amounts.

With reference to what has been said, I do not desire to criticize New York and have no objection to the figures my friend from New York has shown about South Carolina. Here is my position about South Carolina. I know South Carolina did not put up what the State should have put up for direct relief. In a public meeting, in 1934, in the presence of the Governor and the Governor-elect I stated South Carolina should in all fairness increase its contribution. I would make South Carolina put up more today because she is able to do it, and because it would cause local officials to ask for projects only if they were necessary. Being in good condition, South Carolina has no right to come to the Federal Government, in the condition in which the Federal Government now is, and seek to have it pay any more than it contributes to any other State. I would make South Carolina put up 50 percent. I would like to make New York put up 50 percent. If South Carolina could do it, certainly New York could do it. If they put it up, there would be more money for employment. If, because of the requirement they did not ask for projects, less money would be spent, less taxes collected, and more jobs be available in private employment.

Mr. WAGNER. Mr. President, will the Senator from South Carolina yield?

Mr. BYRNES. I yield.

Mr. WAGNER. The Senator will pardon me for being somewhat sensitive about these references to New York, because I am so definitely convinced, as I have kept track of all our activities, that New York has done its utmost to help and has contributed a great deal.

Let me call the attention of the Senator to another evidence of our unselfishness. We contributed, I believe, 26 percent of all the taxes collected by the Federal Government, but I do not make that a point. We did not complain about the A. A. A., and yet I have here some figures which show that in New York State we received $707,000 under the A. A. A. and South Carolina received $22,622,195. There is a great disparity there, but I do not complain of it. I think South Carolina was entitled to it, and I am sure New York was quite willing to make its contribution toward building a better life for the farmers of the country. If I wanted to take the attitude the Senator from South Carolina does with reference to W. P. A., I could point to those figures as showing a remarkable disparity.

Mr. BYRNES. Mr. President, I think the Senator ought to be sorry that he did point to those figures. Whenever the Senator talks about paying 26 percent of the taxes of the Federal Government, every Senator in the Chamber smiles and can hardly restrain himself from laughing. They know that New York may pay taxes, but where does New York get the money to pay the taxes? She gets it from Michigan, Idaho, Mississippi, New Jersey, and the other States. If a

cotton buyer in one of the Southern States buys a hundred bales of cotton, and to hedge, sells 110 bales on the New York Exchange, a tax is paid in New York City on the contract.

Mr. WAGNER. There is no doubt about that.

Mr. BYRNES. Today in Washington if a man sells 100 shares of stock, where is the transfer tax on the sale paid? New York. If you live in Wisconsin and own a hundred shares of stock in a corporation incorporated in New York, where are the corporation taxes going? To New York. It is Wisconsin money invested, but the corporation taxes are going to be paid in New York. Talk about helping the farmers! The farmers of the Nation have supported New York City. They have made it. If it were not for the farmers of America, grass would grow in the streets of New York City and the Senator would have nothing to represent except a farming district. [Laughter.]

Mr. WAGNER. The Senator from South Carolina must not twist what I said into something I did not say. I emphatically stated that I am sure New York was quite happy to make its contribution for the benefit of the farmers of the country. That is the point I made. There is an interdependence between the farmers of the country and the workers in the city. They must both be prosperous. One cannot be prosperous without the other. New York is interested in seeing that the farmers are prosperous, just as the farming communities of the country are interested in seeing the industrial sections prosper.

Mr. BYRNES. The farmers are all in favor of this interdependence. All that the farmers ask is that if the farmers of Idaho have to pay 29 percent on a W. P. A. project, that the farmers of New York City should pay more than one-half of 1 percent on their projects.

The amendment, as I have said several times, seeks to provide a goal toward which the Administrator may strive. It provides that if in any case the officials of a State, city, or county cannot make the required contribution, then, upon the determination of the President, which means the Administrator, he shall have the power to do exactly what he is doing today and every day as to every project—to determine how much can be contributed by the State, county, or city. The Administrator is to determine whether they can put up more, and, if so, to seek the increased amount. Senators say this is wrong because it involves a pauper's oath. Let me talk about that.

You know, there is a certain odium about a pauper's oath. Opponents say, "Oh, that is a pauper's oath." They think that is odious to governments and individuals. If a city claims it cannot put up 40 percent but can put up 35 percent, is that a pauper's oath? Would a city that today swears it cannot put up 1 percent be humiliated by swearing it could not put up 40 percent?

My good friend from New York [Mr. WAGNER], who has just been interrogating me, should be interested in this matter, for the reason that the relief problem was a local problem until 1932. The Congress then determined that it was no longer a local problem, and that the Government of the United States had an interest in it; and we proceeded to legislate to show an interest in the problem and contribute to relieve unemployment and need. First a bill was introduced by the Senator from Wisconsin [Mr. LA FOLLETTE] and the then Senator from Colorado, known as the La Follette-Costigan bill. It did not go through; and then another bill was introduced which bore the names of the Senator from New York [Mr. WAGNER], the Senator from Arkansas [Mr. ROBINSON], the Senator from Nevada [Mr. PITTMAN], and the Senator from Ohio [Mr. BULKLEY]. What did that bill provide? Here is its language:

> The Governor of any State or Territory may from time to time make application for funds under this section, and in each application so made shall certify the necessity for such funds and that the resources of the State or Territory, including moneys then available and which can be made available by the State or Territory, its political subdivisions, and private contributions, are inadequate to meet its relief needs.

Mr. SCHWELLENBACH. Mr. President, in what year?

Mr. BYRNES. In 1932. It was presented to the Senate by the Senator from New York. Did anybody say that was a provision for a pauper's oath? No.

Mr. WAGNER. Mr. President——

Mr. BYRNES. The RECORD does not show it. I have here the statement presented by the Senator from New York, and certainly it does not show it. I looked to see if the Senator from New York or anybody else called this a provision for a pauper's oath. If the Senator has such a statement, I should like him to give me a reference to it.

Mr. WAGNER. What I was about to say was that we were required to conform to the wishes of the then President of the United States. That was the beginning of the infancy of our thinking upon this subject. We soon recognized that the problem was national in scope when President Roosevelt took office; and then the Senator from New York sponsored two bills, one providing for emergency relief and the other the National Recovery Act, which provided for the public-works program and the other things.

Mr. BYRNES. Mr. President, I agree that the matter was in its infancy, and I never saw an infant grow so lustily or so rapidly as that infant grew. [Laughter.]

Mr. WAGNER. Because the conditions of the country demanded it.

Mr. BYRNES. Mr. President, I am satisfied that unless we bring home to the mayors of this country a realization of the fact that they, by direct levies, must contribute to the solution of this problem, it will not recede. It will never recede, if it is left to them. Congress must assert itself and put some brakes upon it.

Let me say, however, that under the so-called pauper's oath, if it should be called that, every State in the Union, with the exception of Connecticut, Delaware, Massachusetts, Nebraska, Vermont, and Wyoming, certified that it did not have the capacity to provide for its needs either by revenues or by private contributions, and asked and received aid. Of course, what the Senator says is true, that the matter was in its infancy. Of course, conditions grew worse; and as conditions grew worse, counties, States, and cities could not comply, for the reasons I have heretofore cited at too great length today; and, as a result, the Federal Government contributed more and more until we reached the present situation.

Mr. SCHWELLENBACH. Mr. President, will the Senator yield?

Mr. BYRNES. I yield to the Senator from Washington.

Mr. SCHWELLENBACH. A few moments ago the Senator said that unless some action such as that which is now proposed is taken, this problem will never recede. Is it not a fact that in January of 1936 we had some three-million-two-hundred-and-some-odd-thousand persons on W. P. A. projects, that now we have reduced that number by approximately a million, so that the total is now 2,200,000, and that under this appropriation it is proposed to reduce it to 1,700,000? There has been a reduction from 3,200,000 down to 1,700,000 in about a year and a half.

Mr. BYRNES. The number has not yet gotten down to 1,700,000; but I will withdraw the statement that there is no recession. Many have been transferred to Resettlement rolls, many more have gone into private employment. But there has been no recession in the number of applications for projects. These applicants are interested in projects, not in relief workers. But certainly in the very nature of things there had to be some recession in the number of relief clients from the days of 1934.

Mr. BARKLEY. Mr. President, will the Senator yield at that point?

Mr. BYRNES. I yield to the Senator from Kentucky.

Mr. BARKLEY. I merely desire to add to what the Senator from Washington stated by observing that the mere fact that we are appropriating a billion and a half dollars for a year's work and work relief next year is itself quite a recession from the annual appropriations we have heretofore passed for the same purpose, regardless of the number of men employed.

Mr. BYRNES. There is no question about the reduction in this appropriation, but in considering total appropriations

by Congress we must take into consideration the other appropriations which are being made by Congress to which I have made reference, such as those for social security to care for persons who were formerly taken care of by appropriations for direct relief. The thought of the Senator from Washington that there has been a reduction of this appropriation was correct, regardless of whether or not his figures are exactly correct.

Mr. SCHWELLENBACH. Mr. President, will the Senator yield?

Mr. BYRNES. Yes.

Mr. SCHWELLENBACH. The Senator said, in answer to this argument, that we must take into consideration the amount of money expended for other forms of relief—social security, and things of that kind. That is precisely the reason why the figures which the Senator from South Carolina presents for W. P. A. alone are unfair, and why, if we are going to consider the problem, it is necessary to consider the entire amount of money put up by the Federal Government and the States and the local governments. By his statement now in reference to this argument the Senator himself has confessed that in considering the problem we must consider all the moneys that are spent for unemployment relief.

Mr. BYRNES. Mr. President, of course, I disagree with the Senator in that respect. In determining whether there has been a reduction in appropriations by Congress for relief it is fair to consider that a reduction in this bill is made possible by the transfer to social-security rolls or the transfer to a bill for C. C. C. workers. That is different from saying that because a city spends money for relief or hospitalization or other things it should not put up anything for W. P. A. projects.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. BYRNES. I should like to conclude my remarks.

Mr. WAGNER. Will the Senator yield, not for a question, but to allow me to correct a statement he made? When the Senator enumerated those who participated in drafting the bill of 1932, I think he failed to mention the present presiding officer, the Senator from Nevada [Mr. PITTMAN].

Mr. BYRNES. Mr, Mr. President; I called him by name. I placed him high up on the roll of honor.

Mr. WAGNER. Very well. He was a very important member of the group.

Mr. BYRNES. He is an important member of any group.

Mr. LEWIS. Mr. President——

Mr. BYRNES. I yield to the Senator from Illinois.

Mr. LEWIS. I merely rise to correct the original statement of the able Senator detailing the course of the different States in what he called the infancy of this undertaking. The role of Illinois was that of a borrower. The able Senator from Virginia [Mr. GLASS] did a great deal to direct the course that enabled Illinois, through Chicago, to borrow for the payment of her school teachers; but that was a loan for which she put up security, and which I may say to the able Senator has largely been paid off.

Mr. BYRNES. I am very glad to learn that.

Mr. SCHWELLENBACH. Mr. President, will the Senator yield?

Mr. BYRNES. I ask Senators to pardon me and let me conclude, because I must do so.

By the language of the amendment as it now stands, materials, services, or money may be offered by the State, county, or city. That is now being done. There is no change in that. The average contribution for the country has increased from 13 to 16 percent.

As a result of this amendment, nobody will be caused to go hungry. I say that because I assume we will hear much about that. We generally do.

There is no question here about causing persons to go hungry. The States, counties, and cities, I think I have shown, are in position to take care of those who are hungry or who may be hungry. Throughout this country today they are in good condition. The effect of the action that is proposed here would be solely to make the States, through their local boards, take a greater interest in the relief rolls. It would cause them to be reduced. If in the cities people are in need of jobs and the cities put up 40 percent, we will have more money for more jobs.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. BYRNES. I yield to the Senator from Oregon.

Mr. McNARY. The discussion has been very edifying. Has the Senator any figures which indicate the average contributions made by States and localities throughout the country?

Mr. BYRNES. Yes, Mr. President. I ask a page to take to the Senator the figures showing the average as 13.1 percent up to January 1. Since that time the average has been increased by the Administrator to 16 percent and possibly some fraction. That was the testimony before the Committee on Appropriations last Saturday.

The 13 percent added to the one billion and a half dollars would make available for W. P. A. for the next fiscal year $1,695,000,000. If the sponsors are made to put up 40 percent, there would be $600,000,000 added to the one and a half billion dollars, or $2,100,000,000. That, however, would not be quite accurate, for the reason that I have said that Mr. Hopkins does not expect to get for W. P. A. the entire $1,500,000,000. In round figures we may put it, say, at $1,300,000,000. That would mean if 40 percent were provided, that the W. P. A. would have $1,820,000,000, or approximately $125,000,000 more than they would have if the amendment is not adopted.

Some newspapers made the statement that I said that the additional amount would be $750,000,000. I never quarrel with the newspapers. I only wonder how they are as accurate as they generally are. So far as I am concerned, while I have no recollection of making the statement, I may have done so, for the reason that I have several times said in conversation that the effect of this proposal would mean one of two things: If there is need throughout the country, if projects are demanded because of need, and communities ask for them as they would ask for them if they needed them, it would mean putting up $2,100,000,000.

If, however, there is no such need and mayors are asking for projects—if, for instance, a mayor is asking for an airport because a rival city has an airport, or for help in order that it may help the mayor because some other city has been getting something—"As long as spending is going on, I might as well get my share"—if that is the theory upon which it is done, the people of the community would demand that they stop filing applications. I would say that nobody could guess what would happen. I said on one occasion that my hope was that the contribution of the Federal Government would be reduced to $750,000,000. That was not my opinion; that was a hope, a vain hope, I know. But if the Government were putting up only $750,000,000 it would be a blessed day for the Government of the United States and the Treasury of the United States.

Mr. BONE. Mr. President, will the Senator yield?

Mr. BYRNES. In just a moment, and I will have concluded.

The President of the United States, in the Budget message he sent to Congress on April 20, made this request:

> I regard it as extremely important that we should achieve a balance of actual income and outgo for the fiscal year 1938, and I appeal to you to join me in a determined effort to bring about that result.

The President of the United States appealed to us to join him in balancing the income and the outgo. That appeal will not be answered unless some action is taken upon this bill, and the only action we could take on this bill which would not hurt those on relief would be to require the local governments to put up a greater part and let the Federal Government put up a lesser part. If that result could be brought about, then there would be no deficit of $419,000,000 on June 30, 1938. The Treasury of the United States could submit a balance sheet which could command the confidence of the investors of this country, which would give heart not only to those who are running the banks in this country today, and holding the bonds of the country, but would give heart to every man and every woman whose common sense

tells them that this Government cannot forever go on spending daily more than its income, that there must come a time when income and outgo must be balanced. I believe that time has arrived and I appeal to the Senate to respond to the appeal of the President and balance income and outgo.

Mr. McKELLAR. Mr. President——

Mr. OVERTON. Before the Senator from South Carolina takes his seat I should like to ask him a question.

Mr. BONE. Mr. President, I wanted to ask the Senator a question.

The PRESIDENT pro tempore. Has the Senator from South Carolina yielded the floor?

Mr. BYRNES. I yield the floor.

The PRESIDENT pro tempore. Then the Chair recognizes the Senator from Tennessee [Mr. McKELLAR].

Mr. McKELLAR. I am glad to yield to permit the Senator from South Carolina to answer the question of the Senator from Washington.

Mr. BYRNES. I yield to the Senator from Washington, if I have permission to do so.

Mr. BONE. Mr. President, the Senator has made a very forthright and aggressive exposition of his views about the problem of relief, and in some measure has answered the question I wanted to ask when I rose to interrogate him. I suspect that if there is anyone here who can make an intelligent approach to this question the Senator from South Carolina can, because he has led the fight against this amendment in the form in which it was originally, and has demanded that the States and communities contribute a portion of the relief fund.

I wish to ask the Senator now what, in his honest judgment, is likely to be the result of the adoption of the committee amendment compelling a contribution by the communities so far as the total amount of contributions by the Federal Government is concerned? Does he honestly think that it would be somewhere around $700,000,000 or $750,000,000? The Senator must have some definite idea about it; otherwise our action would be futile; we would never know where we were going.

Mr. BYRNES. Of course, I know the Senator will agree that it would be utterly impossible for anyone to state how many communities, under the requirement that they contribute 40 percent in money, materials, or services, would file applications when they today are paying less. We would have to determine what action the mayor of Milwaukee might take or what action the mayor of Detroit or of Atlanta might take, and it is, of course, necessarily difficult.

Then, too, there is the other question; it would necessitate a determination as to whether or not in my State, for instance, there are some communities which would say, "We cannot put it up. We will put up 30 percent, and we will make a showing that we cannot put up more." The President would then determine, as he does today—of course, Mr. Hopkins would do it for him—and say, "You can put up 30 percent, because that is all you can put up." Those two factors make it impossible for me to answer intelligently, and with the satisfaction I should like to have, the question of the Senator.

Mr. BONE. I do not expect the Senator to answer an impossible question, but I want to be perfectly frank and fair, and it must be obvious to the Senator from South Caroiina, as I think it is to all other Senators, that the Federal Government would not put up nearly so much as the sum contemplated in the joint resolution before the Senate if this amendment should become the law. I suspect the Federal expenditure might even go below $700,000,000. Is not that, frankly, the purpose?

Mr. BYRNES. Mr. President, I have stated that any estimate would be a guess. But judging from the way the law has been administered, and as I believe it should be administered, with reason, I do not believe the adoption of the amendment would mean a reduction of more than $500,000,000. That is my belief. The Senator and I might hope that the States would put up more money. I do not believe they would.

Mr. BONE. Of course, we are confronted by a rather serious problem here. There is a great army of young people coming on every year who are not fitting in. I have here some interesting figures. I do not want to occupy the floor, because the Senator from Tennessee desires to make answer to what has been suggested, but I do desire to call the attention of Senators to some figures at this time. The able Senator from South Carolina referred to the fact that we would have this army with us all the time. In other words, it seems to me there is an unhappy implication that many people would just take advantage of relief, if they got the opportunity, rather than seek private employment.

The Alexander Hamilton Institute made a very exhaustive study not long ago of some of our industrial processes, and they point out that the cost of labor was tremendously lower in 1936 than it was in 1929. Wage rates were at a high level, to be sure, but the challenging thing in these figures arises from the fact that the output per man-hour in January of this year was higher by 1.5 percent than in 1936; it was 16.7 percent higher than in 1932, and as compared with 1920 there was an increase of 71.2 percent in the output per man-hour.

When there is such an inordinately rapid increase in the tempo of output, coupled with the fact that every year there is coming along a great army of young men trying to squeeze themselves into an industrial pattern where there is not room for them, a very menacing picture is presented; and it matters not whether one likes it, we might as well challenge the multiplication table, and assert that two and two do not make four. It is a fact we have to wrestle with, a grisly phantom, but a very serious one. That is why I think we have to be exceedingly realistic in approaching this matter.

I find myself in disagreement with the attitude and viewpoint of the Senator from South Carolina in saying that this army would consciously and purposely stay with us, because, poor devils, they have not anything else to do than to seek relief when they cannot find a place in our economic life. I am fearful that the adoption of a provision of this kind might prove disastrous right now, and precipitate a crisis worse than the one we now face.

I apologize to the Senator from Tennessee for taking so much of his time.

Mr. McKELLAR. The Senator need not apologize; I was glad to yield to him.

Mr. ADAMS. Mr. President, will the Senator from Tennessee yield to me a moment to make a suggestion to the Senator from Washington?

Mr. McKELLAR. I yield.

Mr. ADAMS. If the Senator from Washington will look on page 77 of the Senate hearings, he will find Mr. Hopkins' statement as to the annual increase that is coming into the picture by reason of the development of youth.

Mr. BONE. What does he indicate?

Mr. ADAMS. He makes it half a million a year.

Mr. BONE. That is a tremendous army, a half million men, and they are ambitious; they want to fit in, but they run into an economic pattern where the marvels of science have made it possible to turn out more and more and more of the good things of life with less and less human labor applied to the process. That is one of the most challenging things we confront in this country today, and I have no wonder that Mr. Hopkins has pointed out that situation.

Mr. ADAMS. The Senator will find his statement, on pages 76 and 77 of the Senate committee hearings, very interesting.

Mr. McKELLAR. Mr. President, I desire to point out to the Senate and to the country that under the administration of the relief activities of the Government, States and their subdivisions have on the average contributed 13.1 percent of the amount expended. It is proposed by Mr. Hopkins to raise that percentage probably to 16, since the appropriation is to be reduced.

The proposal of the Senator from South Carolina [Mr. BYRNES] would increase this general aggregate of 13.1 percent to 40 percent; and, in the opinion of 10 members of the Appropriations Committee who have signed a minority report, such an increase is unwise. We do not believe that the States or local communities which sponsor these projects should be required to pay such a large increase.

The Senator from South Carolina seems to think that one of the purposes of his amendment is to establish a policy of forcing the States and localities to reassume the burden they have heretofore carried in reference to relief matters. I quote from what the Senator himself said in the public press on June 3, 1937, just a few days ago. The following appeared in the Washington Post of June 3, 1937:

BYRNES will stage his major fight to require local communities able to put up at least 40 percent of their share of relief funds. "If this is done", said the South Carolinian, "it makes little difference how much actually is appropriated for relief." If the States and public and political subdivisions have to pay part of the costs, the money just won't have to be asked for and spent. Probably the 1938 relief expenditures could be held to $750,000,000.

So, Senators, we see the real purpose of this amendment. It is to reduce the $1,500,000,000 appropriation to what the Senator from South Carolina believes would be $750,000,000. Whether or not to do that is a question for Senators to decide.

The Senator from South Carolina talks about the President's message urging the balancing of the Budget. We have all read the President's message. He did send such a message to the Congress, and I am heartily in favor of balancing the Budget at the earliest possible moment. But when that message was sent to the Congress I believe the message dealing with the measure now under discussion had been sent to the Congress asking for a billion and one-half dollars and the unexpended balances for this year.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. LA FOLLETTE. It is my recollection that that message contained a recommendation that the sum should be fixed at $1,500,000,000.

Mr. McKELLAR. That is my recollection. So we find that the President has recommended the appropriation of $1,500,000,000 and the unexpended balances; not $750,000,000, with or without the unexpended balances. Of course, the question of the unexpended balances has been voted on and is behind us. The question now before us is whether we shall agree to the pending amendment, which will result in an appropriation for relief of $750,000,000, or whether we shall pass the joint resolution in the amount of one and a half billion dollars, as recommended by the President.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. WAGNER. Is not the Senator also of the opinion that the States which are in greatest need of relief money, are the ones which will suffer most if the amendment should be agreed to, because, not being able to make the contribution required, they will get nothing?

Mr. McKELLAR. In my judgment, that is absolutely true. We do not know what will happen if the amendment shall be agreed to. As the President has stated time and again, and as almost every Member of this body has stated time and again, the question of relief is a national one. The only way in which we can deal with the question is nationally. We cannot deal with it in any other way. We have dealt with it for 5 years as a national question.

I now call attention to the fact that we have passed seven relief measures. On June 16, 1933, we passed a measure providing for the appropriation of $3,300,000,000. On February 15, 1934, we passed a measure providing for the appropriation of $950,000,000. On June 19, 1934, we passed a measure providing for the appropriation of $899,000,000. On June 19, 1934, we passed a measure providing for the appropriation of $525,000,000. On April 8, 1935, we passed a measure providing for the appropriation of $4,880,000,000. On June 22, 1936, we passed a measure providing for the appropriation of $1,425,000,000 and the unexpended balances—at that time an enormous sum, amounting to more than $1,000,000,000. On February 9, 1937, we appropriated an additional $789,000,000. Therefore, it will be seen that we are lessening the appropriations as times grow better.

The President has told us that if we appropriate the $1,500,000,000 now provided in the pending measure, relief will be cut down about one-third. The testimony before the Senate Appropriations Committee showed that if we had lopped off the $200,000,000 of unexpended balances it would have meant cutting off 120,000 persons from W. P. A. rolls. If we agree to this amendment, and cut down the appropriation from $1,500,000,000 to $750,000,000, we shall deprive a great many more men of opportunity for employment. I think we should not do that. I think the President of the United States is right when he recommends a great lessening, by one-third, of the appropriation below that made last year; but that is as little as we can get along on. That was the evidence before the committee.

Mr. President, 10 members of the Appropriations Committee signed a report saying that they were opposed to this amendment, and I hope it will not be agreed to.

Mr. BARKLEY. Mr. President——

The PRESIDING OFFICER (Mr. HATCH in the chair). Does the Senator from Tennessee yield to the Senator from Kentucky?

Mr. McKELLAR. I yield.

Mr. BARKLEY. Would not the adoption of the amendment really operate to penalize those communities which are in greatest need of work relief in the form of projects adopted for the purpose of giving work to people in the communities?

Mr. McKELLAR. In my judgment, unquestionably so.

Mr. BARKLEY. Not only do I have in mind many communities all over the United States, but I have especially in mind communities in the Ohio and Mississippi Valleys where the cities and counties exhausted every possible resource they had in order to take care of the flood emergency that existed during the past winter. Some of them anticipated their revenues for the next 2 years in order to save lives and care for the people who were driven out of their homes and had their property destroyed by the floods. Of course, in most of those cases the limitation of debt has already been reached under the constitutions of the States and under the charters of the cities. In most of those places the limit of real-estate taxes has already been imposed on the people. So in order for them to obtain any money to put up either 40 percent or any other percentage which might be fixed as an arbitrary percentage, they would have to attempt to resort to expedients which they cannot use, because they have already exhausted their resources and cannot go any further into debt or increase taxation. Even if they could do so, they could only increase taxes upon real estate, which has been greatly damaged by the disaster to which I have already referred.

Mr. McKELLAR. I think the Senator from Kentucky is entirely correct. In substantiation of what he has said, I wish to read a telegram which I just received from the mayor of my city. I do not think the mayor of my city knew my attitude about the matter. Judging from what he says, I do not believe he did.

The telegram is addressed to me, dated Memphis, Tenn., June 14, 1937, and is as follows:

MEMPHIS, TENN., *June 14, 1937.*

Hon. KENNETH MCKELLAR,
Senate Office Building:

I understand amendment has been offered to relief appropriation bill requiring cities to contribute 40 percent of the cost of all W. P. A. projects. Believe this will place a burden on cities which they cannot bear. In addition to W. P. A., cities are being called upon to take care of thousands of relief cases without Government aid. The entire relief load is being placed on Memphis with both State and Federal Governments withdrawing July 1. We cannot carry this load and contribute 40 percent to W. P. A. projects. The cities, through United States Conference of Mayors, have always

urged that the Federal Government take care of the employables, and the local governments be responsible for unemployables. We cannot take the entire load of caring for unemployables and contribute 40 percent to caring for the employables under W. P. A.

WATKINS OVERTON, *Mayor.*

I also received a telegram from County Judge Will Cummings, of Chattanooga, as follows:

CHATTANOOGA, TENN., *June 14, 1937.*

Hon. K. D. MCKELLAR,
Senator, Washington D. C.:

Property of the State and counties, which now produces 85 percent of the collectible taxes, cannot stand any further tax burden. Therefore I want to protest against the State and county standing 40 percent of the cost of relief. Please do everything possible to prevent this being imposed on us.

WILL CUMMINGS, *County Judge.*

Those telegrams corroborate what the Senator from Kentucky has said. It is impossible for the local communities to carry the burden of looking after both unemployables and employables, and the National Government is now being asked to look after only the unemployables.

The President has sent in his message, the appropriation has been approved by the Department, and the need for the amount requested is confirmed by the testimony given the Appropriations Committee.

I wish to state further that leaving it to the discretion of the Administrator of the W. P. A. or even leaving it to the discretion of the President is not the perfect way of handling this matter. We all realize that to be so. I do not believe there is any perfect way of handling it. What we have got to do is to realize that it is a national question, and then lodge the authority somewhere so as to assure that the funds will be administered so as to relieve persons in need wherever they may be found throughout the United States. That is the truth of the matter. It can only be done by leaving the authority in the hands of the President.

Mr. President, I wish to say that I voted, as did the Senator from Colorado and the Senator from South Carolina, for the $3,300,000,000 appropriation, and in that act we left the fund to the President of the United States to be administered. All three of us voted for the $950,000,000 appropriation in 1934, and all the other relief appropriation bills, seven in number, which turned the funds over to the President to be administered. Have we made a mistake in so doing?

I was surprised a while ago at the argument of the Senator from South Carolina. I think practically every Democrat in the Congress less than a year ago made speeches upholding the W. P. A. and upholding the administration of the W. P. A. We said that it had done a good job. I still believe that it has done a good job, and I am wondering what has caused my distinguished friend who believed that it had done a good job last year to change his mind. I do not know the cause. I do not know of any evidence that came before the committee that the W. P. A. has not functioned in an excellent manner. I believe that the W. P. A. has done magnificent work, and I believe that its continuance is absolutely necessary. I do not believe that employables who are without work can be taken care of in any other way. I think the Government has done a grand job in carrying on this work. It is true we have appropriated a great deal of money; it is true we have given great authority to the President; but that authority has generally been used with great ability and outstanding success.

We have come a long way through the depression. Why change at this late day? Why do we want to reduce the amount of this appropriation? Why do we want to change the whole system by requiring the States to increase their contributions from a general average of 13.1 percent to 40 percent? It is not fair to the States and communities; it cannot be done. If it should be done, the result would be that communities which are rich enough would be able to obtain the money, and their employables would be taken care of, while the poorer States and communities would have to get along as best they could, and if they could not get along at all, then their unemployed would die, and that would be the end of it. That would not be fair. This is a national question, and the Government ought to treat it in a national manner; it ought to continue to use the funds throughout the entire Nation.

The Senator from South Carolina read a long list of bonds and referred to the enhancement of their value. I am proud of the fact that during the last 4 years the bonds of cities and States and the Government of the United States have all gone up in price. The bonds of the United States Government have gone up more than 20 percent. On the average they were quoted in the neighborhood of 87 cents on the dollar some years ago, while on the average they are now selling for about 119, and I believe have been as high as 120. The bonds of the Government were never more valuable than they are today.

I am glad State bonds and county bonds have gone up throughout the country, because it is an evidence of prosperity. However, there is no reason for voting for this amendment because the bonds of the Government and States and municipalities are better today than they previously were. A county cannot just go ahead and issue bonds when it wants to do so. It has to get the State legislature to authorize the bond issue. A State cannot issue bonds unless its legislature authorizes such issuance; and as I remember—I may be mistaken—in all but 10 or 12 of the States the legislatures have already adjourned, and most of them will not meet for 2 years. So how could they issue bonds? How could the counties, how could the municipalities issue bonds in States where the legislatures have adjourned?

Mr. VANDENBERG. Mr. President, may I ask the Senator a question?

Mr. McKELLAR. I yield.

Mr. VANDENBERG. Is there any limit to the amount of bonds the Federal Government may issue?

Mr. McKELLAR. I do not know of any limitation. Does the Senator know of any?

Mr. VANDENBERG. I know of some in the law of economics.

Mr. McKELLAR. I thought the Senator was talking about the law or the Constitution. There is no limit in the law or the Constitution. I may be mistaken, and I hope I am, but I suspected a political coloring in the question of the Senator from Michigan. I will say that 4 years and a little more ago the average value of Government bonds was somewhat less than 100 cents on the dollar; the average value of United States Government bonds today is a little less than 120 or a little more than 120. So it does not look as if we are endangering the Government bonds which have been issued, for they are more valuable than ever. The public thinks better of them than ever, and they are worth 20 cents more on the dollar than they were 4 years ago.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. BARKLEY. The Senator will recall that a few days ago the Secretary of the Treasury asked for bids, or asked the American people to purchase $800,000,000 worth of Government obligations, and they were oversubscribed about 10 to 1. That shows that the credit of the United States has not suffered very greatly.

Mr. McKELLAR. I do not believe the credit of the United States was ever better in all its history than it is at this very moment when we are talking.

Mr. VANDENBERG. Mr. President, would the Senator seriously contend that an oversubscription of Government bonds under existing circumstances has any relation whatsoever to the intrinsic credit of the instrument?

Mr. BARKLEY. Of course it has.

Mr. McKELLAR. In my judgment, it has a great deal of relation to it.

Mr. VANDENBERG. It reflects almost perfectly an inflationary spiral which leaves no other place for money to go.

Mr. McKELLAR. I do not think there has been any inflationary spiral; I disagree with the Senator about that.

Mr. LA FOLLETTE. Mr. President——

Mr. McKELLAR. I yield to the Senator from Wisconsin.

Mr. LA FOLLETTE. Referring for a moment to the question of the difficulty experienced by the States in borrowing funds, I should like to call the Senate's attention to the fact

that 23 States in the Union have constitutional prohibitions against using the credit of the State for the issuance of bonds, and 38 States require a referendum to the people before public indebtedness may be incurred. Some indication of the terrific difficulty confronting numerous States is afforded by the fact that it is impossible for 23 States, without amending their constitutions, to borrow money and that great delay would be incurred in 38 States in which, if it were desired to issue bonds, the question would have to be referred to a referendum election of the people.

Mr. McKELLAR. In addition to that, the Governors of such States would have to call a meeting of the legislature. That would be extremely expensive and probably would be prohibitive in cost. I know if an election had to be held in addition to an extra session of the legislature the cost would be prohibitive.

Mr. BARKLEY. Mr. President——

Mr. McKELLAR. I yield to the Senator from Kentucky.

Mr. BARKLEY. In connection with the rise in the price of municipal and State bonds, which have gone up along with other securities during the last 4 years, is it any guarantee because a certain outstanding city bond has gone up in price on the market that the city will be able to issue additional bonds in cases where it has already reached its limit, and even if it could issue bonds, if it had to submit the question to the people at a regular election, which could not be held until next November, would such a situation bring any relief?

Mr. McKELLAR. Instead of bringing relief it would be the very contrary.

Mr. BARKLEY. There are thousands of communities so situated all over this country.

Mr. McKELLAR. The suggestion was made awhile ago that the bonds of one of the States—I have forgotten which one—which had been selling for about 50 or 60 cents 4 years ago had gone up to $1.05, as I recall the figure, or something like that. That does not show that that particular State has the difference in money. Those bonds are held by private individuals; they have already been sold. The State, it is true, if it called its legislature in session and could get permission of its people to issue bonds, would probably get the prevailing price of $1.05, but it would have to go through a difficult procedure in order to get the benefit of this bill.

Why change the present arrangement which, I think I can say without exception, all of us less than 8 months ago were declaring was a good and proper method of handling the matter; that it was a good policy; that it was good business; and that it had brought prosperity to our country?

Why should we want to change it at this late day and adopt an entirely new method of arranging the distribution of these funds?

Mr. ADAMS. Mr. President——

Mr. McKELLAR. I yield to the Senator from Colorado.

Mr. ADAMS. I do not desire to discuss the merits, but merely to call the Senator's attention to the fact that there is a decided limitation to the argument which has been presented by the Senator from Wisconsin and the Senator from Tennessee in reference to the limitations imposed on the issuance of bonds by States. A vast majority of the projects are not State projects, as may be ascertained by going through the list, so the argument as to State constitutions applies to a relatively small proportion of the projects. In my State the projects have largely been city projects, school-district projects, water-district projects, and there are practically no State projects.

Mr. McKELLAR. I do not know how it is in Colorado and I do not know what is the law there, but in Tennessee a city cannot issue bonds until authorized by the legislature to do so. A county cannot issue bonds until authorized by the legislature to do so. A school district cannot issue bonds until authorized to do so both by the county and the legislature, as I recall. They have to be authorized in any event. The Tennessee Legislature has adjourned. If we had to depend on a bond issue, it would deprive us entirely of any participation in the appropriation. I do not think it is fair to adopt a scheme that would foreclose some of the States and allow others more fortunately situated to get the money.

Mr. ADAMS. I am sure the Legislature of Tennessee in years past has done as our Legislature in Colorado has done, and passed a general law. In my State a city does not have to go back to the legislature in order to have a local election involving such matters. We have laws allowing school districts, cities, counties, and so forth, to issue bonds under certain conditions.

Mr. McKELLAR. In Tennessee we have to have special legislation to enable communities to issue bonds for any purpose, and the purpose must be stated, as I recall. That applies not only to cities, counties, and districts, but to all political subdivisions, whatever they may be.

Mr. ADAMS. Is there no general law authorizing the issuance of bonds?

Mr. McKELLAR. No; there is not.

Mr. ADAMS. That ought to keep the credit of Tennessee very good.

Mr. McKELLAR. We have fairly good credit in Tennessee notwithstanding that fact.

Mr. LA FOLLETTE. Mr. President——

Mr. McKELLAR. I yield to the Senator from Wisconsin.

Mr. LA FOLLETTE. In further answer to the statement made by the Senator from Colorado [Mr. ADAMS], I think the situation confronting the State governments with regard to increased indebtedness for relief purposes has a great deal to do with this situation if we view it from the point of view of the problem of taking care both of the employable and the unemployable. If the amendment operates, as I am convinced it will, to cripple the program carried on by the Federal Government for the employables, it means that an additional burden must revert to the States and localities. Therefore their ability to obtain money by borrowing is very important in considering the merits of the amendment if we view it from the point of view of men, women, and children who are involved.

Mr. McKELLAR. It seems to me the Senator from Wisconsin is entirely correct. I take exactly the same view. I believe the purpose of the Government was to save men, women, and children who had no employment, and those of them who now have no employment. I pray God that the time will soon come when it will not be necessary to furnish this kind of work relief, but that time has not as yet come. Since it has not come, why should we change our system? Why should we lose confidence in the Administrator who has made a good record, as it seems to me? Why should we lose confidence in our President who has made a wonderful record, as it seems to me? Why should we change and undertake to limit and hamstring the administration and reduce the appropriation by $750,000,000?

Mr. BARKLEY. Mr. President——

Mr. McKELLAR. I yield to the Senator from Kentucky.

Mr. BARKLEY. The proportion of cities and school districts and counties in the United States which would be handicapped by this limitation is greater even than the proportion of the States themselves. The Senator from Wisconsin [Mr. LA FOLLETTE] referred to 38 out of the 48 States, but if he will take all of the cities and counties and school districts, which are, of course, much more numerous, it will be found that the proportion of those which would be handicapped because of these limitations is greater than in the case of the States.

Not only are they limited as to their ability to go into debt but they are limited as to the amount of taxes they may levy. In my State every county and city is limited in its tax rate to 50 cents on the hundred dollars except for certain road purposes, where they may, by a vote of the people, increase the taxes to provide a sinking fund for the payment of the debts incurred for road-building purposes. But if this amendment goes into the pending measure, it means that even those counties and cities and school districts which have not reached the limit of their indebtedness must delay until the middle of next winter before they can go through the necessary process to enable them to get the required money.

Mr. HUGHES. Mr. President, will the Senator yield?

Mr. McKELLAR. I am glad to yield to the Senator from Delaware.

Mr. HUGHES. In the State of Delaware no city, no town, no county, and not even the State itself can borrow money without special act of the legislature. Our legislature has adjourned and will not be in session again for 2 years; so we would be handicapped in applying for any of this money during that time because no one of the subdivisions of the State could borrow a cent without getting special authority from the legislature to do so.

Mr. McKELLAR. The Senator has stated a situation which is exactly identical with the situation in the State of Tennessee.

Mr. BARKLEY. The Senator would not want those counties and cities to go through the process of taking a pauper's oath and coming to Washington with hat in hand asking for funds, would he?

Mr. HUGHES. Assuredly not.

Mr. McKELLAR. I want to make another suggestion along that line. It is true that the Senator from South Carolina [Mr. BYRNES] provides in his amendment—

> Except that in any case in which the applicant for any such non-Federal project certifies in writing that it is unable to supply such 40 percent, the President is authorized, after investigation of the taxpaying capacity and credit of the applicant, to determine the maximum amount possible for such applicant to supply. The President shall furnish to the Secretary of the Senate and the Clerk of the House of Representatives, upon the 1st day of January and the 1st day of July 1938 a list of cases in which less than 40 percent of the cost of non-Federal projects was furnished by applicants, together with a statement of the amount furnished by the applicants in each such case.

I know the Senator did not mean that he was not willing to trust the President's discretion in the matter and he does propose to give him the right to pass on individual cases; but, at the same time, he requires the President to certify in writing to the House and to the Senate as to his action. I do not think such a provision ought to be in the law. I do not think anything President Roosevelt has done concerning the whole relief problem should subject him to the implications contained in that part of the amendment. I do not think any State or any county or any subdivision should be required to come here, hat in hand, and make a pauper's oath, for that is exactly what it means.

The appropriation made in the pending joint resolution, the President has said and the Administrator has said, should be $1,500,000,000, and the unexpended balances of $200,000,000 should be reappropriated. I think the Senate ought to vote down the amendment, just as yesterday it voted down the amendment in reference to unexpended balances. I hope the Senate will vote that way.

My own judgment is that a perfectly splendid job has been done by the Works Progress Administration. There may be instances of mistakes being made, but that happens in any large undertaking of this kind. I do not think anything has been done that any man responsible for it should be ashamed of, and accordingly I am asking the Senate to vote down the pending amendment.

I ask leave to have printed at the conclusion of my remarks some excerpts from the report filed by the minority.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The matter referred to is as follows:

> In other words, the meaning of this amendment is that while 40 percent is established, that if any State, county, or municipality or other organization entitled to receive relief is willing to take the pauper's oath, and if the President finds that they are paupers, he can reduce the amount of their contribution. The minority members do not approve of this policy. They do not believe it is fair or just. They believe that the policy already established by the President is a much better rule for fixing the amount of relief that local sponsors must put up than the rule set up in this amendment.
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> In the committee it was argued that the reason of the amendment was that New York City paid only one-half of 1 percent and that New York paid only 7.2 percent, while some States, like Idaho, paid 28.3 percent, Wyoming 26.7 percent, Tennessee 26.6 percent, and others smaller amounts. The average for the country as a whole was 13.1 percent. The answer to this was furnished by Mr. Hopkins in a table comparing New York to South Carolina, showing that in all relief work in 1933 to 1936 New York and its local organizations put up 37.6 percent, while the Federal Government put up 62.4 percent; that during the same period South Carolina and its local organizations put up 9.6 percent, while the Federal Government put up 90.4 percent. Taking 1936 only, it was shown that New York State and localities put up 36.9 percent, while the Federal Government put up 63.1 percent, and that South Carolina State and local put up 17.1 percent, while the Federal Government put up 82.9 percent.
>
> The truth of the matter is that when you examine all figures, when you take into consideration the difference in the number and extent of relief, it has been and it will be, in the opinion of your committee, absolutely impossible to obtain a rule that will work with absolute fairness, but that the rule adopted by the President has been just as fair and just as any rule that could be adopted, and it will be much more fair and just than the rule proposed by the Senator from South Carolina.
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> Again, many State legislatures which have met this year have adjourned and will not meet for 1 or 2 years.
>
> DEBT LIMITATIONS LOCAL
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> Many cities and counties cannot issue bonds unless specially authorized by the legislature. In this situation it is going to be difficult, extremely difficult, for many States, counties, and cities to take advantage of relief at all, and the result will be, as Senator BYRNES argued in the newspapers, that these States will not be able to receive relief, and there will be a large saving to the Government. He estimates it at $750,000,000. Well, if we did not pass the bill at all the Government would save $1,500,000,000. In the minds of the minority members of this committee, whether the Byrnes amendment should be adopted is simply whether Senators believe in a relief bill that will apply to some States and will not apply to others, that will apply to some types of needy workers and not others, whether they believe that relief ought to be cut down and in a partial and unfair way; whether Senators believe that the President has unfairly and unjustly carried out his official duties in disposing of the moneys previously appropriated and turned over to him for distribution for relief.
>
> *Effects of arbitrary requirement for matching Federal Works Progress Administration funds*
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> The proposal that State and local governments be required to meet an arbitrary fixed proportion of the cost of Works Progress Administration projects is administratively unworkable and inconsistent with the objectives of the program. The following considerations form the basis for this conclusion:
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> 1. The national character of the unemployment problem, its independence of State and local boundaries, and the inability of local governments to control or adjust its causes make it unwise for the Federal Government to enact legislation which would, in effect, limit or entirely eliminate Federal assistance to the needy unemployed in many communities for reasons which neither the individuals nor the communities can control.
>
> 2. Most Works Progress Administration projects are sponsored by local governments—cities, towns, counties, and school districts. The same factors which make Federal assistance necessary require that the Work Progress Administration program be adjusted to the total number of unemployed persons in need of relief and the financial ability of each individual community.
>
> Usually the localities faced with the heaviest unemployment and relief problems are those whose financial resources are most severely depleted, and under a matching policy Federal aid would be restricted where it is needed most.
>
> 3. If sponsors are required on all projects which they undertake to provide 40 percent of the funds, they will, in most cases, desire that the funds so contributed shall be spent on materials and equipment for construction projects. Projects such as sewing rooms, which are designed to employ needy women, could not be operated. The same is true of projects of the National Youth Administration, which help keep needy youth in schools. Universities and schools which sponsor these projects will in most cases be unable to meet this requirement. There are thousands of projects which provide work for clerks and people trained in professions requiring few materials and taking care of needy groups which are too often overlooked. Most of these projects would have to be terminated.
>
> 4. The chief source of revenue of local governments is the real-property tax. Unless they could increase property-tax collections or borrow, these local governments would be unable to match Federal expenditures.
>
> In many instances the tax rate has reached the maximum allowed by State law. In others new taxes would simply increase delinquencies and would yield little additional revenue.
>
> Depreciated property valuations have already restricted local revenue from this source; the levy of additional property taxes would result in still further deflation of values, increase rents, and discourage the construction of new homes, stores, and factories, which is vital to the recovery of the building industry.
>
> 5. Many localities which might be willing to borrow in order to match Federal funds would be unable to do so because there is no ready market for their bonds or because their debt already has reached the legal maximum in their State.
>
> 6. A few State governments are in a position to help their localities somewhat in meeting a Federal matching requirement, but the great majority of them could not do it at this time. All but 10 or 11 State legislatures have adjourned, and most of them will not meet again in regular session until 1939. By the end of this month it is expected that the few legislatures now in session will have adjourned. Furthermore, the borrowing power of the State government is limited by most State constitutions.

7. The net result of an arbitrary matching requirement would be a complete shut-down of the Works Progress Administration program in many areas of the country where large numbers of families are destitute and without other means of support; in others it would mean the wholesale elimination of desirable projects which now comprise integral parts of local construction programs.

8. A transition period is a prerequisite to the adoption of any matching principle. The States must be given time to strengthen their administrative relationships with local governments, to review and revamp their revenue systems, and to test the yield from augmented tax levies.

9. At the present time the Federal Government, through administrative action in each locality, is attempting to equalize Works Progress Administration costs without denying Federal help to impoverished communities. Federal funds are being used to pay the wages of needy project employees plus a small allowance for materials and other nonlabor costs sufficient to provide a program of useful projects. Sponsors are required to defray costs in excess of the Federal contribution. Under this policy employment can be provided on inexpensive projects in even the most severely depressed areas. More costly projects are operated in localities which can economically afford the additional costs. The needy unemployed are not penalized by the financial circumstances of the local governments under which they live.

It is true that Senator BYRNES, instead of absolutely shutting down on the present method of conducting relief on July 1, has modified his amendment so as to begin its operation on October 1, but this does not meet the situation.

The debt-incurring power of local governments is limited by constitution or statute in almost every State. These limitations usually apply only to tax-supported bonds. As a result of recent legislation, debt limits in most States are not applicable to bonds which have no recourse to tax funds and are payable only from the revenues of publicly owned utilities.

Limitations may restrict the amount of bonds issued to a specified percentage of the assessed valuation of taxable property or may restrict the rate of tax that may be levied to service outstanding obligations. Some local governments are subject to both types of limitations. It may frequently happen that a local government which has voted bonds is unable to dispose of them because prospective purchasers are doubtful that the rate of tax which the locality can levy will yield a sufficient sum to meet principal and interest payments.

Each local bond issue in some States must be authorized by a special act of the State legislature. Where constitutional limitations prevail, an increase in the limitation would require constitutional amendment—a lengthy process. Limitations set by statute can be changed only by action of the legislature. Revision of limitations written into city charters would in every case require the same formality as the original adoption of these charters.

State governments are even more restricted in their borrowing than are local governments. Most of them can readily increase debt to repel invasion or suppress insurrection, but not for other purposes.

Only 10 States can borrow by action of the legislature. The constitutions of 38 States require referendum approval or constitutional amendment to authorize borrowing in excess of very small amounts to meet casual deficits. How small these debts are that can be incurred without legislative or referendum approval or constitutional change is indicated by the fact that the maximum in Maryland, Oregon, and Rhode Island is $50,000, and in most other States is $1,000,000 or less.

Mr. OVERTON. Mr. President, there is one phase of the so-called Byrnes amendment which has not been commented upon, and which I think deserves some consideration.

The Senator from South Carolina [Mr. BYRNES], in vindication of the committee amendment, has shown that there is considerable discrepancy in the contributions made by the different States. The amendment which he proposed in the committee, however, and which the committee has adopted, does not undertake to equalize the contributions by the various States. It does not undertake to strike an average and to provide that the average local contribution toward the cost of non-Federal projects in the different States shall be a certain percent. The Senator has shown, for instance, that down to and through the year 1936 the average of local contributions by States has been 13.1 percent; but the committee amendment proposes that a requirement of 40 percent of local funds shall be put into each and every project, regardless of the type of the project. Experience in the practical operation of the W. P. A. administration has demonstrated that there are certain types of projects that will properly and readily command much larger local contributions than other types of projects.

In the hearings of the House committee, on page 166, appears a list of these different types of projects, showing how much Federal funds have been contributed and how much sponsors' funds have been contributed. The average of sponsors' funds, as I have stated, is 13.1 percent. With respect to these sponsors' funds, however, as they relate to highways, roads, and streets, the average is 16.1 percent, considerably above the general average. The average of local contributions with reference to public buildings is 17 percent. The average of sponsors' funds contributed to the type of projects designated as sewer systems and other municipal facilities is 17.1 percent.

On the other hand, there is another type of project where the local contribution is necessarily very low. Such are the "white collar" projects, which take in the educational, recreational, professional, and clerical relief aid. The average contribution, insofar as "white collar" projects are concerned, is only 6.7 percent.

There is another class of projects, characterized as the women's projects, which embrace sewing, canning, and other activities in which women may be engaged. The local contribution in respect to such projects is properly and necessarily much lower than in the case of other types of projects. The average for women's projects is only 4.9 percent.

That also is true in reference to some projects connected with sanitation and health. In the elimination of stream pollution, for example, the local contribution is 5.6 percent. In the case of mosquito eradication it is 3.3 percent. Furthermore, if we take into consideration the types of projects that as a class require larger local contributions than the ones to which I just referred it will be discovered that there are among the high-class projects certain types that necessarily require a lower local contribution.

For instance, in the subclassification of grade-crossing eliminations, under the general classification of highways, roads, and streets, the local contribution is 1½ percent. In the case of housing and demolition, under the classification of public buildings, the local contribution is 1.6 percent; and so on down the list of types of projects furnished by the Administrator.

The committee amendment under discussion overlooks the absolute necessity of making a distinction between types of projects. It requires that, regardless of the character of the project, 40 percent shall be contributed locally on each and every project.

A 40-percent requirement, as it must be apparent to every Senator, would wipe out at once all the women's projects and all of the "white collar" projects unless they are to come within the exception to the rule.

If we consider the proviso in reference to the exception to the rule, it seems to me it must be apparent that in a sensible, just, sound administration of the whole W. P. A. program there will necessarily be more projects that will fall within the exception than projects that will fall within the rule. That is true not only in reference to the type of project but it is true by reason of other conditions—the financial ability of the State or the political subdivision or the community to make the contribution; considerations as to the requirements for relief in a particular community, and the absolute necessity of going forward with the program of relief in that particular community.

Mr. BLACK. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. DUFFY in the chair). Does the Senator from Louisiana yield to the Senator from Alabama?

Mr. OVERTON. I yield.

Mr. BLACK. I am sure the broad classification of types of projects which the Senator has mentioned could be carried still further if we had a more complete analysis.

For instance, in Alabama in 1929 there was a very disastrous flood which almost wiped out a small town called Elba. We sought in vain to obtain relief under the old system to protect the people of that community. We were never able to get it until W. P. A. began its work. The result was that the little town of Elba, which was wholly unable to make any substantial contribution of any kind, has a levee built around it which protects it from the floods caused by the overflow of a navigable stream.

If it had been required that the town of Elba put up as much as 5 percent of the cost, the people living there would

still be in dread and fear every spring of the floods which always come. However, since no matching program was provided, relief money has been spent which it was necessary to spend anyway in the condition that existed; and although the stream rose to very great heights a short time ago the people who live in Elba were safe. They would not have been safe if there had been a 40-percent requirement.

I call the attention of the Senator to that matter for the reason that other places where there is a great deal of wealth might be able to contribute 15 percent, or 20 percent, or 40 percent, but not places such as Elba, which would continue to be unprotected if there were a 40-percent requirement.

Mr. OVERTON. Mr. President, may I interrupt the Senator a moment?

Mr. BLACK. Yes.

Mr. OVERTON. What could Elba do in reference to contributing work for women who are poverty-stricken and in need and can get employment in sewing circles? What could Elba do in that connection? Could it put up 40 percent of the cost of the project?

Mr. BLACK. Of course not. It would be wholly impossible for towns of that size to put up 40 percent.

Mr. OVERTON. There is not only an Elba in Alabama, but there are throughout the United States thousands of Elbas that are in exactly the same situation so dramatically described by the Senator from Alabama [Mr. BLACK].

It has been said by the proponents of this amendment that an exception is provided to the general rule of 40 percent. An exception has been provided because the proponents of the amendment are bound to know that an absolute, fixed rule of 40 percent would be totally impracticable; and I say that the rule providing for the exception is impracticable. There will be more applications to come within the exception than there will be communities that will apply to come within the rule.

What is going to be the result from a practical standpoint? One community after another will make application to be permitted to make a smaller percentage of local contribution; and what does the committee amendment prescribe? That the President of the United States shall take up each one of these applications; that he shall undertake to police and to audit the finances of the community; that the President of the United States, either himself or through someone he may delegate, shall say to community A, "You must levy an additional tax at such-and-such a rate"; to another community, "You will be absolved from the payment of any additional taxes." If the provision contained in the committee amendment is properly and faithfully carried out, the President will have to make a careful and conscientious investigation into the financial credit and responsibility of all the different applicants, and the result will be an almost interminable delay; and in any relief program what we want to avoid is delay.

What would have happened to the stricken community of Elba, referred to by the Senator from Alabama, if its citizens had been called upon to await the determination whether or not additional taxes must be levied, or whether they were able constitutionally to levy additional taxes in order to provide for relief? Are such communities throughout the United States to wait week after week and month after month until a Presidential order has been issued directing exactly what the particular community must do before the ill-fed, and the ill-clad, and ill-housed, and the starving in the community can get relief?

Mr. MINTON. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. MINTON. I invite the attention of the Senator to another Elba in this country, the town in which I live on the Ohio River. Many homes were washed away in the recent great flood there. Now, there is an effort to establish a small local housing community and move the people affected from the banks of the river to the high ground. A W. P. A. project was started; it was approved by the W. P. A. engineers in Indiana, and the plan came to Washington. The engineers here examined and approved it, the financial officers approved it, the directors approved it, and the janitor policed it. Then the proposal went to the Budget Bureau, and the Budget Bureau looked into it and approved it. It went back to the President, and the President approved it. Then it went to the Comptroller General's office, and after going through all the ramifications of that great office, it finally met approval there. Now it goes back to the W. P. A., and if we add another obstacle, such as that to which the Senator refers, the time may come when they never will get relief under W. P. A.

Mr. OVERTON. I thank the Senator for his contribution.

Mr. McKELLAR. Mr. President, will the Senator yield to me?

Mr. OVERTON. I yield.

Mr. McKELLAR. Let me suggest to the Senator that not only will the delay he has so well illustrated occur, but under the proposed amendment, in order that the President may pass on the financial ability of the people and upon the merits of the situation, he will have to send someone to a town like Elba, or a town like the one in Indiana, to have an investigation made, which will take quite a while.

Mr. OVERTON. He will need constitutional lawyers to go into the question as to whether or not a community can constitutionally impose any taxes; he will need expert auditors in order to determine the financial credit of the different communities, he will require all sorts of expert advice before he can finally arrive at a proper conclusion.

Mr. BURKE. Mr. President, will the Senator yield?

Mr. OVERTON. Let me first finish this thought. If he goes into it properly, as the amendment contemplates—and certainly it contemplates that the President will give conscientious consideration to every community that makes application to come within the exception—it will be necessary for him to have a number of experts and to have conducted a long investigation of the condition of each applicant in order that he may arrive at a proper decision.

Mr. McKELLAR. And we will have to make another appropriation to do it.

Mr. BURKE. Mr. President, will the Senator yield now?

Mr. OVERTON. I yield.

Mr. BURKE. Is it not true that Mr. Hopkins appeared before the Committee on Appropriations when both the Senator from Louisiana and the Senator from Tennessee were present, and stated that at the present time and under the present procedure he has on his staff bond experts, authorities on municipal taxation, and others familiar with conditions in cities and counties, in order to advise him as to their financial condition? So he is in a position now to ascertain quickly how much the sponsors can contribute? Is not that a fact?

Mr. OVERTON. That is true; but that is not the character of experts who would be required in the application of this amendment.

Mr. BURKE. What difference would there be?

Mr. OVERTON. He has experts, a general staff of experts to give him general advice, and there are experts in different States, I dare say, who give him a bird's-eye view of the whole situation. But there is no rule now fixed for a 40-percent contribution, and when a community comes forward and says, "We ought to be exempted from this 40-percent exaction", the only ground for exempting them is a demonstration to the satisfaction of the President that they have neither the taxpaying capacity nor the credit to meet the exaction. Then the committee amendment contemplates, if it contemplates anything at all, that there will be a much closer scrutiny, and a much more careful investigation, and a much more expert finding than the one referred to by Mr. Hopkins in his testimony.

Mr. BURKE. The present rule is that each sponsor is required to contribute all that it can properly contribute. The Senator does not mean to say, does he, that the determination of that question is arrived at in a slipshod, easygoing manner, so that a city or a county or a school

district may get by because the authorities have not made such careful examination as is necessary to enable them to know whether or not the applicants are telling the truth?

Mr. OVERTON. No; I do not say it is determined in a slipshod way; but the Senator overlooks one important consideration when it comes to ascertaining what shall be done in a community presently. The labor requirements are taken into consideration, as well as the financial responsibility; and when we undertake to apply this 40-percent rule, it will be applied to every project, regardless of labor conditions or other considerations, such as the number of people there may be in the community who are in destitute circumstances, whether or not they have been recently visited by some calamity, whether there is drought, or whether there is flood, or whether there is a total or almost total failure of the food and clothing supply. The only way they can take part in this relief program is to put up 40 percent of the relief funds which are given for the community, or else apply to the President of the United States and show, through expert testimony and otherwise, that they are financially unable to meet the 40-percent requirement.

Mr. BARKLEY. Mr. President——

The PRESIDING OFFICER (Mr. MINTON in the chair). Does the Senator from Louisiana yield to the Senator from Kentucky?

Mr. OVERTON. I yield.

Mr. BARKLEY. Would not that very requirement and that circumstance lead to infinite jealousies among cities and communities, if the President, exercising the soundest possible discretion based upon any investigation he might make, said that one city could put up 20 percent, and another one 40, and another one 5, or perhaps another none at all? That would give rise to all manner of charges of favoritism and partiality, which ought not be involved in a program of this sort.

Mr. OVERTON. I think the Senator from Kentucky is correct in making that observation.

Mr. BURKE. Mr. President, will the Senator yield again?

Mr. OVERTON. Let me complete my answer. The Senator from South Carolina says that today the mayor of Spartanburg comes in and gets as much relief funds as a mayor can possibly get with as little local contribution as possible, because if he does not do it, the mayor of some other city will have done it, and his constituents then will think that he ought to have done the same thing. He does not, by his amendment, remove the difficulty, because the mayor of Spartanburg is going to come in and say, "I want an exception made. I am entitled to come in under less than a 40-percent rule", and he will so contend, not, perhaps, because the community cannot put up the 40 percent but because some other municipality has come within the exception, and, in the language of the Senator from South Carolina, he has to make a good showing to his constituents.

Mr. BURKE. Mr. President, will the Senator yield now?

Mr. OVERTON. I yield.

Mr. BURKE. Will the Senator from Louisiana or the Senator from Kentucky explain why there would be any more rivalry or hard feeling or dissatisfaction under the proposal to impose in the first instance a prima facie requirement for 40 percent, than there will under the present system? One municipality or county or other sponsor now is enabled to get a project by contributing one-half of one percent or nothing, while some other community contributes 40 or 50 percent. How are we going to add to the jealousies and rivalries and hard feelings of communities by saying to them all in the first instance, "Instead of leaving this to the judgment of an employee of the Federal Government, we are going to ask you to make a contribution of 40 percent. If you cannot do it, come in and make a showing, and we will have you given what the evidence shows you ought to get."

Mr. OVERTON. Let me say, in answer to the Senator's question, that I did not make that statement, but I said that the committee amendment does not remove the difficulty that was suggested by the Senator from South Carolina.

Mr. BARKLEY. In that connection I will say also that the requirements under the present system are informal. They are not hedged about by any hard and fast rule of law. The question of legality does not necessarily enter into it. The Administrator, through such investigations as he can make, takes into consideration the financial condition of the people, the treasury of the community, whether it is a school board or a county or a city, and, by mutual understanding and agreement, he arrives at what he considers a fair proportion of the total expense.

That is quite different from establishing a hard-and-fast rule of 40 percent, which can be escaped only by having the mayor or the chairman of the school board or the executive officer of a county come in and make oath or make some representation that from all standpoints—legal, financial, and otherwise—they cannot comply with the 40-percent requirement.

The Senator from South Carolina earlier in the day suggested that it was customary for mayors of cities to pad the relief rolls in order to make a big showing of unemployment in order to get projects. I am sure the Senator from South Carolina did not intend to say just that. We all know that mayors of cities have nothing to do with making up the relief rolls. The relief rolls in every county and every community are certified by a nonpartisan, impartial committee. The mayor is not on it. The mayor does not dominate it, nor does any other officer dominate it. It is not fair to any mayor, who has nothing to do with it, to say that he would pad his relief rolls in order to make a showing for a project that might be obtained in his community. It is not done in that way.

Mr. OVERTON. I agree with the Senator from Kentucky. My main purpose in rising, Mr. President, was to call attention to the different types of projects, and to show that certain projects necessarily require much more local contributions than others; that some projects necessarily require a great deal less of local contributions than do other projects; and that if any rule is to be adopted so as to avoid the apparent discrepancy in contributions by States, the rule ought to provide for a break-down by States, as, for instance, requiring that an average of a certain percent of the total cost of all the projects in each State shall be supplied in each State from non-Federal funds.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. WAGNER. I desire to ask the Senator whether his view is that all contributions by States for the unemployed in the form of relief or work relief should be considered and not only one classification, such as W. P. A.?

Mr. OVERTON. I think so. I think there is a great deal in the suggestion made by the Senator from New York. But if we are going to have a uniformity of contribution by States it ought not to be broken down into projects, but the break-down ought to be by States.

So far as I am concerned, I look upon this whole problem as national in character, as one of national relief. I believe that Uncle Sam should provide for relief where relief is needed, and that there cannot very well be any hard-and-fast rule, and especially there cannot be a rule requiring a fixed percentage of local contributions by projects.

Mr. LA FOLLETTE. Mr. President, at the outset I should like to make my position clear concerning the relief resolution now under consideration. I regard the appropriation of $1,500,000,000 on the basis of 12 months for the next fiscal year as totally inadequate to meet the problem confronting those who are employable but who are unable to secure employment in private enterprise.

In this connection I wish to call attention to the fact that I have just received information which indicates that on the basis of an appropriation of $1,500,000,000 for the next fiscal year, instructions have been issued to cut the quotas in every State in the Union by July 15. The total cuts which will take place within the next month, proportionately distributed over every State in the Union, amount to 378,219

persons who are now working on projects carried on under the Works Progress Administration. If we bear in mind that according to Mr. Hopkins' own admission before the Appropriations Committees of the House and the Senate there are 350,000 persons eligible and employable who have been certified for W. P. A. employment and who have never been given employment, we get some appreciation of the inadequacy of this appropriation.

I do not desire to burden the Senate by reading the reduction in quotas which will take place in all the States by the 15th of July next, but Alabama, for example, will have a reduction of 5,377 persons; Idaho, 1,957; Kentucky, 8,464; Michigan, 8,165; Massachusetts, 21,511; Tennessee, 5,253; Wisconsin, 6,254.

Mr. President, I contend that there is not a Senator present who believes that these employables who will be severed from the W. P. A. rolls within the next 30 days, have any chance of obtaining private employment. It is inevitable that these employables will be dumped back upon the meager direct-relief systems of the various localities.

I ask unanimous consent to have inserted at the conclusion of my remarks, a table giving the figures to which I have referred.

The PRESIDING OFFICER. Without objection it is so ordered.

(See exhibit A.)

Mr. LA FOLLETTE. In resisting the amendment offered by the Senator from South Carolina, I do not want to be understood to be taking the position that the appropriation now under consideration is adequate.

Mr. President, one of the chief arguments, as I understood it, advanced by the Senator from South Carolina in his speech sponsoring his amendment, was that recovery had taken place and that, therefore, we were in a position to abandon the Federal Government's activities, or at least drastically to curtail them in the field of relief and employment.

The fact is that the partial recovery has not reabsorbed the unemployed. There has been a 29-percent decline in the relief cases from the peak of January 1935 to March 1937. Unemployment during the same period, according to the American Federation of Labor figures, has declined 24 percent, from 12,364,000 to 9,429,000. Since February 1936 the number on works program declined over 1,000,000, or 26 percent, while unemployment declined over 2,100,000, or 19 percent. It is therefore clear that the works program employment has declined relatively more than total unemployment. The primary reason for the level of relief at the present time is due to the large number of unemployed. There are a number of reasons why unemployment continues at an estimated seven to nine millions.

In the first place, new persons seeking employment each year, according to Mr. Hopkins' estimates, number 500,000. In other words, since 1929 4,000,000 young men and women seeking employment have come of employment age.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. BARKLEY. It is a net figure after deducting all those who have died and have retired because of age.

Mr. LA FOLLETTE. The Senator is correct. It is a net figure.

Another reason for this apparent discrepancy between the rise in production and the continuation of a high level of relief load is the fact that, according to the best estimates available, the productivity of labor employed in manufacturing has increased 25 percent in the last 6 years. Obviously, unless total output increases accordingly, unemployment will result from these technological changes.

An additional reason is the fact that the hours of work of those persons employed in manufacturing have increased approximately 20 percent in the last 2½ years. This has made it possible to increase production without a corresponding increase in employment.

Therefore, Mr. President, so far as the men, women, and children who are vitally involved in the question of the amount of money to be provided for the W. P. A. program are concerned, recovery has not come for them. Recovery may have come for those who are concerned with finding ways and means of avoiding or evading their just income taxes; it may have come for the coupon clippers; but it has not reached that section of the population which this program has been designed from the beginning to reach.

The Senator from South Carolina [Mr. BYRNES] stated that he did not believe his amendment, if adopted, would result in reducing the total amount available for the works program. He indicated that he thought it would be possible for cities, counties, and other subdivisions to increase their contributions. In this connection, Mr. President, despite all the propaganda, I think it is well for us to bear in mind that since 1933 the total contributions of municipalities, counties, and States to meet the problem of unemployment relief have increased 400 percent. According to W. P. A. figures in 1933 State and local funds spent amounted to $338,800,000; by 1936 their contribution toward meeting the problem had risen to $1,245,000,000. This was a major achievement for W. P. A. and the State and local governments. It is a complete answer to the argument that the participation of the Federal Government has resulted in shifting the entire burden upon it.

The Senator from South Carolina also advanced the proposition that the bonds of municipalities and States have improved in price; that many of them, in fact, are selling above par, whereas in 1933 they were selling far below par. One of the primary reasons why municipal, county, and State securities have recovered from the depression low is because the Federal Government, with its broader tax base, has helped to lift some of the crushing load of unemployment relief and work relief from the backs of the municipalities, counties, and States.

It was during the period when the Hoover philosophy prevailed that the National Government should not extend aid to meet this national emergency that most municipalities, counties, and States had their financial foundations undermined in attempting to carry the staggering unemployment relief load.

Mr. President, it has also been suggested that the provision in the pending joint resolution permitting the revolving fund of the Public Works Administration to be made available for 2 more years for Public Works Administration projects should be taken into consideration in connection with the amendment offered by the Senator from South Carolina. I have been an ardent advocate of the Public Works program, and I believe that the projects which it has enabled counties, cities, and municipalities to undertake and complete are of lasting benefit to those communities, and that they have added to the total national wealth. Nevertheless, I think we should keep in mind that, according to the table furnished to the House committee, and to be found on page 115 of the House hearings, the largest number of persons employed at any one time since 1935 directly on Public Works Administration projects was 171,000 in June 1936, whereas at that same time there were under the Works Progress Administration 2,249,000 persons employed on its program.

So, while I am as happy as is any other Senator to see the Public Works Administration program carried forward through the employment of the revolving fund, I think it is obvious that we cannot rely upon this expenditure to take up the load from the rolls of the Works Progress Administration.

Something has been said in this debate about the incentive which mayors have to pad the relief rolls in order that they may secure projects. I should like to point out, Mr. President, that it was not the mayors and it was not the Governors who suggested that the Federal administration should withdraw from the field of direct relief. The step was taken upon the recommendation of the President of the United States, and at the time the withdrawal was announced it was stated that the Federal Government would assume responsibility for the employables and that the local

units of Government and the States must assume responsibility for the unemployables. At the time the W. P. A. was inaugurated there were many mayors who were unalterably opposed to it because they did not believe that the financial condition of their communities would permit them adequately to care for the unemployables.

The Federal Government has never carried out its promise and never attained the announced objective made at the time the W. P. A. was inaugurated, and there are still at least 350,000 persons who have been certified as employable who, along with the unemployables, are being cared for by local units of government because the Works Program has never been sufficiently large to absorb them. So I do not think that we are in a position logically to attack the mayors of the country for creating this division of responsibility. Nor do I think we are in any position to charge them with maladministration or ulterior motives. I want some specific proof that the mayors were responsible for having padded or increased the rolls of those certified for employment upon the Works Progress Administration program.

Mr. President, the Senator from South Carolina also said, if I heard him correctly, that the amounts spent for direct relief were not relevant to the questions involved in his amendment. I was rather shocked to hear the Senator from South Carolina make that statement.

I thought that in 1933 the Federal Government had accepted the fundamental and basic proposition that the problem of unemployment was a national problem and that we must view it as a national problem. Mr. President, in my opinion, the amount spent by a community to care for its unemployables and for those employables who have not been absorbed by the Works Progress Administration program is a very relevant subject of consideration and discussion in connection with the amendment offered by the Senator from South Carolina. The enormous sums of money, for example, which the city of New York has raised by taxation for the purpose of caring for its unemployables by direct relief is very pertinent when the ability of that community to provide additional sums of money for some other purpose is under consideration. In deciding upon the ability of New York City to provide more revenue from taxation one must consider the taxes now levied for direct relief and for every other purpose.

If the amendment of the Senator from South Carolina should be adopted, one of the first questions that would arise would be the amount of money which the city of New York, for example, was providing for the direct-relief program in measuring its ability to pay under the W. P. A. program.

Mr. BARKLEY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Kentucky?

Mr. LA FOLLETTE. I yield.

Mr. BARKLEY. In that connection it might be interesting to state at this time the amount contributed by the State of New York for 1936 alone in connection with the care of the unemployed. That sum was $282,000,000. The total amount spent in New York State for the calendar year 1936 was $764,000,000, of which $482,000,000 was contributed by the Federal Government and $282,000,000 by the State of New York, amounting to 36.9 percent of the total amount spent in that State during the year.

Mr. BLACK. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Alabama?

Mr. LA FOLLETTE. I yield.

Mr. BLACK. In connection with the Senator's statement that unemployment is a national problem I invite his attention to the fact that at least one party in 1936 stated, in language which cannot be misunderstood, that it was a national problem. Here is the language of the Democratic National Platform in 1936 on that point:

> Unemployment: We believe that unemployment is a national problem, and that it is an inescapable obligation of our Government to meet it in a national way.

I invite the Senator's attention to that language in connection with his statement that unemployment is a national problem.

Mr. LA FOLLETTE. I thank the Senator for calling my attention to the platform. I remember that provision of it.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. Certainly.

Mr. WALSH. A good deal has been said during the debate about padding relief rolls. I inquire of the Senator if he knows whether any member of the Appropriations Committee or anyone else has taken steps to have incorporated in the pending joint resolution a provision suspending Federal payments in the event of evidence of padded relief rolls on the part of any State, city, or municipality?

Mr. LA FOLLETTE. I do not know that any such provision is contained in the joint resolution.

Mr. WALSH. Would not that be the practical way of stopping it?

Mr. LA FOLLETTE. I do not believe the rolls are padded. I believe that on the whole very careful investigations have been made of individual applicants. It is my understanding, and I know it is true in my State, as I assume it is in every other State, that before an individual can secure certification he is most carefully investigated.

It is my understanding that the financial situation of each applicant is very exhaustively investigated. It is also my information that recently, that is within the past year, the W. P. A. rolls were reinvestigated to make certain that eligibility under the rules and regulations was established.

Mr. WALSH. My inquiry was made because of the repeated assertion here that such a practice prevails. I am pleased to have the Senator's view that he does not coincide with that assertion. It seems to me if it has occurred in the past or is likely to occur in the future, now and in this joint resolution steps should be taken to stop it.

Mr. LA FOLLETTE. I have no doubt there have been instances of people who have gotten on the rolls through misrepresentation or through error, but taking into consideration the size of the program I am convinced that a thorough investigation by an impartial agency would not disclose any substantial number of people working on W. P. A. who are not eligible for employment.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Tennessee?

Mr. LA FOLLETTE. I yield.

Mr. McKELLAR. I had in mind stating what the Senator has just stated better than I could, and that is that in my judgment, while there might have been some individual instances of persons getting on the roll who should not have been there, yet I am quite certain that the Administrator of this agency, Mr. Harry L. Hopkins, has used every endeavor within his power to prevent any such thing, that he has not in any way connived at it or known about it, and whenever any such instances have been brought to his attention he has taken the most stringent measures to correct them.

Mr. LA FOLLETTE. I should like also to point out that the very fact that at least 350,000 persons eligible for W. P. A. are now being cared for on direct relief by municipalities, because of the fact that the W. P. A. program has never been big enough to absorb them, creates strong pressure upon local authorities to ferret out any individuals on the W. P. A. program who are not there properly in order that places may be made for those who have never had an opportunity to be employed, although they have been certified as being eligible.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. Certainly.

Mr. BARKLEY. Of course, as the Senator knows and as we all know, it is easy to make a charge that somebody is on a relief roll who ought not to be there. I receive letters frequently, as I am satisfied other Senators do, from people who are complaining that somebody else got on the relief roll and they did not, and that they are more deserving than those who got on the roll. Of course such things cannot be avoided.

I have no doubt that in some instances people go through the sifter and get on the rolls who are no more deserving than others who do not get on the rolls; but to say there is any wholesale padding or any conspiracy among responsible local officers to pad the relief rolls in order to get projects adopted in their communities is a serious indictment of the people of any community over which a mayor or any such officer presides.

My experience has been that there are many communities which would like to have a project in the way of a schoolhouse or some other public building, who are unable to get it because there is not sufficient relief labor on the rolls to justify the establishment of a project of that sort. We all have complaints of that nature, and we know the administrator has sought to adhere as strictly as possible under the circumstances to the requirement that the projects must be completed by relief labor in the community where they are being constructed.

Mr. LA FOLLETTE. I think the Senator is absolutely correct. I submit there is no evidence and no proof that relief rolls have been padded for the purpose of securing projects. I submit, on the other hand, that it is my own experience, and I believe it is that of a great many other Senators, that a very conscientious effort is being made by the certifying agencies in the respective States to make certain that those who are certified as eligible to be employed upon the W. P. A. program do qualify so far as the rules and regulations governing need are concerned.

Mr. President, as I started to say a few moments ago, I thought that in 1933 we fought out the issue of whether this is a Nation-wide problem and whether unemployment should be regarded from the national point of view.

I thought it was fought out again in 1936. I did not believe we should again be confronted with a question as to whether or not Nation-wide unemployment, and the problems flowing from it, were a responsibility in part of the Federal Government.

I know it will be said that this amendment is not predicated upon the theory that unemployment relief is a problem solely of the States and localities; but I do contend, regardless of the intent of those who advance it—and I grant that their motives were of the highest—that the adoption of this amendment would be a step in the direction of fixing upon the localities, counties, and States the sole responsibility for meeting this Nation-wide problem of unemployment, because the amendment sets up as its objective that communities shall meet a certain percentage of the cost of providing work on W. P. A. projects. The standard set in the amendment is 40 percent.

Mr. President, that is a step which we cannot afford to take. As I suggested a few moments ago, we are dealing here not alone with dollars and cents and percentages. The people who are on the receiving end of this program, so to speak, are flesh and blood. What we do here will affect millions of homes all over the United States. To say, as I contend this amendment does say, that every community should pay 40 percent of the cost of the Works Progress Administration program unless it can prove its inability to do so, is to set up a standard of measuring the financial ability of the community rather than the need of the men and women and children who, through no fault of their own, are in destitute circumstances.

I know it is said that there is in this amendment a provision that the President may make an investigation, and, if he finds that a community is unable to meet the standard set in the amendment, that exceptions may be made.

Nevertheless, it seems to me to be clear that the inevitable effect of adopting this amendment would be to set up a standard of the financial ability of communities to meet the problem, rather than to regard the problem as one which must be determined upon the basis of need.

I do not believe that a majority of the Senate is willing to take this step. I am convinced that too many Senators are in possession of facts regarding the problem in their own States. I believe, furthermore, they are aware of the fact that this amendment will result in the Federal Government shirking its share of the burden of a national economic crisis.

Mr. President, so far as the manner in which this amendment would work is concerned, much has been said about the ability of the President to set up an organization which could make the investigations necessary in order to ascertain whether or not communities could provide 40 percent of the cost of the projects. One of the serious problems which would be created in the practical working out of this amendment is the unavoidable delay which would be created. The thousands and thousands of municipalities that would have to be investigated inevitably means that after the effective date of this amendment projects would be unconscionably delayed, and in the meantime persons who were in dire need of employment would either have to be cared for by the meager direct-relief facilities of the communities or they would not be cared for at all.

I should like to point out that if this amendment were adopted, we are imposing a terrific burden on the President. The amendment would require him to pass judgment upon the fiscal situation and the taxpaying capacity of thousands upon thousands of communities all over the United States. I believe that is a task which the President of the United States should not be asked to perform.

I fear that the results of the operation of this amendment upon the fiscal affairs of communities all over the United States would be most disastrous. Its adoption will work untold hardship upon those who have suffered most during the depression.

The table presented by Mr. LA FOLLETTE is as follows:

EXHIBIT A

Works program—Works Progress Administration and other agencies relief employment

State	May 8, employment	July 15, quotas	Estimated decline
Total, continental United States	2,224,036	1,796,677	427,359
Other agencies (relief)	180,340	131,200	49,140
Total Works Progress Administration	2,043,696	1,665,477	378,219
Alabama	26,194	20,817	5,377
Arizona	8,496	7,194	1,302
Arkansas	28,964	21,680	7,284
California	104,938	91,219	13,719
Colorado	23,836	18,197	5,639
Connecticut	18,503	15,516	2,987
Delaware	2,025	1,881	144
District of Columbia	6,787	6,095	692
Florida	24,491	24,723	+232
Georgia	29,287	22,671	6,616
Idaho	6,989	5,032	1,957
Illinois	149,065	117,027	32,038
Indiana	60,759	47,247	13,512
Iowa	22,056	18,181	3,875
Kansas	36,851	27,205	9,646
Kentucky	46,569	38,105	8,464
Louisiana	31,880	24,582	7,298
Maine	6,050	4,161	1,889
Maryland	12,160	10,105	2,055
Massachusetts	89,096	67,585	21,511
Michigan	56,684	48,519	8,165
Minnesota	41,332	36,303	5,029
Mississippi	23,398	18,195	5,203
Missouri	76,178	60,251	15,927
Montana	11,499	7,836	3,663
Nebraska	21,853	18,136	3,717
Nevada	1,989	1,632	357
New Hampshire	6,764	5,172	1,592
New Jersey	75,316	61,276	14,040
New Mexico	8,390	7,331	1,059
New York City	177,027	157,341	19,686
New York; up-State	78,589	60,994	17,595
North Carolina	24,727	19,992	4,735
North Dakota	13,698	12,054	1,644
Ohio	119,148	90,745	28,403
Oklahoma	54,650	45,285	9,365
Oregon	14,930	11,190	3,740
Pennsylvania	199,585	165,210	34,375
Rhode Island	11,689	10,116	1,573
South Carolina	21,767	18,135	3,632
South Dakota	15,633	13,038	2,595
Tennessee	26,073	20,820	5,253
Texas	79,166	63,378	15,788
Utah	7,442	7,278	164
Vermont	3,847	2,077	1,770
Virginia	21,930	19,110	2,820
Washington	30,638	23,212	7,426
West Virginia	36,543	30,091	6,452
Wisconsin	45,647	39,393	6,254
Wyoming	2,568	2,144	424

Mr. ADAMS. Mr. President, earlier in the day the Senator from South Carolina [Mr. BYRNES], in the course of his

remarks, put in the RECORD certain tabulations in reference to municipal taxes and municipal indebtedness, tending to show that there had been, as I recall, a decrease in the indebtedness of municipalities, and arguing from that standpoint that they were better able than formerly to carry the burden of relief.

As one of a quite limited number of Senators who have rather consistently endeavored to support measures of economy in the Senate, I desire to offer some figures as to the national indebtedness which will supplement the figures given by the Senator from South Carolina.

The first table which I wish to have printed as a part of these brief comments gives a statement of the public debt of the United States, beginning in 1890 and coming down to date, and also the per-capita debt, showing that since 1916 the per-capita debt of the United States has increased from $11.96 to $271.78.

The second table shows the appropriations that have been made by Congresses, beginning in 1890 and running to 1937, showing that in that period of time the appropriations have increased from a per-capita basis of $6.27 per year to $79.92.

I have also appended a third tabulation of the deficits from 1932 on.

The PRESIDING OFFICER. Without objection, the tabulations presented by the Senator from Colorado will be printed in the RECORD.

The tabulations are as follows:

Public debt of the United States, 1890 to 1937, both dates inclusive, and debt per capita

June 30—	Total debt	Debt per capita
1890	$1,122,396,584	$17.92
1891	1,005,806,561	15.75
1892	968,218,841	14.88
1893	961,431,766	14.49
1894	1,016,897,817	15.04
1895	1,096,913,120	15.91
1896	1,222,729,350	17.40
1897	1,226,793,713	17.14
1898	1,232,743,063	16.90
1899	1,436,700,704	19.33
1900	1,263,416,913	16.56
1901	1,221,572,245	15.71
1902	1,178,031,357	14.89
1903	1,159,455,913	14.40
1904	1,136,259,016	13.88
1905	1,132,357,035	13.60
1906	1,142,522,970	13.50
1907	1,147,178,193	13.33
1908	1,177,690,403	13.46
1909	1,148,315,372	12.91
1910	1,146,939,969	12.69
1911	1,153,984,937	12.28
1912	1,193,838,505	12.48
1913	1,193,047,745	12.26
1914	1,188,235,400	12.00
1915	1,191,264,068	11.83
1916	1,225,145,568	11.96
1917	2,975,618,585	28.57
1918	12,243,628,719	115.65
1919	25,482,034,419	240.09
1920	24,297,918,412	228.32
1921	23,976,250,608	221.09
1922	22,964,079,190	208.97
1923	22,349,687,758	200.10
1924	21,251,120,427	186.86
1925	20,516,272,174	177.82
1926	19,643,183,079	167.70
1927	18,510,174,266	156.04
1928	17,604,290,563	146.69
1929	16,931,197,748	139.40
1930	16,185,308,299	131.49
1931	16,801,485,143	135.37
1932	19,487,009,766	155.93
1933	22,538,672,164	179.21
1934	27,053,085,988	213.65
1935	28,701,167,092	225.07
1936	33,545,384,622	261.20
1937 (May 20)	35,150,500,988	271.78

Congressional appropriations and population per year and per capita, 1890 to 1937

Year	Amount	Population	Per-capita appropriations
1890	$395,630,284.26	63,056,438	$6.27
1891	463,383,480.86	64,361,124	7.20
1892	524,381,815.60	65,665,810	7.99
1893	507,376,397.53	66,970,496	7.58
1894	519,535,293.31	68,275,182	7.61
1895	492,477,759.97	69,579,868	7.08
1896	$496,982,585.01	70,884,554	$7.01
1897	515,852,380.27	72,189,240	7.15
1898	528,735,878.33	73,493,926	7.19
1899	892,656,775.65	74,798,612	11.93
1900	698,912,982.83	76,129,408	9.18
1901	705,653,298.01	77,747,402	9.08
1902	730,241,862.51	79,365,396	9.20
1903	801,682,773.42	80,983,390	9.90
1904	752,741,659.25	82,601,384	9.11
1905	781,288,214.95	84,219,378	9.28
1906	818,191,283.26	85,837,372	9.53
1907	881,953,644.09	87,455,366	10.08
1908	919,163,823.18	89,073,360	10.32
1909	1,006,431,726.96	90,691,354	11.10
1910	1,044,433,622.64	92,267,080	11.32
1911	1,039,550,617.01	93,682,189	11.10
1912	1,022,759,948.52	95,097,298	10.75
1913	1,021,349,990.63	96,512,407	10.58
1914	1,098,602,065.64	97,927,516	11.22
1915	1,122,471,919.12	99,342,625	11.30
1916	1,114,490,704.09	100,757,735	11.06
1917	1,628,411,644.81	102,172,845	15.94
1918	18,881,940,243.79	103,587,955	182.28
1919	27,065,148,933.02	105,003,065	257.76
1920	6,454,596,649.56	106,543,031	60.58
1921	4,780,829,510.35	108,207,853	44.18
1922	3,909,282,209.46	109,872,675	35.58
1923	4,248,140,569.99	111,537,497	38.09
1924	4,092,544,312.04	113,202,319	36.15
1925	3,748,651,750.35	114,867,141	32.63
1926	4,151,682,049.91	116,531,963	35.63
1927	4,409,463,389.81	118,196,785	37.31
1928	4,211,011,352.58	119,861,607	35.13
1929	4,633,577,973.85	121,526,429	38.13
1930	4,665,236,678.04	123,091,000	37.90
1931	5,071,711,693.56	124,113,000	40.86
1932	5,178,524,967.95	124,974,000	41.44
1933	5,785,252,641.95	125,770,000	46.00
1934	7,692,447,339.17	126,626,000	60.75
1935	7,527,559,327.66	127,521,000	59.03
1936	9,579,757,330.31	128,429,000	74.59
1937	10,336,399,272.65	129,329,000	79.92

Deficit—Amounts by which expenditures have exceeded receipts

1932	$3,147,919,455
1933	3,063,256,885
1934	3,989,496,035
1935	3,575,357,964
1936	4,763,841,643
1937 (estimated)	2,557,000,000

Mr. ADAMS. Mr. President, just a word or two in reference to the pending amendment.

I had expected that there would be some discussion as to rates, as to whether or not 40 percent was a proper rate of contribution. In the committee, amendments were offered proposing that the rate of contribution should be 20, 25, 30, and 35 percent, I think. So there was a discussion as to rates, and I thought perhaps that element might enter into this discussion; but apparently the debate is to be confined solely to the question whether or not there should be any contributions from localities.

The Senator from Wisconsin [Mr. LA FOLLETTE] was rather appropriately shown the Democratic national platform. I rather think that is the appropriate platform to show him. He has not always exactly gone with us, but I think he is entitled to come under it. In that platform the declaration was made that unemployment is a national problem. It is a national problem, but it is not exclusively a national problem. There was a time, not many years ago, when it was regarded as exclusively a local problem. Congress stepped outside of that narrow and unsound boundary, and declared that there was a national obligation as to unemployment; and it seems to me we are not recognizing the facts properly if we do not recognize relief as both a local and a national problem. Whenever we say it is exclusively the burden of the locality or the Nation, we are putting an undue burden upon one or the other.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. ADAMS. Certainly.

Mr. McNARY. During the discussion I have given some thought to the percentage which the States and communities should contribute. I assumed that the able Senator in charge of the bill would discuss that phase of the subject. There must be some reason why the contribution is fixed on

the basis of 40 percent. Personally I think that is too high. I shall vote against making it 40 percent, but I would vote to make it 25 percent. I think there ought to be some stabilizing influence toward which the Administrator could work whereby to bring about a general contribution equitable to all the States and communities, and unless such a base is supplied there will be no effort made along the line of the stabilization of Federal appropriations and cooperative appropriations from the local communities and the States.

It occurs to me that a contribution of 25 percent by the local communities and 75 percent from the Federal Government would nearly approach an ideal proportion of costs to be levied against the Federal Government and the communities. I wish the Senator would discuss that phase of the problem.

I do not wish to offer an amendment, because I am not a member of the committee, and I have not given this subject matter the study to which it is entitled; but if no other Senator offers an amendment, or if any hesitancy whatsoever is shown, I shall offer an amendment to decrease the contribution by the local communities and States from 40 percent to 25 percent.

Mr. ADAMS. I will state to the Senator from Oregon that his views and mine are very close together. I would have voted more cheerfully to make the figure 25 percent than 40 percent. I voted for the 40-percent provision.

I voted against the change, with the view that in the course of compromise which I thought might develop on the floor of the Senate, and which, if the amendment were carried would necessarily develop in the conference committee, probably we would arrive at just the proportion which the Senator from Oregon suggests, which seems to me a very appropriate figure. That was the impression I had when I came from the committee; but I have heard the speeches today, and I have rather come to the conclusion that if the figures cited are accurate, we should substitute for the amendment of the Senator from South Carolina a resolution censuring Mr. Hopkins for having accepted any contributions from the States, and should insert a provision that they should be returned to the localities. Apparently it was a most outrageous performance to have accepted a contribution from any locality for the relief of unemployment. I have been especially amazed to find this position most ardently advocated by Senators coming from the Southern States.

However, I am not entirely convinced of the soundness of their theory. I still have lingering ideas that there is a local obligation, and I think it can be stated in mathematical terms so that we can apportion a fair amount to the localities with the necessary exemptions.

Now, one word as to the amount involved in the bill under consideration. The Senator from Wisconsin and others have indicated that they thought an appropriation of a billion and a half dollars was too small. That amount, as the Senator from Wisconsin recalls, was fixed by the President in his message. Some of us wanted to change the figure and reduce it, so far as unobligated balances were concerned, but the Senate has thought otherwise. So the amount appropriated is the amount recommended by the Budget Bureau and by the President. Therefore, if there is any shortage in the amount provided, it is not to be charged to the Congress of the United States. I have assumed that the amount would be entirely adequate.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. ADAMS. Certainly.

Mr. WAGNER. I know the Senator did not intend to convey the idea, but one would get the impression that the Senator's view is that the localities have made no contributions.

Mr. ADAMS. Oh, no; the Senator misunderstood me. I said that after I had listened to some of the Senators I thought Mr. Hopkins must have done a most outrageous thing in accepting contributions, and that we ought to include a provision to refund them, because it seemed to be a most terrible thing, in the view of some of the Senators, that any locality had been asked, as a condition of getting Federal aid in extending relief, to make a contribution; and the contributions amounted to about 13 percent.

Mr. WAGNER. The table before me, which appears in the House hearings, indicates a proportion of 24 percent.

Mr. ADAMS. The statements made by Mr. Hopkins before the committee were to the effect that the average contribution throughout the United States was 13.1 percent, and that it had been gradually raised to 14 percent, that the highest contribution was from the State of Idaho, with 29 percent.

Mr. WAGNER. Did he not refer only to the Works Progress Administration?

Mr. ADAMS. Yes; that is all he was talking about.

Mr. WAGNER. But it is not all that we ought to have under consideration when we are discussing this matter.

Mr. ADAMS. All we are discussing in connection with the pending amendment is the Works Progress Administration.

Mr. WAGNER. But when we are discussing what the States are doing in the way of contributions I think it is fair to take into consideration the State and local contributions toward relief and work relief of all types. The contributions by the States and the localities to all the programs, according to this statement, amount to 24 percent.

Mr. ADAMS. In the House hearings and the Senate hearings the contributions for different purposes are broken up into each character of contribution. Of course, when we figure whether a State is carrying its fair burden, various matters should be taken into consideration. We are now considering an amendment which has to do only with the Works Progress Administration. In the second portion of the bill is the provision for the Public Works Administration, and there a 55-percent contribution is to be required. We are dealing with another percentage.

Mr. WAGNER. I hope the Senator has some sympathy with the protest which I have made here when New York City was referred to as making a contribution to this social service of only 1½ percent, when the RECORD shows, when we take all of the relief programs together, that it has made a contribution of 36.6 percent. That is what I wanted to emphasize. I think the Senator sympathizes with my views on that subject.

Mr. ADAMS. There is just one other matter to which I wish to refer, and that is the possibility of the amendment of the Senator from South Carolina restricting relief expenditures. It will be recognized that the possibility of the amendment is to increase the relief expenditures up to two and a half billion dollars. In other words, if the States and local communities should contribute their 40 percent so as to consume the whole billion and a half dollars, we would have two and a half billion dollars, a billion dollars more than the billion and a half dollars carried in the bill. That is the possibility. My own judgment, from watching the avidity with which localities have volunteered to contribute 55 percent in order to get a 45-percent grant, is that we would find practically all of the billion and a half dollars consumed by communities willing to contribute 40 percent. So that I do not regard the amendment as involving a reduction in relief expenditures.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. ADAMS. I yield.

Mr. HATCH. From what the Senator has said, I judge that in his opinion, the adoption of the amendment could not be in any sense construed as a move to effect economy. It might have the opposite effect.

Mr. ADAMS. It may be a move to effect economy in Federal expenditures but not in aggregate expenditures for relief. That is, the limit is not changed, it is a billion and a half to be appropriated by the Federal Government whether or not the amendment is adopted. If it is adopted and the States and localities do not match, there may be a portion of the billion and a half not consumed, but, so far as the States do match the 40 percent, the aggregate amount put up by the taxpayers of the United States will be spent. I have never been able to separate a taxpayer who paid a Federal tax and a taxpayer who paid a State tax or county tax, because they are the same individual.

Mr. HATCH. That is exactly the point I wanted the Senator to develop, that there is no essential saving so far as the ultimate taxpayer is concerned.

Mr. ADAMS. I think it means an increase in the amount of money to be spent, in the aggregate, for relief.

Mr. BAILEY obtained the floor.

Mr. ADAMS. Mr. President, will the Senator yield so that I may suggest the absence of a quorum?

Mr. BAILEY. I yield.

Mr. ADAMS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Copeland	Johnson, Colo.	Pittman
Andrews	Davis	La Follette	Pope
Ashurst	Dieterich	Lee	Radcliffe
Austin	Donahey	Lewis	Robinson
Bailey	Duffy	Lodge	Russell
Bankhead	Ellender	Logan	Schwartz
Barkley	Frazier	Lonergan	Schwellenbach
Berry	George	Lundeen	Sheppard
Bilbo	Gerry	McAdoo	Smathers
Black	Gibson	McGill	Steiwer
Bone	Gillette	McKellar	Thomas, Okla.
Borah	Glass	McNary	Thomas, Utah
Bridges	Green	Minton	Townsend
Brown, N. H.	Guffey	Moore	Truman
Bulkley	Harrison	Murray	Tydings
Bulow	Hatch	Neely	Vandenberg
Burke	Hayden	Norris	Van Nuys
Byrd	Herring	Nye	Wagner
Byrnes	Hitchcock	O'Mahoney	Walsh
Capper	Holt	Overton	Wheeler
Caraway	Hughes	Pepper	White

The PRESIDENT pro tempore. Eighty-four Senators having answered to their names, a quorum is present.

Mr. BAILEY. Mr. President, I intend to speak primarily in behalf of the amendment of the committee put forward by the junior Senator from South Carolina [Mr. BYRNES], but in connection with that I wish to give notice that I intend at the proper time to offer an amendment striking out the figures "$1,500,000,000" in line 2, on page 2, and inserting in lieu thereof the figures "$1,000,000,000", and, of course, making changes in the same ratio in the allotments and allocations in the remainder of the joint resolution.

The purpose of the amendment put forward by the committee, and which we speak of as the Byrnes amendment, is not to take relief from any deserving man or woman, or to deprive any community of a proper and just share of the national relief fund. We all agree that the unemployment problem has become a national problem, but in becoming a national problem it has not ceased to be a local problem. It is both. And unless we take some step after the order of the Byrnes amendment or some other step reducing the total fund available from the National Treasury, we may as well confront the fact and duly reckon with it, that the whole problem and the entire financial burden of unemployment relief will be transferred, as it has been quite rapidly transferred since 1932, from the States and the counties and the cities to the Congress and the Federal Treasury.

We must take some steps to arrest that progress, and there are great reasons why we should do that. The problem of relief cannot be well handled as exclusively a national problem. We give credit to the present administration for all that its most ardent and enthusiastic friends could claim. We must reckon with the fact that unless we deposit a certain amount of responsibility upon the counties and the towns and the cities and the States, responsibility both for finances and for administration, we shall aggravate this problem rather than solve it.

So I look upon the amendment of the Senator from South Carolina as a constructive amendment, not designed to deprive any community or any individual of a fair share in the national measures of relief, but as an amendment that has two purposes, one to throw in greater measure the responsibility for unemployment upon the localities, where it primarily belongs, and the other to eliminate from the present administration the almost scandalous demands upon the Treasury. By "scandalous" I mean that they have ceased to be demands in the interest of unemployment, but demands in the interest of local pride and local rivalry, and demands in the interest of political power, national and local. So I think that the amendment confronts us with a great opportunity. I shall vote for it, and if we lose it, then I shall insist that we cut down the total amount carried in the joint resolution. Either way you go you achieve the objective that I have in mind.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. BAILEY. I yield.

Mr. TYDINGS. Do I correctly interpret the remarks of the Senator from North Carolina to mean that if the Byrnes amendment is agreed to the Senator will not offer his amendment to cut the sum from $1,500,000,000 to $1,000,000,000?

Mr. BAILEY. I shall be inclined not to offer it, although I may yet make an argument that $1,000,000,000, in my considered judgment, is an abundant Federal fund.

Let us now see what we have to support us in this position. I have here speeches by His Excellency the President of the United States. I call attention to his speech to the Governors of our States in which this paragraph occurred:

> The primary duty is that of the locality—

He is now talking about the duty of relief.

> The primary duty is that of the locality, the city, county, town. If they fail and cannot raise enough to meet the needs, the next responsibility is on the States, and they have to do all they can; and if it is proven that they cannot do any more, and the funds are still insufficient, it is the duty of the Federal Government to step in.

I am saying to the Senate that the Byrnes amendment was conceived and stands before us at this moment in the spirit of that great paragraph from the speech of the President of the United States.

Mr. SCHWELLENBACH. Mr. President, will the Senator yield?

Mr. BAILEY. I yield.

Mr. SCHWELLENBACH. May the RECORD show the time and place of that speech?

Mr. BAILEY. I shall be very glad to give it. The speech was made on March 7, 1933, and the photostatic copy is from the New York Times, and was given to me by the Legislative Reference Service of the Library of Congress.

Again, here is a quotation by the President of the United States from a photostatic copy of the report of his address at Detroit on October 2, and apparently the year is 1932:

> All of us in the city and country alike have got to do everything we can to tide over. All agree that the first responsibility for the prevention of poverty and the alleviation of distress and the care of its victims rests upon the locality, the individuals, the organizations, and the Government.
>
> First of all, perhaps, upon the private agencies of philanthropy, just as far as we can drag it out of them; and secondly, the other social organizations; and last, but not least, the church. And yet all agree that to leave to the locality the entire burden would result in placing the heaviest proportion of the burden in most cases upon those who are the least able to bear it. In other words, the communities that have the most difficult problem, like Detroit, would be the communities that would have to bear the heaviest of the burdens.
>
> And so the State steps in to equalize the burdens by providing for a large portion of the care of the victims of the poverty and by providing assistance and guidance for local communities, and above and beyond that—

That is, after the State has done its work—

> the National Government has a responsibility.

All this is to the point of my contention, that in recognizing the problem as national the Congress did not discharge the towns, the cities, and States of their obligations to bear their fair share of the burden; and that is all that the amendment of the Senator from South Carolina contemplates.

Mr. President, I do not have before me the President's address to the Congress in 1935, but I remember it, and I think Senators will corroborate my memory of it, in which he declared in plain language that the Federal Government must get out of this business of relief.

If the President is correct, if the principles laid down in his utterances which I have quoted are sound, as I think they are, then I raise the question, has not the time come when Congress, making the annual appropriation for relief,

should either make it so low as to require the States, counties, cities, and towns to do their part, or make it as high as the pending measure does, and then require of them a 40-percent contribution, provided further, if it shall appear to the satisfaction of the President, and upon a certificate from the authorities of a commonwealth, county, or a city, that the city, county, or commonwealth is unequal to the task of contributing 40 percent, that the President shall ascertain what is its fair share, in order that no man may suffer by reason of the application of a rigid rule.

I think that responds, in part, to the inquiry of the Senator from Oregon [Mr. McNARY]. He wished to reduce this percentage. I can understand that. None of us would like to tie ourselves to a rigid rule, but this amendment does not do that. The amendment makes full room for the exercise of a just, sound, and constructive policy. Making for that, Senators, it also makes for what I conceive to be probably the most necessary thing now in the national policy, and that is that the Federal Government shall throw the responsibility for unemployment relief to the full extent that it can upon the local subdivisions.

This might not have been said in 1934. In that year I question whether the cities and counties could collect their taxes. I am satisfied that in 1934 the States could not borrow money. But that is not the situation today. Here is the situation: The budgets of all the cities in America are balanced; the budgets of all the States in the Union are balanced; but the Budget of the Republic of the United States is out of balance by $19,000,000,000 net in 4 years. The cities and States balanced their budgets at the expense of the credit of the Federal Government. Now that they are in greatly improved condition, now that their credit is restored, now that they can collect taxes, now that they can sell bonds, now that they can discharge their duties, now that they can shoulder the burden of their just responsibility, why shall not the Congress pursue a policy which will compel them to do it? Why should the Federal Government continue to bear the burden?

In that connection I bring to you the warning of the President. It is not long since he informed us that the plan of the administration respecting the income of the Government had been disappointing. It has not been long since he warned us of the extravagant demands that were threatened to be made here in the Congress upon the Treasury of the United States. It has not been long since he suggested in a very definite and emphatic way that the time had come to set the Nation's financial house in order and balance the Budget after 7 long years of ever-increasing deficits.

We are not going to balance the Budget so long as we allow the burden of relief to be borne wholly by the Federal Government. I think, on the other hand, I am almost safe in saying that once we centralize this policy, cultivate the thought throughout America that any sort of demand can be made upon the Treasury and we will meet it, leaves the administration of it in the hands of one man—not the President but the Administrator, Mr. Hopkins, and he committed publicly to the policy that the problem of relief is a permanent problem, and carrying his administration on with a view to its permanence—so long as we follow that policy, I do not think there will be an opportunity at the end of this year or the next year or the year following that, to balance the National Budget.

I know, Mr. President, we have talked about balancing the Budget; we have raised all sorts of ghosts about an unbalanced Budget; we have threatened one another with the terrors of inflation until we have reached the point where this discussion has been carried on thus far without reference to national finances. I believe I am the first Senator who has had the hardihood to mention anything about the National Budget or the necessity for balancing it. That is a dreadful commentary on the state of affairs.

The balancing of the National Budget is indispensable to the maintenance of the Republic and the solution of the problem of unemployment. It is indispensable to the farm program. The marvelous thing—it is a tribute to the power of the country and the capacity of the American people for order—is that we have gone on since 1930 without a balanced Budget, and that year after year the deficit has been not less than $2,000,000,000 and as high as $3,000,000,000. It is a marvelous tribute to the power and character of the Republic that we could go so long in such a course and still have a stable Government and a sound currency. But there is an end to all that. Every day and every year and every appropriation brings us that much nearer to the end.

The way to balance the Budget is to cut down public expenditures. That is the only way to do it. The way to cut down public expenditures is to place a fair share of public relief on the counties, cities, and States. A $1,000,000,000 appropriation, which I advocate, would bring us to a balanced Budget on the 1st day of July 1938, and that is only 1 year and 15 days away. I will say for myself that that would be a foundation upon which alone we could build the reemployment of 2,000,000 to 3,000,000 of Americans. It would be a greater contribution than the $500,000,000 which I propose to take off of the proposed appropriation.

Mr. President, we cannot ask men to invest money in business unless we give them assurance that their investments will be worth something at the end of the period for which the investment is made. We cannot call upon an enterprise to expand unless the men who put up the money are assured that in the day of the sale or the day of the realization at least the equal of the money will return to them. Without a balanced Budget after, not 1 year or 2 years, but after 7 years—without a balanced Budget after 7 long years—we cannot hope to have a financial or industrial or social or agricultural stability in this land. I put it on that basis as an immediate necessity of national policy.

Mr. President, I want to show just the process through which we have gone. I was here when the senior Senator from Wisconsin [Mr. LA FOLLETTE] placed in the RECORD the first important communication on the subject of necessity for Federal relief. Perhaps Senators do not recall that the senior Senator from Wisconsin, in the spring of 1932, sent out letters to a great many American mayors of towns and cities and that he received answers from 775 of those men. The letter was in the form of a questionnaire, and the most important question in the letter, as I conceive it, was this:

> Do you favor a Federal appropriation to assist the local governments in meeting their emergency relief budget?

There was a plain question. That was in January 1932. Those were terrible days. There was not this bright sunshine of prosperity and hope. There was, as we understood at that time, an army of 15,000,000 of unemployed, and the shadows were growing darker instead of brighter.

How did they answer? I checked them at the time. Of the 775 mayors only 271 said that they favored a Federal appropriation to assist local governments; 372 answered flatly "No"; 86 were neutral, and 46 gave no answer at all.

I have this tabulation here by States, every State and every mayor, with the yeas and nays, and I think for the benefit of the RECORD I shall not ask too much if I ask that it be printed as an exhibit at the end of my remarks.

The PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit A.)

Mr. BAILEY. There was a test of American mayors in the darkest days of the depression. Out of 775 only 275 were in favor of Federal relief. Let us look at the situation now.

Mr. MINTON. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from North Carolina yield to the Senator from Indiana?

Mr. BAILEY. I yield.

Mr. MINTON. In the light of subsequent developments what would the Senator say as to which of the mayors exercised the best judgment in the answer of that inquiry?

Mr. BAILEY. I am not going to pass judgment on the mayors. I would not be able to say. I am not saying that any of them exercised either good or bad judgment. I am saying what they asked for then.

Here we are a few years later. What is the situation now? Every mayor, every Governor, every county commissioner, every local subdivision, everybody is crying, "Relief, relief, and more relief! Projects, projects, and still more projects!" There is a degeneration for you, Mr. President! There is a degeneration, but that is not all the degeneration that has taken place in this country.

That disease has run throughout the whole municipal organization of the country. The race is on, not to see who can get money to relieve unemployed men but who can build the most sewers and swimming pools. They are not half as much interested in unemployment as they are in projects.

The concomitant of that is just this: One State sees another State getting hundreds of millions of dollars, while it is getting only a few million dollars, so that State puts the pressure on its Senators and Members of the House of Representatives, and even tells them that if they cannot get projects like other cities and towns and States are getting they have no business being here. That is the consequence of the Federal responsibility. All I am saying to Senators is that the time has come to arrest that process. I believe I will add this: That if we do not arrest it now it will be still more difficult to arrest it later. The appetite grows by that upon which it feeds.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. BAILEY. Certainly.

Mr. VANDENBERG. I think the Senator might note still another factor involved. One of the mayors in my State was frank enough to tell me that his message soliciting my support for the W. P. A. appropriation was inspired by a demand from the W. P. A. upon him that he send the message.

Mr. BAILEY. I have no doubt.

Mr. VANDENBERG. In other words, the program not only is arousing selfishness but also the bureaucratic appetite.

Mr. BAILEY. I am going into that subject. There has been this degeneration, there is this degeneration, and only you and I have the antidote for it. We cannot expect them to stop it. I do not see how they could stop it.

When the Senator from South Carolina [Mr. BYRNES] today mentioned the matter of getting persons on the pay roll in order to justify projects, one of the Senators said to me, "What do you expect the people to do? When they see the money going out, why should they not get their share? They are going to have to bear their part of the burden." That is hard-boiled and practical, but this is a hard-boiled and a practical universe with which we are dealing.

Mr. PEPPER. Mr. President——

The PRESIDENT pro tempore. Does the Senator from North Carolina yield to the Senator from Florida?

Mr. BAILEY. I do.

Mr. PEPPER. I am curious to know how the Senator reconciles such degeneration with such remarkable recovery.

Mr. BAILEY. I see no contradiction between the degeneration and the recovery. I think the sense of recovery probably accelerates the degeneration. The more we give, the more we do for these people, the more they want. That is the history of the human race. No matter how prosperous persons might be made, they would want to be still more prosperous. I do not blame anybody for that. No matter how many persons we employed, they would ask to have more employed. The more responsibility we take off them, the more they want. "Facilis descensus Averni"—easy the road to ruin, and easy because men are as they are. They will get money where it is easiest to get it. They will go along the line of least resistance.

Mr. President, I was saying these things by way of indicating just what the centralization of responsibility in the Federal Government necessarily implies; but I am not through with that. It is not just the towns, the cities, the States, and the counties that are crying for projects. The cement people say, "If you do not appropriate money, we cannot sell cement." The asphalt men say, "If you do not pass the billion and a half joint resolution, we cannot sell asphalt." The steel men say, "If you do not pile up this fund for us, we cannot sell steel." The labor organizations bring their pressure to bear upon us. The school teachers say, "If you do not appropriate this money, we cannot have schoolhouses built." The manufacturers and the merchants are saying, "If you do not send out this money for the pay rolls, we cannot sell goods." We have created a sense of vested interest in appropriations.

Do Senators think that interest is just to relieve the unemployed? That is the interest of business. That is the interest of the desire for profits. We are in the grip of it; and the head of the Relief Administration, Mr. Hopkins, encourages it. That is the worst feature of this matter. He has written a book. If there ever was an absurdity since God allowed men to make books, that book is an absurdity. It is entitled "Spending to Save." "Going Into Bankruptcy to Get Rich" would be about as much sense. His theory is not a theory of relief, and he will tell you so. I have his speeches in my desk here. He is distributing money in order to distribute wealth. He is distributing money in response to a peculiar economic theory. He is not concerned about the unemployed. He is concerned to get the money out. Now, hear me: Congress cannot pass on this joint resolution without Mr. Hopkins and his lobbyists surrounding us with their influence. When they call on us these days, Senators, to appropriate money, in view of what I know and what you know, I feel that when I vote for it I am voting for the chains of my own slavery. They even have the effrontery to say to a Senator of the United States that "his conscience will hurt him" when he comes down and asks for some of the money that he placed in their hands for his people. That is going on.

We have pending in the Senate an important bill unrelated to relief, but the head of the Relief Administration goes out and advocates it to the American people, and introduces himself as the man who distributes the money. What do you think of that? What did he know about that bill? Why was he there?

I think this policy involves the life of representative government itself. Are not these bureaucrats telling Senators that they will beat them? And with what will they beat them? Are they not saying of Senators that they cannot come back here? And why can they not come back here? I think the time has come for Congress, when it hands out a billion and a half dollars, to divorce every dollar of it absolutely and irrevocably from every aspect and influence of politics. I have drawn a bill for that purpose. I would take the whole thing out of the present control and put it in the hands of a nonpolitical and nonpartisan board. I would put every man who administers it under the civil service, and then I would tell the head of it that when we wanted to hear him we would send for him and hear him, but he and his agents should not come snooping around the corridors of the Capitol, and he should not threaten people; he should not whisper falsehoods behind their backs.

Mr. President, those are some of the things that have accounted for this degeneration. I leave out the matter of the local political popularity of the present policy. Of course, it is locally popular when the mayor of a city can come down here and get twenty, thirty, or forty million dollars, fill his city with parks and swimming pools and schoolhouses, and then run for reelection, boasting of the great things he has done for the people "with no cost to them", as he says. Of course, the fact is that there will be cost to them in the long run.

Mr. President, I have gathered some data here. I am going to come to them with one remark: In my deliberate opinion, there has been a studied effort to magnify the problem of unemployment in America. Why is not a census of the unemployed taken? When we ask to know the facts, why can we not know them?

Do you know how many families there are in the United States? Thirty-two or thirty-three million families. Do you know how many jobs there are in the United States now, other than public jobs? There are 33,000,000 persons on private pay rolls in America, and 10,000,000 persons living off the farms. Forty-three million Americans have jobs, and

that is 43,000,000 jobs for thirty-two or thirty-three million families. That is a job and a third for every family in the land.

That is one way to get at the problem. I do not know how many persons there are who are unemployed; but I think a civilization that can succeed in providing a job and a third for every family is doing pretty well. Figure it out for yourselves. There are only four persons on the average in a family of America. One and a third out of every four men, women, and children have jobs today in America.

I know the farmers were badly off. They are better off now than they were, however, and I thank God for it.

I confirm whatever one may say in praise of the administration in view of the fact that corn, tobacco, hogs, cattle, oats, and hides are bringing good prices, everything is up except cotton, which is going down; cotton is 11 cents. The farm income has greatly improved.

Industrial pay rolls in America have increased this year by between seven hundred million and a billion dollars a year. Yet, with the cities all right, and the States all right, and the counties all right, and 43,000,000 people employed, the Congress is putting the burden on the back of the Treasury, whose budget has been out of balance for 7 long years, instead of returning it to the States and political subdivisions which have been delivered, and whose burdens we have borne, and borne greatly, in the time of their need.

Mr. President, I have here some data as to New York; and I do not want to wound the sensibilities of my honored friend, the distinguished junior Senator from New York [Mr. WAGNER]. The whole country honors him and all Senators do, and I with them. I have figures from Pennsylvania and New York, and I have figures from North and South Carolina. I am not going to talk about sectional matters; I am merely going to make the point that the evidence shows on its face that there has been a strange disbalance in America in the distribution of these funds. I have asked for the information from the Federal Emergency Relief Administration and also from the Works Progress Administration. I have here a letter from Mr. Corrington Gill, the Assistant Administrator of the Federal Emergency Relief Administration, and at the end of March of this year the Works Progress Administration has put into operation nearly 20,000 work projects in New York and Pennsylvania, and I have a list of them here and desire to call attention to some of them.

The total for New York City through March 31, 1937, was the modest sum of $470,994,696. Here is the item of highways, roads, and streets in the majestic metropolis of the world, the richest of all the cities, as I understand, whose skyscrapers challenge the skies and eclipse the Tower of Babel.

Highways, roads, and streets, $82,000,000.

Eighty-two million dollars for highways and roads and streets in New York City. If there is a city on which the sun shines that is able to build its own roads and highways and streets, it is the city of New York, and I would not hear anyone say anything to the contrary. It is not a pauper city. It is the center of the world's wealth.

Streets and alleys in New York City	$59,000,000
Bridges and viaducts	8,000,000
Public buildings	92,000,000

We are constructing the buildings for the officials of New York City to do business in.

Charitable, medical, and mental institutions	$15,000,000
Educational	20,000,000
Housing	6,826,000
Parks and other recreational facilities	131,000,000
Playgrounds and athletic fields	4,993,000
Other	124,000,000

They just do not put it down; it is $124,000,000.

Land utilization in New York City. I really thought they had used it all up and were trying to inhabit the skies up there, but I see that our Federal Government has spent $163,000 to utilize land in New York City. I suspect they ought to get up to the penthouses and see what they could do with them.

Sewer systems and other utilities in New York City	$33,000,000
Water purification	6,000,000
Sewer systems, again	25,000,000

That makes $58,000,000.

Airports	$21,000,000
Navigation, in New York	15,000,000
Education	20,000,000

The Federal Government is spending $20,000,000 in New York City for education.

Women's projects	$6,000,000
Sewing	6,000,000
Sanitation and health	9,000,000

I am not saying any more about New York than I said over the radio in my own home city, the capital of North Carolina, the night before I came to the Senate this session. I protested against the city of Raleigh, N. C., calling on the Federal Government to do the things I knew they could do, and I protest now. New York City does not have to get all this money from the Federal Government. It is a rich city. Her citizens have three dollars for every dollar the citizens of North Carolina have; and I take that from the census reports. Their budget is balanced, and the Federal Budget is out of balance.

How much will they get next year? There will not be any trouble about that. They will have an election up there this year.

The Assyrian came down like a wolf on the fold.

And that is exactly the way they have come down on the Federal Government—and they will succeed again unless we do something to protect it.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. BAILEY. I yield.

Mr. WAGNER. I do not want the Senator to become confused politically, and I am afraid there is a little confusion. The present mayor of New York is not a Democrat.

Mr. BAILEY. But he has the greatest way of coming to Washington and howling every time we talk about stopping this business, more than any mayor in America, and he will admit it himself.

Mr. WAGNER. I was trying to get the Senator's political information straight, in order that he might not infer that the Democratic administration is attempting to help one candidate against another.

Mr. BAILEY. I was not thinking about that. I am going to clear this up. If they would run the junior Senator from New York for mayor he would not have to get a project, the people would vote for him. If I were a voter there I would do the same thing myself. I did not mean that this administration was going to help a political party up there. Oh, no! Oh, it is incapable of doing that! Far be it from me to suggest that there is any possibility of that ever being done in America! [Laughter.]

Mr. President, I read the newspapers. I read the New York newspapers and I know very well that the mayor of New York does come down here and protest every time we try to cut down these funds, and he is always here demanding projects. I think there is no question about that. I think he is proud of it. He is "running on his record." That is what I mean.

I am going to offer, without reading further, a statement of W. P. A. expenditures from funds provided in the Emergency Relief Appropriation Acts of 1935 and 1936, through March 31, 1937. United States totaled $2,774,000,000. New York City, $384,547,000. New York State, $122,477,000. Pennsylvania, $298,000,000. That makes a total of approximately $80,000,000,000 for the period of 27 months. Two States get more than 25 percent of the total amount! Let this go in the RECORD. I cannot believe that 25 percent of the unemployed are in those two States. Do Senators know how that is done? In those two States the unemployed are being paid $60 or $70, whereas in North Carolina they are paid $23. That is also maladministration. I agree that there might be some reduction, but there cannot be the difference between $23 and $65.

I ask that the tabulation to which I have just referred may be printed in the RECORD.

The PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit B.)

Mr. BAILEY. I have also tables showing the Public Works appropriations and summary of the non-Federal allotments and disbursements throughout the United States by States to May 31, 1937. It gives each State and the amount of allotment and amount of disbursement for each State. Then I have a table showing the non-Federal allotments and disbursements for the State of New York, and in addition to that I have a table for the State of Pennsylvania and for the city of Philadelphia.

Without detaining the Senate to go through the details, it will appear to Senators upon reading the tables in the morning that the Federal Government is building a vast system of projects in those two great cities and giving over to those two great and immensely wealthy States enormous subsidies for carrying on their activities, as if they were bankrupt and broke.

Mr. President, if New York and Philadelphia are not able to build school houses, if New York and Philadelphia are not able to maintain their sidewalks, if New York and Philadelphia are not financially able to carry off the sewage of their cities, then where will we find the cities that are able? That is very easy to answer. What shall we say for the little city of Elba, Ala., which was brought up today as a great example? If those great cities can get this money for subsidies, if they can get money for constructing public buildings, if the Federal Government is to do all that they want it to do, to the tune of nearly $800,000,000 for the two of them, then why should not every little town and city in America, and why should not every county and every State come here and say, "Treat us likewise. We surely are not as rich, and the census will show that our per-capita wealth is incomparably less than the per-capita wealth in those States and cities."

So, Mr. President, we must meet this situation. You cannot go on the way you are going; come up here and make your appropriations, have the House of Representatives try to cut it down to a billion dollars, and actually vote that way; and then 4 days later reconsider, for reasons, of course, which I shall not question—you cannot turn over to this great organization a billion and one-half dollars and turn it loose and let it bring its influences to bear upon us as it does. If we hope to save this Republic from the bankruptcy which is inevitable from this continuing policy, we have got to put the brakes on it.

Back in February I made my protest along these same lines, and urged the Senate to adopt an amendment which is to some extent, at any rate, in line with the principle asserted by the Byrnes amendment. I am glad that we have at least the support of the majority of the Committee on Appropriations for that principle. Next year when we meet, just as this year when we met, notwithstanding this appropriation today, the Relief Administrator will be right back here asking for $880,000,000 more. I give the Senate notice of that. Nobody told him to come the last time. He spent the money. Then he raised the great cry of millions of unemployed who were without succor, without aid in the winter, and that if we did not do something the country would blow up. What is there to hinder him now from spending this money by next January and coming back and asking for more?

I suggest that to the Senate in order that I may say one thing. I know that the administrative department of the Government must be separate from the legislative, and for that very reason I am persuaded that the time has come when the Senate of the United States ought to appoint a committee of three alert Senators to keep their eyes on this situation. They would have no power, but what a restraining influence they would have! Then somebody would keep informed. What are we that we should turn over a billion and a half dollars to a man like Harry Hopkins? And who is he that we should place our confidence in him to that extent? And who are we, representatives of the American Government, that we should place in the hands of men that amount of money, knowing that they can surround us, and they can have all sorts of demands made upon us, and they can refuse us our projects?

We appropriate the money, and sit like beggars on their doorsteps, and they give us political orders, and if we disobey we are told our consciences should hurt us. Conscience! What did he mean by that? Conscience refers to Deity. He meant political conscience. He referred to the god in the political machine, not to God in heaven. I do not worship before the altars behind which they minister as high priests.

(The tables presented by Mr. BAILEY, being exhibits A, B, and C, are as follows:)

EXHIBIT A

In the fall of 1931 Senator LA FOLLETTE sent out a questionnaire to the mayors of certain cities and towns in the United States. One of the seven questions asked was: "Do you favor a Federal appropriation to assist the local governments in meeting their emergency relief burdens?", to which 775 mayors replied as follows:

Yes	271
No	372
Neutral	86
This particular question unanswered	46

The tabulation with reference to this particular question was as follows:

Alabama:	
Albertville	Yes.
Anniston	Neutral.
Auburn	Neutral.
Bessemer	No.
Birmingham	No.
Brewton	No.
Cullman	Yes.
Demopolis	No.
Lanett	Yes.
Montgomery	No.
Opp	Yes.
Russellville	Neutral.
Sheffield	Yes.
Arizona: Winslow	No.
Arkansas:	
El Dorado	No.
Fort Smith	No.
Helena	No.
Magnolia	No.
Morrilton	Yes.
North Little Rock	Yes.
Paragould	No.
Searcy	Yes.
Van Buren	Neutral.
California:	
Anaheim	Yes.
Claremont	No.
Colton	Yes.
Compton	Neutral.
Coronado	No.
Culver City	Yes.
El Segundo	Yes.
Fresno	Neutral.
Fullerton	No.
Gardena	Yes.
Glendale	No.
Hawthorne	No.
Hermosa Beach	Neutral.
Hollister	No.
Huntington Beach	Yes.
Huntingdon Park	Yes.
Inglewood	Yes.
La Verne	Neutral.
Los Gatos	No.
Madera	Unanswered.
Marysville	No.
Mill Valley	No.
Montebello	Yes.
Monterey Park	Yes.
Needles	No.
Ontario	Yes.
Pasadena	Yes.
El Paso de Robles	Yes.
Pittsburg	No.
Pomona	Yes.
Porterville	Yes.
Red Bluff	Neutral.
Redlands	No.
Redwood City	No.
Riverside	Yes.
San Bernardino	Yes.
San Francisco	Neutral.
San Gabriel	No.
San Jose	No.
San Luis Obispo	Yes.
San Rafael	Yes.
Santa Ana	Yes.
Santa Clara	No.

California—Continued.	
Santa Maria	Unanswered.
Santa Paula	No.
Signal Hill	Yes.
Torrance	No.
Turlock	No.
Colorado:	
Canon City	No.
Denver	Neutral.
Monte Vista	Yes.
Trinidad	No.
Walsenburg	No.
Connecticut:	
Ansonia	No.
Derby	No.
Hartford	Neutral.
New Britain	No.
New Haven	No.
Norwalk	No.
Shelton	No.
West Haven	No.
Florida:	
Daytona Beach	No.
De Land	Unanswered.
Fort Myers	Neutral.
Fort Pierce	Yes.
Hialeah	Yes.
Melbourne	Unanswered.
Miami	Yes.
Orlando	Unanswered.
Pensacola	Neutral.
St. Petersburg	No.
Tallahassee	Neutral.
Tampa	Yes.
Georgia:	
Albany	No.
Augusta	Yes.
Brunswick	No.
Columbus	No.
East Thomaston	No.
Manchester	No.
Thomasville	Neutral.
Tipton	No.
Toccoa	Yes.
Idaho:	
Boise City	Yes.
Coeur d'Alene	Yes.
Emmett	No.
Lewiston	Yes.
Payette	No.
Preston	Yes.
Illinois:	
Batavia	Neutral.
Beardstown	No.
Benton	Yes.
Blue Island	Yes.
Carlinville	No.
Canton	Yes.
Centralia	Neutral.
Charleston	No.
Dolton	Yes.
Downers Grove	Yes.
East St. Louis	No.
Edwardsville	Yes.
Elgin	Neutral.
Eldorado	Yes.
Elmwood Park	Yes.
Evanston	Yes.
Fairfield	No.
Freeport	Yes.
Gillespie	Yes.
Granite City	Yes.
Harvey	Neutral.
Highland Park	Yes.
Johnson City	Yes.
Joliet	Neutral.
Kenilworth	Neutral.
Kewanee	Yes.
La Grange	No.
Lansing	Yes.
Libertyville	No.
Macomb	Yes.
Marion	Yes.
Mattoon	Neutral.
Mount Vernon	No.
Naperville	No.
Oak Park	Yes.
Ottawa	No.
Park Ridge	No.
Paxton	No.
Peoria	Neutral.
Princeton	No.
River Grove	Yes.
Robinson	No.
Rochelle	No.
Illinois—Continued.	
Rock Island	No.
Staunton	Yes.
Summit	Yes.
Jacksonville	No.
Tuscola	No.
Wheaton	Yes.
Wilmette	No.
West Frankfort	No.
Zeigler	Yes.
Indiana:	
Aurora	No.
Bloomington	Neutral.
Bluffton	No.
Clinton	No.
Connersville	Neutral.
Crawfordsville	No.
Elkhart	No.
Greencastle	No.
Jeffersonville	Neutral.
Kendallville	No.
Lawrenceburg	No.
La Porte	Neutral.
Lebanon	Yes.
Marion	Yes.
Martinsville	No.
Mitchell	No.
An unidentified town	Yes.
Peru	Yes.
Princeton	No.
Shelbyville	No.
Terre Haute	Yes.
Valparaiso	No.
Wabash	No.
Washington	Yes.
Richmond	No.
West Lafayette	No.
Westminster	Yes.
Iowa:	
Ames	No.
Boone	Neutral.
Cedar Rapids	No.
Council Bluffs	No.
Denison	No.
Des Moines	No.
Fort Dodge	No.
Glenwood	Yes.
Keokuk	No.
Maquoketa	Neutral.
Mason City	Neutral.
Muscatine	Yes.
Newton	No.
Oelwein	No.
Oskaloosa	No.
Sac City	No.
Valley Junction	Yes.
Kansas:	
Abilene	Neutral.
Anthony	No.
Atchison	No.
Baxter Springs	Neutral.
Chanute	No.
Dodge City	No.
Emporia	No.
Galena	Unanswered.
Herington	Neutral.
Horton	No.
Independence	No.
Liberal	Yes.
Ottawa	No.
Topeka	Neutral.
Kentucky:	
Catlettsburg	Yes.
Cumberland	Yes.
Earlington	Yes.
Hopkinsville	Yes.
Lebanon	No.
Madisonville	Neutral.
Mayfield	No.
Middlesborough	Unanswered.
Russellville	Yes.
Shelbyville	No.
Louisiana:	
Alexandria	Yes.
Ferriday	Yes.
Lake Charles	Yes.
Merryville	Yes.
Pineville	No.
Maine:	
Brewer	Unanswered.
Fort Fairfield	Neutral.
Rockland	Neutral.
Saco	Yes.
South Portland	Yes.
Waterville	Yes.

Maryland:	
Baltimore	No.
Frederick	Yes.
Salisbury	No.
Massachusetts:	
Amesbury	Unanswered.
Arlington	No.
Beverly	No.
Boston	No.
Brockton	No.
Chelsea	Unanswered.
Clinton	No.
Fall River	No.
Gardner	Yes.
Hopedale	No.
Hudson	Yes.
Leominster	No.
Lynn	Yes.
Mansfield	Neutral.
Marblehead	No.
Marlborough	Yes.
Medford	Yes.
Melrose	No.
Milford	Yes.
Needham	No.
New Bedford	Yes.
Newton	No.
Norwood	Yes.
Pittsfield	Yes.
Quincy	Unanswered.
Rockport	No.
Springfield	Neutral.
Stoughton	No.
Taunton	Yes.
Uxbridge	Yes.
Waltham	Neutral.
Wellesley	No.
Westfield	Unanswered.
Michigan:	
Ann Arbor	Neutral.
Bay City	No.
Clawson	Yes.
Detroit	Yes.
Eaton Rapids	No.
East Grand Rapids	Neutral.
Escanaba	Yes.
Ferndale	Yes.
Flint	Yes.
Grand Rapids	Yes.
Greenville	No.
Grosse Pointe	Yes.
Hamtramck	Neutral.
Highland Park	No.
Holland	Yes.
Jackson	No.
Kalamazoo	No.
Lansing	Yes.
Lincoln Park	Yes.
Ludington	No.
Mason	No.
Monroe	No.
Mt. Pleasant	No.
Muskegon	No.
Niles	No.
Owosso	Yes.
Pontiac	Unanswered.
Port Huron	No.
River Rouge	Yes.
Rochester	Yes.
Rogers City	No.
Roseville	Yes.
Royal Oak	Neutral.
South Haven	No.
Traverse City	No.
Wakefield	Yes.
Wyandotte	Yes.
Ypsilanti	Neutral.
Minnesota:	
Austin	No.
Blue Earth	No.
Brainerd	Yes.
Cloquet	Neutral.
Detroit Lakes	No.
Duluth	Unanswered.
Ely	No.
Hastings	No.
International Falls	Yes.
Lake City	No.
Marshall	Yes.
Minneapolis	Yes.
Montevideo	No.
Moorhead	No.
Pipestone	No.
Robbinsdale	No.
St. Cloud	Neutral.
St. James	No.
Minnesota—Continued.	
St. Louis Park	Yes.
Staples	Yes.
South St. Paul	No.
Virginia	Yes.
Wadena	Yes.
Waseca	No.
White Bear Lake	No.
Mississippi:	
Corinth	No.
Greenville	No.
Laurel	No.
Meridian	Yes.
Picayune	No.
Tupelo	No.
Yazoo City	Yes.
Vicksburg	No.
Missouri:	
Carthage	No.
Cameron	No.
Clayton	No.
Columbia	No.
Farmington	No.
Ste. Genevieve	No.
Higginsville	No.
Independence	Yes.
Jefferson City	Neutral.
Lebanon	Yes.
Louisiana	Yes.
Maryville	No.
Moberly	Yes.
Poplar Bluff	Yes.
Richmond	No.
Sedalia	Unanswered.
Springfield	Yes.
Trenton	Yes.
Warrensburg	Neutral.
Montana:	
Anaconda	No.
Bozeman	No.
Helena	No.
Miles City	Yes.
Missoula	Unanswered.
Red Lodge	No.
Nebraska:	
Aurora	No.
Beatrice	No.
Chadron	Yes.
Crete	No.
Falls City	No.
Grand Island	Neutral.
Hastings	No.
North Platte	Neutral.
Sidney	Yes.
South Sioux City	Yes.
Wahoo	Yes.
Nevada:	
Elko	Yes.
New Hampshire:	
Berlin	No.
Keene	Unanswered.
Laconia	Yes.
Nashua	No.
Portsmouth	Neutral.
New Jersey:	
Audubon	Yes.
Beverly	No.
Bogota	Yes.
Bordentown	No.
Bridgeton	Neutral.
Burlington	No.
Caldwell	No.
Clementon	No.
Cliffside Park	No.
Egg Harbor City	No.
Englewood	No.
Flemington	No.
Fort Lee	Unanswered.
Freehold	No.
Garfield	Yes.
Glassboro	Yes.
Hackensack	No.
Haledon	Yes.
Hightstown	No.
Hillside	Yes.
Linden	Yes.
Maplewood	No.
Maywood	Yes.
Merchantville	Unanswered.
Montclair	No.
Morristown	No.
New Brunswick	No.
Neptune	Unanswered.
Northfield	No.
Oaklyn	No.
Ridgewood	No.

New Jersey—Continued.	
Roselle Park	Neutral.
Teaneck	No.
Tenafly	No.
Trenton	No.
Verona	Yes.
Wallington	Yes.
West New York	Yes.
West Paterson	Yes.
Westwood	Yes.
Wharton	Yes.
Woodlynne	Yes.
New Mexico:	
Clovis	Yes.
Deming	No.
Gallup	No.
Roswell	No.
Santa Fe	No.
New York:	
Babylon	No.
Batavia	No.
Bronxville	No.
Buffalo	No.
Canton	Unanswered.
Cohoes	Yes.
Cortland	Neutral.
Dunkirk	Yes.
Elmsford	No.
Farmingdale	No.
Fort Edward	Yes.
Garden City	No.
Geneva	No.
Irvington	No.
Jamestown	Neutral.
Johnstown	Neutral.
Larchmont	Neutral.
Lynbrook	Unanswered.
Massena	Neutral.
Medina	No.
Middletown	No.
Mineola	No.
New Rochelle	Yes.
Newburgh	Yes.
North Tonawanda	No.
Nyack	Yes.
Olean	No.
Oneida	No.
Oneonta	Yes.
Patchogue	No.
Pelham Manor	No.
Perry	No.
Plattsburg	Unanswered.
Pleasantville	No.
Port Jervis	Unanswered.
Rensselaer	Unanswered.
Rochester	Yes.
Rockville Centre	No.
Rye	No.
Schenectady	No.
Valley Stream	Yes.
Waterford	No.
Watertown	No.
White Plains	Yes.
Yorkville	Yes.
North Carolina:	
Asheville	No.
Burlington	Neutral.
Charlotte	No.
Concord	No.
Fayetteville	Yes.
Goldsboro	Yes.
Henderson	Yes.
Lenoir	No.
Morganton	Yes.
Rocky Mount	Yes.
Smithfield	Yes.
Thomasville	No.
Winston-Salem	Unanswered.
North Dakota:	
Bismarck	No.
Dickinson	No.
Fargo	Unanswered.
Jamestown	No.
Ohio:	
Alliance	Unanswered.
Ashland	Yes.
Barberton	No.
Barnesville	Yes.
Bellare	Yes.
Bellefontaine	Yes.
Bridgeport	Yes.
Bryan	No.
Chillicothe	No.
Cleveland	No.
Cuyahoga Falls	Yes.
Dayton	Yes.
East Cleveland	Yes.
Ohio—Continued.	
Elyria	Yes.
Euclid	Unanswered.
Franklin	No.
Fremont	Neutral.
Gallipolis	Yes.
Geneva	Yes.
Girard	Yes.
Ironton	Yes.
Kent	No.
Lima	No.
Lisbon	No.
Maumee	No.
Medina	No.
North Olmsted	Yes.
Perrysburg	No.
Rittman	No.
St. Marys	Yes.
Shelby	No.
Struthers	Yes.
Tippecanoe	No.
Toledo	Yes.
Uhrichsville	No.
Upper Sandusky	No.
Wadsworth	No.
Warren	Yes.
Wauseon	Yes.
Wellsville	No.
Willard	Yes.
Wooster	No.
Zanesville	Unanswered.
Oklahoma:	
Ardmore	No.
Bartlesville	No.
Cushing	Neutral.
Duncan	Neutral.
Frederick	Yes.
Holdenville	Yes.
Ponca City	No.
Sapulpa	No.
Seminole	No.
Vinita	No.
Oregon:	
Albany	No.
Astoria	No.
Bend	Neutral.
Eugene	No.
Newberg	Yes.
Salem	Yes.
Pennsylvania:	
Apollo	Neutral.
Arnold	Yes.
Athens	Yes.
Beaver Falls	No.
Bloomsburg	No.
Boyertown	No.
Bradford	No.
Bristol	Unanswered.
Columbia	Neutral.
Conshohocken	No.
Duquesne	Yes.
East McKeesport	Yes.
Elizabethtown	No.
Ellwood City	Yes.
Emporium	No.
Franklin	No.
Freeland	Yes.
Glassport	Yes.
Hanover	Unanswered.
Harrisburg	Neutral.
Hatboro	No.
Hellertown	No.
Johnsonburg	Yes.
Kulpmont	Yes.
Kutztown	Yes.
Lebanon	Unanswered.
Leechburg	Yes.
Leetsdale	Yes.
Lehighton	Yes.
Mahanoy City	Yes.
Manheim	No.
Middletown	Yes.
Milton	No.
Minersville	Yes.
Morrisville	No.
Mount Carmel	Unanswered.
Munhall	No.
Nanty Glo	Yes.
Nazareth	No.
New Castle	Yes.
New Cumberland	Unanswered.
New Kensington	Unanswered.
North Braddock	Yes.
Oil City	No.
Olyphant	Yes.
Oxford	No.

Pennsylvania—Continued.	
Philadelphia	Neutral.
Phoenixville	Unanswered.
Pottstown	Unanswered.
Reading	Yes.
Ridley Park	No.
Sharon	No.
Slatington	Yes.
South Fork	Yes.
Sunbury	Yes.
Taylor	Yes.
Throop	Yes.
Tyrone	No.
Upland	Yes.
Verona	Yes.
Washington	Neutral.
Waynesboro	No.
Wellsboro	No.
West Chester	No.
West Hazelton	Yes.
Stowe	Yes.
West View	No.
West Wyoming	Yes.
Williamsport	No.
Yeadon	No.
Rhode Island:	
Pawtucket	No.
Providence	Yes.
South Carolina:	
Anderson	No.
Camden	No.
Columbia	Unanswered.
Easley	No.
Georgetown	Neutral.
Greenwood	Yes.
Hartsville	No.
Sumter	No.
York	No.
South Dakota:	
Brookings	No.
Mobridge	No.
Sioux Falls	Yes.
Watertown	No.
Tennessee:	
Knoxville	Yes.
Kingsport	Unanswered.
Johnson City	Yes.
Jackson	No.
Franklin	Yes.
Dyersburg	No.
Clarksville	No.
Bristol	Neutral.
Springfield	No.
Milan	No.
London	Yes.
La Follette	Yes.
Texas:	
Amarillo	No.
Austin	Neutral.
Brownwood	Unanswered.
Denton	No.
Electra	Yes.
Galveston	No.
Gatesville	No.
Goose Creek	Unanswered.
Greenville	No.
Harlingen	No.
Hearne	No.
Houston	No.
Huntsville	Unanswered.
Lampasas	Yes.
Littlefield	Yes.
Lockhart	No.
Lubbock	Unanswered.
Marshall	No.
Mineral Wells	No.
Nacogdoches	No.
New Braunfels	No.
Palestine	No.
Pecos	No.
San Angelo	Neutral.
Smithville	No.
Stamford	Yes.
Sweetwater	Yes.
Uvalde	No.
Utah:	
Helper	Yes.
Logan	Yes.
Ogden	Yes.
Payson	Yes.
Vermont:	
Bennington	No.
Brattleboro	No.
Newport	No.
St. Albans	No.
Virginia:	
Alexandria	No.
Clifton Forge	Yes.
Virginia—Continued.	
Fredericksburg	No.
Hopewell	Yes.
Lynchburg	Unanswered.
Marion	No.
Norfolk	No.
Radford	Yes.
South Boston	No.
Staunton	Neutral.
Suffolk	No.
Waynesboro	No.
Winchester	No.
Wytheville	No.
Washington:	
Bellingham	No.
Bremerton	Yes.
Clarkston	No.
Hoquiam	Neutral.
Kelso	No.
Lilliwaup	No.
Longview	No.
Mount Vernon	Yes.
Omak	No.
Pasco	Neutral.
Port Angeles	Neutral.
Raymond	No.
Shelton	Neutral.
Tacoma	Yes.
Toppenish	Yes.
Vancouver	No.
West Virginia:	
Benwood	Yes.
Bluefield	No.
Charleston	No.
Clarksburg	No.
Elkins	Yes.
Grafton	Neutral.
Hinton	Yes.
Kenova	Neutral.
McMechen	Yes.
New Martinsville	Yes.
Point Pleasant	Yes.
St. Albans	Yes.
South Charleston	Yes.
Welch	No.
Wisconsin:	
Appleton	Yes.
Ashland	Yes.
Beaver Dam	Yes.
Beloit	Neutral.
Clintonville	No.
Columbus	No.
De Pere	No.
Eau Claire	No.
Edgerton	No.
Fond du Lac	No.
Janesville	No.
Kenosha	Yes.
La Crosse	Yes.
Lake Geneva	Yes.
Madison	Yes.
Manitowoc	Yes.
Menasha	Neutral.
Menomonie	No.
Milwaukee	Unanswered.
Monroe	No.
Oshkosh	No.
Racine	Yes.
Rhinelander	Neutral.
Ripon	No.
Sheboygan	Neutral.
Sheboygan Falls	No.
Shorewood	No.
Sparta	No.
Stevens Point	No.
Two Rivers	Yes.
Watertown	No.
Waukesha	No.
Wausau	Neutral.
Wauwatosa	Yes.
West Bend	No.
Wisconsin Rapids	No.
Whitewater	No.
Wyoming:	
Cheyenne	No.
Rock Springs	Yes.

EXHIBIT B

W. P. A. expenditures from funds provided in the Emergency Relief Appropriation Acts of 1935 and 1936, through Mar. 31, 1937

United States, total	$2,774,250,289.27
New York City	394,547,510.60
New York State	122,477,363.08
Pennsylvania	298,076,620.03

Source: U. S. Treasury Department.

Number and estimated cost from Federal funds of Works Progress Administration projects placed in operation, by types of projects

[Through Mar. 31, 1937]

NEW YORK CITY

Type of project	Number of projects	Estimated cost from Federal funds
Total	812	$470,994,696
Highways, roads, and streets	60	82,136,484
Streets and alleys	29	59,776,783
Sidewalks and curbs	1	47,722
Roadside improvements	16	8,675,870
Bridges and viaducts	6	8,269,844
Grade-crossing elimination	1	56,772
Other [1]	7	5,309,493
Public buildings	101	92,422,788
Administrative	27	22,576,674
Charitable, medical, and mental institutions	9	15,884,295
Educational	18	20,456,984
Social and recreational	6	2,044,023
Federal Government (including military and naval)	22	9,608,541
Improvement of grounds	1	1,501,815
Housing	2	6,826,314
Other [1]	16	13,524,142
Parks and other recreational facilities	40	131,179,030
Playgrounds and athletic fields	2	4,993,241
Parks	1	1,383,253
Other [1]	37	124,802,536
Land utilization	1	163,389
Sewer systems and other utilities	27	33,960,755
Water purification and supply	5	6,904,369
Sewer systems	14	25,279,744
Electric utilities	8	1,776,642
Airports and other transportation	7	21,696,234
Airports and airways	2	6,147,760
Navigation	5	15,548,474
Education	32	20,801,929
Professional and clerical	504	61,137,151
Women's projects	9	6,346,889
Sewing	5	6,041,310
Canning	1	34,400
Other [1]	3	271,179
Sanitation and health	9	9,726,146
Miscellaneous	22	11,423,901

NEW YORK (EXCLUDING NEW YORK CITY)

Type of project	Number of projects	Estimated cost from Federal funds
Total	6,846	$158,719,009
Highways, roads, and streets	2,437	46,798,406
Highways	4	45,062
Farm-to-market and other secondary roads	1,045	13,187,357
Streets and alleys	646	20,022,944
Sidewalks, curbs, and paths	245	6,325,655
Roadside improvements	244	2,706,408
Bridges and viaducts	63	505,393
Other [1]	189	4,005,677
Public buildings	867	16,048,792
Administrative	235	2,045,987
Charitable, medical and mental institution	119	2,734,342
Educational	189	3,638,172
Social and recreational	88	4,109,577
Federal Government (including military and naval)	11	296,240
Improvement of grounds	179	2,345,306
Other [1]	46	879,168
Parks and other recreational facilities	401	11,306,637
Playgrounds and athletic fields	148	1,854,413
Parks	169	3,545,107
Other [1]	84	5,907,117
Conservation	160	4,762,617
Forestation	22	206,940
Erosion control and land utilization	11	214,912
Water conservation and flood control	99	3,364,572
Plant, crop, and livestock conservation	3	372,083
Other [1]	25	604,110
Sewer systems and other utilities	1,374	31,052,218
Water purification and supply	388	9,545,480
Sewer systems	950	20,808,732
Electric utilities	15	205,114
Other [1]	21	492,892

[1] Includes projects classifiable under more than 1 of the headings above.

Number and estimated cost from Federal funds of Works Progress Administration projects placed in operation, by types of projects—Continued

NEW YORK (EXCLUDING NEW YORK CITY)—continued

Type of project	Number of projects	Estimated cost from Federal funds
Airports and other transportation	36	3,839,514
Airports and airways	31	3,699,036
Navigation	3	16,344
Other [1]	2	124,134
Education	39	4,638,781
Professional and clerical	809	11,224,825
Women's projects	469	19,246,513
Sewing	244	12,589,793
Other [1]	225	6,656,720
Sanitation and health	26	1,929,147
Elimination of stream pollution	8	160,310
Mosquito eradication	11	1,675,078
Other [1]	7	93,759
Miscellaneous	228	7,871,559

PENNSYLVANIA

Type of project	Number of projects	Estimated cost from Federal funds
Total	10,448	$354,674,729
Highways, roads, and streets	3,619	204,114,090
Highways	4	4,493,798
Farm-to-market and other secondary roads	1,362	21,722,166
Streets and alleys	983	32,391,817
Sidewalks, curbs, and paths	171	1,840,874
Roadside improvements	468	87,561,263
Bridges and viaducts	187	1,100,936
Other [1]	444	55,003,236
Public buildings	1,934	21,304,024
Administrative	249	2,267,350
Charitable, medical, and mental institutions	139	2,017,112
Educational	1,028	8,890,021
Social and recreational	85	$1,496,682
Federal Government (including military and naval)	49	1,935,325
Improvement of grounds	335	3,935,251
Other [1]	49	762,283
Parks and other recreational facilities	719	21,643,489
Playgrounds and athletic fields	384	6,270,178
Parks	281	13,583,981
Other [1]	54	1,789,330
Conservation	430	11,467,317
Forestation	37	559,155
Erosion control and land utilization	3	21,632
Irrigation and water conservation	208	8,771,398
Plant, crop, and livestock conservation	6	288,398
Other [1]	116	1,826,734
Sewer systems and other utilities	1,043	20,993,999
Water purification and supply	259	5,644,324
Sewer systems	776	15,083,539
Electric utilities	2	192,564
Other [1]	6	73,572
Airports and other transportation	78	12,512,051
Airports and airways	74	12,490,672
Navigation	2	7,218
Other [1]	2	14,161
Education	77	5,272,286
Professional and clerical	1,570	20,171,938
Women's projects	405	28,035,219
Sewing	379	27,357,082
Other [1]	26	678,137
Sanitation and health	138	4,096,711
Elimination of stream pollution	11	461,753
Mosquito eradication	5	183,915
Other [1]	122	3,451,043
Miscellaneous	435	5,063,605

[1] Includes projects classifiable under more than 1 of the headings above.

EXHIBIT C

FEDERAL EMERGENCY ADMINISTRATION OF PUBLIC WORKS,
Washington, D. C., June 14, 1937.

Hon. J. W. BAILEY,
United States Senate.

MY DEAR SENATOR BAILEY: In accordance with our acknowledgment of May 29, 1937, of your letter dated May 26, 1937, in which

you requested a list of all projects for New York City, New York State, and Pennsylvania, indicating the amount of money paid out from the Public Works Administration for each docket listed, also a sum total of all moneys paid out by the Public Works Administration, we submit the following information:

Summary Non-Federal Allotments and Disbursements, United States, by States, as of May 31, 1937.

Non-Federal Allotments and Disbursements, State of New York (New York City), as of May 31, 1937.

Non-Federal Allotments and Disbursements, State of New York, as of May 31, 1937.

Non-Federal Allotments and Disbursements, State of Pennsylvania (Philadelphia), as of May 31, 1937.

Non-Federal Allotments and Disbursements, State of Pennsylvania, as of May 31, 1937.

The term "disbursements", as used on the above lists, represents the amount of P. W. A. loans and grants which have been paid into the construction accounts.

Sincerely yours,

HORATIO B. HACKETT,
Assistant Administrator.
Per E. W. CLARK.

Summary of non-Federal allotments and disbursements, United States, by States, May 31, 1937

State	Amount of allotment	Amount of disbursement
Alabama	$17,989,063.53	$12,998,032.37
Arizona	7,757,611.08	6,865,145.28
Arkansas	17,368,037.23	15,409,881.24
California	68,197,466.95	53,568,758.12
Colorado	12,931,756.05	7,328,254.86
Connecticut	9,920,694.00	7,984,274.34
Delaware	1,713,976.17	1,668,501.82
Florida	21,235,715.90	15,743,702.60
Georgia	9,015,796.38	7,839,947.56
Idaho	3,185,457.17	2,040,100.54
Illinois	127,327,185.22	101,551,346.90
Indiana	20,535,103.84	17,223,227.82
Iowa	11,358,182.97	9,223,209.11
Kansas	14,976,770.39	13,287,701.92
Kentucky	16,778,111.15	10,463,060.79
Louisiana	10,788,590.39	6,136,411.31
Maine	1,610,997.00	896,004.03
Maryland	$21,813,031.81	$15,743,414.99
Massachusetts	27,242,909.99	21,024,170.98
Michigan	36,091,889.81	16,710,253.76
Minnesota	18,581,920.47	10,937,121.29
Mississippi	31,131,441.47	12,210,198.04
Missouri	29,125,408.84	18,606,100.86
Montana	14,156,041.19	9,695,129.87
Nebraska	40,501,769.13	25,777,232.44
Nevada	1,555,017.30	1,277,152.49
New Hampshire	3,098,214.10	2,619,770.18
New Jersey	35,397,539.71	21,703,675.80
New Mexico	4,803,230.16	4,144,546.64
New York	71,698,752.24	51,409,738.18
New York City	$209,349,360.00	129,257,357.13
North Carolina	19,653,131.01	15,135,348.82
North Dakota	3,914,610.23	3,401,917.78
Ohio	51,417,753.64	39,643,781.04
Oklahoma	13,365,005.97	11,995,270.21
Oregon	11,785,132.28	9,744,624.23
Pennsylvania	31,758,127.28	20,605,677.40
Philadelphia	14,781,331.00	9,473,407.26
Rhode Island	8,832,206.40	5,450,687.08
South Carolina	21,766,681.53	11,939,557.27
South Dakota	6,128,901.89	5,433,343.34
Tennessee	19,911,362.44	11,618,498.84
Texas	77,280,944.64	60,205,685.53
Utah	5,630,054.42	4,867,775.64
Vermont	1,630,197.02	1,374,263.92
Virginia	18,441,190.77	14,766,506.28
Washington	17,543,938.17	11,314,274.08
West Virginia	8,573,087.38	7,400,214.55
Wisconsin	14,402,205.27	9,394,576.05
Wyoming	3,049,170.72	1,564,589.49
District of Columbia	6,504,000.00	6,495,293.65
Alaska	973,600.46	905,451.53
Hawaii	2,041,399.67	1,857,302.58
Puerto Rico	3,172,172.00	2,245,230.74
Virgin Islands	152,664.00	111,939.00
Total	1,279,940,909.83	898,098,639.67
Railroads	200,974,500.00	200,974,500.00

Summary of non-Federal allotments and disbursements, United States, May 31, 1937—Continued

Non-Federal allotments and disbursements, May 31, 1937

STATE OF NEW YORK

NEW YORK CITY

Docket number	Location	Type of construction	Amount of allotment	Amount of disbursement
39	Triboro Bridge Authority	Bridges and viaducts	$44,200,000.00	$43,267,651.75
228	Port of New York Authority	Subways and tunnels	17,030,000.00	15,755,824.30
262	Hillside Housing Corporation	Limited dividend housing	4,990,000.00	4,988,336.00
266	Boulevard Gardens Housing Co	do	3,450,000.00	3,069,586.97
1028-R	New York City	Hospital buildings	412,363.00	180,090.00
1060-D	Brooklyn	Courthouses (including jails)	618,545.00	
1075-R	New York City	Complete waterworks system and equipment	929,700.00	653,205.25
1085-R	do	Ferryboat	1,397,250.00	776,250.00
1090-D	do	Courthouses (including jails)	2,175,930.00	21,453.58
1147-R	do	New secondary schools	344,700.00	241,384.50
1178-R	do	do	465,544.00	213,378.38
1179-R	do	Repairs to secondary schools	171,225.00	116,862.90
1180-R	do	New secondary schools	779,400.00	478,518.32
1181-R	do	Repairs to secondary schools	125,550.00	84,906.50
1198-R	Brooklyn	New secondary schools	779,850.00	456,463.88
1208-D	New York City	Hospital buildings	141,300.00	
1376-D	Bronx	Bridges and viaducts	367,650.00	
1392-R	New York City	Repairs to hospital buildings	268,762.00	114,312.00
1393-R	do	Hospital buildings	724,500.00	357,500.00
1399-R	Brooklyn	New secondary schools	380,250.00	289,161.76
1448-R	New York City	Repairs to secondary schools	118,800.00	86,625.00
1451-R	do	do	440,100.00	342,300.00
1453-D	do	New secondary schools	194,850.00	
1475	New York City Tunnel Authority	Subways and tunnels	58,365,000.00	2,405,000.00
1512-D	New York City	New highways, roads, and trails	2,434,500.00	811,500.00
2654	do	Repairs and improvements to waterworks and equipment	1,000,000.00	984,000.00
2726	do	Hospital buildings	1,258,000.00	627,605.64
2735	do	New secondary schools	2,070,000.00	1,940,750.00
2741	do	Subways and tunnels	19,392,000.00	18,477,085.90
2756	do	Municipal improvements	567,500.00	235,124.37
3236	do	Repairs to hospital buildings	796,200.00	661,000.00
3247	do	Garbage-disposal plants and incinerators	2,660,000.00	2,089,264.20
3249	do	Repairs to secondary schools	1,898,500.00	1,755,000.00
4333	do	Repairs to hospital buildings	519,000.00	242,635.15
4985	do	Hospital buildings	185,000.00	173,786.18
6863	do	Electric distribution	110,000.00	108,000.00
6878	do	Repairs and improvements to waterworks and equipment	981,000.00	915,731.76
6882	do	Piers	218,000.00	103,719.90
6926	do	Pier sheds	360,000.00	149,575.62
6931	do	Repairs to hospital buildings	516,500.00	467,504.28
6938	do	do	259,000.00	210,149.72
6956	do	Gymnasium	65,800.00	55,479.90
6957	do	Repairs and improvements to waterworks and equipment	497,000.00	469,720.14
7124	do	Repairs to streets	252,000.00	202,436.51
7150	do	Repairs to secondary schools	318,000.00	287,000.00
7161	do	New secondary schools	1,197,000.00	1,120,028.22
7173	do	do	384,100.00	360,475.00
7181	do	Repairs to combination county and municipal buildings	131,700.00	113,229.17
7196	do	Fire department and police station buildings	187,000.00	99,025.93
7215	do	Repairs to secondary schools	257,000.00	234,700.00
7244-R	do	New secondary schools	471,136.00	399,772.45
7582	do	do	301,700.00	265,200.00
8000	do	do	832,000.00	717,355.89
8024-R	do	do	1,387,681.00	1,008,850.05
8044-R	do	Combined sanitary sewers, pumping stations, and disposal plants	11,300,250.00	6,311,250.00

Non-Federal allotments and disbursements, May 31, 1937—Continued

STATE OF NEW YORK—Continued

NEW YORK CITY—continued

Docket number	Location	Type of construction	Amount of allotment	Amount of disbursement
8071	New York City	New secondary schools	$630,000.00	$605,237.93
8072	do	General municipal improvements	97,400.00	91,000.00
8073	do	New secondary schools	246,000.00	225,400.00
8081	Jewish Memorial Hospital	Hospital buildings	350,000.00	350,000.00
8118-R	New York City	New secondary schools	329,500.00	227,375.00
8281	do	do	548,000.00	531,969.98
8332	do	Laboratory	474,500.00	395,400.00
8882	do	New secondary schools	1,043,600.00	958,758.73
8884-R	do	do	2,003,863.00	1,394,049.88
8885	New York City	Bridges and viaducts	289,000.00	240,415.08
8892-R	do	Electric distribution system	215,181.00	119,545.00
8898	do	Pier sheds	1,193,000.00	1,001,011.69
8929	do	Rapid transit	118,500.00	12,000.00
9048	do	Dock improvements	142,000.00	61,227.71
9049	do	Repairs to combination county and municipal buildings	582,700.00	464,869.02
9050	do	Jails, prisons, reformatories	910,000.00	648,066.70
9051	do	Repairs to municipal buildings	851,600.00	612,709.70
9060-R	do	Repairs to jails, prisons, reformatories	47,681.00	35,820.00
90631	do	Hospital buildings	195,000.00	163,574.37
90662	do	do	402,000.00	331,763.34
9068-R	do	Repairs to hospital buildings	91,227.00	44,456.00
9161	do	do	241,000.00	211,370.00
9164-R	do	do	76,500.00	51,406.75
9165	do	do	168,500.00	97,400.00
9166-R	do	Hospital buildings	993,681.00	551,920.00
9167-R	do	Repairs to combination county and municipal buildings	205,636.00	175,272.60
9175-R	do	College and university buildings	2,700,000.00	2,150,000.00
9176	do	Hospital buildings	78,000.00	74,863.88
9205	do	Combined sanitary sewers, pumping stations, and disposal plants.	1,807,500.00	1,713,411.85
9233-R	do	Repairs to hospital buildings	33,955.00	16,294.75
9240-R	do	do	495,000.00	215,000.00
	Total, 86		209,349,360.00	129,257,357.13

BALANCE OF STATE

539-D	Syracuse	Social, recreational buildings (municipal)	$270,000.00	$90,000.00
1003-R	North Collins	New secondary schools	83,300.00	64,750.00
1004-R	Webster	Repairs and improvements to waterworks and equipment	91,688.03	71,297.33
1012-R	Suffolk County	Dams, levees, channel dredging	127,494.00	99,162.00
1015-R	do	New highways, roads, and trails	45,600.00	45,600.00
1017-R	do	do	72,000.00	72,000.00
1019-R	Corpu	New secondary schools	71,182.00	55,353.00
1022-D	Monroe County	do	225,000.00	225,000.00
1024-R	New Castle	Combined sanitary sewers, pumping stations, and disposal plant	13,909.00	13,268.34
1027-R	Grand Island	New secondary schools	40,909.00	31,818.15
1029-R	Amherst	Repairs to secondary schools	118,536.00	92,194.66
1030-R	Carrollton	New secondary schools	59,727.00	46,454.33
1032-R	Tonawanda	do	81,818.00	63,636.30
1033-R	West Valley	do	91,636.00	71,272.60
1034-R	Buffalo	Combination storm and sanitary sewers	10,608,000.00	3,868,535.75
1036-D	Mount Vernon	New secondary schools	223,364.00	124,091.00
1038-R	Clymer	do	85,077.00	66,171.00
1039-R	Ithaca	Water mains, meters, pumps, and miscellaneous equipment	13,950.00	12,447.00
1040-R	Gowanda	Repairs to secondary schools	34,364.00	24,115.86
1041-R	Buffalo	Repairs to courthouses	78,500.00	58,563.40
1042-R	Union School District No. 2	Repairs to secondary schools	18,000.00	18,000.00
1045-D	Sloan	Dams, canals, etc	92,727.00	92,727.00
1052-R	Ithaca	Repairs to secondary schools	91,636.00	91,429.24
1054-R	Peekskill	Municipal buildings	57,272.00	44,545.20
1055-R	Falconer	New secondary schools and repairs to existing schools	62,100.00	62,100.00
1057-R	Auburn	Combined sanitary sewers, pumping stations, and disposal plants	360,000.00	280,000.00
1058-R	Rome	Fire department and police station buildings	18,284.00	17,616.42
1061-D	Scio	Complete waterworks system and equipment	20,691.00	20,011.39
1062-R	Herkimer	Combined sanitary sewers, pumping stations, and disposal plants	34,363.00	26,727.05
1063-R	Lockport	Libraries and museums (municipal)	59,575.00	46,336.15
1066-R	Ebenezer	Repairs to secondary schools	19,485.00	19,485.00
1068-R	Cornwall	Combined sanitary sewers, pumping stations, and disposal plants	91,398.00	91,398.00
1071-R	North Hempstead	Repairs to secondary schools	13,050.00	13,050.00
1072-R	Schoharie	Jails, prisons, reformatories	34,178.06	33,210.53
1073-D	Rochester	Repairs to secondary schools	79,650.00	61,950.00
1074-D	South Dayton	do	40,317.00	29,659.00
1076-R	Oyster Bay	New street paving	47,454.00	26,363.50
1077-R	Niagara Falls	Combined sanitary sewers, pumping stations, and disposal plants	1,035,000.00	575,000.00
1078-R	Easthampton	New secondary schools	76,050.00	59,150.00
1079-R	Yonkers	Repairs and improvements to highways	32,727.00	25,454.45
1080-R	do	Repairs to combined sanitary sewers, pumping stations, and disposal plants.	130,090.00	86,790.56
1083-R	Maybrook	Combined sanitary sewers, pumping stations, and disposal plants	65,454.00	58,908.90
1084-D	Canisteo	New secondary schools	135,000.00	
1086-R	Sherwood	Repairs to secondary schools	27,573.00	27,573.00
1093-R	Angola	New secondary schools and repairs to existing schools	81,000.00	63,000.00
1094-R	Harrisville	Repairs to secondary schools	35,181.00	27,363.35
1095-R	Perry	Water storage (tanks, reservoirs, etc.)	18,293.00	18,293.00
1096-R	Kendall	New secondary schools	99,000.00	98,941.53
1097-R	Lyons	Charitable institutions	31,785.00	31,785.00
1098-R	Pavilion	New secondary schools	75,515.00	58,734.20
1099-R	Weedsport	Repairs to secondary schools	34,420.00	34,420.00
1100-R	Riverhead	Combined sanitary sewers, pumping stations, and disposal plants.	66,191.00	51,482.00
1102-R	Friendship	Repairs to secondary schools	67,500.00	63,274.07
1104-D	Mamaroneck	Repairs and improvements to waterworks and equipment	188,446.00	
1105-R	Mount Kisco	Repairs to combination waterworks and sewers	18,396.00	17,773.04
1108-D	New York	New secondary schools	110,454.00	
1109-D	do	Repairs to hospital buildings	122,727.00	
1113-D	do	do	83,454.00	
1116-D	Pittsburg	New secondary schools	64,636.00	35,909.00
1117-R	Candor	Repairs to secondary schools	36,450.00	36,450.00
1118-R	Morrisville	New secondary schools	185,625.00	144,375.00
1120-R	Rye	Fire department and police station buildings	68,718.00	65,462.65
1121-R	Catteraugus	Repairs to secondary schools	40,909.00	31,818.00
1122-D	Olmstedville	do	62,950.00	39,200.00
1125-R	Berlin	New secondary schools	103,340.00	80,375.55
1126-R	Sodus	Repairs and improvements to waterworks and equipment	31,310.00	24,356.50

Non-Federal allotments and disbursements, May 31, 1937—Continued

STATE OF NEW YORK—Continued

BALANCE OF STATE—continued

Docket number	Location	Type of construction	Amount of allotment	Amount of disbursement
1128–R	Hamburg	Repairs to secondary schools	$32,400.00	$32,400.00
1129–D	Rochester	Garbage disposal plants and incinerators	184,096.00	102,275.00
1130–R	Poughkeepsie	Hospital buildings	39,692.00	39,692.00
1131–D	Mount Kisco	Wells, dams, canals, etc., for water supply	27,900.00	
1132–D	Ogdensburg	New secondary schools	180,000.00	100,000.00
1133–D	Ogdensburg	Vocational schools	81,000.00	63,000.00
1134–R	West Chester County	Repairs and improvements to highways	49,909.00	49,909.00
1135–D	Cortlandt	do	130,909.00	9,137.50
1137–R	Gowanda	Municipal buildings	26,100.00	26,100.00
1138–R	Red Hook	Repairs and improvements to waterworks and equipment	28,751.00	22,362.20
1139–R	Clarence	Repairs to secondary schools	49,500.00	38,499.50
1141–R	Mount Vernon	do	24,545.00	24,238.60
1143–R	Gloversville	New street paving	25,446.00	25,446.00
1151–D	New York	Repairs to secondary schools	64,636.00	
1152–D	Rochester	New secondary schools	117,000.00	91,000.00
1153–D	do	do	148,500.00	115,500.00
1154–D	do	Fire department and police-station buildings	182,970.00	142,310.00
1155–D	do	Dams, levees, and channel dredging	144,000.00	80,000.00
1156–R	Tonawanda, Kenmore	Repairs to combination county and municipal buildings	112,197.00	87,264.80
1157–R	Orisville	Sidewalks, curbs, and gutters	10,227.00	9,998.24
1159–R	Marcellus	New secondary schools	238,500.00	185,500.00
1160–R	Bradford	Repairs to secondary schools	67,272.00	53,818.00
1162–R	Newberg	New secondary schools	546,750.00	425,250.00
1164–R	Sherman	Repairs to secondary schools	69,999.00	54,397.00
1166–D	Brentwood	Repairs to hospital buildings	193,883.00	
1169–D	Rochester	General municipal improvements	58,500.00	35,710.09
1170–R	Stewart Manor	Social, recreational buildings (municipal)	16,363.00	16,363.00
1171–R	Bemus Point	Repairs to secondary schools	33,750.00	33,688.72
1173–R	Catskill	New secondary schools	158,850.00	123,550.00
1175–R	Porter	Repairs to wells, dams, canals, etc	27,967.00	23,286.93
1176–R	Owego	Complete waterworks system and equipment	22,500.00	22,500.00
1184–D	Chester	Repairs to secondary schools	30,330.00	23,590.00
1185–D	Yaphank	Hospital buildings	268,000.02	24,000.00
1187–R	Hempstead	Repairs to secondary schools	169,363.00	131,727.05
1188–R	Eggertsville	do	36,000.00	35,487.13
1189–R	Evans	Complete waterworks system and equipment	21,019.00	20,944.08
1192–D	Niagara Falls	Fire-alarm systems and police communications	22,860.00	12,700.00
1193–D	Claverack	Fire department and police-station buildings	6,136.00	
1194–R	Avon	Repairs to secondary schools	47,250.00	46,945.73
1195–D	Mohawk	Sewage-disposal plants	12,122.00	6,734.75
1196–D	Rushford	New secondary schools	72,000.00	56,000.00
1197–D	Rochester	Fire department and police-station buildings	83,408.00	
1199–R	Lima	New secondary schools	47,070.00	36,610.00
1200–D	Greenwood	do	55,000.00	30,555.55
1201–R	Denmark	do	135,000.00	105,000.00
1203–D	Queensbury	do	67,500.00	52,500.00
1204–R	Goshen	Repairs and improvements to waterworks and equipment	36,184.90	28,946.62
1205–D	Chester	New secondary schools	117,358.00	91,278.39
1216–D	Herkimer	Warehouses, laboratories, shops, garages	19,439.00	8,495.90
1218–R	Queensbury	New secondary schools	153,900.00	119,700.00
1222–D	West Seneca	Fire department and police-station buildings	10,636.00	5,909.00
1223–D	Albany	Pier sheds	33,750.00	
1225–D	Cedarhurst	Repairs to streets	9,000.00	
1226–R	Riverhead	New secondary schools	289,636.00	225,272.60
1227–R	Fleischmanns	Repairs to secondary schools	65,155.00	64,576.75
1228–R	Oneida	Hospital buildings	99,000.00	77,000.00
1230–R	New Berlin	New secondary schools	128,700.00	100,100.00
1233–D	Springport	do	146,250.00	81,260.00
1234–R	New Hyde Park	Electric distribution system	300,000.00	
1235–R	Philadelphia	New secondary schools	54,171.00	54,171.00
1236–R	Altona	do	97,363.00	75,726.85
1237–D	Grand Island	Complete waterworks system and equipment	62,181.00	
1238–D	do	Sewage disposal plants	18,000.00	
1239–D	Cornwall	do	90,276.00	
1240–R	Ballston Spa	Combined new sewage disposal plants and repairs to existing plants.	36,818.00	36,818.00
1243–D	Central Islip	Fire department and police-station buildings	28,192.00	9,397.00
1244–R	Clinton and Essex Counties	Repairs to secondary schools	280,000.00	252,000.00
1245–R	Yonkers	do	117,818.00	117,133.01
1248–R	Marlborough	New secondary schools	167,141.00	129,999.10
1249–D	Croton on Hudson	Repairs to sidewalks, boardwalks, and sewers	45,454.30	6,578.10
1250–R	Pomona	Hospital buildings	204,592.00	159,127.50
1254–R	Perry	New secondary schools	22,500.00	17,510.00
1255–R	Prattsburg	Repairs to secondary schools	80,902.00	62,923.77
1257–D	Dryden and Freeville	do	137,025.00	76,125.00
1258–R	Windham	New school districts	123,750.00	96,250.00
1259–R	Dansville	Repairs to secondary schools	56,475.00	43,916.25
1260–D	Jamestown	do	67,500.00	67,500.00
1261–D	Rochester	do	202,500.00	157,500.00
1266–R	Carmel	Complete waterworks system and equipment	49,909.00	38,818.15
1267–R	St. Regis Falls	do	116,363.00	101,334.27
1268–R	Brant	New secondary schools	18,000.00	17,993.02
1270–R	Gouverneur	Repairs to secondary schools	101,993.00	79,095.10
1271–D	New Rochelle	Repairs to combination county and municipal buildings	19,350.00	
1272–D	do	Warehouses, shops, laboratories, and garages	19,350.00	
1276–R	Wyandanch	New secondary schools	120,000.00	108,000.00
1281–R	Arkport	do	63,000.00	49,000.00
1282–D	Buffalo	Jails, prisons, reformatories	326,250.00	
1283	Erie County	Repairs and improvements to highways	1,259,800.00	1,119,000.00
1283–D	Troy	New secondary schools	643,090.00	
1284	Buffalo	do	334,500.00	214,186.77
1285	do	Storm drains and sewers	1,148,413.98	1,135,413.98
1287	do	New secondary schools	710,000.00	697,000.00
1287–D	Golden	do	9,000.00	
1288–D	Norfolk	Combined waterworks and sewers	81,818.00	
1289–R	Carmel	Repairs to courthouses	29,250.00	22,750.00
1290–D	Corning	Bridges and viaducts	130,275.00	72,375.00
1292–R	Minetto	Repairs and improvements to waterworks and equipment	28,967.00	28,716.23
1293–R	Holland	New secondary schools	197,475.00	148,925.00
1296–R	Glen Falls	Repairs and improvements to waterworks and equipment	74,700.00	58,100.00
1297–D	Colonie	do	26,636.00	26,529.20
1298–D	do	Sewage-disposal plants	110,454.00	
1299–D	Port Byron	Repairs and improvements to waterworks and equipment	45,000.00	15,000.00
1300–R	Watervliet	New secondary schools	322,363.00	250,727.05
1301–D	Ossining	Repairs to secondary schools	119,119.00	92,648.00
1302–R	Watkins Glen	Combined sanitary sewers, pumping stations, and disposal plants.	88,181.00	86,824.00

Non-Federal allotments and disbursements, May 31, 1937—Continued

STATE OF NEW YORK—Continued

BALANCE OF STATE—continued

Docket number	Location	Type of construction	Amount of allotment	Amount of disbursement
1303–R	Palisades	New secondary schools	$23,760.00	$23,183.27
1306–R	Highland Falls	Combined sanitary sewers, pumping stations, and disposal plants	121,000.00	121,000.00
1309–R	Orangetown	Repairs to secondary schools	29,475.00	29,080.54
1311–R	Courtlandt	Complete waterworks system and equipment	14,727.00	14,169.99
1313–D	Haverstraw	Municipal buildings	70,909.00	56,727.25
1314–R	Tuckahoe	Repairs to secondary schools	155,250.00	120,750.00
1315–R	New City	do	13,909.00	13,909.00
1316–R	Harrison	Repairs to combination county and municipal buildings	16,363.00	16,363.00
1317–D	Gloversville	Repairs to streets	46,846.00	
1321–R	Binghamton	Bridges and viaducts	162,297.00	126,231.70
1322–R	do	Repairs and improvements to highways	82,188.00	63,924.70
1325–R	Spencer	New secondary schools	75,145.00	71,143.10
1327–R	Binghamton and Johnson City	Combined sanitary sewers, pumping stations, and disposal plants	27,000.00	21,000.00
1329–R	Brocton	Complete waterworks system and equipment	36,028.00	28,021.70
1331–D	Albany	Fire-alarm systems and police communications	62,687.00	
1332–D	Montgomery	New secondary schools	112,500.00	85,250.00
1335–R	Gloversville	do	84,764.00	65,928.10
1336–D	Endicott	Combined sanitary sewers, pumping stations, and disposal plants	23,400.00	19,359.21
1338–D	Evans Mills	Water mains, meters, pumps, and miscellaneous equipment	27,000.00	
1342–R	Bath	Hospital buildings	61,027.00	47,465.44
1343–R	Jefferson	New secondary schools	53,100.00	41,300.00
1345–R	Newfane	Combined sanitary sewers, pumping stations, and disposal plants	65,803.00	45,419.50
1347–R	do	Complete waterworks system and equipment	48,092.00	37,405.20
1351–D	Montrose	Repairs to secondary schools	125,454.00	112,908.90
1354–R	St. Regis Falls	do	19,350.00	15,050.00
1355–R	Saranac Lake	do	41,818.00	37,636.30
1356–D	Plattsburg	Sewage-disposal plants	340,000.00	
1360–R	Woodlawn	New secondary schools	68,400.00	53,200.00
1361–D	Alden	Repairs to secondary schools	61,357.00	47,724.95
1365–D	Lackawanna	Repairs to libraries and museums	22,500.00	
1366–D	Greece	Sewage-disposal plants	499,500.00	166,500.00
1368–R	Oyster Bay	Garbage-disposal plants and incinerators	58,090.00	39,949.00
1371–R	Woodmere	New secondary schools and repairs to existing schools	176,850.00	137,550.00
1373–D	Hempstead	Repairs to combined sanitary sewers, pumping stations, and disposal plants.	308,454.00	129,825.25
1374–R	do	Complete waterworks system and equipment	153,000.00	124,033.96
1380–R	Binghamton	New secondary schools	374,400.00	291,200.00
1382–D	Cortlandt	Complete waterworks system and equipment	17,100.00	
1383–D	Elmira	Combined sanitary sewers, pumping stations, and disposal plants	419,400.00	285,278.93
1387–R	Plattsburg	Electric distribution system	520,000.00	
1390–R	Garden City Park	Repairs to secondary schools	67,500.00	52,500.00
1391–R	Carmel	do	49,500.00	38,500.00
1400–D	Yorktown	Complete waterworks system and equipment	6,545.00	
1405–R	Auburn	Recreational buildings for secondary schools	55,935.00	48,056.04
1409–D	Albany	Combined sanitary sewers, pumping stations, and disposal plants.	88,074.00	
1410–D	Rockville Center	Repairs and improvements to waterworks and equipment	81,900.00	52,851.40
1414–D	Olean	Complete waterworks system and equipment	64,800.00	
1415–D	Niagara Falls	Municipal buildings	67,500.00	
1417–D	Niagara	Bridges and viaducts	29,430.00	
1425–R	Westchester County	Repairs to combine sanitary sewers, pumping stations, and disposal plants.	417,473.00	141,933.00
1428	Goshen	Repairs and improvement to waterworks and equipment	155,113.51	155,113.51
1437–R	Bath	Combined sanitary sewers, pumping stations, and disposal plants	66,272.00	51,545.20
1438–D	Steuben County	Repairs and improvements to highways	45,675.00	
1441–R	Jamestown	Hospital buildings	36,000.00	28,000.00
1446	Geneva	Sewage-disposal plants	237,000.00	227,992.90
1458–R	Westchester	Repairs to combine sanitary sewers, pumping stations, and disposal plants—Combine with docket 1425–R.		90,000.00
1463–R	Rome	Hospital buildings	73,285.00	73,098.81
1467–D	Esopus	Repairs and improvements to waterworks equipment	56,250.00	
1477–R	Stanford	New secondary schools	188,100.00	104,500.00
1479	Syracuse University	College and university buildings	825,000.00	825,000.00
1482–D	Olcott	Complete waterworks system and equipment	51,660.00	2,110.46
1483–D	Verplanck	Water mains, meters, pumps, and miscellaneous equipment	37,636.00	20,909.00
1485–D	Port Byron	New secondary schools	225,000.00	19,900.00
1493–D	Odessa	do	129,240.00	71,800.00
1503–D	Ovid	do	157,500.00	14,000.00
1516–D	Mexico et al	do	225,000.00	
1520–D	Akron	Repairs to secondary schools	53,333.00	
1524–D	Deferiet	Complete waterworks system and equipment	18,900.00	
1532–D	Somers	New secondary schools	149,727.00	
1541	Croton on Hudson	Repairs and improvements to waterworks and equipment	115,152.69	115,152.69
1548	Suffolk County	Repairs and improvements to highways	16,400.00	16,400.00
1553–D	Lockport	Repairs to hospital buildings	92,858.00	30,952.50
1597	Canajoharie	Sewage-disposal plants	55,804.68	55,804.68
1604	Malone	do	10,000.00	9,285.84
1631	Westchester County	Combined sanitary sewers, pumping stations, and disposal plants	1,378,000.00	1,246,116.67
1832	Utica	New secondary schools and repairs to existing schools	716,300.00	690,753.08
2113	Niagara Falls	Complete waterworks system and equipment	229,000.00	229,000.00
2116	Pelham	do	175,256.45	175,256.44
2140	Rochester	New secondary schools	746,000.00	720,423.77
2176	Holland	Complete waterworks system and equipment	79,000.00	77,261.37
2195	North Hempstead	Sewage-disposal plants	131,215.86	131,215.86
2204	Mount Morris	Repairs and improvements to waterworks and equipment	45,022.93	45,022.93
2218	Rochester	Repairs to combined sanitary sewers, pumping stations, and disposal plant.	660,000.00	485,426.99
2220	Rensselaer	Repairs to storm drains and sewers	12,548.57	12,548.57
2221	Central School District No. 1	New secondary schools	175,000.00	173,635.32
2223	Yonkers	Repairs to combined sanitary sewers, pumping stations, and disposal plants.	703,000.00	696,651.95
2230	Water Power Control Commission	Dams, canals, etc	106,526.94	106,526.94
2253	Schenectady	Charitable institutions	508,642.11	508,642.11
2254	Central School District No. 1	New secondary schools	462,381.01	457,381.01
2256	Mount Morris	Repairs to combined sanitary sewers, pumping stations, and disposal plants.	15,000.00	14,627.81
2271	Utica	New street paving	28,000.00	28,000.00
2382	Albany	Repairs to secondary schools	25,200.00	25,200.00
2620	Cedarhurst	Combined sanitary sewers, pumping stations, and disposal plants.	563,000.00	529,432.59
2634	Central School District No. 1	New secondary schools	234,429.40	234,429.40

Non-Federal allotments and disbursements, May 31, 1937—Continued

STATE OF NEW YORK—Continued

BALANCE OF STATE—continued

Docket number	Location	Type of construction	Amount of allotment	Amount of disbursement
2631	Great Neck	Combined sanitary sewers, pumping stations, and disposal plants.	$757,640.00	$755,086.61
2671	Elmsford	do	332,000.00	306,895.58
2715	State of New York	Bridges and viaducts	82,000.00	61,186.85
2724	Hempstead	New secondary schools	844,000.00	843,274.28
2734	Jamestown	New secondary schools and repairs to existing schools	891,000.00	801,210.02
2755	Westchester County	Charitable institutions	525,000.00	416,650.49
3189	State of New York	do	183,000.00	183,000.00
3200	do	Jails, prisons, reformatories	38,000.00	34,421.45
3201	do	Hospital buildings	668,000.00	553,439.71
3237	do	Schools for physically handicapped	255,000.00	215,000.00
3241	Rochester	New highways, roads, and trails	139,000.00	101,646.39
3248	State of New York	Repairs to jails, prisons, reformatories	226,000.00	175,991.79
3253	Rochester	Libraries and museums (municipal)	314,000.00	261,665.00
3258	State of New York	Hospital buildings	146,000.00	146,000.00
3259	do	Corrective institutions, other than jails and prisons	262,000.00	204,537.00
3301	Union School District No. 3	New secondary schools	800,000.00	800,000.00
3302	Union School District No. 11	do	16,000.00	9,646.74
3370	White Plains	Repairs to combined sanitary sewers, pumping stations, and disposal plants.	196,500.00	194,098.41
3375	Suffern	do	232,500.00	226,583.75
3377	Watervliet	Repairs and improvements to waterworks and equipment	215,086.01	215,086.01
3382	Gloversville	do	52,650.00	50,953.93
3397	North Hempstead	New secondary schools	195,000.00	195,000.00
3407	Wells water district	Complete waterworks system and equipment	65,000.00	61,610.52
3429	Central School District No. 1	Repairs to secondary schools	45,700.00	45,700.00
3440	Saranac Lake	Repairs, improvements to waterworks and equipment	16,000.00	15,094.88
3445	Almond	Complete waterworks system and equipment	34,083.51	34,083.51
3457	Hastings on Hudson	Combined sanitary sewers, pumping stations, and disposal plants.	25,100.00	22,754.79
3491	Union School District No. 1	Repairs to secondary schools	80,000.00	80,000.00
3594	White Plains	Repairs to storm drains and sewers	157,100.00	157,100.00
3598	Southold School District No. 9	New secondary schools	275,268.23	275,268.23
3627	Central School District No. 9	do	131,341.05	131,341.05
3628	Plandome	Repairs and improvements to waterworks and equipment	70,000.00	68,844.10
3629	Central School District No. 2	New secondary schools	140,239.50	140,239.50
3631	Do	do	221,842.70	221,842.70
3663	White Plains	Repairs and improvements to waterworks and equipment	51,000.00	48,288.76
3667	Buchanan	do	103,000.00	100,172.74
3678	Plattsburgh	Water mains, meters, pumps, and miscellaneous equipment	6,000.00	6,000.00
3703	White Plains	New street paving	136,000.00	132,308.36
3724	Walden	Combination storm and sanitary sewers	298,000.00	286,282.70
3744	Keene and Jay	New secondary schools	198,100.00	179,015.34
3755	Central School District No. 2	Repairs to secondary schools	301,252.27	301,252.27
3764	Lloyd sewer district	Combined sanitary sewers, pumping station, and disposal plants	112,072.72	112,072.72
3767	Greenburgh	New street paving	370,000.00	355,977.72
3974	East Rochester	Repairs and improvements to waterworks and equipment	80,444.70	80,444.70
3975	Penn Yan	Sewage disposal plants	48,594.42	48,594.42
3981	Suffolk	New highways, roads, and trails	41,700.00	41,627.12
3990	Union School District No. 17	New secondary schools	162,000.00	162,000.00
3993–R	Hudson	do	500,000.00	450,000.00
4031	Pleasantville	Repairs to water mains, meters, pumps, etc	11,756.73	11,743.07
4042	Common School District No. 3	New secondary schools	141,556.12	141,556.12
4054	Hempstead	do	317,800.00	313,950.27
4063	Elba	Complete waterworks system and equipment	54,800.00	54,608.29
4188	Irvington	Repairs and improvements to waterworks and equipment	52,300.00	51,790.53
4215	Central School District No. 5	New secondary schools	119,050.00	119,050.00
4244	Rome	Repairs to streets	21,700.00	20,194.87
4324	Hamburg	Repairs and improvements to waterworks and equipment	56,000.00	56,000.00
4325	Union School District No. 6	Repairs to secondary schools	500,000.00	500,000.00
4353	Port Chester	Repairs to streets	65,921.19	65,921.19
4356	Baldwin fire district	Fire department and police stations	58,000.00	58,000.00
4364	Scarsdale	Repairs to combined storm and sanitary sewers	21,000.00	18,634.97
4371	Central School District No. 1	New secondary schools	204,500.00	198,210.08
4533	Tonawanda	Storm drains and sewers	62,949.48	62,949.48
4543	Ossining	New street paving	99,196.44	99,196.44
4551	Schroon	New secondary schools	281,000.00	269,355.76
4587	Scharon	Repairs and improvements to waterworks and equipment	40,988.22	40,988.22
4599	Union School District No. 1	New secondary schools	46,600.00	45,530.52
4926	New York	Grade crossing	1,460,900.00	777,756.19
4943	Central School District No. 1	New secondary schools	75,000.00	67,970.93
4963	Thompson	do	372,000.00	372,000.00
4980	Central School District No. 1	do	34,900.00	34,900.00
4981	Common School District No. 1	do	142,200.00	138,131.94
5022	Pleasantville	Combined sanitary sewers, pumping stations, and disposal plants	70,000.00	67,264.72
5028	Central School District No. 2	Repairs to secondary schools	185,364.69	185,364.69
5085	Canton	Repairs to combined sanitary sewers, pumping stations, and disposal plants.	12,000.00	11,125.10
5097	Suffolk	New highways, roads, and trails	53,000.00	50,495.25
5301	Central School District No. 1	New secondary schools	196,750.33	196,750.33
5276	Binghamton	Repairs to streets	19,400.00	19,107.33
5281	Hamburg	Repairs to sewage disposal plants	57,924.81	57,924.81
5438–R	Syracuse	Markets	880,909.00	470,000.00
5648	State of New York	Grade crossing	57,600.00	
5651	Union School District No. 1	New secondary schools	24,800.50	24,356.17
5654	State of New York	Grade crossing	41,500.00	
5662	Common School District No. 4	Repairs to secondary schools	13,500.00	12,428.53
5716	Woodridge	Combined sanitary sewers, pumping stations, and disposal plants	120,000.00	120,000.00
5720	Union School District No. 1	New secondary schools	200,000.00	198,930.00
5747	Union Free School No. 9, District No. 29	do	122,300.00	122,228.37
5757	Urbana	do	218,500.00	218,500.00
5797	Pouses Point	New street paving	32,000.00	28,919.26
5801	Eden	Complete waterworks system and equipment	20,000.00	19,233.73
5825	Union School District No. 1	New secondary schools	185,000.00	98,148.22
5895	Hornell	New highways, roads, and trails	12,500.00	11,181.95
5906	Central School District No. 1	New secondary schools	24,300.00	13,551.80
5953	Hempstendt school district	Repairs to secondary schools	150,900.00	150,900.00
6049	Central District No. 2	New secondary schools	89,700.00	88,756.69
6068	Avon	Repairs to waterworks and equipment	8,054.08	8,054.08
6100	State of New York	Repairs to jails, prisons, and reformatories	162,000.00	162,000.00
6101	do	Grade crossings	54,000.00	20,815.24
6147	Ardsley	Combined sanitary sewers, pumping stations, and equipment	223,000.00	223,000.00

Non-Federal allotments and disbursements, May 31, 1937—Continued

STATE OF NEW YORK—Continued

BALANCE OF STATE—continued

Docket number	Location	Type of construction	Amount of allotment	Amount of disbursement
6148	Union School District No. 6	Repairs to secondary schools	$110,400.00	$106,292.31
6222	Central School, etc.	New secondary schools	462,200.00	426,864.84
6223	Central District No. 1	do	317,000.00	276,670.27
6282	Mount Pleasant	Repairs and improvements to waterworks and equipment	20,000.00	19,571.97
6284	Eastchester	New secondary schools and repairs to existing school	278,000.00	278,000.00
6315	Suffolk County	New highways, roads, and trails	128,000.00	113,312.06
6317	Hempstead	Repairs to combined sanitary sewers, pumping stations, and disposal plants.	60,019.26	60,019.26
6318	Union Free School	New secondary schools	235,700.00	193,269.56
6338	Lockport	Garbage and disposal plants and incinerators	16,000.00	15,970.28
6339	State of New York	Grade crossings	45,000.00	
6396	Oneida County	Hospital buildings	84,000.00	72,999.55
6423	Central School District No. 1	New secondary schools	170,000.00	170,000.00
6460	Union School District No. 1	do	220,000.00	219,350.22
6472	Rockville Center	Repairs to electric distribution system	78,000.00	35,640.94
6473	Central School District No. 12	New secondary schools	130,000.00	128,405.02
6484	Central School District No. 6	do	140,000.00	138,577.62
6504–D	Mount Vernon	Repairs to libraries and museums	135,000.00	
6505	Yonkers	Repairs and improvements to waterworks and equipment	337,000.00	285,000.00
6506	Central School District No. 1	New secondary schools	137,600.00	137,600.00
6912	Union School District No. 1	do	487,300.00	430,103.53
6940	Central School District No. 1	do	167,631.84	167,631.84
6976	Porter	Complete waterworks system and equipment	14,000.00	4,564.38
6981	Union School District No. 1	Repairs to secondary schools	85,478.22	85,478.22
6983	Central School District No. 1	New secondary schools	157,000.00	152,489.38
6984	Union School District No. 5	Repairs to secondary schools	72,656.67	72,656.67
6996	Stillwater	Complete waterworks system and equipment	103,892.67	103,892.67
7122	Williamson	Fire department and police station buildings	6,900.00	6,740.05
7138	Freeport	Repairs to combined sanitary sewers, pumping stations, and disposal plants.	14,500.00	14,325.48
7238	West Haverstraw	Combined sanitary sewers, pumping stations, and disposal plants	135,000.00	135,000.00
7250	Bethlehem	Repairs and improvements to waterworks and equipment	27,000.00	23,089.05
7261	Common School District No. 10	New secondary school	95,992.89	95,992.89
7262	Yorktown	Municipal buildings	27,200.00	27,200.00
7280	Buffalo	Fire department and police-station buildings	230,000.00	170,773.49
7288	Island Park	New street paving	200,432.28	200,432.28
7509	Common School District No. 14	New secondary schools	22,426.08	22,426.08
7642–R	Long Beach	Water-front improvement	1,730,500.00	1,067,550.00
8116	Plattsburg	Repairs and improvements to waterworks and equipment	42,000.00	41,077.52
8153	Ossining	Repairs and improvements to highways	18,500.00	18,500.00
8160	Union School District No. 4	New secondary schools	52,100.00	39,438.14
8271	Central School District No. 1	do	48,800.00	48,800.00
8518	Fallsburg	Repairs to secondary schools	79,000.00	78,571.00
8577–D	Andes	New secondary schools	90,000.00	50,000.00
8827	Greenburg	Combined sanitary sewers, pumping stations, and disposal plants	60,000.00	60,000.00
9062	L. H. Hudson Regl. Mkt	Markets	211,000.00	203,441.30
6148	Union School District No. 6	Repairs to secondary schools		4,000.00
	Total		71,698,752.24	51,409,738.18

STATE OF PENNSYLVANIA

PHILADELPHIA

1	Juniata Park Housing	Limited dividend housing	$1,039,000.00	$1,024,010.00
1057–R	Philadelphia	New secondary schools	5,107,106.00	3,972,193.54
1293–	Delaware River joint community	Subways and tunnels	5,142,000.00	2,292,078.72
1326–	Temple University	College and university buildings	550,000.00	550,000.00
1549–D	Philadelphia	New secondary schools	1,084,950.00	602,750.00
1562–D	do	do	1,589,175.00	882,875.00
1584–D	do	do	269,100.00	149,500.00
	Total		14,781,331.00	9,473,407.26

BALANCE OF STATE

740	Shippensburg	Wells, dams, canals, etc., for water supply	$36,000.00	$36,000.00
969	Sayne	Hospital buildings	420,000.00	420,000.00
972	Carlisle	Repairs to sewage-disposal plants	52,450.00	52,450.00
1001–D	Lebanon	New secondary schools	239,310.00	132,950.00
1002–R	Middletown	Repairs to secondary schools	11,454.00	11,354.00
1003–R	do	New secondary schools	21,273.00	21,273.00
1005–R	Plymouth	Repairs to secondary schools	41,727.00	39,285.81
1007–R	Jenkintown	New secondary schools	102,060.00	101,898.63
1009–R	Reading	Repairs to secondary schools	209,475.00	162,925.00
1011–R	Palmyra	New secondary schools	117,000.00	91,000.00
1012–D	Punxsutawney	do	106,153.00	45,000.00
1013–R	Brookville	Municipal buildings	18,818.00	14,636.30
1015–R	Selinsgrove	New secondary schools	61,900.00	48,144.44
1016–R	Carlisle	do	46,800.00	37,491.93
1017–D	Lewistown	do	164,772.00	91,540.00
1018–R	Heidelberg school district	do	56,250.00	43,750.00
1019–R	California	New street paving	11,045.00	8,009.03
1021–D	Llewellyn	New secondary schools	97,364.00	75,727.55
1022–R	Dickson City	do	54,400.00	42,311.11
1023–R	Troy	Repairs to secondary schools	12,158.00	11,200.61
1025–R	California	do	15,545.00	15,545.00
1027–D	Roaring Spring	Secondary schools	70,650.00	54,950.00
1032–R	Warren school district	Repairs to secondary schools	96,000.00	74,666.66
1033–R	New Cumberland	do	6,136.00	6,136.00
1034–R	West Fairview	do	6,136.00	6,136.00
1036–R	Mount Pleasant	New secondary schools	9,818.00	9,818.00
1039–R	Pine Grove	Repairs to secondary schools	21,418.00	15,750.00
1042–R	Grove City	Repairs to sewage-disposal plant	36,000.00	28,000.00
1043–D	Myerstown	Repairs to secondary schools	29,900.00	29,572.00
1044–R	Rostrover school district	do	22,050.00	22,050.00
1045–R	Gettysburg	do	42,750.00	42,750.00
1046–R	Catawissa	do	19,800.00	19,800.00
1047–R	Horford school district	do	12,150.00	12,150.00
1048–D	Lewistown	Municipal buildings	29,454.00	29,454.00

Non-Federal allotments and disbursements, May 31, 1937—Continued

STATE OF PENNSYLVANIA—Continued

BALANCE OF STATE—continued

Docket number	Location	Type of construction	Amount of allotment	Amount of disbursement
1049-R	Middleton	Social, recreational buildings (municipal)	$18,000.00	$18,000.00
1050-R	West Chester	New secondary schools	90,000.00	90,000.00
1052-R	Lancaster	....do	630,000.00	350,000.00
1053-D	Centerville	....do	70,020.00	38,900.00
1054-D	Blossburg	....do	48,600.00	47,692.41
1056-D	Bellevue	....do	270,000.00	----------
1058-R	Roulette	....do	7,363.00	7,363.00
1059-R	Seipsville	Repairs to secondary schools	12,273.00	12,258.72
1060-R	Du Bois school district	....do	11,700.00	9,100.00
1062-D	Philipsburg	New secondary schools	101,156.00	78,677.00
1066-R	Centre County	Repairs to secondary schools	6,954.00	6,264.00
1067	Monoca	Repairs to combination waterworks and sewers	13,000.00	10,522.58
1068-D	Wilcox	New secondary schools	27,000.00	21,000.00
1069	Torentum	Repairs and improvements to waterworks and equipment	40,000.00	39,562.69
1069-D	Hampton Township	New secondary schools	33,750.00	29,909.25
1070-D	Chester	....do	13,500.00	10,500.00
1072-R	Maple and Newton school districts	....do	32,500.00	32,500.00
1073	West Kittanning	Complete waterworks system and equipment	17,300.00	17,234.51
1073-R	Franklin	Repairs to secondary schools	116,182.00	90,363.70
1074-D	Scranton	New secondary schools	537,165.00	298,425.00
1075-R	South Whitehall	Repairs to secondary schools	25,472.00	14,151.25
1076-D	Schuylkill Haven	....do	36,818.00	20,454.00
1077-D	Forty Fort	Municipal buildings	27,900.00	21,700.00
1078-R	Temple	New secondary schools	34,200.00	34,200.00
1080-R	Williamsport	Repairs to secondary schools	106,785.00	83,055.00
1081-R	Huntingdon	....do	42,200.00	32,822.30
1084-R	Plymptonville	....do	13,222.00	12,294.98
1085-R	East Greenville	Vocational schools	4,909.00	4,909.00
1087-R	Charleston	New secondary schools	27,000.00	27,000.00
1089	Oil City	New street paving	2,500.00	2,500.00
1089-R	Harmony Township	Repairs to secondary schools	27,421.00	27,421.00
1090-R	Brownstown	New secondary schools	13,091.00	12,998.74
1091-R	Renova	Repairs to secondary schools	24,223.00	24,223.00
1092-R	Emporium	....do	25,275.00	12,950.00
1093-R	Sligo	....do	11,528.00	11,528.00
1094-R	Lock Haven	Repairs to courthouses	44,730.00	34,790.00
1095-R	Wayne	Repairs to secondary schools	101,487.00	101,487.00
1096-D	Mount Penn	Combined sanitary sewers, pumping stations, and disposal plants	139,909.00	97,380.50
1098-R	Scranton	New street paving	65,122.00	36,178.75
1099-R	Berlin	New secondary schools	99,000.00	77,000.00
1100-R	Logan	....do	30,273.00	21,833.00
1101-R	McDonald	Repairs to secondary schools	33,545.00	33,545.00
1103-D	Slatington	....do	59,318.00	32,954.50
1105-R	Knox	....do	6,954.00	6,954.00
1106-R	Weatherly	New secondary schools	33,673.00	33,673.00
1107-R	Bridgeville	Repairs to secondary schools	22,909.00	22,909.00
1108-R	Coudersport	....do	33,545.00	32,145.00
1109-R	Port Vue	....do	49,091.00	38,181.85
1110-D	Radnor	Combined, sanitary sewers, pumping stations, and disposal plants.	73,854.00	48,912.50
1111-D	Spring Garden	New secondary schools	37,305.00	37,305.00
1112-D	Corrall	....do	36,352.00	36,279.98
1113-D	Charleroi	Recreational buildings for secondary schools	36,818.00	20,454.45
1116-D	Northumberland	New secondary schools	49,090.00	27,272.50
1117-D	Ambridge	....do	147,273.00	49,090.95
1118-D	McAdoo	....do	20,455.00	----------
1120-R	Summerville	Repairs to secondary schools	18,251.00	14,194.95
1121-R	Smithfield	New secondary schools	24,545.00	24,545.00
1122-R	Upper Marion	Repairs to secondary schools	19,017.60	19,017.00
1123-R	Ambridge	Storm drains and sewers	87,545.00	55,009.83
1124-R	Summerhill	New secondary schools	24,545.00	14,825.07
1125-D	Kane	....do	53,181.00	53,181.00
1126-R	Covington	....do	13,091.00	13,091.00
1127-R	Clearfield	....do	46,636.00	36,272.60
1128-R	Howard	Repairs to secondary schools	17,500.00	13,610.80
1129-R	Williamsburg	....do	13,500.00	13,147.76
1130-D	Wilmerding	New secondary schools	206,182.00	160,363.70
1132-D	Kulpmont	....do	63,259.00	51,704.80
1134-D	Kenhorst	Repairs to streets	4,909.00	2,727.25
1137-D	Hollidaysburg	New secondary schools	117,818.00	65,454.50
1139-D	Montgomery County	Complete waterworks system and equipment	45,450.00	45,450.00
1140-D	Wrightsville	New secondary schools	27,818.00	27,818.00
1142-R	Juniata	....do	47,250.00	47,250.00
1143-R	Burnham	....do	58,275.00	41,671.00
1144-R	North Fayette	....do	52,363.00	40,727.05
1145-D	Latrobe	....do	88,364.00	49,091.00
1148-R	Weatherly	Repairs to electric distribution system	14,727.00	11,454.45
1150-R	Pittsburgh	New secondary schools	67,030.00	52,134.25
1151-R	....do	Recreational buildings for secondary schools	17,994.00	17,994.00
1152-R	Center Hall	Repairs to secondary schools	15,120.00	15,120.00
1153-D	St. Clair	New secondary schools	103,364.00	59,091.00
1155-D	Derry	....do	56,925.00	44,275.00
1156-R	Pittsburgh	Repairs to secondary schools	24,083.00	24,083.00
1157-R	Ambler	Combined sanitary sewers, pumping stations, and disposal plants.	107,106.00	90,861.73
1159-R	Catasauqua	Repairs to secondary schools	19,636.00	19,636.00
1161-R	Union City	....do	31,909.00	22,099.46
1166-D	Lower Paxton Township	....do	56,475.00	56,060.86
1167-D	South Fork	....do	29,700.00	29,530.00
1168-D	Sharon	Bridges and viaducts	72,396.00	71,110.95
1169-D	Trucksville	Repairs to secondary schools	21,273.00	7,090.95
1171-R	Waynesboro	New secondary schools	144,855.00	112,665.00
1173-D	Pittsburgh	....do	154,980.00	86,100.00
1174-D	Ligonier	....do	30,273.00	30,273.00
1175-D	Monaca	New street paving	37,948.00	21,082.25
1176-R	Newfoundland	Repairs to secondary schools	23,137.00	15,272.60
1177-R	Elysburg	New secondary schools	16,364.00	16,132.91
1178-D	Huntingdon	....do	27,000.00	19,016.23
1179-R	Taylor	....do	22,091.00	20,238.85
1180-R	Wilkes-Barre	Garbage-disposal plants and incinerators	70,758.00	66,516.75
1183-R	Economy Township	New secondary schools	25,364.00	19,727.50

Non-Federal allotments and disbursements, May 31, 1937—Continued

STATE OF PENNSYLVANIA—Continued

BALANCE OF STATE—continued

Docket number	Location	Type of construction	Amount of allotment	Amount of disbursement
1184-R	Conway	Repairs to secondary schools	$24,545.00	$24,545.00
1186-R	Elizabeth	do	37,636.00	29,272.44
1188-D	Cheltenham	Recreational buildings for secondary schools	65,166.00	36,203.50
1189-R	Chalfonte	New secondary schools	49,091.00	49,091.00
1190-D	Clarion County	do	20,421.00	20,421.00
1192-R	Muse	do	50,580.00	39,340.00
1193-R	Cecil	do	50,580.00	39,340.00
1195-D	Freeburg	Recreational buildings for secondary schools	11,045.00	8,045.75
1196-R	Cambria County	Repairs to secondary schools	21,818.00	21,681.03
1197-R	Mifflin County	New secondary schools	19,567.00	19,567.00
1198-D	Turbotville	do	31,909.00	17,727.25
1199-R	Exeter	do	101,818.00	101,818.00
1200-R	Wyoming	do	119,455.00	92,909.25
1202-R	Pocono	do	18,405.00	14,315.00
1203-R	Mauch Chunk	do	79,364.00	61,727.40
1206-D	Washington	do	39,273.00	30,545.52
1209-D	Pennsylvania	Warehouses, laboratories, shops, garages	107,552.00	59,751.25
1210-D	do	do	140,208.00	77,893.25
1212-R	Buffalo	New secondary schools	26,100.00	20,300.00
1213-R	Elwood City	Municipal buildings	58,959.00	45,857.55
1214-D	Jeannette	New secondary schools	38,455.00	29,909.25
1216	Reading	Repairs and improvements to waterworks and equipment	708,000.00	688,293.90
1216-R	Elkland	New secondary schools	22,909.00	22,909.00
1217-D	Bliss Township	do	8,182.00	4,545.50
1224-D	Fountain Hill	do	98,100.00	54,500.00
1225-R	Mount Joy	Repairs to secondary schools	33,322.00	25,917.25
1226-D	Retreat	Repairs to hospital buildings	103,909.00	57,727.25
1227-D	Shenandoah	New secondary schools	81,818.00	28,636.30
1230-D	Lake Avid	do	45,000.00	45,000.00
1231-R	Scranton	Combined waterworks and sewers	36,056.00	33,923.74
1232-D	do	Repairs to streets	160,174.00	88,958.00
1234-D	Lycoming County	Charitable institutions	181,395.00	121,030.75
1235-R	Farrell	Combined sanitary sewers, pumping stations, and disposal plants.	45,000.00	35,000.00
1243-D	Bloomsburg	Repairs to streets	110,025.00	
1246-R	West Pittston	Repairs to secondary schools	64,636.00	50,274.60
1248-D	Mahanoy City	New secondary schools	68,727.00	53,454.45
1252-R	Tarentum	Repairs to streets	12,375.00	9,625.00
1254-R	Dubois	Reservoirs	84,060.00	82,353.68
1250-D	Harris Township	New secondary schools	21,272.00	11,817.77
1251-D	Forest City	do	27,315.00	21,910.92
1263-D	Centralia	do	47,455.00	36,909.25
1267-R	Penbrook	Combined sanitary sewers, pumping stations, and disposal plants.	58,909.00	58,112.45
1270-D	Bridgeport	Repairs to secondary schools	39,060.00	21,700.00
1276-D	Forty Fort	New secondary schools	31,909.00	31,909.00
1279-R	Lawn	do	30,273.00	26,731.80
1280-D	Pottsville	Municipal buildings	82,636.00	64,272.00
1283-R	Hazleton	New secondary schools	39,273.00	39,273.00
1288-R	Karns	Repairs to secondary schools	8,591.00	8,339.05
1290-R	Porter	New secondary schools	17,694.00	13,762.00
1233-R	Wayne	do	27,457.00	21,355.60
1236-D	Jermyn	do	25,364.00	25,364.00
1242-D	Penn Township	Sewage-disposal plants	31,091.00	17,272.75
1247-R	do	New secondary schools	45,000.00	25,000.00
1251-R	Allentown	Repairs and improvements to waterworks and equipment	614,160.00	477,680.00
1253-R	do	Dams, canals, etc	74,025.00	66,819.54
1256-R	Barrett	New secondary schools	18,000.00	17,430.63
1262-R	Doylestown	do	18,815.00	14,634.20
1264-R	Upper Paxton	do	13,091.00	13,091.00
1268-D	Butler	do	58,909.00	46,818.11
1269-D	Norristown	do	487,086.00	270,603.50
1272-D	Ebensburg	Repairs to secondary schools	34,364.00	26,727.40
1278-D	North East	New secondary schools	61,096.00	60,246.00
1281-R	Hazelton	do	65,455.00	50,909.25
1285-D	Clarks Summit	Repairs to secondary schools	27,000.00	27,000.00
1289-R	Elders Ridge	New secondary schools	13,500.00	7,500.00
1291-R	Bruin	Repairs to secondary schools	18,607.00	18,607.00
1292-D	Mill Creek Township	Hospital buildings	67,909.00	29,618.18
1293-R	Blain	New secondary schools	18,090.00	18,090.00
1295-R	Millersburg	Repairs to secondary schools	13,192.00	12,841.04
1296-R	West Wyoming	do	46,273.00	45,857.77
1297-R	Peymouth	do	21,172.00	16,467.11
1299-R	Pittsburg	Storm drains and sewers	19,935.00	19,935.00
1301-D	Stroundsbury	Sewage-disposal plant	73,125.00	53,375.00
1302-R	Pittsburg	New secondary schools	196,563.00	137,903.50
1303-R	do	Repairs to secondary schools	211,689.00	117,605.25
1305-R	Jeannette	Combined sanitary sewers, pumping stations, and disposal plants.	92,455.00	71,909.25
1306-R	Mount Carmel	New secondary schools	90,818.00	66,226.30
1307-D	Reading	Repairs to secondary schools	48,298.00	26,832.50
1308	Turtle Creek school district	do	74,500.00	56,412.70
1308-D	Reading	do	35,614.00	19,785.50
1309-R	Center Township	New secondary schools	1,335.00	1,335.00
1310-R	Berona	do	58,682.00	30,545.55
1311-D	Reading	Repairs to secondary schools	55,167.00	30,648.25
1312-R	Lehighton	Repairs to combination county and municipal buildings	20,455.00	20,455.00
1313-R	Monoca	Municipal building	20,251.00	19,760.82
1314-D	Chambersburg	Water mains, meters, pumps, and miscellaneous equipment	101,496.00	78,909.60
1316-D	Pittsburgh	New secondary schools	176,693.00	98,163.00
1317-R	do	do	76,500.00	59,500.00
1319-R	Titusville	Repairs to secondary schools	27,818.00	27,818.00
1326-D	Wilkes-Barre	Charitable institutions	56,455.00	43,909.25
1328-D	Pitt Gas	New secondary schools	29,455.00	22,909.25
1329-R	North Union	do	44,182.00	34,363.70
1330-D	Middletown Township	Repairs to secondary schools	36,450.00	36,450.00
1332-R	Clairton	do	34,357.00	26,722.50
1335-D	Pine Township	New secondary schools	20,455.00	20,050.00
1339-R	Collingsdale	do	40,909.00	40,909.00
1341-R	Falls Creek	Complete waterworks system and equipment	5,727.00	2,181.75
1344-R	Lewis Run	Repairs to secondary schools	4,545.00	4,545.00
1355-R	Myersdale	do	32,119.00	32,119.00
1356-R	Broad Township	do	21,405.00	16,648.45

Non-Federal allotments and disbursements, May 31, 1937—Continued

STATE OF PENNSYLVANIA—Continued

BALANCE OF STATE—continued

Docket number	Location	Type of construction	Amount of allotment	Amount of disbursement
1358–R	East Norriton	Repairs to secondary schools	$45,471.00	$45,164.68
1360–R	West York	do	73,636.00	71,143.11
1364–R	Franklin Township	New secondary schools	18,818.00	13,570.05
1365–R	Exeter	Repairs to municipal buildings	40,000.00	39,151.45
1366–D	Allegheny County	New highways, roads, and trails	212,472.00	
1367–D	do	do	110,070.00	
1368–D	Dunmore	New secondary schools	335,000.00	105,000.00
1373–D	do	Repairs to streets	107,549.00	106,422.53
1388–R	Pottstown	Repairs to secondary schools	56,455.00	56,455.00
1390–D	New Kensingtown	do	27,818.00	27,818.00
1391–R	Laegerstown	New secondary schools	11,864.00	11,864.00
1392–R	Kennedy	Repairs to secondary schools	19,636.00	18,501.89
1395–R	Lansdale	do	41,727.00	32,454.45
1396–R	McCandless	do	13,909.00	10,818.15
1399–D	Coplay	Repairs to streets	34,587.00	19,215.00
1400–D	Conshohoken	Sewage-disposal plants	291,555.00	161,975.00
1404–D	McCandless	New highways, roads, and trails	62,757.00	
1406–D	Marietta	Repairs to secondary schools	25,124.00	25,124.00
1407–D	East Dongel Township	do	27,490.00	23,424.59
1409–R	Newville	do	16,268.00	16,268.00
1411–R	Mereytown	New secondary schools	18,450.00	14,350.00
1415–R	Telford, Bucks, and M. T. G.	Repairs, waterworks system and equipment	6,727.00	5,432.55
1416–R	Hambright	New secondary schools	13,176.00	12,743.43
1419–D	Ephrata	Repairs to secondary schools	49,500.00	49,500.00
1420–D	East Hampfield Township	New secondary schools	60,300.00	46,900.00
1421–D	Warwick	do	16,313.00	15,849.64
1422–D	Pittsburgh	Water mains, meters, pump, and miscellaneous equipment	53,525.00	41,630.75
1424–R	Quarryville	New secondary schools	11,457.00	11,457.00
1426–D	Pittsburgh	New highways, roads, trails	128,970.00	
1430–R	Foster	New secondary schools	55,636.00	43,272.60
1432–D	Allegheny County	New highways, roads, and trails	579,420.00	
1435–R	Manheim	Repairs to secondary schools	12,618.00	12,618.00
1436–R	Rossmere	New secondary schools	62,737.00	48,795.25
1437	Shippensburg School District No. 1	Repairs to secondary schools	46,000.00	45,872.82
1437–R	Farmersville	New secondary schools	12,051.00	11,684.77
1439–R	Manor	do	13,026.00	11,535.76
1444–R	Spring	do	58,091.00	45,181.85
1445–R	California	Repairs to streets	40,909.00	22,727.25
1446–D	Olyphant	Repairs to secondary schools	198,182.00	69,363.70
1448–D	Allegheny County	Bridges and viaducts	324,967.00	
1449–R	Richland	Repairs to secondary schools	27,000.00	27,000.00
1451–R	Freeport	do	11,138.00	6,618.85
1452–D	Warren	Municipal buildings	52,560.00	40,880.00
1453–R	Blawnox	Repairs and improvements to waterworks and equipment	14,727.00	11,454.45
1456–R	Mount Lebanon	Repairs to secondary schools	13,909.00	13,909.00
1458–D	Pittsburgh	do	21,273.00	21,272.90
1459–R	Lower Alasace	do	20,455.00	20,455.00
1461–D	Exeter	New secondary schools	45,000.00	25,000.00
1466–R	Aspenwall	Combined sanitary sewers, pumping stations, and disposal plants	6,545.00	3,636.25
1469–R	East Berlin	Repairs to secondary schools	12,150.00	12,150.00
1473–D	Dormont	Storm drains and sewers	35,182.00	22,872.50
1474–D	Lower Burrell Township	Repairs to secondary schools	11,455.00	6,363.75
1482	Chambersburg	Repairs to electric distribution system	26,100.00	26,100.00
1489–R	Archbald	New secondary schools	141,818.00	127,636.30
1490–D	North Belle Vernon	Repairs to secondary schools	69,927.00	11,426.40
1494–R	Wiconisco	New secondary schools	49,909.00	38,818.13
1496–D	Lykens	Municipal buildings	14,727.00	8,181.75
1499–R	Irwin	New secondary schools	62,182.00	62,182.00
1504–D	McKeesport	Sidewalks, curbs, and gutters	388,350.00	215,750.00
1507	Girard	Combined sanitary sewers, pumping stations, and disposal plants	5,600.00	5,600.00
1508–R	Fox Chapel	do	15,945.00	15,880.12
1509–D	Dormont	Swimming pool	18,000.00	10,000.00
1510–D	Clarks Summit	Sewage-disposal plants	175,950.00	58,650.00
1518–D	Cairnbrook	Repairs to secondary schools	34,364.00	11,454.60
1522	Mercer County	Repairs and improvements to highways	61,200.00	36,653.39
1530	Shaler	Repairs and improvements to waterworks and equipment	117,000.00	95,183.58
1536–R	Spring Garden	New secondary schools	12,499.00	9,721.23
1538–D	Spring City	Combined sanitary sewers, pumping station, and disposal plants.	92,454.00	30,818.00
1539–R	Myerstown	Electric distribution system	68,715.00	
1540–D	Spring Grove	Recreational buildings for secondary schools	31,905.00	17,525.00
1543–D	Jefferson Township	New secondary schools	40,909.00	12,636.35
1545–D	South Huntingdon Township	do	81,818.00	45,454.50
1546–D	Snowden Township	Repairs to secondary schools	82,727.00	9,088.25
1547	Franklin	Water storage (tanks, reservoirs, etc.)	1,500.00	1,500.00
1548–D	Pennsylvania	Warehouses, laboratories, shops, garages	945,003.00	
1550–D	East Lampeter Township	New secondary schools	56,250.00	31,250.00
1551–D	Genesee	Recreational buildings for secondary schools	9,000.00	5,000.00
1552–D	Lincoln Township	New secondary schools	19,134.00	10,630.00
1553–D	South Fork	Repairs to secondary schools	11,385.00	6,325.00
1554–D	Red Lion	do	20,835.00	11,575.00
1555–R	West Manchester	New secondary schools	18,450.00	14,350.00
1556–D	Dauphin County	Repairs to secondary schools	22,725.00	12,625.00
1557–D	Middle Smithfield	New secondary schools	17,182.00	9,545.50
1558–D	Mill City	do	19,935.00	1,322.81
1559–D	Summit	do	16,290.00	9,050.00
1561–D	Espyville	Repairs to secondary schools	17,325.00	
1563–D	Evans City	New secondary schools	49,090.00	27,272.50
1566–D	Mauch Chunk	Repairs to courthouses	40,050.00	22,250.00
1567–D	Rose Valley	Sewage disposal plants	16,650.00	9,250.00
1569–D	Conshohocken	Repairs to secondary schools	50,868.00	28,260.00
1573–D	Scranton	Repairs to bridges and viaducts	33,543.00	18,635.00
1574–D	Archbald	Repairs and improvements to highways	38,253.00	21,252.00
1575–D	Braddock	Complete waterworks system and equipment	98,231.00	54,961.75
1823	Parkside Boro	New highways, road, and trails	21,500.00	21,443.93
1829	Sellersville	Repairs and improvements to waterworks and equipment	14,500.00	14,390.97
2005	Towanda	Municipal buildings	7,300.00	7,283.39
2008–R	Springboro	Complete waterworks system and equipment	25,974.00	25,974.00
2430	Mauch Chunk	New street paving	12,000.00	9,801.30
2443	Hanover	Repairs to sewage-disposal plants	21,600.00	20,157.18
2460	Salisbury school district	New secondary schools	18,700.00	18,700.00
2976	Allegheny County	General municipal improvements	3,840,000.00	1,484,340.00

Non-Federal allotments and disbursements, May 31, 1937—Continued

STATE OF PENNSYLVANIA—Continued

BALANCE OF STATE—continued

Docket number	Location	Type of construction	Amount of allotment	Amount of disbursement
3000	Swarthmore school district	Repairs to secondary schools	$28,300.00	$27,428.85
3002-R	Glenfield	Complete waterworks system and equipment	61,818.00	15,454.50
3007	Allentown	Sidewalks, boardwalks, and sewers	24,000.00	22,049.46
3008	Bradford	New secondary schools	186,000.00	184,149.66
3011	Ben Avon	New street paving	13,500.00	13,022.81
3018	Kingston	Storm drains and sewers	4,000.00	2,365.59
3463	Washington school district	New secondary schools	24,500.00	23,269.08
3476	Northampton	New street paving	33,200.00	23,994.08
3519	Pittsburgh	Hospital buildings	1,925,000.00	1,925,000.00
3567	East Greenville	Water storage (tanks, reservoirs, etc.)	4,000.00	4,000.00
4084	Stoneboro school district	Repairs to secondary schools	25,500.00	25,500.00
4086	Reynoldsville	Municipal buildings	23,200.00	23,200.00
4213	Mount Lebanon	Storm drains and sewers	10,600.00	10,600.00
4216	do	Repairs to streets	10,000.00	5,832.16
4218	do	Improvements to municipal and State parks	11,200.00	10,435.74
4240	Wilkes-Barre	Combination storm and sanitary sewers	106,000.00	105,094.27
4242	Allegheny County Home	Repairs to charitable institutions	713,000.00	713,000.00
4249	Bearer Meadows	Combined sanitary sewers, pumping stations, and disposal plants	43,000.00	40,883.69
4318	Ellwood City school district	Repairs to secondary schools	100,388.47	100,388.47
4800	North Corentry school district	do	16,824.24	16,824.24
5124	Mahanoy	New schools (secondary)	57,200.00	38,947.78
5153	Du Bois school district	Repairs to secondary schools	14,500.00	14,500.00
5213	West Chester	Repairs and improvements to waterworks and equipment	55,800.00	54,216.54
5237	Sykesville	Water mains, meters, pumps, and miscellaneous equipment	50,497.57	50,497.57
5282	Warren County	Repairs to charitable institutions	11,000.00	11,000.00
5445	Saltsburg	Repairs to secondary schools	21,300.00	20,500.00
5525	Tidioute	do	13,000.00	12,113.16
5559	New Eagle school district	New secondary schools	9,400.00	4,339.36
5589	State of Pennsylvania	Schools of physically handicapped	50,900.00	50,839.28
6107	East Prospect	Social recreational buildings (municipal)	2,800.00	2,734.42
6483	Smithport school district	New secondary schools and repairs to extension schools	23,000.00	22,181.07
6828	Hughestown	Repairs to secondary schools	22,000.00	22,000.00
6844	Greene County Memorial Hospital	Hospital buildings	70,000.00	70,000.00
6847	New Providence school district	Repairs to secondary schools	18,200.00	17,827.67
6853	Smithfield	Repairs and improvements to waterworks and equipment	13,000.00	9,607.37
6900	Radnor	Sewage-disposal plant	90,000.00	
7000-D	Pittsburgh	General municipal improvements	380,500.00	451,500.00
7328	School district, Pennsylvania township	Repairs to secondary schools	92,500.00	62,412.56
7349	Croyle school district	do	20,800.00	20,800.00
7480	Upper Chichester school district	do	14,500.00	13,634.25
7501	Allegheny County	Corrective institution other than jails and prisons	98,000.00	65,013.84
7530	School district of Reading	New secondary schools	380,000.00	353,818.53
7550	Blythe school district	Repairs to secondary schools	47,000.00	46,656.84
7690-D	Beech Creek	Complete waterworks system and equipment	31,836.00	17,500.00
7700	Derry	Repairs to secondary schools	13,000.00	13,000.00
7701	Ren Argyle school district	New secondary schools	56,000.00	39,852.57
7830	Kingston	Storm drains and sewers	55,000.00	26,041.38
7897	Pittsburg	Repairs to markets	71,000.00	71,000.00
7969-R	Fleetwood	Electric distribution system	166,272.00	
8888	Ridley school district	New secondary schools	72,000.00	61,449.63
9208	School district in Forks	do	20,500.00	19,836.41
9616-D	North Park	Improvements to municipal and State parks	492,750.00	383,250.00
			31,758,127.00	20,605,677.40

Mr. WAGNER. Mr. President, I hope my silence at this time will not be interpreted as an agreement with the statements which the Senator from North Carolina [Mr. BAILEY] has made. I have not had an opportunity to examine the figures which he submitted. I am going to do so. But I am very sure that I know how the money in New York was distributed. There were no political phases involved in it. It was distributed by independent citizens appointed purely for that purpose. Several investigations have been made, and no evidence of any character has been disclosed indicating that there was a dollar of that money wasted.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. WAGNER. Certainly.

Mr. McKELLAR. If I recall, though I may be mistaken, Maj. B. B. Somervell, who is an Army officer from Arkansas and one of the finest and most efficient administrators I know, and who was not a resident of New York at all at the time of his appointment, was appointed as administrator in New York. No one would undertake to "put up a job" where Major Somervell is in charge.

Mr. WAGNER. That is correct. The commission which takes care of the rest of the State of New York is one appointed as the result of State legislation, and a very distinguished Republican heads the commission.

As to the appropriations, of course, I shall have to examine the figures presented by the Senator from North Carolina, and I hope tomorrow to submit some observations in relation to them.

Mr. AUSTIN. Mr. President, I desire to correct a statement which I made yesterday during a colloquy with the Senator from Tennessee [Mr. McKELLAR]. In that colloquy I was asked with respect to my vote upon previous relief bills, and made the statement that according to my recollection I voted for all the relief bills after having made an effort to amend them. I have refreshed my recollection from the RECORD, and find that my memory was inaccurate. I should have said I voted for one of the relief bills.

CELEBRATION OF THREE HUNDRED AND FIFTIETH ANNIVERSARY OF BIRTH OF VIRGINIA DARE

The PRESIDENT pro tempore laid before the Senate a concurrent resolution (H. Con. Res. 17), which was read, as follows:

Resolved by the House of Representatives (the Senate concurring), That a joint committee consisting of five Members of the Senate, to be appointed by the President of the Senate, and five Members of the House of Representatives, to be appointed by the Speaker of the House of Representatives, shall represent the Congress of the United States at the celebration of the three hundred and fiftieth anniversary of the birth of Virginia Dare (the first child of English parentage to be born on the American Continent), and the three hundred and fiftieth anniversary of the disappearance of Sir Walter Raleigh's Colony (known in history as "The Lost Colony"), to be held at Roanoke Island, N. C., on August 18, 1937. The joint committee shall select a chairman from among its members.

SEC. 2. The necessary expenses of the joint committee herein authorized, not exceeding $1,000, shall be paid one-half out of the contingent fund of the Senate and one-half out of the contingent fund of the House of Representatives on vouchers authorized by the joint committee and signed by the chairman thereof.

Mr. BARKLEY. I move that the Senate concur in the concurrent resolution.

The motion was agreed to.

EXECUTIVE SESSION

Mr. ROBINSON. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF COMMITTEES

The PRESIDENT pro tempore. As chairman of the Committee on Foreign Relations, I report back favorably from that committee, without reservation, Executive L (75th Cong., 1st sess.), being a convention for the maintenance, preservation, and reestablishment of peace signed at Buenos Aires on December 23, 1936, by the respective plenipotentiaries of the United States of America and the other 20 American republics represented at the Inter-American Conference for the Maintenance of Peace held at Buenos Aires in December 1936, and I submit a report (Ex. Rept. No. 16) thereon.

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of several postmasters.

The PRESIDENT pro tempore. The reports will be placed on the Executive Calendar.

If there be no further reports of committees, the clerk will state in their order the nominations on the calendar.

UNITED STATES TARIFF COMMISSION

The legislative clerk read the nomination of Raymond B. Stevens, of New Hampshire, to be a member of the United States Tariff Commission.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

Mr. GEORGE. Mr. President, on behalf of the chairman of the Finance Committee [Mr. HARRISON] I ask that the President be notified of the confirmation of Mr. Stevens, of New Hampshire, to be a member of the Tariff Commission, for the reason that his term of office expires today.

The PRESIDENT pro tempore. Without objection, the President will be notified.

COLLECTORS OF CUSTOMS

The legislative clerk read the nomination of Joseph A. Maynard to be collector of customs for the customs collection district no. 4, with headquarters in Boston, Mass.

Mr. WALSH. I move the confirmation of the nomination.

The motion was agreed to.

The legislative clerk read the nomination of John O'Keefe to be collector of customs for customs collection district no. 34, with headquarters at Pembina, N. Dak.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of William H. Gilliland to be collector of customs for customs collection district no. 21, with headquarters at Port Arthur, Tex.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

UNITED STATES PUBLIC HEALTH SERVICE

The legislative clerk read the nomination of Raymond A. Vonderlehr to be surgeon in the Public Health Service.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Dwight K. Shellman to be assistant dental surgeon, United States Public Health Service.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk read the nomination of Margaret Crew to be postmaster at Orchard Lake, Mich., which had been reported adversely.

The PRESIDENT pro tempore. The question is, Will the Senate advise and consent to this nomination?

The nomination was rejected.

The legislative clerk proceeded to read sundry nominations of postmasters reported favorably.

Mr. McKELLAR. I ask unanimous consent that nominations of postmasters reported favorably be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, it is so ordered. That concludes the Executive Calendar.

ORDER OF BUSINESS

The Senate resumed legislative session.

Mr. SCHWELLENBACH obtained the floor.

Mr. ROBINSON. Mr. President, does the Senator from Washington desire to proceed this evening?

Mr. SCHWELLENBACH. No; not if the Senator wishes to suspend at this time.

Mr. ROBINSON. It is my purpose to yield to the Senator from Massachusetts [Mr. WALSH] and then to take a recess until tomorrow.

Mr. SCHWELLENBACH. Very well.

DEATH OF REPRESENTATIVE CONNERY, OF MASSACHUSETTS

The PRESIDENT pro tempore. The Chair lays before the Senate resolutions from the House of Representatives, which will be read.

The legislative clerk read as follows:

House Resolution 239

IN THE HOUSE OF REPRESENTATIVES, UNITED STATES,
June 16, 1937.

Resolved, That the House has heard with profound sorrow of the death of Hon. WILLIAM P. CONNERY, Jr., a Representative from the State of Massachusetts.

Resolved, That a committee of 10 Members of the House, with such Members of the Senate as may be joined, be appointed to attend the funeral.

Resolved, That the Sergeant at Arms of the House be authorized and directed to take such steps as may be necessary for carrying out the provision of these resolutions and that the necessary expenses in connection therewith be paid out of the contingent fund of the House.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

Resolved, That, as a further mark of respect, the House do now adjourn.

Mr. WALSH. Mr. President, in behalf of my colleague the junior Senator from Massachusetts [Mr. LODGE] and myself, I send to the desk resolutions which I ask to have read and immediately considered.

The resolutions (S. Res. 146) were read, as follows:

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. WILLIAM P. CONNERY, Jr., late a Representative from the State of Massachusetts.

Resolved, That a committee of two Senators be appointed by the President pro tempore to join the committee appointed on the part of the House of Representatives to attend the funeral of the deceased Representative.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Mr. WALSH. Mr. President, Representative CONNERY's sudden and untimely death comes as a stunning shock to all his colleagues and friends. He held a position of exceptional power and influence and was one of the most active Members of the House. He specialized in legislation in behalf of veterans and labor and took a leading part in all measures relating to these subjects.

His was a unique personality. He possessed a fine sense of humor, was intensely dynamic, deeply absorbed in every cause he espoused, was always approachable and affable, even with those who disagreed with him, all of which contributed to a popularity among Members of the Congress that was without parallel.

His passing is a distinct loss to the public service, and he will be mourned by a legion of admirers in and out of public life. He will be especially missed in solving the problems of the Massachusetts delegation, among whom he was an able and highly esteemed leader.

Mr. LODGE. Mr. President, although I know more ample tribute will be paid to the public services of the late Representative CONNERY at a later time, yet I desire to pay just a brief tribute to his memory at this moment.

The death of Representative CONNERY gives me a keen sense of personal loss. I have known him since I was a boy, and for many years was a constituent of his. He was a tireless worker, a most effective debater, and held a position of immense influence in Congress. He served his country in war and in peace. He had a keen wit and a warmth of personality which endeared him to all who knew him. I am much saddened at his passing.

The PRESIDENT pro tempore. The question is on agreeing to the resolutions presented by the Senators from Massachusetts.

The resolutions were unanimously agreed to.

Under the second resolution the President pro tempore appointed Mr. WALSH and Mr. LODGE as the committee on the part of the Senate to attend the funeral of the deceased Representative.

Mr. WALSH. Mr. President, as a further mark of respect to the memory of the deceased Representative I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was unanimously agreed to; and (at 4 o'clock and 57 minutes p. m.) the Senate took a recess until tomorrow, Thursday, June 17, 1937, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 16 (legislative day of June 15), 1937

UNITED STATES TARIFF COMMISSION

Raymond B. Stevens to be a member of the United States Tariff Commission.

COLLECTORS OF CUSTOMS

Joseph A. Maynard to be collector of customs for customs collection district no. 4, with headquarters at Boston, Mass.

John O'Keefe to be collector of customs for customs collection district no. 34, with headquarters at Pembina, N. Dak.

William H. Gilliland to be collector of customs for customs collection district no. 21, with headquarters at Port Arthur, Tex.

UNITED STATES PUBLIC HEALTH SERVICE

Raymond A. Vonderlehr to be a surgeon, to rank as such from April 10, 1937.

Dwight K. Shellman to be an assistant dental surgeon, to take effect from date of oath.

POSTMASTERS

HAWAII

Jack Y. Ouye, Hakalau.
James Takeo Yahusaki, Papaikou.

ILLINOIS

Joseph A. Schneider, East Dubuque.
Eleanor Onken, Gibson City.
Charles E. Hibbs, Grand Ridge.
Francis Hayes, Gridley.
Henry Dwyer, Ladd.
Iona M. Blair, Leaf River.
Basil R. Dawson, Lexington.
Carl E. Farrell, Louisville.
Virginia E. Turner, McLean.
David E. Woolsoncroft, Roberts.
Hugh D. Stine, Saybrook.
Walter W. Lesch, Washburn.
Alyce M. Wilson, Wenona.

LOUISIANA

Walter L. Huckabay, Bienville.
Delta A. Bourg, Le Moyen.

NEBRASKA

Donald W. Flory, St. Edward.

OHIO

Wilmer Harvey Driggs, Cambridge.

REJECTION

Executive nomination rejected by the Senate June 16 (legislative day of June 15), 1937

POSTMASTER

MICHIGAN

Margaret Crew to be postmaster at Orchard Lake, in the State of Michigan.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JUNE 16, 1937

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Ever blessed Lord God, as the mind and the soul are the standards of man, we pray Thee to make this day an opportunity to serve, to learn, and to grow. By fidelity to common duty, by diligence in well-doing, help us to deepen our capacity for more extended usefulness. Father of mercies, do Thou say to any who may be of a fearful heart, "Be strong and of good courage." It is Thy challenge to the spirit of fear. Save us, O God, from the fear that is born of guilt or cowardice, and may it never cause us the shame of failure. We praise Thee that in every time of human need there is a hand stretched toward us—the hand that fashioned the stars and holds them in their sockets. Be with any ill or afflicted Members. May they view the high rock amid the waves and hail the dove in the deluge.

We pause! Wherever there is a listening soul, there Thou art. A Member, with a springtime soul, earnest and beloved, has passed behind this changing veil to that which does not change. We pray that the arms of a loving Father may be round the grief-stricken, forward-looking loved ones. Soothe them, O God, with the lyrics of the heavenly life. In our dear Redeemer's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

EXTENSION OF REMARKS

Mr. WOODRUM. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting two addresses that I recently made.

The SPEAKER. Is there objection?

There was no objection.

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting therein an editorial from the St. Paul Pioneer-Press.

The SPEAKER. Is there objection?

Mr. RANKIN. Mr. Speaker, I reserve the right to object. What is the editorial about?

Mr. KNUTSON. It refers to some very wholesome advice that Mr. William Green, of the American Federation of Labor, gave to some labor organization out on the Pacific coast.

Mr. RANKIN. It does not refer to that donkey which the gentleman murdered on the floor the other day?

Mr. KNUTSON. I understand the donkey has been buried.

Mr. RANKIN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

DISTRICT OF COLUMBIA COMMITTEE—LEAVE TO SIT DURING THIS AFTERNOON

Mr. O'CONNOR of New York. Mr. Speaker, I ask unanimous consent that the Committee on the District of Columbia may sit during this afternoon.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mrs. HONEYMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include

therein an address delivered by the Comptroller of the Currency before the Oregon Bankers Association.

The SPEAKER. Is there objection to the request of the gentlewoman from Oregon?

There was no objection.

LEAVE TO FILE REPORT

Mr. O'CONNOR of New York. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain rules.

The SPEAKER. Is there objection?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, at the request of Mr. BOILEAU, leave of absence was granted to Mr. KVALE for the week.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills and joint resolutions of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 1277. An act for the relief of William Hayes;

H. R. 2080. An act for the relief of Eleanora S. Richardson;

H. R. 2705. An act to provide for the manner of inflicting the punishment of death;

H. R. 2887. An act to amend the provisions of the pension laws for peacetime service to include Reserve officers and members of the Enlisted Reserves;

H. R. 2924. An act for the relief of certain officers and employees of the Foreign Service of the United States who, while in the course of their respective duties, suffered losses of personal property by reason of war, catastrophes of nature, and other causes;

H. R. 3203. An act for the relief of Rosalie Rose;

H. R. 3557. An act for the relief of the Coast Fir & Cedar Products Co., Inc.;

H. R. 4213. An act to amend the Inland Waterways Corporation Act, approved June 3, 1924, as amended; authorizing the Secretary of War to extend the services and operations of the Inland Waterways Corporation to the Savannah River;

H. R. 4575. An act for the relief of A. R. Netterville, Sr.;

H. R. 5721. An act to amend the Federal Register Act;

H. R. 5880. An act to amend Private Act No. 210, approved August 13, 1935, by substituting as payee therein the Clark Dredging Co. in lieu of the Bowers Southern Dredging Co.;

H. J. Res. 335. Joint resolution authorizing the Secretary of War to receive for instruction at the United States Military Academy at West Point, Olmedo Alfaro, a citizen of Ecuador; and

H. J. Res. 339. Joint resolution granting permission to George E. Ijams, a civilian employee of the Veterans' Administration, to accept and wear the decoration bestowed upon him by the Republic of France.

THE LATE REPRESENTATIVE WILLIAM P. CONNERY, JR.

Mr. McCORMACK. Mr. Speaker, my purpose in seeking recognition of the Chair on this occasion is the saddest of my 9 years as a Member of this body, and is the saddest occasion for which I have sought recognition of the presiding officer of any legislative body of which I have been a member during 20 years of service in various legislative bodies, State and Nation. I rise to announce to the House the death of one of the finest characters that has ever lived; one of the finest characters any of us will meet in our journey through life; one of the most sincere, most conscientious, constructively aggressive, and most beloved Members of the House—our late distinguished colleague, WILLIAM P. CONNERY, Jr., of Massachusetts.

Mr. Speaker, this is no occasion for extended remarks. This is an occasion of gloom, of sorrow; and the best word at this time is the unspoken word, the spoken word to be expressed on a later occasion. We are going to miss him, and the departure of BILLY CONNERY, as we all called him, is going to leave a vacancy in the House, a vacancy in the minds of all who have served with him, which time will not fill. He was one of the most beautiful characters, in the possession of the fine qualities of life, that any person could meet. I can see him now in the middle aisle. I can see his interest in a bill and see the intensity of his thought, evidenced by the aggressiveness of his action in any cause in which he was interested. I know I speak the sentiments of every Member of the House, and the House collectively, when I say that the Nation he served so well has sustained an irreparable loss. His beloved Commonwealth and the city of Lynn, of which he was a lifelong resident, have sustained equally an irreparable loss. His dear wife and children and his relatives in their sorrow receive the heartfelt sympathy of every Member of the House and the heartfelt sympathy of his legion of friends and admirers.

His death is a loss to the Nation, the State, and the community, a great loss to his family and his relatives, and equally a great loss to his friends and to his colleagues of the National House of Representatives. To me it is the loss of my closest and dearest friend.

On a later occasion I will ask the indulgence of the House to undertake in a more extended manner to state the sentiments which I am possessed of, and the feeling of regret that leaves me incapable of adequate expression; to express the deep sentiment and sorrow that I have, and that I know all of my colleagues have in the sudden departure of our beloved colleague from this world.

Mr. TREADWAY. Mr. Speaker, before proceeding further, will the gentleman yield?

Mr. McCORMACK. I yield to my colleague.

Mr. TREADWAY. Mr. Speaker, at a meeting of the Massachusetts delegation, held previous to the session this morning, I was authorized to present to the House the following action of that delegation:

In the sudden death of WILLIAM P. CONNERY, Jr., the Massachusetts delegation has lost one of its most active, sincere, and able members. Coming to Congress soon after the close of the World War, he immediately showed his interest in his former buddies and has constantly endeavored to aid the veterans of the war by obtaining legislation beneficial to them and their families. As chairman of the Committee on Labor he has been as active in connection with progressive labor legislation as that pertaining to the veterans. Our late beloved colleague untiringly labored for the best interests of Massachusetts and the Nation. It can truthfully be said that BILLIE CONNERY sacrificed his life for his fellow man. We mourn his loss and extend our most heartfelt sympathy to his bereaved widow and daughter.

The SPEAKER. Will the gentleman from Massachusetts [Mr. McCORMACK] please take the chair?

Mr. McCORMACK assumed the chair as Speaker pro tempore.

Mr. BANKHEAD. Mr. Speaker, I cannot find it in my heart to let this opportunity pass without undertaking to speak just a brief word of admiration and affection for the qualities of our gallant comrade in the legislative service, who has passed away under such untimely and such inconsolable circumstances. I have known a great many hundreds of men during my long service in the House of Representatives, but I think I may say without undertaking to make any invidious comparisons as to the qualities and character of other colleagues with whom I have served here that I have never known a more delightful or a more lovable man than BILLY CONNERY. It is difficult, if indeed not impossible, for us to understand the mysterious dispensations of Providence like this, in taking away from us, without warning, apparently in the very bloom and vigor of his manhood, when he had achieved and was riding toward the pinnacle of a great legislative record here, a man of this type, so universally beloved by all of us. It is hard for us to be reconciled to the fact that he has taken his final departure from this forum of his activities. The thing that always appealed to me, and I am sure to you, in the make-up of this man, in his qualities of heart and head, was the fact that he always stood for and championed the cause of the average man, the underprivileged man and woman in our society, in our economic system; the forgotten man, if I may use that term. He stood here year after year, ever since

his service began, as the valiant and capable advocate of the cause of the man in overalls and the woman in gingham.

I think if there has ever been a public figure in America in recent times who deserved to have erected to his memory a fitting memorial to his services by that particular class of men and women whom he especially sought to favor, the laboring class of America, surely it is WILLIAM P. CONNERY, who in season and out of season, despite at times adverse majorities and sometimes bitter and even malignant criticism, stood here in his place as the representative of his people, particularly of that great group of our American people, and battled with all his intellectual vigor and his mental gallantry to uphold the cause of those whom he loved so well.

I am personally deeply grieved at his departure. As our colleague from Massachusetts [Mr. MCCORMACK] has stated, it will be a long, long time in all human probability before a man of the exact type and of the qualities of WILLIAM P. CONNERY will find a place in this Chamber.

The SPEAKER resumed the chair.

Mr. MCCORMACK. Mr. Speaker, I offer a resolution (H. Res. 239), which I send to the Clerk's desk.

The Clerk read as follows:

House Resolution 239

Resolved, That the House has heard with profound sorrow of the death of Hon. WILLIAM P. CONNERY, Jr., a Representative from the State of Massachusetts.

Resolved, That a committee of 10 Members of the House, with such Members of the Senate as may be joined, be appointed to attend the funeral.

Resolved, That the Sergeant at Arms of the House be authorized and directed to take such steps as may be necessary for carrying out the provision of these resolutions, and that the necessary expenses in connection therewith be paid out of the contingent fund of the House.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

The resolution was agreed to.

The SPEAKER appointed the following funeral committee: Mr. MCCORMACK, Mr. HILL of Alabama, Mr. RAMSPECK, Mr. HEALEY, Mr. HIGGINS, Mr. CASEY of Massachusetts, Mr. ANDERSON of Missouri, Mrs. ROGERS of Massachusetts, Mr. WIGGLESWORTH, and Mr. BATES.

The SPEAKER. The Clerk will read the concluding portion of the resolution.

The Clerk read as follows:

Resolved, That as a further mark of respect the House do now adjourn.

ADJOURNMENT

The resolution was agreed to; accordingly (at 12 o'clock and 25 minutes p. m.) the House adjourned until tomorrow, Thursday, June 17, 1937, at 12 o'clock noon.

COMMITTEE HEARING

COMMITTEE ON THE POST OFFICE AND POST ROADS

A hearing will be conducted by Subcommittee No. 2 of the Committee on the Post Office and Post Roads Thursday, June 17, 1937, at 10:30 a. m., on bills to extend the local delivery rate on first-class mail.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. SOMERS of New York: Committee on Mines and Mining. S. 187. An act providing for the suspension of annual assessment work on mining claims held by location in the United States; without amendment (Rept. No. 1033). Referred to the Committee of the Whole House on the state of the Union.

Mr. O'CONNOR of New York: Committee on Rules. House Resolution 241. Resolution providing for the consideration of H. R. 7051; without amendment (Rept. No. 1034). Referred to the House Calendar.

Mr. O'CONNOR of New York: Committee on Rules. House Resolution 242. Resolution providing for the consideration of H. R. 6586; without amendment (Rept. No. 1035). Referred to the House Calendar.

Mr. O'CONNOR of New York: Committee on Rules. House Resolution 243. Resolution providing for the consideration of H. R. 7472; without amendment (Rept. No. 1036). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. OLIVER: A bill (H. R. 7542) granting the consent of Congress to a compact entered into by the States of Maine and New Hampshire for the construction of the Maine-New Hampshire Interstate Bridge Authority; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 7543) authorizing the Maine-New Hampshire Interstate Bridge Authority to construct, maintain, and operate a toll bridge across the Piscataqua River at or near Portsmouth, State of New Hampshire; to the Committee on Interstate and Foreign Commerce.

By Mr. CANNON of Missouri: A bill (H. R. 7544) to regulate the manufacture and sale of stamped envelopes; to the Committee on the Post Office and Post Roads.

By Mr. IZAC: A bill (H. R. 7545) to authorize an exchange of lands between the city of San Diego, Calif., and the United States; to the Committee on Naval Affairs.

By Mr. DICKSTEIN: A bill (H. R. 7546) to clarify the expatriation laws with regard to certain native-born citizens of the United States, and for other purposes; to the Committee on Immigration and Naturalization.

By Mr. DIES: Resolution (H. Res. 240) to create a standing committee on lobbying; to the Committee on Rules.

By Mr. NICHOLS: Joint resolution (H. J. Res. 414) authorizing the issuance of a special postage stamp in honor of Sequoyah, the inventor of the Cherokee Indian alphabet, and the one hundredth anniversary of the first post office in Oklahoma; to the Committee on the Post Office and Post Roads.

By Mr. WOODRUM: Joint resolution (H. J. Res. 415) making an appropriation to defray expenses incident to the dedication of chapels and other World War memorials erected in Europe, and for other purposes; to the Committee on Appropriations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK: A bill (H. R. 7547) granting an increase of pension to Mary E. Dubbs; to the Committee on Invalid Pensions.

By Mr. COLMER: A bill (H. R. 7548) for the relief of J. Lafe Davis; to the Committee on Claims.

By Mr. GRAY of Pennsylvania: A bill (H. R. 7549) granting a pension to Mary J. Stahl; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2655. By Mr. KENNEY: Petition of the New Jersey Housing League of Newark, N. J., endorsing the Wagner-Steagall bill; to the Committee on Banking and Currency.

2656. By Mr. LAMNECK: Petition of Lisle S. Huffman and other citizens of Columbus, Ohio, urging the introduction and passage of a bill authorizing a pension for the totally and permanently disabled adult with no income; to the Committee on Appropriations.

SENATE

THURSDAY, JUNE 17, 1937

(Legislative day of Tuesday, June 15, 1937)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

THE JOURNAL

On request of Mr. ROBINSON, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, June 16, 1937, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. LEWIS. I suggest, in order to assure the presence of a quorum, that the roll be called.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Copeland	La Follette	Reynolds
Andrews	Davis	Lewis	Robinson
Ashurst	Dieterich	Lodge	Russell
Austin	Donahey	Logan	Schwartz
Bailey	Duffy	Lonergan	Schwellenbach
Bankhead	Ellender	Lundeen	Sheppard
Barkley	Frazier	McAdoo	Smathers
Berry	George	McGill	Steiwer
Bilbo	Gerry	McKellar	Thomas, Okla.
Black	Gibson	McNary	Thomas, Utah
Bone	Gillette	Minton	Townsend
Borah	Glass	Moore	Truman
Bridges	Green	Murray	Tydings
Brown, Mich.	Guffey	Neely	Vandenberg
Brown, N. H.	Harrison	Norris	Van Nuys
Bulkley	Hatch	Nye	Wagner
Bulow	Hayden	O'Mahoney	Walsh
Burke	Herring	Overton	Wheeler
Byrd	Hitchcock	Pepper	White
Byrnes	Holt	Pittman	
Capper	Hughes	Pope	
Caraway	Johnson, Colo.	Radcliffe	

Mr. LEWIS. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Utah [Mr. KING], and the Senator from Connecticut [Mr. MALONEY] are absent because of illness.

The Senator from Missouri [Mr. CLARK] is detained from the Senate by a death in his family.

The Senator from Texas [Mr. CONNALLY], the Senator from Oklahoma [Mr. LEE], the Senator from Nevada [Mr. MCCARRAN], and the Senator from South Carolina [Mr. SMITH] are detained on important public business.

Mr. AUSTIN. I announce that the Senator from Minnesota [Mr. SHIPSTEAD] is necessarily absent from the Senate.

The PRESIDENT pro tempore. Eighty-five Senators have answered to their names. A quorum is present.

UNITED STATES DELAWARE VALLEY TERCENTENARY COMMISSION

The PRESIDENT pro tempore. Under the terms of Public Resolution 102, approved June 5, 1936, the Chair appoints the Senator from Minnesota [Mr. LUNDEEN] a member of the United States Delaware Valley Tercentenary Commission to fill an existing vacancy.

DEFAULT OF FOREIGN DEBT PAYMENTS TO THE UNITED STATES

Mr. BORAH. Mr. President, I wish to make mention of a fact which some will think has no relevancy to the subject about which we are debating, but which seems to me to have some relevancy in sentiment if not in reality. While we are placing new burdens on our people, it seems relevant to note that we are indirectly lifting burdens from others. I would like to see a firmer policy in collecting the debts due the American taxpayer.

The bill which we are debating carries an appropriation of $1,500,000,000. The amount of the interest and principal due us from foreign governments on contracts deliberately made is $1,520,000,000.

In that connection I offer for the RECORD, and ask to have printed as part of my remarks, an editorial from the St. Louis Post-Dispatch entitled "Finland and the Dead Beats."

The PRESIDENT pro tempore. Without objection, the editorial will be printed in the RECORD.

The editorial is as follows:

[From the St. Louis Post-Dispatch of June 15, 1937]

FINLAND AND THE DEAD BEATS

This is war-debt pay day. At least the calendar says so. A 6 months' installment on what European nations owe the United States on money lent abroad during and after the World War is due, but going unpaid. France is defaulting on an $81,500,000 installment and Italy is failing to remit an installment of about the same amount. Great Britain has sent regrets, while Yugoslavia, Latvia, and seven other countries are also terribly sorry. Only Finland is paying on schedule. As long ago as May 29 the land of Paavo Nurmi announced that its check for $163,143 would arrive at the United States Treasury on time.

Does some partisan of cancelation rise up to say that France's installment of $81,500,000 and Finland's of $163,143 are not in the same bracket? Well, France has many times the population of Finland and, in terms of what the taxation experts call "ability to pay", is infinitely better off. The size of a debt, like Einstein's space, is relative. The fact simply is that Finland has chosen to keep its word, even though the vogue has been repudiation. The north-land republic has its reward in the satisfaction which only the person or nation which honors its obligations can enjoy.

What the defaulting nations intend to do is clear enough. They plan to let the installments pile up until they are so far behind that payment will be out of the question. If this was not their plan, they would pay partial installments at least every 6 months and thus begin to cut down the interest charge. And yet these nations, at staggering costs, are arming to the teeth and getting ready for another war. What could be more insane?

SUPPLEMENTAL ESTIMATE, DEPARTMENT OF THE INTERIOR (S. DOC. NO. 82)

The PRESIDENT pro tempore laid before the Senate a communication from the President of the United States, transmitting, pursuant to law, a supplemental estimate of appropriation for salaries and expenses, oil regulation and enforcement, Department of the Interior, amounting to $285,000, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

REPORT OF THE NEAR EAST RELIEF

The PRESIDENT pro tempore laid before the Senate a letter from the Comptroller of the Near East Relief, transmitting, pursuant to law, the report of the Near East Relief for the year ended December 31, 1936, which, with the accompanying report, was referred to the Committee on Printing.

DRAFTS OF PROPOSED LEGISLATION BY THE INTERIOR DEPARTMENT

The PRESIDENT pro tempore laid before the Senate letters from the Acting Secretary of the Interior, transmitting drafts of proposed legislation which, with the accompanying papers, were referred to committees as follows:

A letter together with a draft of legislation proposing to authorize the Secretary of the Interior to permit the payment of the costs of repairs, resurfacing, improvement, and enlargement of the Arrowrock Dam in 20 annual installments, and for other purposes; to the Committee on Irrigation and Reclamation.

A letter together with a draft of legislation proposing to regulate the leasing of certain Indian lands for mining purposes; and

A letter together with a draft of legislation proposing to set aside certain lands in Oklahoma for the Cheyenne and Arapaho Indians; to the Committee on Indian Affairs.

ACTS OF THE HAWAIIAN LEGISLATURE

The PRESIDENT pro tempore laid before the Senate a letter from the secretary of Hawaii (submitted through the Department of the Interior), transmitting certified copies of Acts Nos. 3 and 23 of the Legislature of the Territory of Hawaii, regular session of 1937, which, with the accompanying papers, was referred to the Committee on Territories and Insular Affairs.

ACTS OF THE LEGISLATURE OF MASSACHUSETTS

The PRESIDENT pro tempore laid before the Senate certified copies of two acts of the Legislature of Massachusetts, which were referred to the Committee on the Judiciary, as follows:

(Ch. 208). An act making uniform the law as to extraterritorial arrest on fresh pursuit and authorizing this Commonwealth to cooperate with other States in connection therewith; and

(Ch. 210). An act making uniform the law securing the attendance of witnesses from without a State in criminal proceedings.

PETITIONS AND MEMORIALS

The PRESIDENT pro tempore laid before the Senate a resolution adopted by the Negro Labor Assembly, New York City, N. Y., favoring the enactment of the so-called Wagner-Van Nuys antilynching bill, which was referred to the Committee on the Judiciary.

He also laid before the Senate a letter in the nature of a petition from the third district representative of Omega Psi Phi Fraternity, praying for the enactment of the so-called Wagner-Gavagan antilynching bill, which was referred to the Committee on the Judiciary.

Mr. WALSH presented a resolution of the Municipal Council of Haverhill, Mass., endorsing a resolution adopted by the transitional administrative committee of the local Boot and Shoe Workers Union regarding a proposed reciprocal trade treaty with Czechoslovakia affecting the tariff on shoes, which was referred to the Committee on Finance.

Mr. LODGE presented a petition of several citizens of Lynn, Mass., praying for the abolition of the Federal Reserve System as at present constituted, and also praying that Congress exercise its constitutional right to coin money and regulate the value thereof, which was referred to the Committee on Banking and Currency.

He also presented a petition of sundry citizens of Wellesley, Mass., praying for economy in governmental expenditures so as to insure a balanced Budget in 1938, and praying for the abolition of the W. P. A., and also remonstrating against the enactment of legislation to enlarge the membership of the Supreme Court, which was ordered to lie on the table.

Mr. SHEPPARD presented the following resolution of the Senate of the State of Texas, which was referred to the Committee on Banking and Currency:

Whereas there has been introduced in the Congress of the United States House bill No. 6763, which would extend the 3½-percent interest rate to farmers on certain Federal land-bank farm loans; and

Whereas this bill has been favorably reported to the Senate; and

Whereas unless this or some similar bill is passed before July 1, 1937, the interest rates on such loans are automatically reverted to the original higher rate of 4½ to 5 percent; and

Whereas it would be utterly unwise to increase the interest rate on such loans because one of the greatest services which the Federal Government can render is to make it easy for farmers to become the owners of the land on which they live; and because the establishment of farm homes ought to be one of the cardinal policies of the Federal Government; and because those farmers who have purchased homes and have loans on them in the Federal land banks are making earnest efforts to complete their payments and become the absolute owners of the land upon which they live; and because this Government can afford to continue at 3½-percent interest rates on such loans, and by so doing it will enable farmers to meet interest payments on their loans and to pay a portion of the principal indebtedness; and cause to increase the interest rate at this time and seriously hinder the progress that farmers have thus far made under and by virtue of the low interest rates now existing: Now, therefore, be it

Resolved by the Senate of the State of Texas, That the Congress of the United States be, and is hereby, urgently requested to pass House bill No. 6763 as speedily as possible in order that the farmers of the Nation, the sinew and backbone of this country, may continue to receive the aid and help afforded them through the low interest rates on loans obtained from the Federal land banks and to which they are so justly entitled; and be it further

Resolved, That the secretary of the senate send a copy of this resolution to the Secretary of Agriculture, to Senators SHEPPARD and CONNALLY, and to each of the Members of Congress from the State of Texas.

REPORTS OF COMMITTEES

Mr. CAPPER, from the Committee on Claims, to which was referred the bill (H. R. 3075) for the relief of E. P. Lewis, reported it without amendment and submitted a report (No. 740) thereon.

Mr. ELLENDER, from the Committee on Claims, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H. R. 1689. A bill for the relief of Dominga Pardo (Rept. No. 741); and

H. R. 2983. A bill for the relief of Mr. and Mrs. J. C. Porter (Rept. No. 742).

Mr. HUGHES, from the Committee on Claims, to which was referred the bill (H. R. 1406) for the relief of Frank S. Walker, reported it without amendment and submitted a report (No. 743) thereon.

He also, from the same committee, to which was referred the bill (H. R. 2229) for the relief of Florida O. McLain, widow of Calvin E. McLain, reported it with amendments and submitted a report (No. 744) thereon.

Mr. TOWNSEND, from the Committee on Claims, to which was referred the bill (H. R. 3259) for the relief of Laura E. Alexander, reported it with an amendment and submitted a report (No. 745) thereon.

Mr. BLACK, from the Committee on Claims, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 2146. A bill to amend the act entitled "An act conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the city of Perth Amboy, N. J.", approved July 23, 1935 (Rept. No. 746); and

H. R. 5438. A bill for the relief of Richard T. Edwards (Rept. No. 747).

Mr. SMATHERS, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 3967. A bill for the relief of Adele Fowlkes (Rept. No. 748);

H. R. 5496. A bill for the relief of Willard Webster (Rept. No. 749); and

H. R. 5652. A bill for the relief of Frank A. Smith (Rept. No. 750).

Mr. SCHWARTZ, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 1310. A bill for the relief of Clifford R. George and Mabel D. George (Rept. No. 751);

H. R. 3339. A bill for the relief of Allie Rankin (Rept. No. 752); and

H. R. 4942. A bill for the relief of A. L. Mallery (Rept. No. 753).

Mr. SCHWARTZ also, from the Committee on Claims, to which was referred the bill (S. 1865) for the relief of Mrs. Cliff Snider, reported it with amendments and submitted a report (No. 754) thereon.

Mr. SHEPPARD, from the Committee on Military Affairs, to which was referred the bill (S. 2649) to authorize appropriations for construction and rehabilitation at military posts, and for other purposes, reported it with amendments and submitted a report (No. 755) thereon.

FIRST, SECOND, AND THIRD NATIONAL STEAMSHIP COS.

Mr. LOGAN, from the Committee on Claims, to which was referred the bill (S. 2609) for the relief of the First, Second, and Third National Steamship Cos., reported a resolution (S. Res. 147), which was ordered to be placed on the calendar, as follows:

Resolved, That the bill (S. 2609) entitled "A bill for the relief of the First, Second, and Third National Steamship Cos.", now pending in the Senate, together with all the accompanying papers, be, and the same is hereby, referred to the Court of Claims, in pursuance of the provisions of an act entitled "An act to codify, revise, and amend the laws relating to the judiciary", approved March 3, 1911; and the said court shall proceed with the same in accordance with the provisions of such act and report to the Senate in accordance therewith.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BAILEY:

A bill (S. 2667) for the relief of Livvie V. Rowe; to the Committee on Claims.

By Mr. GILLETTE (by request):

A bill (S. 2668) to amend the act cited as the Farm Credit Act of 1933, as amended, to improve and safeguard the financial integrity of the Farm Credit Administration by effecting a better coordination of Federal lending and marketing activities, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. NYE:

A bill (S. 2669) for the relief of Amos M. Piper; to the Committee on Claims.

By Mr. PITTMAN (for himself, Mr. BAILEY, Mr. CLARK, Mr. MCNARY, and Mr. WHITE):

A bill (S. 2670) to provide that the United States shall aid the States in wildlife restoration projects, and for other pur-

poses; to the Special Committee on Conservation of Wildlife Resources.

By Mr. THOMAS of Oklahoma (for Mr. KING):

A bill (S. 2671) to reserve certain lands in Utah as an addition to the Goshute Indian Reservation; to the Committee on Indian Affairs.

By Mr. COPELAND (for Mr. KING):

A bill (S. 2672) to authorize the settlement of certain accounts of the District of Columbia; and

A bill (S. 2673) to revise the code of laws for the District of Columbia relating to building and loan associations; to define associations and to provide for their incorporation; prescribing terms, conditions, regulations, and supervision under which such associations may carry on their business; and prescribing penalties for violations of the provisions of the act; to the Committee on the District of Columbia.

By Mr. McKELLAR:

A bill (S. 2674) granting an increase of pension to Elizabeth Painter Menoher; to the Committee on Pensions.

By Mr. SHEPPARD:

A bill (S. 2675) to amend certain sections of the Federal Credit Union Act approved June 26, 1934 (Public, No. 467, 73d Cong.); to the Committee on Banking and Currency.

A bill (S. 2676) to amend the act approved August 24, 1935, entitled "An act to authorize the erection of a suitable memorial to Maj. Gen. George W. Goethals within the Canal Zone"; to the Committee on Military Affairs.

EXTENSION OF CERTAIN TAXES—AMENDMENTS

Mr. LA FOLLETTE submitted four amendments intended to be proposed by him to the joint resolution (H. J. Res. 375) to provide revenue, and for other purposes, which were ordered to lie on the table and to be printed.

AMENDMENTS TO INTERIOR DEPARTMENT APPROPRIATION BILL

Mr. DUFFY submitted an amendment intended to be proposed by him to House bill 6958, the Interior Department appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

On page 66, after line 13, to insert a new paragraph reading as follows:

"The Secretary of the Interior is hereby authorized to withdraw from the Treasury of the United States $105,000 of any funds on deposit to the credit of the Menominee Indians in Wisconsin (except the Menominee log funds), and to expend said sum, or so much thereof as may be necessary, for a per-capita payment of $50 to each enrolled member of the Menominee Tribe: *Provided*, That such payment shall be in lieu of the payment authorized by the act of June 15, 1934 (48 Stat., p. 964), for the fair market stumpage value of timber cut on the Menominee Reservation during the fiscal year 1937: *Provided further*, That in the discretion of the Secretary of the Interior the payment herein authorized may be made in two installments."

Mr. POPE submitted two amendments intended to be proposed by him to House bill 6958, the Interior Department appropriation bill, which were referred to the Committee on Appropriations and ordered to be printed, as follows:

On page 12, after line 19, to insert the following:

"For administrative expenses on account of the above projects, including personal services and other expenses in the District of Columbia and in the field, $750,000, in addition to and for the same objects of expenditure as are hereinbefore enumerated in paragraphs 2 and 3 under the caption "Bureau of Reclamation": *Provided*, That of this amount not to exceed $75,000 may be expended for personal services in the District of Columbia.

"The unexpended balances of the amounts appropriated from the reclamation fund, special fund, under the caption "Bureau of Reclamation, Construction", in the Interior Department Appropriation Act, fiscal year 1937, shall remain available for the same purposes for the fiscal year 1938."

On page 74, between lines 13 and 14, to insert the following:

"Upper Snake River storage project, Idaho, $250,000."

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Megill, one of its clerks, announced that the House had agreed to the amendment of the Senate to the bill (H. R. 2630) for the relief of R. N. Teague and Minnie Teague.

The message also announced that the House insisted on its disagreement to the amendments of the Senate to the bill (H. R. 5996) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1938, and for other purposes, agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. COLLINS, Mr. CALDWELL, Mr. HIGGINS, Mr. STARNES, and Mr. ENGEL were appointed managers on the part of the House at the conference.

DELEGATION OF POWER UNDER PROPOSED FAIR LABOR STANDARDS ACT—STATEMENT BY ROBERT H. JACKSON

[Mr. GUFFEY asked and obtained leave to have printed in the RECORD a statement by Robert H. Jackson, Assistant Attorney General, on the subject of Delegation of Power Under the Proposed Fair Labor Standards Act, which appears in the Appendix.]

ADDRESS BY ROBERT W. JOHNSON BEFORE JOINT COMMITTEE ON LABOR RELATIONS

[Mr. LA FOLLETTE asked and obtained leave to have printed in the RECORD an address delivered before the Joint Committee on Labor Relations of the Senate and House of Representatives by Robert W. Johnson, of the Johnson & Johnson Manufacturing Co., of New Brunswick, N. J., which appears in the Appendix.]

DIGEST OF FAIR LABOR STANDARDS ACT OF 1937

[Mr. McGILL asked and obtained leave to have printed in the RECORD a prepared digest of the Fair Labor Standards Act of 1937, which appears in the Appendix.]

RELIEF APPROPRIATIONS

The PRESIDENT pro tempore. The Chair lays before the Senate the unfinished business.

The Senate resumed consideration of the joint resolution (H. J. Res. 361) making appropriations for relief purposes.

Mr. SCHWELLENBACH. Mr. President, during the last few days we have had some very interesting discussions upon the general question of relief. I think it might be very well at this time to remind the Senate that the particular question which we are now considering is whether or not the amendment which would place upon the President the necessity of requiring an arbitrary contribution of 40 percent from local sponsors shall be adopted.

I listened with interest yesterday to the discussion of the Senator from North Carolina [Mr. BAILEY]. If the picture which the Senator from North Carolina drew—a very harrowing picture—of the enervating effect of relief upon the morale and the morals of the country is a true picture, then certainly we should not adopt any relief appropriation at all. The logical conclusion to draw from the argument of the Senator from North Carolina is that, as an institution, both work relief and direct relief should be abolished.

I recognize that we have a right in the Senate to discuss any subject that we may desire; but the discussion of the Senator from North Carolina did not go to the merits of this particular amendment.

The amendment is put forth upon the theory that if we can place a greater responsibility upon the local governments we are going to bring about a reduction of the number upon relief. The theory is that the local governments, realizing that the Federal Government is putting up a large percentage of the money, are asking for more money than they really need, are promoting projects which are unnecessary and which may be undesirable, and that if we can force them to contribute 40 percent it will result in a reduction of the relief rolls and will result also in a reduction of the amount of money that the Federal Government is compelled to spend.

I am frank to confess that at first blush that seems to be an attractive argument; I am frank to confess that at first blush it would seem that if we did this thing it would result in a reduction of the relief rolls; but the facts do not bear out the contention of the proponents of the amendment.

Members of the Senate will remember that commencing the 1st of January 1936 the Federal Government took the position that it would assume the responsibility for work

relief and would place upon the States and the local communities the responsibility for direct relief. If the theory upon which the proponents of the amendment depend is a correct one, that the realization on the part of the loyal communities that they are spending their own money would tend to decrease the number on their relief rolls, then the number on the direct-relief rolls, which have been paid for almost entirely by local funds in this last year, would have been reduced. But the fact is that instead of the local relief rolls being reduced in this last year they have been increased to a greater percentage than have the W. P. A. rolls.

In June 1936 the States and the local communities taking care of direct relief had 1,571,487 persons on their rolls. In February 1937 they had 1,725,000 persons.

Let us look at the picture from the point of view of W. P. A. In June 1936 they had 2,528,000 persons. In May 1937 they had 2,199,000 persons.

In other words, while the W. P. A. rolls, financed by money coming from the Federal Government, have been reduced during the last year, the local direct relief rolls have been increased.

Members of this body who say that if we place this responsibility upon the States and the local communities they are going to reduce the rolls are met with the fact and the figures that the Federal Government has been able to reduce its roll but the local communities and the States have been compelled to increase their rolls.

The argument is made that if we can place this responsibility upon the local communities and States, we will cut down administrative costs. It is argued that the authorities of the States and local communities are right there where the people seeking relief can be seen, and the administrative costs will be lessened and we will have more efficiency and economy in the operation of direct relief by local communities and States than we can if we handle it from the city of Washington through the Federal Government. Once again the facts are absolutely contrary to the arguments which are presented.

During the first 11 months of last year, on direct relief in which the Federal Government only participated to the extent of 2.6 percent, in which the burden was carried by the States and local communities, there was spent a total of $484,000,000. Of that amount 16 percent was administrative costs. At the same time the Federal Government, operating the W. P. A., had an administrative cost of 4.2 percent, and that amount has now been reduced to 3.5 percent.

It is very well for Members of this body to dislike Harry Hopkins because of arguments they have had with him. I may say that I have probably had as much difficulty with W. P. A. as any other Member of this body, and have had as bitter arguments with Mr. Hopkins as any other Member of this body; but we cannot evade the fact that under Mr. Hopkins it has been possible to operate the W. P. A. with an administrative cost of 4.2 percent, while the local communities and States spent 16 percent in the administration of their direct relief operations. The facts do not bear out the contention of the proponents of the amendment.

Yesterday we heard the rather naive contention that because we have a certain number of families in the United States and a certain number of jobs there is no serious unemployment, and that the relief roll simply has been built up by those who want to retain their administrative jobs and that it is a fraud upon the Federal Government. I am frank to confess I have been disappointed in the unwillingness of Congress to conduct a census of the unemployed. I have been very anxious that the efforts of the senior Senator from New Mexico [Mr. HATCH] and the junior Senator from Montana [Mr. MURRAY] should be successful; that we may have a general study of the problem of relief and that we may have a complete census of the unemployed. But we do have a very definite census of the unemployed, though not a complete one. To me it is not a satisfactory census, but it is a census, through the National Reemployment Service. The unemployed go to the various offices of the Service and enroll themselves for jobs. The records of the National Reemployment Service show that in March 1937 there were 6,115,443 persons who had presented themselves to the offices of that Service asking for employment.

The next argument presented by the proponents of the amendment is that the cities and States are now in a position to take over the burden of relief and that the Federal Government should be relieved of it because of that fact. The Senator from South Carolina [Mr. BYRNES] presented an argument yesterday that because of the fact that the bonds of the States and communities are selling above par, therefore, it is proof that the cities and communities are able to take care of their relief problems. Everyone here knows why the bonds of the State and communities, which were selling much below par in 1932, are now selling above par. We know it is the result of two things: First, a restoration of confidence in the country—a restoration of confidence which comes because of the efforts of the President; and, second, because of the fact that interest rates have been brought down and that the bonds of States and local communities, which have a high yield of 5 or 6 or 6½ percent, are selling above par because investors are willing to pay more than par for the bonds in order to get the high yield which they can secure through the purchase of those bonds. There is absolutely no relationship between the amount of money secured for bonds and the condition of the community or State, or the ability of the community or State to take care of the relief problem.

I was interested yesterday afternoon to hear the Senator from North Carolina [Mr. BAILEY] say that all the cities and communities in the country had now balanced their budgets and everything is all right; that the Federal Government is the only interest in the country that does not have a balanced budget. I do not know about the condition of cities in North Carolina, but I do know that some of the cities with which I am familiar are not in a position to take care of this problem. Let us look at the facts concerning the condition of the cities of the country.

In 1932, as a result of the depression, local communities—and by that I mean communities less than States—to the number of 2,600 were in default. Those defaults constituted about 10 percent of the total indebtedness of all the local communities within the country. At the depth of the depression one State and 37 cities of 30,000 population or more were in default. Those communities, together with the school districts which were also in default, accounted for 38 percent of the gross debt of all the cities and school districts in the population groups.

What is the result? The result is that those communities which went into default in 1932, 1933, and 1934 are engaged today not in the issuance of new bonds which they can sell to the public but in the operation of refunding the bonds which went into default during the period of depression.

The cities of the country are met with another sort of problem, and that is the question of decrease in assessed valuation, due to two causes—first, the loss of tax base available to the city, and, second, the lowering of the legal margin of borrowing capacity. I want to take the time to read to the Senate the decreases in some of the principal cities of the country in the assessed valuation as a result of the depression.

In New York City there was a decrease of 16.5 percent; Chicago, 46.3 percent; Philadelphia, 24.4 percent; Detroit, 39.3 percent; Los Angeles, 32.5 percent; Cleveland, 42.5 percent; St. Louis, 20.7 percent; Baltimore, 9.4 percent; Boston, 17.8 percent; San Francisco, 25 percent; Milwaukee, 16.6 percent; and Buffalo, 14.1 percent. The decrease in those cities is simply typical of the decrease in the cities of the United States as a whole; and yet when the proponents of this amendment stand up and say these cities are all right, the only argument they present in support of their contention is the fact that the bonds of these cities are selling for more than they sold for in 1932.

The total percentage of the amount of tax which must be used for debt service and debt payment is significant.

In Philadelphia it was 17.5 percent in 1933. In 1935 it went up to 19 percent.

In Cleveland it was 33.2 percent in 1933. It went up to 43.2 percent in 1935.

In Cincinnati it was 27 percent in 1933. It went up to 35.2 percent in 1935.

In Rochester it was 34 percent in 1933. It went up to 39 percent in 1935.

In Toledo it was 76 percent in 1933. It went up to 83 percent in 1935.

I appreciate the fact that Toledo is not a typical example; but take the city of Toledo, for illustration, compelled to pay out 80 percent of her regular taxes upon debt service and necessary payments upon the principal of debt. What chance is there for the city of Toledo to comply with the provisions of this amendment?

Let us look at a few of the important cities in the United States upon the question of their right to borrow in order to take care of these projects.

Take, first, the case of the city of Chicago. The city of Chicago has a constitutional debt limit of $101,775,664. The amount of her debt, despite her constitutional limitations, is $130,610,000.

The Chicago parks have a debt limit of $101,775,000 and a debt of $104,000,000.

The sanitary district of Chicago has a debt limit of $119,000,000, and a debt of $127,000,000.

Take the case of the city of Detroit: Detroit defaulted in 1933, and a bondholders' protective committee was appointed, and it was necessary for them to work with the city officials. A refunding plan was worked out under an agreement between the bondholders' protective committee and the city of Detroit; and as a result of that agreement it is absolutely impossible for the city of Detroit to make the 40-percent contribution which is necessary under this amendment.

Take the case of the city of Philadelphia: Its present debt is in excess of its constitutional debt limit. It has past-due obligations of $26,000,000 at the close of this fiscal year. These obligations are made up of $9,000,000 operating deficit for 1936, $5,000,000 estimated deficit for this year, $6,000,000 in outstanding 6-percent bonds, and $6,000,000 unpaid debt to the sinking fund; and yet there are those who stand upon the floor of the Senate and say that there is not a city in the United States that has not balanced its budget.

Take the case of the city of Cleveland: The city has constitutional power to issue new bonds up to 90 percent of the net amount matured in any fiscal year; yet Cleveland defaulted in 1934 and is now, with many other cities in the country, engaged in a process of refunding its defaulted obligations; and yet Members of this body say that we could go to the city of Cleveland and ask them to contribute 40 percent.

Mr. HATCH. Mr. President, will the Senator yield at that point?

Mr. SCHWELLENBACH. Yes.

Mr. HATCH. The Senator is speaking of the city of Cleveland. I happen to have before me some newspaper articles concerning the administration of W. P. A., especially with reference to assuming obligation for direct relief. I observe that in these articles it is said that in the city of Cleveland, assistance for direct relief is now based on the old poorhouse or poor-law system. Has the Senator any information about how the city of Cleveland has administered direct relief?

Mr. SCHWELLENBACH. No; I will say to the Senator that I have no personal knowledge of the method of direct-relief administration in the city of Cleveland; but with a situation existing where they are still attempting to refund their defaulted bonds, I can easily imagine that it is necessary for them to go back to the old poorhouse system of direct relief.

Take the case of the city of Los Angeles: Since 1933 the debts of the city of Los Angeles have been in excess of the limit allowed by the charter; and as of October 1, 1936, the debt limit of general obligation bonds was $38,014,000, while the outstanding bonds on that date were $38,398,000.

Take the case of the city of Buffalo: As of June 30, 1936, the margin of borrowing capacity was approximately $5,600,000. That amount had been reduced from $38,000,000 in 1932.

The examples which I have given of a few cities in the country are typical of the limitations which have been placed by the constitutions of the States or by the charters of the cities and communities upon the right of these States or these counties or municipal corporations to issue bonds and to increase their debt. I have here a résumé from the Municipal Year Book of the various constitutional limitations upon the right of cities and towns to assume obligations and to go into debt; and I ask unanimous consent that at the conclusion of my remarks these tables may be inserted in the RECORD.

The PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit A.)

Mr. BLACK. Mr. President, will the Senator yield for a question?

Mr. SCHWELLENBACH. I yield to the Senator from Alabama.

Mr. BLACK. As I understand, the Senator's argument is based upon the fact that whether these localities are required to guarantee 40 percent, or 30 percent, or 20 percent, or any other percentage, such a guaranty is unfair and unjust, and would tend to break down the relief system.

Mr. SCHWELLENBACH. I may say to the Senator that the question is not a very wide one. At the present time and during the past year, in an effort to get the States and counties and cities to contribute as large an amount as possible, in an effort worked out by the W. P. A., they have insisted upon a 16-percent contribution. This amendment says that there shall be a contribution of an arbitrary figure, and that the only way the States and counties and cities can get out of that arbitrary contribution is to have the President of the United States, after investigation, determine that it is not possible for them to make the contribution.

Mr. BLACK. Mr. President, the Senator, of course, knows that the President of the United States never could do any such thing. It would be wholly impossible.

Mr. SCHWELLENBACH. I will say to the Senator from Alabama that if no emergency were involved and these people could go ahead and just exist on nothing for several months, if it were not necessary for people to eat in the meantime, while these investigations were being made, then it would be possible for this amendment to be of practical working. But suppose this amendment had been in force when the flood condition existed during the months of January and February of this year and the people from Ohio and Indiana came down here, and suppose the President had had to say, "Well, we shall have to have a certified audit of your financial condition. We shall have to examine the constitutions of your States. We shall have to examine your city charters. We cannot give you any money until all those examinations have been made." What would have happened to the people of Indiana and Ohio and the other flood States if this amendment had been in force during the spring months of this year?

Mr. BLACK. Of course, they would have been sacrificed on the altar of economy; but the point about which I intended to ask the Senator was this:

An effort may be made—it usually is—before this debate has concluded, or before the matter has been closed, to say, "Well, 40 percent is a little too much, but we will make an arbitrary compromise on a smaller amount." As I understand the argument the Senator is making, he is just as much opposed to the idea of an arbitrary requirement whether somebody tries to get a compromise below 40 percent or not.

Mr. SCHWELLENBACH. My idea is that the danger, the evil, of this amendment is not in the 40-percent part. The evil of the amendment is in the arbitrary nature of the amendment, the absolute impossibility of administering the W. P. A. fairly and impartially to the cities of the country

if we fix any arbitrary figure; and I should object to 15 percent even though W. P. A. is now getting 16 percent. I should object to 15 percent, or 20 percent, or any other percentage.

Mr. BLACK. I fully agree with the Senator, and I think that is the viewpoint of the Senate; but I desire to call attention to the fact that we may be faced with that exact situation before we get through. Somebody may say, "Well, 40 percent is too much, but we will compromise on a lower amount"; and I wanted to be sure that the Senator's argument was against any arbitrary requirement by States and by communities that are unable to comply with it.

Mr. SCHWELLENBACH. The Senator is right in his interpretation.

Mr. HATCH. Mr. President——

Mr. SCHWELLENBACH. I yield to the Senator from New Mexico.

Mr. HATCH. The article I read from a moment ago was one of a series of articles by a newspaper man, Robert Brown, employed by the Scripps-Howard newspapers, who made quite a survey and study of W. P. A. He arrived at the conclusion that W. P. A.—that is, made work—should be abandoned. The article is not at all one in support of the Works Progress Administration; but along the line of the Senator's remarks, in which he mentioned the State of Ohio, I happened to notice this paragraph about some of the conditions in that State. Mr. Brown says:

> Fifteen of Ohio's most populous counties report that they have a combined gross deficit for direct relief in 1936 amounting to nearly $1,500,000. To April 15 their available funds will be short $5,789,000. For the year 1937, unless other sources are tapped, they will be shy $15,487,000.

That is from 15 counties in the State of Ohio; and if this amendment were adopted, with 14 or 15 counties already shy several million dollars, how could they possibly meet the situation?

Mr. SCHWELLENBACH. I thank the Senator for his contribution.

Mr. MINTON. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Washington yield to the Senator from Indiana?

Mr. SCHWELLENBACH. I yield to the Senator from Indiana.

Mr. MINTON. I think we are all agreed that an arbitrary amount could not be fixed that would apply in every case, because we never could agree that all the cases are exactly alike; and no matter what amount might be fixed, some way would have to be provided to get around it. That would only mean complicating the administration of the act and increasing the red tape in its administration. Is that correct?

Mr. SCHWELLENBACH. I agree with the Senator. As I said a few minutes ago, if we had plenty of time, if these people could get along without any food for a month or two, and we did not have any floods or emergencies, it might be perfectly all right to adopt this amendment.

Mr. MINTON. The Senator referred to the flood last year in my part of the country, on the Ohio River, and the predicament in which those people would have found themselves if we had had a limitation, such as this amendment calls for, to any percentage. Of course, if we really want to save W. P. A. money, if we do not want to spend any money, I can suggest an amendment to this bill which will prevent the spending of money. Just turn it over to the Disaster Loan Corporation. They will not spend it. [Laughter.]

Mr. NORRIS. Mr. President, will the Senator from Washington yield?

Mr. SCHWELLENBACH. I yield.

Mr. NORRIS. I think the Senator ought to allude to this proposition, which arises in my mind. If we adopt this amendment, the investigation will have to be made in every case where a locality asks for money, and it will necessitate the employment of an army of investigators and specialists. So that to carry out the amendment it would increase the governmental expenses many millions of dollars.

Mr. SCHWELLENBACH. I thank the Senator from Nebraska, and I call the attention of the Senate to the fact that the most severe critics of the Works Progress Administration are those who are always contending that they are spending too much money on administrative costs, and that if we could just get it back to the cities and the towns and the States, then we could reduce that cost.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. SCHWELLENBACH. I yield.

Mr. LA FOLLETTE. I do not wish to divert the Senator from the line of his argument, but I should like to suggest that it seems to me that one of the inherent objections to any arbitrary figure, whether it be 40 or 30, or whatever the percentage, is the fact that in each community there are likely to be a large number of different sponsors. All of these projects are not sponsored by a city itself; they are sponsored by a school board; they are sponsored by a water board; they are sponsored by some other organization.

In order to have this program function, it is essential that the situation confronting each and every different sponsor be taken into consideration. So that while the community as a whole may reach a 16- or a 25- or a 30-percent average of the amount they sponsor, the amount sponsored by each of the individual sponsors may vary greatly according to the individual sponsor's capacity to furnish funds. To my mind that is one of the most important practical objections to fixing any arbitrary percentage. In other words, it would stall the program on dead center.

Mr. McKELLAR. Mr. President, is it not also true that if any amendment is adopted, whether providing for 40 percent, or 30 percent, or 20 percent, or 10 percent, the same kind of an investigation about which the Senator from Nebraska just asked will necessarily have to be made?

Mr. SCHWELLENBACH. As long as it is arbitrary, an investigation will have to be made.

Mr. McKELLAR. As long as it is arbitrary, whatever the percentage may be, investigations will have to be made, and great delays will consequently occur.

Mr. BLACK. Mr. President, will the Senator yield for one other question?

Mr. SCHWELLENBACH. I yield.

Mr. BLACK. Am I to understand the Senator believes that under this proposal an investigation would have to be made of the ability of each State or county or city to this extent, to find out whether or not they are able to raise more taxes? If that is true, does it not necessarily follow that the investigation would have to go to the individuals in the city? How could they tell whether a city could pay more taxes or not unless they investigated each individual citizen to see what his mortgages were, whether he had any property that was subject to further taxation. How could they determine whether or not a city was able to pay out more money unless they went into the individual community and inquired as to the taxpaying ability of the individual citizen? And how many would it take to make such an inquiry? I might ask those who speak in the sacred name of economy, How many individual employees would it take to go into each city which made an application for some W. P. A. work to investigate each individual citizen to see what his mortgages were, to see how much in the way of taxes he was paying on real estate, to see how much in taxes he was paying on his mule, if he lived in a small southern village? How could they know whether or not a city was able to pay more unless they made such a searching scrutiny of the individuals who were to pay the taxes in the city?

Mr. BURKE. Mr. President, will the Senator from Washington yield to permit me to ask the Senator from Alabama a question?

Mr. SCHWELLENBACH. Certainly.

Mr. BURKE. How does the Senator from Alabama think the investigation is made at the present time under the procedure under which each sponsor is required to pay all it is able to pay?

Mr. BLACK. I shall be glad to answer that if the Senator from Washington will permit.

Mr. SCHWELLENBACH. I yield.

Mr. BURKE. Will the Senator permit me to read to him, to save him the trouble of answering, what Mr. Hopkins said about that?

Mr. BLACK. The Senator ought to let me answer, since he asked me the question.

Mr. BURKE. I want to put the facts before the Senator.

Mr. BLACK. I shall be glad to let the Senator answer his own question.

Mr. BURKE. This is what Mr. Hopkins said on last Saturday in direct answer to the argument the Senator is now making.

Mr. SCHWELLENBACH. Mr. President, I may say to the Senator from Alabama that it is customary for my good and intimate friend the Senator from Nebraska [Mr. BURKE], whom I most highly respect, always to answer the questions he asks. So I beg of the Senator not to be disturbed. [Laughter.]

Mr. BLACK. I understand that. It is because the Senator from Nebraska is sure that the question will be answered better than if I were allowed to answer.

Mr. BURKE. We should like to hear the Senator's answer after we hear Mr. Hopkins' statement of how it is handled now. He was asked by Senator BYRNES this question:

> With reference to your being constituted "financial policemen" by these provisions, should they be enacted into law—

Which is the point, I understand, about which the Senator is asking—

> let me ask you how you today determine what shall be put up by the sponsor in each case?

To that Mr. Hopkins replied as follows:

> We determine it by inquiring into their bonded indebtedness. We inquire into the law as to what legal right they have to increase that indebtedness. We inquire into their taxing ability on other fronts. We inquire into the ability of real estate to stand an increased tax. All of those things are taken into consideration in dealing with a sponsor when they ask us to pay what we think is an unreasonable percentage of the cost. We take into consideration what they are doing out of their own funds on other fronts in connection with the relief problem.

So wherein would there be any difference?

Mr. BLACK. Mr. President, may I answer?

Mr. SCHWELLENBACH. I yield.

Mr. BLACK. The difference would be that the sponsors of 40 percent, or 30 percent, or 20 percent, or 10 percent, or 2 percent, are not satisfied with that. They want to send in an inspector to see how many kitchen utensils each taxpayer in the city has, whether or not his stove is mortgaged, whether or not he is able to buy gas in the community. Now they go into the city and ask something about the city's indebtedness, but they would have to go further. We would put the burden on the President, through his representative, to send investigators into every home in each city where they wanted to get some W. P. A. work, and let them investigate each individual's indebtedness, to see whether he owed a loan shark any money, and could put up any money.

We would not be satisfied with information as to the city's bonded indebtedness, we would have to look at the mortgages of the individual people in the city. So I answer the Senator that those who sponsor this movement are not satisfied with what Mr. Hopkins has been doing, looking at the ability of the city from the standpoint of city bonds, they want now to hire a million employees to go into every taxpayer's home in every city and every community in this Nation to find out if the mule is mortgaged up to the last dollar. Then they will let him go on relief in the community.

Mr. BURKE. If the Senator considers that an answer, we will let it stand. I fail to see that it has any bearing at all.

Mr. BLACK. I did not expect the Senator to see it, but I consider it a good answer.

Mr. BONE. Mr. President, will my colleague yield to me?

Mr. SCHWELLENBACH. I yield.

Mr. BONE. I was interested in the Senator's remarks about ability to pay. That is also very intimately coupled with the condition in which many taxpayers find themselves when they are unable to pay their taxes. Under the laws of many States they are permitted to refrain from paying taxes for a considerable period of time. In my State the owner of real estate may refrain from paying his taxes for 6 years, if for any reason he is unable to pay them, and if he does not pay them, there is no way of enforcing the collection of the taxes except to sell his property at the end of that period. Also in my State the railroad organizations have made it their habit to restrain the collection of taxes imposed on them by the State. They have gone into the Federal courts and restrained collection; and that involves a large sum of money, all of which is taken from the State of Washington by judicial process.

I do not know whether it is true in Alabama, Kentucky, and other States that a home owner may refrain from paying his taxes, but it is so with us today. That complicates the problem for the local communities, because they have not any money with which to pay such things as these relief payments. It is of no avail to pass laws and tax people when they do not have to pay the taxes and can go into default.

Mr. BARKLEY. Does the Senator from Washington state that the laws of his State permit the nonpayment of taxes over a period of 6 years, at the end of which time the city or county or State may sell the property at public auction and recover the amount due?

Mr. BONE. That is correct.

Mr. BARKLEY. Does the law make any provision for helpless unemployed people waiting 6 years until that public auction has been held to determine whether they shall receive assistance after a while? What does the law of Washington provide with respect to how long a man shall go hungry while waiting for the State to sell somebody's property?

Mr. BONE. He is likely to go hungry.

Mr. BARKLEY. The law makes no provision about it?

Mr. BONE. It does not; and at the end of 6 years the county takes over the property, and it may remain in the possession of the county involved, and not sold, because, obviously, under conditions of that kind they cannot find a ready buyer. There are counties in the State which have held large blocks of real estate for years.

Mr. BARKLEY. It seems to me that the legislature of the Senator's State ought to be called into session to make it illegal for a man to starve to death while he is waiting for the property to be sold. [Laughter.]

Mr. BONE. Mr. President, that is quite an idea. I shall be glad to communicate it to the legislature of my State.

Mr. SCHWELLENBACH. Mr. President, I should like to add what to me seems to be a much more serious menace involved in this particular phase of the question. If the President really should pass upon the question of the financial ability of municipalities to contribute, he must examine the budgets of those municipalities. Let us assume the representatives of a town come here and say, "We cannot contribute. Here is the amount of money we have." Then the President, if he really shall comply fully and technically with the provision of the amendment, must look through their budget to see whether they are wasting money on any other operation within that community, because certainly no town should be permitted to spend all its money on something else, and then come and ask for aid, if its other expenditures are not proper and are not justified.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. SCHWELLENBACH. I yield to the Senator from Wisconsin.

Mr. LA FOLLETTE. There has been a considerable amount of ill-founded and unjustified propaganda concerning the tendency toward dictatorship in this country. Can

the Senator conceive of anything which would clothe an administrative official with more power over local communities of government than to give him the right to decide whether or not they were in a financially sound condition?

Mr. SCHWELLENBACH. Mr. President, I appreciate the contribution of the Senator from Wisconsin, and say that I am particularly interested in his suggestion. I must frankly confess that I shuddered yesterday when the Senator from South Carolina [Mr. BYRNES] talked about the grass growing in the streets of New York. I had heard those words before. I heard them over the radio. They came from the lips of a man for whose integrity and ability I have great respect, but who, had he been permitted to continue to run this country for another 4 years, because of his political and economic theories and ideas would have come closer to bringing this country into dictatorship than any other man who could possibly have had anything to do with the Government of the United States.

Mr. McKELLAR. Mr. President, will the Senator yield to me for a question?

Mr. SCHWELLENBACH. I yield.

Mr. McKELLAR. If any percentage of contribution should be fixed in the joint resolution, would it not have the effect of virtually stopping the so-called "white collar" projects and the youth projects? As I understand, there is very little contribution on the part of local sponsors toward either women's projects or especially the "white collar" class projects. If we should agree to an amendment fixing any amount as the amount which must be contributed by the sponsors, it would virtually wipe out those two projects.

Mr. SCHWELLENBACH. Mr. President, I should like to say in answer to that suggestion by the Senator from Tennessee that when the senior Senator from Louisiana [Mr. OVERTON] yesterday pointed out precisely that fact he made what I considered the most valuable contribution to the argument that has been made on this amendment.

Mr. BYRNES. Mr. President, will the Senator from Washington yield?

Mr. SCHWELLENBACH. I yield.

Mr. BYRNES. Did the Senator say that no contribution is made to the so-called women's projects, sewing-room projects, by the local communities?

Mr. SCHWELLENBACH. I did not say that.

Mr. BYRNES. Certainly, in the State of South Carolina the sponsor of a project of that kind must furnish rent, light, heat, water, equipment, which means machines, thread, and buttons; and after July 21, under an order which has been issued, 25 percent of the raw material which is used must be furnished. That is very definite information as to the requirements there. I do not know what is required in other States, because, as we know from this discussion, different percentages of contribution from different sponsors are left to the States to be fixed.

Mr. SCHWELLENBACH. Mr. President, the argument which the Senator from South Carolina presents this morning is absolutely contrary to the argument which he presented yesterday, and the argument which the Senator from North Carolina [Mr. BAILEY] presented yesterday, about the mayors of the towns wanting to erect monuments to themselves; and when they come here and ask for money as the Senator from South Carolina [Mr. BYRNES] and the Senator from North Carolina [Mr. BAILEY] claim, they pad their relief rolls in order to have buildings constructed and in order to have sewers constructed, as well as other projects. Certainly the argument which the Senator from South Carolina presents this morning is absolutely contrary to the argument which he presented yesterday.

Mr. BYRNES. I am not presenting any argument. I am simply making a statement of fact with regard to the contribution required to be made by sponsors of sewing-room projects in South Carolina.

Mr. SCHWELLENBACH. If that is so, it is, to my mind, an almost complete answer to the argument made by the Senator from South Carolina yesterday.

Mr. McKELLAR. Mr. President, will the Senator again yield to me?

Mr. SCHWELLENBACH. I yield.

Mr. McKELLAR. I wish to say that in my State the amount put up by the sponsor is, on an average, 25.5 percent. Except for two other States in the Union, I think my State puts up the largest average amount. In that respect my State is third in order. However, I wish to say, in fixing that average, the amounts that sponsors are required to spend for "white collar" projects and for women's projects are practically negligible; and if an amendment fixing the amount were placed in the joint resolution, it would virtually wipe out the "white collar" projects and the women's projects in my State.

Mr. SCHWELLENBACH. Mr. President, I now wish to go on with the next point which was made by the proponents of the amendment yesterday. I had a feeling that in their discussion of the city of New York they were a little unfair, and there was what I believe to be an effort to create a certain amount of prejudice in favor of their amendment and against the city of New York. I myself have said some rather nasty things about some people in the city of New York, but they did not do business in that part of the town or they did not live in that part of the town where the beneficiaries of any relief program either have done business or live.

I think the Members of the Senate should realize this. In 1935 the President of the United States appeared before the Congress and he made a statement, which was not correctly quoted yesterday by the Senator from North Carolina [Mr. BAILEY]. The President said that the Federal Government had to get out of this business of direct relief. It was not that the Federal Government should get out of relief, because immediately after that the President asked for over $4,000,000,000 for relief purposes from the Congress. Prior to that time the Federal Government very largely carried on both work relief and direct relief. But the policy was adopted in 1935 that the Federal Government should carry on work relief, and that the local communities and States would take over the obligation of direct relief. When figures are presented to the Senate as to the amount of money being contributed by the States and the counties and the cities, if we are going to have a true picture, if we are going to have a fair picture, we must include in that picture the figures of the number of persons upon direct relief, and the amounts of money that have been contributed by the States and the counties and the cities.

In January of 1936 the Federal Government contributed 11.2 percent toward direct relief. That percentage went down and the amounts went down so fast that by November of 1936 we were contributing only two-tenths of 1 percent toward direct relief. The average for the year was 2.6 percent. So when Senators talk about the city of New York and the State of New York, and leave out the amount that the State of New York and the city of New York contribute for direct relief, they are deliberately attempting to cause the Members of this body to stick their heads in the sand and not see the entire picture.

Mr. WAGNER rose.

Mr. SCHWELLENBACH. I shall be glad to yield at this point to the Senator from New York.

Mr. WAGNER. I shall wait until the Senator has concluded his address. I spent half of last night looking up the figures upon this question, and I hope to say something about it when the Senator shall have concluded.

Mr. SCHWELLENBACH. Mr. President, any fair tabulation, any tabulation which will present a full and complete and fair picture to the Members of this body in passing upon the question of this amendment must necessarily include all the figures.

At this time, Mr. President, I ask unanimous consent to have inserted in my remarks a table showing the Federal, State, and local funds used on relief and work programs for the calendar year 1936.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The table is as follows:

TABLE 42.—*Federal, State, and local funds used on relief and work programs,[1] calendar year 1936*

[House hearings, p. 246]

State	Total	Federal funds		State and local funds	
		Amount	Percent of total	Amount	Percent of total
United States	$5,008,073,641	$3,853,146,400	75.6	$1,244,927,241	24.4
Alabama	60,002,461	49,853,696	83.1	10,148,765	16.9
Arizona	38,443,024	32,850,868	85.5	5,592,156	14.5
Arkansas	50,295,536	42,295,115	84.1	8,000,421	15.9
California	301,490,275	221,173,007	73.4	80,317,268	26.6
Colorado	65,099,246	50,978,458	78.3	14,120,788	21.7
Connecticut	51,332,866	35,486,333	69.1	15,846,533	30.9
Delaware	5,760,197	4,737,273	82.2	1,022,924	17.8
District of Columbia	42,385,822	37,869,496	89.3	4,516,326	10.7
Florida	52,957,647	43,922,236	82.9	9,035,411	17.1
Georgia	62,342,235	52,121,452	83.6	10,220,783	16.4
Idaho	33,153,248	29,539,452	89.1	3,613,796	10.9
Illinois	326,929,068	216,770,542	66.3	110,158,526	33.7
Indiana	114,613,561	87,399,552	76.3	27,214,009	23.7
Iowa	61,854,873	46,240,924	74.8	15,613,949	25.2
Kansas	74,509,590	58,201,076	78.1	16,308,514	21.9
Kentucky	62,112,551	49,872,225	80.3	12,240,326	19.7
Louisiana	48,439,336	43,276,023	89.2	5,213,313	10.8
Maine	29,560,188	23,530,926	79.6	6,029,262	20.4
Maryland	45,819,455	36,534,060	79.7	9,285,395	20.3
Massachusetts	188,665,186	140,225,230	74.3	48,459,956	25.7
Michigan	154,895,520	113,894,472	73.6	41,001,048	26.4
Minnesota	116,756,939	90,031,732	77.1	26,725,207	22.9
Mississippi	55,289,150	42,417,999	76.8	12,821,151	23.2
Missouri	127,327,678	98,054,898	77.0	29,272,780	23.0
Montana	59,591,987	55,605,328	93.3	3,986,659	66.7
Nebraska	62,892,117	46,518,588	74.0	16,373,529	26.0
Nevada	13,120,703	11,799,024	89.9	1,321,679	10.1
New Hampshire	17,776,762	13,467,443	75.8	4,309,319	24.2
New Jersey	156,845,939	120,360,768	76.7	36,485,171	23.3
New Mexico	37,046,830	33,758,355	91.1	3,288,475	8.9
New York [2]	764,616,089	482,437,231	63.1	282,178,858	36.9
North Carolina	58,795,961	48,783,575	83.0	10,012,386	17.0
North Dakota	41,186,785	36,537,091	88.7	4,649,694	11.3
Ohio	264,754,905	200,663,705	75.8	64,091,200	24.2
Oklahoma	84,619,853	69,579,653	82.2	15,040,200	17.8
Oregon	61,348,287	50,898,352	83.0	10,449,935	17.0
Pennsylvania	404,418,316	297,035,671	73.4	107,382,645	26.6
Rhode Island	27,948,185	16,083,427	57.5	11,864,758	42.5
South Carolina	48,152,449	39,925,125	82.9	8,227,324	17.1
South Dakota	44,109,422	40,096,210	90.9	4,013,212	9.1
Tennessee	64,973,682	48,392,024	74.5	16,581,658	25.5
Texas	171,924,642	127,733,203	74.7	43,291,429	25.3
Utah	32,973,328	27,130,415	82.3	5,842,913	17.7
Vermont	15,976,458	12,868,629	80.5	3,107,829	19.5
Virginia	69,470,425	59,212,124	85.2	10,258,301	14.8
Washington	95,380,918	77,292,710	81.0	18,088,208	19.0
West Virginia	74,761,959	64,467,154	86.2	10,294,805	13.8
Wisconsin	119,492,853	91,079,323	76.2	28,413,530	23.8
Wyoming	22,389,456	19,794,539	88.4	2,594,917	11.6
Various	114,349,688	114,349,688	100.0		

[1] Includes funds used for direct relief, Works Progress Administration projects, Public Works Administration projects, Bureau of Public Roads projects (including Federal-aid highway projects), Resettlement Administration projects operated by other Federal agencies from funds made available through the National Industrial Recovery Administration Act of 1933, and the Emergency Relief Appropriation Act of 1935, and the Emergency Relief Appropriation Acts of 1935 and 1936.

[2] See table 43–A, following, for distribution of expenditures between New York City and New York State exclusive of New York City.

Mr. SCHWELLENBACH. Mr. President, the table shows that the State and local funds amounted to 24.4 percent on a national average. There has been discussion about the statement that the State of Idaho contributed the highest percentage toward W. P. A. projects and the State of New York the lowest percentage. When all the figures are taken together let us consider the two States which have been referred to. Idaho had a total contribution of 16.4 percent, while New York had a total contribution of 36.9 percent. So that instead of Idaho being the high State it was merely the average State, and instead of New York being the low State it was almost the high State. If we are going to consider this question fairly it must be upon the basis of the total amount of money spent upon direct relief and work relief.

Mr. McNARY. Mr. President——

Mr. SCHWELLENBACH. I yield to the Senator from Oregon.

Mr. McNARY. Mr. President, I have been confused and confounded by the different figures which have been presented. I have on my desk, furnished me by the able Senator from South Carolina, figures which are wholly different from those now given by the Senator from Washington.

Mr. SCHWELLENBACH. Let me say to the Senator from Oregon——

Mr. McNARY. Just a moment. I have read the reports furnished the Senate and those furnished the House and have heard the discussion on the floor, and not once has anyone agreed upon the figures. Where did the Senator from Washington get these peculiar figures?

Mr. SCHWELLENBACH. Let me say to the Senator that there is nothing "peculiar" about my figures. They come from the House hearings at page 247. There is nothing "peculiar" about them. They just happen to be the figures that include the whole picture, while the figures at which the Senator from Oregon has been looking since yesterday did not include the whole figures. The figures which the Senator secured from the Senator from South Carolina were W. P. A. figures exclusively. They did not include the amount of money which States, counties, and cities have contributed for direct relief. In the first 11 months of last year the Federal Government contributed only 2.6 percent of the total expended for direct relief, and in the month of November that percentage had dropped so that it was only two-tenths of 1 percent for direct relief. I think anybody who will consider the whole picture fairly must agree with the conclusion that when the Federal Government adopts a policy by which it says to States and counties and cities, "You take care of direct relief and we will take care of work relief", in giving a tabulation of the total amount spent there should be given the total amount spent by both upon both kinds of relief.

Mr. McNARY. I will state to the Senator that I do not dispute his figures or the figures of other Democrats, for they all emanate from Democratic sources, but none of them are alike. That is not a peculiar situation, however.

Mr. SCHWELLENBACH. There is no confusion in the figures. It may be that it is rather difficult for those on the other side of the aisle to understand figures. [Laughter.] I know that some figures were published last fall by the Literary Digest which were accepted with great enthusiasm by those upon the other side; but they were "peculiar" figures; there must have been something wrong with them. There is, however, nothing "peculiar" about the fact that the Senator from South Carolina presents one set of figures and I present another set when it is understood that his figures relate purely to W. P. A. and my figures include all sorts of relief, direct relief as well as work relief.

Mr. BYRNES. Mr. President, will the Senator yield?

Mr. SCHWELLENBACH. I yield to the Senator from South Carolina.

Mr. BYRNES. The Senator has made the statement which I desired to make, that there is no reason for any misunderstanding about these figures. They are not my figures; but as, in the case of the Senator from Washington, they are the figures presented by the Administrator, Mr. Hopkins. The table which the Senator from Oregon has before him, which appears at page 169 of the House hearings, specifically sets forth that it refers only to the Works Progress Administration.

It shows the number of projects, it shows the total cost of W. P. A. projects, and it shows the percentage of the cost supplied from Federal funds and the percentage of the cost supplied from sponsors' funds, and is limited to that. The table to which the Senator from Washington refers, and which is also in the House hearings, does not purport to show the difference in percentage between the contributions of the Federal Government and local governments for W. P. A., but to show the amount of money spent by local governments for all manner of relief.

The only difference between us is as to whether or not in determining this question we should consider the percentage contributed by sponsors and that contributed by the Federal Government of the cost of a work project, or whether, in determining it, we should take into consideration the amount of money spent by local governments for direct relief and for other purposes. There is no dispute as to the figures.

Mr. SCHWELLENBACH. Mr. President, the Senator from South Carolina argued yesterday that we should accept

the table which he has. I am arguing in determining this question that we should accept the table which I present. There is no argument between us as to the correctness or incorrectness of either table. I think, however, the Members of the Senate will take into consideration this other fact, which is shown by a table on page 187 of the House hearings, that the amount of money which the States and local communities have put up for relief has been increasing steadily since 1933. In 1933 the amount was $312,000,000; in 1934 it was $412,000,000; in 1935 it was $468,000,000; and in 1936 it was $494,000,000.

I say we should take those figures into consideration in connection with the argument made yesterday that the local governments were the ones that were forcing the increase in the expenditures by the Federal Government; but, as a matter of fact, the Federal Government has steadily decreased its expenditures and the local governments have increased their expenditures.

Mr. BARKLEY. Mr. President, will the Senator yield there?

Mr. SCHWELLENBACH. I yield to the Senator from Kentucky.

Mr. BARKLEY. Did the figures just recited by the Senator include the amount expended for all relief purposes or only for W. P. A., where he stated that the amount contributed locally for 1936 was $494,000,000?

Mr. SCHWELLENBACH. Those were the figures for direct and work relief spent for local relief agencies.

Mr. BARKLEY. Did the Senator also—my attention was distracted—give the total amount of State contributions and local contributions toward direct relief and work programs?

Mr. SCHWELLENBACH. Yes; I put that in the RECORD.

Mr. BARKLEY. Showing that for 1936 they contributed $1,244,000,000, which was almost 100 percent over the amount contributed in 1935, and that increase was coincidental with the decrease of the expenditures by the Federal Government for direct relief and also for work relief?

Mr. SCHWELLENBACH. I have not as yet put those figures in the RECORD. Mr. President, in conformity with the suggestion of the Senator from Kentucky, I ask unanimous consent to have printed in the RECORD a table appearing in the House hearings on page 186 which shows the total State and local funds used for relief and work programs from 1933 to 1936.

The PRESIDENT pro tempore. Without objection, the table will be printed in the RECORD.

The table referred to is as follows:

TABLE 24–A.—*Total State and local funds used for relief and work programs, 1933–36* [1]

[House hearings, p. 186]

State	Total	1933	1934	1935	1936
United States	$2,940,166,087	$338,793,519	$641,807,569	$714,637,758	$1,244,927,241
Alabama	17,837,257	709,947	3,192,282	3,786,263	10,148,765
Arizona	10,220,677	734,081	1,423,269	2,471,171	5,592,156
Arkansas	15,024,840	322,957	2,734,315	3,967,147	8,000,421
California	192,428,997	22,191,599	28,442,499	61,477,631	80,317,268
Colorado	26,855,284	1,488,965	6,073,471	5,172,060	14,120,788
Connecticut	57,910,208	9,020,862	14,720,293	18,322,520	15,846,533
Delaware	6,577,861	1,766,585	2,661,340	1,127,012	1,022,924
District of Columbia	10,512,092	2,195,505	1,077,647	2,722,614	4,516,326
Florida	15,909,295	1,019,282	2,977,561	2,937,041	9,035,411
Georgia	17,665,198	743,205	3,427,073	3,274,137	10,220,783
Idaho	7,491,060	669,148	1,251,910	1,956,226	3,613,796
Illinois	234,735,280	19,898,109	55,726,258	48,952,387	110,158,526
Indiana	67,515,984	7,533,671	17,040,576	15,727,728	27,214,009
Iowa	44,371,896	5,396,649	13,671,006	9,690,092	15,613,949
Kansas	41,294,513	3,684,013	9,743,572	11,558,414	16,308,514
Kentucky	24,463,287	1,334,187	5,901,368	4,897,406	12,240,326
Louisiana	10,561,787	1,239,010	1,991,708	2,117,756	5,213,313
Maine	18,348,905	3,673,598	3,971,967	4,674,079	6,029,252
Maryland	29,435,355	5,031,866	10,876,734	4,241,360	9,285,395
Massachusetts	183,708,675	34,456,374	50,906,253	49,886,092	48,459,956
Michigan	92,809,243	10,283,024	22,617,015	18,968,156	41,001,048
Minnesota	62,126,549	5,033,066	13,488,454	16,879,823	26,725,207
Mississippi	16,610,947	202,603	1,341,017	2,246,176	12,821,151
Missouri	65,569,191	3,425,690	14,430,034	18,440,687	29,272,780
Montana	12,435,620	1,092,035	4,213,533	3,143,393	3,986,659
Nebraska	31,477,588	2,159,922	5,976,382	6,967,755	16,373,529
Nevada	2,313,223	138,485	301,123	551,936	1,321,679
New Hampshire	14,114,588	1,330,960	4,600,141	3,874,168	4,309,319
New Jersey	$91,929,881	$20,050,131	$11,978,288	$23,416,291	$36,485,171
New Mexico	5,142,296	148,541	501,739	1,203,541	3,288,475
New York	704,406,641	84,717,057	151,571,928	185,938,798	82,178,858
North Carolina	17,823,085	1,274,208	3,933,717	2,602,774	210,012,386
North Dakota	11,036,414	1,174,103	2,068,412	3,114,205	4,649,694
Ohio	136,807,987	18,676,593	33,975,572	20,064,622	64,091,200
Oklahoma	28,355,839	2,002,340	6,117,107	5,196,192	15,040,200
Oregon	21,075,012	877,918	3,131,457	6,615,702	10,449,935
Pennsylvania	258,219,721	40,681,414	51,687,490	58,468,172	107,382,645
Rhode Island	28,937,209	2,891,058	5,695,442	8,485,951	11,864,758
South Carolina	13,055,212	264,706	2,713,082	1,850,100	8,227,324
South Dakota	12,389,265	1,640,033	4,290,919	2,445,101	4,013,212
Tennessee	24,679,698	429,360	2,732,205	4,936,475	16,581,658
Texas	80,268,595	797,888	17,116,308	19,002,970	43,291,429
Utah	14,801,735	1,140,188	4,081,898	3,736,736	5,842,913
Vermont	7,331,268	998,623	1,883,083	1,341,733	3,107,829
Virginia	20,780,640	960,518	6,114,386	3,447,435	10,258,301
Washington	36,029,992	3,184,749	7,851,978	6,905,057	18,088,208
West Virginia	23,037,236	906,609	5,610,789	6,225,033	10,294,805
Wisconsin	68,928,629	8,788,712	13,218,612	18,507,772	28,413,530
Wyoming	4,084,523	413,382	634,356	1,041,868	2,594,917

[1] Includes funds used for direct and work relief, Civil Works Administration projects, Works Progress Administration projects, and Public Works Administration projects. For explantion of items included, see footnotes on tables 24–B through 24–E.

Mr. SCHWELLENBACH. As I said at the outset, I was very much interested in the remarks of the Senator from North Carolina yesterday. I was interested because of the fact——

Mr. ROBINSON. Mr. President, will the Senator yield to me?

Mr. SCHWELLENBACH. I yield to the Senator from Arkansas.

Mr. ROBINSON. I would not interrupt the argument of the Senator, were it not for the fact that it is my intention to offer an amendment to the committee amendment, and it appears that it is time that the amendment to the amendment, if it is to be proposed, should be submitted, so that the Senate may be thinking about it. If it would not interfere with the Senator's remarks too much, I should like to have the amendment now stated, and I will discuss it when I am able to obtain the floor.

Mr. SCHWELLENBACH. I have no objection to that being done.

The PRESIDENT pro tempore. Without objection, the amendment proposed by the Senator from Arkansas to the amendment reported by the committee will be stated.

The LEGISLATIVE CLERK. In the committee amendment, line 17, page 4, it is proposed to strike out "40" and insert in lieu thereof "25"; after the word "services", in line 18, page 4, to insert a period and strike out the remainder of the amendment down to and including the word "supply" in line 23, page 4, and insert in lieu thereof the following:

Provided, That if the President shall find any project to be necessary in order to provide work relief in the community where the project is to be located, and that the applicant is unable to supply 25 percent of the cost as herein required, he may authorize the project upon such contribution or assurance of contribution as he finds that the applicant is able to make.

Mr. BORAH. Mr. President, may I ask the Senator from Arkansas a question?

Mr. ROBINSON. I have not the floor.

Mr. SCHWELLENBACH. I yield to the Senator from Idaho.

Mr. BORAH. From hearing the amendment read I could not follow it exactly. Would it reduce the contribution required by local communities to 25 percent?

Mr. ROBINSON. It reduces to 25 percent the amount required to be paid if those applying for the project are able to contribute that much. It does not mean that a larger amount may not be required, for, as the Senator knows, many of these projects have been promoted with the requirement that the applicant pay 40 percent, or even 50 percent, but 25 percent would be the minimum requirement if the applicant were able to meet that requirement.

There is a further provision that if the President finds that any project is necessary for work relief in the community where the project is located, the project may be proceeded with, notwithstanding this limitation upon the contribution of so much as those sponsoring the project may be able to provide. In other words, if I may trespass

on the time of the Senator from Washington a little further at this juncture, it obviates two difficulties, as I see it: First, the amount of 40 percent is too large and will bar and prevent necessary work-relief projects; second, the amendment to the amendment does not exclude any project that is found to be necessary for work relief in the community if those sponsoring the project are unable to meet the 25-percent requirement. My reason for that is that there are some projects that are for the benefit of those who are most needy. Such projects would be excluded under the terms of the amendment as presented by the committee, the amendment known as the Byrnes amendment. No project that is found to be necessary for work relief in the community where the projects is located would be excluded under the amendment which I am proposing to the committee amendment. It would, however, contemplate that where the sponsors are able to do so they shall contribute at least 25 percent.

I will discuss the amendment further at a more opportune time.

Mr. McNARY. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Washington yield to the Senator from Oregon?

Mr. SCHWELLENBACH. I yield.

Mr. McNARY. I am very happy that the Senator from Arkansas has carried out the suggestion proposed by the Senator from Oregon yesterday. However, I want to inquire if the amendment includes both P. W. A. and W. P. A.

Mr. ROBINSON. It does not affect P. W. A.

Mr. SCHWELLENBACH. Mr. President, I had hoped, as the result of my argument upon the question of arbitrary power, to have dissuaded the Senator from Arkansas from the introduction of this amendment. I do not care whether it is 25 or 40, 10 or 50 percent, so long as it is an arbitrary amount it contains precisely the evils and the objections to which I have alluded. While I dislike very much to disagree with the Democratic leader I am convinced that the amendment which he proposes contains within itself all the evils contained in the amendment of the Senator from South Carolina.

Mr. ROBINSON. Mr. President, will the Senator yield?

Mr. SCHWELLENBACH. Certainly.

Mr. ROBINSON. Of course, I realize, in presenting the amendment, that there is one group which does not believe any requirement should be made of those who propose the project, but that the matter should be left entirely to the discretion of the Administrator. I think perhaps the President would take that view of the matter. I am sure Mr. Hopkins does take that view of it. Nevertheless it occurs to me the time has come when, if we are to perform our duty with respect to the National Budget, if we are to safeguard the credit of the Treasury, we should require that those who are able to contribute to these projects should do so in a reasonable amount.

There are some who would not be satisfied with 25 percent. I made a brief statement a few moments ago of the reasons which prompted me to propose 25 percent in lieu of the 40 percent carried in the committee amendment. I think 40 percent is too high and that it would prevent the accomplishment of projects which are necessary for work relief.

Under the amendment I have proposed no projects found necessary by the President will be barred. All projects of that character may be proceeded with. There is not imposed in my amendment to the amendment any requirement as to the method by which the conclusion may be reached that the proponent of the project is unable to pay 25 percent. The President or the Administrator is at liberty to reach that conclusion in the same way it is reached now.

The amendment which I have submitted to the committee amendment does not contemplate the adoption of constitutional amendments or the enactment of statutes. It simply means what it says. When a project is proposed in a community where there is necessity for work relief, if those suggesting the project are unable to meet the 25-percent requirement, the projects may be proceeded with notwithstanding that fact; but if they are able to meet it, and the President finds they are able to do so, I challenge anyone to give a substantial reason why they should not be required to do it and why we as representatives of the National Government should not expect them to do it.

I thank the Senator from Washington for yielding so extensively. I am compelled to leave the Chamber for a brief period of time.

Mr. BLACK. Mr. President, will the Senator from Washington yield to enable me to submit a question to the Senator from Arkansas before he leaves the Chamber?

Mr. SCHWELLENBACH. I yield.

Mr. BLACK. Under the amendment submitted by the Senator from Arkansas, the President would have the power to deprive a community of a project if the community does not put up 25 percent, and under the Byrnes amendment the President would have the power to deprive the community of a project if it does not put up the 40 percent. In the long run, in spite of the difference in language and the difference in intent, would not the result be the same to the community?

Mr. ROBINSON. Mr. President, will the Senator from Washington yield to enable me to answer the question?

Mr. SCHWELLENBACH. Certainly.

Mr. ROBINSON. I do not share that conclusion of the Senator from Alabama. The power exists now without limitation to reject any project that is proposed. The practice has been to require applicants for projects to show what they are able to contribute. The standard varies very greatly. In my State some projects have been advanced when the proponents of them were required to put up 50 percent.

The amendment which I have proposed establishes a comparatively uniform standard below which the proponents may not go in their contributions unless the President finds that it is necessary to do so to prevent suffering on the part of those who are the objects of the Government's aid. In my judgment, it takes care of the difficulty the Senator from Alabama has in mind.

Mr. BLACK. I may state that, in my judgment, it is still exactly the same, because the President is given the power in each instance to require the 25 percent or to require the 40 percent. The fact that there is additional language does not change the result. In my judgment, the only difference between the 25-percent requirement in the amendment of the Senator from Arkansas and the 40-percent requirement contained in the amendment of the Senator from South Carolina is that it might be that some of the communities could put up the 25 percent but could not put up the 40 percent.

Mr. ROBINSON. In answer to that suggestion, if I may answer in the time of the Senator from Washington the President now has the power—though in actual practice it is done by the Administrator—to reject any project or demand the payment of any amount he sees fit to demand. He may in theory demand 5 percent from the proponents of one project and 75 percent from the proponents of another project. What the amendment which I have submitted would do is to make sure that no meritorious project, no project found by the President to be meritorious, would be denied Federal aid, and at the same time that those who are able to contribute as much as 25 percent shall be required to do so.

Mr. BARKLEY. Mr. President, will the Senator from Washington yield to enable me to submit a brief question to the Senator from Arkansas, because I shall want to discuss this matter a little later if I have the opportunity to do so.

Mr. SCHWELLENBACH. I yield to the Senator from Kentucky.

Mr. BARKLEY. Under the present method informal conferences are held between the administrator and the sponsors in every community. Of course those conferences do not take place between Mr. Hopkins and the school board, for instance, but through the State administrator and his representatives these informal conferences agree very largely, without great controversy, on the amount the community can put up.

Is there any wide difference between that method, and the setting up of a fixed yardstick in the law itself which

must prevail except in certain exceptional cases referred to in the amendment of the Senator from Arkansas and referred to in the Byrnes amendment? Is there any greater difficulty in determining these matters without friction, disagreement, disappointment, jealousy, and envy where there are informal conferences than where we have a fixed yardstick by which we must measure the amount which the sponsors must contribute?

Mr. ROBINSON. Of course, there is a difference, otherwise it would be absurd to offer the amendment. I make no complaint about the manner in which the work relief program has been administered. On the whole I think it has been effective and successful. I have no criticism to offer of Mr. Hopkins. I think he has done a wonderful work. But conditions are different now from what they were when we first initiated the work-relief program. I think that is easily demonstrable. We are now living in a period of notable general prosperity and if the time is ever to come when we are to diminish this burden, it surely is at hand or is approaching.

As to the authority or freedom of the Administrator, of course the amendment would impose some limitation upon his authority. His duty under the amendment would be to procure at least 25 percent in contribution by the applicant for the project if he can do so. If he finds the applicant is unable to pay it and finds that the project is necessary, he may go forward with it on the present basis. The only distinction between the present system and the one proposed by my amendment to the committee amendment is that my amendment would impose upon the Administrator the duty to procure 25 percent if he could do so. To that extent it limits his discretion.

Mr. SCHWELLENBACH. Mr. President, I now desire to discuss the general subject. I think the things I now have to say will certainly apply just as much to the suggested amendment as to the committee amendment.

First I wish to read to the Senate from a political platform. Something was said yesterday about political platforms. I desire to read from the 1936 platform of a great political party:

> We pledge * * * Federal grants-in-aid to the States and Territories while the need exists upon compliance with these conditions: (a) A fair proportion of the total relief burden to be provided from the revenues of State and local governments; (b) all engaged in relief administration to be selected on the basis of merit and fitness; (c) adequate provision to be made for the encouragement of those persons who are trying to become self-supporting.

That was the pledge of the Republican Party in 1936; and I think if Senators will analyze the proposals made here, if they will analyze the discussions that have been made here by the proponents of the pending committee amendment, they will find that the proposal and the arguments fairly well comply with the pledge of the Republican Party of 1936.

Now, I want to read the Senate something that I read yesterday morning with a great deal of interest. It was inserted in the RECORD on June 14, on Monday of this week, by the senior Senator from North Carolina [Mr. BAILEY]. It is a letter written by him to the Legislature of the State of North Carolina, in which the distinguished Senator discussed the necessity of compliance with political party platforms. He said:

> I have no right, in politics or morals, to violate my party's covenant or my covenant with the electorate. I cannot assume that public opinion has changed between February 5 and March 22, 1937—and surely it could not have changed prior to February 5. If I could assume that it has changed between February 5 and March 22, 1937, would I be safe in assuming that it would not change again before the year is out?* * *
>
> I have always considered the platforms on which I stood as binding—first, as obligations of my party; second, as covenants accepted by the electorate; third, as solemn promises given by myself as candidate. I cannot change them after an election. I cannot go behind or over the verdict of the people as formally ascertained and declared in the election.
>
> In a word, I consider it my solemn duty to the Democratic Party, and the majority of the people, to abide by its platform.

What did the Democratic Party say to the people of this country in 1936? I am talking now to the Members on this side of the Chamber. I think it is about time that someone stood up and talked to the Members on this side of the Chamber about the aims and aspirations of the Democratic Party. I think it is about time that the members of the Democratic Party took to heart the words of the Senator from North Carolina when he wrote that letter, now that we are having all this discussion about what we are going to do. We are "going back to normalcy." "Going back to normalcy!" Back to the days of Harding and Daugherty; "back to normalcy!"

I say to the Members of this body on the Democratic side that the Democratic Party in 1932 and in 1936 made a pledge to the common people of this country that the Democratic Party was never going to take it back to "normalcy"—back to the days of Harding and Daugherty; back to the days of the greatest saturnalia of corruption this Nation has ever known; back to the days of ship subsidies, when the Fleischackers in San Francisco and the Dollar Line put their hands into the public pocket and took money from the people of this country; back to the stock-speculation days of 1926 and 1929. Every Member of this body must recognize that the Democratic Party pledged to the people of this country that we were never going back to that kind of normalcy. Senators get up and say, "Why, prosperity has returned."

I listened with interest to the very eloquent words of the senior Senator from North Carolina [Mr. BAILEY] about the "bright sunlight of prosperity" returning. Do not the Members of this body know that the "bright sunlight of prosperity" has not penetrated into the homes of one-third of the population of the country? If we make a pledge, I accept fully and without reservation the statement made by the Senator from North Carolina, in his letter to his legislature, as to the necessity of complying with it. But what was our pledge upon this question?

The Democratic Party, meeting at Philadelphia, said:

> We believe that unemployment is a national problem, and that it is an inescapable obligation of our Government to meet it in a national way.

That was in June of 1936. In speaking on that platform, what did the President say? I ask Members here, were there any of you who were candidates for office in 1932 or 1934 or 1936 who said, "No; I do not agree with the President. I will not go along with his program"?

Let me pay tribute to two men in this body who I think have absolutely kept faith. The senior Senator from Virginia [Mr. GLASS] and the junior Senator from Virginia [Mr. BYRD] have never told the people of this country that upon financial matters they agreed with the President, and they stood up frankly and honestly and told their people where they would stand; but have you seen many of the other Members of this body who went into the elections of 1932 and 1934 and 1936 and said, "When I get into the Senate again I am going to vote that unemployment is not a national problem"?

Mr. BAILEY. Mr. President——

Mr. SCHWELLENBACH. I yield to the Senator from North Carolina.

Mr. BAILEY. Is the Senator taking the position that the assertion of the platform that unemployment is a national problem excludes States and counties and cities from the responsibility and obligation to do a certain part?

Mr. SCHWELLENBACH. If the Senator had been here during the earlier part of my remarks——

Mr. BAILEY. The Senator is quoting my statement about the platform, and I wish to know whether that is his position.

Mr. SCHWELLENBACH. If the Senator had been here earlier, he would not have asked that question. The Democratic Party, the President, this administration, very definitely told the people of the country in 1935 and 1936 where the line of demarcation was. We said that those who were unemployed because of national conditions were not in that situation because of conditions in North Carolina, or in North Dakota, or in California, or in Maine, or in other States. Such unemployment is not due to any local causes. The Democratic Party told the people of this country that we recognized that the causes of that condition were na-

tional, and that we were going to have the Democratic Party, in charge of a national administration, assume the responsibility for that problem. We said, on the other hand, that the problem of unemployables—persons who were too old to work, persons who were disabled, or persons who were just lazy—was a local problem.

Mr. BAILEY. Mr. President——

Mr. SCHWELLENBACH. I yield to the Senator from North Carolina.

Mr. BAILEY. I put a rather simple question to the distinguished Senator from Washington, and it is my impression that he has not answered it. If the Senator is taking the position that there is no local obligation in the view of our platform, then he is indicting this administration for demanding contributions from the sponsors throughout the country. Let the Senator take his position.

Mr. SCHWELLENBACH. I do not care to enter into a personal discussion with the Senator from North Carolina. I think our position is known to everybody, that we have assumed responsibility. I think no one could have heard the speech of the President at Pittsburgh without realizing that fact.

Mr. BAILEY. Mr. President, may I interrupt the Senator again?

Mr. SCHWELLENBACH. I yield.

Mr. BAILEY. I am agreeing that we have assumed the responsibility, and I stated on yesterday that the problem was a national problem. I stated, further, that it was not exclusively a national problem, and that the conception of the problem as national by the Congress did not exclude the local subdivisions from their fair share of responsibility. As I understood the Senator, he quoted my statement on the solemn obligation of the platform, by way, I think, of suggesting that my position was not in line with the platform.

Mr. SCHWELLENBACH. Let me say to the Senator that I used his statement only because it was so much better a statement than I could have written upon the question of obligation. I had no other motive.

Mr. BAILEY. I thank the Senator. Since the question has arisen, I say that the position of the platform does not exclude the dutiful States and local subdivisions from their duties. I do not think the Senator will so contend. I further say that the policy of this administration, directed by the President who was elected upon that platform, is a policy of national aid and State and city and county aid, and that the platform as interpreted by the head of the administration sustains my position that the local subdivisions do have a great duty in that respect and that the Congress is justified in holding them to that duty. I do not think the Senator will say that my position is inconsistent with the platform in the light of the administration's interpretation.

Mr. SCHWELLENBACH. Mr. President, let me read two quotations from the campaign speeches of the President last year. I say it is about time to get back to reading what we told the people of this country. The Democratic Party was returned to power after making a solemn pledge to the people of this country. Here is what the President said at Pittsburgh on October 2:

> I had promised and my administration was determined to keep the people of the United States from starvation.
>
> I refused to leave human needs solely in the hands of local communities—local communities which themselves were almost bankrupt.
>
> To have accepted that advice would have been to offer bread lines again to the American people, knowing this time that in many places the lines would last far longer than the bread. In those dark days, between us and a balanced Budget, stood millions of needy Americans denied the promise of an American life.

In Madison Square Garden on November 1, 1936, the President said:

> Of course, we will provide useful work for the needy unemployed; we prefer useful work to the pauperism of a dole.
>
> Here and now I want to make myself clear about those who disparage their fellow citizens on the relief rolls. They say that those on relief are not merely jobless—they are worthless. Their solution for the relief problem is to end relief—to purge the rolls by starvation. To use the language of the stockbroker, our needy unemployed would be cared for when, as, and if some fairy godmother should happen on the scene.
>
> You and I will continue to refuse to accept that estimate of our unemployed fellow Americans. Your Government is still on the same side of the street with the Good Samaritan and not with those who pass by on the other side.

Mr. President, we hear a lot of talk about balancing the Budget and the necessity therefor.

Mr. BAILEY. Mr. President, may I interrupt the Senator?

Mr. SCHWELLENBACH. Certainly.

Mr. BAILEY. Is there not a pledge in the platform that we balance the Budget?

Mr. SCHWELLENBACH. There is a pledge in the platform that we balance the Budget when it is possible under the conditions in this country.

Mr. BAILEY. Is the Senator quoting that? We gave a specific pledge that we would balance the Budget.

Mr. SCHWELLENBACH. If the Senator from North Carolina will read the platform, and then show me what it says as to when we will balance the Budget, I will be very glad to yield to him to do so. Does the Senator think—is there anyone in this body who honestly believes that when the people of this country in 1936, on the 2d of November, walked to the polls and cast 27,000,000 votes for Franklin Roosevelt they thought that within a period of a little over 6 months from that time the members of the Democratic Party were going to stand up and defy the President and say, "No; we will balance the Budget"? Is there anyone here who believes that the people of this country, relying upon a Democratic majority in the Congress, thought that the President was going to be defied in that way? We assumed an obligation, we assumed it as a political party, and every Member of this body who belongs to that political party must recognize that obligation. We are conducting a warfare in this country, a warfare against conditions of poverty. The Democratic Party pledged itself to carry on that war, and we are led in that war by a general.

Mr. BAILEY. Mr. President, will the Senator yield?

Mr. SCHWELLENBACH. I yield.

Mr. BAILEY. The Senator invited me to refer to the platform. I am fortunate in having gotten one quickly; and I am going to read the platform, first, on unemployment.

> We believe that unemployment is a national problem, and that it is an inescapable obligation of our Government to meet it in a national way. Due to our stimulation of private business, more than 5,000,000 people have been reemployed; and we shall continue to maintain that the first objective of a program of economic security is maximum employment in private industry at adequate wages. Where business fails to supply such employment, we believe that work at prevailing wages should be provided in cooperation with State and local governments—

That is the platform pledge—

> on useful public projects, to the end that the national wealth may be increased, the skill and energy of the worker may be utilized, his morale maintained, and the unemployed assured the opportunity to earn the necessities of life.

It says that, while it is a national problem, the job is to be handled in cooperation with the States and local governments.

As for the balanced Budget, on page 371, this is the pledge:

> We are determined to reduce the expenses of government. We are being aided therein by the recession of unemployment. As the requirements of relief decline and national income advances an increasing percentage of Federal expenditures can and will be met from current revenues secured from taxes levied in accordance with ability to pay. Our retrenchment, tax, and recovery programs thus reflect our firm determination to achieve a balanced Budget and the reduction of the national debt at the earliest possible moment.

I invite the Senator to stand with me on the retrenchment program and the balanced Budget program and the pledge of cooperation between the Federal Government and the State and local governments in handling this national problem of relief. This is the platform.

Mr. SCHWELLENBACH. I have a copy here.

Mr. MINTON. Mr. President, does the Senator from Washington want to join the Senator from North Carolina in balancing the Budget at the expense of hungry people?

Mr. SCHWELLENBACH. I most certainly do not, and I do not think the people of this country——

Mr. BAILEY. Mr. President——

Mr. SCHWELLENBACH. Just a moment, please. When the people of this country returned the Democratic Party to power in 1936, they certainly did not anticipate that the Democratic Party was going to take the attitude toward the problem of relief that was taken upon the floor of the Senate yesterday by the Senator from North Carolina. As I said earlier in my remarks, there is only one logical conclusion to be drawn from the remarks of the Senator from North Carolina, and that is that relief should be completely abandoned. If it has the enervating effect upon the morale and the morals of the people of this country which he described yesterday, then certainly it ought to be abandoned. I do not think anyone would construe the platform in that way, and I do not think anyone would fairly ask anybody who attempted to stand upon that platform in June of 1937 to insist upon a program which would result in the abandonment of relief for the unemployed of the country.

Mr. BAILEY. Mr. President, will the Senator yield?

Mr. SCHWELLENBACH. I yield.

Mr. BAILEY. The Senator's remark about logic interests me very much. I cannot understand how he could construe what I said to mean that I was advocating abandonment of relief, when I began my remarks by stating that I had prepared and would present an amendment calling for the appropriation of a thousand million dollars for relief, and, following that, I demanded that the States, counties, and cities do their duty in the premises.

As for the statement of the junior Senator from Indiana, it was so manifestly fair and so elevating, placing me and others who entertain the views I entertain in the category of men who would wish to balance the Budget at the expense of the hunger and the suffering of our fellow men, that statement is such a lofty statement that I feel I should not make any comment upon it. I let it stand as a monument to the Senator from Indiana.

Mr. MINTON. Mr. President, will the Senator from Washington yield?

Mr. SCHWELLENBACH. I yield.

Mr. MINTON. The Senator from North Carolina knows that there is no way to balance the Budget in this year of 1937 unless we take it out of the hides of the hungry people of this country.

Mr. BAILEY. Mr. President——

Mr. MINTON. And if he is talking about balancing the Budget, I do not know where he is going to turn to get the money to balance it unless he gets it there. I want it distinctly understood, and I reassert it, that for my part I do not propose to stand here and vote to balance the Budget at the expense of hungry and suffering people. If the Senator from North Carolina can find some other way to do it, I will join him.

Mr. BAILEY. Mr. President, I shall leave that statement also just as it is. But I have not even intimated that we could balance the Budget in the remaining 14 days of this fiscal year; and I leave that right where it is. I did submit that we could balance the Budget by the 1st of July 1938, and that we could do it if we cut this appropriation to a billion dollars and called upon the States and counties and cities to do their fair share. That is my position, and I am perfectly willing to stand upon it, and let the rhetoricians interpret it as they please.

Mr. SCHWELLENBACH. I call the attention of the Senator from North Carolina to the fact that he said yesterday that he wanted to reduce the appropriation to a billion dollars, that he did not know but that after he got through talking he might suggest it anyway, even if this amendment were adopted.

The record before this body discloses that there are now on W. P. A. rolls 2,200,000 people, that there are 350,000 people in the country certified for W. P. A. over and above that 2,200,000, and that if we adopt this amendment and make the appropriation a billion and a half the number on W. P. A. will be reduced to 1,700,000 people. Yet the Senator from North Carolina wants the appropriation reduced to a billion dollars. There is no other conclusion any logical mind can accept but that if he favors a reduction to a billion dollars, he certainly is favoring an effort to balance the Budget at the expense of the unemployed in this country.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. SCHWELLENBACH. I yield.

Mr. BARKLEY. Getting back for a moment to the interpretation of the platform read a while ago, which suggested increased cooperation from local communities and a gradually declining expenditure on the part of the Federal Government, does not the Senator think that the increase in local contributions in 4 years from $338,000,000 to $1,244,000,000, and an increase in 1 year, from 1935 to 1936, from $714,000,000 to $1,244,000,000, is a fair compliance with the requirements not only of the Democratic platform but of the equities as between the Federal Government and the local governments in undertaking to meet this problem by cooperation between the national and local governments? Does he not also think that the decrease in the annual appropriation by the Federal Government from four billion and more in one year and three billion three hundred million in another year to a billion and a half for next year is a substantial compliance with the requirements of our platform that we reduce Federal expenses for relief purposes in cooperation with the States and local communities?

Mr. SCHWELLENBACH. Nation-wide it is.

Mr. BARKLEY. Yes.

Mr. SCHWELLENBACH. And when I find that the State of North Carolina in 1935 had only forty-eight thousand for direct relief, which went down from 1933, when they had a million and fifteen thousand, one hundred and ninety thousand in 1934, and only forty-eight thousand in 1935, I recognize that there are parts of this country in which the Federal Government is not getting so very much cooperation upon the question of taking care of the unemployed and providing relief.

Mr. BAILEY. Mr. President——

Mr. BARKLEY. Do those figures refer to individuals or to dollars?

Mr. SCHWELLENBACH. Dollars—$48,000.

Mr. BAILEY. I was taking the course that would cause my State to pay 40 percent. The Senator cannot shake his gory locks at me about that. What I want to call attention to in connection with that fact is that the sponsors for projects in North Carolina had put up 19 percent.

While I am on my feet I should like to say another thing. In 20 months the Federal Government has spent only $23,000,000 in the whole Commonwealth of North Carolina. In view of the fact that in those same 20 months it expended $800,000,000 in Pennsylvania and New York——

Mr. SCHWELLENBACH. Mr. President, I do not intend to yield to permit the Senator from North Carolina to try to create prejudice again today against New York and Pennsylvania. If he had stayed in the Senate Chamber while I was making my remarks he would have seen the figures which completely and totally and absolutely answer that sort of an argument. But he did not see fit to do so. I do not blame him. I myself should rather eat than listen to a speech.

Mr. BAILEY. I share the gentleman's very high estimate of that argument. I agree to that. I believe the Senator said that I cannot finish my remarks, and that will be all right.

Mr. SCHWELLENBACH. I am sorry; pardon me. Go ahead.

Mr. BAILEY. All right. I was saying that in view of the fact that North Carolina got $23,000,000 in 20 months, and Pennsylvania and New York got $800,000,000, which was between 25 and 30 percent of the total fund, and that the city of Philadelphia and the city of New York, which we North Carolinians had always understood were great and wealthy cities and very competent, I am not surprised that the people of North Carolina are disinclined to contribute to the program, because they know that when the debts con-

tracted to pay this money shall be paid out of public revenue North Carolina will be in the position of contributing enormous subsidies to Pennsylvania and New York, and we do not think that is right.

I did not bring up the subject to prejudice New York or Philadelphia. I brought it up by way of showing that a national administration of this whole relief problem is necessarily going to get us into all sorts of disparity. I was making the argument for the coordination between the national and local relief, and those are precisely the words of the platform which the Senator said we all should stand upon.

Mr. SCHWELLENBACH. Mr. President, everyone in this country is disappointed over the fact that with a return of industrial prosperity there has not been the reduction in the relief or unemployment rolls that we anticipated. I think we should stop for just a minute and try to analyze the reasons for it. Our industrial production has gone up. All the ordinary indices of prosperity show that we are back to a condition almost parallel to that of 1929. But when we stop for a minute and consider the reasons why unemployment rolls have not gone down to the extent we anticipated, or why employment itself has not gone up to the extent that we anticipated, it is not difficult to find the reason. We must remember that even in the days of 1929 we had 1,900,000 people unemployed in this country. We must further remember that during the early part of this century, as the result of immigration policies and other reasons, we had an increase in population. New people were coming into this country. In the 20 years between 1917 and 1937 we have had an extraordinary increase in the number who have come up into the working age. That number is estimated at 500,000 a year.

We must further remember the fact——

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. SCHWELLENBACH. I yield.

Mr. TYDINGS. I am a little bit confused about the argument which is taking place. Suppose $1,500,000,000 remains in the joint resolution and that amount is not reduced. Let us now suppose that even one of these amendments is put into the joint resolution, and suppose, for example, that every State which wanted some of this money put up 40 percent of the amount it requested. Would that not in effect increase the amount of money available for those who are out of work by 40 percent, if the illustration I have pictured were the accurate one?

Mr. SCHWELLENBACH. Yes; if it were possible for these communities to put up the 40 percent and they were not deprived of an opportunity of taking care of their unemployed because of legal difficulties, financial difficulties, technical difficulties. While the Senator was out I detailed at great length the conditions of our States and our counties and our cities—the problems with which they are confronted. Theoretically, if everyone would put up 40 percent, we would increase the amount from $1,500,000,000 to 40 percent more. But the financial and legal and technical difficulties standing in the way convince me that it would result in a very material reduction.

The Senator from South Carolina [Mr. BYRNES] yesterday referred to a newspaper clipping containing the statement which he had made that it would mean a reduction to $750,000,000 so far as the Federal Government was concerned.

Mr. TYDINGS. Mr. President, will the Senator again yield?

Mr. SCHWELLENBACH. I yield.

Mr. TYDINGS. And, consequently, if the amendment provided for a contribution of 25 percent, the joint resolution would be increased that much, assuming that the States would comply.

Mr. SCHWELLENBACH. Upon that theory, yes.

Mr. TYDINGS. So that if we had the ideal condition that the States could comply we would have 25 percent more money for relief than we would have as the joint resolution is now written?

Mr. SCHWELLENBACH. According to that theory, yes; but I do not accept the theory.

Mr. TYDINGS. I do not suppose the experience in the State of Maryland is much dissimilar from the experience in other States. Recently we had a session of the legislature in Maryland. The relief people came down to the legislature and asked that some six and one-half million dollars be appropriated on behalf of the State to take care of certain categories of relief. The legislature met and passed the bill, and it was held, after a thorough examination, that it would raise only about $4,000,000 or so, and there was some manner of raising that $4,000,000 which displeased great groups of people in our State on moral and other grounds, and as the result the legislature was called back into special session to write a new relief bill. The second time they met they passed a relief bill which carried about $5,500,000 instead of the $4,000,000. No one in the State of Maryland—and I suppose in other States—would contend that the legislature could not have raised $10,000,000 had it wanted to do so. The truth of the matter is that the legislature did not want to tax the people of Maryland, and that is understandable, and the legislature was perfectly willing to have the Congress tax the people of Maryland, because that is the place we have got to get Maryland's share of the money anyway.

I feel that that condition which exists in my State also exists, more or less, in any State, and I wish to ask the Senator, notwithstanding his former treatment of this question, if he knows of a single State in the Union, outside of perhaps one or two in which there are constitutional prohibitions, which cannot raise 25 percent of what it would get under this joint resolution?

Mr. SCHWELLENBACH. I can tell the Senator one State which has purely a constitutional provision.

Mr. TYDINGS. Does the Senator know of any States outside of those States which cannot raise 25 percent of the amounts they ask for?

Mr. SCHWELLENBACH. I submitted for the RECORD here the constitutional provisions in all the States. I cannot give them offhand.

Mr. President, let me answer the Senator's question in this way: It seems to me that the Senator from Maryland has made a very good argument against the amendment because of this fact. The Senator says that the legislature met in Maryland and that certain people objected to certain forms of taxes for the raising of the money; the Senator said the objections were based on moral grounds.

Mr. TYDINGS. So that the Senator will understand I will say that we had a proposition in Maryland to legalize certain forms of gambling, but the figures as to the amounts which could probably be raised were nebulous anyhow; there was doubt as to how much revenue would come in through those forms of taxation, and the people in the State thought that the taxes should be of such nature as to make certain definite amounts, and between the objections as to the lack of sound financial policy and the moral objections, the legislature reconvened to consider further measures.

However, to come back to my original statement. Outside of those States which have constitutional prohibitions, is there a State in the Union which cannot raise 25 percent of any funds it asks for toward W. P. A. work in that State?

Mr. SCHWELLENBACH. I think I can answer that question by saying that just by increasing its property taxes it can raise the money, for example. But there is a point of diminishing return upon property taxes. A State may levy a sales tax. The Federal Government might come in and tell the State of Maryland, "Now, you can raise plenty of money to pay your 40 percent. You have the taxing power, and you must levy a sales tax." Or let us assume that the people of Maryland are opposed to the sales tax. I do not know about the conditions in that State. The Federal Government may say, "You should have a higher tax on liquor. You should do more to sell liquor in your State. You should advertise it more and get more money that way." The Federal Government would have to tell the State of Maryland

that it must raise its money that way, or, for example, by a gambling tax. The point I make is that my objection to the arbitrary provision is that it requires of the President to enter into a controversy with the State and say, "You have the sources of revenue. Your people do not believe in that sort of a tax; it may be immoral; but you have the sources of revenue, and the State adjoining yours over here is doing it; therefore the State of Maryland must do it."

We hear much about State rights and about the Federal Government not imposing upon the States. I know of no better way we could invade State rights than to require the President to pass upon the financial ability of any State to raise money with which to pay its 40 percent.

Mr. TYDINGS. Mr. President, if the Senator will yield right there——

Mr. OVERTON. Mr. President——

Mr. TYDINGS. Will the Senator from Louisiana let me finish the colloquy with the Senator from Washington?

Mr. OVERTON. I desire to make an observation in line with the discussion.

Mr. TYDINGS. Probably that would get us off the track.

Mr. OVERTON. No; it would not. I want to get the Senator on the track if I can.

Mr. TYDINGS. Very well, I will yield.

Mr. OVERTON. The Senator from Maryland is proceeding upon the assumption that the committee amendment requires a specific percentage of contribution by States. It does not.

Mr. TYDINGS. No; the Senator from Maryland is not doing that. The Senator from Maryland——

Mr. OVERTON. Let me say to the Senator from Maryland——

Mr. TYDINGS. Just a moment. Let us get the facts correct. The Senator from Maryland stated a hypothetical case to the Senator from Washington, and asked, if that hypothetical case correctly represented the situation, if the Senator thought there would not be 40 percent or 25 percent more money than is provided by the joint resolution for relief. Then the Senator from Maryland said——

Mr. OVERTON. May I interrupt there, because that would be erroneous for this reason? The States and local subdivisions are today contributing 18 percent, and, therefore, if a percentage should be increased to 25 percent, there would be a net increase of only 7 percent.

Mr. TYDINGS. That is true. Of course, every Senator on the floor, and probably everybody in America, knows that each State is contributing something, but the proposition before us is whether that amount shall be fixed at 25 percent or shall be determined haphazard, as it is now.

The Senator has been very fair, and I am not trying to be contentious with his viewpoint, but let me say to the Senator, as the Democratic leader said a moment ago, we are in better times now than we were 2 or 3 years ago. If we are in good times now, then we are borrowing the very money which we are going to hand over for relief—and I am not quarreling with that—but when the time comes what are we going to tax to pay back to the Federal Treasury the money we are borrowing if during these good years the legislatures of the respective States will not raise the money?

Mr. SCHWELLENBACH. Let me answer the Senator in this way: I started to discuss this question when the Senator first interrupted me. I share the feeling of others about the question of balancing the Budget——

Mr. TYDINGS. Let us leave the Budget out of it.

Mr. SCHWELLENBACH. No; it comes in. I fully agree with those who say that it must be balanced, and personally I have the greatest admiration for the Senator from Colorado [Mr. ADAMS], who stands up here and gets kicked around every time an appropriation bill comes before the Senate because of his efforts and his courage in seeking to bring about a balanced Budget.

On the other hand, we must recognize that we have made fair progress in the matter of the reduction of the W. P. A. We had on W. P. A. rolls 3,200,000 people just a year and a half ago; now we have 2,200,000 on W. P. A.; during the next year, under this appropriation we will have 1,700,000. We have practically cut the W. P. A. rolls in two in a period of a year and a half.

Mr. TYDINGS. Mr. President, will the Senator yield right there?

Mr. SCHWELLENBACH. Yes.

Mr. TYDINGS. We have done that, and that is a wholesome thing, but the Senator will concede that in doing it we simply passed over a part of the burden to the States; that is the way we reduced the Federal expenditure—by requiring them to furnish substantial aid for dependent children, aid for the blind, and old-age pensions.

Mr. SCHWELLENBACH. The Senator is entirely mistaken in that, because the figures I have given him relate purely to employables under the W. P. A.

Mr. TYDINGS. Yes; but does not the Senator realize that by taking a tremendous load off relief, affecting those who heretofore were on relief, direct and otherwise, at the hands of the States, we have put ourselves in a position to appropriate less money for those particular categories? In Maryland it is a notable fact that the relief rolls were closely scanned for the purpose of removing from them everybody who could qualify under one of these other agencies.

Mr. SCHWELLENBACH. On the other hand, in January 1936 the Federal Government contributed 11 percent of direct relief, and we cut that down until in November last it was only two-tenths of 1 percent. We have made a considerable cut in direct relief, as we have in work relief.

Mr. TYDINGS. That is true.

Mr. SCHWELLENBACH. So it seems to me that is an answer to the argument of the Senator. We have been making a reduction. If we simply made it along one line and not along the other, the Senator's argument would be correct, but we have been making it along both lines.

Mr. TYDINGS. The Senator just said, and very appropriately and correctly, that much of the reduction in the relief rolls was due to the fact that employment has picked up to a great extent. The reduction has not been due so much to economy on our part as to better times in the country.

Mr. SCHWELLENBACH. I am not claiming that it is due to economy on our part. I am merely saying that the Members of the body who seem to feel that no effort has been made to reduce these expenditures are not correct. There has been an actual reduction, and I think it has been at a rate which has been as great as it has been possible for the country to stand. We have today 350,000 more certified for W. P. A. than the number on the rolls, and yet it is proposed to reduce the number 500,000. Recognizing the undesirability of spending money that we have to borrow, but taking the record that has been made, I do not see how anybody can be worried about the Budget not being balanced because of the fact that we are continuing relief.

Mr. TYDINGS. Let me give the Senator a couple of points of view which I know to be accurate. I know of one unit—I will not say whether it is a city or county or what it is—whose leading official recently told me that of course he hoped we would not put any restriction in the pending measure which would commit that particular political subdivision to a policy under which it would have to raise a definite amount of money. "Frankly", he said, "we would rather get from you, and all our people would rather get it from you who hold office than to tax the people under us, but", he said, "if you compel us to pay it, we can do it; we do not want to do it, but we are able to do it if you tell us we have got to do it, because nobody in this particular unit is going to starve so long as the present crowd are in control of affairs."

The point is that the day is going to come sometime when somebody has got to be taxed to pay back the money which we are now borrowing for all governmental purposes. This year we are spending over $8,000,000,000, and are taking in a little less than $5,000,000,000. That means, in this year of prosperity, we are spending about $3,000,000,000 more than we are taking in, and that means that we are not

laying taxes in these good times to get the money we are paying out. If we do not lay the taxes in these good times, as I see it, I am wondering when the day is going to come when we can lay the taxes. Are we to go on and on and on, not raising the money by ordinary means but borrowing and letting the debt get to a point where—I do not think it has reached that point—eventually it may be fearful and may make borrowing very difficult? Are we going to let that go on, or, if we want to adhere to these policies in good times, does not the Senator feel we should levy taxes to support them rather than to put this burden on the next generation?

Mr. MINTON. Mr. President——

Mr. SCHWELLENBACH. I yield to the Senator from Indiana.

Mr. MINTON. Does it not finally resolve itself into the proposition of who is going to pay the taxes? Everybody admits that we have this relief problem, and we do not want the unfortunate victims of the national disaster, known as the depression, to starve. Somebody is going to feed them; somebody is going to have to take care of them. It is either going to be the Federal Government or the State governments. If we shift the burden back to the State governments, we increase the debts of the States; and where do the State of Maryland and the State of Indiana get their money? They get it from the backs of the taxpayers of Maryland and Indiana.

Mr. TYDINGS. Where does the Federal Government get its money?

Mr. MINTON. I will tell the Senator in a moment. The States get their money largely by taxing tangible, visible property. In other words, the people of Maryland and of Indiana will pay the taxes raised on their homes, their farms, their cows and horses to meet the relief rolls. Who pays the taxes to the Federal Government?

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. MINTON. In just a moment.

Mr. TYDINGS. But the Senator has made a misstatement. The people of Maryland, through their last legislature, did not increase the taxes on their homes and farms or horses; they imposed a State income tax.

Mr. MINTON. Very well; the people of Maryland get money for the State in one way or another, but the Federal Government gets its taxes largely from the people who can best afford to pay taxes.

Mr. TYDINGS. That is what we did in Maryland.

Mr. MINTON. Only 2,500,000 people actually pay income taxes to the Federal Government; very few of the constituents—some of whom are in the gallery—of Senators who are sitting around me are paying income taxes to the Federal Government; but if this relief roll be shifted back to the States it will put upon the backs of the people of the States the burden, and they will have to pay it.

Mr. TYDINGS. Very well; do not let us shift it back to the States; let us in a good year increase the income taxes of the country so to get the money with which to pay the cost. I am ready to vote for such taxes. We have comparative prosperity; the stock market has gone up $40,000,000,000 in value; grain prices higher than for many years; $500,000,000 has been appropriated for farm benefits. Now, if we are going ahead with relief policies, let us have the courage to pay the cost and not hand the burden over to some other Congress.

The Senator from Wisconsin [Mr. LA FOLLETTE] last year, taking the same viewpoint that we ought to proceed along that line, offered a very sensible amendment, which I supported, proposing to increase income taxes in order to raise sufficient money so that we could pay our way as we go. We are not now in a depression; we are out of it. So let us face this problem not by putting it off and borrowing money and not doing our job as real legislators; but let us have the courage to raise some of the money, at least, as we go along.

Mr. WAGNER. Mr. President, will the Senator yield for a question?

Mr. TYDINGS. I have not the floor; the Senator from Washington yielded to me.

Mr. SCHWELLENBACH. I yield to the Senator from New York.

Mr. WAGNER. Does the Senator from Maryland think a country which still has eight or nine million people unemployed is out of the depression completely?

Mr. TYDINGS. If the Senator from Washington will allow me to answer that question, as I have not the floor, I will say that one day I hear there are 11,000,000 unemployed, the next day that there are 6,000,000 unemployed, and the administration only the other day issued a bulletin in which it was stated that there were about five and a half million unemployed. But whatever the number is, my honest thought is that if the Federal Government would compel the units that ask for relief to put up 25 percent, and "stand pat", every unit that needed relief would put up the money.

Mr. WAGNER. What would happen would be that some unfortunate people would have to suffer because of our determination to reduce appropriations which are needed to feed hungry people who are unemployed but are anxious to get work.

Mr. TYDINGS. There may be something in that.

Mr. WAGNER. I will be with the Senator on the tax proposition; I think the Senator is right; we ought to have more taxes.

Mr. TYDINGS. There may be something in what the Senator said.

Mr. TYDINGS. That is the reason why I asked the Senator from Washington whether or not these cities had the ability to pay. If not, let us abandon that plan, but in its place let us have increased taxes, so we do not keep continually borrowing money and camouflaging the situation that all is well in Washington when we are really living off the future. Who knows what is ahead of us? Suppose that 2 years from now we come back into the depression rather than keeping out of it. No man can foresee the future. What are we going to do then? Then is when we will need the credit, but if we have not done the best with the situation which now presents itself, it will be very difficult to borrow money if we get into hard times again.

Mr. WAGNER. Shortened hours of labor and increased wages will do it.

Mr. SCHWELLENBACH. Mr. President, I ask Senators not to interrupt me further until I shall have concluded.

We all feel, generally speaking, that we are operating at a terrific deficit, and I do not contend that we are not operating at a considerable deficit; but I have the feeling that the deficit about which we talk is not nearly as much of a deficit as at first blush might appear.

Suppose we have a corporation which has $100,000 worth of capital assets and has $100,000 worth of capital stock outstanding. That corporation is losing money every year because of the fact that the machinery it has is deteriorating. It finds it necessary to go out into the money market and borrow $50,000 with which to install new machinery and to repair its machinery. No system of accounting in the world would require that corporation to set up that $50,000 borrowing as a current deficit during the year of operation.

Never until the time of this administration have we in this country made any determined effort to conserve all our resources. We have been spending a lot of money.

Consider the situation brought about by the floods in the Ohio Valley. It is conceded that during the last 2 years we have had a direct loss of $700,000,000 in the Ohio Valley by destruction of property. The estimates of the War Department are that by the expenditure of $1,000,000,000 we absolutely could have prevented this loss. Let us assume that the two figures are correct. Clearly, if we had gone out in 1933 and borrowed $1,000,000,000 in order to prevent that $700,000,000 loss, we would have increased the capital assets of the country to the extent of the amount of that loss, to wit, $700,000,000. Any corporation doing business in that way would certainly set it up as a capital asset and there would not be an operating deficit.

Mr. TYDINGS. I agree with the Senator.

Mr. SCHWELLENBACH. I do not know how large the amount of money is, but I think very largely the amount of money we have spent on public works is not a deficit. We have increased the capital assets of the country and made it possible to operate without losses.

Mr. TYDINGS. Mr. President, will the Senator yield again at that point?

Mr. SCHWELLENBACH. Very well.

Mr. TYDINGS. I agree fully with what the Senator has said. I agree with his analysis of the situation. However, what I am trying to point out with the very example which the Senator pictures is that once we have gone out and borrowed $100,000 and put in the new machinery and it starts to bear dividends by increased prosperity for the concern, then the time to commence to pay off the $100,000 we have borrowed is immediately, because the day will come in the future when we may have to do that again.

The wise business concern, in my judgment, when the $100,000 of new assets are in the form of new machinery and that machinery begins to work, immediately takes out of the new income, because of the increased efficiency and increased assets created, sufficient revenue to begin the liquidation of the money it had to borrow.

My only difference with the Senator from Washington is this. I am not quarreling with him over relief where it is needed. It is not a quarrel over the amount, not over the 40 percent or 25 percent proposal, but simply that if the Federal Government is going to do substantially the whole job, I think in these times we ought to have an increased tax levy over what we have now. If we are not going to have the increased tax levy then we ought to ask the communities to put up a larger part rather than encumber the Federal Government with debts that could be avoided, in my opinion, and which should be avoided as an insurance for prosperity and good times in the future.

Mr. SCHWELLENBACH. So far as the first part of the Senator's argument is concerned, we are in perfect accord. So far as the question of the amendment is concerned, I doubt that the amount of money which will be received from the local communities is going to be increased to any very great extent. The sole question is the arbitrary nature of the requirement. The Senator from Maryland was not here when I placed in the RECORD a long list of legal limitations against cities, towns, and counties raising money for the purpose of relief, but it would create a situation where, in my opinion, it would be extremely unfair and unjust and would result in differentials between communities and States and counties which would work an injustice to them and work a hardship to those who need work relief.

Mr. TYDINGS. There are probably a great many facts to support the statement the Senator is making, and certain municipalities perhaps would have great difficulty in doing this, and real hardship would come upon them. That possibly is true. But does not the Senator likewise concede that there never will be a time in the United States of America when there will not be a relief problem of some character?

Mr. SCHWELLENBACH. I do not. I totally disagree with Mr. Hopkins in his testimony to that effect. I think we are in a peculiar situation at this time. We have an increased number of unemployed at this time because of increased population brought about by immigration between 1910 and 1917. We have gone through a period of depression and no new-type industry has been established in the last 7 years. We have had nothing of that sort in recent years. The Senator from New York [Mr. WAGNER] has proposed a housing industry to take care of the situation and it may be he is correct.

Mr. TYDINGS. As I understand, I think the Senator from New York has stated on the floor of the Senate, as have many other Senators, and I think there is a great deal of argument to support it, that it is very unlikely that a time will ever come—it may for a short while but never as a standard proposition—when there will not be an unemployment problem in the United States.

Mr. SCHWELLENBACH. We had 1,900,000 not employed in 1929 but it was not considered an unemployment problem.

Mr. TYDINGS. I do not mean to say the numbers will make the problem. There will always be some people unemployed in the United States.

Mr. SCHWELLENBACH. There always have been.

Mr. TYDINGS. Therefore we will constantly have the problem to whatever extent it then exists. If that is true, if we are going to have some unemployment and the percentage varies, is it not time, if that is the real fact, that we should have a financial policy to go along with that problem so we can meet it when we are in the position to meet it rather than when we are not in a position to meet it? As the problem decreases and the people are stronger, the time to tax them is right then, it seems to me, so we will be in the position to borrow in the future.

My final statement is simply that whether the community which pays it is a city or a county or a State on the one hand, or the Federal Government on the other hand, whichever policy Congress finally adopts, the times are good enough now to levy enough taxes to care for the program that is adopted.

Mr. SCHWELLENBACH. Let me say that so far as the taxation side of his argument is concerned I reiterate that I am in perfect accord with the Senator from Maryland.

Mr. President, theoretically, I have taken up a lot of time, and for that portion of it which I took up I apologize, calling attention, however, to the fact that I have not been talking all the time. I now yield the floor.

Mr. WAGNER. Mr. President, will the Senator from Washington yield to me before he takes his seat?

The PRESIDING OFFICER (Mr. REYNOLDS in the chair). Does the Senator from Washington yield to the Senator from New York?

Mr. SCHWELLENBACH. Certainly.

Mr. WAGNER. As long as we are discussing the whole subject, I may say that I know how the Senator feels about it. There are some who seem to be content with appropriating each year a sum to care for those who are unemployed. But we have to go away down into the problem of getting back into employment those who are unemployed. The Senator from Washington referred to the technology which has had such a ravaging effect upon the employment situation in the country. We will have to get down to shorter hours and we will have to lift the wage level at least to a reasonable minimum wage.

Those are the methods to be employed, it seems to me, and the Federal Government must act to get people back into private industry, and to make private industry in all respects cooperate with the Government to reemploy people. I do not think enough has been done in that direction, but I am sure we are going that way. That is why I was so delighted to hear the Senator say today that he hoped the Democrats here would stand upon the Democratic platform and the Democratic determination to bring about and build a better economic life for the people of our country.

Mr. SCHWELLENBACH. I yield the floor, Mr. President.

EXHIBIT A

LIMITATIONS ON LOCAL DEBT

TABLE VIII.—*Constitutional and statutory debt limits; general provisions as of Jan. 1, 1936*

(In the second column constitutional provisions are indicated by "C", followed by a date or dates referring to the latest revision of the organic law. Where 2 dates are given for 1 State, the later date refers to an amendment. The letter "S" is for statutory, referring to what purport to be more or less comprehensive bond acts, and dates refer to the more important acts. In the third column the debt limit is expressed in terms of a percentage of the assessed valuation.)

TABLE VIII.—*Debt limits; general provisions*

State	Source and date of limitation	Ordinary debt limits	Units affected	Authority for creating debt	Exceptions to debt limits
Alabama	C–1901	3½ percent counties; 6½ percent, Mobile County; 5 percent, municipal corporations, less than 6,000 population; 10 percent, city of Mobile.	Counties, cities, towns, municipal corporations.	Majority popular vote, excluding special assessment bonds	Municipal corporations less than 6,000, 3 percent additional for water, gas, lighting, sewers, street improvements; tax loans, special assessments.
Arizona	C–1912	4 percent	Counties, cities, towns, school districts.	Majority vote of property taxpayers and owners, for debt over 4 percent.	Countie and sschool districts, additional indebtedness up to 10 percent; cities and towns, 15 percent additional for municipal water, light, and sewage works.
Arkansas	C–1926, S–1927, S–1931.	7 percent, school districts; 25 percent, municipal corporations.[1]	All subdivisions	Majority popular vote	
California	Special statutes.	5 percent, counties; 15 percent, cities and towns, for public improvements.	Counties, cities, towns, districts.	⅔ popular vote	Counties, up to 15 percent, if bond issue includes irrigation improvements, etc.
Colorado	C–1895, S–1923.	3½, 5 percent, school districts; 3 percent, cities and towns; ⅔ percent, counties[2] with assessed valuation over $5,000,000; 9/10 percent, other counties.	do	Majority popular vote, excluding certain refunding bonds.	Cities and towns, water supply; judgments, special assessments, local improvements; authorization by State tax commissioner or ⅔ popular vote.
Connecticut	S–1930	5 percent, grand list	Towns and municipalities.	Towns, popular vote; elsewhere, governing body.	Water, gas, electric light, relief, refunding purposes.
Delaware	Special statutes.	5 percent[3]	School districts and special school districts.	Popular vote	
Florida	C–1930, S–1920.	10 percent, cities and towns[4] 20 percent; special tax school districts; none, counties.	Municipalities, counties, districts.	Majority of voters who are freeholders.	Special assessments refunding, city lighting bonds, 7 percent.
Georgia	C–1877, C–1918	7–10 percent[5]	Counties, cities, municipal corporations.	⅔ popular vote	Cities over 150,000, street improvement bonds; temporary loans.
Idaho	S–1919, S–1927	10 percent, municipal corporations; 4, 6, 10 percent, school districts[6]; 5 percent, port districts.	All subdivisions	Governing body[7]	Refunding purposes.
Illinois	C–1870, S–1913, S–1921, S–1925.	5 percent, municipalities and conservancy districts; 4 percent, sanitary districts; 1 percent, forest preserve districts.	do	Popular vote	Water, sewage systems, electric plants
Indiana	C–1881, S–1926	2 percent, municipalities, counties[8]; 8–10 percent, sanitary districts of first-class cities; one-half percent, park districts of first-class cities.	Counties, municipalities, districts.	Governing body	Funding, temporary, war construction of gravel roads.
Iowa	C–1857, S–1924	5 percent[9]	Municipal corporations and companies.	60 percent popular vote	Cities of 25,000, flood-protection bonds up to 5 percent; self-liquidating utilities.
Kansas	S–1909,[10] S–1923.	5 percent, cities of 50,000; 1-3¾ percent, school districts.	All subdivisions		Cities of 50,000; special-improvement and sewer bonds, 5 percent additional where assessed against property.
Kentucky	C–1891	10 percent, first- and second-class cities and third-class cities over 15,000; 5 percent, fourth-class cities and third-class cities under 15,000; 3 percent, fifth- and sixth-class cities; 2 percent, tax districts and municipalities; 5 percent, counties (road purposes).	Counties, cities, towns, municipalities; taxing districts.	⅔ popular vote	Renewals, funding, emergency, water works, local improvements up to assessed valuation of property benefited.
Louisiana	C–1921, S–1921	10 percent	All subdivisions	Majority vote (in number and value) of property taxpayers.	Self-sustaining improvements, tax loans.
Maine	C–1877, C–1911	5 percent: cities and towns; 7½ percent, cities over 40,000.	Cities, towns	Governing body	Temporary refunding, war loans.
Maryland	Special statutes.				
Massachusetts	S–1921	3 percent, towns; 2½ percent, cities (except Boston).	Cities, towns, districts	⅔ popular vote	Statute exceptions for many purposes up to 10 percent in some cases.
Michigan	S–1909, S–1925, S–1931.	10 percent, cities and villages; 3 percent, counties; 5 percent, counties assessed valuation $5,000,000 or less; 2 percent, port districts.	Counties, cities, villages, districts.	Popular vote	Fire, flood, public calamity, public utilities special assessments refunding.
Minnesota	C–1879, S–1927	10 percent, municipalities; 5 percent, first-class cities; 20 percent, school districts.	All municipalities	5/6 popular vote, villages and boroughs; ⅔ popular vote, school districts, majority popular vote elsewhere.[11]	Special assessments, self-liquidating projects, revolving fund warrants.
Mississippi	S–1932	10 percent	All subdivisions	Majority popular vote	Water, light, special improvements, refunding, tax loans; 5 percent additional for schools, if municipal is separate school district (20 percent highest limit).
Missouri	S–1919, S–1920, S–1927.	5 percent, municipalities; 10 percent, cities of 75,000.	Municipalities (including counties).	⅔ popular vote	Cities of 75,000, additional 10 percent, public utilities; cities of 30,000, additional 10 percent for water and light purposes; counties, courthouse, jail, roads, bridges, culverts.
Montana	C–1889, S–1931	2½, 5 percent, counties;[12] 3 percent, cities, towns, school districts.	Counties, cities, towns, school districts.	Majority[13] popular vote except funding and refund.	Water, sewerage systems, 10 percent additional by vote of taxpayers affected; refund.
Nebraska	C–1875, S–1922	10 percent, cities and counties; 5 percent, metropolitan cities; 6 percent, light, heat, and power districts.	Counties, municipalities, districts.	Popular vote (¾-school districts.).	Water and sewer purposes refund.
Nevada	Special statutes.	30 percent, cities	Counties, cities, school districts, municipalities.	Majority vote of taxpayers and nontaxpayers, voting separately.	Public utilities, water supply, self-liquidating bonds.
New Hampshire	S–1895, S–1917	1 percent, village precincts; 2 percent, school districts; 3 percent, counties, cities, towns; 6 percent, city of Nashua.	Counties, cities, towns, precincts.	Governing body, cities; ⅔ popular vote, elsewhere.	Water, electricity, poor relief, tax notes, authorizations by special act.
New Jersey	S–1916	7 percent, municipalities; 4 percent, counties; 6 percent, first-class school districts; 9 percent, third-class school districts.	Counties, municipalities, school districts.	Governing body	Temporary relief bonds, refunding bonds (10 percent).
New Mexico	C–1911, S–1923	4 percent, counties, cities,[14] towns, villages; 6 percent, school districts.	All subdivisions	Majority vote of taxpayers, except refund.	Counties, cities, towns, villages; water and sewer purposes.
New York	C–1894, S–1909, S–1923.	10 percent, counties, cities, towns, villages; 15 percent, school districts of real-estate valuation of $500,000 or more.	Counties, cities, towns, villages, districts.	Majority popular vote	New York City, subway bonds; towns, issuances up to 33⅓ percent by majority popular vote.
North Carolina	S–1921, S–1927, S–1931.	8 percent, cities and towns;[15] 5 percent, school districts; 5 percent, counties.	Counties, municipalities, corporations.	do	Refunding, water, gas, electric light, or power purposes, school debts.

[Footnotes at end of table]

TABLE VIII.—*Debt limits; general provisions*—Continued

State	Source and date of limitation	Ordinary debt limits	Units affected	Authority for creating debt	Exceptions to debt limits
North Dakota	C-1920, S-1927, S-1931.	5 percent	All subdivisions	60 percent popular vote [16]	Revenue-producing utility bonds, not exceeding physical value of utilities, by majority vote; cities, issuances up to 8 percent by ⅗ vote; school districts, 10 percent, by majority vote.
Ohio	S-1927	5 percent municipal corporations [17]; 6 percent school districts; 2 percent, townships.	Counties, municipal corporations, school districts.	Popular vote	Emergency, temporary, self-liquidating loans.
Oklahoma	C-1907	5 percent	All subdivisions	⅗ popular vote [18]	Cities and towns, public-utility purposes.
Oregon	S-1903, S-1927, S-1929, S-1933.	10 percent, cities, towns, [19] water districts; 6 percent, county road debts; 5 percent, school districts under 75,000 population.	do	Majority popular vote	Water, gas, power, lighting, refunding, short-term; counties, suppressing insurrection, repelling invasion, building roads.
Pennsylvania	C-1874	7-10 percent, municipalities [20] and incorporated districts; 10 percent, counties; 15 percent, city and county of Philadelphia.	Counties, municipalities, districts.	Popular vote for issuances in excess of 2 percent.	Self-liquidating utilities.
Rhode Island	S-1923	3 percent	Towns (includes cities)	Popular vote, towns; governing body elsewhere.	Authorizations by State commissioner of finance on petition.
South Carolina	C-1895, S-1927.	8 percent	All subdivisons	Majority popular vote, except refunding bonds.	Water, sewer, lighting, refunding, tax-anticipation loans; many legitimate authorizations up to 20 percent.
South Dakota	C-1889	5 percent [21]	Counties, cities, towns, school districts.	⅗ popular vote	Water, sewers, irrigation, up to 10 percent; refunding; street railways, light plants, up to 8 percent, in counties over 8,000 population.
Tennessee	C-1870, S-1917	10 percent cities and towns [22]	Counties, cities, towns	Majority popular vote, except funding and refunding.	Water, light, heat, power, public improvements payable from special assessment fund.
Texas	C-1876, S-1925, S-1931.	5 percent counties, 6 percent municipalities.	Counties, municipalities	Majority vote property taxpayers, except funding and refunding.	Special improvement bonds.
Utah	C-1896, S-1917	4 percent, cities, towns; 2 percent, counties.	Counties, cities, towns, school districts.	Majority vote property taxpayers, except refunding.	Water, lights, sewers; total indebtedness of first- and second-class cities may not exceed 8 percent; of third-class cities, 12 percent.
Vermont	S-1917, S-1925	10 percent [23]	All municipal corporations.	⅔ popular vote	Water, electric, poor relief, tax notes.
Virginia	C-1902, C-1928	18 percent, cities, towns; [24] 10 percent, county roads; 15 percent, county water supply.	Cities, towns, districts	Majority popular vote	Revenue-producing projects, tax-anticipation notes.
Washington	C-1889, S-1923	5 percent	All subdivisions	⅗ popular [25] vote for issuances over 1½ percent.	Cities, towns, 5 percent additional for water, light, sewers; fourth-class cities, 10 percent, for garbage and sewage-disposal systems; public utilities.
West Virginia	C-1872, S-1906 S-1927.	5, 2½ percent [26]	Counties, cities, municipal corporations, school districts.	⅔ popular vote	Federal Government [27] purposes; counties, magisterial districts, and certain municipal corporations may create 2½ percent additional debt for certain purposes.
Wisconsin	C-1874, C-1912.	5 percent	All municipalities	Majority popular vote, except street improvement bonds.	Sewer plant, relief; temporary borrowing up to 25 percent.
Wyoming	C-1890, S-1931	2 percent	Counties, cities, towns, villages, districts.	Majority popular vote. [28]	Cities, towns, villages; 4 percent, sewers. School districts; 4 percent, school buildings. Cities, towns; water debts.

[1] The Arkansas Constitution of 1784 forbids any "county, city, town, or municipality" ever to issue any evidences of indebtedness. This has been evaded by the use of municipal improvement districts which have been held not to be municipalities within the meaning of the constitutional provision (*Fitzgerald* v. *Walker*, 55 Ark. 148 (1891)). The amendment, 1926, extended power to incur debt to first- and second-class cities, that is, incorporated communities having in excess of 2,000 population.

It is sought further to limit the debt-incurring power of municipal corporations (except school districts) by the constitutional prohibition of a greater annual tax levy than 10 mills (1924) or a greater amount than $5,000,000.

[2] The constitution prohibits counties from incurring debt except for public buildings, roads, and bridges.

[3] A general act of 1921 provides for bond issues of school districts and special school districts.

[4] There are exceptions to this limit for charter cities.

[5] There are numerous exceptions to this general limitation. The city of Brunswick, for example, may create debt up to 14 percent.

[6] The 4-percent limit is applicable to rural and joint rural high-school districts; the 6-percent limit, to common, joint common, independent, and joint independent school districts; the 10-percent limit, to independent class A and joint independent class A districts.

[7] For Federal projects (P. W. A.), two-thirds popular vote is required; for waterworks bonds, two-thirds vote of taxpayers; for debt initiated, a majority vote.

[8] There is a limit of 1 percent for counties for construction, etc., of county buildings.

[9] This limit is based on the true value of property, according to judicial interpretation. A law of 1924 fixes the limit at 1¼ percent actual value.

[10] These acts have been amended frequently.

[11] An exception to these methods of authorizing debt is refunding issues in municipalities where 25 percent or more of the land has been delinquent for more than 3 years. These issuances may be authorized by the local governing body but are subject to protest and referendum.

[12] The limit for counties may reach 5 percent for the following purposes: (1) Refunding; (2) replacing, rebuilding, repairing county buildings, bridges, or highways destroyed or damaged by an act of God, disaster, catastrophe, or accident; (3) acquiring land for sites for county high-school buildings, furnishings, etc.

[13] Only taxpayers may vote on questions concerning the construction, purchase, or securing of a water plant, water system, water supply, or sewerage system. Counties are prohibited by the constitution from incurring indebtedness for any single purpose in an amount exceeding $10,000, without majority popular approval.

County, city, and town bond elections must be petitioned by 20 percent of the qualified voters, and the issuance must be approved by a majority of 40 percent of the qualified voters entitled to vote.

[14] Counties may issue bonds for buildings, roads, and bridges only.

[15] Counties may issue bonds within an 8-percent limit (which may be exceeded for a number of purposes) if they accept school indebtedness.

[16] Exceptions are bonds issued by cities and villages for payment of deficiencies in special improvement district funds, certain issuances exceeding the ordinary limit, and refunding bonds.

[17] The limit for counties is a sum equal to 3 percent of the first $100,000,000 or part thereof of the tax list, plus 1½ percent of the tax list in excess of $100,000,000.

Debts created without popular approval are subject to lower limits.

[18] Utility debt may be created by a majority vote of property taxpayers voting.

[19] The 10-percent limit for cities and towns was reduced to 5 percent by ch. 305, Laws of 1933.

[20] There are apparently three limits for municipalities—2 percent, 7 percent, and 10 percent. Debts up to 2 percent may be incurred by the local governing body; up to 7 percent, by majority popular vote; up to 10 percent, by ⅗ popular vote.

[21] County and central high-school districts may create 2 percent additional debt.

[22] The incurring of debt by other localities is authorized by special statutes.

[23] The statute defines the limit as "10 times the grand list."

[24] If a town's charter specifically allows creation of indebtedness beyond the constitutional limit, the 18-percent limitation is not applicable.

[25] A law of 1925 provides that the constitutional ⅗ majority must be equal to more than 50 percent of the voters who voted at the last preceding State or county election.

[26] The constitutional limit is 5 percent; the statutory, 2½ percent.

[27] West Virginia municipalities and school districts may be authorized to exceed the 2½- and 5-percent limits.

[28] Improvement and refunding bonds may be issued by the local governing body.

TABLE IX.—*Constitutional and statutory debt limits; substantive provisions as of Jan. 1, 1936*

State	Purposes for which debts are prohibited	Serial bonds mandatory	Maturity limits	Maximum rate of interest	Sale below par prohibited
Alabama	Loan of public credit	Yes	Life of improvement, not over 30 years; 15 years, refunding.	No provision	No.
Arizona	do	No (excluding refunding).	40 years	6 percent	Yes.
Arkansas	do	Yes [1]	35 years [2]	do [3]	Do.
California	do	No	40 years [4]	6 percent; counties, 7 percent; water, irrigation districts, city refunding.	Do.
Colorado	do	do	20 years, counties; 10-15 years, cities and towns; 25 years, city and town refundings.	10 percent, counties; 6 percent, cities, towns.	Yes; for county refunding bonds and city and town special assessments.
Connecticut	In aid of any railroad corporation.	Yes	2-40 years, 4-15 years, for relief bonds	6 percent	No provision.
Delaware	Loan of public credit	No [5]	25 years	do	Yes.
Florida	do	No	Provision in act of issuance [6]	8 percent, city and town general improvement bonds. 7 percent, city lighting bonds; 6 percent, refunding.	No (except city lighting bonds).
Georgia	do	do	30 years	No provision	No provision.
Idaho	do	Yes	20 years	6 percent	Yes.
Illinois	Sectarian purposes; loan of public credit.	No provision	20 years; [7] 25 years; water bonds	No provision	No provision.
Indiana	Loan of public credit by counties.	Yes, for public improvement bonds.	30 years; 52 years; public improvement bonds.	6 percent	Yes.
Iowa	Purchase of stock in banking corporations.	No	Various; not over 50 years	No provision	No provision.
Kansas	No provision	Yes	20 years; 10 years; special assessments; bonds.	5 percent	Do.
Kentucky	do	No	No provision	No provision	Yes; exclusive of sewer bonds of first-class cities.
Louisiana	Loan of public credit	Yes	40 years	6 percent	Yes.
Maine	No provision	No	50 years	No provision	No provision.
Maryland	Loan of public credit; internal improvements.	No provision	40 years (Baltimore)	do	Do.
Massachusetts	No provision	Yes (excluding Boston).	1-30 years [8]	Fixed by local authorities	Yes.
Michigan	do	Yes [9]	50 years [10]	6 percent	Do.
Minnesota	Internal improvements; railroad loans. [11]	do	20, 30 years; [12] 50 years, refunding	do	Do.
Mississippi	Loan of public credit	do	25 years	do	Do.
Missouri	do	No	20 years	do	Do.
Montana	do	do	20 years, 10 years, refunding	do	Do.
Nebraska	Internal improvements [13]	do	50 years, irrigation districts	5½ percent, municipal corporations; 6 percent, water and irrigation districts.	Do.
Nevada	Loan of public credit, exclusively to railroad corporations.	Yes	20 years [14] or life of improvements	Authorized in each special act. [15]	Do.
New Hampshire	Loan of public credit	do	20 years	Discretion of local authorities	Discretion of local authorities.
New Jersey	do	do	5-50 years [16]	6 percent	Yes.
New Mexico	do	do	50 years	No provision	No provision.
New York	do	No provision	50 years; first- and third-class cities; 40 years, second-class cities; 30 years, towns; 20 years, villages.	do	Do.
North Carolina	Current expenses	Yes	5-50 years [17]	do	Yes.
North Dakota	Loan of public credit	do	20 years; 15 years, refunding	6 percent	Do.
Ohio	do	do	1-50 years [18]	do	Do.
Oklahoma	No provision	do	25 years; 30 years (conservancy districts).	do	Yes; for water and conservancy districts.
Oregon	Loan of public credit [19]	do [20]	No provision	6 percent, with minor exceptions.	Yes; exclusive of irrigation districts, drainage districts, ports.
Pennsylvania	do	No	30 years; 50 years, city and county of Philadelphia; 20 years, refunding.	6 percent	Yes.
Rhode Island		do [21]	Special acts	Special acts	
South Carolina	No provision	Yes [22]	25 years; 50 years, refunding	No provision	Yes; exclusive of drainage districts.
South Dakota	do	No	40 years	6 percent	No provision.
Tennessee	Loan of public credit, without three-fourths popular vote.	Yes	30 years; 25 years, school bonds	do	Yes.
Texas	Loan of public credit	No	40 years	do	Do. [23]
Utah	Loan of public credit by countries.	do	20 years	No provision	Do.
Vermont	Ordinary expenses of any municipal corporation.	Yes	do [24]	5 percent	Do.
Virginia	Loan of public credit	No	35 years	6 percent	Do.
Washington	do	Yes	30 years	do	Do.
West Virginia	No provision	do	34 years	do	Do.
Wisconsin	Loan of public credit	No	20 years [25]	do	No; exclusively for county highway bonds.
Wyoming	do	do	10-30 years [26]	do	Yes; exclusively for irrigation and drainage districts.

[1] [2] [3] These provisions are applicable to first- and third-class cities.
[4] The maturity limit for city refundings is 20 years; that for water and irrigation district bonds, 10-30 years.
[5] This provision applies to Delaware cities and towns.
[6] The maturity limit for school-district bonds is 30 years; for all refundings, 25 years.
[7] This is a constitutional provision.
[8] The statute provides various maturity limits for 11 classes of debt.
[9] An exception to this limit is a class of cities which includes Dearborn and Detroit.
[10] Provision is made in the new municipal bond law, as amended in 1931, for a shorter maximum (2-15 years) in a few cases.
[11] The Minnesota constitution provides that local loans to railroads may not exceed a 5-percent limit.
[12] There is statutory provision for 4 classes of maturities, but the maximums are 20 and 30 years.
[13] This is not an absolute prohibition. Internal improvement bonds may be issued within a limitation and are subject to popular approval.
[14] Irrigation bonds are excepted from the 20-year limit.
[15] The maximum rate of interest for street-improvement bonds is 7 percent; for sewerage, county electrical plant, and county hospital bonds, 6 percent.
[16] The maturity limit for refunding and emergency bonds is 45 years; for school district bonds, 10-40 years; for school district refundings, 20 years.
[17] There are numerous maturity provisions for both counties and municipalities.
[18] The statute provides various maturity limits for 9 classes of debt.
[19] The constitutional limitation for ports is 1 percent.
[20] Serial bonds, ch. 334, Laws 1931, mandatory thereafter, for cities, towns, and school districts, except funding, refunding, water, power, gas, or light bonds, and bonds of municipalities of over 200,000 population.
[21] There are exceptions in many special acts.
[22] This provision is not applicable to bond issues under $20,000 nor to certain counties.
[23] By ch. 18, Laws 1935, all subdivisions are empowered to sell bonds to Federal Government agencies at less than par.
[24] A law of 1917, amended in 1921, permits 60-year maturity for forest development bonds.
[25] The maturity limit for public improvement bonds of cities and counties of 150,000 population is 50 years.
[26] The limit varies with the locality and with the purpose of the debt.

Mr. WAGNER. Mr. President, I hope I shall not bore the Senate too much with the rather brief statement I have prepared. For some very strange reason, which I am not able to fathom, both the Senator from South Carolina [Mr. BYRNES] and the Senator from North Carolina [Mr. BAILEY] devoted practically their argument yesterday in support of this amendment to stating what New York had received under the W. P. A. program.

Mr. LA FOLLETTE. Mr. President, will the Senator yield for the purpose of permitting me to suggest the absence of a quorum?

Mr. WAGNER. I will say to the Senator from Wisconsin that I do not think it is necessary. I never want a Senator to remain here and listen to me if he does not desire to do so.

Mr. LA FOLLETTE. There may be some Senators who do not know that the Senator from New York has the floor.

Mr. WAGNER. I do not wish to trouble Senators, though I thank the Senator from Wisconsin very much.

As I say, I could not understand such tactics. I desire to present figures which I believe to be accurate with reference to this whole situation.

Mr. HATCH. Mr. President, will not the Senator yield in order that I may suggest the absence of a quorum?

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from New Mexico?

Mr. WAGNER. No, Mr. President; I had better go right on.

Mr. President, I rise to repel the attack of the Senators from North and South Carolina, though not primarily because it is unfair to New York, since I think New York can stand upon the ground of the contributions it has made toward the solution of this entire unfortunate relief situation. My concern is rather for the Nation—for the Nation, whose welfare, in my opinion, is threatened by this indirect attack upon a program that has practically rescued America from absolute ruination.

In refutation of the remarks made yesterday, let me state some figures. They will not only correct the injustice done to my own State, but in addition they will shed light upon the true character of the splendid program now endangered by the pending amendment. I refer to the amendment proposed by my distinguished and beloved leader, the Senator from Arkansas [Mr. ROBINSON], as well as to the amendment proposed by the committee, and originally offered by the distinguished Senator from South Carolina [Mr. BYRNES].

During the years 1933 through 1936, New York contributed directly 37.6 percent of the cost of all forms of relief within its borders. During the same period South Carolina bore only 9.6 percent, and North Carolina only 10.4 percent of the cost of aiding their own citizens.

That is the first test of who is paying the relief bills.

During the years 1933 through 1936, New York contributed, on the basis of its total population, $54.74 per capita toward all forms of relief within its borders. South Carolina contributed only $7.13 per capita, and North Carolina only $5.74 per capita.

That is the second test of who is paying the relief bills.

Let us remember that the States do not only contribute directly toward relief; they also contribute indirectly through the taxes which they pay toward the support of Federal relief expenditures. Let us look at the record there.

During the years 1933–36 New York paid an average of over 21 percent of all Federal taxes. This means that of the $10,667,000,000 spent by the Federal Government for all forms of relief, New York contributed $2,238,000,000. During the same period South Carolina contributed 0.42 percent toward the support of the Federal Government, or $44,772,000 toward Federal expenditures for relief. North Carolina contributed 9 percent of all Federal taxes, or $959,000,000 toward Federal expenditures for relief.

When we add together, first the direct State contributions, and, secondly, the indirect State contributions through the support by the States of the Federal program, we find that the total cost of the whole Federal-State relief program has been $2,942,000,000 for New York, $57,000,000 for South Carolina, and $976,000,000 for North Carolina.

That is the third test of who pays the relief bills.

Now for the most important factor of all:

The total direct and indirect contributions of New York to all forms of relief have been $2,942,000,000. Of this amount, only $1,873,000,000 has been spent for relief in New York. In other words, New York has contributed $1,069,000,000 more than has been spent within her borders. This has been a net loss to New York.

The total direct and indirect contributions of South Carolina have been $44,772,000. This has been $90,594,000 less than the $135,366,000 spent within the State for relief. In other words, the money spent for relief in South Carolina has been a great deal more than the total outlays of the State of South Carolina for such purposes. That represents a net gain to South Carolina.

The total direct and indirect contributions of North Carolina have been $976,000,000. This is $804,532,000 more than the $171,462,000 spent within the State for relief. That represents a net loss to North Carolina.

I know it will be said that New York should pay more taxes because it is rich. I admit that; but it is not this relief program which has made New York rich. The fact remains that New York is charged for relief more than it receives, and that many other States receive more than they pay in taxes. In short, the fact is that our present relief policy pools the resources of the Nation and helps some of the poorer States at the expense of the richer ones.

I approve of that policy. I am proud that New York, as the Empire State, participates in it. If I thought of New York alone, I should favor the pending amendment. My State, as one of the few able to meet the requirements of the amendment, would unquestionably get a larger share than it now gets of the total Federal outlay for relief.

Mr. COPELAND. Mr. President, will my colleague yield?

The PRESIDING OFFICER. Does the Senator from New York yield to his colleague?

Mr. WAGNER. Yes.

Mr. COPELAND. I talked this morning with Governor Lehman.

Mr. WAGNER. I did, too, I may say to my colleague.

Mr. COPELAND. I asked him several questions, and I think what he said fits into what my colleague has said—that if there were a consolidation of P. W. A. and W. P. A., with that consolidation we should be paying the 40 percent which is suggested.

Mr. WAGNER. Yes; and direct relief, too.

Mr. COPELAND. And direct relief. I thought that would fit into what my colleague is saying at this point.

Mr. WAGNER. I am pleading for the other States.

In addition, due to the certain decline of aggregate Federal expenditures which would follow the acceptance of this amendment, New York would also benefit most largely as the largest supporter of the Federal Government; so that would be another benefit accruing to New York.

I oppose the amendment, Mr. President, not as a New Yorker; I oppose it as an American. It seems to me futile to be provincial in such matters. I do not think that the State of New York has done more than its share toward unemployment relief. I do not believe that the States of South Carolina and North Carolina have done less than their share. I think that each has done what it could. I think that each has received Federal aid in the proportion that it has needed Federal aid. I think that each has benefited equitably by the revived prosperity of the whole Nation. And that, I say, is equally true of the other 45 States.

Mr. President, I find it deplorable that the debate has been dragged to this level. I regard the whole effort through this amendment to enlarge and isolate individual State responsibility for the costs of unemployment as a terrible mistake. In this connection, our minds revert naturally to the conditions beginning in 1929. The blight of unemployment showed no respect for State lines.

If I may be permitted to say so, I had a large part in exposing this fact and bringing about a relief program, in cooperation with other distinguished Senators in this body.

No one could tell in which State the disease of unemployment originated. No one could tell in which State it would

strike next. No one could measure which States were suffering most from its devastating ravages, or how conditions in one area interacted upon those in another. When we in New York and in Chicago and in other places stopped buying automobiles, through no fault of their own, 100,000 or 200,000 men found themselves unemployed in the State of Michigan. But, despite the fact that no one could isolate or localize the causes or symptoms of unemployment, we all remember the early cry: "Let the States handle the problem; let each State care for its own unemployed."

I am sorry to say that that was the definite attitude of the Republicans on the other side—and I am not speaking of the progressives. The Republicans never, from the beginning of this terrible tragedy, took one single step toward Federal relief for the unemployed. It was left to a combination of the progressive Senators and the Democrats in the Senate, although we were in a minority, to father such a program.

The cry to let the States handle the problem represented the infancy of our thinking about the unemployment problem. For 4 long years, Mr. President, we heard that cry. At first some of us mistook it for an avowal of local responsibility and a pledge of local action. We soon found that it was merely the counsel of ignominious inaction. The States could not deal with the problem, and everyone knew it. Their helplessness was so patent, so pitiful, that the whole Nation turned irresistibly to the Federal Government for action and salvation.

Mr. BORAH. Mr. President, will the Senator yield?

Mr. WAGNER. I yield.

Mr. BORAH. I think if the Senator will examine the RECORD he will find that, regardless of the denomination he gives to Republicans, the fight for Federal aid toward relief started on this side of the Chamber.

Mr. WAGNER. I have no recollection of it, unless the Senator refers to the Senator from Wisconsin [Mr. LA FOLLETTE]. I excluded the progressive Senators.

Mr. BORAH. I am not concerned with whether the Senator excluded the progressive Senators or not.

Mr. WAGNER. What particular action has the Senator in mind?

Mr. BORAH. I had reference to my own position.

Mr. WAGNER. I certainly regard the Senator from Idaho as a progressive Senator.

Mr. BORAH. This habit of saying "on this side of the Chamber" and "on the other side of the Chamber", and so forth, does not represent the situation with reference to the relief matter. The fight for aid upon the part of the Federal Government started here, in one denomination or another of the Republicans.

Mr. WAGNER. I do not recall any emergency relief bill to feed the hungry being introduced, except the one introduced by Senators LA FOLLETTE, COSTIGAN, and myself; and before that the bill introduced by Senators ROBINSON, PITTMAN, BULKLEY, and one other Senator whom for the moment I cannot recall, and myself, which provided for emergency relief through loans to the States, plus a very small public-works program. Those bills became laws of the United States. If the Senator has in mind some other emergency legislation to feed the hungry and the starving which was enacted at that time, I should like to hear of it.

Mr. BORAH. I simply say that the debate in favor of aid by the Federal Government started here, on this side.

Mr. LEWIS. Mr. President——

Mr. BORAH. I say further that when the Senator from Idaho made a public speech upon the subject in September 1931 he was criticized severely by a leading New York paper. He was supposed to represent a poor State and anxious to have the help of wealthy States.

Mr. WAGNER. Does not the Senator recall that in March 1928 I stood upon this floor and stated what the Coolidge prosperity was—I do not know whether I used the words "a fraud" or not—and that I said there were then 5,000,000 out of employment with unemployment rapidly increasing? At that time I was a voice in the wilderness, except for one or two other Senators—I do not want to mention their names—who stood with me. The Republican press charged me with being a cheap politician who was trying to minimize Coolidge prosperity. But I do not want to compete for honors on this question.

Mr. BORAH. Nor do I, and I would be the last to minimize any honor due to the Senator for his work in this matter. He has been a leader in it. But he must not classify so generally without regard to some exceptions.

Mr. WAGNER. I was very impatient at the time because I could secure no cooperation from what they called the "regulars" on the other side, nor from President Coolidge or President Hoover.

Mr. BORAH. Or "regulars" on the other side.

Mr. WAGNER. We finally passed a bill in the Hoover administration. We pleaded for it, and passed it.

Mr. LEWIS. Mr. President, let me remind the Senator that he does not wish to do an injustice, or forget at this time to pay tribute to the debate of the Senator from Idaho with the then national chairman of his eminent party, now passed to heaven, let us hope, having passed from earth, let us hope for the best estate which we desire for a great soul. The Senator from Idaho assumed a position at that time the same as that occupied by the Senator from New York, which was in opposition to the distinguished representative of his great party.

I ask the Senator from New York if he will not recall that a few of us—may I say "us"—joined with those on the opposite side, all conjoined together in the creation of what is known as the R. F. C. now, and passed a law which enabled the Government to lend to the States and localities?

Mr. WAGNER. Mr. President, I hope I have not seemed to seek too much credit. The Senator from Illinois was largely responsible for that law, because his city was in a serious state, and as a result of that legislation, it was extricated from its predicament.

Mr. LEWIS. The Senator from New York did not mean to detract from the services of the Senator from Idaho.

Mr. WAGNER. No. That legislation was the result of the support of the bill by the Senator from Arkansas [Mr. ROBINSON] and the rest of us. Senator FESS took a position against it, regarded relief as merely a local problem, and said it was none of our business, and the Senator from Idaho came to our defense, in what I regard as one of the most magnificent and humane addresses he has ever delivered. I recall that debate as if it were yesterday.

Mr. BAILEY. Mr. President, may I interrupt the Senator?

Mr. WAGNER. I should like to proceed for a little while.

Mr. BAILEY. I desire to correct the Senator historically.

Mr. WAGNER. I am about to be corrected historically, and I am willing to be.

Mr. BAILEY. I wish to make a statement as to the process by which the whole relief program has been developed.

The Republicans put forward in 1932 a national scheme of relief, with a national appropriation. The Democrats defeated it. Then the Democrats put forward a scheme of relief which contemplated loans to the States. We took the local view, the Republicans took the national view. Now we take the national view.

Mr. WAGNER. To what bill does the Senator refer? Who introduced it?

Mr. BAILEY. The first bill was the La Follette bill, and the next bill was introduced on the Democratic side, I do not recall by whom; but I set out the historical sequence on February 3, and it appears in the RECORD. If someone will bring me the RECORD for that day I will give the Senator the data, because I took pains to collect them.

Mr. LEWIS. Whatever vice there was in it, let me assume it, because it was my bill looking to loans to the States; and what we did then represents my position now.

Mr. WAGNER. I cooperated with the Senator from Wiscousin [Mr. LA FOLLETTE] in all these matters. I shall nevertheless continue with my historical statement, in spite of these side remarks, which I know are accurate. The Senator from North Carolina [Mr. BAILEY] caused me to stay up all night preparing my statement.

Mr. BAILEY. I really did not intend to cause the Senator to do that, and I beg the Senator's pardon for causing him to stay up all night.

Mr. WAGNER. I am sure the Senator did intend to do it; otherwise he would have left New York alone.

Mr. President, a halfway step toward unemployment relief was manifested by the act of 1932, providing for Federal loans to the States. We soon found that this was not enough, and in 1933 we embarked on our present program of national action.

That national action will always stand out among the most valiant efforts in our history. Under a great and fearless leader we mobilized the resources of the Nation and directed them toward the cure of Nation-wide ills.

The program which we embraced in 1933 was in some aspects dictated by the emergency. But the concept of integrated Federal responsibility, based upon the interwoven pattern of our national economic life, was not a matter of the moment. It was based upon the acceptance of a permanent fact. It recognized that the States of America had become an indivisible economic unit with inescapable common problems. Because we fitted our action to this fact, we were able so well to rally and revive.

Now, so soon, too soon, we are driven to ask ourselves: "Are we today as divided a Nation as we were in 1929 and 1931? Are we no longer the united Nation that we were in 1933 and 1935? Are we prepared to abandon the unifying philosophy which has spelled success, and yield once more to the divisive forces which spelled failure?"

Let us not deal too long in general principles, important though they are. Let us, as practical realists, examine the proposal that the States and localities shall be required to contribute 40 percent toward the relief of the unemployed. Does it represent a sound or workable public policy?

The first theory upon which mandatory and uniform State contributions might be defended, is the theory of benefits received. Let each State, the argument runs, contribute a fixed and unvarying sum for every dollar of benefits it gets in the form of Federal aid.

This sounds simple. Mr. President, it is too simple. I challenge any economist, I challenge any analyst, to allocate among the separate States the ultimate benefits received by each when the Federal Government spends a dollar for the relief of the unemployed anywhere. When the jobless masses in Pennsylvania get money to spend, do they not consume the bread baked with the wheat grown in the Middle West? Do they not buy the clothes woven in the factories of the South and New England? Do they not create a demand for houses, built with the products of every State in the Union? If this consuming power is cut off at the source, will not the freight cars stop carrying their commerce from State to State?

When Federal aid is extended to the needy in any State, it flows into a general stream of purchasing power. This stream knows no State boundaries. It cannot be segregated by geographic traditions. Federal assistance to the unemployed is not assistance to the State in which they live. Inescapably it is assistance to the Nation at large.

The second argument which might be advanced in support of exactly a 40-percent contribution from each State and its subdivision rests upon the theory of ability to pay.

Certainly the very statement of this argument, as applied to relief, carries its own refutation. To say that the more a State receives in Federal aid, the more it should itself contribute for unemployment relief, is a manifest fallacy. One might as well claim that each distressed individual should contribute toward his own family's support in direct proportion to the help given him by the State. The very excesses of economic collapse which make some States need more outside help than others make them less able to bear so large a proportion of the total load.

Thus neither the test of benefits received nor of ability to pay can justify the pending amendment. The third test is the test of sound fiscal policy, and here, too, the proposal breaks down.

It is conceded that State tax systems are less able than Federal taxation to distribute the burden equitably among the people at large. The general property tax, which is the chief source of revenue in most States, means that relief costs paid by the taxpayer fall largely upon the man who is just above the relief recipient in the economic scale. The Federal Government, though it does not always do so, is better able to distribute the cost of relief among those who can best afford to pay it; and in this fact we find an additional ground for large Federal responsibility.

Let us not confuse the problem of administering relief with the problem of financing relief. I firmly believe that the administration of unemployment relief should be and is being decentralized as rapidly as possible. That is something which the localities can do better than the Federal Government. But when we throw back upon the localities a larger part of the obligation to finance relief that is something which they are infinitely less able to do than the Federal Government.

Mr. President, there is a fourth test to which the pending amendment may be submitted—the most important test of all: Is the proposal designed to provide more adequate or equitable relief for the unemployed?

This is a fair and relevant question. We are all familiar with the use of mandatory local contributions to increase the resources at the disposal of the underprivileged. Such is the case with old-age pensions, with aid to the crippled and the blind, with grants to education. But most of the advocates of the amendment under discussion do not even pretend to view their proposal in that light. Most of them admit quite frankly that many of the States are not in a position to meet the 40-percent requirement. They are so well satisfied that the amendment would cut relief from 30 to 50 percent, that they are willing to forego direct efforts to reduce the bill in exchange for the acceptance of this amendment. Their proposal is not a drive for more adequate, or more equitable, or more soundly financed or administered relief. It is only a drive for a vast reduction in relief.

Above all, the proposal does not represent a drive for the reduction of relief in those areas which need relief least. It is not a drive for the gradual reduction of relief as private industry takes up the slack. It is a drive which by its very nature will reduce relief first in those areas which need it most—in those areas which are least equal to make a matching contribution. That, Mr. President, is the sum and substance of the whole question. The adoption of the amendment means that the stricken unemployed shall be made victims of the straitened circumstances of the localities in which they happen to live. It means that those whose chances of obtaining private employment are slightest, because they live in areas still most affected by the depression, will be the very ones hit hardest by this amendment and denied the benefit of Federal aid.

Why this sudden and short-sighted flare-up of misdirected economy? The bill before us is not large in terms of the acknowledged needs. Its funds are sufficient to care for, over the coming year, fully 500,000 less workers than are now dependent upon the Works Progress Administration. It is directly in line with the policy of scaling down public activity as private industry expands. Since the peak of relief in January 1935, the number of relief cases has declined 29 percent, and unemployment only 24 percent. Since February 1936, the numbers on the Works Progress rolls have declined by 26 percent and unemployment by only 19 percent.

In short, we are already paring down relief faster than employment is being relieved. Must we add unnecessarily to human suffering by further accelerating this pace? Must we say to the millions of men and women who are still unemployed, to the 500,000 of the younger generation who each year come into working manhood and womanhood, to the rising thousands displaced by technological unemployment, to those crowded out of industry by the growing length of the work week—must we say to all of these:

We cannot guarantee you a job in private industry, but neither will we guarantee you a livelihood through a full continuation of the responsibility of civilized government.

I have listened to the claims of the Senator from North Carolina that there is no serious unemployment problem to-

day. Does the Senator not know that the vast construction industry is now limping along at less than half of the normal rate of activity? Where are the building workers affected by this stagnation? Does he not know that there are no more people employed in industry today than in 1929, despite the fact that there were two to three million unemployed then, and despite the fact that 4,000,000 of our youth have come of working age since then? Does he not know that the very lowest current estimate of unemployment, that of the conservative National Industrial Conference Board, is 7,533,000, and that the average of all responsible estimates is about 9,000,000?

What, in the Senator's judgment, has become of the "technologically" unemployed? He must, indeed, be familiar with the tobacco industry. Nineteen hundred and thirty-six was, indeed, a banner year for that industry. The annual return on invested capital surpassed that of 1929. Profits increased by 26 percent over those of 1935. At the present rate 153,000,000 cigars and cigarettes are being manufactured annually for every 100,000,000 that were made each year in the period 1923–25. But, despite this huge increase of 53 percent in production, there are only 61 workers in the industry for every 100 employed in that earlier period. What has become of the other 39 percent? Has the employed tobacco worker of today benefited by this amazing technological advance? On the contrary, the average full-time employee is receiving a wage 20 percent below the 1923–25 level. Has the consumer benefited? On the contrary, he is paying the same old price for his smoke or a little more. Who has gained? The owners, and the owners alone.

Now, let us look at it as a business question. To what does business owe its present prosperity, if not to the far-sighted vision of the Government, in creating work and purchasing power and markets for goods through the use of the public credit? To remove this public prop from our business structure more rapidly than private industry is prepared to substitute its own support, would send us tumbling backward into the depths of the depression.

Mr. President, I plead for the unemployed; I plead for business; but, most of all, I plead for the preservation of that public morale and public responsibility which we have developed during the last 4 years. I plead against a reversion to that dark day when the man unemployed through no fault of his own was treated like an outcast, when we did not recognize the only kind of effective responsibility, namely, Federal responsibility, to make sure not only that no one starved, but also that as many as possible might earn their bread in a decent and self-respecting way.

There are some slackers on the W. P. A. pay rolls, just as there are some sluggards in industry and some cheats in business; but the overwhelming majority of those now dependent upon public employment are American men and women, like you, like me, like the millions of their brothers and sisters, who have been more fortunate—men and women eager to work, anxious to make a living, solicitous for the welfare of their children, devoted to the preservation and protection of American institutions. During the past 4 years we have given these people a sense of partial security, a sense of renewed hope, a sense of justified faith in life. And we have given the whole Nation something as well—the satisfaction which comes from the fulfillment of inescapable human obligations, the knowledge of pursuing a path dictated by every consideration of sound economic and social policy.

The proposed amendment, in my opinion, fails by every test. It does not base relief costs upon ability to pay or benefits received. It introduces no improvement in administrative or fiscal policies. It establishes no coordination between less public employment and more private employment. It sets up no mechanism for giving Federal aid where it is needed most. It is an indirect attack upon the maintenance of adequate relief, so designed that it will cut off relief first from those areas which need it most, and last from those areas which need it least. It does not meet the needs of the unemployed, and, therefore, it does not meet the needs of the united Nation whose welfare depends upon their welfare.

Mr. President, I urge, therefore, the rejection of the amendment as amended.

Mr. BAILEY. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from North Carolina?

Mr. WAGNER. The Senator from North Carolina desires the floor, and I yield it.

The PRESIDING OFFICER. The Chair would like to explain to the Senator from North Carolina that prior to his taking the chair the Senator from Georgia [Mr. GEORGE], who was then presiding, had agreed to recognize the Senator from Florida [Mr. PEPPER], following the remarks of the Senator from New York. Perhaps the Senator from Florida will yield to the Senator from North Carolina?

Mr. PEPPER. I shall be glad to yield to the Senator from North Carolina.

The PRESIDING OFFICER. The Chair recognizes the Senator from North Carolina.

Mr. BAILEY. Mr. President, I am not inclined to detain the Senate. It seems to me I was heard yesterday with a great deal of patience and courtesy. I feel like withdrawing my apology I made just now when the junior Senator from New York accused me of keeping him up nearly all night. I think it was to a very good purpose, for I very greatly enjoyed his address and the contribution he has made to this discussion.

While I am making my apologies, I think I owe another apology to the senior Senator from New York [Mr. COPELAND]. In undertaking to be courteous yesterday to the junior Senator from New York I inadvertently left out the senior Senator from New York. I was saying that I would not wound the sensibilities of the junior Senator. To be sure, I would not wound the sensibilities of the senior Senator from New York, either. But I also said that if the junior Senator from New York should run for mayor of New York I should be glad to support him; and I thought he would solve some of our problems there. I wish to say the same thing for the senior Senator from New York.

Mr. WAGNER. I desire to relieve the Senator of that obligation, although it is very kind of him to make the suggestion.

Mr. BAILEY. Very well. I simply wish to treat both Senators equally and properly, and I am going on with my statement that if the senior Senator from New York can be induced to run for mayor of New York I think that would solve our problems there likewise, and I would be happy to give him my support. I will add to that that if both of them should run I would go back to North Carolina and disclaim any right to vote for either.

Mr. President, it is a strange thing to me how good men, very noble men, very fair and honorable men, will undertake—I do not think intentionally—to negotiate their opposition into a false position. I would not say that about the junior Senator from New York; I do not think he would do that purposely; but he made statements just now that would imply that those of us who oppose the particular scheme of things that is presented are not in sympathy with the unemployed. He would not say that intentionally; he would not even imply it. I have the utmost sympathy for the man out of work, and I recognize every obligation, National, State, county, and personal. I was speaking in the Senate on that subject in 1932, and I stated then that it was the duty of us all, the duty of the Government, to see to it that men, and, of course, women, who were able to work and wished to work should have an opportunity to work. We are all of that view; but that is not the question before us.

I have voted for every measure of relief that has been put forward here. I have had views about how much money should be expended, but that is a question of judgment. I am unwilling to encourage the attitude of putting upon those of us who offer amendments or who have a different view the burden of exonerating ourselves before the

American people as against the accusation that we are unsympathetic with people who are in need and in distress.

I have always had a view about that sort of thing. I have always been suspicious of the man who proclaimed his religion or advertised his sympathies. I have never been inclined to stand up before the people and proclaim myself as one of their friends. I think Senators will realize why a man should hesitate to do that.

I do not think we should boost ourselves one above another either in sympathy or friendship or patriotism or honesty or piety. We have an ancient injunction to the effect that we should be known by our deeds and not by our professions. Those of us who prefer not to advertise ourselves and to proclaim our benevolence at the public expense might at least be allowed credit for decent regard for our fellow men as well as a decent self respect.

I am in sympathy with the unemployed. Merely because I think $1,000,000,000 from our Federal Treasury is enough, how can anyone impute that statement to me by way of saying, as one Senator intimated this morning, that I wish to balance the Budget of the Government of the United States at the expense of the suffering of human beings? He has no right to visit that judgment upon me. If I think $1,000,000,000 is enough I am entitled to my judgment about it. It is twice as much as the Senate of the United States thought was necessary 3 years ago.

We began this business of relief in 1932. I have the act before me. In the emergency relief and reconstruction act we appropriated $300,000,000. We thought it was enough. Am I to be pilloried here because I now say that one thousand million dollars is enough? If so what would Senators say about the Senate of 1932?

Mr. WAGNER rose.

Mr. BAILEY. I am not saying anything by way of reproach to the Senator from New York.

Mr. WAGNER. Oh, no; and I would not mind it anyway because I have broad shoulders. In referring to the $300,000,000 bill for public works, my very distinct recollection is that every Senator who participated in the introduction of that measure desired a larger public-works program at that time, but Mr. Hoover was then President of the United States and, of course, we had to reach an agreement with him. The administration would not go above $300,000,000 at that time. They did not spend that much either.

Mr. BAILEY. Mr. Hoover is not here, and of course I do not know. I know what happened. My recollection is perfectly clear about it because I took the pains to look it up and get the details. The Senator from Wisconsin [Mr. LA FOLLETTE] introduced here the first bill, proposing to appropriate $5,500,000,000. It was defeated. The Democrats defeated it. A great many Republicans voted against it. A great many Senators on both sides of the Chamber voted against it.

Then we came along with the bill which was known as the Garner bill, when our present Vice President was Speaker of the House of Representatives. That contemplated a big construction program. That was defeated.

Then we came to the act which we passed, carrying $300,000,000. I invite particular attention to this language in that act:

> Such sum of $300,000,000 shall, until the expiration of 2 years after the date of the enactment of this act—
>
> Two years—
>
> be available for payment to the Governors of the several States and Territories for the purposes of this section.

My recollection is not doubtful about that. We voted for that measure and for the lending of the money to the States because we were unwilling to trust the national administration with that money and the power directly to appropriate it in an election year.

Now we come to the other side of the picture and say the matter is wholly national and we must have the money and we must distribute it as a Federal matter. I am not complaining about that, but I am saying that my position now, in saying that the matter of relief is at least to a very considerable degree a local obligation and a local problem, is not only in accord with the Democratic policy, the Democratic program, and the Democratic record, but is in accordance with statements of the Democratic President—and no one can deny that. Any effort to make it appear to the contrary will at once be met with the record of speeches of the President of the United States and the Democratic platform and the record written here in the CONGRESSIONAL RECORD.

So much for that. I wish now to come directly to the matter of the necessity for local responsibility and a certain degree of local administration. I will say to my very noble friend, the junior Senator from New York [Mr. WAGNER], that I did not bring up the facts as to New York by way of criticizing New York State. I brought up those facts by way of showing the inequities, the necessary inequalities, when we have a national administration of this fund, when we do not have the local checks and the local responsibility. That is asserting a principle about relief. It is not trying to take the bread out of anybody's mouth or jobs from anybody.

I am asserting a principle which my party initiated, on which my party's President was elected, that the States and the counties and the cities have a primary responsibility; that they ought to have a part in the administration and ought to have a part in the payment of the funds. That is all there is to that.

I am not saying we should limit the funds. I say appropriate $1,000,000,000. Let the States, counties, cities, and towns raise $2,000,000,000 more, if so much is necessary. It is all right with me. They are acquainted with the facts; they know the situation. I am not putting any limit on that. I am simply putting a responsibility on them in the year 1937, when the Secretary of Agriculture is saying that the depression is over—that was his statement in a recent speech as published in the newspapers—I am simply saying the time has come for the Federal Government to shift a larger measure of this responsibility upon the States, counties, and cities, and when I say that I am also saying there should be more local responsibility in the administration of the program.

I have some evidence here. I hope no one will think I am uttering that in a provincial spirit. I am not doing it as an advocate or the representative of a section. I have here some facts which I think the national administration ought to take into consideration. I think they are facts which the Senate should take into consideration.

Approximately 2 percent of the population of the wealthier Northern States—and I am referring now definitely to Pennsylvania and New York—are employed on W. P. A. projects, as contrasted to 1 percent of the population employed by W. P. A. in the Southern States. That is 2 to 1. Since the W. P. A. workers in the Northern States receive approximately twice as much wages per month as do the southern W. P. A. workers, it is quite simple mathematics to figure that the net result is that the Northern States, on the basis of population, receive $4 to $1 for the Southern States.

When I protest against that I hope no one will say that I am provincial. I am just not in favor of distributing the national subsidies on a basis of 4 to 1. I should not be willing to do that in North Carolina as against New York. What I am saying is that when we centralize this thing, and make of it a great subsidy to be handed out here by one man, this sort of thing will inevitably occur. In other words, for every 1,000 population residing in the States of New York, Massachusetts, and Pennsylvania there are approximately 20 persons employed on W. P. A. at monthly wages averaging $60 or more per month, or a total of $1,200 Federal funds allotted to such States monthly for each 1,000 population. Contrast this with the Southern States, where approximately 10 persons out of 1,000 population are employed as W. P. A. Workers for the average monthly W. P. A. wages of $32 per month, or a total of $320, and we say that the Federal funds received in the Northern States per 1,000 population are four times as much as in the Southern States under the W. P. A. program. The Northern States get $1,200 where the Southern States get $320 on a per-capita basis.

Let us look at that a moment.

The Senator from New York was arguing that there was some justification for the condition stated on the ground of taxes paid. I am willing to recognize the argument, but I have some question about it, notwithstanding the fact that my State has a very high record in taxes paid. The taxes, however, have not yet been paid. There is the significant thing. The debt that we have created is now $19,000,000,000; and at least $12,000,000,000 of it is due to this distribution of money, not just for W. P. A., but for all manner of relief and reconstruction projects. When this debt is paid, we who got $1 per capita where the people of the Northern States got $4 per capita are going to have to pay at least $2 where they pay $4. That is stripping our section of the country. That will tend to break the backbone of those struggling Commonwealths in the South.

We sometimes say that the poor people do not pay taxes. That is a great mistake. We have a way of saying that the Federal Government does not levy any sales taxes. That is not the truth. We have a long list of sales taxes, and at this moment there is pending a bill to renew those taxes for the next 2 years. The Senate is familiar with it. I say to the Senate that the poorer classes of the people in America today pay $1,500,000,000 a year of the annual taxes of the Federal Government.

How do I figure it? Take the tobacco tax, then take the excise taxes, then take the taxes in the lower brackets, and they very quickly add up to a billion and a half dollars. I have never been in favor of a general sales tax, but I have never said that we did not have a sales tax. If a man buys gasoline, he pays a sales tax. If a man buys a package of cigarettes, he pays a sales tax. If a man goes to a movie show, he pays a sales tax; and that is true all the way along. Of course, we have sales taxes, and they fall upon the great masses of the people.

It is my judgment also that all the taxes paid by the corporations fall upon the masses of the people. Corporations do not pay taxes out of their capital. If they did, the capital would soon evaporate. They pay taxes out of their profits, and they get their profits from the rank and file of the American people. We now put a tax of 15 percent on the net earnings of corporations. Where does a corporation get the 15 percent? It gets it out of the pockets of the great masses of America, north and south and east and west.

Now apply the principle: We all understand that this debt will be paid. The national honor demands that it shall be paid. It is going to be paid, not by paper, but by the earnings of the people. It is going to be paid by annual revenues. When the revenue collected in North Carolina is used to build houses and provide jobs for persons in New York City, we do not get a quid pro quo. We are put in the position of stripping ourselves in our poverty to support a population which the United States Census says has twice the per-capita income and twice the per-capita wealth of my Commonwealth.

If that is provincialism, make the most of it. I think a Senator has a duty in the national interest and also in the interest of the Commonwealth that sent him here. I wish to serve both, and I hope to serve both without being provincial.

That is the situation about those things. That is what troubles me about the matter. Why can we not require New York State to put up 40 percent?

Now, hear me, Senators: There are only 286,000 persons on relief in New York State. There are 12,000,000 persons not on relief in New York State. Do you tell me that 12,000,000 persons cannot support 286,000 persons—about 2 percent?

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. BAILEY. Surely.

Mr. WAGNER. Did the Senator understand me to imply in any part of my speech that New York could not do that?

The Senator insists upon using New York State as his issue, and asks why we cannot pay 40 percent in New York State. I think I stated in my address that I was trying to view the matter from the standpoint of the Nation; that so far as New York is concerned, on all of the relief and work relief we are now contributing 37 percent.

There would be no difficulty in complying with the terms of this amendment if it affected only New York; but there are many States that will not be able to make that contribution. That is what I was trying to say. Perhaps I did not say it very clearly.

Mr. BAILEY. If the Senator's State is already paying 37 percent, I should not think he would complain very greatly if we added 3 percent more, and made it 40 percent. And he admits his State is able to pay it!

Mr. WAGNER. I did not complain. I am trying to make the Senator understand that I was speaking from the national point of view, from the standpoint of the other States that are less able to pay. I tried to emphasize that in what I said, but evidently it escaped the Senator, because I am sure he would not willingly do me an injustice.

Mr. BAILEY. I am sure the Senator is speaking from the national point of view. I would not think anything else. I think he is speaking in utter sincerity; and while I am not demanding that others think I am doing that, I have the satisfaction within my own breast of knowing that I am. We can get along about that, and, of course, I am using New York only as an illustration. I should be perfectly willing to use North Carolina; and, as I said yesterday, I would not wound the sensibilities of the Senator from New York on any account whatever. If I shall, and he calls my attention to it, I will make due correction and apology every time.

Mr. WAGNER. No; the Senator owes me no apology. Perhaps I owe him one for these interruptions; but I do not think the Senator ought to complain about my sensibilities being somewhat aroused. Both he and the Senator from South Carolina [Mr. BYRNES] have persisted in referring to only one item and emphasizing the contribution that New York has been making to W. P. A., whereas, as a matter of fact, there are a number of other Federal-State activities toward which we are making large contributions, in all averaging nearly 37 percent of the total spent in New York; and there are only two States in the Union that are making higher contributions than that. That is what I was trying to bring forth. When we are discussing these contributions, let us take them all together.

Mr. BAILEY. There may be a little difficulty there.

Mr. BYRNES. Mr. President, will the Senator from North Carolina yield to me?

Mr. BAILEY. Just let me answer the remark of the Senator from New York, and then, of course, I will yield.

The Senator from New York insists on bringing in P. W. A.——

Mr. WAGNER. The entire picture.

Mr. BAILEY. And, as the Senator says, prompting me, the entire picture. The Senator from South Carolina and I are very much inclined to confine the picture to the P. W. A., and the joint resolution before us is a joint resolution dealing with the P. W. A. I should be glad to take up all these other matters when they come in order; but I cannot see that we should get very far if every time we discussed the W. P. A. we had to discuss this whole alphabetical picture. That is a very difficult task.

Mr. WAGNER. But in order to give evidence of the good faith of New York in its contributions, when the Senator refers to a contribution of only 7 percent by the State insofar as W. P. A. is concerned, he ought then also to enumerate the contribution which we are making to the same relief problem in the other fields of social activity; and that amounts to more than the State of North Carolina contributes totally, and more than the State of South Carolina contributes. I do not think it is fair constantly to refer to the State of New York as making a small contribution, as the Senator says, to W. P. A., and not give us the entire picture. If I referred to North Carolina, instead of limiting the discussion to North Carolina's contribution merely to one item of all the different items which make up the activities to help the unemployed, in fairness to the Senator's State,

I should have to enumerate all of its contributions; and all I am asking is that the Senator be fair in that regard.

Mr. BAILEY. Mr. President, I wish to be so fair that I am willing to have the Senator be my judge and say whether or not I am fair. I am willing to say anything in the line of the whole picture that the Senator would wish me to say, and to read into my remarks any amount of statistics the Senator may give me. I heard the very fine statement the Senator made, and I understand one was made earlier in the day by the Senator from Washington [Mr. SCHWELLENBACH]. I think probably the picture is before us now. Let us take it that it is. The fact still remains that the sponsors in New York put up only 7 percent. The fact still remains that the monthly wage in New York is $65, while in North Carolina it is $23. I do not hold that against New York. That is against this Hopkins administration. That is what I am driving at.

I am not arraigning New York about that. I am willing to say that perhaps the New York wage is right; but if it is right, the disparity is intolerable as between the New York wage under the W. P. A. and the North Carolina wage; and I do not think anyone will deny that.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. BAILEY. I yield.

Mr. WAGNER. Of course I have had no part in the administration of this relief fund, or any of the other funds, in New York. A general of the Army, or colonel, has charge in New York City, and up-State it is under the charge of one of the distinguished members of the Republican Party. But I am sure they have done a most honorable job and have not given any relief where it has not been needed. I inquired this morning, and the answer I got was that the cost of living is so different in different localities that they have to take it into consideration.

If the Senator thinks there is an error, he ought to call the attention of Mr. Hopkins to that fact.

Mr. BAILEY. Mr. President, I am not going to call the attention of that administrator to anything except on the floor of the Senate and that is what I am doing now and that is what I am talking about. I am glad we have finally gotten to it.

The Senator thinks I am attacking New York. I have said a dozen times in this debate that I have mentioned the facts as to New York and North Carolina to illustrate how this national system is carried on. There have been no unkind reflections, no invidious comparisons. I am saying that the facts cannot be avoided, and that the thing is wrong.

Mr. BYRNES. Mr. President, will the Senator yield to me?

Mr. BAILEY. I yield.

Mr. BYRNES. During the presentation by the Senator from New York in his statement I did not interrupt him; but because of the repeated statement that it is provincial to call attention to the table inserted by the Administrator, Mr. Hopkins, in the hearings before the House committee, I only desire to call the attention of the Senator from North Carolina and of the Senator from New York to the fact that in first presenting my views as to this amendment, in discussing the proportion of the total cost of a project which should be paid as between the sponsor and the Federal Government, I called attention to the wide variance between the proportion put up by various sponsors merely in advocating uniformity.

The figures are not mine; they are Mr. Hopkins' figures. They show that to January 1 of this year in New York City there were 734 projects; that the total cost of those projects was $433,783,001; and Mr. Hopkins said that of that total cost of the projects the Federal Government contributed out of the $433,783,000 the sum of $431,538,624, and that the city of New York contributed $2,244,377.. He said that he contributed to these 734 projects in New York City 99½ percent of the total cost of the projects, and the only question we were submitting was not what New York would do for the rest of this country, but we know that knocking at the doors of this Chamber now is a bill to continue for another year the taxes upon every gallon of gasoline bought by the man in Michigan, Idaho, or California, as well as New York City, and on all matters that are taxed, and from all those taxes we will get but $600,000,000. Mr. Hopkins said he contributed $431,000,000 out of $433,000,000 to New York City, or 99½ percent. I was not attacking New York City, but my question was whether this Government can in a few days pass a bill to collect out of the pockets of the people $600,000,000 and say to New York City, "We will give you 99½ cents out of every dollar your projects cost", and say to my friend the Senator from Idaho, "We will give your State $70, and it will have to put up $30."

Mr. President, I believe the contributions should be uniform. No percentage is sacred, but there should be some uniformity, and when it comes to determining the question as to whether it should be 99½ in New York and 70 in Idaho it is immaterial how much is spent for hospitalization in New York, or for the fire department, or for the police department, or for anything else, and it is immaterial how much is spent for those things in Idaho. When Mr. Hopkins says that of this $600,000,000 we are going to collect he gives $433,000,000 to one city, gives them 99½ cents out of the cost of a project on every dollar, and gives 70 in Idaho, and makes Idaho put up $30, the question is whether it is fair or whether we should not try to make every State and every city pay its share.

If 99½ cents is right for New York, it should be right for us. If New York is made to put up $70, make South Carolina put up $70. By whatever standard the Government measures, we will agree to it. But we do not agree to a provision which will say to South Carolina, "You put up 40 percent", and to some other State that it may put up a different percentage. I have here a copy of an application for a nurses' home at a hospital where we put up 54 percent. I do not complain. I think it should be 54 percent. I urged 50 percent. But I think that whatever they demand of Idaho, Kansas, Michigan, and South Carolina, they should demand of New York City, and that is all. If that is provincialism, then I am provincial, and proud to be provincial.

Mr. WAGNER. Mr. President, may I ask the Senator a question?

Mr. BYRNES. Certainly.

Mr. WAGNER. The Senator has calmed down now? [Laughter.]

Mr. BYRNES. After watching the Senator from New York, I have learned to be calm always.

Mr. WAGNER. Let us all be calm. Did the Senator ask Mr. Hopkins what other contributions New York made toward this whole program of relief and work relief?

Mr. BYRNES. No; I did not ask him. I can see that the mind of the Senator from New York is simply not in accord with mine on this question. My position is that when Mr. Hopkins said he had $433,000,000 to spend for projects in New York, and he gave four hundred and thirty-one million of Federal money, collected as the imminent bill will provide it shall be collected to those projects, it is irrelevant what New York City is spending for its hospitals, or for relief, and it is immaterial and irrelevant what the people of South Carolina are spending in community chests by levying taxes or in any other way. We have said that is their problem, that they must look after the local direct relief.

Mr. WAGNER. In New York City that is a Federal problem.

Mr. BYRNES. Under the pending measure there is not provided one dollar for direct relief.

Mr. WAGNER. But you are still going to get direct relief from the Federal Government, are you not?

Mr. BYRNES. Not that I know of. There is no provision for it in the joint resolution. Where would the Senator get it?

Mr. WAGNER. I dislike to keep repeating, but while the Government gave us this larger aid, so far as the Works Progress Administration is concerned, we in the city of New York assumed obligations which other States in the Nation did not assume, which were Federal in their nature, namely,

other types of work relief and relief. The result is that we contributed as a whole toward all these problems, which involve one question of relief, 36.6 percent of all the money spent in our State, whereas the total contribution from the State of South Carolina amounts to 17 percent this year, and was even less in previous years.

The Senator refuses to give the State of New York credit for making almost a hundred percent contribution in some of these other activities, and insists upon limiting his discussion to the Works Progress Administration. That can be easily adjusted. New York can pay its 40 percent. Then, of course, the Government will have to assume some other obligations which the city of New York and the State of New York have now assumed, and which the Government does assume in other States of the Union. I am simply pleading for fairness to New York. That is my only plea. The Senator has not been fair to New York.

Say what you like, New York will come along all right. I do not think many of the other States will. Let us be candid about this, Senators. I do not say that this is the object which the Senator from South Carolina [Mr. BYRNES] had in mind in offering his amendment, but the result of the amendment will be to cut down the relief to a sum below $1,000,000,000, because throughout the Nation the different municipalities will not be able to make these contributions. That is what I am worrying about. I am pleading for the unemployed, for those I know to be unemployed, between seven and eight million of them. My first consideration is for them. We shall not take care of the Budget with a rapidity so as to starve good American citizens ready and willing to work, but not able to work now because our system has not been properly adjusted.

The Senator from North Carolina [Mr. BAILEY] says our industries have recovered. Mr. President, they have not absorbed our unemployed. We must have shorter hours, we must have minimum wages, and through better labor organizations the workers will get a fairer proportion of the wealth which they create. These, however, are problems foreign to the question now under consideration. I wish Senators to know that my whole concern is not now New York. Whatever is done now we shall adjust ourselves to it, but let us think of other States which, as Senators have told us, are not able to comply with these very rigid and fixed provisions.

Mr. BYRNES. Mr. President, will the Senator yield to me?

Mr. BAILEY. I yield.

Mr. BYRNES. I wish to say that the rest of the States of the Union will look after themselves. They are made to pay 25 percent to 35 percent. I have no doubt New York will take care of itself, but the rest of the States of the Union will have to take care of themselves, and they cannot do it by turning over 99½ percent of the cost of a project to New York City.

Mr. LEWIS. Mr. President, will the Senator yield?

Mr. BAILEY. I yield.

Mr. LEWIS. With the consent of the Senator from North Carolina, I beg to revert to one of his statements which gives me information but occasions me some astonishment. I do not allude at this moment to the controversy between New York and South Carolina. I am not unconscious that there is in history an instance of conflict between South Carolina and Massachusetts which led to a rather strange conclusion and an unfortunate and fateful end. I do not wish that duplicated, and therefore wish to cut off as much as I can the further conflict between these two great nationalities. [Laughter.] But I ask the great Senator from North Carolina [Mr. BAILEY] did he mean literally, if I understood him correctly, that the difference in the wage rate between the State of South Carolina or that of North Carolina and the wage rate stated by the able Senator from New York [Mr. WAGNER] applicable to New York—that that difference was the result of some action by him whom the Senator called Harry Hopkins or Mr. Hopkins? Will the Senator from North Carolina explain in what way Mr. Hopkins, as Administrator of this relief system, is responsible for the difference in the rate of wages in these two different States which he has described—the States of North Carolina and New York.

Mr. BAILEY. Mr. Hopkins is the Administrator over all of them. He supervises all of them. He makes the allotments. We ask him how many dollars we can get. We appropriate billions of dollars for him and then sit like beggars on his doorstep and ask him for some of them.

Mr. LEWIS. And let me say that I have not been able to agree with Mr. Hopkins as to Illinois and as to Chicago——

Mr. BAILEY. That, Mr. President, is one of my complaints with regard to this whole matter.

Mr. LEWIS. Mr. President, I regard the work which Mr. Hopkins has done as marvelous. I believe he is entitled to a great reward for what he has done.

However, I wish to ask the Senator how he can explain to anyone wherein Mr. Hopkins is responsible for the difference in the rate of wages of those working in the State of New York and those working in the imperial States of South Carolina and North Carolina? How does he control the wages within those States?

Mr. BAILEY. Mr. President, I think the Senator from Illinois must be under some misapprehension. The Administrator is in charge of it all. It is a one-man affair. It is not under any board. The Administrator determines what we shall get. He gives out the money on a certain basis; if there are so many people on the rolls he gives so much for wages and such-and-such projects. He has to do it. I wish the Senator from Illinois to consider this, that for every thousand population in New York, Pennsylvania, and Massachusetts, where they have a monthly wage of $60 per capita, there is $1,200 of Federal funds allotted. It is allotted on the basis of the people employed.

Mr. LEWIS. Exactly. That is why I cannot see that it is fair to charge Mr. Hopkins with being responsible for the rate. His allowance may be based upon the basis of the rate, but he does not create the rate of wages.

Mr. BAILEY. Oh, yes; Mr. President. If you divide the number of people available for employment with the amount of money that is handed to you, you find it is a mathematical proposition.

Mr. LEWIS. I thank the Senator for his statement, but I cannot see that that is exactly an answer to the question as to how he is responsible for the rate.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. BAILEY. I yield.

Mr. McKELLAR. I call the Senator's attention to the following provision of this joint resolution governing the very subject that he has been talking about in discussion with the Senator from Illinois:

Provided further, That in the event the Congress or any Federal agency so authorized by the act of Congress shall establish minimum rates of pay for persons employed by private employers in any occupation or occupations, thereafter no greater percentage differentials in the amount of compensation paid than the average minimum differentials established by the Congress or such Federal agency shall be applicable to persons engaged upon projects under the foregoing appropriations, and in the event no differential be established there shall be no differential in compensation applicable to such persons.

Mr. BAILEY. I think that is a very fine amendment. It is made necessary by the very fact that I have been citing. It is not in the law.

Mr. McKELLAR. No; but it is in this joint resolution. If the Senator will vote for the joint resolution, he will get what he wants.

Mr. BAILEY. I want to pay a tribute to the junior Senator from Georgia [Mr. RUSSELL] for putting it in there. I am very glad it is in the joint resolution.

Mr. ADAMS. Mr. President, if I heard him correctly, I think the Senator from Tennessee failed to read the clause which really confirms the statement of the Senator from North Carolina as to wages. It is in this joint resolution, and I think it is copied from the existing law:

That the rates of pay for persons engaged upon projects under the foregoing appropriation shall be not less than the prevailing rates of pay for work of a similar nature in the same locality as

determined by the Works Progress Administration with the approval of the President.

Mr. McKELLAR. Mr. President, the Senator from Georgia [Mr. RUSSELL] is the author of this amendment, and I shall be very glad if he will explain it.

Mr. RUSSELL. The provision read by the Senator from Colorado [Mr. ADAMS] applies only to the hourly rate of pay. It does not apply to the so-called security wage.

Mr. ADAMS. All I was doing was to point out that under the law as it stands these matters were fixed by the Works Progress Administration, and we have the tabulation in the hearings of the rates fixed per hour in the various States.

Mr. RUSSELL. As to the hourly rates that are paid?

Mr. ADAMS. Yes.

Mr. RUSSELL. However, the so-called security wage, which is the total amount which can be paid any person on any project at one time, is not fixed by the law, but is arrived at as the result of various considerations by the Works Progress Administration.

Mr. Hopkins testified that the so-called security wage was based more upon a standard of living than it was the cost of living, and that was one of the impelling reasons for offering the amendment, which the committee saw fit to adopt.

Mr. BAILEY. Now, I think we have that clear.

Mr. BARKLEY. Mr. President, will the Senator yield to me to ask a question?

Mr. BAILEY. I yield.

Mr. BARKLEY. Regardless of the difference in the wage scale paid by the W. P. A. to those who are employed on its projects, and while that wage does not track the wages that prevail in the various communities, it is true that the wage scale is based primarily and fundamentally on the wages that are paid in the various parts of the United States, so as to have a fair proportion as between the different communities and the different States. That is true, is it not?

Mr. BAILEY. Mr. President, the Senator from Kentucky may undertake to speak for Mr. Harry Hopkins. I would not under any circumstances.

Mr. BARKLEY. I am not attempting to induce the Senator from North Carolina to speak for Mr. Hopkins.

Mr. BAILEY. I do not know what his basis is.

Mr. BARKLEY. Far be it from me to entice the Senator from North Carolina into such a field which would be so unwelcome to him.

Mr. BAILEY. It would, indeed.

Mr. BARKLEY. I have not heard him, Mr. Hopkins, say anything about it, and not being on the committee I did not hear his testimony, and I have been unable to read all of it. If the Senator is not willing to give that information, I think it is fair that the Senate should have it. Regardless of what Mr. Hopkins may or may not have said, the fact is that the wage differential and the wage scale in the various cities, counties, and States of the Union is fundamentally based somewhat on the wage that prevails in the community. Although not as high as the prevailing wage, it is based on that sort of proportion. I say that if Mr. Hopkins has fixed a wage that seems unfair in any State as compared to another it is because of the fundamental unfairness of the background and foundation of that wage as he has associated it and fixed it in his Works Progress Administration.

Mr. BAILEY. Manifestly, that would be a very fine explanation, but that will not explain.

Mr. STEIWER. Mr. President, will the Senator yield?

Mr. BAILEY. Let me answer the Senator from Kentucky, and then I will yield. No one can explain on any basis of fact, or right, or reason, or experience why the Federal Government should pay a wage of $32 in North Carolina and a wage of $65 in New York. There is not that difference. We have got the whole experience of the N. R. A. to controvert it. If that is the theory, I am just saying the facts are not squaring with our theory.

Senators, hear me, as I want to get the facts before us. For every thousand population in New York the contribution of Federal funds is $1,200; for every thousand population in North Carolina Federal funds were contributed to the amount of $320. That cannot be explained on any basis of wages or taxation or reason or right. It is wrong, and our State cannot stand it.

Now I yield to the Senator from Oregon.

Mr. STEIWER. Mr. President, I am not disagreeing at all with the views of the Senator from North Carolina as to the impropriety of these differentials, but I think the situation would be made a little more clear if we were to refer to the record. The questions asked by the Senator from Illinois [Mr. LEWIS] indicated some doubt in his mind as to whether Mr. Hopkins fixed these differentials. At the hearings before the Senate committee as found on page 80, if the Senator from North Carolina will permit me, I should like to read two or three questions propounded to Mr. Hopkins and the answers made by him to those questions. First the Senator from Arizona [Mr. HAYDEN] asked this question:

How do you account for the difference in the cost as between the cities and the country?

Mr. HOPKINS. Different standards of living in the country and variations in the cost of living. Actually the cost is less in the country than it is in the city. For the same kind of shelter, I doubt if the cost is half as much in the rural areas as it is in the cities.

Part of it is due to the lower standard of living in the rural areas.

Senator HAYDEN. Is it also due to the fact that persons in need of relief, residing in the country, are able to produce from the land a part of their own food?

WAGE SCALES

Mr. HOPKINS. Partly, no doubt. Of course, I think our wage scale is not based as much on the cost of living as it is on the standard of living.

For instance our figures show that it costs as much for a worker to live in Washington as it does in New York, and certainly the difference between the wages we pay in New York City and Charleston, S. C., does not represent a difference in the actual needs of the workers. The difference is rather in the standard of living.

Mr. BAILEY. Yes; and I am saying that there is no standard of living in the South that would justify $320 down there for every $1,200 in New York or $30 wage there for a $60 wage in New York. That is wrong.

Mr. STEIWER. May I suggest to the Senator that, so far as the W. P. A. standard of living is concerned, it is created by Mr. Hopkins?

Mr. BAILEY. Certainly.

Mr. BARKLEY. Mr. President, it may not be created by him but may be followed by him.

Mr. LEWIS. Mr. President, I should like to add, if I may be pardoned, that while I am not an advocate of Mr. Hopkins, and we have differed much, I think it is unfair to accuse him of being responsible for a situation which it appears he did not create but which was created under a law which he is not able to repeal.

Mr. BAILEY. But which he has misinterpreted. That is not the situation, however. There are no facts to be found on which to base the differential. I can put that to the test in 2 seconds.

The Congress has now before it a wage-and-hour bill. No Senator here would ask that the minimum wage be made twice as high in New York as in North Carolina. Of course he would not. Yet we have it in this instance. The worker is a worker, the hungry man is a hungry man, human rights are human rights, Federal money is Federal money, and there is an equal right under the law.

Mr. President, I rose to make a few remarks, and in the course of the remarks I became first an innocent bystander and then finally I got to be a referee. But there were no casualties, and I wish to say that both Senators came off with a great deal of honor and both are fine and extraordinary men.

Mr. LEWIS. And the Senator from North Carolina is a great orator.

Mr. BAILEY. I thought I would conclude by reading, if I could do so without offense to the Senators from New York, a short column—it will take me a moment or two—from the New York Times of June 7. The junior Senator from New York has been talking a great deal about public works. Now let us see about that.

New York City leased from the United States Government yesterday, for an experimental year at $69,062 rental, the four square

blocks of model dwellings known as Harlem River Houses, now nearing completion as a Federal Public Works project.

At a public ceremony in the great court of the new houses at One Hundred and Fifty-first Street, Mayor LaGuardia approved the lease in which the Federal Government fixed the monthly rentals to be charged by this city to the Negroes of Harlem, at a monthly average of $7 a room.

"We have had very generous Government help", he said. "It represents a new theory in government—aiding Americans in distress—which was initiated by Franklin D. Rooseevlt."

He did not even take the trouble to call him President.

The audience of more than 4,000 vigorously cheered the President. The mayor then got a cheer for himself when he added, "I selected this place."

He is running for mayor this year, and he was not going to be left out of the picture. At least he selected the place, and we furnished the money.

According to official figures, the project cost the Federal Government $4,219,000.

That is one-fifth of all North Carolina has obtained in 20 months, and it is just for a Negro apartment settlement on One Hundred and Fifty-first Street in New York City.

Only 55 percent is to be repaid—

That is all New York will ever pay us back—

Only 55 percent is to be repaid—over a period of 60 years. The rest is a subsidy. Otherwise, according to the P. W. A. engineers, yesterday, the monthly rental would have to be more than $14 a room.

That is what it cost the Federal Government to build the houses. This project is almost equal to the one over in Maryland.

DUNBAR APARTMENTS CONTRASTED

Three blocks away the Dunbar Apartments, the model Negro housing built by John D. Rockefeller, Jr., in 1928 at a cost of $3,300,000, which he wished to recover in 30 years, are charging $12 a room.

In the absence of Secretary Harold L. Ickes, who laid the Harlem cornerstone but is now ill in Washington, the operating policy of the Public Works Administration was represented in an address yesterday by his director of housing, Howard A. Gray.

Here is a significant thing—

"I hope that Harlem River houses is a forerunner", he said "of many similar projects in this city and in all our cities dedicated to the same purpose. Owned by the Federal Government and operated by the city, it is symbolic of a great change in public attitude—for the betterment of our common lot."

Referring to the Dunbar Apartments, where there are 18 vacancies among 536 apartments, the P. W. A. director said, "As the Dunbar Apartments were meant to pay their way, great numbers of Harlem families could not qualify as tenants."

In contrast, the rush of 14,000 applicants for the 574 apartments in the Federal housing was emphasized by Langdon W. Post, chairman of the New York City Housing Authority, which is to manage the leased Harlem River houses and to make detailed monthly reports to the Federal Public Works Administration concerning tenancy.

POLITICAL PULL SCORED

"This is obviously only a beginning", said Mr. Post—

He is representing officially the Public Works Administration—

"when there are so many thousands still unprovided for." He said the names of the 574 families selected by the city housing authority as both needy and desirable tenants would be announced within the next few days.

I suppose there will be a great lottery—547 apartments for 14,000 people.

"Political pull has been tried to get these apartments", he said, "but I want you all to know there is going to be no political pull in this."

Just how they will pick out the fortunate ones, I do not know. This is a political year in New York City.

Senator ROBERT F. WAGNER wired from Washington that he was detained there to push his new housing bill, which would commit the Federal Government to a long-range policy of such subsidized housing "for that third of Americans who are ill-housed and whom the President and the country are determined to help."

Very well; there is notice that the Federal Government is going to build houses for one-third of the American people, which means for nearly 45,000,000 people. They are going to take the money from down our way and spend it up there. They are going to say we are entitled to $3.20, but the man in New York would be entitled to $10.

If we do not put an end to this sort of thing, it is perfectly clear to me where we are going. We will never have a balanced Budget. On the other hand, we will have a broken Treasury.

Here is the program: We are building houses in Virginia. The junior Senator from Virginia [Mr. BYRD] brought out the fact the other day that the houses being built there cost $12,000 a piece, and he protested against it. He is entitled to honor, because he is the only Senator I know of who has protested against these things being done in his own State. I suppose, if Virginia has these houses built there, it is nothing but right that they should be built elsewhere. If New York City has them, we ought to have them in Raleigh, my home city. American citizens are entitled to the equal protection of the law. We cannot distribute public money on any other basis, and to undertake to do it is to work injustice; and the one thing the people never forgive their government is injustice.

Take the whole situation and look at it. I say to the Senate in all earnestness and solemnity that if we want to save the Federal Government from bankruptcy we will have to decentralize this public spending. We will have to tell New York City that if she has a bad housing problem it is her business to look after it; if her streets are not good streets, it is her business to make them good. Put the tax on the people who enjoy the streets. If New York cannot attend to the sewage disposal of the city, she ought to go out of business as a city. If New York cannot provide schools for her children, she ought to give up the game and cease to call herself the center of civilization.

The idea of New York, Chicago, Boston, Baltimore, Cleveland, and all the other cities of the Nation hanging onto the Federal Government and crying, "Build this and build that. Do this and do that." I say unless we stop this tide, unless we arrest this process of dependency and degeneration, the break-down of the financial structure of this Government is inevitable. I say to those Senators who have made their professions of sympathy with the unemployed, if they want to wreck America really, if they want to fill the streets with unemployed, just let them destroy the credit of the Government and go into the inevitable inflation that will follow, when its money can buy nothing. Then we would have a situation, indeed.

On the basis of sympathy not alone for the people who have not jobs, but for the people who have jobs, on the basis of sympathy for the men who are trying to do for America, trying to carry on, on the basis of interest in the farmer as well as the unemployed, I appeal that we adopt here a policy which will at least notify the people of America that we are going to preserve the national credit, that we are going to preserve the integrity of the national currency, that we are going to preserve the wages of the worker and his right to exist.

Mr. President, I am through. I feel very earnest about this matter. To be sure, I give the utmost credit to the good faith of every man who differs with me. I have not meant to reflect upon anyone. I have not greatly cared when utterances have been made here tending to leave an argumentative impression, at any rate, that those of us who advocate what we consider a necessary and a constructive policy are not as sympathetic with the unemployed as those who talk about us. That is all right. I will abide the outcome of the policy and not ask for any credit. I will stand on my position.

I am merely saying to the Senate that we cannot go on as we are now going. Senators can make these appeals to us, whenever we try to stop this tide of spending, and raise one excuse and the other. Senators cannot go on that way without exhausting the credit of the Republic of the United States—and that is the most precious thing we have. That is just as important to the unemployed as it is to the employed. That is more important to the poor fellow who hangs upon us pleading for relief than the dollars we might grant from day to day.

I am saying that now we have counties and cities and States where there is a reasonable return of prosperity, and we all know there is. Everybody knows it. One day we boast of it and the next day we deny it, but we all know it is here. There is a recovery, and now that there is recovery why should not the Federal Government, which has borne the burden in such great measure for 4 years, now say to the counties, and cities, and States: "We saved you and we stood in your place when the liability was yours and the primary obligation was yours. Now we are in debt. Our budget is unbalanced. You are all right because we made you all right. Come in now and do your duty."

If we will do that, we can balance the Budget. If we do not do that and if we continue to keep the Budget unbalanced, not only the seven or eight million who are now dependent upon us will go to wrack, but twenty or thirty million more will follow.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States, submitting nominations, were communicated to the Senate by Mr. Latta, one of his secretaries.

RELIEF APPROPRIATIONS

The Senate resumed consideration of the joint resolution (H. J. Res. 361) making appropriations for relief purposes.

Mr. PEPPER. Mr. President, I have listened with great interest to the remarks of the Senator from New York [Mr. WAGNER] and the Senator from North Carolina [Mr. BAILEY]. I do not presume I have the ability or the power to persuade Senators about this matter which has already been discussed at considerable length; yet out of my own experience I happen to entertain certain sentiments with regard particularly to the impressions which may be deduced by the public of the United States with respect to this issue, and I desire to express briefly those sentiments.

I have listened with a great deal of interest and such alertness as I was capable of to the arguments which have been made by the proponents of the amendment now under consideration. I thought perhaps at first that they were dissatisfied with the operation of the details of the Works Progress Administration.

I thought perhaps they were solicitous for a purge of the relief rolls, and it occurred to me that it was a simple thing to have an elimination of those who were improperly upon the relief rolls, and such a suggestion would readily occur to anyone, but I did not hear that suggestion made. So, therefore, I assumed that no one was primarily discontented with any of the so-called "sorry" crowd which has crept or been put on the relief rolls of the Nation. In fact, I have heard no protests against the number of persons, estimated at some 2,200,000, who happen to be the beneficiaries of this meager contribution from their Government.

Then I thought perhaps some were concerned about the reduction of the amount of the relief appropriation, but even the proponents of the amendment do not propose a reduction in the gross amount available for this objective. In fact, some enthusiastically suggest that even more money may be available if this matching amendment should, perchance, be adopted.

So I have begun to observe, as I have listened more and more to the comment on this measure, that there was a deeper sentiment in the hearts of those who were the proponents of this principal amendment; and as the discussion progressed, as I heard an expansion of the philosophy and the view of some of the Senators who spoke chiefly for it, I was assured that my first impression was correct, because it is very evident from this discussion that there is a disagreement among the Senators with respect to the fundamental philosophy of this thing of public spending and public relief, and, I may add, social progress.

I wonder if we who talk about the emergency justifying the early expenditures are not a little bit too enthusiastic in our assumption that the emergency is past, with 2,200,000 persons actually now on the relief rolls, and that admittedly being a small share of the total number eligible for such relief. If they were at one time concerned about human suffering, and if human beings still suffer, to my mind the emergency has not passed.

Mr. MINTON. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Florida yield to the Senator from Indiana?

Mr. PEPPER. I yield.

Mr. MINTON. If a billion and a half dollars, not reduced by any kind of an amendment or process, is not sufficient to take care of all the unemployed who are entitled to work relief, then if we should reduce the amount to $1,000,000,000 there would be still more cut off the roll; and therefore, if we reduce the amount by half a billion dollars, in that method we have half a billion dollars to reduce the deficit and go toward balancing the Budget. So if we are that far on our approach to a balance of the Budget, we have taken $500,000,000 from relief to balance the Budget; we have taken it from the needy of this country.

Mr. PEPPER. Exactly so.

Mr. President, I have also listened to a discourse upon the degeneration of America which has occurred during the past 4 years. We may have different ideas about what constitutes degeneration. I have heard the mayors of this country who have come to the Federal Treasury seeking succor for their people castigated as a degenerate group of municipal officers. I suppose it is only a profligate Government which has attempted to succor them and their citizenry in distress.

Mr. President, the kind of "degeneracy" which has increased the wealth of this Nation manyfold in the past 4 years is a desirable and not an objectionable "degeneracy", in my opinion; and if we can continue to "degenerate" in the next 4 years to the same degree that we have "degenerated"—using that term as it has been used here today—in the past 4 years, the national income will soon exceed eighty or ninety billion dollars, and we shall have far transcended any prosperity that we have ever before enjoyed.

Then the proponents of the amendment say that the national debt has reached dangerous proportions, and they propose to remove the threat to the national credit by imposing additional burdens upon the local governmental subdivisions of the Nation.

Mr. President, I live in a State which, by virtue of its constitution, is incapable of incurring bonded debt save to repel insurrection or for similar purposes; so the State of Florida could well say to the world, "We are financially perfect, because our State has no outstanding obligations." There was a time, however, in the recent history of our State when we preferred that those on the outside look at the condition of the State treasury and not at the condition of the several counties and municipalities constituting that body politic; and I, ignorant as I am of national finance, am unable to understand why, if the proponents of the amendment wish to take care of the same number of unemployed now being cared for, they profess to do it out of the pockets of the lesser political subdivisions and attribute the credit to the major subdivision, the Government of the United States. I do not see how the individual taxpayer can speak any less of his burden because the exaction comes from his local municipality rather than from his National Government. I cannot see how the public credit can be improved at the expense of the lesser political subdivisions. So, Mr. President, I cannot understand that any very great benefit is proposed to be conferred upon the taxpayers by the method of matching which is now proposed.

Then I have heard reference made to a balanced Budget. I suppose everybody is in favor of a balanced Budget. I desire to ask the Senator from North Carolina at what point he proposes to balance the Budget.

Mr. BAILEY. Mr. President, I hope to balance the Budget, if the Senator will permit me to say so—I think it is easily in sight if we will do our duty here now—by the first day of July 1938. All we have to do to balance the Budget is to reduce the national expenditures by between $600,000,000 and $700,000,000. The counties and the cities and the States ought to be perfectly willing to put up that

amount of money this year for the unemployed to accomplish that purpose.

Mr. PEPPER. Perhaps I did not make myself clear. I was anxious to know the figures of income and outgo at which the Senator proposed to balance the Budget—at $4,000,000,000, at $5,000,000,000, 6 or 7 billion dollars, or at $1,000,000,000, which was the Budget in 1917?

Mr. BAILEY. If the Senator will permit me, the President laid that proposal before us about 30 or 40 days ago, and stated that the Federal revenue had fallen short of his anticipation by about $400,000,000, and himself indicated that if we would cut the appropriations this year by about $600,000,000, the Budget would be balanced on the 30th of June 1938. That is the end of the next fiscal year, and I am driving in that direction. I think it is very reasonable.

The Senator asked me as to the expenditure. That balance of the Budget is predicated upon an income and an outgo of about $6,800,000,000 a year; and, Heaven knows, that is enough.

Mr. PEPPER. And the same President who made that suggestion, I may say, requested of the Congress the appropriation of one and a half billion dollars for the Works Progress Administration, with no matching provision such as that which is represented by this amendment.

Mr. BAILEY. And I may say, if the Senator will permit me, that when the President made that statement he made a request which was predicated upon disbalance of the Budget, notwithstanding repeated assurances both from him and from our party and from all concerned, including the Senator from Florida, that we intended to balance the Budget.

We are never going to balance the Budget by talking about it or promising it. The only way to balance the Budget is to cut down expenses.

Mr. PEPPER. No, Mr. President; that is not the only way to balance the Budget. The Budget may be balanced in one of two ways—by reducing the expenditures, or by increasing the amount of the public revenue, or both.

Mr. BAILEY. If the Senator will let me make one more remark——

Mr. PEPPER. I yield.

Mr. BAILEY. Let me say that we have increased the public revenue from $2,200,000,000 in 1932—it was very low then; the normal was about $3,100,000,000—until now the revenue is estimated at $5,500,000,000, and so far as taxation is concerned we have reached the point of diminishing returns. When the Senator says he wants more taxes, I say to him that more taxes will mean, under the circumstances, a general sales tax or a lowering of the exemptions of the income-tax payers in the lower brackets, and I should like to avoid that.

Mr. SCHWELLENBACH. Mr. President, will the Senator from Florida yield?

Mr. PEPPER. I yield.

Mr. SCHWELLENBACH. I should like to point out to the Senator from Florida that the point of the diminishing returns upon income taxes is the point where gentlemen go out and incorporate yachts, and insurance companies in the various neighboring foreign countries, and when the President of the United States raises an objection to that, he is denounced from one end of the country to the other by the newspaper editorial writers as attempting to use a red herring. I have not seen anyone in this body who is opposing the President's program today upon either side of the Chamber who stood up and defended the position of the President in his effort to push further away this point of diminishing returns upon tax moneys available to the United States Government.

Mr. PEPPER. I thank the Senator.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. BARKLEY. While we are talking about diminishing returns, it might be observed that the point of the diminishing returns was reached long ago by the millions we are trying now to assist by the appropriation at present under consideration. I might also remark that the same President who in his message asked us to economize and reduce expenditures is the President who is asking us to appropriate a billion and a half dollars now to meet this responsibility of the National Government.

Mr. BAILEY. Mr. President, will the Senator permit me, in response, to say that I do not think the Senator from Washington meant to suggest that I was in favor of evading taxes. Yet he calls attention to the fact that none of the Senators who are now in opposition to the one billion five hundred million, or are in favor of the 40-percent contribution by the States, took part in the debate. As I recall, the debate was very brief, and there was unanimous consent. Could we not have credit for the unanimous consent, along with others?

When it comes to the matter of the yachts, I read the President's message and the letter of the Secretary of the Treasury. I thought that the letter of the Secretary of the Treasury described the evasions, and my impression was that if the Secretary of the Treasury and the collectors of internal revenue had cared to collect those taxes they could have collected them. When a man incorporates a yacht clearly to reduce his taxable income, he has violated the law as it is, just as when a political party sells its year book or its convention proceedings at $10,000 a copy it has evaded the corrupt practices act. I question whether the yacht illustration is a good one; but I am going to agree that there are evasions, and I am going to say I am perfectly willing to go the limit to get for our Government every dollar of taxes justly due, and to put the stamp of disapproval upon all who evade.

With that statement, I say compare that with the simple fact that the highest estimate made is that if we stop all the gaps we will get less than $100,000,000, and $100,000,000 will not balance the Budget. We have to come down to the figures, and nothing less than a reduction of our present spending program $600,000,000 to $700,000,000 will balance the Budget.

Mr. PEPPER. Mr. President, I conceive of three objectives to be encompassed within the scope of national expenditures.

Mr. LA FOLLETTE. Mr. President, before the Senator leaves the other point, I should like to interject the suggestion that the rise in the national income since 1933 has had more to do with the increase in revenue than has the increase in taxes.

Mr. PEPPER. I thank the senior Senator from Wisconsin. Mr. President, I said that I regarded three objectives as within the scope of the national expenditures. The first is to carry on the ordinary and the regular activities of the Government. The second is to contribute, to the degree necessary, to maintain a fair standard of life of human beings in a Christian nation. The third one is the additional sum necessary to keep up the circulation of money which shall bring about a general prosperity by the fact that it does circulate in the various economic channels of the country. The income of the Government will have to be adequate to meet those three objectives.

I think we have some experience with respect to the antipathies between these philosophies of government. In the 4 years of the last Republican administration there was a total expenditure of $15,000,000,000. We all give just credit to the Republican administration and the Republican Party for having initiated a great many of the enterprises which have been of momentous benefit to the Nation since that time.

There was one essential difference between that administration and the present one, and that was in the adventurousness with which the Democratic administration ventured to expend the public money for the public benefit, because in 1933 it was a question as to whether or not it was not too dangerous for the public welfare to expend the colossal sums of money which were suggested at that time. The previous administration, I am willing to assume, comparable in its humanitarian impulses with us, thought such a course was not a wise public policy, and they did not adopt it except to a modified degree.

In the following 4 years a different administration, proceeding upon a different philosophy but cognizant of the same emergency, spent $26,705,000,000. What has happened? Our credit is better, there is greater prosperity, there is better business. No man can go the length and breadth of this country today in any city and in any hamlet but that he will see upon the faces of the citizenry the corroboration of the wisdom of the latter political philosophy.

I do not join my good friend the senior Senator from North Carolina in condemnation of the one who uttered the phrase, "Spending to save", because the best test under the sun, a pragmatic test of it actually working, has been illustrated to the world in the last 4 years of the Democratic administration.

The strange thing to me is what has happened between the 20th day of January and this day of June of the year 1937. On that cold day in January in company with my colleagues here, I stood on the front portico of this building and listened to the second inaugural address of the leader of the Democratic Party, and the President of the United States, and in that inaugural address there were used these words:

> Our progress out of the depression is obvious. But that is not all that you and I mean by the new order of things. Our pledge was not merely to do a patchwork job with second-hand materials. By using the new materials of social justice we have undertaken to erect on the old foundations a more enduring structure for the better use of future generations.

Then he says:

> Shall we pause now and turn our back upon the road that lies ahead? Shall we call this the promised land? Or, shall we continue on our way? For "each age is a dream that is dying, or one that is coming to birth."
>
> Many voices are heard as we face a great decision. Comfort says, "Tarry a while." Opportunism says, "This is a good spot." Timidity asks, "How difficult is the road ahead?"
>
> True, we have come far from the days of stagnation and despair. Vitality has been preserved. Courage and confidence has been restored. Mental and moral horizons have been extended.
>
> But our present gains were won under the pressure of more than ordinary circumstances. Advance became imperative under the goad of fear and suffering. The times were on the side of progress.
>
> To hold to progress today, however, is more difficult. Dulled conscience, irresponsibility, and ruthless self-interest already appear. Such symptoms of prosperity may become portents of disaster. Prosperity already tests the persistence of our progressive purpose.
>
> Let us ask again: Have we reached the goal of our vision of that 4th day of March 1933? Have we found our happy valley?

That speech, Mr. President, was made by one who had received the mandate of a greater number of votes than any leader of the Government in this Nation had ever received.

In conclusion of that address, the same President said this:

> I assume the solemn obligation of leading the American people forward along the road over which they have chosen to advance.

That, Mr. President, was in January of the present year, when he had behind him such a big majority that some of us who thought we were good Democrats, who thought we came of a good Democratic tradition, even had to move over on this side of the aisle to find a place to sit. With a party so colossal in its majority that the like of it had never been known, this Government launched itself upon its way in the early days of this Congress. Yet I have here before me, Mr. President, a list of the items of major legislation which have emanated from this body in a period of half a year, namely:

The neutrality bill prohibiting the shipment of war materials to Spain.

The Reconstruction Finance Corporation bill providing for its extension until June 30, 1939—no new extension of the social frontier.

The first deficiency appropriation bill.

The reciprocal trade agreement resolution.

The retirement of Supreme Court Justices resolution.

The neutrality bill prohibiting shipment of war materials.

The bituminous coal bill—the one outstanding star in all of this period.

The Civilian Conservation Corps bill.

The various appropriation bills.

What I wish to know, Mr. President, is what has happened since January? Why is it that every time a bill to extend the social frontier comes before this body something happens to it, or it is lost in such controversy that its progress cannot be observed?

I want to know has the Executive who uttered those stirring words changed his mind? I, Mr. President, have seen no evidence of it.

I want to know whether the people whose impulse gave him that aspiration have changed their minds; and I find, Mr. President, no evidence of that.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. McKELLAR. I desire to call attention again, as I did the other day, to an additional fact right along that line, as to who has changed. The Senate in seven successive sessions has, by its assent to acts of Congress, made these appropriations for relief and work relief just as the President has asked for them. In six of those measures the Congress has reappropriated the unexpended balances. It has given these sums of money to our President virtually without let or hindrance. Why is it that after having made that record—a record in which every one of us who claims to be a Democrat expressed the greatest pride last year—we should now change our conduct, and say that we must hedge the President around with all kinds of limitations; that we must reduce the appropriation for these poor people, the care of whom, everyone realizes, is a national concern? Why is it that when we talk about economy we apply it only to these poor people whom it is the duty of the Government to protect and to take care of?

Mr. PEPPER. I thank the Senator for the suggestion.

Mr. President, I do not know what may constitute this thing that we call idealism, but I do know that it is made of very fragile substance, because I know that in no period in history has it long been able to show consistent duration. I do not know what it is about the human heart that makes the idealistic impulse assert itself for so short a while. Then, only a little while later, there begins a diminution of its energies and a reduction in its strength, until finally it becomes scarcely an observable impulse. But in our national life I see this strange phenomenon too strongly every day to be deceived about its existence; and I suspect that even here in this body the old sentiments of conservatism, the old beliefs that back to the wilderness or even back in Egypt were the better course, are beginning to reassert themselves.

People who always had misgivings as to whether it was wise to throw our objectives, like Bruce's heart, ahead of us, are beginning to be again the victims of those early conceived ideas; and now when we talk about more housing—when we talk about more jobs—when we talk about conferring a greater purchasing power upon the people—when we talk about the improvement of the public health—now when we talk about the improvement of the social frontiers which we were committed to the expansion of either the timid or the fearful, the recalcitrant or the selfish, get in the way of the program, and they decide suddenly that it is better not to go ahead in that adventurous way.

Mr. MINTON. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. MINTON. Is it not possible that the idealism collapsed after the election returns came in, because certain persons forgot how they were elected?

Mr. PEPPER. The quality of idealism lasts for such a short time, Mr. President, that it is extremely difficult to make a diagnosis of the substance of its body.

Mr. President, I remember a Scriptural incident which is of some pertinence here, perhaps. The children of Israel were one time on the way to the Promised Land. They had come a long way. They had started away back in Egypt in bondage, in slavery, in servitude. The Divine Power which

had looked upon them with His beneficent countenance raised up a leader for them and sent them out on their eventful journey. They made their way through the Red Sea; they vanquished their foes in the wilderness; they were fed with manna from on high; their thirst was quenched from the solid rock; and eventually they got to Kadesh-Barnea; there, just a little way ahead, was the Promised Land.

The same leader still guided their destiny. The same guide who had talked with their God was there with them, and over there just a short distance beyond the Jordan was the Promised Land. Everyone perhaps thought they would go immediately over. But, instead of that, they decided to send 12 spies to see what kind of land it was which they had so long sought. The spies returned, all 12 of them. They all said it was a rich land, flowing with milk and honey; but 10 of them said, "Look here: That land is inhabited by the sons of Anak, who are giants, and they live in the protection of walled cities, and we are but a feeble people, and we would better not adventure to such a land."

Mr. President, you would have thought that if ever there was a people whose confidence would be assured in the Divinity which had guided them thus far, it would have been this people. Yet, they hesitated, and the resultant judgment of retribution is too well known, Mr. President. All of them who were then 20 years of age or more left their bones to bleach in the wanderings of the wilderness. No one but old Joshua and Caleb, two of the faithful, ever got over into the Promised Land of all those stalwarts who went from Egypt to Kadesh-Barnea.

Mr. BAILEY. Mr. President, may I interrupt the Senator?

The PRESIDENT pro tempore. Does the Senator from Florida yield to the Senator from North Carolina?

Mr. PEPPER. I am glad to yield.

Mr. BAILEY. Did it ever occur to the Senator that those spies who came back and told them how hard that country was to take did a right good job?

Mr. PEPPER. Let us see, Mr. President, what a good job they did. There was a great host which constituted the children of Israel. There must have been many warriors above the age of 20 years when they first reached Kadesh-Barnea. However, at the end of 40 years more of wandering in the wilderness they were all dead except Caleb and Joshua. Whether the results were good or not, the Senator will have to judge by the value which he fixes upon life here and the value which he attributes to the hereafter. [Laughter.]

Mr. BAILEY. But it took them more than 700 years before they did finally get over.

Mr. PEPPER. That was because they did not go ahead the first time. [Laughter.]

Mr. HUGHES. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. HUGHES. Does not the Senator think it would have been better to have stuck the first time and taken the chance?

Mr. PEPPER. Undoubtedly so.

Mr. President, I have here the statistics relating to the general income of the population of the United States which reveal that 10.4 percent of the population of this country make an annual income of less than $500. How much purchasing power is in that 10 percent of our population? These same figures reveal that 39.8 percent of our population annually make less than $1,000; that 96.4 percent make annually less than $5,000; that 98.7 percent make every year less than $10,000; that 0.05 percent of our total population each make over $100,000 a year, and receive 10.6 percent of the total national income. These figures relate to the general population.

If we were speaking alone of the farming population of the country I should have said that 30 percent of the farmers of the United States make annually less than $500 each; 63.4 percent make less than $1,000 each; 96.1 percent less than $3,000 each; 99.94 percent less than $10,000 each; and 99.99 percent less than $15,000 each.

Mr. SCHWELLENBACH. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Florida yield to the Senator from Washington?

Mr. PEPPER. Certainly.

Mr. SCHWELLENBACH. I should like to invite the attention of the Senator to the fact that during the period of this safe prosperity, when we had the protecting arm of a balanced Budget about the country, during the period between 1926 and 1929, the average income per family of five of those engaged in agriculture in the United States was $593, just a little less than $50 per month per family of five during the period of normalcy to which some want to return.

Mr. PEPPER. Where is the purchasing power in that group?

I may add also, Mr. President, that the statistics show that over 500,000 individual farmers operate over 650,000 farms, covering 100,000,000 acres of land which are too poor to yield a decent livelihood.

I might also have added that 42 percent of the total farm population is tenantry and that from 1930 to 1935 there was an increase of over 200,000 in the number of tenant farmers in the United States.

In the realm of education I learn that in 1933 there were a total of 2,160,000 handicapped or underprivileged children in the Nation while in that same time only 167,000 of such children were enjoying any kind of special education to alleviate their handicaps in the public schools or any other schools of the country; that in 1933 there were 359,000 patients in hospitals for mental diseases, and 102,000 patients in feeble-minded and epileptic institutions under the several States.

I learn also that it would require 1,300,000 houses to be built every year for the next 10 years to bring housing conditions in the United States up to the minimum standard of 1930.

Mr. President, in this country, where the Government rests upon the intelligence of the citizenry which supports it, there are a total of 3,670,000 illiterates, and a population of college graduates of only a little more than 2,000,000, or 2.93 percent of this population.

Only 32,000,000 have had any elementary school education at all, 14,000,000 have graduated from the elementary schools, and only 5,000,000 have received a high-school education.

I might add further that in the growing generation which is about to become the responsible citizenry of this Nation, now between the ages of 16 and 24 years, there are 20,100,000, and out of that number of 20,100,000 there are 4,700,000 out of school unemployed and seeking vainly for jobs. These figures were given to me by the Superintendent of Education for the United States here in Washington.

May I refer to one more walled city in the promised land? There are 700,000 crimes committed annually by people under 21 years of age in the United States. There are 4,300,000 criminals here. A felony is committed every 24 seconds; 36 lives are taken by homicide every day; 1 murder is committed every 40 minutes.

Those who are interested in economy might observe that the estimated cost of crime in the United States and all of its political subdivisions is $15,000,000,000 every year. Yet some castigate those who "spend to save" not only the lives but the money of the Nation.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. PEPPER. Certainly.

Mr. WAGNER. I am sure the Senator has studied the subject enough to be able to confirm my own view that most of these criminals come from the slums of the country.

Mr. PEPPER. They do, indeed.

Mr. WAGNER. That is why I am interested in the building program.

Mr. PEPPER. Indeed so. I thank the Senator. Further, there are 46,292 inmates of county and city prisons; 137,997 inmates of State and Federal prisons; 30,496 in attendance in institutions for juvenile delinquency.

One more fact, Mr. President, in the realm of public health: I realize there are many who say we cannot afford to spend for these services, as they say we cannot afford to spend to create work for those who are unemployed.

What would they say if they knew that in the year 1933 at least 250,000 deaths in the United States were attributable to preventable diseases? What would those 250,000 lives mean as producing economic units to the welfare and the prosperity and the wealth of the United States?

That is a class that is worth "spending to save", in my humble opinion.

Also, Mr. President, we are told that last year 120,000 babies died, when it is estimated that by adequate medical care 60,000 of those little lives could have been saved; that 74,000 persons died from tuberculosis, when it is estimated that 37,000 of those lives could have been saved by adequate hospitalization and care.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. BARKLEY. I recall that a few years ago, when we were trying to put through Congress legislation to assist in taking care of the lives not only of these babies but of the mothers of these babies, opposition to such an appropriation arose in both Houses of Congress on the ground that it was none of the Government's business to go into the process of lifesaving.

Mr. PEPPER. That is not one of the State's rights for which I desire to put myself on record.

Mr. President, it is a singular thing, but I do not believe that from the beginning of history down to the present time there has ever been a social reform proposed, there has ever been the expansion of a social frontier suggested, there has ever been the mastery of a natural resource which might be applied to the public benefit anywhere proposed that there have not been those who raised upon the horizon the red flag of danger that "It has to be paid for", and "We cannot afford it", and "If we do it, it will disrupt and destroy the fiscal structure."

Mr. President, I do not take my liberalism, which I am proud to profess, as a doctrine which is just one for which I happen to have a fantastic affection. I believe that liberalism in politics and political philosophy is what the maxim "Honesty is the best policy" is in the realm of business morals. I believe that Franklin D. Roosevelt and the party that is dominant in this assembly have given the best evidence the world has ever seen that liberalism as a practical philosophy not only confers benefit upon human beings but is better for everybody concerned in the most practical way. Else, Mr. President, we have been the most outrageously unsuccessful administration in the history of this Nation.

What I am alarmed about, what I am astonished about, Mr. President, is that the patient takes the cure that has brought him to health again, and, as Shakespeare describes the fellow who gets up to a certain rung on the ladder of personal success, he then, "looking out into the clouds, scorns the base degrees by which he did ascend." What I am troubled about is whether or not the Democratic Party is the party in whose breast the pulses of liberalism still beat in this Nation.

I do not know but that it is a good thing to have two political parties. I do not condemn the Senators on this side of the Chamber for embracing a philosophy of conservatism if they believe it to be for the best interests of the country; but I want my party to grow greater by the same substance upon which it has grown thus far, and I want the President who gave that challenge to the people of this Nation and to the world to be able to say with assurance that when he flings his objectives ahead of him, he moves forward to their attainment not alone so far as my party in the Senate of the United States is concerned.

So, Mr. President, I believe that those who have their fears about this expenditure are in the same category with those who have had their fears about other expenditures that have made it possible for us to be here as a peaceable assembly this day. You know, singularly enough, I do not suppose anybody ever suggested a reduction in working hours but that most persons engaged in manufacturing, in the control of dominant business, honestly in their hearts thought the reduction of those hours would wreck the country and the industry. I do not believe there was ever a suggestion for an increase in the wage of those who labored in those institutions but that those who managed them honestly believed that such increase would bring chaos and turmoil to a very noble and profitable industry.

Yet, under the impulse of the social conscience as it has manifested itself through the legislative bodies of the several States and the Nation, we have gotten where we are today, transgressing every red flag of danger that has been held up by every honest reactionary in the history of the politics of this country; and we got here, Mr. President, by the employment of the humanitarian philosophy manifest in all social progress. As for me and my house, I do not like to wander in the "wilderness", and I shall not return to the bondage of Egypt.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

REPORTS OF COMMITTEE ON POST OFFICES AND POST ROADS

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of several postmasters, which were ordered to be placed on the Executive Calendar.

The PRESIDENT pro tempore. If there be no further reports of committees, the clerk will state the nominations on the calendar.

POSTMASTERS

The legislative clerk read the nomination of Clara B. Rosser to be postmaster at Broadway, N. C.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Edmund P. Johnson to be postmaster at Rosholt, Wis.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

That concludes the Executive Calendar.

RECESS

The Senate resumed legislative session.

Mr. BARKLEY. I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 5 minutes p. m.) the Senate took a recess until tomorrow, Friday, June 18, 1937, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 17 (legislative day of June 15), 1937

DIPLOMATIC AND FOREIGN SERVICE

George Gregg Fuller, of California, to be a Foreign Service officer of class 5, a consul, and a secretary in the Diplomatic Service of the United States of America.

John W. Bailey, Jr., of Texas, to be a Foreign Service officer of class 5, a consul, and a secretary in the Diplomatic Service of the United States of America.

FEDERAL POWER COMMISSION

John W. Scott, of Indiana, to be a member of the Federal Power Commission for the term expiring June 22, 1942, vice Herbert J. Drane.

UNITED STATES DISTRICT JUDGE

Thomas C. Trimble, Jr., of Arkansas, to be United States district judge for the eastern district of Arkansas, vice John E. Martineau, deceased.

COLLECTORS OF CUSTOMS

Saul Haas, of Seattle, Wash., to be collector of customs for customs collection district no. 30, with headquarters at Seattle, Wash. (Reappointment.)

Joseph H. Lyons, of Mobile, Ala., to be collector of customs for customs collection district no. 19, with headquarters at Mobile, Ala. (Reappointment.)

Arthur A. Quinn, of New Jersey, to be comptroller of customs in customs collection district no. 10, with headquarters at New York, N. Y. (Reappointment.)

PUBLIC HEALTH SERVICE

Passed Assistant Dental Surgeon Allen M. Perkins to be dental surgeon in the United States Public Health Service, to rank as such from May 29, 1937.

COAST AND GEODETIC SURVEY

Glenn William Moore, of South Dakota, to be aide (with relative rank of ensign in the Navy), vice J. C. Tison, Jr., promoted.

James Chisolm Tison, Jr., of South Carolina, to be junior hydrographic and geodetic engineer (with relative rank of lieutenant, junior grade, in the Navy) vice F. G. Johnson, promoted.

Clarence Robert Reed, of North Dakota, to be junior hydrographic and geodetic engineer (with relative rank of lieutenant, junior grade, in the Navy), vice M. H. Reese, deceased.

Kenneth Surrell Ulm, of Massachusetts, to be junior hydrographic and geodetic engineer (with relative rank of lieutenant, junior grade, in the Navy), vice P. A. Smith, promoted.

Frank Gerard Johnson, of Massachusetts, to be hydrographic and geodetic engineer (with relative rank of lieutenant in the Navy), vice R. D. Horne, promoted.

APPOINTMENTS IN THE REGULAR ARMY

MEDICAL CORPS

To be first lieutenants with rank from date of appointment

First Lt. Frank Rodney Drake, Medical Corps Reserve.

First Lt. Joseph Wallace Batch, Medical Corps Reserve.

CHAPLAIN

To be chaplain with the rank of first lieutenant

Chaplain (First Lt.) Ralph Warren D. Brown, Chaplains' Reserve, with rank from date of appointment.

PROMOTIONS IN THE NAVY

MARINE CORPS

The following-named first lieutenants to be captains in the Marine Corps from the 1st day of July 1936:

Francis J. Cunningham

Bernard H. Kirk

Richard P. Ross, Jr.

First Lt. James V. Bradley, Jr., to be a captain in the Marine Corps from the 1st day of September 1936.

First Lt. Zebulon C. Hopkins to be a captain in the Marine Corps from the 1st day of November 1936.

First Lt. Robert H. Williams to be a captain in the Marine Corps from the 1st day of January 1937.

First Lt. Randall M. Victory to be a captain in the Marine Corps from the 3d day of January 1937.

First Lt. James R. Hester to be a captain in the Marine Corps from the 1st day of March 1937.

Second Lt. Charles A. Miller to be a first lieutenant in the Marine Corps from the 2d day of March 1937.

The following-named meritorious noncommissioned officers to be second lieutenants in the Marine Corps, revocable for 2 years, from the 1st day of July 1937:

Sgt. Charles R. Boyer

Corp. Brooke H. Hatch

Sgt. Clair W. Shisler

Corp. Herbert H. Townsend

Corp. Alfred T. Greene

Corp. Virgil E. Harris

Sgt. Gregory J. Weissenberger

The following-named citizens to be second lieutenants in the Marine Corps, revocable for 2 years, from the 1st day of July 1937:

Howard F. Bowker, Jr., a citizen of California.

Gregory Boyington, a citizen of Washington.

Fred R. Emerson, a citizen of Washington.

Freeman W. Williams, a citizen of Georgia.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 17 (legislative day of June 15), 1937

POSTMASTERS

NORTH CAROLINA

Clara B. Rosser, Broadway.

WISCONSIN

Edmund P. Johnson, Rosholt.

HOUSE OF REPRESENTATIVES

THURSDAY, JUNE 17, 1937

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, infinite in power and love, dwelling in light unapproachable, hear our humble prayer. Help us to nourish good thoughts, forward the generous impulse, follow the upward-seeking desire, and starve the roots of bitterness and resentment. We pray Thee to let the words of a righteous and redeeming God sound forth in all our land. Bright with the morning glow of eternity, may they ever be a lamp unto our feet and a guide unto our path. Let them echo and resound where anger sweeps through the multitude. Give them irresistible appeal where men are convulsed in the throes of perilous conflict.

Happy is the man that findeth wisdom and the man that getteth understanding. The gain is better than silver and the profit more than gold. Length of days are in her right hand, and in her left hand are riches and honor.

In the Redeemer's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 17. Concurrent resolution authorizing the appointment of a committee to represent the Congress of the United States at the celebration of the three hundred and fiftieth anniversary of the birth of Virginia Dare.

The message also announced that on June 16, 1937, the Senate adopted the following resolution:

Senate Resolution 146

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. WILLIAM P. CONNERY, JR., late a Representative from the State of Massachusetts.

Resolved, That a committee of two Senators be appointed by the President pro tempore to join the committee appointed on the part of the House of Representatives to attend the funeral of the deceased Representative.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect to the memory of the deceased, the Senate do now take a recess until 12 o'clock meridian tomorrow.

INTERFERENCE WITH UNITED STATES MAIL SERVICE IN STRIKE AREAS

Mr. MEAD. Mr. Speaker, I call up a privileged resolution, House Resolution 233, with an adverse report.

The Clerk read as follows:

Resolved, That the Postmaster General be, and he is hereby, directed to transmit to the House of Representatives, at the earliest practicable moment, all facts and information as to whether or not the United States Postal Service has refused to make delivery to addresses in certain mills or industrial plants at Youngstown, Niles, and Warren, Ohio, or elsewhere in the State, of any type or class of mail that complies with the established provisions of eligibility;

Whether or not any restrictions have been placed upon mail service in the aforesaid area by reason of strike conditions, and if so, by whose orders and by what legal authority;

And whether or not any stoppage of or interference with the United States mail service on the part of either companies or labor groups has been encountered or permitted in said area.

Mr. MEAD. Mr. Speaker, I ask unanimous consent that the report may be read for the information of the House.

Mr. CARLSON. Mr. Speaker, reserving the right to object, will the gentleman yield?

Mr. MEAD. I shall be very glad to yield after the report is read.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read as follows:

The Committee on the Post Office and Post Roads, to whom was referred the resolution (H. Res. 233) requesting information from the Postmaster General, having had the same under consideration, report it back to the House and recommend that the resolution do not pass.

The action of the committee is based upon the following informative letter from the Post Office Department:

OFFICE OF THE POSTMASTER GENERAL,
Washington, D. C., June 14, 1937.

Hon. JAMES M. MEAD,
Chairman, Committee on the Post Office and Post Roads,
House of Representatives.

MY DEAR MR. MEAD: I have your letter of the 8th instant, transmitting a copy of privileged resolution (H. Res. 233), upon which you state report must be made to the House within 7 days from June 7, the date of the introduction of the resolution. The resolution calls for information respecting the mail service at Youngstown, Niles, and Warren, Ohio, and elsewhere in the State.

Respecting the first paragraph of the resolution, I wish to state that the Postal Service has not refused to make delivery to the addresses mentioned of any type or class of mail complying with the established conditions as to mailability, with the exception that at Youngstown, Niles, and Warren, Ohio, as I have been informed and believe to be the case, the postmasters and/or their assistants declined to accept parcels of a character not hitherto mailed to the addressee industrial plants, such parcels containing food and clothing, upon the ground that while they could accept the parcels, they would be in no better position to effect delivery within the plants involved than the private carriers previously performing this service without endangering the person of the postal employees assigned to the duty of making delivery and the safety of the mail involved, some of which was offered for registration involving payment of indemnity for its damage or loss.

Further responding to the first paragraph of the resolution, as well as to the second paragraph of the resolution, you are advised that when, several days later, these facts were ascertained by the Post Office Department in Washington, the First Assistant Postmaster General, to whom by regulation has been delegated by the Postmaster General the supervision of the delivery of mail in cities, approved the action taken by the postal officials at Youngstown, Niles, and Warren, Ohio, and directed that such course be continued unless and until further advised, with the purpose in mind of maintaining at least the usual and normal service and meantime ascertaining whether the types of mail involved could, if accepted, be delivered, to the extent of postal transportation equipment available, without grave danger to the postal employees engaged upon the service and to the safety of the mail involved, as apprehended by those postal representatives on the ground. The legal basis of this course of action in section 369 of title 5 of the United States Code, section 22 of title 5 of the United States Code, and section 492 of title 39 of the United States Code.

As to the third paragraph of the resolution, you are advised that, as I have been informed and believe, while there has been encountered by local postal officers objection upon the part of labor groups to the delivery by the Postal Service of food and other items of merchandise to the plants at Youngstown, Niles, and Warren, Ohio, our normal mail service has been maintained. There may have been a few instances where mails were delayed, but ultimately deliveries were effected to the plants without any violence. The Chief Inspector will make an appropriate investigation of all interference with the delivery of the mails and submit to the proper representative of the Department of Justice all facts connected therewith for suitable action.

There is attached hereto a copy of a statement made by me to the Senate Committee on Post Offices and Post Roads last Friday.

Very truly yours,

W. W. HOWES,
Acting Postmaster General.

JUNE 10, 1937.

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE: In response to your letter of June 10, with which you transmitted Senate Resolution 140, the Department is glad to have an opportunity to present to you all of the available facts relative to the handling of the mail at the post offices where it is alleged that there is some interference due to industrial strife.

The Department has been advised that strikes are in progress at Youngstown, Warren, Niles, Cleveland, Canton, and Massillon, Ohio, but the only reports of alleged interference or complaints because postmasters have refused to perform an abnormal service involve the offices of Niles, Youngstown, and Warren, Ohio.

At Niles, Ohio, the Republic Steel Corporation is located three-fourths of a mile from the post office, outside the city limits, and the service afforded to this plant has been by mounted carrier (vehicle with limited capacity), two trips daily. Under the normal service the morning delivery consists of first-, second-, and third-class mail, averaging from 30 to 50 pieces, delivered to the office near the entrance gate. The afternoon delivery is made to a storeroom inside the plant, one-fourth mile from the entrance, consisting of all classes of mail, averaging approximately 2 parcels and 20 pieces of other mail matter. This delivery service has been in effect only since April 1, 1937. Prior to that time, parcels only were delivered once daily.

At Youngstown, Ohio, the Republic Steel Corporation plant is located one-fourth mile from the post office, and there are two plants of the Youngstown Sheet & Tube Co., one located inside the city limits about 2 miles from the post office and one in Campbell, Ohio, 3 miles from the Youngstown post office. No delivery service was given to these two latter plants prior to the strike, and the mail has been delivered to their downtown office. This service has been continued without any interruption. The Republic Steel Corporation have been receiving their first-class mail through a post-office box, and their parcels, consisting of approximately three sacks daily, have been delivered to the plant by post-office truck.

At Warren, Ohio, the Republic Steel Corporation plant is located outside the city limits about one-half mile from the post office, and two deliveries daily have been made to the plant by carrier with a vehicle of limited capacity. The normal amount of mail delivered to this plant has averaged approximately 700 letters and 3 sacks of parcel post daily.

It is our understanding that following the calling of the strikes the plants were picketed and it has been impossible for private carriers to transport food and clothing into the plant without violence. When this could not be accomplished by the private carriers, the local postal service was requested to accept large shipments of food and clothing for transportation by mail into the plants, which service could not be accomplished without adding greatly to our equipment and personnel and without endangering the lives of postal employees. The postmasters advised the company officials and their agents that they had neither the facilities nor personnel for performing this abnormal function, which had not been a previous function of the Postal Service, and that to attempt to deliver food and clothing into the plants would involve the safety of the mail and endanger the person of the postal employees assigned to the delivery duties.

When these facts and conditions were reported to the Department, we approved the action taken by our postal officials at Youngstown, Niles, and Warren and directed that their course be continued unless and until further advised, with the purpose in mind of maintaining at least the usual and normal service and in the meantime we would ascertain whether the types of mail involved could, if accepted, be delivered with our normal postal facilities and without grave danger to postal employees engaged upon this work.

The Department has been advised that we would be called upon to deliver large truck loads of mail containing food and clothing to these plants daily, which we are not prepared to do with our normal transportation facilities or personnel at the offices involved.

The legal basis of this course of action is section 369 of title 5 of the United States Code, section 22 of title 5 of the United States Code, and section 492 of title 39 of the United States Code.

While the strikers have threatened violence in the case of any attempt to carry food and clothing into the plants, the Department has received only one report of any attempt to interfere with our normal mail service. The postmasters have advised that there would be violence in the event the Postal Service were enlarged to carry these large shipments of food and clothing into the plants and feel that any attempt so to do would result in grave danger to the postal employees engaged upon such delivery service. It is reported that at Youngstown, Ohio, a slight delay was occasioned by the strikers stopping a mail truck, but the mail was ultimately delivered into the plant without any violence. All postmasters have reported that there has been no interference with our normal mail service, which is being continued daily.

We wish to assure this committee that no official of the Post Office Department has discussed the Postal Service with any official or member of any of the union organizations. No agreements of any kind have been entered into by any representative of the Post Office Department with any member of the labor organizations concerning the acceptance or delivery of mail matter. The postmasters at all of the offices involved state that neither they nor any of their employees have entered into any such agreements, but, to the contrary, they have insisted that they will tolerate no interference with our mail service.

There has been some newspaper reports to the effect that some members of the union organizations have been permitted to examine mail matter destined to these plants. The postmasters at all of the offices involved have stated that on no occasion and under no circumstance has anybody outside the Postal Service been permitted to examine any mail matter. They positively state that there is not a single instance in which any person, except duly authorized postal employees, has been permitted to examine, handle, or even inspect the address of any mail matter whatever.

I can assure you that the Department would not tolerate any such practice under any circumstances.

The reports from our officials in the field up to date indicate that our normal mail service is being performed without any interference.

W. W. HOWES,
Acting Postmaster General.

Mr. MEAD. Mr. Speaker, I believe that the purpose of the resolution has been carried out, that the committee and the Department have attempted diligently to supply the required information, and I am quite sure that we are not in controversy with either the minority members of our committee or the sponsor of the resolution.

I yield to my colleague on the committee, the gentleman from Kansas [Mr. CARLSON].

Mr. CARLSON. Mr. Speaker, under reservation of objection, the House is now receiving from the Committee on the Post Office and Post Roads House Resolution 233, which called for facts and information dealing with the nondelivery of mail. During recent days newspaper stories have been carried, editorials have been written, photographs have been printed in regard to the nondelivery of mail at certain points mentioned in the resolution. While the distinguished chairman of the committee [Mr. MEAD] returns the resolution with an adverse report which complys with the request, I say it must not end here. I do not believe that the country or the Congress should at this time be satisfied with merely receiving an adverse report from the Committee on the Post Office and Post Roads. This is a serious matter.

Charges have been made that the United States mails have been censored by private individuals or by corporations. Charges have been made that mail trucks and mail deliveries have been interfered with, and it seems to me that the least the Committee on the Post Office and Post Roads could do and should do would be to bring in a resolution demanding a complete investigation.

The interference of the United States mails by a private citizen or a corporation is a serious charge. The mails must be dispatched without fear or favor. In these instances it is charged that strikers censored mail and obstructed regular mail traffic, but that is not the real issue, as I can readily foresee instances where the corporation or plant owners would be desirous of doing the same thing. It must not be allowed.

The Revised Statutes of the United States provide:

> Whoever shall knowingly and willfully obstruct or retard the passage of the mail, or any carriage, horse, driver, or carrier, or car, or steamboat, or other conveyance or vessel carrying the same, shall be fined not more than $100 or imprisoned not more than 6 months or both.

Quoting from the Postmaster General's letter I find these words, "Performing this service without endangering the person of the postal employee", which calls to my mind in 1934 the Department, after canceling air-mail contracts, forced Army pilots to carry the mail regardless of equipment or hazards, and that 8 pilots—12 persons in all—gave their lives in order that the mails "must go through." It is a matter of pride, I think, to every American citizen to realize the reality of the slogan, "The mails must go through." Let us keep it that way.

Mr. WHITE of Ohio. Mr. Speaker, will the gentleman yield?

Mr. MEAD. I yield.

Mr. WHITE of Ohio. Mr. Speaker, my interest in mail interference rests entirely upon my belief in the principle of supremacy of the law and that this principle should never be permitted to be placed in jeopardy.

My resolution was not based upon accusation. It asked the Post Office Department to provide Congress with all facts and information concerning the mail problem. The Post Office Department has complied to the extent that they have furnished a reply, but I still contend they have not furnished all the facts and information in this connection. There is considerable concrete evidence available showing direct contradictions to the answers given by the Post Office Department in this reply. However, the most substantial information can be developed through committee action.

I first broached this subject on Tuesday, June 3. Subsequently other action developed along similar but not exactly the same lines. A Senate committee has authorized an investigation in this direction.

As Members of the House of Representatives, I think we could perform a sorely needed duty if we authorized the Post Office and Post Roads Committee of this House to investigate the merits of present claims relating to mail interference, with the purpose in view to establishing permanent policy in actual law, so there can be no doubt about the functions of the United States mail service, and so that this question is not left to discretionary action.

AGREE TO PROBE—PERMANENT POLICY IN ACTUAL LAW

In a conversation yesterday with the distinguished chairman of the Post Office and Post Roads Committee, he told me he would be willing to see his committee undertake an investigation for the purpose of establishing permanent policy in actual law. If the committee is willing to adopt their own resolution, it will be perfectly agreeable with me; otherwise I will be glad to propose it. I have confidence in the Post Office and Post Roads Committee of the House. I believe they could do as good a job as any Senate committee and maybe a little better. I express the hope that this task will be undertaken by them.

As soon as action is taken on this report I shall ask unanimous consent to proceed for one-half minute, in which request I hope the House will indulge me.

Mr. SNELL. Mr. Speaker, will the gentleman yield for a question?

Mr. MEAD. I yield.

Mr. SNELL. Does the gentleman know of any other instance under average conditions where the Post Office Department has refused to receive parcels of this kind?

Mr. MEAD. Unofficial word has reached me that unusual or abnormal mails have been refused under similar circumstances, but perhaps under circumstances slightly different than the present circumstances. Whether or not it pertained to the mailing of groceries and provisions to sit-down strikers or to strikebreakers I am not in a position to state, but I may say to the distinguished minority leader that it has been the policy of the Department under the authority of law to refuse abnormal unusual mailings when their acceptance would endanger the personnel of the Department.

Mr. SNELL. It is currently reported that during the sit-down strikes the Department received and delivered similar packages to the sit-down strikers. Can the gentleman tell me whether or not that is correct?

Mr. MEAD. Regular mail and not unusual mail was delivered to the strikers, if I am correctly informed.

Mr. SNELL. This would not be called unusual mail, would it, or out of the usual routine of the post-office business?

Mr. MEAD. Yes; these mailings would require more equipment than the Postal Service in the communities involved could furnish, because it would require the delivery of large supplies of groceries, provisions, and clothing.

Mr. SNELL. Would the gentleman state to the House they did not receive and deliver food to the sit-down strikers?

Mr. MEAD. There was no complaint of that character made to our committee.

Mr. SNELL. I am asking the gentleman a question whether they did or not?

Mr. MEAD. To the best of my knowledge they did not deliver unusual mail. I merely bring up the point that Members of Congress representing those districts and diligently pursuing their legislative prerogatives, never brought a matter of this nature to the attention of the House or our committee.

Mr. SNELL. That may be so. I would not say positively, and I do not know, but the rumor is that practically the same kind of packages that were offered and refused by the Post Office Department at this time were accepted and delivered to sit-down strikers.

Mr. MEAD. The information which I have received from the Department is to the effect that they did not deliver unusual mailings to the sit-down strikers.

Mr. KNUTSON. Will the gentleman yield?

Mr. MEAD. I yield to the gentleman from Minnesota.

Mr. KNUTSON. I know the gentleman wants to be very fair, and I have a great deal of confidence in him. I hope he will head this investigation. But I would like to call the attention of the gentleman to a letter which appeared in the Chicago Tribune of June 5 wherein it was stated that the Post Office Department had delivered to the sit-down strikers

at the Fan Steel plant in North Chicago, groceries, periodicals, newspapers, medicines, and in fact everything that was necessary in order for the sit-downers to maintain themselves in that plant.

Mr. MEAD. While I do not question the accuracy of either the newspaper or the editorial, I do not believe everything I read in the newspapers.

Mr. KNUTSON. I am calling this to the attention of the gentleman so that he will make special inquiry about this particular statement when the time comes to investigate the action of the Post Office Department.

Mr. MEAD. I may say to the gentleman I am in favor of the determination of a definite policy in matters of this nature, both as it pertains to sit-down strikes and to strike-bound plants. If the House will be good enough to authorize and empower our committee to proceed we will undertake the task as the gentleman suggests.

Mr. KNUTSON. I am sure that the gentleman is in favor of treating all alike.

Mr. MEAD. I am in favor of justice and fair dealing, having in mind the Postal Service, its traditional policy, and those who are parties to industrial conflicts.

Mr. RICH. Will the gentleman yield?

Mr. MEAD. I yield to the gentleman from Pennsylvania.

Mr. RICH. The gentleman from Kansas [Mr. CARLSON], a member of the committee, and the gentleman who introduced the resolution, have both spoken very favorably of the chairman of the Post Offices and Post Roads Committee, and I think the House as a whole believes that JIM MEAD is one of the finest and most conscientious fellows in the House of Representatives. [Applause.] But I understand that gentlemen will ask that this resolution be tabled. How soon is this fine gentleman that we look forward to to make the investigation going to bring in the resolution to see that proper action is taken, and immediately taken?

Mr. MEAD. I would hesitate to do it immediately unless I heard favorably from my distinguished colleague, whose concern over the condition of our Treasury I deeply appreciate, relative to an item of expense that might be involved in the resolution.

Mr. RICH. When it comes to doing the right thing, and a thing that will perpetuate our form of government, such as maintaining the integrity of our postal laws, I am for any expense, but when it comes to spending money foolishly like the present Congress has been doing, then I object to money being spent, and further increasing our national debt, placing a millstone about the necks of our children and children yet unborn.

Mr. MEAD. Mr. Speaker, I move that the resolution be laid on the table.

The motion was agreed to.

A motion to reconsider was laid on the table.

PERMISSION TO ADDRESS THE HOUSE

Mr. WHITE of Ohio. Mr. Speaker, I ask unanimous consent to proceed for one-half minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

SUPREMACY OR DEFIANCE OF LAW

Mr. WHITE of Ohio. Mr. Speaker, the request for information from the Post Office Department contained in House Resolution 233 is one thing. Beyond that, another vital question is presented to Congress by reason of the strike conditions throughout the United States today. Without attempting to prejudge the guilt or responsibility of any elements in these disputes, we must truthfully recognize that a form of civil war exists and is spreading its terror throughout the citizenship of the country. The conditions have reached sufficient proportions to command the deep interest and concern of every thoughtful citizen. They have reached the place where Congress and every person in high office, I believe, is obligated to take whatever steps may be necessary to preserve the supremacy of law and order.

Beyond the question of mail interference, these knock-down-drag-out strike battles suggest an additional course of action. The action I refer to is that a special committee of five Members of the House of Representatives to be appointed by the Speaker, three from the majority political party and two from the minority political party, should be authorized and directed to make full and complete investigation of lawlessness incident to strike conditions, as a means of submitting to Congress recommendations whereby the loopholes which now permit mass violations, defiance, and evasions of existing laws, can be plugged.

GUNS AND GAS; BOMBS AND BRUTALITY

If in the face of existing laws one side or the other can resort to the use of guns and gas, bombs, and brutality in labor disputes, then is not it obvious that Congress has a duty to perform by strengthening the laws relating to labor strife or by tightening the penalties against those public officials who sacrifice law and order for votes?

The sword of justice is a two-edge blade. It must work both ways. Brutality, coercion, threats, and force on both sides should be outlawed in terms strong enough to effectively prevent armed attacks and actions of force that deprive citizens of their rights and endanger life and property, regardless of whether these things come through weaknesses in present legislation or through weakness of public officials who fail to do their duty.

It seems to me there is a very genuine possibility and desirability of making use of weapons of destruction by agents of either industrial concerns or labor groups, or by any group other than duly constituted police officials, a Federal offense punishable by Federal courts, especially when the acts interfere with the free flow of products in interstate commerce.

A man's right to work and the protection afforded by law apparently need clarification. Whether labor contracts are going to be binding to both parties in agreements and provide the same punishments for violations on either side is another question that apparently needs clarification.

MOST MENACING PROBLEM OF ALL—SHALL WE IGNORE IT?

Will both sides of labor disputes be required to meet the same terms of responsibility? Must labor battles continue to paralyze communities? Must communities face bullets and bombs as a result of these economic disturbances? These and many other extremely vital questions are involved. They need special study. They need special action right at this moment.

In the interest of the Nation's welfare, let us not continue to legislate about everything else under the sun while this most dire problem of all continues unheeded, along its path of destruction, and while high officials of the United States Government sit idly by. Let us at least try to meet the challenge of the need of this hour in the protection of the law and order that is the sacred right of the American people.

EXTENSION OF REMARKS

Mr. ALESHIRE asked and was given permission to revise and extend his own remarks in the RECORD.

DISTRICT OF COLUMBIA APPROPRIATION BILL—1938

Mr. COLLINS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 5996) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1938, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection, and the Chair appointed the following conferees: Mr. COLLINS, Mr. CALDWELL, Mr. HIGGINS, Mr. STARNES, and Mr. ENGEL.

EXTENSION OF REMARKS

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a very brief but a very timely statement by the chairman of the Committee on Roads, the gentleman from Oklahoma [Mr. CARTWRIGHT] on the subject Do the States Want Federal Aid for Roads?

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein copy of certain tables I am sending to Edward McGrady, of the international labor conference, and others, as well as copy of a letter to Madam Perkins, Secretary of Labor.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a brief article written by Mrs. Florence Boeckel on a bill I have introduced.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. SHEPPARD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a communication written by George A. Hormel to the Members of Congress.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

PROCEDURE IN TRIALS INVOLVING JUDICIAL BEHAVIOR

Mr. CELLER. Mr. Speaker, I ask unanimous consent to file the minority view of the members of the Judiciary Committee on the bill (H. R. 2271) to provide for trials of and judgments upon the issue of good behavior in the case of certain Federal judges, which has been considered by that committee.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

(Mr. CARLSON and Mr. DITTER asked and were given permission to revise and extend their own remarks in the RECORD.)

THE PERNICIOUS SUGAR LOBBY

Mr. WOODRUFF. Mr. Speaker, I ask unanimous consent to proceed for one-half minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. WOODRUFF. Mr. Speaker, the majority report of the Senate Judiciary Committee on the President's Court proposal was so utterly devastating to every argument or excuse advanced in favor of it that it must have had the same devastating effect upon the Presidential state of mind. Nothing else can account for the abandon and asperity with which he discussed a number of different topics during his press conference on Tuesday.

In discussing what he was pleased to call "the most pernicious lobby I have ever seen", he struck blindly and angrily at those who have the temerity to oppose him in his unwise and un-American sugar policy, which has as its objective the ultimate destruction of the domestic beet- and cane-sugar industry. His words and actions were reminiscent of the day 2 years ago when, in discussing the Supreme Court decision in the Schechter case, when the N. R. A. was declared unconstitutional by the unanimous vote of the Court, he declared in rage that the "decision had thrown us back into the 'horse and buggy' days."

When asked to name the lobbyists he referred to, he told the reporters that "you know them as well as I." When asked what they were doing, he said they were being "pernicious", and, upon being further pressed, he elaborated by saying they were "pernickety."

Now, let us examine the facts. Every Member of the House knows that the subcommittee which considered the bill is composed of gentlemen of intelligence, ability, and integrity, who have been here long enough to learn the ways of lobbyists and the weight that can safely be given their arguments. These Congressmen came here with a proper knowledge of and regard for the welfare of American agriculture, and still retain that knowledge and regard. Their desire to accomplish something really worth while for this sorely beset portion of our population is as keen as that of the President or of anyone else could possibly be.

The statement that "pernicious lobbyists" are holding up the enactment of proper sugar legislation is a studied reflection upon the members of this subcommittee and upon every member of the House Agricultural Committee, and is typical of the methods used by this administration in forcing through Congress legislation, the wisdom of which the Members thereof are in serious doubt.

The President would have the public believe that these Members, every one of whom deservedly has the confidence and esteem of his colleagues, are amenable to the wishes of some vicious element of our society whom he is pleased to call "pernicious lobbyists." There is something sinister in the use of that appellation. No one is more gifted in finely turned phrases expressing the most delicate shades of meaning and implications than he. He knows what the effect of his statement ordinarily would be upon those back home not properly informed. He hopes through this method to scourge the recalcitrants into line for anything he may ask, regardless of what it may be.

But reverting again to lobbyists. Why did Mr. Roosevelt decline to name these conspirators against the public good? What held his hand? What closed his lips when it came to a question of naming names. Why did not he particularize and name the influences which were keeping the Congress from enacting this legislation? Was it because from every beet- and cane-sugar growing section of the country there were here the representatives of the American farmers urging American legislation on this subject?

Yes, Mr. Speaker, why did he not tell the people the whole truth about the situation in connection with this proposed legislation? Why did he not let them know that the committee, as it alone should have done, has prepared a bill, drawn in the interests of the American farmers and manufacturers instead of in the interests of the farmers and manufacturers of other countries? Why did he not say in that interview with the press that the committee bill would long ago have been reported to and passed by the House of Representatives had it not been for the violent opposition that he, through his Cabinet, interposed to prevent this body from performing its constitutional function?

Why did he not say that his Secretary of State and his Secretary of Agriculture, who seem far more concerned about the development of the sugar industry in foreign lands than they are about the American industry; that his Secretary of the Interior, who expresses great interest in the development of the sugar industry in Puerto Rico and Hawaii and little interest in that of continental United States; and that his Secretary of War, whose heart's desire seems to be the extension of Philippine sugar industry at the expense of the American farmer, were all thrust into the picture to prevent the Congress from writing legislation which, in the opinion of the Congress, should be upon the statute books?

Why did he not disclose that every power at his command had been brought to bear without avail, and that those splendid members of the Agricultural Committee are still standing steadfast and determined to write into the law provisions that will perpetuate our great sugar industry, not destroy it?

Why did not he call attention to the fact that extensive hearings were held on the bill and that during these hearings those upon whom he would put the brand of lobbyists came before the committee and there submitted their opinions for the public record and themselves to the cross-examination of the committee members? Why was nothing said about the good American farmers and their representatives who appeared there, were heard, and cross-examined?

And another thing, Mr. Speaker, why was it that the statements and arguments of these Cabinet officers and the statements and arguments of the representatives of the sugar-control section of the Agricultural Department and the reasons for their opposition appear nowhere in the recorded hearings? Why were their objections not registered there?

Why was it that those who did appear before the committee were not willing to say anything "for the record", but appeared only in executive session?

Just who are these "pernicious", these "pernickety" lobbyists who are holding up this legislation? Are they the mysterious, unnamed individuals whom the President would have the people believe are responsible, or is it the powerful lobby composed of his Cabinet officers and bureaucrats who declined to submit their opinions to the public record, who, with him, are striving to prevent the Congress from doing its duty?

Mr. O'MALLEY. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

GORGAS MEMORIAL PRIZE CONTEST

Mr. O'MALLEY. Mr. Speaker, on Tuesday last the President of the United States presented to a student from my district the annual $500 Gorgas memorial prize for the best essay on preventive medicine. This is the third time a high-school student from my district, out of 100,000 participants in the last eight contests, has won this prize.

The Gorgas Memorial Institute of Tropical and Preventive Medicine was incorporated, I am advised, for the purpose of perpetuating the memory of Maj. Gen. William Crawford Gorgas, a native of Alabama, whose great work in the field of preventive medicine, particularly through mosquito control, the institute seeks to perpetuate.

Each year for the past 8 years, with one exception, the institute has conducted an essay contest among the high-school boys and girls of the Nation, awarding prizes for the best annual essays on mosquito control and preventive medicine. The first national prize of $500 and $200 travel allowance is made possible through the generosity of Henry L. Doherty, of New York.

It is, therefore, Mr. Speaker, of great gratification to me, as the Representative of the Fifth Wisconsin District, that out of eight competitions high school students of my district have carried off first honors in this contest three times. This outstanding record in a competition among thousands of students all over the country is not only a great tribute to the boys and the girl who have won these contests but to the parents and the school system of the city which I have the honor to represent in this body. In the fifth contest, 1932–33, Joseph S. Brendler, 4964 North Santa Monica Boulevard, Whitefish Bay, Milwaukee, won first prize. In the seventh contest, 1934–35, Helen Mae Collentine, 4184 North Fourteenth Street, Milwaukee, won first prize, and in the eighth contest, just concluded, William Lord Drake, Jr., 4101 North Woodburn Street, Milwaukee, won first prize.

Thus the President of the United States, who annually presents the prize, has presented to three winners from my district this famous annual award. I know the people of Milwaukee and Wisconsin are proud of the achievements of these students, as I am, and their ability, I have felt, should not go unrecorded, especially since no other city in the Nation has won first prize more than once since the inception of this contest.

Mr. Speaker, I ask unanimous consent to revise my remarks in the RECORD including therein the names of the students from my district who have won the annual Gorgas memorial prize.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

R. N. TEAGUE AND MINNIE TEAGUE

Mr. McCLELLAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2630), for the relief of R. N. Teague and Minnie Teague, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 5, strike out "not otherwise appropriated" and insert, "allocated by the President for the maintenance and operation of the Civilian Conservation Corps."

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

Mr. SNELL. Mr. Speaker, reserving the right to object, what is this bill?

Mr. McCLELLAN. This is a bill for the relief of some people injured in an automobile accident.

Mr. SNELL. All right, I have no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

DISTRICT OF COLUMBIA TAX BILL

Mr. O'CONNOR of New York. Mr. Speaker, I call up House Resolution 243.

The Clerk read the resolution, as follows:

House Resolution 243

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 7472, a bill to provide additional revenue for the District of Columbia, and for other purposes. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on the District of Columbia, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

Mr. O'CONNOR of New York. Mr. Speaker, I ask unanimous consent that the bill may be considered by titles rather than by sections.

Mr. MAPES. Reserving the right to object, Mr. Speaker, what is the purpose of the request?

Mr. O'CONNOR of New York. To expedite the matter. As the bill is prepared, the sections are not numbered consecutively. They are divided among the titles. There are nine titles in the bill. If the bill is read by title, of course, all the amendments which could be offered to any section would be permissible as to the title. This is just to expedite the matter.

Mr. DIRKSEN. Mr. Speaker, reserving the right to object, may I call the attention of the gentleman from New York to the fact that when the committee prints came out this morning only the first three paragraphs of the income-tax title were reproduced in the bill. I do not know what the gentleman has in mind, but I believe that title ought to be read.

Mr. O'CONNOR of New York. It will be read.

Mr. DIRKSEN. So far as consideration of the entire bill is concerned, there might not be objection to the gentleman's request, because if we undertake to perfect title IX before it may be stricken out of the bill I should say it ought to be taken care of by sections rather than by title as we go along. The gentleman's intention is that we read the entire title?

Mr. O'CONNOR of New York. And then offer any amendments to any part of the title.

Mr. DIRKSEN. I may say to the gentleman I would have no objection except insofar as title IX is concerned. If the gentleman will exclude that, I shall be agreeable.

The SPEAKER. The Chair thinks it proper to state to the gentleman from Illinois that any amendment to perfect the title would take priority over a motion to strike out the title.

Mr. DIRKSEN. It was put in the form of a unanimous-consent request by the gentleman from New York, and I am just amending his request.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR of New York. Yes.

Mr. RICH. I see you are going to give the long time of 1 hour for consideration by the House of Representatives of the tax bill of the District of Columbia. We have seen much in the papers in the last 3 or 4 days about what is contained in this bill. No Member of Congress now knows what the bill is. There has not been one Member who has had an opportunity to read it. If you are going to give the House of Representatives only 1 hour to consider this bill, do you think you are doing justice to the people of the District of Columbia?

Mr. O'CONNOR of New York. I may state to the gentleman considerable time was devoted to this controversial matter on last Monday. One hour of general debate was thought sufficient. We were not asked for any more time. Consideration can be given to the bill under the 5-minute rule.

Mr. RICH. You are trying to get down to considering the bill by titles now so you can eliminate the 5-minute rule.

Mr. O'CONNOR of New York. No.

Mr. RICH. You know how hard it has been to get a chance to talk on anything here in the House of Representatives lately.

Mr. O'CONNOR of New York. No, indeed.

Mr. RICH. Now you are trying to gag us so we cannot get any time at all.

Mr. O'CONNOR of New York. The 5-minute rule is not affected one bit by reading the bill by title rather than by section.

Mr. Speaker, I withdraw my unanimous-consent request.

Mr. Speaker, I yield 30 minutes to the gentleman from Michigan [Mr. MAPES].

(Mr. O'CONNOR of New York asked and was given permission to revise and extend his remarks in the RECORD).

Mr. O'CONNOR of New York. Mr. Speaker, if the Members will obtain the report of the Committee on Rules accompanying this rule, House Resolution 243, it will furnish them, in the first instance, with information which may be valuable as we approach the consideration of this rule and the District of Columbia tax bill. During the 14 years I have been a member of the Rules Committee, this is the first report from that committee which was anything more than the three-line perfunctory report. The Rules Committee felt, in view of the consideration we had given to this bill, it was worth while to state to the House the situation as we find it.

Despite the editorial comments and the news articles and the articles by columnists, especially in the Washington papers, misrepresenting my position in this matter, the Rules Committee has been trying to help out, through no personal or selfish interest, a serious, controversial situation as to this bill, with the immediate need, as of the 1st of July, of meeting the requirements of the District to maintain their policemen and their firemen, and so forth.

As you all know, on Monday last there seemed to be an impasse. Rules Committee had no desire to intrude in the situation and, reluctantly, considered the matter of granting a special rule, especially to the District of Columbia Committee, which has a preference over other committees by reason of the fact it has 2 days a month set aside for the consideration of its business.

Of course, one cannot help resent the interpretation of the action of the House on last Monday as carried in a portion of the press as a selfish piece of legislative conduct on the part of the Members of the House to free themselves of taxation. Nothing could be further from the truth. Personally, in spite of some editorials I have seen, both false in fact and conclusion, I voted for the consideration of the bill, even though it might inflict taxes upon me. One of the most prevalent delusions which permeates the country is that Members of Congress pay no income taxes. This is what the country believes, but, of course, as you all know, it is not the fact. Members of Congress pay Federal income taxes on their salary, and every time we increase those taxes, we further tax ourselves. In the brief period of my service here I think I have voted to double my own taxes.

Mr. COLDEN. Mr. Speaker, will the gentleman yield there?

Mr. O'CONNOR of New York. For a brief question; yes.

Mr. COLDEN. Is it not a fact that any other businessman or professional man can deduct usual expenses from his income while a Congressman cannot?

Mr. O'CONNOR of New York. Well, I do not know the detail of that.

Here is the difficulty in dealing with the tax problem in the District of Columbia: It is not a State. The people who come here are more or less transients, and the great bulk of the so-called residents are Federal employees. It is rather difficult to meet the problem of taxing Federal employees. If you treat it from the standpoint of a State, of course, because of a strained construction of the Constitution, where it was stretched practically to the breaking point, the salaries of Federal employees are not taxed in the States and the salaries of people in the States receiving their income from the State or any subdivision thereof are not taxed under the Federal income tax. This is an anomaly which will some day be done away with, and should be as promptly as possible. There is nothing in reason or in morals why people who receive their income from their own government should not be the first people to contribute to the upkeep of their government, because if the government could not pay its bills, they would not be receiving the salary. There is nothing in reason or in morals why the Governor of New York or the mayor of New York City should not pay a Federal income tax on his salary, and there is nothing in reason or in morals why a Member of Congress should not pay a State income tax in New York. Until this anomaly is stricken out by constitutional amendment, together with the tax exemption of government securities and bonds down to the last drainage district, you will have this problem in the District of Columbia. Of course, the day is coming, and must come, when we will wipe out tax-exempt securities, and when we do this we will wipe out the exemption of Federal employees from State taxes and State employees from Federal taxes. [Applause.] But this problem is connected with this bill. In about 30 States we have a State income tax. How to impose the same kind of tax in the District of Columbia is a problem which should be studied by this committee.

So when it is recommended that you strike out title IX, as to income taxes, it is not suggested for one moment that there should not be an income tax on the residents of the District of Columbia, like in the States, when this can be worked out and the complications, practical or legal, adjusted.

I regret very much that in order to raise additional revenue there must be imposed an additional tax of 20 cents per $100 on real estate in this District, and I regret it for this reason: It will affect the little home owner whose home is appraised or assessed at full value, while we have information—of course, denied by this lobby which is flocking this building at this very moment, and has been for weeks, against any kind of tax bill for the District of Columbia—that some of the larger pieces of property here are not assessed at their full value. This assessment just for 1 year on the small home owner here is going to add another burden, and I hope that in the consideration of the bill there will be offered an amendment exempting the small home owner from this added burden. Of course, while all taxes are passed on to the ultimate consumer, the real-estate tax is immediately and directly passed on to the tenant.

Mr. SACKS. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR of New York. I yield.

Mr. SACKS. I propose to offer such an amendment to relieve such home owners.

Mr. SNELL. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR of New York. Yes.

Mr. SNELL. Does the gentleman think that the small home owner in the District pays more tax on his home than the small home owner in the State of New York?

Mr. O'CONNOR of New York. No; of course he does not. He does not pay anywhere near the tax levied generally throughout the country.

Mr. SNELL. Then why does the gentleman have any more interest in the small home owner here than in the small home owner at home?

Mr. O'CONNOR of New York. The District does not need that much money here, that is all. The assessors here, I am informed, do not carry out the letter of the law as in other municipalities. They do not sit down and determine what they need to carry on the business of the government and then divide that by the assessed value of the property and fix the tax rate accordingly. They fix an arbitrary tax rate, which they have never increased, but many times have lowered, and then come to the Federal Government for a contribution to make up the difference.

Mr. O'MALLEY. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR of New York. Yes.

Mr. O'MALLEY. If the assessors are not conducting themselves properly, why does not this Congress find some way to make them do so?

Mr. O'CONNOR of New York. That is the intent of this amendment, which it is proposed to offer, when you strike out title IX, the income-tax feature, and insert a direction to them to fix the tax rate at 1.7, or $17 a thousand, on real estate and intangibles, which is ridiculously low when compared with the average of $40 a thousand throughout the country.

Oh, I have been criticized and bitterly maligned in the local press in the past 48 hours—I am used to that. Editorials and news columns have falsely quoted me for talking about the people of the District of Columbia not contributing their fair share to the maintenance of their government. Well, you can go to any window in this Capitol Building, and look out in any direction, and you cannot see one piece of ground or one building to which the people of the District of Columbia have contributed one penny. You can get in an automobile at this Capitol and ride from here to the Shoreham Hotel, a distance of 6 miles, and you will never pass over a piece of land, you will never go through a park, you will never see a building, to which the people of the District of Columbia have contributed one cent. What park did the District of Columbia ever provide for its people? What would any city, what would any State, how much would the merchants of any big city in this country underwrite to have the Nation's Capital in that city? Surely twenty or thirty million dollars a year they would guarantee just to have the Capital there with its countless millions of consequent business.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR of New York. Yes.

Mr. COX. Would there be any injustice involved to anybody in the levying of a tax rate in the District of Columbia comparable to the rate that prevails in cities of comparable size throughout the country, and thereby produce all the money that the city needs, and cut off this Federal contribution to the support of the Federal Government?

Mr. O'CONNOR of New York. Of course, you should not levy that much unless the District needs the money. The first question you have to determine is how much is needed.

Take the automobile tax, for instance. I have a car out there of the vintage of 1930. It has New York license plates on it, for which I pay $27.50 each year. Of course, if I were an economical, thrifty young man, I would come down here and get those license plates for $1 a year. You cannot get them that cheap anywhere else in this country.

The press carried the story that the House was opposed to taxing Congressmen's salaries. I voted to tax them if the bill is proposed. I voted to do it, despite the newspaper criticism of me to the contrary. In the first place, the bill did not intend to tax Congressmen's salaries; and in the second place, they could not be taxed even if the bill so provided. The constitutional situation to which I previously referred makes that impossible.

Mr. NICHOLS. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR of New York. Yes.

Mr. NICHOLS. The gentleman will concede, however, that contained in this bill, as proposed today, is a weight tax on automobiles, which will correct the situation of which the gentleman speaks?

Mr. O'CONNOR of New York. I am very glad to hear that. Again, on what theory can a Member of Congress be considered a resident of the District of Columbia? If he were a resident of the District of Columbia, he would be ineligible for election back in his own State. When those dilemmas can be gotten over, Congress will be able to work out a real income-tax bill for the District of Columbia.

Mr. MOSER of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR of New York. Yes.

Mr. MOSER of Pennsylvania. In line with the gentleman's discussion did the great Empire State of New York ever receive a Federal contribution because of the tax exemption of all of the Federal buildings in the State of New York?

Mr. O'CONNOR of New York. No. We often gave the land. In the city of New York the city in some instances bought the land and presented it to the Federal Government for the Federal building.

Mr. MOSER of Pennsylvania. Of course they did, and in line with the gentleman's discussion, the District comes here and gets an appropriation from this Congress because of the tax exemption of the Government buildings.

Mr. O'CONNOR of New York. I can remember a few years back—and this will further subject me to newspaper editorial and adverse comment—when in the shadow of this great Capitol was to be found the lowliest, filthiest slum area in America, what with fortune-telling joints, lodging houses, and chop-suey joints and other unmentionable dives. Did the District of Columbia ever do anything to eliminate that eyesore in the Nation's Capital? Not one thing. The Federal Government had to step in and clean up the streets, and clean out the dives, and who benefited by it? The business interests of the District. If this is going to continue to be a paradise for the tax dodger to come here, we all ought to know it and so prescribe and issue engraved invitations. I understand one man moved here just to avoid his taxes on an annual income of $900,000 or a million dollars. You can figure out what that would be in the State of Wisconsin, for instance, under that State income tax. But of course it was worth while moving to this tax-free haven. Again, we have commuters here, men who take a train every day from Baltimore and other places and come into Washington, and go home at night, who earn tremendous fees and income in the District of Columbia. They do not have any State income tax back home, and they have no similar tax here.

Mr. KRAMER. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR of New York. Yes.

Mr. KRAMER. Apropos of the gentleman's remark about cleaning up a moment ago, I am wondering whether any effort was made by the District of Columbia to make any regulations and why the people of the States should pay the taxes here for the people of the District of Columbia.

California has many Government buildings in the State. We do not tax Government buildings for the space they occupy or the land which the Government owns. There is no tax. We would welcome the Capital of the Nation in California today, without any tax.

Mr. O'CONNOR of New York. Of course, I do not go so far as to say that the rest of the country should not contribute a fair share to make this District the Nation's real Capital. Within the last 6 years this has grown into the center of the United States. The strides made in the last six years, the advances made in property values, and so forth, have been greater than in the previous 25 years. I am proud of this District. Fine people live here, own their homes, and are willing to help contribute to the support of the District. I am talking about the selfish people who conduct big businesses here or who have big enterprises here, who, through their boards of trade and other organizations, fight every provision for taxes. The opposition to this bill is not directed solely against the in-

come tax or any one of these other taxes. The people who are lobbying against this bill do not want any tax bill whatsoever imposed upon the District. They want to leave the situation so that on the 1st of July the District will be in a helpless position and we will have no alternative except to again dip down into the Federal Treasury and bail this community out of its bankruptcy. [Applause.]

Mr. Speaker, I reserve the balance of my time.

Mr. MAPES. Mr. Speaker, I yield 5 minutes to the minority leader the gentleman from New York [Mr. SNELL].

Mr. SNELL. Mr. Speaker, I am in accord generally with the statements made by my colleague from New York [Mr. O'CONNOR]. The only thing to which I would take any exception is that I would not use the small-home owner in the District any differently than the small-home owner is used in every part of the country.

I have a very deep-seated and firm conviction relative to this resolution. I think the House made a serious mistake in refusing to consider the District tax measure on last Monday. It was not a question of whether we liked the tax bill as presented by the committee or not. It was to be considered under the general rules of the House, and if the majority did not like it, they had an opportunity to amend it.

One of the important duties of this House is to pass tax bills to pay the expenses of the District of Columbia. We make the appropriations and it is our responsibility to arrange for taxes to meet those appropriations just the same as it is a duty to lay taxes to pay the expenses of the Federal Government. My hope is that there will not be a single vote cast against this resolution for considering the tax measure today. We should consider it calmly and dispassionately, and try to be absolutely fair to the people of the District.

I have no feeling against the individuals of this District or the District itself. On the other hand, I have no sympathy with the people of the District who are continually claiming they are overtaxed. I would not claim that I am a specialist along this line, but I have spent some time in looking over reports and tax rates in other similar cities. I have never been able to find any city, comparable in size or improvements to the city of Washington, where the people of that city paid a tax rate as low as is paid here in Washington.

In the report of the Jacobs committee, which cost the Government some fifty-thousand-odd dollars, they went very carefully into the situation existing here, the assessments on various properties, and so forth. According to that report, property is only assessed at 70 percent of its actual value. Even if it were assessed at 100 percent, the proposed tax rate of $17 per thousand is the smallest of any place that I know of in this country. In my own small village of about 5,000, where real estate is assessed, in my judgment, for all it would sell for, we are paying this year between $45 and $50 per thousand. Here in Washington, with all the conveniences, with all the parks and the beautiful roadways and everything else that the Federal Government has given to the District, they are complaining about $17 a thousand on real estate that, according to the investigator's report, is assessed at about 70 percent of its value.

I saw a statement in the paper yesterday itemizing several different apartments in the city, giving the amount they were assessed for and what they were sold for. Of course, I do not know what apartments those were, but I do know that the apartment houses here in the District that range in value from two or three thousand dollars up to $125,000 were not representative apartments. Even if they sold at the low price, the net return on those various properties, as given in this newspaper article, was over twice what the same valued property would return in any other section of the country.

There were tremendous huge rentals received from those properties in proportion to the value, if the valuations were correctly given.

[Here the gavel fell.]

Mr. MAPES. Mr. Speaker, I yield the gentleman 3 additional minutes.

Mr. SNELL. I want to do what is fair and right toward the District, but I know from what information I have that when we vote a tax bill on the District of Columbia which does not exceed $17 a thousand, we are making an actual present to the people of this District. [Applause.] You cannot find a smaller tax rate in any other community in the United States. [Applause.]

Mr. COLDEN. Mr. Speaker, will the gentleman yield?

Mr. SNELL. I yield.

Mr. COLDEN. In support of the gentleman's statement, I want to state that in Los Angeles, where I live, the rate on real estate is $43.20 per thousand.

In addition to that, we pay a sales tax, an income tax, an inheritance tax, and our merchants pay a license tax.

Mr. SNELL. These people in the District pay very little compared with that. Every year a great many wealthy people move into Washington to escape taxation, and that fact in itself is proof of the low taxation that exists in the District.

[Here the gavel fell.]

Mr. MAPES. Mr. Speaker, I yield myself 10 minutes. Mr. Speaker, we all know that service on the Committee on the District of Columbia is largely a labor of love. For one, I want to take this opportunity to congratulate the committee for having worked out and reported a tax bill for the District to the House. It is no small accomplishment.

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. MAPES. I yield.

Mr. PATMAN. The gentleman was chairman of the special committee, I believe, of five Members that worked on this question for about 2 years. I happened to be a member of the committee myself, and I recall that the gentleman spent practically all of his time in that work. It is my belief that the gentleman from Michigan knows as much as, if not more, about this question than any other Member of the House. I hope that he gives us the benefit of his opinions.

Mr. MAPES. The gentleman from Texas, of course, is over generous. He was a very helpful and important member of that committee. I do not intend to attempt to discuss the different provisions of this bill, but I do want to say that I hope that the House will pass this rule and that it will consider this bill with care and deliberation. The subject deserves it and the committee which has put so much time and work on the bill deserves it. I voted to take it up on District day last Monday. That motion having failed, I am in favor of the passage of this rule so that the bill can be considered.

Mr. DIRKSEN. Mr. Speaker, will the gentleman yield?

Mr. MAPES. I yield.

Mr. DIRKSEN. Is it not true that as a result of the gentleman's study in connection with experts retained by his committee an income-tax bill was introduced in 1931?

Mr. MAPES. Yes; and I may say to the gentleman what I intended to say, that I am sorry that in order to get this rule the Committee on the District of Columbia had to agree to make a motion on the floor this afternoon to strike out the income-tax title. I think it is one of the best titles in the bill, and it is something that the personal-property assessors of the District have wanted for a great many years in place of the intangible-property tax. I am indeed sorry that the majority of the committee saw fit to vote to strike out that title.

As the gentleman from New York [Mr. O'CONNOR] said, the people who oppose this bill do not oppose it alone because of the income-tax title. They oppose it because they do not want any tax legislation passed for the District. I think anyone who is impartial and who will make a study of the comparative tax rates between the District of Columbia and cities of comparable size, or cities of almost any size, or even country districts, will come to the conclusion that the tax rate here is very much smaller than in almost any other place in the United States and that the people of the District get off with paying what is comparatively a very small tax.

The gentleman from Mississippi [Mr. COLLINS], who is now presiding over the House, I may say, was a member of the committee to which the gentleman from Texas [Mr. PATMAN] has referred. He was a very able and helpful member of that committee. As chairman of the District Appropriations Subcommittee, he has introduced in this

Congress practically the same bills that the Mapes committee introduced and which were passed in the House of Representatives several years ago without a dissenting vote.

I am not impressed with the emergency cry which has been put out in order to get this legislation considered. The situation here today is the same as it has been every year. There is a law upon the statute books which levies a rate of tax upon the real estate and the personal property in the District of Columbia sufficient to raise revenue to meet the appropriations of Congress for the District. Let me read that provision of the law:

> A tax is levied at such rate on the real and personal property subject to taxation in the District of Columbia as will, when added to other taxes and revenues of the District, produce money enough to enable the District to pay promptly and in full all sums directed by Congress to be paid by the District, and the Commissioners are directed to ascertain and to fix annually such rate of taxation as will raise that revenue.

So we do not need to be rushed off our feet as far as the emergency feature of this legislation is concerned. The District government will continue to function whether this bill is passed or not. It should, nevertheless, be perfected and passed.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. MAPES. I yield.

Mr. COX. Have not the Commissioners of the District taken the position that there is some question as to their power to raise the tax? In other words, heretofore the practice has been to reduce year after year, but there has been no action on the part of the Commissioners raising the taxes. They now take the position that they have not moved in that direction because of some doubt as to their legal authority, when, of course, there can be no doubt, in view of the language of the statute which the gentleman has just quoted, because the rules that govern the Commissioners in making the levy are very distinctly set forth in the law itself.

Mr. MAPES. Mr. Speaker, I may say to the gentleman from Georgia that the statement of the district attorney before the Rules Committee yesterday was the first time I ever heard that question raised. The truth of the matter is that the Commissioners of the District have lowered the tax from time to time without any question being raised as to their power to do so; but now that there is an opportunity, or perhaps the necessity, of raising the rate, this question of the legality or power of the Commissioners is raised for the first time. I am not impressed, I may say to the gentleman from Georgia, with that objection.

Mr. NICHOLS. Mr. Speaker, will the gentleman yield?

Mr. MAPES. I yield.

Mr. NICHOLS. The subcommittee in considering this tax bill had that question ever before it. In the consideration of leaving authority in the hands of the Commissioners to raise the tax on real property, we were at all times conscious of the very close legal question existing as to whether it was not an unwarranted delegation of authority to an executive branch.

Mr. MAPES. The language of the statute, of course, definitely levies the tax. It is only an administrative act on the part of the Commissioners to fix a rate that is sufficient to raise the revenues required.

People who live in the District are like all other humans. They do not want to pay any more taxes than they are required or are obliged to pay. In the passage of tax legislation for the District the Congress of the United States should, of course, be fair with the District. At the same time it ought to be fair with the rest of the country. To work out a fair and just bill it will be necessary to tackle the subject in earnest. This bill ought to be considered very carefully, section by section, and line by line.

[Here the gavel fell.]

Mr. MAPES. Mr. Speaker, I yield myself 1 additional minute to yield to the gentleman from Mississippi.

Mr. WHITTINGTON. Mr. Speaker, will the gentleman yield?

Mr. MAPES. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. There is nothing new or novel about discretion being vested in the city government to fix the rate. That is vested in all authorities and under all laws where the tax is actually levied.

Mr. MAPES. Yes.

Mr. WHITTINGTON. The authority is left to the body to fix the rate?

Mr. MAPES. There is no doubt about that. The question was never raised when the rate has been reduced, and Congress should not get excited about it now when there is a prospect of an increase of the rate.

[Here the gavel fell.]

Mr. O'CONNOR of New York. Mr. Speaker, I yield 7 minutes to the gentleman from Texas [Mr. DIES].

Mr. MAPES. Mr. Speaker, I yield the gentleman from Texas [Mr. DIES] 1 additional minute.

Mr. DIES. Mr. Speaker, I deeply regret that the Washington newspapers have seen fit to unjustly condemn the chairman of our committee on account of his attitude with respect to the District bill. As a matter of fact, he is more responsible for this bill being considered today than any other Member of the House. However, there is a strong lobby in Washington which is exercising a great deal of effort and energy to prevent the passage of any kind of a tax bill.

I cannot agree with the gentleman from New York [Mr. SNELL], the minority leader, who said:

> Why should we be concerned with the small-home owners in the District of Columbia, when they are not fully protected in other States?

As a matter of fact, a great many States have passed acts to exempt small homesteads from all taxation.

Mr. COX. Will the gentleman yield?

Mr. DIES. I yield to the gentleman from Georgia.

Mr. COX. In order to give that treatment to the problem, did those States not have first to amend their constitutions?

Mr. DIES. That is true in reference to the States.

Mr. COX. The question of the Congress introducing a tax which has in it inequality with reference to the District comes up? Do we have that authority?

Mr. DIES. There is no question, in my judgment, but what Congress has the authority to pass an act exempting small-home owners from taxation.

Mr. SNELL. Will the gentleman yield?

Mr. DIES. Let me proceed. I want to discuss some of the amendments I shall propose to this tax bill.

Mr. COX. Is the gentleman certain of the statement he has just made?

Mr. DIES. That is the result of my study and research on the question. Manifestly, if Congress could not do it, it would have to amend the Constitution for that purpose.

Mr. COX. Of course, Congress cannot amend the Constitution. The question is as to the competency of the Congress to treat one class of property owners in one way and another class in a different manner. We are violating the rule of uniformity, which, of course, applies to all general measures.

Mr. BEVERLY M. VINCENT. The way to get by that is to provide for an exemption of $5,000 to every owner of real estate.

Mr. DIES. At any rate I shall offer an amendment to that provision of the bill which provides for a rate of 1.7 percent of the assessed valuation which will read that on the first $5,000 of assesed valuation of any real property occupied solely as a homestead by the owner, all taxation will be exempt and upon the next $5,000 the tax rate will be 2 percent per year. I have forgotten the exact terms of the amendment, but at any rate it graduates the tax rate so as to first exempt the small-home owner, then gradually increases the tax rate on those who have tremendous property holdings in the District of Columbia.

Mr. NICHOLS. Will the gentleman yield?

Mr. DIES. I yield to the gentleman from Oklahoma.

Mr. NICHOLS. May I ask the question as to whether or not the gentleman has computed what that tax would yield in the District of Columbia?

Mr. DIES. The increase in the tax rate upon property in excess of $10,000 to 2 percent, provided it is not in excess of $500,000, and then 2½ percent of the amount

of assessed valuation in excess of $5,000,000, in my judgment, will offset to a large extent the loss of taxes upon the first $5,000. But if it does not, I propose to offer a chain-store tax similar to the chain-store tax passed in the States of Louisiana and West Virginia, which acts have been held valid by the supreme court of the States. This will yield to the District of Columbia $750,000 a year. Certainly the chain-store tax, with a graduated tax upon the land in excess of the minimum, will more than yield to this District enough money to operate.

In addition to that I have an amendment which will increase the rate on gifts and inheritances as provided in this bill.

Certainly, whatever tax bill we pass represents our views in reference to taxation. It should be a model for other States to follow. I am absolutely convinced that the time is coming in the United States when wealth should be decentralized and we should open the door to equal opportunity. We must do this by some measures other than some of the policies and the ointment method we have been adopting in recent years. In order to prevent an ever-increasing centralization of wealth in this country, we must decentralize the vast ownership of land in the United States by a few. Of course, this is a modest beginning. This will not mean that those who own more than $10,000 worth of property will be ruined.

Their rate will still be less than the rate in other comparable cities. I have in the amendment a provision to protect renters from having this tax passed on to them, to the effect that in any case where an apartment owner or a hotel owner can show to the satisfaction of the District Commissioners that the rates or rents charged by him are approximately the same as those which prevail in the majority of cities of comparable size, taking into consideration the accommodations and services afforded, the Commissioners can grant the owner a rebate not exceeding one-half percent on the assessed valuation. This will protect the apartment and hotel owners who are charging reasonable rates. [Applause.]

Mr. SNELL. Mr. Speaker, for Mr. MAPES, I yield 10 minutes to the gentleman from Kentucky [Mr. ROBSION].

Mr. ROBSION of Kentucky. Mr. Speaker and ladies and gentlemen of the House, as the people of the city of Washington and District of Columbia have no vote and are without representation in either the House or Senate, the House is today acting as a city council or board of aldermen for the city of Washington and District of Columbia in the consideration of H. R. 7472, a revenue bill, the caption of which says:

To provide additional revenues for the District of Columbia.

The House of Representatives today in urging new taxes and an increase of taxes upon the backs of the people of the District of Columbia is running true to form. Congress in each and every one of its sessions since 1933 has passed and considered tax bills creating new taxes and increasing taxes. Congress has set the pace for every revenue-producing body in the United States, and the States, counties, cities, towns, and other taxing districts have been and are now following suit. There has been no real effort made by Congress or any other taxing body, so far as I can learn, to reduce the expense of government in the Nation, States, counties, cities, or towns. Those in control have been and are still devoting their time in finding new ways to squander the people's tax money and devising new schemes to create new taxes and increase existing taxes.

This bill before us provides for new taxes and an increase of taxes for the voteless population of the District of Columbia and the city of Washington. If this bill is adopted, the people of the District of Columbia will be required to pay annually in taxes approximately $41,000,000. This is a larger sum in taxes than is paid by the people of many of the States of the Union in their respective States each year, and is a much larger sum than was collected annually in taxes by all the Thirteen Original Colonies when they rebelled against Great Britain because they were taxed without representation. There are living in the District of Columbia approximately 600,000 people. They are just as patriotic, intelligent, and law-abiding as the people living in any State in the Union; but they have no spokesman on the floor of the House or Senate. They have no one selected by them to represent them in either the executive, legislative, or judicial branches of the District government. We have in the District of Columbia and the city of Washington taxation without representation. Taxation without representation was wrong in 1776 and was one of the chief issues on which the Revolutionary War was fought. Is not this principle still wrong in 1937?

When I became a Member of Congress in 1919, after a careful investigation, I came to the conclusion that the people of the city of Washington and District of Columbia should be granted the right to vote, and I still strongly favor that policy. The States not only have their legislative bodies to fix the revenues of the States, but each State, however small in size and population, has not less than two United States Senators and one United States Representative to speak for them in the National Congress. The people of Kentucky are annually taxed approximately the same sum as the people of the District of Columbia. The District of Columbia has no representation in Congress, while Kentucky has two Senators and nine Representatives.

Because of the lack of representation, I am inclined to think that the people of the District of Columbia do not receive the consideration that they should. The Members of the House and Senate are busy looking after their own constituents and the affairs of the Nation as a whole, and it is almost impossible for Congress to resolve itself into a city council or a board of aldermen and give proper consideration to the revenue measures as well as all other measures for the District of Columbia. Many times I have heard Members of this body deliver tirades against the people of the District of Columbia, the purpose of which, it seemed to me, was to add to the popularity of such Member in his own district and State, and at the expense of the voteless population of the District of Columbia. The District of Columbia could have no one on the floor of the House or Senate to answer these attacks.

In the very nature of things, the people of the District of Columbia are the wards of Congress and the Nation, and therefore each and every measure affecting the people should receive the most careful and painstaking consideration at the hands of Congress.

The tax bill before us covers 80 large typewritten pages and affects every man, woman, and child, and every business, profession, and calling in the District. I am advised that practically no hearings were held on this important tax measure, and under the rules we are limited to 1 hour of debate and an effort will be made to force this measure through this afternoon. Would we consider it fair for any State legislature to rush through a bill of this size and importance with only 1 hour of debate and in a single afternoon?

A reading of the bill will clearly show that this measure is unskillfully and inequitably drawn. It appears that the proponents had only one thing in mind—to provide additional revenue—seeking new taxes and increases in taxes.

I am one of those who firmly believe that every citizen who is able to do so should, according to his ability to pay, help to support the necessary governmental agencies. I have no sympathy whatever with a tax dodger or a tax evader. It has become almost common knowledge that many wealthy people have given up their residences in their respective States and have taken up residences in the District of Columbia in order to avoid income taxes in their States. The Rules Committee and the leaders of the House, it seems to me, made a serious mistake in insisting that the income-tax provision should be eliminated before a rule was granted to consider the bill. Kentucky and other States have adopted income-tax measures. The District of Columbia should not become a haven for rich income-tax dodgers. People able to pay and enjoying the privilege of living in the Nation's Capital should be willing to contribute their fair share to the upkeep of the District government.

I understand that it is claimed that the income-tax provision was cut out to protect Members of the House and Senate and other Federal officials. There is no just reason to

impose an income tax on a Member of Congress or other Federal official who is temporarily located in Washington on official business. These taxes are to keep up the schools, the streets, police, fire department, and other local District governmental agencies. Kentucky and other States have their income taxes and Members of Congress and other Federal officials must answer to their States on income taxes as well as other taxes to provide school, highway, and other governmental benefits in their respective States. This income tax should apply to people who are residents of the District of Columbia and are not charged with or paying income tax in the States.

There can be no defense of the effort to cut out the income-tax provision and add 20 percent to the real-estate taxes. Most of the States have begun to realize that real estate already pays more than its just burden of taxes. Tens and tens of thousands of homes and farms are being sold throughout the Nation every year for taxes.

The inheritance tax provision has some great gaps in it. It will catch the small inheritances but will perhaps afford opportunities for the large inheritances to escape their just proportion of the burden.

This bill also provides for a sales tax, without much regard for the ability of the persons to pay. I strongly oppose a sales tax and especially in the form provided in this bill.

This bill fails to give credit for inheritance and estate taxes paid to the Federal Government as is given to the States under the act of 1926.

I favor the people of the District of Columbia having representation, and they are entitled to a revenue measure that is just and fair to all. Such a measure cannot be worked out properly on the floor of the House. The people of the District of Columbia should be given an opportunity to be heard, and I am sure if such hearings are held, many valuable suggestions and much helpful information would be obtained.

Feeling that the measure as presented is not what it should be, I shall vote to recommit the bill for further study by the committee unless suitable amendments are adopted. I shall not hesitate to vote against the bill unless I feel that it does justice to the people of the District of Columbia.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. ROBSION of Kentucky. Yes.

Mr. COX. Does the gentleman mean by his statement he believes the District should be granted statehood?

Mr. ROBSION of Kentucky. I believe they should be granted the right to establish a local government here and to have representation in this House. They should have the right to select their own officials, to fix the taxes and to spend the tax money. If taxation without representation was wrong in 1776, it is still wrong.

I am opposed to the unnecessary increase of the tax burden on the people of the District of Columbia and the people throughout the Nation.

WE ARE ALL TAXPAYERS

Our Democrat colleague from the State of Ohio [Mr. LAMNECK] made a most interesting speech the other day in which he demonstrated that approximately 33⅓ percent of the income of the people of the State of Ohio was taken for taxes, and I am satisfied that a careful survey will show that on the average approximately one-third of the income of the American people goes for taxes.

We hear much said about soaking big corporations and the rich with heavy taxes, and many people believe that the rich and the big corporations pay these heavy taxes. This is not true. We are all taxpayers. The new-born babe in its swaddling clothes and the great-great-grandmother, the millionaire and the hobo, the farmer and the merchant, the factory, mine, shop, railroad, and relief worker—all are taxpayers because there is a tax on everything consumed—on our food, clothes, shelter, heat, water, light, medicine, books, and so forth. These so-called big corporations and the so-called rich are engaged in producing these articles for consumption. These heavy taxes are added to the cost of the product, and they are passed on to the consumer. The tax burden falls most heavily upon the workers, the farmers, and the common people because they are the large consumers. The average person does not realize these burdensome taxes because most of these taxes are hidden or concealed taxes.

The common laborer on relief in Kentucky in my section receives $23.10 per month. Now, what if there was a tax collector there who would demand a third of that sum—nearly $8—for taxes? What if the farmer who sold his tobacco for $600 found a tax collector there who would collect all the taxes for his tobacco in a lump sum—$200—and would take out a like third when he sold his corn, hogs, wheat, fruit, milk, eggs, and other farm products; and suppose a factory, railroad, or mine worker who is receiving $100 per month found a tax collector present who would demand a third of the worker's money? That is the very condition in which the American people find themselves today. On an average one-third of our incomes—and this is especially true as to the low incomes of farmers and workers—goes for taxes.

President Roosevelt, when he was a candidate for President in 1932, said in substance that we must reduce taxes because the taxes were paid out of the sweat of the workers and was a great handicap on the business of the country. Some day the American people generally will understand that, while reasonable taxes are necessary and should be gladly paid by those who are able to pay and according to their ability to pay, yet heavy unnecessary taxes are a great burden on the taxpayers and a handicap to real prosperity.

If there are people in the District of Columbia or elsewhere who are able to pay taxes and are dodging their taxes, let us find who they are and require them to pay; and if those who are least able to pay are overburdened with taxes, let us reduce their burdens. As a general proposition I have been for sometime and I am now unalterably opposed to creating new taxes and increasing taxes. They are already too high. Taxes could be cut down at least a third, if these various governmental agencies would cut out the hundreds of thousands of useless officeholders and useless expenditures and cut out chiseling, cheating, and grafting and give to the American people 100 cents in service for each dollar of taxes paid.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. ROBSION of Kentucky. Yes.

Mr. COX. Does the gentleman favor the proposition of the overburdened people in his district and every other district of the county paying taxes to support the Government of the District of Columbia?

Mr. ROBSION of Kentucky. When I came to the House in 1919 there was a law which provided a 50-50 contribution.

Mr. COX. Is there any justification for that?

Mr. ROBSION of Kentucky. Just a moment and I will answer the gentleman's question. I helped others to make a fight to bring it down to 60-40, and then on down to the present contribution by the Federal Government to the District of Columbia.

Mr. COX. Does not the gentleman think it should be brought down to zero?

Mr. ROBSION of Kentucky. That might be all right. There is no reason why the people of my district or of my State should pay the taxes to maintain the schools, buy school books, or pay teachers in the District of Columbia. This is the Nation's Capital. It is the Capital of the greatest Nation on the earth and I am interested in it being the most beautiful and the best governed Capital of any nation of the world. I am speaking of the general attitude of Congress and of other taxing bodies. Every time they meet they are asked to vote more taxes, new taxes, and increase of taxes, not only for the District of Columbia, but for the American people, for the State, and for my own county and city. In some of the towns in my district recently, after they had exhausted every other means of taxation, they put a $5-to-$10 tax upon every school teacher, clerk, paperhanger, painter, baker, garage mechanic, carpenter, and others. One of these days the American people are going to rebel against these tax burdens. There is too much use

of the tax money to maintain bureaucrats, office holders, and politicians. [Applause.]

REDUCED TAXES AID RECOVERY

The policy of the present administration—to tax and squander ourselves into prosperity—violates every principle of common sense and government for 50 centuries. No nation or individual ever squandered itself or himself into prosperity. Unjust and burdensome taxes oppress the people, discourage business, and incite the people to evade and dodge taxes. They feel that the imposition is unjust when they see the tax money squandered and wasted. In 1921 the Republican Party came into power. We still had in force the high, oppressive war taxes. There was a heavy tax on everything—articles of food, clothing, railroad tickets, and telegrams, and a heavy income tax on workers' moderate salaries and a very high income tax on other salaries. A bill was introduced to eliminate many of these taxes and to greatly reduce all other taxes. The measure was bitterly opposed by our Democratic minority. They urged that we would impoverish the Treasury, but the bill went through and was signed by a Republican President. Business was so encouraged that in spite of the great reduction in rates and the elimination of many taxes, the revenues collected greatly exceeded those received under the higher rates. Every 2 years thereafter, a similar tax reduction bill was introduced, passed by the House and Senate and signed by a Republican President. In 10 years 5 great tax-reduction bills were passed by a Republican Congress and signed by a Republican President. Did this action impoverish the Treasury? It certainly did not. During these 10 years, the national debt was reduced approximately $10,000,000,000, and we had one of the most prosperous periods in the history of our country. Since the Democrats have been in control, we have had a new tax bill, if not every year, at least every 2 years—creating new taxes and increasing existing taxes. At the same time deficits continue and the national debt is on the increase. These heavy taxes are necessary because of the squandering and waste of the people's tax money. These deficits and increases in the national debt are factors in preventing recovery and real prosperity in this country.

IMPERILING THE FUTURE OF OUR CHILDREN

In the last year of the Hoover administration the revenues collected by the Federal Government were approximately $1,800,000,000. In the present fiscal year ending June 30, 1937, the Federal Government will collect a little less than $6,000,000,000, and for the fiscal year beginning July 1, 1937, it is estimated that the Federal Government will collect over $6,000,000,000. In other words, we have increased the tax collections over 200 percent.

The policy of the present New Deal administration to tax and squander ourselves into prosperity has been discredited. This policy and attitude on the part of the Federal Government has caused the taxing authorities of the States, counties, cities, towns, and school districts to do likewise. There might be some excuse for these heavy taxes if the Federal and other governmental agencies were not wasting a lot of the money and using a lot of it for boondoggling and other useless purposes and to build and maintain political machines.

The Federal Government under Mr. Roosevelt has spent approximately $15,000,000,000 more than it has taken in during his administration. We have increased the national debt from approximately $20,000,000,000 to over $35,000,000,000. Although we have increased our revenues 200 percent over 1932, yet in this year we will have a deficit on June 30, 1937, for this fiscal year of approximately $3,000,000,000. Congress has already appropriated and authorized to be spent more than $8,000,000,000 for the fiscal year beginning July 1, 1937, and as Congress will more than likely continue in session for another 2 months, it will be a miracle if there is not added one or two billions more before Congress adjourns. Congress is doing this unwise thing when we know that the Federal revenues from every source for the next fiscal year will be approximately $6,000,000,000, and this, of course, means another big deficit for the coming fiscal year.

We hear rumors that in a short time the President will come forward again with a suggestion for a great increase in taxes. There is no suggestion from the President or any of his New Deal friends about cutting down expenses or cutting out boondoggling or other wasteful and extravagant policies or projects. In order to take the sting out of these new proposals, the President, in all his tax proposals, suggests that he is "going to soak the rich", but in the end he soaks the poor. He has done more to soak the poor man with taxes than any man who has ever been President.

But we are told that these heavy taxes are necessary to take care of relief. That cannot be true. The President and his administration have added more than 300,000 officeholders on the backs of the taxpayers. Billions have been squandered and wasted. It is now generally admitted that not over 61 cents out of each relief dollar we appropriate goes to those who claim relief and a much less percentage to those who need relief. It goes, a big end of it, to this big army of bureaucrats in Washington and throughout the country who are busy traversing every part of the Nation playing politics and building up political machines with the taxpayers' money.

I have heretofore called attention to the speech of Mr. BUCHANAN, chairman of the Appropriations Committee, who stated that we had appropriated more than $15,000,000,000 in the last 4 years for relief and recovery. This money has been turned over to the President and he has turned it over to Harry Hopkins and a few others. It has never been claimed that there were over 5,000,000 families in America needing relief, and if this money had been turned over to the 5,000,000 needy families, each family would have received over $3,000. But, in truth and in fact, they have not cared for 5,000,000 families. For the most part of the time they have not cared for 3,000,000 families. If this relief money had gone to 3,000,000 families, each family on an average would have received $5,000, but the records show, for instance, that each needy family in Kentucky for the whole period of 3 years or more received on an average only $369. I challenge that the relief families of America during this administration have not received on an average as much as $1,000 a family.

Where has the balance of the money gone? It has gone for boondoggling, waste, graft, and politics. The taxpayers of the country who are soaked are the farmers, the workers, and the common people who are forced to pay high prices for farm machinery, for clothing, and for other necessaries. It is the common people, the workers, the families on relief who are paying the high prices for their clothing, rent, heat, shelter, food, and so forth. It is the relief workers, one-third of whose wages are taken for taxes.

I am not concerned about the big taxpayers—they can take care of themselves—but it is indefensible to take from the common people and the working people one-third of their wages, earnings, and income for taxes.

We complain about our national debt being increased to more than $35,000,000,000, but this is only a part of the debt that is being piled upon the backs of the young people of this country. If we add to this the debts of the States, counties, cities, and towns, and other taxing districts, it would amount to the stupendous sum of $70,000,000,000; and these debts everywhere are being increased.

Now these debts of the Federal, State, county, city, and town governments are a first mortgage on every dollar of property and a first mortgage on the future of every newborn child. We have no right to hang any such millstone about their necks. Instead of trying to find new taxes or increase taxes, let us devote more time to find ways to reduce the expense of government and thereby cut down the burden of the taxpayers.

As one Member of Congress, I am unwilling to so handicap and embarrass the boys and girls of this country, and I have and I shall continue to vote against these tax bills until a new policy is adopted which will declare for a dollar's worth of benefits for every dollar of the taxpayers' money and a policy of not only honesty but common sense in spending the people's tax money.

President Roosevelt's words were as true as Holy Writ when he declared in 1932 as a candidate for President that

if we continue to pile up deficits and increase our Government debts, in the end it would mean the poorhouse and bankruptcy. It is most regrettable that since his election he has done nothing except to create more and more deficits and to increase by billions annually our national debt and has encouraged the States, counties, cities, towns, and other taxing units to do likewise. [Applause.]

Mr. O'CONNOR of New York. Mr. Speaker, I yield 5 minutes to the gentleman from Oklahoma [Mr. NICHOLS].

Mr. NICHOLS. Mr. Speaker, of course, time will be taken to fully explain the contents of this bill if the rule is adopted. I want to take this time, however, to answer two or three propositions that have been made during the discussion of the rule itself. Gentlemen have spoken at great length about the fact that taxes within the District of Columbia are so low. On this we are all agreed.

Up until this time there has been very little opportunity for citizens of the District of Columbia to pay the cost of their own government. By the adoption of this bill, or some tax bill, we will now cure some of the things gentlemen have been complaining about.

In addition to this, I want to point out to the Members of the House that taxes in the District of Columbia should be, and probably always will be, lower than in cities of comparable size in the United States and to say that the reason is that a city of comparable size to Washington in the United States would have to contribute to about seven different governments in order to maintain its own municipal government. Any other city of comparable size in the United States would make contribution to Federal taxes, contribution to State taxes, contribution to county taxes, in many instances contribution to township taxes, contribution to school districts, and then a tax to carry on its own government, making a total of six or seven subdivisions.

You do not have this burden of taxation in the District of Columbia, because this city does not have to pay, by contribution, to the maintenance of these various other governments, to wit, they do not pay for the maintenance of a State, because there is none here. The only taxes they pay are for the support of the city government, and their contribution to the support of the Federal Government and all the other contributions that the ordinary city would have to pay are cut out. Thus the taxes in the District of Columbia are lower, and in every bracket should be lower, if this city government is carried on in an efficient way.

Now, as to the exemption of small homes, no one is more in sympathy with seeing small homes and those in the lower brackets escape any more than their just share of taxation than I am. In my State of Oklahoma we have a homestead-exemption law, but it does not go up to $5,000. It should not go to $5,000 in the District of Columbia. Now, maybe, your graduated property tax is a good tax, maybe that should be done; but, Mr. Speaker, it is too important a thing to do in haste. Let us see about this. From real-estate taxes today you raise about $1,000,000 for every 10 cents per hundred dollars of tax. Who knows when you exempt all homes under $5,000 from the payment of tax how much taxes you are taking away from the government of the District of Columbia? Who knows when you go from $5,000 to $10,000 and make your tax rate 1 percent, or any particular percentage, and then you jump from that classification to another classification and make it another percentage—who is there in this House that is armed with the facts that can show the House how much money will be raised by such a system of taxation? Why, Mr. Speaker, this is a problem that would take research of no small proportions before it could be determined what the fiscal system would be in the District of Columbia if such an amendment were adopted, and if it is a good amendment, let us have the gentlemen interested in the amendment study the proposition throughout the years and suggest it after they can tell us exactly what the result will be.

[Here the gavel fell.]

Mr. O'CONNOR of New York. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

Mr. PALMISANO. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 7472) to provide additional revenue for the District of Columbia, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 7472, with Mr. MEAD in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Without objection, the first reading of the bill will be dispensed with.

There was no objection.

Mr. PALMISANO. Mr. Chairman, I yield 10 minutes to the gentleman from Maryland [Mr. KENNEDY].

Mr. KENNEDY of Maryland. Mr. Chairman, ladies, and gentlemen of the Committee, the bill before the Committee for consideration at this time is H. R. 7472, the purpose of which is to provide additional revenue for the District of Columbia.

Early in this session of Congress it was apparent that there would be a revenue deficit for the next fiscal year of over $11,000,000. This amount, however, was reduced by a Federal contribution of $5,000,000, leaving a net deficit of $6,149,119, which the Government of the District of Columbia will be required to raise by local taxation.

A special subcommittee of the Committee on the District of Columbia of the House of Representatives was appointed to ascertain the manner in which this deficit is to be met. This committee considered numerous methods of taxation, and then prepared a bill to provide this additional revenue, which in its opinion adequately supplies the necessary funds to meet the deficit and create the least amount of hardship on the taxpayers.

As chairman of this subcommittee, I desire at this time to thank my associates on the committee on both sides of the aisle, namely, the gentleman from Oklahoma [Mr. NICHOLS], the gentleman from Mississippi [Mr. MCGEHEE], the gentleman from Delaware [Mr. ALLEN], the gentleman from Illinois [Mr. DIRKSEN], and the gentleman from New York [Mr. COLE]. All of these men have given generously of their time in the work of this committee, and while we have had some differences of opinion, each one has cooperated with one objective in view, namely, to do the best job possible within the time allowed and under the circumstances existing.

I will attempt to describe the bill briefly, and would suggest that each member interested in this legislation obtain a copy of the bill and the report accompanying same. The bill is divided into nine titles, which I will attempt to describe in their order.

TITLE I

The first title of the bill is an authorization for the Secretary of the Treasury to advance to the Commissioners of the District of Columbia, up to and including the end of the next fiscal year, such sums as may be necessary to meet the general expenses of the District. The money so advanced is to be reimbursed out of the taxes and revenues collected for the support of the Government of the District of Columbia. The necessity for this authorization for the coming year is in order that funds may be provided to carry over the affairs of the District of Columbia in the event the taxes anticipated are not received within the time and in such amounts as will be necessary to meet their current expenditures. This money will eventually be paid back to the Federal Government, and authorization is only for the next fiscal year.

TITLE II—PARKING METERS

Title II of the bill authorizes the Commissioners in their discretion to use parking meters within the District. There is nothing compulsory in this provision, and if the Commissioners find it is not practical, they are not required to take any action under this provision.

TITLE III—TANGIBLE AND INTANGIBLE

Title III of the bill has to do with the taxing of tangible and intangible property, and it is the same as existing law

except that the authority of the assessor is broadened so as to give him power to examine books, records, and so forth, the purpose being to endeavor to receive the payment of taxes particularly on intangibles that now are believed to escape taxation under the present set-up. It is estimated that in addition to the present $2,200,000 revenue under this item, an additional revenue of $1,000,000 will be collected.

I might say in that connection there is some question whether or not $1,000,000 is the amount that will be received. However, the committee, in considering the make-up of the entire amount that we have to raise, did not take into consideration that we would receive actually $1,000,000, believing that we would receive approximately $500,000.

TITLE IV—INSURANCE

Title IV of this bill raises the tax on insurance premiums from 1½ to 2 percent. It is estimated that this item will produce an additional revenue of $200,000.

TITLE V—GASOLINE

Title V of the bill is what is generally known as the gasoline tax. The rate remains as at present, namely, 2 cents per gallon. However, the law is strengthened to the extent of requiring a bond to be furnished guaranteeing the payment of the tax collected from the consumer. It is not known how much the change in this law will produce. It is felt, however, that in a number of instances it is possible that these taxes are being collected and not returned to the District government. This title also provides that the taxes collected thereunder shall be placed in a special fund in the Treasury of the United States entirely to the credit of the District of Columbia, and shall be used solely and exclusively for the following purposes:

(1) For the construction, reconstruction, improvement, and maintenance of public highways, including the necessary administrative expenses in connection therewith.

(2) For the expenses of the office of the director of vehicles and traffic incident to the regulation and control of traffic and the administration of the same; and

(3) For the expenses necessarily involved in the police control, regulation, and administration of traffic upon the highways; provided, however, that the total amount to be expended under this item shall not exceed 15 percent of the total amount appropriated for pay and allowances of officers and members of the Metropolitan Police force.

TITLE VI—WEIGHT

Title VI of the bill is what is known as the weight tax on motor vehicles. At present all motor vehicles, both pleasure and commercial, regardless of size and weight, are charged $1 per vehicle. This title proposes to increase this fee, making the charge $5, $8, and $12 on pleasure cars, and $15 as a minimum and $150 as a maximum on trucks, tractors, trailers, and passenger-carrying vehicles for hire when the seating capacity is eight passengers or more in addition to the driver or operator. It also provides for a fee of $5 for each motorcycle. It is estimated that this legislation will yield $1,500,000.

TITLE VII—INHERITANCE AND ESTATE

Title VII of the bill is known as the inheritance and estate tax. Under this provision beneficiaries are divided into three classes. Property in excess of $3,000 transferred to the father, mother, husband, wife, children by blood or legally adopted children, or any other lineal descendants or lineal ancestors of the decedent, is subject to a tax of 1 percent on the value thereof. Property in excess of $2,000 transferred to brothers, sisters, nephews, and nieces of the whole or half blood of the decedent, is subject to a tax of 3 percent thereof. Property in excess of $1,000 transferred to any persons, firms, institutions, associations, or corporations, not included in the first two classes, is subject to a tax of 5 percent thereof.

Article 2 of this same title is known as the estate tax, the purpose of which is to secure for the District of Columbia its share of the 80-percent credit allowed under the Federal Revenue Act of 1926.

TITLE VIII—BUSINESS PRIVILEGE

Title VIII of the bill is known as a business privilege tax. This requires a license to be obtained within 60 days after the approval of the act, all licenses to date from the 1st day of July in each year and to expire on the 30th day of June following. The license must be conspicuously posted and is good for only one designated location. A fee must be paid at each separate place of business and the Commissioners are to have the power to revoke licenses for cause, such as failure to file correct returns, and so forth. There will be a filing fee of $10. It will also be required that a statement be filed within 30 days after passage of the act showing the gross receipts for the preceding year. The Commissioners will be given the right to examine books, records, and so forth, and the Commissioners may extend the time for filing returns not to exceed 30 days. A tax of three-fifths of 1 percent is imposed on the gross receipts derived from the business for the preceding year, national banks and all other incorporated banks and trust companies, utilities, bonding companies, title and guaranty companies, incorporated savings banks, building associations, and insurance companies being exempt, inasmuch as all of these pay a special and higher tax either upon gross receipts, gross earnings, or net premiums. Under this provision the Commissioners are authorized to make necessary rules and regulations, and it will be unlawful for the Commissioners or any administrative officer to divulge any information relative to the business of a taxpayer.

Title IX of this bill provides for an income tax. However, when the bill is ready for amendment the committee will offer an amendment to strike out this title and in lieu thereof insert a new title, as follows:

Title IX. Rate of taxation on real and tangible property.

This will require that for the fiscal year ending June 30, 1938, the rate of taxation imposed for the District of Columbia on real and tangible personal property shall not be less than 1.7 percent on the assessed value of such property.

The subcommittee has been holding meetings on this matter continuously since March 17 of this year, in many instances beginning its work at 9 o'clock in the morning and continuing until 5:30, with the exception of a short period for lunch. Many suggestions were made to the committee as means of raising taxes. Many persons appeared to protest against the various proposals. At all times your committee has fully realized that it had a difficult task, and that regardless of what conclusion it might arrive at, it could not be a perfect solution of the problem at hand. However, we have made an honest effort and present this bill to the House with the hope that it will pass without serious amendment thereto. [Applause.]

Mr. NICHOLS. Mr. Chairman, I ask unanimous consent that the bill H. R. 7472, under consideration, be considered by title rather than by sections.

The CHAIRMAN. The gentleman from Oklahoma asks unanimous consent that the bill H. R. 7472, now under consideration, be considered by title for the purpose of amendment rather than by sections. Is there objection?

Mr. DIRKSEN. Mr. Chairman, I reserve the right to object. My reason earlier in the day for objecting to a similar request was to preclude shutting off debate on title 9 until the matter had been generously debated.

Mr. NICHOLS. In reply to the gentleman from Illinois, I know the gentleman's interest in title 9, the income-tax feature of the bill. It will not be the purpose of the committee to cut the gentleman off or anyone interested from debate on this subject.

Mr. DIRKSEN. With that understanding, Mr. Chairman, I withdraw my reservation of objection.

Mr. PATMAN. Mr. Chairman, I reserve the right to object. The gentleman from Texas [Mr. DIES] has some amendments, and I wonder if he has been consulted about this.

Mr. NICHOLS. He has, but it would not affect the right to offer amendments.

Mr. PATMAN. It is the purpose of the committee to be liberal under the 5-minute rule?

Mr. NICHOLS. All this does is to consider the bill by title instead of by section because the bill is drawn by title.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. DIRKSEN. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. COLE].

Mr. COLE of New York. Mr. Chairman, apparently the problem we have here this afternoon, the principal one at least, is to determine for ourselves whether we are going to make up a portion of this deficit by increasing the tax on real property or are going to make up a portion of the deficit by levying a tax upon the incomes of the business and salaried people in the city of Washington. A considerable number of rather loose statements have been made on the floor, not only last Monday afternoon, but this afternoon, concerning the tax rate upon real property in the city of Washington.

I recall 2 or 3 years ago sitting on the floor listening to our former colleague, the gentleman from Texas, Mr. Blanton, criticize with his characteristic vehemence the abnormally low tax rate upon real property in the city of Washington. As I sat there listening to him tell me that the tax rate was $15 per $1,000, and I recalled that back home my own people were paying $40 per thousand, there arose in my own mind a feeling of indignation to think that the people here should be so very, very fortunate. But after serving on this committee and studying the matter more carefully, I find that the tax rate upon real property, low as it is in comparison with the tax rate upon real property in other jurisdictions, is carrying its own fair share of the burden of taxation in the District.

In order to arrive at a determination of this problem it is necessary to create a picture of what has happened in the past. I think almost without exception every year the city of Washington has received contributions from the Federal Government. For many, many years it was on a 50-50 basis. They paid 50 percent and the Federal Government paid 50 percent. For 4 years, 1921 to 1925, the Federal Government paid 40 percent and the District 60 percent. Since 1925 the amount of contribution by the Federal Government has been by lump sum and has gradually decreased from $9,000,000 until the current year it is $5,000,000, and for next year it is also $5,000,000.

For the past 10 or 15 years this problem of the fiscal affairs of the city of Washington has been very bothersome. A number of commissions have been appointed. Last fall the President appointed a commission for this very purpose. I want you to consider the type of people who composed that commission. There was Mr. George McAneny, chairman and former borough president of Manhattan, in the city of New York, former chairman of the transit committee of the State of New York, and at the present time president of the Title Guaranty & Trust Co., New York City. A second member of that commission was Mr. Clarence A. Dykstra, former city manager of the city of Cincinnati, now president of the University of Wisconsin. A third member was Mr. James W. Martin, chairman of the State Revenue Commission of the State of Kentucky. Those three men engaged as their expert Mr. J. L. Jacobs, who in turn engaged a staff of 14 men who went into this entire problem from beginning to end and made certain recommendations to the Congress. What are some of those recommendations? Let me quote to you from a portion of their report:

> The following principles are recommended for adoption as the basis upon which relative Federal and District obligations shall be equitably determined:
>
> 1. That District residents and taxpayers should provide sufficient revenues for normal local commercial purposes as do the citizens of comparable cities.
>
> 2. Until District residents have a direct and formal part in determining the character and extent of local services and expenditures they should not be expected to bear costs in excess of those normally borne by residents of other comparable communities for similar services.
>
> 3. As long as congressional control is direct and conclusive the National Treasury should bear any cost in excess of those borne normally by taxpayers in communities comparable with the District.

I may say for myself, and speaking entirely for myself and not for the subcommittee which considered this matter, that throughout the entire deliberations I have been motivated by that very purpose, as outlined by the Jacobs' committee, of arranging the fiscal affairs of the city of Washington in such a way that the people here would pay their own way, and my people back home in New York State would not have to contribute one red cent until the people in Washington are on the same comparable basis with cities of the same size.

Let me read another statement of the findings of this committee:

> In order to insure a wider and more equitable distribution of the tax load, consideration should be given to reduction of the importance of the property tax as a source of fiscal revenue; the adoption of a net income tax and inheritance and estate tax; increase of the gasoline tax; graduation of motor-vehicle tax upon commercial vehicles with reference to weight; and a reexamination of existing business taxes.

They felt that throughout all the considerations of this problem too great importance had been paid to the problem of real-estate taxes. I do not make any effort to justify the exorbitant rents that the people of Washington have to pay. I have no desire to protect the real-estate owner, but I do say to you that the real property of the District today is paying as much as real property in my district, or your district, or any other district in this Nation. That is, it is paying its proportionate burden of the revenues collected by this municipality in comparison with those of other cities. That, apparently, was one of the findings of the Jacobs committee. Why? The Jacobs committee found that over a period of 10 years in the city of Washington the general property tax, with this ridiculously low rate of $1.50 per hundred which we have heard so much about, has raised 83.7 percent of the total revenues of the District of Columbia. What was their finding with regard to the 17 comparable cities with which they compared the District of Columbia? The general property tax in those other 17 cities throughout that same period raised 79.5 percent of the total revenues collected by those other 17 municipalities.

So we find that in the city of Washington real estate is carrying 83 percent of the load, whereas real estate and general property in other communities is bearing 79 percent of the load.

Mr. PALMISANO. Mr. Chairman, will the gentleman yield?

Mr. COLE of New York. I yield.

Mr. PALMISANO. Is not that so because the District of Columbia has no indebtedness, whereas most of the cities the size of the District of Columbia charge a certain tax to provide a sinking fund to pay off indebtedness?

Mr. COLE of New York. That is just the reason why the taxes on real estate, gasoline, or any other tax in Washington are so low, because the city can operate much more economically, as was shown by the gentleman from Oklahoma [Mr. NICHOLS].

[Here the gavel fell.]

Mr. DIRKSEN. Mr. Chairman, I yield 5 additional minutes to the gentleman from New York [Mr. COLE].

Mr. COLE of New York. I want now quickly to point out just what we are doing by increasing the rate upon real property. In our temporary passion what are we doing in order to try to make these fatuous apartment-house owners pay a greater share of their burden of the costs of running the city? What are we doing? We are raising the rate 20 cents a hundred to collect $2,000,000. I am advised by the city assessor that of the total taxable property in this city 25 percent comes from income-producing property. What does this mean? It means that of this $2,000,000 that we are going to raise by the 20-cent increase, 25 percent, or $500,000, is coming from these people that we are trying to get; and three-quarters of it, 75 percent, $1,500,000, is coming from the small-home owner, the man we are trying to protect. In order to do this, in order to get that rich man, that landlord who we think is not paying enough, we put a

20-cent increase on everybody and strike out the very thing that would get that man, which is an income tax upon not only individuals but also on corporations doing business in this city. Just because some of us may feel that there is no justification for levying an income tax upon Federal employees is no reason in the world, to my mind, why a businessman here in the city of Washington, having no official connection with the Government, should also escape an income tax.

Mr. SCHULTE. Mr. Chairman, will the gentleman yield?

Mr. COLE of New York. I am sorry I have only 2 minutes left. I want to point out now how extremely burdensome this obnoxious, this horrible income tax is that we are going to levy upon the people of Washington—that we hope to levy upon the people of Washington—irrespective of whether he is a Federal employee or not. The single man having an income of $2,000 a year would pay $10; nobody else would pay a thing. Under this bill a single man earning $4,000 a year would pay $35, a married man $15 a year, and a man with three children would pay $3. Now, I will take the highest salary I computed, $10,000 a year. On this salary a single man would pay $145, a married man would pay $115, a married man with three children would pay $91.

In conclusion may I again repeat the hope that I have had in mind all along that we should broaden the tax sources upon the people here in Washington so as to increase the revenue and then be in position next year to say to the people of Washington: "You do not even get the $5,000,000 Federal contribution. We are going to make you make up that amount yourself by a small increase in the real property tax and perhaps an increase of the rate in the new taxes we impose this year."

If the real property tax is adopted and an income tax defeated, you and I must expect that from now on we must continue, year after year after year, to make our people back home dig down in their pockets. To those people who we say have been paying such exorbitant, unbearable taxes, we are going to say: "You have got to chip in to the extent of $5,000,000 a year to help out these people down here on whom we are unwilling to place an income tax at these ridiculously low rates." It is a matter for us to decide. I have no interest in defending real property here other than to say that I feel that the real property owner does have a just case before this Congress. [Applause.]

[Here the gavel fell.]

Mr. PALMISANO. Mr. Chairman, I yield 10 minutes to the gentleman from Oklahoma [Mr. NICHOLS].

Mr. NICHOLS. Mr. Chairman, in my time I would like simply to point out the provisions of this tax bill. In order to do this, I shall have to deal with the bill by titles. At the outset, however, may I say that I am not one of those who shares the view that Congress and the Members of the House should be too severely criticized for their action on Monday last, because I am sure that had the Members of the House upon that occasion understood what was in this bill, had they been advised, had the members of the subcommittee had the opportunity to explain exactly what was in the bill, the action of Monday would not have been taken by the House.

Title I of this bill is authorization for an advance of funds by the Federal Treasury to the District of Columbia for the fiscal year 1938.

That is necessary for this reason: Although under the provisions of this bill a sufficient amount of money will be raised to carry on the government of the District of Columbia, still some of the revenues from these taxes will not be collected until the middle and in some instances the end of the next fiscal year; therefore, in order to keep the District government on a liquid basis, it is necessary to give the District Commissioners of the District authority to borrow money from the Federal Treasury, the bill providing that the money shall be repaid to the Federal Treasury by the District of Columbia. In other words, it simply permits them to get the cash in order to carry on until the revenues from these taxes come in.

Title II is a title which authorizes the Commissioners of the District of Columbia to experiment with the installation of parking meters for two purposes; first, in an effort to alleviate to some extent the congestion from parking on the downtown streets and also as a revenue-raising measure.

Title III strengthens the already operating machinery for the method of collecting personal taxes. In other words, it gives the assessor of the District of Columbia authority to examine books and to call in the books of all businesses and taxpayers in the District of Columbia, an authority which the assessor does not now have. Much criticism has been made on the floor of the House of the assessor of the District of Columbia because the assessor did not collect more personal taxes. May I say in his defense he has not been able to do that because he has never before had authority to examine books to ascertain whether or not returns made for payment of personal taxes were accurate and correct or not.

Title III strengthens, or, so to speak, puts teeth in the existing personal-tax law.

In none of these sections do we estimate any revenue will be raised for this fiscal year; therefore they are not calculated in the computation of revenue that will be raised.

Under Title IV the tax on insurance premiums which will be paid by insurance companies has been increased one-half of 1 percent. In other words, it has been raised from 1½ to 2 percent. This will yield, it is estimated, $220,000 to the District of Columbia.

Title V will raise no revenue. It simply takes the highway fund and provides what departments of government in the District of Columbia shall be paid from that fund, and it also provides that the gasoline tax shall be placed in the highway fund and that the revenue derived from the weight tax or motor-vehicle tax and fees collected by the Bureau of Traffic will be placed in the highway fund to be expended on streets and highways only. It further provides what may be expended out of that fund and what departments of the District of Columbia government may use money from that fund; namely, the maintenance, construction, and rebuilding of streets and highways. Then we put in here that the Director of Traffic and the administrative costs of his office may be paid from this fund. We put that portion of the police force in the District of Columbia whose duty it is to take care of traffic and the payment of their salaries in this provision.

We have done these things carefully because we want to be sure that there will be no diversion of highway funds, namely, gasoline- and motor-vehicle-tax funds, from the purposes for which they are collected, because if there is diversion the District of Columbia will not receive some $700,000 to which it is entitled as a contribution from the Federal Government upon the basis of Federal aid to roads.

The registration and the weight tax will raise $1,500,000, it is estimated.

Title VI provides for an estate and inheritance tax which will raise approximately $800,000.

Mr. KLOEB. Will the gentleman yield?

Mr. NICHOLS. I yield to the gentleman from Ohio.

Mr. KLOEB. Did the gentleman's committee consider a graduated inheritance tax?

Mr. NICHOLS. Yes.

Mr. KLOEB. Why was not that put in?

Mr. NICHOLS. It would be too lengthy for me to take time out of 10 minutes to go into details. We did consider it; and after having considered the matter, we thought that this plan at the present time was the easiest and the most workable.

Mr. KLOEB. Certainly it does not tend to break up large estates.

Mr. NICHOLS. Mr. Chairman, title VIII of the act provides for what is called a business-profits tax, which is a tax of three-fifths of 1 percent based upon the gross income of businesses within the District of Columbia. Before this time the businessmen of the District of Columbia have paid

nothing to the District government for the privilege of doing business within the District of Columbia. Heretofore the only thing that was provided for was an inspection fee, which is set out in the District Code. For instance, the Washington ball park down here, I think, pays $5 a year for the privilege of carrying on their business in the District of Columbia. Parking lots, I think, pay $5. Picture shows, I believe, pay $25. They were set out in different instances, and in no case was the payment over $100 a year for any business.

This simply puts it on the basis of three-fifths of 1 percent, but provides for an exemption of $1,000 for all business, so that we will not tax the peanut vender unless he is making over a thousand dollars. We will not compel the newsboys to take out a license or the small business man to take out a license under the provisions of this bill if the gross income involved is less than $1,000.

[Here the gavel fell.]

Mr. PALMISANO. Mr. Chairman, I yield 1 additional minute to the gentleman from Oklahoma [Mr. NICHOLS].

Mr. NICHOLS. Mr. Chairman, I may say that under the business privilege tax there will be returned, it is estimated, $3,000,000.

Title IX of the bill originally was the very much discussed income-tax feature. By agreement reached yesterday and by a vote of the full Committee of the District of Columbia, those in charge of the bill today, when title IX is reached, will offer an amendment to strike title IX from the bill and insert in lieu thereof a provision increasing the real-estate tax within the District of Columbia 20 cents a hundred, or to the figure of $1.70, which will return $2,500,000.

Mr. Chairman, under this bill there will be returned in increased taxes to the District of Columbia approximately $8,020,000, which will be ample to take up the existing deficit that is now confronting the District of Columbia. [Applause.]

[Here the gavel fell.]

Mr. PALMISANO. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio [Mr. BIGELOW].

Mr. DIRKSEN. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio [Mr. BIGELOW].

Mr. BIGELOW. Mr. Chairman, I am as much handicapped in talking on the subject of taxation to this audience as though I were talking in a strange language. Forty-three years ago a great friend of mine, Tom L. Johnson, for 9 years mayor of Cleveland, stood in the well of this House and supported an amendment to a tax bill which incorporated a principle in which I have believed for 40 years. Our common belief in this cause was the basis of my lifelong friendship with this great Ohio citizen. They got 6 votes for the amendment in the House at that time, and the names of the six men were recorded in the CONGRESSIONAL RECORD that they might go down in history.

I have no illusions as to the possibility of passing such an amendment, which I am going to present at the appropriate time, but I do it to find out how many more people in this House will vote for this proposal than voted for it 43 years ago. Moreover, I do it because of the sentiment involved. I spoke the last words at the grave of Tom Johnson in Greenwood Cemetery, Brooklyn, 26 years ago, where we left him sleeping beside his great friend, Henry George. It is a matter of sentiment with me to stand in the well of this House and do what my great friend did 43 years ago, and offer the same proposal.

In just a couple of minutes I must try to give you a little flash of this truth. The first pioneers come to a community like the District of Columbia. There is no land value when they come, but as the community grows, the growth of population creates the land value. When the first pioneers come there is no need of public revenues, no need of taxes, but as the community increases there is increasing need of public revenue. This is the economic drama which has happened in every city in America. First you have the growth of population, there being now 600,000 people in the District of Columbia, and as a result of this growth of population you have two economic forces. You have land values and taxes. Taxes and land values rise and go up and up together, caused by the same thing, the growth of population. I say the rising land values of a community are just as clearly Nature's provision for the increasing needs of revenue of the community as the milk in a mother's breast is Nature's provision for the babe in her arms. At the proper time I am going to offer this amendment. [Applause.]

[Here the gavel fell.]

Mr. DIRKSEN. Mr. Chairman, I yield myself the balance of the time.

Mr. Chairman, first of all I want to clarify, if it is necessary, what the parliamentary situation is with respect to the highly controversial title IX of this bill, which provides for an income tax. As the bill now pends before this House, title IX, providing for an income tax, is a portion of the bill. At a subsequent time when the bill is read the subcommittee will offer a motion to strike title IX from the bill and will offer also to add another title to provide a 20-cent increase in the realty tax upon all real estate in the District of Columbia.

Most of the bill has been discussed, so I want to address myself very particularly to those two titles. I feel, of course, like a Christian martyr who went into a Roman arena. As the bloodthirsty lions began to roar, history records that the martyrs said "morituri te salutamus", meaning, "We who are about to die salute you." Having had a very particular interest in the income-tax title of this bill and knowing something of the sentiment which pervades the House today, I suppose as one of the martyrs I ought to salute you, because I am afraid, I am sorely afraid, that the House is going to make a grievous mistake today when it rejects the income-tax title and puts an additional burden upon real estate in the District of Columbia.

We seek to salve our consciences and find comfort and self-assurance in the fact that the property-tax rate here is only $1.50. We seek a grain of comfort in the fact, perhaps, that the assessments are not as high as they ought to be. We seek to assuage our own troubled spirits by saying rents are exorbitant in the District of Columbia, but this is simply begging the question and has no relation to this matter at all that I can see.

The gentleman from Texas [Mr. DIES], who has opposed the income-tax title, stated in this well only a little while ago something ought to be done to decentralize wealth, to get away from palliatives, salves, cures, and tax ointments; yet he, no doubt, on the basis of previous expression, will oppose the income tax and vote for a realty tax, with some modifications, as if that is going to solve the tax problems.

This program which is offered to you is not a haphazard kind of an affair. It is the kind of model program which is endorsed today by the National Tax Association. It is the kind of program that is endorsed by the National Tax Policy League. It is the kind of program which was recommended by the Jacobs committee, for which this Congress appropriated $50,000, and which was appointed by the President of the United States to examine meticulously into the whole abstruse subject of taxation. Therefore these proposals which are offered to you today, including the income-tax provision, come here with the best of parentage and with the best of precedents; yet I fear you are going to make a mistake by rejecting the income-tax title and adding to the real-estate burden.

How singular it is as we seek to find comfort that we talk about how much lower the taxes are here than they are back home. This is nothing but an articulation of the old expression that misery loves company. If the rate is low here, we say, "Why, let us boost it up, so they will be in the same misery as the taxpayers in the 48 State jurisdictions of the country." Is this an answer? The real answer is to go back home and seek to repair the tax structure in your own States so that the tax rate will be brought down to a comparable range instead of bringing up the rate of the people down

here. If you approve a realty increase today, you are flying in the very face of the best tax precedent, and flying in the face of every hope of everybody who would like to see the millions of unemployed put back to work.

You all have a copy of the Federal Reserve report for the month of June. If you would examine page 512 of the report, this is what you would find:

You would find that the index of industrial production today is 118 as compared with 119 in that very lush peak period of 1929. Industrial production is up. You would find that in manufacturing the index is 118 as against 119 in the peak period. You would find that in mineral production the index is 114 as against 115 when we had a small volume of unemployed in the country; but when you look at the construction index, you will find that today it is only 48 in residential construction as compared with 87 in 1929, and a somewhat higher index in 1925 and 1926. When you look at the index of carloadings you will find it far below what it was in 1929, and the discerning eye can see there that much of the unemployment, much of the misery, much of the agony, much of the reason for the billions of expenditures by this Congress lies in the fact that there has been a lag in the construction industry.

This means that some incentive ought to be provided for the building of homes. It means that some of the load ought to be taken off of real property, so that the man who has accumulated a nest egg may have some incentive to build a home to shelter his family and be a place of comfort in his last, decrepit days.

Is this what we are going to do today? Are we going to give some incentive to building? Are we going to give some assurance to the home owner? Oh, no; we are going to add 20 cents to his tax rate. This may be the answer of the Congress today if you reject the income-tax title and insist upon an increase in the real-estate tax.

Oh, my friends of the committee, I hope you do not make that mistake today. Whatever lack of refinement or whatever inequities may be pointed out in this income-tax title, it is your beholden duty today to examine that title and to keep it there, first of all, by your vote when they seek to strike it out, and then refine it paragraph by paragraph and section by section, and let it go over to the Senate side and let them hold hearings, if they please, and preserve this essential pattern of taxation, the only tax, to my knowledge, outside of inheritance and estate taxes that attaches when the money has been earned, when it can no longer be passed on to the other fellow, the most equitable tax that one can devise.

And by way of implement to my argument, must I say to you on this side, today, that the President of the United States only a day or two ago, in his press conference, stated he favors an income tax in the District of Columbia.

Are you going to let these administrative problems, no matter how confusing, about taxing Members of Congress and taxing Federal employees and taxing nonresidents, mislead us and take us into a byway, when we will say, "We do not want to expend the mental energy necessary and we will just throw the whole thing into the ash can." Your President believes there ought to be an income tax. Justice and equity demand that there be an income tax because if there is not, there will be thousands and thousands of Federal employees who earn infinitely more than the shopkeepers and the butchers and the bakers and others engaged in small enterprises back home who have got to pay a Federal and a State tax, if they are within the necessary brackets, while here in Washington they will be paying only a Federal tax and no local income tax to meet the bills that are incurred by the furnishing of municipal services. They share in like measure with anyone who is born in the District. They share in all of the benefits of this District in the same degree as anyone who is native here and yet, living perhaps in rented establishments, voting back home, visiting with the folks back home 2 weeks in a year, in the judgment of many you lift them out of the burden of this tax and put them in a preferred class.

I am not insensible to the inequities that may exist so far as a few folks in Maryland or Virginia are concerned, but should we let those exceptions blind us to the fact that here is an essential pattern of taxation which I say to you ought to be preserved.

When that motion is made later in the day, do not be deluded, because you are going to divest this whole tax pattern of what I deem to be the most essential element of all, which is the income tax.

I have heard it said today that a lobby is at work seeking to destroy this whole taxation measure. I have never heard of such a lobby. This may be the case, but the thing appeals to me in this fashion. They have, perhaps, in the past received generous largess, but when we brought this bill before the House 2 days ago for the purpose, perhaps, for the first time of imposing a tax so that the people here shall pay their own way, it was promptly thrown out of the window without any consideration, and the whole matter crystallized, apparently, around this income-tax matter. I admonish you not to dismiss the matter lightly and say, "Oh, well, we will get rid of a very confusing and difficult problem by simply striking this title from the bill and saddling the burden upon the real estate", because this means not only the income properties, not only the Shoreham and the Mayflower, not only the Wardman and the Carlton, not only the La Salle and the Willard, not only the business buildings in Washington, but all the little homes that you find in the outskirts here.

[Here the gavel fell.]

Mr. PALMISANO. Mr. Chairman, I yield the remainder of the time to myself. I am in a rather peculiar position this afternoon. Of course, I reserved the right before the Committee to oppose one of the titles of the bill. Had this bill been considered on Monday, I might have voted for that particular title. I want the Members of the Committee to obtain the committee print of the bill, a copy of the bill as reported on June 11. On page 43 they will find that an amendment was offered—and this is the so-called gross-receipts tax I am speaking about—whereby the merchants of the city are to pay three-fifths of 1 percent on gross receipts. Of course, the gentleman from Oklahoma [Mr. NICHOLS] spoke about an exemption of $1,000, not profit, but gross receipts. The peanut merchant you are talking about. How much profit is there in $1,000 exemption? An individual may make 20 or 25 percent, and so, if he only makes $250 a year, he is exempt from the payment of this tax, but let me show you the particular provision that I am opposed to, and that makes me oppose this particular section. On page 43 the amendment appears in the committee print as follows:

> *Provided*, That the term "gross receipts" when used in connection with or in respect of financial transactions involving the loan or advance of money, discounting notes, bills, or other evidences of debt, shall be deemed to mean the gross interest, discount, commission, or other income earned by means of or resulting from said financial transactions: *Provided further*, That in connection with commission merchants or brokers the term "gross receipts" shall be deemed to mean the gross amount of such commissions.

In other words, when you are dealing with banks and financial institutions you shall consider three-fifths of 1 percent of their net interest. I asked one of the District officials the following questions: Suppose a merchant who deals in perishable goods should buy $10 worth of goods and unfortunately, on account of conditions, he would be compelled to sell them for $9, would he pay the gross receipts tax, and the reply was that that is unfortunate; that he has taken a gamble. So the little merchant who makes perhaps $250 a year, and is exempt because his gross receipts are not $1,000 a year, if he happened to lose money because he cannot sell his goods in time, of course, must pay, whether he earns it or not, but the banker must see to it that he pays only on his profits.

The CHAIRMAN. The time of the gentleman from Maryland has expired. All time has expired. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That this act, divided into titles and sections, may be cited as the District of Columbia Revenue Act of 1937.

Mr. SACKS. Mr. Chairman, I move to strike out the enacting clause.

The CHAIRMAN. Is the gentleman opposed to the bill?

Mr. SACKS. In certain respects, yes; as it is now written.

Mr. CARTER. Mr. Chairman, I make the point of order against the motion.

The CHAIRMAN. The gentleman, to make his motion, must be opposed to the bill.

Mr. SACKS. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman is recognized for 5 minutes.

Mr. SACKS. Mr. Chairman, as was stated here in debate early this afternoon, the income-tax title has been stricken from the bill and in its place an increase of 20 cents has been placed on the real-estate tax. In the committee I tried to eliminate that increase, by excepting all the small homes under $8,000 valuation, and a graduated land tax on assessments thereafter, making the large landowners pay the greatest amount. The gentleman from Texas [Mr. DIES] told you about the exemption. However, there is another method which can raise this money, and we will not have to put an additional tax on real estate nor a tax on income at this time. We can get more money, or as much, as either would bring in by an increase in the gasoline tax. The people of the District of Columbia today pay a 2-cent gasoline tax. The people of every other State around the District pay 4 and 5 cents. Let me read you a list of some of the States' levies on gasoline. Alabama has a tax of 6 cents a gallon, Arizona 5 cents, Oklahoma 4 cents, Pennsylvania 4 cents, Maryland 4 cents, Virginia 5 cents, West Virginia 4 cents. That is the exact situation all over the country. It has been estimated in this bill that for purposes of highways, highway construction and maintenance, and so forth, this tax of 2 cents in the District will bring in $2,500,000. If we raise an additional 2 cents and apply that last 2 cents to the general funds of the District, we would have already earmarked $2,500,000 which is required for highway purposes in the District, and at the same time we would have placed $2,500,000 in the treasury of the District to be used for general purposes.

This 2-cent tax will bring this District in line with the rest of the States surrounding it. Furthermore, we have heard talk about income-tax loopholes and about a real-estate tax inequality. This tax is placed on the source, upon the distributors. It is easy to collect. It does not require a large expenditure to collect, while the cost of collecting an additional real-estate or an income tax would be much greater. This would relieve the entire problem, and when the time comes I shall offer an amendment to add a 2-cent tax to be applied to the general fund. Objection may be made that under the present law the District would lose $700,000 from Federal funds. We wrote that law. The Congress created that act, and it can exempt in this act the additional 2 cents regardless of the other 2 cents. This does not constitute a diversion, and this act could be made not to apply, and the District can get the $700,000 and at the same time satisfy our deficit. This is a wise, simple manner, and the best way out.

[Here the gavel fell.]

The Clerk read as follows:

TITLE I—AUTHORIZATION FOR ADVANCE OF FUNDS

Until and including June 30, 1938, the Secretary of the Treasury, notwithstanding the provisions of the District of Columbia Appropriation Act, approved June 29, 1922, is authorized and directed to advance, on the requisition of the Commissioners of the District of Columbia, made in the manner now prescribed by law, out of any money in the Treasury of the United States not otherwise appropriated, such sums as may be necessary, from time to time, during said fiscal year to meet the general expenses of said District, as authorized by Congress, and such amounts so advanced shall be reimbursed by the said Commissioners to the Treasury out of the taxes and revenue collected for the support of the government of the said District of Columbia.

Mr. TABER. Mr. Chairman, I reserve a point of order against the title.

Mr. NICHOLS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I would have waited until the gentleman from Pennsylvania offered his amendment with reference to the gasoline portion of this bill, except I am afraid some gentlemen who are here now may not be present at the time the amendment is discussed, and while the matter is fresh I want to answer the gentleman from Pennsylvania [Mr. SACKS].

I am sure you all understand the situation. It is this: Under the Hayden-Cartwright Act it is provided that those jurisdictions which divert highway funds to any other use than that of highway purposes will be precluded from participating in Federal aid given to jurisdictions by the Federal Government in the construction and improvement of roads. If the proposition of the gentleman from Pennsylvania [Mr. SACKS] were to prevail, we would have this situation: The gentleman suggests that we take a 2-cent tax on gasoline and put that into the general fund. It is patent on its face, of course, and there can be no argument but that that is a diversion of funds. If it is, then immediately it would cost the District of Columbia approximately $700,000. The gentleman says that in order to get around that proposition all we need do is to pass a law or provide in this bill that as far as the District of Columbia is concerned this is not diversion, even though it is diversion. I do not think that would change the situation; but even if it did, then you would be in this peculiar position: The very thing which the gentleman proposes to do is diversion in every State in the United States. If it were possible for us to except the District of Columbia, then we would be giving the District of Columbia privileges which we have denied to every other State in the United States.

Mr. SACKS. Mr. Chairman, will the gentleman yield?

Mr. NICHOLS. I yield.

Mr. SACKS. What is the difference if the District does not get the $700,000 if the deficit is made up? Then perhaps next year we can get an equitable tax.

Mr. NICHOLS. If the District of Columbia got $700,000 in addition to what they got this year, the $700,000 could have been deducted from the $5,000,000 which your taxpayers and mine paid to the cost of government in the District of Columbia.

Mr. SACKS. Will the gentleman yield for a further question?

Mr. NICHOLS. I will.

Mr. SACKS. If they do not get the $700,000, then the money would go to the States?

Mr. NICHOLS. Oh, no; no.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I make a point of order against the paragraph. This is a bill from the Committee on the District of Columbia. No bill is entitled to be considered by the House, carrying an appropriation of money, unless it shall be reported from the Committee on Appropriations. This paragraph, unquestionably, carries an appropriation of money. It authorizes the Secretary of the Treasury to advance and loan to the District of Columbia, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary. It is a clear appropriation of money, coming from a committee not authorized to bring in appropriation legislation, and it is clearly in violation of the rules. I therefore make a point of order against this title of the bill.

The CHAIRMAN. Does the gentleman from Oklahoma [Mr. NICHOLS] desire to be heard?

Mr. NICHOLS. I do briefly, Mr. Chairman.

The CHAIRMAN. The Chair will hear the gentleman from Oklahoma.

Mr. NICHOLS. Mr. Chairman, I should like to point out to the Chair a portion of the paragraph which was not read by the gentleman from New York [Mr. TABER], the closing portion of the paragraph, which provides:

And such amounts so advanced shall be reimbursed by the said Commissioners to the Treasury out of the taxes and revenues collected for the support of the government of the District of Columbia.

Which, in my opinion, clearly takes it out of the purview of an appropriation. It is not an appropriation in any sense. We simply are attempting to confer authority upon the Commissioners of the District of Columbia to borrow from the Federal Treasury and reimburse that fund from which they borrow. If it were an appropriation, the money would be appropriated and given to the Commissioners of the District of Columbia by the Treasury or by the Congress. This certainly does not do that. I cannot see in any sense how this is an appropriation.

The CHAIRMAN. Does the gentleman from Illinois [Mr. DIRKSEN] desire recognition on the point of order?

Mr. DIRKSEN. Mr. Chairman, I do not want to put myself in the position of conceding the point of order, but I do believe there is some merit in the contention which the gentleman from New York [Mr. TABER] makes. However, we are faced with an exigency and I do believe that the title could be cured by an amendment. I would prevail upon the gentleman from New York [Mr. TABER] to withdraw the point of order and to amend title I so as to make it conform, which, in my judgment, would help us in disposing of order and still maintain the title in the bill.

Mr. TABER. Mr. Chairman, if this title should be thrown out and a germane amendment which would be in order and which this committee would have the authority to bring in, were offered, I am inclined to believe it would be better legislative practice. I therefore insist on the point of order.

The CHAIRMAN. The gentleman from New York insists upon his point of order. The Chair will quote for the benefit of the Committee, clause 4 of rule XXI which bears upon the subject:

No bill or joint resolution carrying appropriations shall be reported by any committee not having jurisdiction to report appropriations, nor shall an amendment proposing an appropriation be in order during the consideration of a bill or joint resolution reported by a committee not having that jurisdiction. A question of order on an appropriation in any such bill, joint resolution, or amendment thereto may be raised at any time.

The language of title I reads:

Until and including June 30, 1938, the Secretary of the Treasury, notwithstanding the provisions of the District of Columbia appropriation act approved June 29 * * * is authorized and directed to advance on the requisition of the Commissioners * * * out of any money in the Treasury of the United States not otherwise appropriated, such sums as may be necessary * * *.

In the opinion of the Chair an authorization being granted to advance funds out of moneys in the Treasury of the United States not otherwise appropriated, the language constitutes an appropriation on a legislative bill.

The point of order made by the gentleman from New York is sustained.

Mr. DIRKSEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DIRKSEN: Page 1, line 10, after the word "directed", insert "when appropriated."

Mr. DIRKSEN. Mr. Chairman, I ask unanimous consent to withdraw the amendment, and I hope the Chair will indulge us for a moment while we get the amendment perfected.

The CHAIRMAN. Without objection, the amendment is withdrawn.

There was no objection.

Mr. O'MALLEY. Mr. Chairman, I make a point of order against the gentleman's amendment on the same grounds as those upon which the section was held out of order.

The CHAIRMAN. If the gentleman will withhold his point of order, a perfecting amendment is being prepared and will be offered.

Mr. O'MALLEY. Mr. Chairman, I desire to press my point of order so that we can proceed with the balance of the bill.

The CHAIRMAN. The Chair advises the gentleman from Wisconsin that no amendment is pending. The amendment offered by the gentleman from Illinois has been withdrawn.

Mr. PATMAN. Mr. Chairman, I move to strike out the last word, and ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

CHAIN STORES

Mr. PATMAN. Mr. Chairman, our colleague the gentleman from Texas [Mr. DIES] has prepared an amendment which, if adopted, would place a graduated tax on chain stores in the District of Columbia. As most of you know, the District of Columbia has more chain stores than almost any other city in America. The food business here is dominated practically by the chains. The drug business is also dominated practically by the chains. You will discover, by checking the Department of Commerce figures, that food prices are higher here than in any other city in this country where the independent merchants do most of the business. I believe that the people of this country are independent-merchant-minded. I believe that they are in favor of local business, locally owned and owner-operated. If you believe this way, you will have an opportunity to express yourself by casting a vote for the Dies amendment.

A recent investigation disclosed that unless something was done the independent merchants of this country could not survive. By reason of these disclosures, which were startling and astounding, this Congress passed a law known as the Robinson-Patman law, which had for its purpose relieving certain national corporate chains of unfair advantages which they had and to which they were not entitled. This Congress passed a law dealing with the subject, every Member of the House voting for it except 16. In the Senate all the Senators voted for it except one, and that one Senator was defeated at the last election. That law has been copied by 25 States in this Union. Almost the identical law has been passed in 25 States during the last few months. This shows, to my mind, that there is much interest in favor of the independent merchant and independent business. I hope that you vote for and adopt the Dies amendment.

A few days ago a statement was made to the effect that in the cities where corporate chains dominated the food business food prices were cheaper than elsewhere. I have had an investigation made of that. I took Washington, D. C., as a basis of 100 and from that considered the other cities. In Houston, Tex., where the independents do 52 percent, or a majority of the business, the food prices were only 90 compared with 100 in the District of Columbia. At El Paso, where the independents do a majority of the business, the food cost is only 92. In Dallas, Tex., where the chains do a majority of the food business and the independents only 44 percent, the food cost is 95. I can name you cities all over this Nation and prove to you that where the chains have control in any line of business, prices are higher than in cities where the independents have control of similar lines of business; so if we want lower prices for the consumer and if we want to encourage independent business locally owned and owner operated, we should make a start in this direction by voting for the amendment offered by the gentleman from Texas [Mr. DIES].

Mr. Chairman, I ask unanimous consent to insert in the RECORD a statement of purchases here in the District from a national corporate chain and an opinion from the circuit court of appeals.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas [Mr. PATMAN]?

There was no objection.

Mr. PATMAN. Mr. Chairman, I have here a photostat copy of notations of purchases that were made in the District of Columbia. The Superintendent of Weights and Measures sent two or three different people to the chain stores of one corporation to make purchases. It happened he selected dressed chickens as the commodity to be purchased. There were 81 purchases made. They were as follows:

List of purchases of dressed poultry made from stores of Atlantic & Pacific Tea Co. in the District of Columbia from June 13 to Aug. 2, 1935, by buyers of District of Columbia weights and measures department

Date, 1935	Location of store	Price per pound, in cents	Weight represented		Weight received		Short weight		Amount paid
			Pounds	Ounces	Pounds	Ounces	Pounds	Ounces	
June 13	401 H St. NE	29	2	13 3/5/29	2	11		2 3/5/29	$0.83
15	do	29	3	13 7/29	3	6		7/29	1.11
15	do	29	3	12 20/29	3	10		2 20/29	1.10
15	do	25	5	4 1 5/25	5	4		1 5/25	1.32
July 20	do	35	3	2 7/7	3			2 7/7	1.10
June 13	713 H St. NE	29	2	13 7/29	2	11		2 7/29	.82
15	do	29	4	10 1 7/29	3	14		12 1 7/29	1.35
15	do	35	3		3	13		3	1.05
15	do	29	4	13 7/29	4	2		11 7/29	1.40
July 20	do	35	3	2 1 5/35	2	14		2 3/5/35	1.07
27	2245 Rhode Island Ave. NE	33	3	10 6/33	3	6		4 1/11	1.20
27	2004 Rhode Island Ave. NE	27	2	12 13/27	2	12 1/2		0	.75
27	1507 Rhode Island Ave. NE	27	4	11 3/27	4	11 1/2		0	1.28
27	938 Rhode Island Ave. NE	20	5	2 5/20	3	12 3/4	1	5 3/4/10	1.49
26	800 Upshur St. NW	33	3	3	3	3		0	1.05
26	832 Upshur St. NW	33	3	4 1 3/33	2	9 1/4		10 3 7/20	1.08
June 13	1209 13th St. NW	25	5	3 1/5	5	2 1/2		1/10	1.30
13	13th and K Sts. NW	37	1	5 2 3/27	1	5		2 3/27	.50
13	do	21	1	8 1 1/21	1	8		1 1/21	.32
July 6	3004 14th St. NW	35	3	13 5/35	3	11 1/2		1 5 3/10	1.34
6	do	23	3	13 5/23	3	12 1/2		4 3/10	.88
June 22	227 Pennsylvania Ave. SE	29	3	4 1 3/29	3	1		3 1 3/29	.95
July 20	do	35	3	4 1/7	2	12 1/2		8 1/14	1.15
22	521 8th St. SE	29	3	4 1 3/29	3	3 1/4		1 3 3/11	.95
22	923 8th St. SE	35	2	13 1/7	2	13 7/7		0	1.00
June 22	708 15th St. SE	29	3	12 2 3/29	3	10		2 2 0/29	1.10
22	1225 Pennsylvania Ave. SE	29	3	11 1 1/29	3	9		2 1 7/29	1.08
July 20	do	29	3	12 5/29	3	10 1/2		1 3 7/58	1.09
June 28	234 2d St. NE	27	4	14 5/27	4	14		5/27	1.32
28	723 East Capitol St	27	4	4 1/27	4	1 1/2		3	1.15
July 20	do	35	3	3 1/5	3	3		1/5	1.13
June 28	331 15th St. NE	35	3	2 7/7	3	2 7/7		0	1.10
28	1337 B St. NE	33	3		3			0	1.00
28	405 7th St. NW	35	3	4 5/35	2	12		8 5/35	1.14
July 10	do	23	4	15 7/23	3	15	1	7/23	1.14
13	do	35	5		4	2 1/2		13 1/2	2.75
19	do	35	3	9 1/7	3	2 1/2		5 9/14	1.25
June 28	714 K St. NW	35	3	3 1/5	3	3		1/5	1.12
26	1418 7th St. NW	25	3	9	3	9		0	.89
19	do	35	3		2	9 1/2		6 1/2	1.05
26	do	33	3	5 9/11	2	13 3/4		8 3/14	1.11
13	1721 Columbia Rd. NW	35	2	8 5/35	2	5 1/2		2 6 1/20	.88
13	1756 Columbia Rd. NW	25	2	5 1/25	2	5		1 7/25	.82
13	1813 Columbia Rd. NW	35	2	11 3/7	2	5 1/2		5 1 3/42	.95
13	2001 18th St. NW	27	5	4 5/27	5	2 1/2		1 3 5/54	1.42
25	4806 Georgia Ave. NW	33	2	9 7/33	2	8 3/4		6 1/22	.85
26	4841 Georgia Ave. NW	27	4	4 1/27	4	2 1/4		1	1.15
26	6239 Georgia Ave. NW	33	3	2 1 9/11	2	12 1/4		6 2 3/4	1.05
26	5125 Georgia Ave. NW	33	3	10 2/11	3	9		1 3/11	1.20
26	3646 Georgia Ave. NW	33	3	6 2 5/33	3	5 1/2		1 1 3/66	1.13
27	5542 Connecticut Ave. NW	33	2	10 1/3	2	6 1/4		4 5/12	.88
27	5632 Connecticut Ave. NW	33	2	14 3/33	2	12 1/4		1 1 0 3/132	.95
July 10	3143 M St. NW	35	2	12 1 3/35	2	12 1/2		0	.98
13	929 18th St. NW	35	3		2	15		1	1.05
13	1035 17th St. NW	27	2	9 1 3/27	2	3 1/4		6 2 5/108	.70
19	do	27	2	14 9/27	2	7 1/4		6 2 5/36	.78
26	do	33	2	8 9/11	2	6		2 9/11	.84
13	1537 17th St. NW	35	3		2	15		1	1.06
13	1710 17th St. NW	35	3		3			0	1.05
13	1801 Connecticut Ave. NW	35	3	8 5/35	2	14 1/2		9 1/10	1.23
6	2007 14th St. NW	35	2	8 5/35	2	5		3 5/35	.88
19	do	35	3	6 9/7	3	6		9/7	1.20
6	2502 14th St. NW	35	2	12 2 3/35	2	12 1/2		0	.98
6	2621 14th St. NW	25	5	8 1/25	5	6 1/2		1 4 1/20	1.38
19	3034 14th St. NW	35	2	15 3/35	2	12 1/2		2 1/70	1.03
6	2818 14th St. NW	25	5	10 1/4	5	10 1/4		0	1.41
6	815 14th St. NW	35	4	7 2 7/35	4	7		2 7/35	1.37
27	5502 Connecticut Ave. NW	33	3	5 1/3	3	1 1/4		4 1/12	1.10
27	8023 Connecticut Ave. NW	33	3	13 5/33	2	12		7 1 5/33	1.06
27	3517 Connecticut Ave. NW	33	2	15 1/3	2	15 1/2		0	.98
27	3311 Connecticut Ave. NW	33	3	2 1 5/33	2	1 1/2		1	1.04
27	3000 Connecticut Ave. NW	33	4	6 3 5/33	3	4	1	2 3 5/33	1.46
Aug. 2	3400 13th St. NW	27	3	11 2 3/27	3	12		0	1.01
2	3475 14th St. NW	27	3	8 8/27	3	7 1/4		1 5/108	.95
2	3105 Nichols Ave. SE	27	3	14 5/27	3	12 3/4		1 5 1/108	1.05
2	1401 Good Hope Rd. SE	27	3	14 5/27	3	14		9/27	1.05
2	2436 Wisconsin Ave. NW	27	4	1 9/27	3	13 3/4		3 4 7/108	1.10
2	1715 Wisconsin Ave. NW	27	4	2 1 9/27	4	1		1 1 9/27	1.12
2	1400 Wisconsin Ave. NW	27	4	4 2/27	4	1 1/4		2 9 7/108	1.15
2	4938 Wisconsin Ave. NW	27	4	11 7/27	3	11 1/4	1		1.27
2	3228 Wisconsin Ave. NW	27	3	13 1/27	3	8		5 1/27	1.03

Out of 81 purchases you would naturally think that some would be overweight, some would be underweight, and some full weight. That is the way honest people deal. You cannot have the weights exactly alike and no one expects it. Of course, I know you will find dishonest people among the independent merchants as well as among the corporate chains, but I make this point for the purpose of showing that the system of these national corporate chains is such that it compels honest men to be dishonest. In other words, the manager of the branch is billed with a certain quantity of merchandise at the retail price. He must account for that merchandise, either by money in the cash drawer or by the

commodity on the shelves or in the ice box. He therefore must be very careful about his weight.

Out of these 81 purchases, 68 purchases were short weight, 13 were full weight, and not one of them was even a fraction of an ounce overweight. That does not seem just exactly right. There must be some system that causes these short weights to be given in practically every case and never an overweight.

Several cases were filed, one of which was tried before a jury in the District of Columbia. The concern involved, the Atlantic & Pacific Tea Co., was convicted by a jury in the District of Columbia. The president of that great store, representing an investment of millions of dollars, with the general counsel of that company, appeared there before the court and jury and appealed to them not to convict the concern in that case. However, there was a conviction. The case was appealed to the circuit court of appeals, and I will place in the RECORD a copy of the opinion by the circuit court of appeals. Other cases remain to be tried.

I am not accusing the officials of this concern of dishonesty. I presume they are honest, outstanding, honorable men. I do say, however, they have a system that is so conducted that honest men are encouraged to be dishonest. The evidence I shall place in the RECORD I believe is convincing to that end.

United States Court of Appeals for the District of Columbia. No. 6734. *The Great Atlantic and Pacific Tea Co., Inc., Santus W. Zink, General Superintendent, plaintiff in error,* v. *District of Columbia, defendant in error.* In error to the Police Court of the District of Columbia. (Decided Feb. 1, 1937.)

Abbot P. Mills, of Washington, D. C., and Caruthers Ewing, of New York, N. Y., for plaintiff in error.

Elwood H. Seal, Vernon E. West, and Chester H. Gray, all of Washington, D. C., for defendant in error.

Before Robb, Van Orsdell, Groner, and Stephens, Associate Justices.

ROBB, Associate Justice: Writ of error to the Police Court of the District to review a judgment of conviction, on the verdict of a jury, under an information charging the defendant corporation (plaintiff in error) with selling two chickens represented to weigh 4 pounds and 6$^{2}/_{33}$ ounces, the actual and true weight being less.

The information was brought under section 7 of the act of March 3, 1921 (41 Stat. 1219; sec. 7, title 28, D. C. Code, 1929) which provides, in part, as follows:

"No person shall sell * * * any commodity of any kind as a weight * * * greater than the actual or true weight * * * thereof * * *."

The evidence so far as material is substantially as follows: Mrs. Exley, an employee of the Bureau of Weights and Measures of the District, testified that on July 27, 1935, she went to defendant's store at 3000 Connecticut Avenue in the District. There were two or three clerks behind the meat counter and she asked one of them the price of frying chickens. Being advised that the price was 33 cents a pound she told the clerk that she wanted a chicken that would weigh around 3 or 4 pounds, and was informed that no one chicken would weigh that much; whereupon she told the clerk that she would buy two. The clerk took two chickens out of the case and put them on the scale. She asked, "How much are they?", and he said, "They come to a dollar forty-six cents." She paid him that amount, which he rang up on the cash register, and he put the chickens in a paper bag for her, and she left. She made a note on the bag of the address of the store, time of day, the price per pound of the chickens, and the total sum she paid therefor.

Mrs. Exley was accompanied to the store by Mr. Diller, chief inspector of the Bureau of Weights and Measures, who waited for her outside the store. After making the purchase she joined Mr. Diller and he "made the same notes in his book." They arrived at the Bureau 20 minutes later, and Mr. Diller weighed the chickens. They were found to weigh 3 pounds 4 ounces. Mrs. Exley had calculated that, with chickens selling at 33 cents per pound, for $1.46 she should have received 4 pounds 6$^{26}/_{33}$ ounces; that on that basis the chickens purchased were 1 pound 2$^{26}/_{33}$ ounces short. Witness testified that she would not be able to recognize the clerk who sold the chickens to her, and could not approximate his age, height, or whether he was fat or thin or an old or young man. Mr. Diller testified in corroboration of Mrs. Exley.

Mr. Bussey, manager of the meat department of defendant's store at 3000 Connecticut Avenue on July 27, 1935, testifying for defendant, stated that on that date chickens were sold at two prices, one kind at 27 cents a pound and another at 35 cents a pound; that there were only three clerks (including witness, Dabbs, an extra, and May, a regular clerk) behind the meat counter on that day; that witness could not recall ever having seen Mrs. Exley; that he did not on July 27, 1935, "sell two chickens, representing them to weigh 4 pounds 6$^{26}/_{33}$, which in fact weighed 3 pounds 4 ounces." When a sale is made by weight and a price per pound, the price is computed mechanically on the scale; "is not figured with a pencil but is figured right on the standard scales—computing scales—and very seldom we ever have to figure * * *." Witness accounts weekly to defendant's supervisor of the meat department for what comes into his (witness') department; that witness' cash is checked weekly by an inspector. An inventory of the meat department is taken every Saturady evening, and he must then account for the chickens which he had received that week; that he "would either have to have the chickens there or the cash representing the chickens"; that a special inventory just for chickens is not made, "but we inventory the department."

"Q. If you were short, you would have to pay for it?—A. Not necessarily; no, sir.

"Q. Under what conditions would you not have to pay for it?—A. Sometimes you can't figure exactly the amount.

"Q. Are you allowed any leeway in your figuring?—A. I am supposed to make a certain profit."

The computation device is on the clerk's side of the scale, and is not visible to the customer. The price to be paid by the customer is mechanically registered, based on weight. Poundage is registered separately in the center of the scale, and the price of the article is mechanically computed by the scale and registered on the scale. The price of an article on the scale is obtained by looking at a column reflecting the price per pound of the article, and a red line shows "the amount it comes to." The scale shows the computation for selling an article at 33 cents a pound—the price of the chickens in the present case.

Mr. Dabbs, a witness for defendant, testified that he was employed as an extra and worked about 2 days each week during July and August 1935; that on July 27 Mr. Bussey and Mr. May worked behind the meat counter with him at defendant's store here involved; that, after looking at Mrs. Exley, witness could not tell whether or not he had ever seen her before; that on Saturady, July 27, he did not "sell to any person 3 pounds 4 ounces of chicken and charge for 4 pounds 6$^{26}/_{33}$ ounces."

Mr. May, a clerk-butcher employed at defendant's store on July 27, testified that he did not recall ever having seen Mrs. Exley except in court during the trial; that he had made no sale of "two chickens where there was a difference between the actual weight and the weight on which the price was computed of 1 pound 2 ounces."

In impanelling the jury it developed that four of the prospective jurors were employed by certain governmental agencies; one by the Federal Emergency Relief Administration, another by the Home Owners' Loan Corporation, a third by the Resettlement Administration, and the fourth by the Patent Office, under the Department of Commerce. Defendant challenged these prospective jurors, individually and collectively, for cause on the ground of implied bias. There was no inquiry as to actual bias. The court overruled the challenge and defendant excepted, and this action of the court is assigned as error. It does not appear that the defendant exhausted its three peremptory challenges. When the jury was sworn the above four Government employees remained as jurors.

Prior to 1935 "salaried officers of the United States" were exempted from jury service in the District by virtue of section 360, title 18, District of Columbia Code, 1929 (sec. 217, D. C. Code, 1924), but by the act of August 22, 1935 (c. 605, 49 Stat. 682), amending the above section of the Code, eligibility for jury service was extended to persons "employed in the service of the Government of the United States", with certain exceptions not here material. The challenged jurors in the present case were not within those exceptions. In *United States* v. *Wood*, — U. S. —, decided by the Supreme Court of the United States on December 7, 1936, rehearing denied January 11, 1937, which involved the eligibility of Government clerical employees to serve on criminal juries in the District, the constitutional validity of the act of August 22, 1935, was sustained, and it was held "that the imputation of bias simply by virtue of governmental employment, without regard to any actual partiality growing out of the nature and circumstances of particular cases, rests on an assumption without any rational foundation." There is, therefore, no merit in this assignment.

In the next assignment of error it is contended that "when correctly analyzed and understood, there was no evidence justifying submission of the case to the jury." It is said that "the uncontradicted evidence showed that if there was a transaction such as detailed by Mrs. Exley, it was because of an error arising from reading a mechanical device which computed the price and not an error in weighing the chickens." It is conceded that "an error in stating the weight of a commodity and selling it at that weight would justify a conviction." Mrs. Exley testified that she was told the price per pound of the chickens. There is no dispute as to that. Neither is it disputed that she told the clerk that she wanted a chicken or chickens "that would weigh around 3 or 4 pounds." The clerk then put two chickens on the scale, and when Mrs. Exley asked, "How much are they?" he responded, "They come to $1.46." In common parlance, there was an implied representation as to weight. Certainly the evidence warranted the jury in so finding.

Counsel for plaintiff in error requested and was refused an instruction that if the jury should find that a duly authorized agent of the plaintiff in error made a sale of chickens "and made no representation as to the weight of the chickens, but innocently and honestly computed the result of a correct weight at the prevailing price, and innocently and honestly gave the customer an erroneous computation", their verdict must be "not guilty." In his charge to the jury the court said: "If you have a reasonable

doubt in your minds as to whether this lady did actually go in there and purchase this chicken, as to whether the price was quoted at 33 cents a pound, and as to whether the price charged was $1.46, it will be your duty to give the benefit of that reasonable doubt to the defendant, and acquit the defendant." The court further instructed the jury "that if it was a mistake made by the employee without any intent on his part to cheat and defraud the customer, the mistake is no defense." This is assigned as error.

The statute makes it an offense, regardless of intent, to sell "any commodity of any kind as a weight * * * greater than the actual or true weight." Undoubtedly it was the purpose of the statute to protect purchasers. To permit a defendant charged with a violation of the statute to avoid the consequences by contending that it was a mistake on his part, without intent to cheat and defraud the customer, would measurably defeat the purpose of the statute. Moreover, the evidence in the present case would not justify such a contention. The court observed in *City of New York* v. *Biffle* (91 N. Y. S. 737) that a violation of the statute, "no matter for what reason", renders the violator liable to a penalty.

Judgment affirmed.

Mr. Chairman, in order to give to the District of Columbia needed added revenue and to encourage local business, I ask the Members to vote for the amendment which will be offered by the gentleman from Texas [Mr. DIES].

While large corporate chains are destroying independent merchants in any one town, the people will profit for a short time by lower prices, but as soon as the independent merchants are destroyed, the prices are increased to the consumers in that locality, and a part of the excess profits used to finance the losses in other localities where the squeezing-out process is going on.

A study has just been completed which shows that the cost of food is higher in cities where chain stores predominate. The percentages of business done by chains and independents are taken from the 1935 Business Census. The cost-of-living price indexes are from the full report of the Division of Social Research of the Works Progress Administration on the inter-city differences in the cost of living, series 1, pamphlets nos. 20 and 21, published in the last months of 1936. Bear in mind that the index figure is 100 for Washington, D. C., and on the basis of $1 cost for food in Washington, the other cities are compared.

In Houston, Tex., the independents do 52.2 percent, a majority of the business, and food costs are 90.7. El Paso, Tex., the independents do 61.2 percent, a majority of the business, and the food cost is 92.5, while in Dallas, Tex., where the chain food stores do a majority of the business, and the independents do only 44.5 percent, the food cost is 95.

In Oklahoma City, where the independents do 59.7 percent of the business, the food index price is 93.1, but New Orleans, where the independents do 67.2 percent of the business, the food-index price is 90.7.

In Spokane, Wash., where the independents do 68.3 percent of the business, the food-index number is 89.7. In Denver, Colo., where the independents do 59.9 percent of the business, the food-index price is 91.3, but in Salt Lake City, where the independents do 66.2 percent of the business, the food-index price is 90.7.

Some interesting figures are also found in the Middle West. In Minneapolis, where the independents do 79.5 percent of the business, the index price of food is 91.6. In Cedar Rapids, Iowa, where the independents do 87.2 percent of the business, the index figure is 87.7, but in Kansas City, Mo., where the independents do only 51.4 percent of the business, the index figure is 94.1.

In the east south central section, we find Louisville, Ky., where the independents do 55.4 percent of the business, with an index figure of 93.1, contrasting with Knoxville, Tenn., where the independents do 74.2 percent of the business and the index-food figure is 88.7.

Some other outstanding figures in the Middle West are the city of Milwaukee where the independents do 75.1 percent of the business and the index figure stands at 90.2 as contrasted with Detroit, where the independents do only 40.9 percent of the business and the food-index price is 93.2, and Chicago, where the independents do 42.3 percent of the business and the index figure stands at 97.1.

In the South, Atlanta, Ga., the independents do 41.8 percent of the business, and the food-index price is 97.1. In Washington, D. C., the independents do only 45.5 percent of the business, and the food-index price stands at 100, but in Baltimore, Md., where the independents do 63.4 percent of the business, the food-index price stands at 94.9. In Jacksonville, Fla., where the independents do only 35.1 percent of the business, the price of food is 96.1 index, and has oftentimes been the highest food-cost city in the country.

It will be noticed that an increase in food prices follows control by corporate chains.

Mr. NICHOLS. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. NICHOLS: Page 1, after line 4, insert the following:

"TITLE I—AUTHORIZATION FOR ADVANCE OF FUNDS

"Until and including June 30, 1938, the Secretary of the Treasury, notwithstanding the provisions of the District of Columbia Appropriation Act approved June 29, 1922, is authorized and directed, when appropriated, to advance, on the requisition of the Commissioners of the District of Columbia, made in the manner now prescribed by law, out of any money in the Treasury of the United States not otherwise appropriated, such sums as may be necessary from time to time during said fiscal year to meet the general expenses of said District, as provided by law, and such amounts so advanced shall be reimbursed by the said Commissioners to the Treasury out of the taxes and revenue collected for the support of the government of the said District of Columbia."

Mr. O'MALLEY. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. O'MALLEY. Mr. Chairman, I make the same point of order against the amendment as was raised by the gentleman from New York [Mr. TABER] and upon which the Chair just ruled. The language of the District of Columbia Appropriation Act makes this amendment an exception to the appropriation act. The amendment states "out of any money in the Treasury of the United States not otherwise appropriated." It seems to me the amendment seeks to have Congress authorize and appropriate a certain amount of money which the Congress would have to reimburse the Treasury for if the District itself was not able to reimburse the Treasury out of the revenues to be obtained under this bill.

The CHAIRMAN. The Chair is ready to rule. It is the opinion of the Chair that the language included in the amendment offered by the gentleman from Oklahoma [Mr. NICHOLS], which indicates that the money cannot become available until and when appropriated, is proper, and therefore overrules the point of order.

Mr. NICHOLS. Mr. Chairman, may I say that under the section as now amended it is provided that the District of Columbia cannot borrow this money from the Federal Treasury until the money is appropriated and made available by an appropriation act. This means that even after this bill is passed the District cannot go down there and borrow the money. It will be necessary for the Congress, either through a deficiency appropriation bill or by some other means, to appropriate the money before the District may borrow it from the Treasury.

Mr. TABER. Will the gentleman yield?

Mr. NICHOLS. I yield to the gentleman from New York.

Mr. TABER. Does not the gentleman believe that the business way to do such a job as this would be for the District Commissioners to be authorized to borrow not exceeding a certain sum in the open market, just like your city and my city have to do when they need money, instead of having the Government of the United States pay interest on money the District of Columbia wants to borrow. It is a peculiar way of doing business, in my opinion.

Mr. NICHOLS. I may say to the gentleman I think the District of Columbia should pay interest on the money which they borrow, and I would not object to an amendment which would provide that it pay interest, although I do not think it should be forced into the open market for the money.

Mr. DIRKSEN. Will the gentleman yield?

Mr. NICHOLS. I yield to the gentleman from Illinois.

Mr. DIRKSEN. It seems to me the Congress has expressed itself on that subject years ago, at which time it virtually denied to the District the right to bond itself or to have a free and easy rein so far as money is concerned. This might reestablish a practice that was frowned upon by the Congress years ago. The amendment just offered preserves the title of the bill.

Mr. THOMPSON of Illinois. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this is the first time I have ever especially interest myself in the legislative affairs of the District of Columbia. At the time the gentleman from New York [Mr. TABER] made a point of order against title I, I had an amendment pending at the desk to strike out the title.

It seems to me that for the first time the government of the District of Columbia is entering upon an anticipation warrant basis and thus seeks to abandon its "pay as you go" policy.

Mr. Chairman, I do not believe there is a city or a school district or a county in the United States that has experienced financial difficulties in the last 5 or 10 years where such difficulties were not caused by the issuance some time—5, 10, or 40 years ago—of anticipation warrants, anticipating taxes yet to be collected.

Mr. NICHOLS. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON of Illinois. I yield.

Mr. NICHOLS. The gentleman is familiar with the fact that by an act of Congress the District of Columbia is now precluded from doing that very thing?

Mr. THOMPON of Illinois. That is true, I may say to the gentleman from the committee, but the Congress of the United States is going to meet here in January, and we can meet any situation that may develop then. The fiscal year of the District of Columbia begins at the same time as the fiscal year of the Government of the United States. I think we are embarking upon a bad legislative policy if we permit the Commissioners of the District of Columbia to go over to the Treasury and borrow on anticipated revenues.

I do not think it makes any difference whether or not they have to come up to the Committee on Appropriations of the House and get permission to borrow money up to a certain amount. As has been pointed out by the gentleman from New York [Mr. TABER], every city in the United States has a limit on anticipation warrants. In my State a local government can borrow up to approximately 75 percent of the amount of taxes levied but not collected. To permit the Commissioners of the District of Columbia to go over to the Treasury and borrow money without interest would work an injustice and an inequality on the rest of the cities of the United States. I do not know any reason why the District of Columbia Commissioners should be permitted to go to the Treasury and get money without interest or at a nominal rate of interest any more than the city of Detroit or the city of Chicago or my home city of Rock Island, or any other city or school district of this land which may be obliged to borrow money upon anticipation warrants. The District of Columbia should operate upon a cash basis and should not enter the field of borrowing money by one means or another. The gentleman from Oklahoma [Mr. NICHOLS] states the District of Columbia cannot borrow money unless such authority is given them. I say it is sound legislative policy for the Congress of the United States to continue to deny the appointed Commissioners of the District the right to borrow money from the Federal Treasury. Therefore, Mr. Chairman, I hope the amendment is defeated. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma [Mr. NICHOLS].

The question was taken; and on a division (demanded by Mr. THOMPSON of Illinois) there were—ayes 28, noes 40.

Mr. NICHOLS. Mr. Chairman, I ask for tellers.

Tellers were refused.

So the amendment was rejected.

The Clerk read as follows:

TITLE II.—AUTHORIZATION FOR PARKING METERS

The Commissioners of the District of Columbia are hereby authorized and empowered, in their discretion, to fix, prescribe, and collect fees for the parking of automobiles in or upon any street, avenue, road, highway, or other public space within the District of Columbia under their jurisdiction and control, and to make and enforce regulations to provide for the collection of such fees. Any person violating any such regulation shall be punished by a fine of not more than $100 or imprisonment not to exceed 10 days.

The Commissioners of the District of Columbia are further authorized and empowered, in their discretion, to purchase, rent, and install such mechanical parking meters or devices as the Commissioners may deem necessary or advisable to insure the collection of such fees as may be prescribed for the parking of vehicles as aforesaid, and to pay the purchase price or rental and cost of installation of the same from the fees collected, the remainder of such fees to be paid to the collector of taxes for deposit in the Treasury of the United States to the credit of the revenues of said District.

Mr. SHAFER of Michigan. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SHAFER of Michigan: Beginning on page 2, line 9, strike out all of title II.

Mr. SHAFER of Michigan. Mr. Chairman, I wish to compliment the subcommittee for the excellent work the Members have done in connection with preparing this bill. However, I can see no reason for the insertion of title II. It is apparent an effort is being made to slip something over on the District. As I see it, there is no more need for these curb-side alarm clocks, these gadgets to time the parking of automobiles on the streets of the District, than there is for my dog to have six tails. At least nine cities, according to the information I have been able to gather, have tried cut these parkometers, and each one has thrown them out for one reason or another.

Mr. NICHOLS. Mr. Chairman, will the gentleman yield?

Mr. SHAFER of Michigan. Yes.

Mr. NICHOLS. Will the gentleman name those cities? I would like to have that information.

Mr. SHAFER of Michigan. Yes; I can name them. West Haven, Conn.; Mobile and Birmingham, Ala.; Hutchinson and Topeka, Kans.; Paducah, Ky.; Salt Lake City, Utah; Lubbock and Tyler, Tex. And, I might add, these:

Topeka, Kans., was one of the first cities to install parkometers. They were thrown out when the merchants of the city complained that their use drove customers away from the downtown district, and that they had suffered losses in business of at least 50 percent while these devices were in operation.

Mr. NICHOLS. Mr. Chairman, will the gentleman yield to me again?

Mr. SHAFER of Michigan. I have only 5 minutes, and I have a long way to go.

Mr. NICHOLS. The gentleman is saying "parkometers."

Mr. SHAFER of Michigan. Parking meters or parkometers. Some of them are known as parkometers.

Mr. NICHOLS. Parkometer is a trade name, of course. "Parking meter" includes all of them.

Mr. SHAFER of Michigan. It is a little gadget they install on the curb and the motorists puts a coin in, and so forth, and a bell rings when the parking time is expired. It is just another device to prevent the poor man from parking his Model T in the business district.

Mr. NICHOLS. The gentleman used the word "parkometer", and I thought the gentleman was talking about the one meter.

Mr. SHAFER of Michigan. That is the situation. These devices have been thrown out in practically every city in which they have been tried. They have been declared illegal by numerous courts. Courts in Paducah and the Alabama Supreme Court have declared them illegal.

Mr. SACKS. Mr. Chairman, will the gentleman yield?

Mr. SHAFER of Michigan. I cannot yield further; I have only 5 minutes.

The illegal aspect of the meters is clearly set forth in the ruling of the Paducah, Ky., court, which stated the use of the

parking meter was clearly an attempt on the part of the city of Paducah to raise revenue by installing these parking meters under the guise of its police power to regulate traffic and stated further:

> This court does not believe the ordinance in any way tends toward prevention of any offense or the preservation of the health, morals, or welfare of the citizens. Hence, on this point, it is the opinion of the court that the ordinance is void and unenforcible.

The Alabama Supreme Court went further, declaring that the meter ordinance of the city of Birmingham violated the city charter, was an illegal exercise of taxing power, and was a violation of the due-process clause of the Constitution.

There have been two cases, one in Oklahoma and one in Florida, in which the highest courts of the State has failed to invalidate the meter ordinance, but in neither of these cases were the all-important questions of illegal revenue or property confiscation brought to the attention of the court.

The fact that parking meter interests are agitating measures in numerous State legislatures, which would permit cities to install the devices, is clear admission on their part that the meters cannot be legally installed under existing laws.

It is scarcely surprising that mayors and city managers of municipalities where meters have been installed should, in some instances, report favorably on their operations, because the meters represent a fat income to the city which can be utilized by the tax spenders who are not likely to find fault with any device which helps to swell the treasury.

That article II of this bill does not provide for the mandatory installment of these parking meters is an argument presented by proponents. Then why include article II in the bill? I am always suspicious of these provisions that are not mandatory.

At least one Commissioner for the District of Columbia is opposed to parking meters. I have a letter written by the Honorable Melvin C. Hazen, which reads, in part:

> I have read with interest your questionnaire concerning parking meters for Washington. The Commissioners, as a board, have not approved the installation of parking meters. It has been very informally discussed, and the Commissioners are not prepared to definitely determine a policy at this time. Personally, however, I wish to say that my theory of this matter is to get automobiles off the streets to facilitate traffic and not rent the public streets for parking purposes.

In view of this statement by Commissioner Hazen, I can see no reason whatever for continuing this section in this bill. I hope the Members of Congress will adopt my amendment. [Applause.]

[Here the gavel fell.]

Mr. KENNEDY of Maryland. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, as I stated in my opening remarks, this simply authorizes the District Commissioners, in their discretion, to install these parking meters, if they care to do so and find it is practicable.

If you will refer to the hearings on page 15, you will find a discussion of this matter. The party in charge of the matter of parking automobiles in the District of Columbia is Mr. William A. Van Duzer, the director of vehicles and traffic in the District of Columbia, and in answer to a question by the gentleman from Illinois [Mr. DIRKSEN] in reference to whether or not they had available data on the installation of parking meters, Mr. Van Duzer stated:

> We have reports of several cities that have them and from an enforcement angle it only takes about one-third as many policemen to get better results; that is, to have an observance of 1-hour parking or 30 minutes * * *. Of course, we have prohibited parking in the morning from 8 to 9:30 and from 4 to 6, which would reduce the time of parking to 6½ hours. It seems from all the testimony that I have seen that the motorists are in favor of them, that the newspapers are in favor of them, and the automobile clubs likewise.

Mr. DIES. Mr. Chairman, will the gentleman yield?

Mr. KENNEDY of Maryland. I yield.

Mr. DIES. It has been my observation in the District that you can seldom find a place to park and you have to go to some parking lot and usually pay from 25 cents to 40 cents in order to park your automobile and transact any business in town here.

Mr. KENNEDY of Maryland. That is true.

Mr. DIES. It seems to me this would be a helpful thing.

Mr. KENNEDY of Maryland. I agree with the gentleman, and I may say that what we are trying to do is to get at this all-day parking in the District of Columbia in order to stop that undesirable practice.

Mr. DIES. Some people here leave their cars parked indefinitely all up and down the streets.

Mr. KENNEDY of Maryland. Yes; and this would also prevent double parking.

Mr. THOMAS of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. KENNEDY of Maryland. I yield.

Mr. THOMAS of New Jersey. Would the gentleman tell the House how much one of these parking meters costs?

Mr. KENNEDY of Maryland. The average cost is about $55.

Mr. THOMAS of New Jersey. And can the gentleman tell us how many meters would be required in the city of Washington?

Mr. KENNEDY of Maryland. I have no information on that subject, but they can install them as they find need for them.

Mr. THOMAS of New Jersey. Will the gentleman tell us where these meters are manufactured?

Mr. KENNEDY of Maryland. I do not know.

Mr. THOMAS of New Jersey. In what State?

Mr. NICHOLS. There are about 15 different companies in the United States.

Mr. THOMAS of New Jersey. What is the largest manufacturer of these meters?

Mr. KENNEDY of Maryland. I have not that information, and may I say that insofar as the cost is concerned, it would cost the District Government nothing because they are paid for out of the fees collected by the meters, and it is estimated that the average income is about 40 cents a day from these meters. It would take about 9 months to pay for each meter. After that time they would be the property of the District of Columbia and all the fees coming from them would go to the treasury of the District.

Mr. THOMAS of New Jersey. About how many meters does the gentleman think would be required for the District of Columbia as a minimum?

Mr. KENNEDY of Maryland. I would say to cover the entire District it would take about 2,500 or 3,000.

Mr. THOMAS of New Jersey. Three thousand meters at a cost of $55 a meter?

Mr. KENNEDY of Maryland. It would not cost the District government anything because they are purchased under a plan whereby they are paid for out of fees received from the meters. The meter is installed and a portion of the money received by the meter goes to the District of Columbia and another portion goes to the party from which they are purchased and is applied to the purchase price.

Mr. THOMAS of New Jersey. But we have to put up the original cost price.

Mr. KENNEDY of Maryland. No; we do not have to put up one dollar. They install the meters and guarantee the operation of them, and under this bill it is purely a matter in the discretion of the Commissioners and, as a matter of fact, I believe the Commissioners are opposed to their installation.

[Here the gavel fell.]

Mr. NICHOLS. Mr. Chairman, I move to strike out the last word, in order to talk a little about parking meters, and there is nothing novel or new about this device, and insofar as the cities that have taken them out are concerned, I think a check of the figures will disclose that in nearly every instance where they have been taken out it has been the trial meter that was taken out and installation made of other meters.

My distinguished friend has stated that nearly every city in the United States that has installed them has taken

them out. As a matter of fact, there are some 35 large cities in the United States today that are operating parking meters, and let us see if they are so terrible.

At a recent meeting of the United States Conference of Mayors, the resolutions I have here were adopted, and I have a synopsis of a long resolution which was adopted by them, and this is the booklet which I have in my hand. The United States Conference of Mayors endorsed parking meters—not anybody's particular meter, but the theory of parking equipment and they said:

In our opinion the parking meter is the most noteworthy development in traffic control since the advent of the now universally used traffic lights.

Why, I can remember, and so can you, when the cities of this country wanted to put in traffic lights and we hollered our heads off and said, "What sort of device is this that they want to install here to impede the orderly flow of traffic?"

The conference of mayors of the United States says that the advent of parking meters is the most noteworthy improvement since that time, and they say further that downtown parking is a problem of every community, both large and small, and that for the first time a solution of this problem is offered by the parking-meter system of control. To answer the question a moment ago asked, about the cost of parking meters to the city, they will cost the District of Columbia not one cent. What is the proposition for their installation?

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. NICHOLS. I refuse to yield. There are 15 companies in the United States which will install parking meters for any city, and for the District of Columbia. It will cost the city not one cent. This is a contract that 15 companies will enter into. They will agree to put in meters at designated points, without the outlay of any money. The meters will pay for themselves, and the company does not take all of the money while they are paying for themselves. Fifty percent of the revenue will go to the city.

Mr. THOMAS of New Jersey. Mr. Chairman, I make the point of order that there is no quorum present.

The CHAIRMAN. The gentleman from New Jersey makes the point of order that there is no quorum present. The Chair will count. [After counting.] One hundred and twelve Members present, a quorum.

Mr. NICHOLS. Mr. Chairman, while these meters are paying for themselves, they also pay 50 percent of the revenue to the city. As far as infringements are concerned, at least 15 companies in the United States will put up a bond to protect the city against infringement suits.

Mr. WOLCOTT. Mr. Chairman, will the gentleman yield?

Mr. NICHOLS. Yes.

Mr. WOLCOTT. Mr. Chairman, can the gentleman advise us whether there are any sponsors of this legislation, whether the Commissioners have requested the authority, or who has?

Mr. NICHOLS. The director of the bureau of traffic, Mr. Van Duzer, came before our subcommittee and requested it. The Commissioners themselves, at least one of them, are opposed to it. The director of traffic is for it.

The CHAIRMAN. The time of the gentleman from Oklahome has expired.

Mr. McGEHEE. Mr. Chairman, I move to strike out the last word.

Mr. COLE of Maryland. Mr. Chairman, I rise in opposition to the motion of the gentleman from Oklahoma.

The CHAIRMAN. The gentleman from Mississippi [Mr. McGEHEE] is a member of the committee and moves to strike out the last word, and the Chair has recognized the gentleman.

Mr. COLE of Maryland. I realize that; but it is my understanding that the gentleman from Oklahoma moved to strike out the last word, and I rose in opposition to that motion.

The CHAIRMAN. The gentleman from Oklahoma, as the Chair understands it, rose in opposition to the amendment. Will the gentleman from Oklahoma give the Chair attention? The Chair asks the gentleman what was the purpose of his addressing the Committee.

Mr. NICHOLS. Mr. Chairman, it was in opposition to the pending motion, but I asked recognition by moving to strike out the last word.

The CHAIRMAN. The Chair will recognize the gentleman from Maryland later. The gentleman from Mississippi is recognized.

Mr. McGEHEE. Mr. Chairman, I think it behooves the membership of this Congress who have visitors coming here every day and every week to do something about the traffic situation in the city of Washington, of which we have control. I know nothing about parking meters, I never saw one in my life, but as a member of this subcommittee I made a study as to their advantages and disadvantages, in order to make recommendation to this membership of that which I thought was best for the city of Washington. In my humble opinion, after making that study, this is one means whereby we are going to be able to control the traffic situation in the city.

Mr. SCHULTE. Mr. Chairman, will the gentleman yield?

Mr. McGEHEE. Yes.

Mr. SCHULTE. I happened to be a member of the subcommittee at one time investigating traffic conditions in the District of Columbia, and it was the opinion of that committee that in order to eliminate all hazards downtown the proper thing to do, and the traffic experts agreed, was to eliminate all parking in the downtown district of Washington. Yet the traffic director has not seen fit to do that.

Mr. McGEHEE. I think the gentleman well knows that would be impossible in any city in this country to prohibit the parking of automobiles or cars on the streets in its business section.

Mr. LUTHER A. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. McGEHEE. Yes.

Mr. LUTHER A. JOHNSON. To say to the gentleman that in a number of cities in Texas we have parking meters. They have proved highly successful, not only in solving the parking problem, by preventing people from parking too long, but also as a source of revenue. In the city of Dallas, only 50 miles from my home, parking meters there have worked admirably. They have solved the problem of parking and also have increased largely the revenues of the city.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. McGEHEE. Yes.

Mr. WHITE of Idaho. Does the gentleman know that 12 large cities in this country have tried parking meters and have discarded them, and does the gentleman know that the American Automobile Association is absolutely opposed to them?

Mr. McGEHEE. I know that the American Automobile Association is opposed to them, but the Keystone Automobile Association in a letter to the membership of this House said that much of the opposition they believed to be ill-founded, and they are recommending that this Congress make provision for the District Commissioners to install them in the city of Washington.

Mr. Chairman, in my humble opinion, as I stated in the beginning, this is the only way you will relieve the traffic situation in this city. There is not a Member on this floor who has not gone down town to do a little shopping and had to drive for a dozen blocks and finally pay 50 cents to park his car in order to stop 15 or 20 minutes to make a little purchase. That is what is happening because there are thousands of cars placed on the streets and left there for hours by employees of the Government and others. As I stated before, it behooves us to do that not only for ourselves but for the visitors who come here to visit the city.

The CHAIRMAN. The time of the gentleman from Mississippi [Mr. McGEHEE] has expired.

Mr. O'MALLEY. Mr. Chairman, I make a point of order against the section.

The CHAIRMAN. The gentleman will state it.

Mr. O'MALLEY. I make the point of order that this section appropriates money out of fees to be collected, and therefore it is appropriation on a legislative bill. Line 24 provides that the purchase price of these machines shall be paid from the fees collected and the remainder of the fee shall be paid into the Treasury.

Mr. NICHOLS. Mr. Chairman, I make the point of order that the point of order comes too late. The section has been debated and amendments have been offered, and an amendment to strike out the section has been offered.

Mr. O'MALLEY. I was attempting to get recognition from the very beginning.

The CHAIRMAN (Mr. MEAD). The Chair is ready to rule. The last sentence of section 4, rule 21, provides as follows:

A question of order on an appropriation in any such bill, joint resolution, or amendment thereto may be raised at any time.

It is the opinion of the Chair that the point of order is properly raised at this time and that this is purely an appropriation, and, therefore, that language, as indicated in the gentleman's point of order, is ruled out of order.

The Chair sustains the point of order.

Mr. NICHOLS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. NICHOLS: Page 2, after line 8, insert the following:

"TITLE II. AUTHORIZATION FOR PARKING METERS

"The Commissioners of the District of Columbia are hereby authorized and empowered in their discretion to fix, prescribe, and collect fees for the parking of automobiles in or upon any street, avenue, road, highway, or other public space within the District of Columbia under their jurisdiction and control, and to make and enforce regulations to provide for the collection of such fees. Any person violating any such regulation shall be punished by a fine of not more than $100 or imprisonment not to exceed 10 days.

"The Commissioners of the District of Columbia are further authorized and empowered in their discretion to purchase, rent, and install such mechanical parking meters or devices as the Commissioners may deem necessary or advisable to insure the collection of such fees as may be prescribed for the parking of vehicles as aforesaid."

Mr. NICHOLS. Mr. Chairman, this amendment is offered for the purpose of correcting the only possible objection to the section, which was raised by the gentleman from Wisconsin. It strikes out that portion of the section which would attempt to appropriate.

Mr. O'MALLEY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, it is a rather unique pleasure for me, after the last one hour and a half, to be able to obtain recognition.

The city that will descend to trying to raise revenue from parking meters is in about the same category as the man who would steal pennies from a blind man's cup. It is the cheapest method of trying to trim visitors to the city, and especially to the Capital of the United States. This District is an artificial entity that exists by sufferance of the States. It belongs to our people—your people and my people, and they pay taxes to maintain it. Now, you are going to put parking meters in the streets and in addition to the taxes you take away from the people of the United States, you are going to get so cheap that you will reach into their pockets for a few paltry dimes if they come down here to see the Capitol and other shrines that the Nation has built here. [Applause.]

This city has a parking law. If the officers of the District of Columbia, charged with the enforcement of that parking law, would enforce it we would not have to put dime-snatching machines on the streets to take dimes away from our constituents who come here to visit Washington, and who are held up without benefit of gunmen for everything they buy or use.

I have been in some cities where they have these parking meters, and the rich man can hog the curb for 24 hours a day, because he can send his chauffeur over there to put a dime in the meter every time the time has expired, but the poor man, the fellow that Democrats are supposed to think about, that a Democratic committee is supposed to think about, has to deprive himself and his children of some needed money to park his little flivver downtown if he wants to go down there on Sunday or has to deliver a package or transact some necessary business.

This section ought to be defeated. I tried to defeat it on a point of order. I would have made the point of order to begin with if I could have been recognized. My point of order has been sustained. If the amendment of the gentleman from Oklahoma is defeated, the section will go out.

Mr. DOWELL. Mr. Chairman, will the gentleman yield?

Mr. O'MALLEY. I yield.

Mr. DOWELL. These machines will also drive the poor man off of the streets, will they not?

Mr. O'MALLEY. That is what they are intended to do. If you want to park in this District, make the officers of the District police force enforce the 1-hour and 2-hour parking laws downtown. Real enforcement will help traffic and bring in lots of revenue.

They do not enforce the time limits, and there is not a Member of this House who can find a place to park for even 30 minutes downtown. We keep the streets clear in the city I represent because we enforce the law, and every citizen gets a chance at parking a little while without paying for it. We get our revenue, if necessary, from law violators who park too long and not from poor people who have to go downtown on business and tourists who visit our city and spend money there.

Mr. COLE of Maryland. Mr. Chairman, will the gentleman yield?

Mr. O'MALLEY. I yield.

Mr. COLE of Maryland. If this proposition stays in this bill without the Congress knowing the slightest thing about the regulations that the Commissioners are going to impose as to these parking meters, any violation by a person coming to the Capital of the United States of a regulation passed by the Commissioners under this law will be subject to a jail sentence, as well as to a fine.

Mr. O'MALLEY. Yes; a fine of $100; and if you think you have headaches now trying to fix up your constituents whose machines are tagged, you are going to find they are nothing compared to the headaches you will have if they put parking meters on the streets and hundreds of your constituents get tickets because they forgot to fix the dime machine or could not locate a dime in their pockets. No more unconscionable form of municipal petty larceny could be devised than parking meters.

I hope the amendment is defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma.

The question was taken; and on a division (demanded by Mr. NICHOLS) there were—ayes 34, noes 76.

So the amendment was rejected.

Mr. O'MALLEY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. O'MALLEY. Do I understand the parliamentary situation at the present time to be that title II is entirely stricken out?

The CHAIRMAN. The gentleman is correct; the entire title is stricken out.

The Clerk read as follows:

TITLE III—COLLECTION OF PERSONAL TAXES

SECTION 1. The assessor of the District of Columbia, or any person designated by him, for the purpose of ascertaining the correctness of any return of personal property, tangible or intangible, for taxation or for the purpose of making a return where none has been made, is authorized to examine any books, papers, records, or memoranda bearing upon the matters required to be included in the return and may summon any person to appear before him and produce books, records, papers, or memoranda bearing upon the matters required to be included in the return and to give testimony or answer interrogatories under oath respecting the same, and the assessor, or assistant assessor, shall have power to administer oaths to such person or persons. Such summons may be served by any member of the Metropolitan Police Department. If any person, having been personally summoned,

shall neglect or refuse to obey the summons issued as herein provided, then in that event the assessor, or any assistant assessor, may report that fact to the District Court of the United States for the District of Columbia, or one of the justices thereof, and said court or any justice thereof hereby is empowered to compel obedience to said summons to the same extent as witnesses may be compelled to obey the subpenas of that court.

SEC. 2. If any person liable to pay any personal property tax to the District of Columbia neglects or refuses to pay the same when due, it shall be lawful for the collector of taxes for the District of Columbia, or any person designated by him, to collect the said taxes, with interest and penalties thereon, by distraint and sale in the manner hereinafter provided, of the goods, chattels, or effects, including stocks, securities, bank accounts, evidences of debt, and credits of the person delinquent as aforesaid. In case of such neglect or refusal of the person delinquent as aforesaid the collector, or the person designated by him, may levy upon all such property and rights to such property belonging to such person for the payment of the sum due with interest and penalties thereon and the costs that may accrue and the collector of taxes shall immediately proceed to advertise the same by public notice to be posted in the office of said collector and by advertisement three times in 1 week in one or more daily newspapers in said District, stating the time when and the place where such property shall be sold, the last publication to be at least 6 days before the date of sale and if the said taxes, with interest and penalties thereon, and the costs and expenses which shall have accrued thereon, shall not be paid before the date fixed for such sale, which shall not be less than 10 days after said levy or taking of said property, the collector shall proceed to sell at public auction such property or interest therein or so much thereof as may be needed to pay such taxes, interest, penalties, and accrued costs and expenses of such distraint and sale. Said collector shall report in detail in writing every distraint and sale of personal property to the Commissioners of the District of Columbia, and his accounts in respect of every such distraint or sale shall forthwith be submitted to the auditor of the District of Columbia and shall be audited by him. Any surplus resulting from such sale over and above such taxes, interest, penalties, costs, and expenses shall be paid into the Treasury of the United States and upon being claimed by the owner or owners of the property aforesaid shall be paid to him or them upon the certificate of the collector of taxes stating in full the amount of such excess.

SEC. 3. Any person in possession of property or rights to property subject to distraint upon which a levy has been made shall, upon demand by the collector, or the person designated by him, surrender such property or rights to such collector or the person designated by him, unless such property or right is at the time of such demand subject to an attachment or execution under any judicial process.

SEC. 4. Any person who fails or refuses so to surrender any of such property or rights shall be liable in his own person and estate to the District of Columbia in a sum equal to the value of the property or rights not so surrendered, but not exceeding the amount of the taxes, including interest and penalties, for the collection of which such levy has been made, together with costs and interest thereon, from the date of such levy.

SEC. 5. All persons and officers of companies and corporations are required, on demand of the collector, or the person designated by him, about to distrain or having distrained on any property or rights of property, to exhibit all books containing evidence or statements relating to the subject of distraint or the property or rights of property liable to distraint for the tax due. A violation of this section shall be punished by a fine of not exceeding $500 or by imprisonment not exceeding 30 days, or both, in a prosecution filed in the police court of the District of Columbia by the corporation counsel of the District in the name of the District of Columbia.

SEC. 6. In case of the neglect or refusal of any person to pay a personal-property tax when due, the collector of taxes, or the person designated by him, may file a certificate of such delinquent personal tax with the clerk of the District Court of the United States for the District of Columbia, which certificate from the date of its filing shall have the force and effect, as against the delinquent person named in such certificate, of the lien created by a judgment granted by said court, which lien shall remain in force and effect until the taxes set forth in said certificate, with interest and penalties thereon, shall be paid and said lien may be enforced by a bill in equity filed in said court.

SEC. 7. When a recovery is had in any suit or proceeding against the collector of taxes, or any person designated by him, under this act for a wrongful distraint or any other act done by him or for the recovery of any money exacted by or paid to him and by him paid into the Treasury of the United States in the performance of his official duty and the court certifies that there was probable cause for the act done by the collector or the person designated by him or that he acted under the directions of the Commissioners of the District of Columbia, no execution shall issue thereon, but the amount so recovered shall, upon final judgment, be paid by the District of Columbia in the same manner as judgments against the said District are paid.

SEC. 8. The remedies provided by this title for the collection of personal-property taxes are not limited as to time, irrespective of any statute of limitations, and are in addition to any other remedies available for the collection of said taxes.

Mr. BIGELOW. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BIGELOW: Strike out all of title III and insert in lieu thereof the following:

"TITLE III—RATE OF TAXATION ON LAND VALUES

"For the fiscal year ending June 30, 1938, the rate of taxation imposed for the District of Columbia shall be 4 percent on the assessed value separate and apart from all improvements thereon of the taxable land of the District of Columbia and including the land owned by the Federal Government; and no taxes whatever shall be imposed upon any improvements upon the land."

Mr. NICHOLS. Mr. Chairman, I make the point of order against the amendment that it is not germane to title III, the title to which it is offered. Title III deals with the collection of personal taxes, whereas the amendment offered by the gentleman from Ohio provides for the imposition of a real-estate tax.

The CHAIRMAN. Does the gentleman from Ohio desire to be heard on the point of order?

Mr. BIGELOW. Yes, Mr. Chairman.

Mr. Chairman, my amendment is offered as a substitute for all of these taxes. If this amendment is adopted, I will move to strike out the rest of the titles of the bill.

The CHAIRMAN. Does the gentleman from Oklahoma desire to be heard further on the point of order?

Mr. NICHOLS. No.

The CHAIRMAN. The Chair is ready to rule.

The Chair feels that under the circumstances the amendment offered by the gentleman from Ohio is out of order.

The gentleman from Ohio could move to strike out all of title III, and if that amendment were agreed to it would be in order to offer the balance of the amendment. In other words, the gentleman would then be inserting a new title in place of a title that had been stricken from the bill.

The Chair sustains the point of order.

Mr. BIGELOW. Then, Mr. Chairman, I modify my amendment and move to strike out title III.

The Clerk read as follows:

Amendment offered by Mr. BIGELOW: Beginning on page 3, line 5, strike out all of title III.

Mr. BIGELOW. Mr. Chairman, the purpose of offering this amendment is to get a record vote and compare it with a vote that was cast 43 years ago.

Should this amendment be agreed to, of course, then the balance of the amendment, as you heard it read, would be offered. Nobody expects this amendment to carry, but an Army engineer was telling me the other day the old story of Aristotle and Galileo and the falling bodies. Aristotle said that if two bodies were pushed off at a certain height the heavier of the two would reach the ground first. But he did not try it, and none of the wise men who followed him tried it, and the people believed this theory of Aristotle until Galileo climbed up a tower and pushed two bodies off, to discover that the lighter body reached the ground as soon as the heavier body. It was only when such experiments began, when men would subject their accepted ideas to the test of experimentation, that the scientific age we are now enjoying commenced.

I think that our ideas of taxation are as old and as outmoded as Aristotle's idea of falling bodies. John Dewey, one of our great philosophers, said that nobody could claim to be educated in economics if he was not familiar with the writings of Henry George.

There was a time when land in the District of Columbia was worth only a few strings of beads. Today it is worth almost a cool billion of dollars. It is owned by individuals, but this value was not created by individuals. This is purely a social value. It was created by the growth of population; it has increased as the city has increased in size. Land value is the community's income, and the community should live on its income just as individuals are expected to live on their incomes. But because we allow the community's value to go into private pockets we have to use the taxing power to make raids on people's private property.

I am proposing this afternoon—as my friend Tom Johnson, in the Well of this House, proposed 43 years ago—this idea to the Congress of the United States. We got six votes

for it then. I am curious to know how many more than six we can get for it today.

Mr. DIRKSEN. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Ohio [Mr. BIGELOW].

Mr. Chairman, my good friend from Cincinnati proposes to strike out title III of this bill, which is purely an administrative provision. We have heard it said that the tax rate is too low and that it ought to be raised. We have heard it said the assessor does not collect the taxes that should be collected. We have therefore put an administrative provision in this bill, labeled title III, for the purpose of putting teeth into tax collections. It gives the assessor the power to distrain property and to get in the money that rightfully belongs to the District of Columbia. The gentleman from Ohio now proposes to eliminate title III, after which he will suggest that we write a single-tax provision into this bill.

His amendment would provide for a 4-percent tax on land in the District of Columbia, excluding all improvements but including the land that belongs to the Federal Government. I have seen this House embarrassed with frivolous amendments. I have seen it held up to ridicule in the press of this country because in an indifferent moment it permitted some of these silly provisions to creep into a bill that was being considered upon the floor of the House.

If you want to permit yourselves to be held up to ridicule, then just be a little indifferent to some of the amendments they are trying to sneak into this bill, such as the single-tax amendment. The wreck will then be complete, and the editorial writers and the newspaper reporters will again be firing at the Congress of the United States.

This is the time to shake ourselves out of this attitude. Let us protect the bill, because it is a pretty good bill. Let us not write in a lot of these silly, frivolous things, that may be proposed.

Mr. Chairman, I hope the amendment that has been suggested by the gentleman from Ohio [Mr. BIGELOW] will be defeated and that the amendment which will later be offered by my friend from Cincinnati will also be defeated.

[Here the gavel fell.]

Mr. COCHRAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I want to compliment the gentleman from Cincinnati for offering this amendment because when he asks the House to strike out the title he offers a substitute to raise money. [Applause.] I do not speak of the merits of the amendment, but I am speaking from the standpoint of the fact that when he seeks to strike out, he has something to offer in its place. In other words, when the gentleman seeks to defeat a title in the bill he is willing to offer a substitute which will build it up, from the standpoint of revenue if his amendment is adopted.

Mr. Chairman, we have a responsibility, whether we like it or not, and we should be willing to discharge that responsibility. It is necessary for us to legislate for the District of Columbia.

We find the District of Columbia in the position now of needing money to carry on. Is there a man or woman in this House, if he or she was a member of a legislative body of his own city or State, who would refuse to meet a situation similar to that which today confronts the District of Columbia? Of course there is not.

Mr. Chairman, on March 15 the Supreme Court of the United States rendered a decision holding that State officials and State employees were not required to pay a Federal income tax. I immediately offered a resolution providing for a constitutional amendment which would require every individual in the country to pay either a Federal or State income tax or both if the income justified it. We do not now have to pay a State income tax. No Federal employee does. On the other hand State employees do not have to pay a Federal income tax. Is there any sound reason why a Federal official or employee, or State official or employee should not be required to pay the same as any other citizen? We tax the people that pay our salaries and at the same time under existing conditions do not have to pay the same as those we tax. There are over 4,000,000 people in this country today who are exempt from the payment of income taxes either to the State or to the Federal Government. I am very happy to say that every Member of the committee to which my resolution was referred, with whom I discussed my resolution, told me he is sympathetic with the objective.

A hearing will be held on the resolution in the very near future. The other day the resolution was referred to a subcommittee. A report is being secured from the Treasury. The President of the United States has endorsed the principle. Practically every metropolitan newspaper in the country likewise endorses the principle and has urged in the news and editorial columns the passage of the resolution.

In my opinion, the fairest tax assessed is to collect from those who are best able to pay.

It is my opinion that this bill should contain a provision to collect income taxes from the legal residents of the District of Columbia. Such a provision can be written and should be offered by the committee to take the place of the title the rule says is to be stricken out.

Mr. DIRKSEN. Will the gentleman yield?

Mr. COCHRAN. I yield to the gentleman from Illinois.

Mr. DIRKSEN. Just allow me to interpose this thought. I meant no disrespect to the gentleman from Ohio [Mr. BIGELOW]. What I meant to convey was the thought that his amendment was revolutionary; it has not been considered at all, and for all practical purposes I can say it is frivolous in that sense.

Mr. COCHRAN. I am not talking about the merits of the proposal. The point I make is that the gentleman from Ohio had a substitute to offer to take the place of that which he was seeking to destroy. It is the first time any Member of the House has offered a substitute to raise revenue in place of the provisions in the bill that he seeks to have stricken out. Anyone who has an amendment should offer some suggestion that we can vote on that will raise the amount of revenue that the District government will lose provided some provision in the bill is eliminated. That is what I am trying to impress on the Members.

Mr. DIRKSEN. I agree with the gentleman.

Mr. COCHRAN. If any other Member of the House wants to defeat a title in this bill, let him be man or woman enough to offer a substitute to raise the amount of money that he or she wants to strike from the bill. We must pass a bill which will raise the necessary revenue with which to carry on the affairs of the District of Columbia. It is our responsibility to do so. [Applause.]

[Here the gavel fell.]

Mr. NICHOLS. Mr. Chairman, I think it is hardly necessary to discuss this amendment at great length. I do not agree with the gentleman from Ohio in reference to his single-tax program, and I therefore think it is not necessary to discuss that feature, because the instant amendment would strike out title III of the bill.

Title III, as I said in my opening remarks, is an administrative feature. We have heard many criticisms on this floor of the assessor of the District of Columbia for not collecting more money under the personal-property tax law that is now on the books. Title III strengthens the personal-property provision of existing law and gives the assessor the authority and power to examine books and to call before him anyone whom he may suspect of evading the payment of personal-property taxes under existing law.

I do not think it is necessary to argue with Members of the House that title III, above all other titles in this bill, should not be molested, harmed, or tampered with in any way. I certainly hope and feel confident the Members of the House will vote down the pending amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. BIGELOW].

The amendment was rejected.

Mr. BIERMANN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BIERMANN. Would it be in order for the gentleman from Ohio [Mr. BIGELOW] to offer his amendment as a new section after title IX?

The CHAIRMAN. The Chair may say to the gentleman it would perhaps be better for the gentleman from Ohio to offer it as a new title in the bill rather than as a new section in this particular title.

Mr. BIERMANN. After we get through with the consideration of title III he could then offer it as another title?

The CHAIRMAN. Yes; or at the end of the bill as an additional title.

Mr. BIGELOW. May I say that I will not ask for a division at this time because at another place in the bill I will offer a similar amendment and it will not involve the other proposition.

The Clerk read as follows:

TITLE IV—TAXES ON INSURANCE COMPANIES

SECTION 1. On and after the 1st day of July 1937, every domestic, foreign, or alien company organized as a stock, mutual, reciprocal, Lloyds, fraternal, or any other type of insurance company or association, before issuing contracts of insurance against loss of life or health, or by fire, marine, accident, casualty, fidelity and surety, title guaranty, or other hazard not contrary to public policy, shall obtain from the superintendent of insurance of the District of Columbia an annual license or certificate of authority, upon payment of a fee of $25 to the collector of taxes of the District of Columbia. All licenses for insurance companies who may apply for permission to do business in the District of Columbia shall date from the first of the month in which application is made, and expire on the 30th day of April following, and payment shall be made in proportion.

SEC. 2. Any such company issuing contracts of insurance in the District of Columbia, without first having obtained license or certificate of authority from the superintendent of insurance so to do, shall upon conviction be subject to a fine of $100 per day for each day it shall engage in business without such license or certificate of authority.

SEC. 3. All prosecutions for violations of this title shall be in the police court of the District of Columbia by the corporation counsel of the District of Columbia or any of his assistants.

SEC. 4. Each of such companies shall file an annual statement, in the form prescribed by the superintendent of insurance, before March 1 of each year, of its operations for the year ending December 31 immediately preceding. Such statement shall be verified by the oath of the president and secretary or in their absence by two other principal officers. The fee for filing said statement shall be $20 and payment therefor shall be made to the collector of taxes of the District of Columbia.

SEC. 5. If any such company shall fail to file the annual statement herein required, the superintendent of insurance may thereupon revoke its license or certificate of authority to transact business in the District of Columbia.

SEC. 6. All such companies shall also pay to the collector of taxes of the District of Columbia a sum of money as taxes equal to 2 percent of its policy and membership fees and net premium receipts on all insurance contracts on risks in the District of Columbia, said taxes to be paid before the 1st day of March of each year on the amount of income for the year ending December 31 next preceding.

"Net premium receipts" means gross premiums received less the sum of the following:

1. Premiums returned on policies canceled or not taken;
2. Premiums paid for reinsurance where the same are paid to companies duly licensed to do business in the District; and
3. Dividends paid in cash or used by policyholders in payment of renewal premiums.

SEC. 7. If any such company shall fail to pay the tax herein required, it shall be liable to the District of Columbia for the amount thereof, and in addition thereof a penalty of 8 percent per month thereafter until paid.

SEC. 8. Nothing contained in this title shall apply to any relief association, not conducted for profit, composed solely of officers and enlisted men of the United States Army or Navy, or solely of employees of any other branch of the United States Government service or solely of employees of the District of Columbia government, or solely of employees of any individual, company, firm, or corporation or to any fraternal organization which issues contracts of insurance exclusively to its own members.

SEC. 9. All laws or parts of laws insofar as they relate to insurance companies, fraternal orders, Lloyds, reciprocals, associations, or other insurance organizations, and the conduct of such insurance business, and in conflict with any provisions of this title, are hereby repealed.

SEC. 10. Should any section or provision of this title be decided by the courts to be unconstitutional or invalid, the validity of the title as a whole or of any part thereof other than the part decided to be unconstitutional shall not be affected.

SEC. 11. This title shall become effective immediately upon passage and approval.

Mr. O'MALLEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. O'MALLEY: On page 8, strike out all of title IV.

Mr. O'MALLEY. Mr. Chairman, my amendment has to do with striking out this entire title. The attempt of the Committee of the District to raise revenue in this manner is on the same level, as I see it, as the attempt to install parking meters. It raises revenue from the people least able to afford it. It puts a license tax upon insurance companies of all kinds, including fraternal insurance companies, which tax will be passed on to the man or woman who owns a small insurance policy. Worse than that, in section 6 it requires every company, whether fraternal or otherwise, which sells insurance in the District to pay a 2-percent tax upon its policy and membership fees and its net premium receipts.

Mr. KENNEDY of Maryland. Mr. Chairman, will the gentleman yield?

Mr. O'MALLEY. I do not have the time just now.

This requires a tax on the premiums paid for insurance which is going to be added to the premium cost in this District as well as throughout the United States.

Often the only thing a poor family has to fall back on is the small $500 or $1,000 insurance policy the head of the family carries upon his life. You and I know there are families that scrape and save and do without the necessities of life just to pay the monthly, sometimes even the weekly, premiums upon an insurance policy. Here we propose to tax the little fellow upon the same basis as we do the big man. A 2-percent tax upon the premium of a man buying a $50,000 policy does not bother him at all, because if he can own a $50,000 policy, the premium, no matter what it is, does not bother him. However, a 2-percent tax upon the premium of the fellow owning a $500 policy or a $1,000 policy makes a great deal of difference to him. We ought to raise revenue for the District in some other manner than by taxing the underpaid and underprivileged people of the District.

I hope the section will be stricken out for one more reason. We exempt the Army and Navy associations. Members of Army and Navy fraternal or benefit associations to me are no better than anybody else, and I do not think this committee should have brought in any exemption for such associations from these tax provisions when we propose to tax other policyholders who carry insurance.

In section 9 the bill makes changes in the insurance laws, changes we know nothing about because we have not had an opportunity to study all the insurance laws before this bill came up. I believe when we go about putting an increased tax upon insurance premiums we ought to give the matter more consideration. I believe the title should be stricken. We can raise all the revenue needed from a realty tax, which makes property owners in the District pay somewhere near what property owners in our home districts are now paying.

Mr. DIRKSEN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I love my colleague from Wisconsin [TOM O'MALLEY], and I am glad to note his interest in the downtrodden, forgotten man. The only trouble with his argument is that there is no substance to it.

In the first place, there is a 1½-percent tax on insurance premiums in the District at the present time. All this bill does is to raise it to 2 percent. By way of authority for that statement, may I say 21 States have a tax of 2 percent today, and 19 States have a tax in excess of 2 percent. One of the 19 is the State from whence comes my beloved colleague [Mr. O'MALLEY], Wisconsin, where they have a tax of 2⅜ percent. I do not know that anything more is necessary. The tax is absorbed, and has been. The insurance companies are agreeable. The tax will raise $220,000. Everybody seems to be agreeable. There was no opposition to the proposal of the tax. It simply elaborates the tax now on the books.

Mr. O'MALLEY. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield with pleasure.

Mr. O'MALLEY. The gentleman has stated that my State has a tax on all premiums of 2⅜ percent. I am positive my State does not tax fraternal and mutual-benefit associations, or associations in which only members take out policies.

Mr. DIRKSEN. If the gentleman will examine the bill closely, particularly section 6, he will find that fraternal organizations which write contracts of insurance only for their members and do not overstep the line and get out into the commercial field are exempted from the provisions of this bill. When they overstep the mark, they are in competition with stock companies and ought to pay. Therefore, I ask that the amendment be voted down.

Mr. KENNEDY of Maryland. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. KENNEDY of Maryland. Is it not true that 2 percent is the average rate throughout the country?

Mr. DIRKSEN. Twenty-one States have a 2-percent tax, and 19 have more than 2 percent.

Mr. COLLINS. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield to my friend, the gentleman from Mississippi.

Mr. COLLINS. The best argument in favor of this provision in the bill is the fact the fire and marine insurance companies for the last 12 years, including the year 1935, have collected in premiums in the District about $26,000,000 and have paid out in losses about $8,000,000.

Mr. DIRKSEN. I do not know that I would agree with the figures, but there was some testimony on that subject, I may say.

Mr. COLLINS. These are figures which were given to the Committee on Appropriations by the insurance commissioner of the District.

Mr. DIRKSEN. Of course, I think standing nakedly those figures need some interpretation to be fair to all sides, but there was some testimony to that effect.

Mr. KENNEDY of Maryland. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it seems to me if we are going to pass any tax legislation at all, we ought to be serious about our business here and not strike out a provision of this kind, which imposes taxes on insurance companies. I hold no brief for the insurance companies, but this is one method of taxation we can arrive at which will hurt no one. It does not apply to fraternal orders or nonprofit organizations, and the tax will not be passed on. This rate is the average rate throughout the entire country. It seems to me if we are going to offer motions to strike out these revenue-producing titles in the bill we ought to have something to substitute in place thereof, because it is the self-imposed duty of Congress to raise revenue for the District of Columbia. We cannot go on with this bill and for some technical reason or other unfair reason strike out the provisions which are necessary to make up the revenue needed to take care of the deficit in the District. I certainly hope this amendment will be voted down.

Mr. BIERMANN. Mr. Chairman, I rise in opposition to the pro-forma amendment.

Mr. NICHOLS. Mr. Chairman, will the gentleman yield to me a moment to see if we can get a unanimous-consent agreement as to time for debate on this title?

Mr. BIERMANN. I yield.

Mr. NICHOLS. Mr. Chairman, I ask unanimous consent that all debate on this title and all amendments thereto close in 10 minutes.

Mr. THOMPSON of Illinois. Mr. Chairman, reserving the right to object, I have two small amendments I wish to submit and would like to have about 5 minutes or so on them.

Mr. DITTER. Mr. Chairman, reserving the right to object, will the gentleman change his request to 15 minutes?

Mr. NICHOLS. Mr. Chairman, I ask unanimous consent that all debate on this title and all amendments thereto close in 20 minutes.

The CHAIRMAN (Mr. HARLAN in the chair). Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. BIERMANN. Mr. Chairman, I was somewhat astonished to hear the brilliant gentleman from Illinois refer to the amendment offered by the gentleman from Ohio [Mr. BIGELOW] as something frivolous.

It is a characteristic of the human mind that anything we do not understand we reject and condemn.

I will make this proposition to the gentleman from Illinois [Mr. DIRKSEN]. If during the summer vacation or the fall vacation or the winter vacation—if we ever get one—the gentleman will read carefully the textbook of the single-taxers, Progress and Poverty, and come back here on the first day of the next session and say that it is frivolous, I will present the gentleman, if I am here, with a check for $25.

Mr. DIRKSEN. Mr. Chairman, will the gentleman yield there?

Mr. BIERMANN. I yield.

Mr. DIRKSEN. I may say to the gentleman that I have read Henry George's Progress and Poverty several times, as well as other books he has written, and I did not mean to indicate that it was frivolous. What I meant was that it is frivolous to bring the matter in here when there have been no hearings on it, and when it only obtains in a modified form in one city that I know of, and that is in Pittsburgh.

Mr. BIERMANN. It has been in operation in modified form in Pittsburgh, where they have reduced the tax on improvements on real estate 50 percent, while they have left the full amount on the land itself. It has worked well there and all effort to change it have failed.

The philosophy of the single tax is that the land is something that human beings do not create. The Creator put the land here for everybody to use. Human beings do not produce the land, neither do they produce the increase in the value of the land. The community does that, and the philosophy of the gentleman from Ohio [Mr. BIGELOW] is that the community which produces the value ought to have the fruits thereof.

The 4-percent tax which the gentleman proposes, assuming we have a billion-dollar land valuation in the District of Columbia, would produce $40,000,000 of revenue, which, I believe, would be ample to run the District government.

I hope we get a vote on the amendment, and, of course, I hope that it passes. I wish, in the District of Columbia, where we have so much trouble about taxes, we could shift the larger part of them to the land value which the people of the United States have created here. No one will contend that the holder of a fee-simple title to a piece of land in the District of Columbia has created the value of that land. The community created that value, and every year, as the population increases in the District of Columbia, the value of the land increases, and the value of the land, according to the philosophy of the gentleman from Ohio [Mr. BIGELOW], ought to go to the community here, instead of to the individual person who happens to own the fee-simple title to the land. A tax on improvements is a tax on progress. Nearly every tax we have here is a tax on individual initiative or on industry or on savings. The tax that the gentleman from Ohio proposes is not a tax of that kind.

[Here the gavel fell.]

Mr. DITTER. Mr. Chairman, I was surprised earlier in the session to hear my distinguished colleague from Philadelphia, of whom I am very fond, make the suggestion that we change the motor-license tax and by a process of diversion take that which should go into highway construction and repair and use it for other municipal needs.

I am concerned about his suggestion, not only because of his membership on the District of Columbia Committee, but I am concerned particularly because he comes from the sovereign State of Pennsylvania. As some of you may know, we have a difficult problem in Pennsylvania at the present time with respect to the diversion of funds. Under the

present State administration, a very considerable amount of funds has been diverted from the motor-vehicle fund. This was confirmed by our colleague's [Mr. WARREN] statement here in the House on the 1st of June, when he told us that in the State of Pennsylvania approximately $23,000,000 had been diverted; and, of course, this means that the State of Pennsylvania at the present time is courting the possibility of a penalty being imposed upon it under the Hayden-Cartwright bill. And from information which I believe to be authentic, and which I believe can be relied upon, I understand that those who are in power in the State of Pennsylvania at the present time are much concerned lest the penalty under the Hayden-Cartwright bill be imposed upon the State.

So I plead with my distinguished friend from Pennsylvania [Mr. SACKS] to save himself from embarrassment, and to save our State of Pennsylvania from being in the unfortunate position of having this present national administration visit a penalty upon our State by withdrawing his advocacy of diversion of funds. Certainly he does not wish to have a penalty visited upon Pennsylvania by advocating that which may cause such penalty.

Mr. SACKS. Mr. Chairman, will the gentleman yield?

Mr. DITTER. Certainly.

Mr. SACKS. Would the gentleman substitute an income tax for this tax?

Mr. DITTER. No; I would rather do this, and I am happy the gentleman makes that inquiry.

Mr. SACKS. Or increase the real-estate tax?

Mr. DITTER. I would rather insist that the Commissioner of the District of Columbia, one George E. Allen, and others who are employed, and who get their salaries from the District of Columbia, would carry on the business of the District of Columbia rather than disport themselves into the political field for the benefit of the present administration by publishing a magazine called Work.

I have here copies of this publication called Work. It carries the name of the Commissioner on the masthead.

Commissioner Allen has an appealing personality. I am very fond of him personally. Were he left undisturbed and unannoyed by these purely political problems he could direct his attentions to the needs of the District, which would likely result in very substantial savings to the taxpayers and make many of these proposed taxes entirely unnecessary.

There has been much discussion here this afternoon, with all of it directed toward increasing the load on the taxpayers. Apparently the committee has used its ingenuity to the utmost to find places to gather in revenue. Nothing has been said as to methods of overcoming extravagances and saving these people in the District from unnecessary taxation. By what color of right can the Democratic National Committee expect the residents of the District of Columbia to pay for the New Deal propaganda program? While, of course, many of the recipients of the bounties of the present administration live in the District, nevertheless there are thousands who are independent of these benefactions and upon whom no part of this propaganda cost should fall. But that is just what is happening.

By what stretch of the imagination can these pamphlets, or better still these 40-page magazines, with costly illustrations on every page, published monthly by the District of Columbia and carrying Commissioner George E. Allen's name, be justified? As I leaf through one, I find an article, Where Man Improved on Nature. The boastfulness of the title is significant. It is characteristic of much of the New Deal program, and brings back to our minds the early days of New Deal philosophy when the "brain trust" devotees advocated birth control for pigs based on an algebraic equation.

That might have been called nature in the raw. This article has nothing to do with the District of Columbia, but consists of a praise chorus of the administration in its National Park Service. Another advertising article is headed Electrified Agriculture. Where are the farms in Washington, D. C.? It is the salesman's story of the blessings of the New Deal in the power field. But while we are on the subject of farming, another appealing article comes to our attention: Studying the Soil from the Skies should arrest the attention of the hotel and apartment dwellers of this city of "magnificent distances." It may have been inserted for the purpose of keeping the residents up in the air. Here, however, is a conundrum: Trouble in the Tropics is the alliterative title. At first glance it appears alarming, but boiled down it turns out to be a glorification of the New Deal in Puerto Rico. Probably it was intended as an inducement to winter tourists from Washington to visit the island. In order to be impartial and to give summer tourists from the city equal advantages, another article takes the resident to the rocky coast of Maine. Billboard methods were resorted to when they captioned this article with the hair-raising title, The Light that Must Not Fail. Movie houses in the District may take exception to this competitive effort in titling, although no heroes or heroines are listed.

In order to keep the sportsmen satisfied, and as an encouragement to anglers, another narrative entitled "Food From the Sea" occupies a prominent place, with a photogravure of Pribilof Islands as an inducement to those Washingtonians who might consider a journey to Bering Sea.

With due regard for the diversified interests of residents of the District, the publishers sought to satisfy those with archeological aptitudes by unearthing prehistoric America in a treatise called Digging Into the Past.

To bring the charms of the New Deal nearer home to Washingtonians, Professor Tugwell tells the story of Magical Greenbelt Is Rising; Model Maryland Community. Our review of the article leads us to wonder whether its purpose is to present the "novelty", as it is called, of the magic town or to serve as a real-estate sales talk.

With a flare for literary style, but inviting a possible charge of plagiarism, the publishers again attempt to hold the interest of the residents of the District with, "Gone With the Wind", a tale of the West, and the dust storms. What this may have to do with the interests of the District other than to sing New Deal praises is difficult to comprehend. Further detailed observations are unnecessary. Suffice it to say the articles noted are but a few of those which could be cited as examples of strange activities for District of Columbia officials to conduct.

We regret that Commissioner Allen, with his splendid ability, and many others, paid by the taxpayers of the District, are required to divert their attention from District matters to conduct this political propaganda.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. THOMPSON of Illinois. Mr. Chairman, I have a parliamentary inquiry I desire to propound.

The CHAIRMAN. The gentleman will state it.

Mr. THOMPSON of Illinois. Mr. Chairman, I have two amendments which I desire to offer to this title which are predicated upon the action that the committee may take on the amendment offered by the gentleman from Wisconsin [Mr. O'MALLEY]. I wonder if we can get a vote on that first.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin.

The question was taken, and the amendment was rejected.

Mr. THOMPSON of Illinois. Mr. Chairman, I offer the following amendments, which I send to the desk and ask to have read. There are two amendments, and I ask unanimous consent that the two amendments, which concern the same matter, be considered at the same time.

The CHAIRMAN. Is there objection?

Mr. NICHOLS. Mr. Chairman, I reserve the right to object. Let us first have the amendments reported.

The CHAIRMAN. The Clerk will report the amendments.

The Clerk read as follows:

Amendments offered by Mr. THOMPSON of Illinois: Page 8, line 4, after the word "Lloyds", strike out the word "fraternal", and on page 10, line 21, after the word "companies", strike out the words "fraternal orders."

The CHAIRMAN. Without objection, the amendments will be considered together.

There was no objection.

Mr. THOMPSON of Illinois. Mr. Chairman, the House District Committee is apparently writing a new insurance code under the guise of a revenue bill. If our committee has complied with the Ramseyer rule in preparing the report on this bill, for the first time the word "fraternal" is written into any legislation dealing with the general question of insurance. I know that the members of the committee will again call the attention of the committee and of myself to section 8, which provides, among other things—and I call attention to the last phrase:

Or to any fraternal organization which issues contracts of insurance exclusively to its own members.

Never before in any insurance law fixing a 1½-percent rate on insurance premiums, or even fixing the fee for dealers in insurance, is the word "fraternal" mentioned.

Mr. KENNEDY of Maryland. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON of Illinois. Yes.

Mr. KENNEDY of Maryland. Section 8, that makes exemptions under the law. It attempts to exempt those fraternal insurance companies.

Mr. THOMPSON of Illinois. If the statement of the gentleman from Maryland can be construed as it was said, and there is no doubt about that, I do not see what objection he has to the adoption of my amendments.

Mr. KENNEDY of Maryland. The only objection is that there are fraternal organizations that are exclusively in the insurance business in competition with legitimate insurance companies. We want to tax that class, but we do not want to tax fraternal organizations, such as the Woodmen of America and others, that issue certificates of insurance only to their own members, which are nonprofit organizations.

Mr. THOMPSON of Illinois. Let me ask the gentleman from Maryland a question. Suppose a fraternal insurance company did write a small amount of business to others than their own members, would the total amount of business written in the District of Columbia be subject to this tax?

Mr. KENNEDY of Maryland. I think it would, if they did any business other than fraternal insurance. Like any other insurance company, they would be taxed on that portion of the business written in the District.

Mr. THOMPSON of Illinois. I maintain it is a mistake on the part of Congress to attempt to tax directly fraternal societies of the country. I have in mind the Loyal Order of Moose and the Fraternal Order of Eagles and various orders of that nature. While there is exemption in the bill, I know those organizations throughout the country, the large fraternal beneficiary societies, would feel much better about their membership and their business in the District of Columbia if the amendments offered by me were adopted by the Committee.

Mr. O'MALLEY. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON of Illinois. I yield.

Mr. O'MALLEY. One of the things that gave me great fear for this section being included in the bill at all was that if a fraternal association sold one policy to someone else other than a member, all of their receipts in the District of Columbia would be subject to this tax. I believe that was the purpose of the bill.

Mr. THOMPSON. That is right.

Mr. O'MALLEY. That is why I sought to have the title stricken out.

Mr. THOMPSON of Illinois. I trust the Committee will vote for the amendments.

[Here the gavel fell.]

Mr. COLLINS. Mr. Chairman, I rise in opposition to the amendments.

I hope that this provision in the bill will be retained. In my opinion, it is one of the finest and wisest, and I think the bill as a whole is generally in the right direction.

For 12 years, beginning in 1924, down to and including the year 1935, the premiums on two classes of insurance, to wit, fire and marine, amounted to $26,991,000 plus.

Mr. KENNEDY of Maryland. Mr. Chairman, will the gentleman yield for a question right there?

Mr. COLLINS. I yield.

Mr. KENNEDY of Maryland. I just wanted to point out that there is one organization in the District that has an income of a quarter of a million dollars that pays no taxes, because it is supposedly a fraternal organization, but as a matter of fact they are engaged in the legitimate insurance business.

Mr. COLLINS. I thank the gentleman for the information. Please keep in mind the figures $26,991,000 in premiums. The losses paid out by these fire and marine insurance companies amounted during this same period to $8,357,000. In other words, the premiums collected amounted to about three times as much as the losses.

During the year 1935 the premiums amounted to $2,007,000, while the losses amounted to $316,000. In other words, the losses were 15.75 percent of the premiums collected, showing that there is ample justification for increased taxes on insurance companies in the District of Columbia.

Furthermore, let me quote this excerpt from a letter recently written to the Board of Commissioners of the District of Columbia by Mr. J. B. Moor, superintendent of insurance:

It is generally understood that companies are required by law to set up reserves equal to 50 percent of the premiums received against losses that are expected to occur. As a rule, State rating boards actually figure that a company should operate with fair profit on a basis of only 45 percent of the premiums received, allowing 55 percent available for losses. Under the liberal formula of 50 percent for expected losses the actual experience shown in the above statistics indicates a liberal premium charge over these 12 years should not have exceeded $16,714,000, the actual overcharge thereby amounting to $10,276,679.34 during this period.

While they should have operated on about 50 percent, the losses, as compared to premiums collected, in the District of Columbia amounted to 30.96 percent, again justifying the very small tax which is imposed under the provisions of this bill. Under those circumstances, I do not believe the House of Representatives can justify a favorable vote on the amendments offered by the gentleman.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendments offered by the gentleman from Illinois [Mr. THOMPSON].

The question was taken; and on a division (demanded by Mr. THOMPSON of Illinois) there were ayes 30 and noes 34.

So the amendments were rejected.

The Clerk read as follows:

TITLE V—AMENDMENT TO MOTOR VEHICLE FUEL TAX ACT

SECTION 1. Section 1 of the act of Congress entitled "An act to provide for a tax on motor-vehicle fuels sold within the District of Columbia, and for other purposes", approved April 23, 1924, be, and the same hereby is, amended to read as follows:

"That a tax of 2 cents per gallon on all motor-vehicle fuels within the District of Columbia, sold or otherwise disposed of by an importer, or used by him in a motor vehicle operated for hire or for commercial purposes, shall be levied, collected, and paid in the manner hereinafter provided.

"All proceeds of the taxes imposed under this act, except as otherwise provided in section 10 hereof, and all moneys collected from fees charged for the registration and titling of motor vehicles, including fees charged for the issuance of permits to operate motor vehicles, shall be deposited in a special account in the Treasury of the United States entirely to the credit of the District of Columbia, and shall be appropriated and used solely and exclusively for the following purposes:

"(1) For the construction, reconstruction, improvement, and maintenance of public highways, including the necessary administrative expenses in connection therewith;

"(2) For the expenses of the office of the director of vehicles and traffic incident to the regulation and control of traffic and the administration of the same; and

"(3) For the expenses necessarily involved in the police control, regulation, and administration of traffic upon the highways: *Provided, however*, That the total amount to be expended under this item shall not exceed 15 percent of the total amount appropriated for pay and allowances of officers and members of the Metropolitan Police force. For the fiscal year 1938 all moneys appropriated for the construction, reconstruction, improvement, and maintenance of highways and administrative expenses in connection therewith;

all moneys appropriated for the department of vehicles and traffic, and 15 percent of all moneys appropriated for pay and allowances of officers and members of the Metropolitan Police force shall be paid from and chargeable against the fund hereby created."

SEC. 2. (A) Subsection (c) of section 2 of said act is hereby amended to read as follows:

"(c) The term 'importer' means any person who brings into, or who produces, refines, manufactures, or compounds, in the District of Columbia motor-vehicle fuel to be sold, kept for sale, bartered, delivered for value, or exchanged for goods. The term 'distributor' means any person other than an importer, who purchases motor-vehicle fuel for sale to another person for resale."

(B) Section 2 of said act is further amended by adding the following subsections:

"(f) The term 'highways' includes the right-of-way of streets, avenues, and roads, bridges, viaducts, underpasses, drainage structures, guardrails, signs, signals, and protective structures in connection with highways.

"(g) The term 'construction' means the supervising, inspecting, actual building, and all expenses incidental to the construction of a highway, including the acquisition of the necessary rights-of-way.

"(h) The term 'reconstruction' means a widening or a rebuilding of the highway or any portion thereof and of sufficient width and strength to care adequately for traffic needs, including all expenses incidental to the reconstruction of a highway and the acquisition of the necessary rights-of-way.

"(i) The term 'maintenance' means the constant making of needed repairs to preserve the highway."

SEC. 3. Section 3 of said act is hereby amended to read as follows:

"SEC. 3. (a) No person shall bring into, or produce, refine, manufacture, or compound in the District of Columbia motor-vehicle fuel to be sold, bartered, delivered for value, or exchanged for goods, and no person shall engage in the business of importer of motor-vehicle fuels in the District of Columbia unless such person is the holder of an unrevoked license authorizing him so to do issued by the Commissioners. The application for such license shall contain (1) the name of the applicant; (2) the name under which the applicant intends to transact business and the name and place of business of the local representative; (3) the location of the applicant's place of business; (4) the date such business was established; and (5) any other information required under regulations promulgated by the Commissioners of the District of Columbia. In case the applicant is a corporation, the application shall also contain the corporate name, place, and time of incorporation, and the names of the officers and directors, and, if a foreign corporation, the name of its resident general agent, and in case the applicant is a partnership the names and addresses of the several persons constituting the partnership. Such application shall be signed and sworn to by the owner of such business, if owned by an individual; by the partners, if owned by a partnership; or by the president and secretary of the corporation, or by its manager or resident general agent, if owned by a corporation. At the time of applying for such license the applicant shall pay to the collector of taxes as an annual license fee the sum of $5 and shall file with the Commissioners of the District of Columbia a bond in the form to be prescribed by said Commissioners, in the approximate sum of three times the average monthly motor-fuel tax due from said such importer during the next preceding 12 months, or estimated to be so due in the next succeeding 12 months, to be executed by a surety company duly licensed to do business under the laws of the District of Columbia, payable to the District of Columbia and conditioned upon the prompt payment of any and all taxes and penalties, levied and imposed in sections 1 and 3 of this act, to the collector of taxes of the District of Columbia, and generally upon faithful compliance with the terms of this act by such importer: *Provided*, That in no case shall such bond be less than $5,000 nor more than $20,000.

"(b) Upon filing such application and bond and the payment of the fee, the assessor shall issue to such applicant a license which shall authorize the applicant to engage in the business of importer of motor-vehicle fuels for 1 year unless such license is sooner revoked.

"(c) If any importer fails, refuses, or neglects to file the monthly report within the time required by section 4, or to pay the tax within the time required by section 6, there shall be added to such tax an amount equal to the sum of 20 percent of the amount of such tax, and the assessor shall promptly notify the importer and the bonding company by notice sent by registered mail to such importer requiring him to show cause why the license should not be revoked. If in the opinion of the assessor the importer fails within 10 days after the mailing of such notice to show that failure to file the monthly report or to pay the tax as the case may be within the time required was due to accident or justifiable oversight, the assessor shall forthwith revoke such license. Any importer whose license has been revoked shall not be issued another license for 12 months following the date of said revocation.

"(d) Before any person whose license has been revoked may obtain another license to engage in the business of importer of motor-vehicle fuels, such person shall pay all delinquent taxes and penalties due hereunder remaining unpaid by him."

SEC. 4. Section 5 of said act is hereby amended to read as follows:

"SEC. 5. That invoices shall be rendered by importers and distributors to all purchasers from them of motor-vehicle fuel within the District of Columbia except in case of retail sales. Said invoices shall contain a statement, printed thereon in a conspicuous place, that the liability to the District of Columbia for the tax herein imposed has been assumed by a licensed importer named in said statement and that the importer has paid the tax or will pay it on or before the last day of the calendar month next succeeding the purchase."

SEC. 5. Section 7 of said act is hereby amended to read as follows:

"SEC. 7. That the records of all purchases, receipts, sales, other dispositions, and uses of motor-vehicle fuel of every importer, distributor, or dealer shall, at all times during the business hours of the day, be subject to inspection by the assessor and the collector of taxes of the District of Columbia, or by their duly authorized agents, or by any other agent duly authorized by the Commissioners to make such inspection."

SEC. 6. Section 8 of said act is hereby amended to read as follows:

"SEC. 8. That it shall be unlawful for any person to accept or receive from any importer or distributor, except in cases of retail sales, any motor-vehicle fuel unless the statement provided for in section 5 of this act appears upon the invoice for the fuel. If any such motor-vehicle fuel is received and accepted by any person upon the invoice of which said statement does not appear, such person shall pay to the collector of taxes the tax herein imposed."

SEC. 7. Section 11 of said act is hereby amended by striking out subsection (b) thereof and amending subsection (a) to read as follows:

"SEC. 11. That any person violating any provision of sections 3 to 6, inclusive, or section 8, or refusing or obstructing inspection under section 7, or falsely making any statement or report required by this act, shall be deemed guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not less than $50 nor more than $500 or by imprisonment for not more than 1 year, or by both such fine and imprisonment."

SEC. 8. This title shall take effect 30 days after the passage and approval of this act.

Mr. ENGEL. Mr. Chairman, I make a point of order against that part of section 2 on page 12, line 2, beginning with the words "and shall", through and including line 24 on page 12, on the ground that it is an appropriation and violates the rule which requires that appropriations shall come from the Committee on Appropriations.

The CHAIRMAN. Will the gentleman advise the Chair of the language to which he makes the point of order?

Mr. ENGEL. On page 12, line 2, commencing with the words "and shall be appropriated", continuing through the remainder of the section.

The CHAIRMAN. Does the gentleman from Illinois desire to be heard on the point of order?

Mr. DIRKSEN. Yes, Mr. Chairman. I do not believe the point of order will lie. This section first does not appropriate any money. It is only an affirmative direction for the expenditure of money or an indication of how the money shall be expended, but it does not undertake, either by language or implication, to appropriate money.

The CHAIRMAN. The Chair is ready to rule. The Chair will state that the gentleman from Illinois [Mr. DIRKSEN] has stated the matter correctly. The point of order is overruled.

Mr. SACKS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SACKS: On page 11, line 15, after the word "of", strike out the figure "2" and insert "4."

On line 20, strike out the word "all" and insert "half of the."

On page 12, at the end of the page, line 24, insert a new paragraph, as follows:

"The remaining half of the proceeds of the tax imposed under this act shall be deposited in the general account of the Treasury of the United States entirely to the credit of the District of Columbia and shall be appropriated and used for all general purposes of the District of Columbia."

Mr. NICHOLS. Mr. Chairman, I ask unanimous consent that all debate on this title and all amendments thereto close in 15 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. SACKS. Mr. Chairman, I ask unanimous consent to proceed for an additional 5 minutes.

Mr. DIRKSEN. Mr. Chairman, reserving the right to object, much as I would dislike to object to a request made

by the gentleman from Pennsylvania, it seems rather unfair, the time having been limited to only 15 minutes, that the gentleman himself should have two-thirds of it.

Mr. PALMISANO. Mr. Chairman, reserving the right to object, it seems to me it would be unfair to the other members of the committee to allow any member more than 5 minutes, in view of the limitation that has been placed upon debate.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania that he may proceed for 10 minutes?

Mr. PALMISANO. Mr. Chairman, I object.

Mr. SACKS. Mr. Chairman, amendments have been offered to strike out titles in bills and complaint has been made that no constructive program has been offered to take the place of that stricken out. At this time I intend to offer a constructive program that will help the entire bill. As I said before, this is a temporary tax to take care of a deficiency. The committee first offered an income tax, which was stricken out by the committee itself. They are now offering an increase in the real-estate tax.

This increase of 2 cents in the gasoline tax will raise enough money to supply the deficiency of this year. It will take the place of the income tax, should the House want one, or the increase in the real-estate tax. As has been pointed out, every State in the Union has a higher gasoline tax than the District of Columbia. Every State bordering the District has higher gasoline taxes than the District; for instance, in Virginia the gas tax is 5 cents and in Maryland it is 4 cents. In the State of West Virginia the gas tax is 5 cents.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. SACKS. Mr. Chairman, I refuse to yield.

Mr. Chairman, I am not taking one cent away from the highway funds. I am giving them exactly what they wanted in this bill—I am giving them $2,500,000, the amount that would be raised by the 2-cent tax and the amount that they said would be necessary.

Mr. DITTER. Mr. Chairman, will the gentleman yield?

Mr. SACKS. I refuse to yield at this moment. The other 2 cents of the gasoline tax I propose is a temporary tax to take care of the deficit. It would be put into the general fund to take care of the deficiency.

Mr. DITTER. Mr. Chairman, will the gentleman yield at that point?

Mr. SACKS. I cannot yield at this moment.

Mr. Chairman, if this amendment be adopted, the money that would go into the general fund from this extra 2 cents would obviate the necessity of an income tax, and there would be no need for an increase in the real-estate tax unless it were necessary for other purposes, and then the Commissioners would raise the rate. The gentleman from Texas, furthermore, is going to offer an amendment taxing chain stores, which would bring in $750,000. If the committee's contention be correct that the District would lose $700,000 from the Federal Government, then the $750,000 which would be brought in by the Dies amendment would offset it.

Mr. Chairman, it is a question of policy. We are in dispute. Some Members want an income tax imposed upon the residents of the District, some Members say there should be an increase in the real-estate tax, other Members say there should be a tax on insurance premiums. I say to you that the way to make up this deficiency is to levy a temporary additional tax on gasoline. This does not throw the District of Columbia out of line with any other State in the Union in the matter of Federal highway aid. I want to read to my colleagues what the gasoline taxes are in some of the other States. [Applause.]

Gasoline taxes in force today

	Cents
Alabama	6
Arizona	5
Arkansas	6½
California	3
Colorado	4
Connecticut	3
Delaware	4
Florida	7
Georgia	6
Idaho	5
Illinois	3
Indiana	4
Iowa	3
Kansas	3
Kentucky	5
Louisiana	7
Maine	4
Maryland	4
Massachusetts	3
Michigan	3
Minnesota	3
Mississippi	6
Missouri	2
Montana	5
Nebraska	5
Nevada	4
New Hampshire	4
New Jersey	3
New Mexico	5
New York	3
North Carolina	6
North Dakota	3
Ohio	4
Oklahoma	4
Oregon	5
Pennsylvania	4
Rhode Island	2
South Carolina	6
South Dakota	4
Tennessee	7
Texas	4
Utah	4
Vermont	4
Virginia	5
Washington	5
West Virginia	4
Wisconsin	4
Wyoming	4
District of Columbia	2
Average	3.85

[Here the gavel fell.]

Mr. SHORT. What I wanted to say when I asked the gentleman to yield was that in my State of Missouri the gasoline taxes were the same.

Mr. PALMISANO. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, under ordinary circumstances I would be sympathetic toward this amendment, for, as I have often said on the floor of this House, I believe that the people of the District of Columbia should be taxed to a similar extent as are the people in my district; but I feel that there is a limit. I have always been in favor of a 4-cent gasoline tax. In view of the fact, however, that we are now placing on the automobile owners of the District an additional burden running from $1 to $8 $9, and $12, and up to $150 on trucks by the proposed weight tax, it seems to me that at this time we ought to leave the automobile owners alone until we see what effect this weight tax will have on the District finances. Later, if necessary, if we do not receive sufficient money, we can raise the tax on gasoline. At this time, however, in view of the weight tax, I think we ought to leave the gas tax alone.

Mr. McFARLANE. Mr. Chairman, will the gentleman yield?

Mr. PALMISANO. I yield.

Mr. McFARLANE. The Keystone Automobile Club wrote to all the Members of Congress, urging us to vote for the parkometer proposal, and in addition to the license fee a weight increase on trucks. Congress has struck out the parkometer proposition. Since the tax on gasoline does not necessarily set the price of gasoline, why not give this increased gasoline tax a trial for the District?

We have these other taxes on cars, based on weight and all that. We have also a 4-cent gasoline tax.

Mr. PALMISANO. I agree with the gentleman from Texas to a certain extent, but this is the proposition we have today. We are now raising the tax on automobiles,

not only by way of putting on a weight tax but by way of a personal tax also. The tax on real estate and tangible property will be increased 20 percent, and I expect to support that amendment. In addition we are raising the automobile tax to eight or nine dollars on each private machine and putting a tax all the way up to $150 on 5- and 10-ton trucks. If we do not receive enough, in a year or 2 years from now the Members may raise the tax.

Mr. PATRICK. Will the gentleman yield?

Mr. PALMISANO. I yield to the gentleman from Alabama.

Mr. PATRICK. Is not the gentleman's State losing a lot of revenue on account of the tax being 2 cents a gallon in the District of Columbia?

Mr. PALMISANO. I may say to the gentleman I am somewhat in sympathy with the 4 cents a gallon tax, but in view of the increase put on automobiles by virtue of the increase in the weight tax and so forth, I feel we ought to let it alone at this time so that we may see what revenue will be obtained under this act.

Mr. MILLS. Will the gentleman yield?

Mr. PALMISANO. I yield to the gentleman from Louisiana.

Mr. MILLS. Did the investigation reveal how this tax compared with the tax in other parts of the country?

Mr. PALMISANO. No.

[Here the gavel fell.]

Mr. NICHOLS. Mr. Chairman, the practical situation as it applies to this gasoline tax in the District of Columbia at the moment is that the Commissioners and everyone concerned have appeared before this committee and figured how much money they need to carry on the highway activities of the District of Columbia for the ensuing year. It has been determined by them and recommended to the House by your committee that this 2-cent tax, plus the weight tax on automobiles, is all the money the District of Columbia needs for the coming year to carry on the highway program.

Mr. SHORT. Will the gentleman yield?

Mr. NICHOLS. I yield to the gentleman from Missouri.

Mr. SHORT. It should not be forgotten that the District of Columbia comprises a comparatively small area as compared with the various States. In Missouri, the tax on gasoline is the same as in the District of Columbia. It must also be remembered that there are more cars per capita in the District by far than in any other city in the United States; and at the present time we have a surplus in the Treasury so far as the gasoline tax is concerned.

Mr. NICHOLS. I thank the gentleman.

Mr. SHORT. Gas and automobile taxes are the only cheap things in Washington. For God's sake let us hold on to them.

Mr. NICHOLS. I thank the gentleman.

Mr. Chairman, a great deal has been said about hurting the poor people. My distinguished friend from Wisconsin almost cried a minute ago when he talked about putting parking-meter equipment on the street which would make poor people pay a nickel to park. This amendment would increase by 2 cents the cost of every gallon of gasoline those same poor people have to buy to run those same automobiles that they are not able to pay a nickel to park by the curb.

Mr. O'MALLEY. Will the gentleman yield?

Mr. NICHOLS. I yield to the gentleman from Wisconsin.

Mr. O'MALLEY. The gentleman must not forget that a Ford uses less gasoline than a Packard, but a Packard would pay the same as the Ford under the gentleman's parking meters.

Mr. NICHOLS. Now, then, with reference to the diversion feature, I have pointed out to the House before if this amendment is adopted no one could question that that is a diversion of the funds because it takes funds raised from the collection of the motor-fuel tax and puts it in the general fund, which is a diversion, and immediately it costs the District of Columbia $700,000. Not only that but you go against the principle that has been established in every State in the United States against diversion.

There is only one excuse for the collection of a motor fuel tax and that is because the motor vehicle destroys and wears out the highway over which that particular mode of transportation travels; therefore it is time-honored that all of the tax derived from that particular mode of transportation should go back to the improvement and maintenance of that particular thing which it destroys and nothing else. Because it has been known by lawmakers for years that gasoline was so easy to tax, the Hayden-Cartwright Act was passed to protect that commodity and the users of that commodity against the abuse of this tax, which is so easy to levy.

Mr. Chairman, I hope the amendment will be defeated.

Mr. SACKS. Does the gentleman think a 4-cent a gallon tax is an abuse of that?

Mr. NICHOLS. I do when 2 cents is all that is needed.

Mr. SACKS. But they need more money.

Mr. SHORT. Will the gentleman yield?

Mr. NICHOLS. I yield to the gentleman from Missouri.

Mr. SHORT. Coming from Oklahoma, which is an oil- and gas-producing State, the gentleman knows that we pay more taxes on gasoline in some instances than it costs to produce it?

Mr. NICHOLS. Yes.

[Here the gavel fell.]

Mr. COLLINS. Mr. Chairman, I offer an amendment to the amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. COLLINS to the amendment offered by Mr. SACKS: Strike out the figure "4" in said amendment and insert in lieu thereof the figure "3."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi [Mr. COLLINS] to the amendment offered by the gentleman from Pennsylvania [Mr. SACKS].

The amendment to the amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. SACKS].

The question was taken; and on a division (demanded by Mr. SACKS) there were—ayes 20, nays 40.

So the amendment was rejected.

The Clerk read as follows:

TITLE VI—REGISTRATION FEES FOR MOTOR VEHICLES

SECTION 1. As used in this title—

(a) The term "motor vehicle" means any vehicle propelled by an internal-combustion engine or by electricity or steam, except road rollers, farm tractors, and vehicles propelled only upon stationary rails or tracks.

(b) The term "person" means an individual, partnership, corporation, or association.

(c) The term "owner" means a person who holds the legal title to a motor vehicle or trailer the registration of which is required in the District of Columbia. If a vehicle is the subject of an agreement for the conditional sale or lease thereof with the right of purchase upon performance of the condition stated in the agreement and with an immediate right of possession vested in the conditional vendee or lessee, or if a mortgagor of a vehicle is entitled to possession, then such conditional vendee or lessee or mortgagor shall be deemed the owner for the purpose of these regulations.

(d) The term "director" means the director of vehicles and traffic of the District of Columbia, including assistants or agents duly designated by the Commissioners.

(e) The term "dealer" means any person engaged in the business of manufacturing, distributing, or dealing in motor vehicles.

(f) The term "public highway" means any road, street, alley, or way, open to use of the public, as a matter of right, for purposes of vehicular traffic.

(g) The term "trailer" means a vehicle without motor power intended or used for carrying property or persons and drawn or intended to be drawn by a motor vehicle, whether such vehicle without motor power carries the weight of the property or persons wholly on its own structure or whether a part of such weight rests upon or is carried by a motor vehicle.

(h) The term "farm tractor" means a motor vehicle designed and used primarily for drawing implements of agricultural husbandry.

(i) The term "pneumatic tire" means a tire inflated with compressed air.

REGISTRATION

SEC. 2. (a) No motor vehicle shall be operated and no trailer operated or moved on the public highways of the District of Columbia (except motor vehicles or trailers operated by nonresidents, exempted under the provisions of section 8 of the District of Columbia Traffic Act, 1925, as amended (D. C. Code, title 6, sec. 245a), and motor vehicles covered by a dealer's registration as provided in subsection (b) (1) of this section) unless registered in the department of vehicles and traffic of the District of Columbia by the owner thereof. Upon receipt of an application from the owner of a motor vehicle and (except in the case of a motor vehicle covered by subsection (b) (2) of this section) payment of a registration fee computed as provided in section 3, and if there is in force with respect to such motor vehicle a valid certificate of title issued under the District of Columbia Traffic Act, 1925, as amended, the director shall issue to such owner a registration certificate and identification tags for such motor vehicle.

(b) The Commissioners of the District of Columbia by regulation shall provide for the issuance by the director—

(1) Annually to any dealer in motor vehicles, upon payment of the fee prescribed in section 3, of a registration certificate and identification tags bearing a distinguishing dealer's mark, for interchangeable use on motor vehicles in accordance with regulations promulgated by the Commissioners;

(2) Annually, without charge, of certificates of registration and identification tags for all motor vehicles owned by the United States or by the District of Columbia, or officially used by any duly accredited representative of a foreign government; and

(3) Of duplicate registration certificates or duplicate identification tags, upon proof satisfactory to the director of loss, mutilation, or destruction thereof, upon payment of a fee of $1 for each set of duplicate tags or 50 cents for each duplicate registration certificate.

(c) All registrations made under this title shall expire at midnight on the last day of the calendar year for which the registrations were made unless the time be extended by the Commissioners. During the last 2 months of any calendar year registrations may be made for the next ensuing calendar year, and from December 16 to 31, both inclusive, it shall be lawful to operate a motor vehicle registered for the next ensuing year.

(d) Upon the sale or other transfer to another owner of any motor vehicle registered under this title, the registration thereof shall expire. The owner selling or otherwise transferring such vehicle may register another motor vehicle for the unexpired portion of the current year upon payment of a fee of $1 and a sum equal to the difference between the registration fee originally paid and the fee computed for such other motor vehicle under section 3, in case the latter is the greater.

(e) The Commissioners of the District of Columbia are authorized to prescribe such regulations as may be necessary to carry out the provisions of this title and shall prescribe such form of application for registration, such form of registration certificate, such design of identification tags, and provide for the keeping of such records of registration and transfers of registration as will facilitate the identification and the regulation of motor vehicles operated in the District of Columbia.

REGISTRATION FEES

SEC. 3. (a) There shall be levied, collected, and paid for each calendar year for each motor vehicle operated in the District of Columbia and for each trailer operated or moved in the District of Columbia required to be registered hereunder, the registration fees provided in this section.

(b) Class A: For each gasoline-propelled passenger vehicle, including passenger vehicles licensed under paragraph 31 (b) or paragraph 31 (d) of section 7 of the District of Columbia Appropriation Act for the fiscal year ending June 30, 1903, approved July 1, 1902, as amended by the act of Congress approved July 1, 1932—

(1) When equipped with pneumatic tires, the manufacturer's shipping weight of which is not more than 3,500 pounds, $5; more than 3,500 pounds and not more than 4,500 pounds, $8; over 4,500 pounds, $12.

(2) When equipped with other than pneumatic tires, double the above fees.

Class B: For each gasoline-propelled truck, tractor, trailer, and passenger-carrying vehicle for hire having a seating capacity of eight passengers or more in addition to the driver or operator, with the exception of passenger vehicles licensed under paragraph 31 (b) of section 7 of the District of Columbia Appropriation Act for the fiscal year ending June 30, 1903, approved July 1, 1902, amended by the act of Congress approved July 1, 1932—

(1) When equipped with pneumatic tires, the manufacturer's shipping weight of the chassis, plus the weight of the cab and body, is not more than 2,000 pounds, $15; more than 2,000 pounds and not more than 4,000 pounds, $20; more than 4,000 pounds and not more than 6,000 pounds, $35; more than 6,000 pounds and not more than 8,000 pounds, $50; more than 8,000 pounds and not more than 10,000 pounds, $65; more than 10,000 pounds and not more than 12,000 pounds, $75; more than 12,000 pounds and not more than 16,000 pounds, $100; over 16,000 pounds, $150.

(2) When equipped with other than pneumatic tires, with the exception of trailers, double the above fees.

Class C. For each motorcycle, motor bicycle, motor tricycle, and motor wheel, $5.

Class D. Motor vehicles not propelled by gasoline, double the fees for similar vehicles propelled by gasoline.

Class E. For dealers' identification tags, first three sets of tags, $25, and $5 for each additional set.

(c) When application for registration of any motor vehicle is received by the director on or after August 1, the registration fee for such vehicle for the current year shall be one-half the amount provided for the class in which such vehicle falls.

(d) All proceeds from fees payable under this title and all moneys collected from the motor-vehicle fuel tax, and fees charged for the titling of motor vehicles, including fees charged for the issuance of permits to operate motor vehicles, shall be deposited in a special account in the Treasury of the United States entirely to the credit of the District of Columbia and shall be appropriated and used solely and exclusively for the following purposes:

(1) For construction, reconstruction, improvement, and maintenance of public highways, including the necessary administrative expenses in connection therewith;

(2) For the expenses of the office of the director of vehicles and traffic incident to the regulation and control of traffic and the administration of the same; and

(3) For the expenses necessarily involved in the police control, regulation, and administration of traffic upon the highways: *Provided, however,* That the total amount to be expended under this item shall not exceed 15 percent of the total amount appropriated for pay and allowances of officers and members of the Metropolitan Police force.

For the fiscal year 1938 all moneys appropriated for the construction, reconstruction, improvement, and maintenance of highways and administrative expenses in connection therewith, all moneys appropriated for the department of vehicles and traffic, and 15 percent of all moneys appropriated for pay and allowances for officers and members of the Metropolitan Police force shall be paid from and chargeable against the fund hereby created.

UNLAWFUL ACTS

SEC. 4. (a) It shall be unlawful—

(1) For any person to operate any motor vehicle or trailer upon any public highway of the District of Columbia (except motor vehicles or trailers operated by nonresidents exempted under the provisions of section 8 of the District of Columbia Traffic Act, 1925, as amended (D. C. Code, title 6, sec. 245a)) (A) if such motor vehicle or trailer is not registered as required by this title, (B) if such motor vehicle or trailer does not have attached thereto and displayed thereon the identification tags required therefor, or (C) if such person does not have in his possession or in the motor vehicle or trailer operated the certificate of registration required therefor.

(2) For the owner of any motor vehicle knowingly to permit the operation thereof contrary to any provision of paragraph (1).

(3) To use a false or fictitious name or address in any application for registration or any renewal or duplicate thereof, or knowingly to make any false statement or conceal any material fact in any such application.

(b) Any person violating any provision of this title or the regulations made or promulgated under the authority hereof shall upon conviction thereof be subject to a fine of not more than $300 or imprisonment of not more than 30 days, or both such fine and imprisonment. All such prosecutions shall be in the police court of the District of Columbia upon information filed by the corporation counsel of the District of Columbia or any of his assistants in the name of the District of Columbia.

PROVISIONS NOT AFFECTED

SEC. 5. (a) Nothing in this title shall be construed to affect the power of the Commissioners of the District of Columbia, under the District of Columbia Traffic Act, 1925, as amended (D. C. Code, title 6, sec. 243; Public, No. 742, 71st Cong.), to make rules and regulations, not inconsistent with the provisions of this title, with respect to the registration of motor vehicles.

(b) Nothing in this title shall be construed to relieve any person from the payment of any license tax under section 7 of the District of Columbia Appropriation Act for the fiscal year ending June 30, 1903, approved July 1, 1902, as amended (D. C. Code, title 20, secs. 897, 881, 882).

REPEALS

SEC. 6. Sections 12 and 13 of the act entitled "An act to provide for a tax on motor-vehicle fuels sold within the District of Columbia, and for other purposes", approved April 23, 1924, as amended (D. C. Code, title 20, secs. 842, 843), are repealed.

EFFECTIVE DATE

SEC. 7. This title shall take effect on January 1 of the first calendar year following the enactment thereof, except that the Commissioners of the District of Columbia are authorized to provide for the registration of motor vehicles under this title for such calendar year, beginning with the 1st day of November preceding such effective date.

TITLE VII—INHERITANCE AND ESTATE TAXES

Taxes shall be imposed upon estates of decedents and upon the shares of beneficiaries of such estates as hereinafter provided:

ARTICLE I—INHERITANCE TAX

SECTION 1. (a) All real property and tangible and intangible personal property, or any interest therein, having its taxable situs in the District of Columbia, transferred from any person who may die seized or possessed thereof, either by will or by law, or

by right of survivorship, and all such property, or interest therein, transferred by deed, grant, bargain, gift, or sale, made or intended to take effect in possession after the death of the decedent, or made in contemplation of death, to or for the use of, in trust or otherwise, the father, mother, husband, wife, children by blood or legally adopted children, or any other lineal descendants or lineal ancestors of the decedent, shall be subject to a tax of 1 percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $5,000.

(b) So much of said property as is in excess of $2,000, so transferred to each of the brothers, sisters, nephews, and nieces of the whole or halfblood of the decedent shall be subject to a tax of 3 percent thereof.

(c) So much of said property as is in excess of $1,000, so transferred to each of the grandnephews and grandnieces of the decedent and all persons other than those included in paragraphs (a) and (b) of this section, and all firms, institutions, associations, and corporations, shall be subject to a tax of 5 percent thereof.

(d) Executors, administrators, trustees, and other persons making distribution shall only be discharged from liability for the amount of such tax, with the payment of which they are charged, by paying the same as hereinafter described.

(e) Property transferred exclusively for public or municipal purposes, to the United States or the District of Columbia, or exclusively for charitable, educational, or religious purposes within the District of Columbia, shall be exempt from any and all taxation under the provisions of this section.

(f) Where any beneficiary has died or may hereafter die within 6 months after the death of the decedent and before coming into the possession and enjoyment of any property passing to him, and before selling, assigning, transferring, or in any manner contracting with respect to his interest in such property, and the tax on the property so passing to said beneficiary has not been paid, then such property shall be taxed only once and the tax shall be assessed on the property received from such share by each beneficiary thereof, finally entitled to the possession and enjoyment thereof, as if he had been the original beneficiary, and the exemptions and rates of taxation shall be governed by the respective relationship of each of the ultimate beneficiaries to the first decedent.

(g) The provisions of this section shall apply to property in the estate of every person who shall die after this title becomes effective.

(h) The transfer of any property, or interest therein, within 2 years prior to death, shall, unless shown to the contrary, be deemed to have been made in contemplation of death.

SEC. 2. The tax provided in section 1 shall be paid on the market value of the property or interest therein at the time of the death of the decedent as appraised by the assessor of the District of Columbia, or, in the discretion of the assessor, upon the value as appraised by the probate court of said District. The taxable portion of real or personal property held jointly or by the entireties shall be determined by dividing the value of the entire property by the number of persons in whose joint names it was held.

SEC. 3. The appraisal thus made shall be deemed and taken to be the true value of the said property or interest therein upon which the said tax shall be paid, and the amount of said tax and the tax imposed by article II of this title shall be a lien on said property or interest therein for the period of 10 years from the date of the death of the decedent.

SEC. 4. The personal representative of every decedent, the value of whose estate is in excess of $1,000, shall, within 15 months after the death of the decedent, report under oath, to the assessor, on forms provided for that purpose, an itemized schedule of all the property (real, personal, and mixed) of the decedent; the market value thereof at the time of the death of the decedent; the name or names of the persons to receive the same and the actual value of the property that each will receive; the relationship of such persons to the decedent, and the age of any persons who receive a life interest in the property, and any other information which the assessor may require. Said personal representative shall, within 18 months of the date of the death of the decedent and before distribution of the estate, pay to the collector of taxes of the District of Columbia the taxes imposed by section 1 upon the distributive shares and legacies in his hands and the tax imposed by section 1 hereof against each distributive share or legacy shall be charged against such distributive share or legacy unless the will shall otherwise direct.

SEC. 5. The personal representative of the decedent shall collect from each beneficiary entitled to a distributive share or legacy the tax imposed upon such distributive share or legacy in section 1 hereof, and if the said beneficiary shall neglect or fail to pay the same within 15 months after the date of the death of the decedent such personal representative shall, upon the order of the District Court of the United States for the District of Columbia, sell for cash so much of said distributive share or legacy as may be necessary to pay said tax and all the expenses of said sale.

SEC. 6. The bond of the personal representative of the decedent shall be liable for all taxes and penalties assessed under this title: *Provided*, That in no case shall the bond or the personal representative be liable for a greater sum than is actually received by him.

SEC. 7. Every person entitled to receive property taxable under section 1 hereof which property is not under the control of a personal representative, and is over $1,000 in value shall, within 60 days after the death of the decedent, report under oath to the assessor, on forms provided for that purpose, an itemized schedule of all property (real, personal, and mixed) received or to be received by such person; the market value of the same at the time of the death of the decedent and the relationship of such person to the decedent; and any other information which the assessor may require. The tax on the transfer of any such property shall be paid by such person to the collector of taxes within 6 months after the date of the death of the decedent.

SEC. 8. The register of wills of the District of Columbia shall report to the assessor on forms provided for the purpose every qualification in the District of Columbia upon the estate of a decedent. Such report shall be filed with the assessor at least once every month, and shall contain the name of the decedent, the date of his death, the name and address of the personal representative, and the value of the estate, as shown by the petition for administration or probate.

SEC. 9. The Commissioners of the District of Columbia shall have supervision of the enforcement of this title and shall have the power to make such rules and regulations, consistent with its provisions, as may be necessary for its enforcement and efficient administration and to provide for the granting of extension of time within which to perform the duties imposed by this title. The assessor shall determine all taxes assessable under this title and immediately upon the determination of same, shall forward a statement of the taxes determined to the person or persons chargeable with the payment thereof and shall give advice thereof to the collector of taxes. Any person dissatisfied with such determination either as to value or the amount of tax imposed, may, within 30 days after such determination, appeal to the Board of Personal Tax Appeals. Upon hearing, said Board may affirm, modify, or set aside the determination of the assessor. The Board of Personal Tax Appeals is authorized to convene at such times as may be necessary to exercise its functions under this section.

The assessor of the District of Columbia is hereby authorized and empowered to summon any person before him or any member of the board of assistant assessors or the Board of Personal Tax Appeals to give testimony on oath or affirmation or to produce all books, records, papers, documents, or other legal evidence as to any matter relating to this title, and the assessor or any member of the board of assistant assessors or Board of Personal Tax Appeals is authorized to administer oaths and to take testimony for the purposes of the administration of this title. Such summons may be served by any member of the Metropolitan Police Department. If any person having been personally summoned shall neglect or refuse to obey the summons issued as herein provided, then and in that event the assessor may report that fact to the District Court of the United States for the District of Columbia or one of the justices thereof, and said court or any justice thereof hereby is empowered to compel obedience to said summons to the same extent as witnesses may be compelled to obey the subpenas of that court.

SEC. 10. In all cases in which there shall be a grant, devise, descent, or bequest to take effect in possession or come into actual enjoyment after the expiration of one or more life estates, the taxes thereon shall be payable by the person or persons so entitled thereto, and within 1 year after the date when the right of possession accrues to the person or persons so entitled, upon the actual value of the property or the interest of the beneficiary therein at the time when said beneficiary becomes entitled to the same in possession or enjoyment. Said tax shall be a lien for the period of 10 years on the property or interest therein from the date when said beneficiary becomes entitled to the same in possession or enjoyment.

SEC. 11. If the taxes imposed by this title are not paid when due, 1 percent interest for each month or portion of a month from the date when the same were due until paid shall be added to the amount of said taxes and collected as a part of the same, and said taxes shall be collected by the collector of taxes of the District of Columbia in the manner provided by the law for the collection of taxes due the District of Columbia on personal property in force at the time of such collection.

SEC. 12. If any person shall fail to perform any duty imposed upon him by the provisions of this title or the regulations made hereunder the Commissioners of the District of Columbia may proceed by petition for mandamus to compel performance and upon the granting of such writ the court shall adjudge all costs of such proceeding against the delinquent.

SEC. 13. In case of any failure to make or file a return within the time prescribed by this title or within such additional time as may be granted under regulations promulgated by the Commissioners of the District of Columbia, the assessor shall add to the tax 25 percent of its amount. In case a false or fraudulent return is willfully made, the assessor shall add to the tax 50 percent of its amount. The amount so added to any tax shall be collected as a part of the tax and in the same manner as is herein provided for the collection of the tax: *Provided*, That the penalties provided in this section shall be in addition to the penalty provided in section 11 hereof.

SEC. 14. Any person required by this title to pay a tax or required by law or regulation made under authority thereof to make a return or keep any records or supply any information for the

purposes of computation, assessment, or collection of any tax imposed by this title, who willfully fails to pay such tax, make any such return, or supply any such information at the time or times required by law or regulation shall, in addition to other penalties provided by law, be guilty of a misdemeanor and upon conviction thereof be fined not more than $1,000 or imprisoned for not more than 1 year, or both.

SEC. 15. When the assessor is satisfied that the tax liability of any estate has been fully discharged or provided for, he may, under regulations prescribed by the Commissioners of said District, issue his certificate, releasing any or all property of such estate from the lien herein imposed.

SEC. 16. No person holding, within the District of Columbia, tangible or intangible assets of any resident or nonresident decedent shall deliver or transfer the same or any part thereof to any person other than an executor, administrator, or collector of the estate of such decedent appointed by the District Court of the United States for the District of Columbia, unless notice of the date and place of such intended transfer be served upon the assessor of the District of Columbia at least 10 days prior to such delivery or transfer, nor shall any person holding, within the District of Columbia, any assets of a resident or nonresident decedent deliver or transfer the same or any part thereof to any person other than an executor, administrator, or collector of the estate of such decedent appointed by said District court without retaining a sufficient portion or amount thereof to pay any tax which may be assessed on account of the transfer of such assets under the provisions of this article and article II without an order from the assessor of the District of Columbia authorizing such transfer. It shall be lawful for the assessor of the District of Columbia personally, or by his representatives, to examine said assets at any time before such delivery or transfer. Failure to serve such notice or to allow such examination or to retain as herein required a sufficient portion or amount to pay the taxes imposed by this title shall render such person liable to the payment of such taxes. The assessor of the District may issue a certificate authorizing the transfer of any such assets whenever it appears to the satisfaction of said assessor that no tax is due thereon.

SEC. 17. The word "person" when used in this title shall include individuals, partnerships, associations, and corporations.

ARTICLE II—ESTATE TAXES

SEC. 18. In addition to the taxes imposed by article I, there is hereby imposed upon the transfer of the estate of every decedent who, after this title becomes effective, shall die a resident of the District of Columbia, a tax equal to 80 percent of the Federal estate tax imposed by subdivision (a) of section 301, title III, of the Revenue Act of 1926, as amended, or as hereafter amended or reenacted.

SEC. 19. There shall be credited against and applied in reduction of the tax imposed by section 18 of this title the amount of any estate, inheritance, legacy, or succession tax lawfully imposed by any State or Territory of the United States, in respect of any property included in the gross estate for Federal estate-tax purposes as prescribed in title III of the Revenue Act of 1926, as amended, or as hereafter amended or reenacted: *Provided, however,* That only such taxes as are actually paid and credit therefor claimed and allowed against the Federal estate tax may be applied as a credit against and in reduction of the tax imposed by section 18.

SEC. 20. In no event shall the tax imposed by section 18 of this title exceed the difference between the maximum credit which might be allowed against the Federal estate tax imposed by title III of the Revenue Act of 1926, as amended, or as hereafter amended or reenacted, and the aggregate amount of the taxes described in section 19 of this title (but not including the tax imposed by sec. 18) allowable as a credit against the Federal estate tax.

SEC. 21. The purpose of section 18 of this title is to secure for the District of Columbia the benefit of the credit allowed under the provisions of section 301 (c) of title III of the Revenue Act of 1926, as amended, or as hereafter amended or reenacted, to the extent that the District of Columbia may be entitled by the provisions of said revenue act, by imposing additional taxes, and the same shall be liberally construed to effect such purpose: *Provided,* That the amount of the tax imposed by section 18 of this title shall not be decreased by any failure to secure the allowance of credit against the Federal estate tax.

SEC. 22. Every executor or administrator of a decedent dying a resident of the District of Columbia or, if there is no executor or administrator appointed, qualified, and acting within the District of Columbia, then any person in actual or constructive possession of any property forming part of the gross estate of the decedent for Federal estate-tax purposes shall, within 30 days of the filing of the return for Federal estate-tax purposes required by section 304 of the Revenue Act of 1926, file with the assessor for the District of Columbia, a copy, verified by the affidavit of the person filing the return with the assessor, of such Federal estate-tax return and shall, within 30 days after the date of any communication from the Commissioner of Internal Revenue, confirming, increasing, or diminishing the tax shown to be due, file a copy of such communication with the assessor. With the copy of the Federal estate-tax return there shall be filed an affidavit as to the several amounts paid or expected to be paid as taxes within the purview of section 19 hereof.

SEC. 23. The assessor of the District of Columbia shall, upon receipt of the return and accompanying affidavit, assess such amount as he may determine from the basis of the return, to be due the District of Columbia. Upon receipt of a copy of any communication from the Commissioner of Internal Revenue, herein required to be filed, the assessor shall make such additional assessment or shall make such abatement of the assessment as may appear proper.

SEC. 24. The tax imposed by this article shall be paid to the collector of taxes within 30 days after the determination of said taxes by the assessor of the District of Columbia.

SEC. 25. If any provision of this title, or the application thereof to any person or circumstances, is held invalid, the remainder of the title, and the application of such provision to other persons or circumstances, shall not be affected thereby.

SEC. 26. This title shall become effective at 12:01 a. m. the day immediately following its approval.

Mr. DIES. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DIES: Page 29, line 9, strike out all after the word "decedent", down to and including line 21, and insert the following:

"shall be subject to a tax on the clear value of such property so transferred to each such beneficiary as is in excess of $5,000, at the following rates:

"(1) Two percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $5,000, but not in excess of $15,000.

"(2) Two and one-half percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $15,000, but not in excess of $25,000.

"(3) Three percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $25,000, but not in excess of $35,000.

"(4) Three and one-half percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $35,000, but not in excess of $45,000.

"(5) Four percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $45,000, but not in excess of $55,000.

"(6) Four and one-half percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $55,000, but not in excess of $65,000.

"(7) Five percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $65,000, but not in excess of $75,000.

"(8) Five and one-half percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $75,000, but not in excess of $85,000.

"(9) Six percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $85,000, but not in excess of $100,000.

"(10) Ten percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $100,000, but not in excess of $200,000.

"(11) Fifteen percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $200,000.

"(B) So much of said property as is in excess of $2,000 so transferred to each of the brothers, sisters, nephews, and nieces of the whole or half blood of the decedent shall be subject to a tax at the following rates:

"(1) Three percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $2,000, but not in excess of $12,000.

"(2) Three and one-half percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $12,000, but not in excess of $22,000.

"(3) Four percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $22,000, but not in excess of $32,000.

"(4) Four and one-half percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $32,000, but not in excess of $42,000.

"(5) Five percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $42,000, but not in excess of $52,000.

"(6) Five and one-half percent of much of the clear value of such property so transferred to each such beneficiary as is in excess of $52,000, but not in excess of $62,000.

"(7) Six percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $62,000, but not in excess of $72,000.

"(8) Six and one-half percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $72,000, but not in excess of $82,000.

"(9) Seven percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $82,000, but not in excess of $100,000.

"(10) Eleven percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $100,000 but not in excess of $200,000.

"(11) Sixteen percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $200,000.

"(C) So much of said property as is in excess of $1,000, so transferred to each of the grandnephews and grandnieces of the dece-

dent and all persons other than those included in paragraphs (a) and (b) of this section, and all firms, institutions, associations, and corporations, shall be subject to a tax at the following rates:

"(1) Five percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $1,000 but not in excess of $11,000.

"(2) Five and one-half percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $11,000 but not in excess of $21,000.

"(3) Six percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $21,000 but not in excess of $31,000.

"(4) Six and one-half percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $31,000 but not in excess of $41,000.

"(5) Seven percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $41,000 but not in excess of $51,000.

"(6) Seven and one-half percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $51,000 but not in excess of $61,000.

"(7) Eight percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $61,000 but not in excess of $71,000.

"(8) Eight and one-half percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $71,000 but not in excess of $81,000.

"(9) Nine percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $81,000 but not in excess of $91,000.

"(10) Nine and one-half percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $91,000 but not in excess of $100,000.

"(11) Twelve percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $100,000 but not in excess of $200,000.

"(12) Seventeen percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $200,000."

Mr. NICHOLS. Mr. Chairman, I ask unanimous consent that all debate on this title and all amendments thereto close in 15 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. DIES. Mr. Chairman, in the committee's bill the gift and inheritance tax is placed at 1 percent of so much of the clear value of such property in excess of $5,000 so transferred to each such beneficiary. The beneficiaries referred to in paragraph (a) are the direct descendants only. Paragraph (b) applies to the collateral heirs, brothers, sisters, nephews, and nieces, and the tax is 3 percent on amounts in excess of $2,000. In paragraph (c), which applies to grandnephews, grandnieces, and all other persons not previously enumerated, the tax is placed at 5 percent.

My amendment proposes to start out with 2 percent, the same as the committee did, and to graduate the tax one-half percent for each $10,000 until you get into the higher brackets. When you get above $100,000, I provide 10 percent of all of the clear value of such property from $100,000 to $200,000, and on all in excess of $200,000, 15 percent. In reference to paragraphs (b) and (c) likewise the rate is graduated, beginning with the committee's figure, depending upon the size of the estate.

I maintain our national gift- and inheritance-tax rates are entirely too small. I believe more in the gift- and inheritance-tax method of properly placing the burden of taxation upon those who should share it and of decentralizing wealth than in any other method we have. You can pass on practically every kind of a tax. Even income taxes are evaded by people of tremendous wealth by the purchase of tax-exempt bonds. However, you cannot pass on gift and inheritance taxes. I do not think these rates are very steep. They are graduated in such a way the tax will not impose too large a burden upon the estates. It does seem to me that in legislating upon this important subject Congress should go on record in favor of higher rates for gift and inheritance taxes, not only in the District of Columbia but in the United States.

Mr. BULWINKLE. Mr. Chairman, will the gentleman yield?

Mr. DIES. I yield.

Mr. BULWINKLE. How much will the gentleman's amendment produce?

Mr. DIES. Of course, I cannot answer the gentleman. I did not have access to the experts the committee had, but it will yield a great deal of money. Whether it yields a million dollars or $10,000,000, the principle involved is a correct principle.

Mr. BULWINKLE. How much will the committee's bill produce?

Mr. KENNEDY of Maryland. Eight hundred thousand dollars.

Mr. BULWINKLE. How much will this amendment produce?

Mr. DIES. I have already stated to the gentleman I did not have access to the experts who appeared before the committee. Naturally, if we in the House ever offer an amendment, we must do so without the aid of the experts the committee has had.

Mr. BULWINKLE. Then the gentleman is shooting in the dark.

Mr. DIES. This is a small increase based upon a graduated scale. It is a question of whether we are in favor of what we continually say we are, decentralizing gigantic wealth in the United States. [Applause.] It is entirely dependent, of course, upon the wealth of the person who dies. I maintain that to say a person who dies in the District of Columbia and leaves a million dollars should pay only 1 percent is entirely out of line with the policies and the objectives of the administration. [Applause.]

Mr. DIRKSEN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, let me say first that with the exception of the District of Columbia and the State of Nevada every other jurisdiction in the country has an estate or an inheritance tax, or both. It is rather singular that in all these years no effort has been made to derive some revenue from inheritance and estate taxes in Washington. Since this is in line with the policy of the model program of the National Tax Policy Committee, we decided it ought to go in the bill.

The layout is very simple. We put all heirs into three classes, first, lineal heirs, including husband and wife, in the second class collateral heirs, and in the third class strangers and institutions. In the first class, including lineal heirs and husbands and wives, the tax is 1 percent on all over $5,000. On collaterals the tax is 3 percent on all over $2,000. On institutions and strangers the tax is 5 percent on all over $1,000.

The amendment of the gentleman from Texas would seek to raise the rates in the hope more money would be derived. In this connection I ought to submit to you, first of all, that it is not the purpose of this committee or the purpose of the bill to derive all the revenue from one source. We have to think of a tax pattern as a piece of cloth. If you cut too much of it out here you cut too much of it out there. So we are trying to raise revenues from a broad tax base. I am opposed to any such amendment as this because it spoils the tax pattern and spoils the broadening of the tax base we are trying to achieve. When you raise the rates, it does not mean anything.

In the State of Texas, from whence the gentleman comes, they start in at 1 percent with lineals and husbands and wives and go up to 6 percent. In class two the tax starts at 2 percent. On institutions and strangers the tax starts with 5 percent, the same as in the bill. The maximum rate in Texas does not obtain until you get up to a million dollars. There is an exemption of $25,000 for husband and wife in the State of Texas. We make no such exemption here.

The chances are that the bill we have brought before the Committee will raise more revenue than the amendment that is submitted by my good friend from Texas, and I sincerely hope that since these rates have been contrived to raise approximately $800,000—$600,000 from inheritances and $200,000 from estates—it is just about all the revenue we want from that source, and if you commence breaking up this bill, you completely destroy the pattern we have been seeking to lay down for the District of Columbia. I therefore hope that

this amendment, and all other proposed amendments, will be voted down.

Mr. DIES. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Texas.

Mr. DIES. As the gentleman knows, we are not legislating for the State of Texas, and I may say to the gentleman that I would not want this Congress to pattern after the Legislature of Texas when it comes to dealing courageously with these questions.

Mr. DIRKSEN. I will answer my friend by saying that as we examined the schedules and rates in effect in all the other States, we feel we are pretty well in line and that this will produce all the revenue we want. It is entirely satisfactory, and I hope the very complicated amendment that has been offered will be voted down and the Committee will sustain the position of the subcommittee which is sponsoring the measure.

Mr. NICHOLS. Mr. Chairman, I shall not use all of my 5 minutes. I want to point out, however, this is a tremendously long amendment. No one is probably any more in sympathy with the theory expressed by my distinguished colleague from Texas than I am, but this amendment has never been presented, so far as I know, to any member of this committee. I certainly have never had an opportunity to see it, and if I were constrained to want to be for it, on this short notice and without even having had an opportunity to see it, I would feel compelled to be against it.

This subcommittee has been in session, and has been holding hearings, intermittently from March 17 down to yesterday afternoon, and no such amendment as this has ever been presented to us, and had the distinguished gentleman from Texas appeared before us and presented his amendment, he would have received a courteous hearing.

Mr. DIES. I may say to the gentleman that, of course, like all other Members, I did not get a copy of this bill until last Friday, and I had presumed the committee would place a real gift and inheritance tax in the bill.

Mr. NICHOLS. I will say to the gentleman that if the gentleman is so interested in gift and inheritance taxes, the papers of the District of Columbia, daily since March, have talked about what this committee was doing, and on at least four different occasions the papers have carried on the front page a complete analysis of the proposed program, and if the gentleman was so genuinely interested in inheritance and gift and estate taxes, he should have been advised in this way of the fact that the committee was about to pass some kind of law.

Mr. DIES. I may say to the gentleman from Oklahoma with respect to his statement about the papers, that one of the papers today stated that Congress is a three-ring circus. Evidently, they do not intend their editorials and comments to be considered by a three-ring circus.

Mr. PALMISANO. Mr. Chairman, will the gentleman yield?

Mr. NICHOLS. I yield.

Mr. PALMISANO. In reference to the amendment offered by the gentleman from Texas, who stated he is not familiar with the bill, is not the gentleman from Texas a member of the Rules Committee that insists the income-tax provision be stricken out and a 20-cent increase on real estate be imposed?

Mr. DIES. I hope the gentleman will not misinterpret what I said.

Mr. NICHOLS. Mr. Chairman, I have only a limited time, and I must refuse to yield further.

I may say to the membership of the House that as the gentleman from Illinois [Mr. DIRKSEN] has said, after all, this bill is patterned on a broad program and this portion of the bill will yield $800,000. If the amendment were adopted I am sure that no Member of this House can tell whether it will produce this amount or whether it will increase the amount, and, surely, to adopt an amendment of such great length is not the way to legislate. If the gentleman's amendment is full of merit, and maybe it is, hearings will soon be held on the Senate side, and his amendment can be presented there, and I am sure if it is possessed of great merit, those gentlemen will give him a kindly hearing on the amendment.

Mr. Chairman, I hope the amendment is voted down.

[Here the gavel fell.]

The CHAIRMAN [Mr. MEAD]. The question is on the amendment offered by the gentleman from Texas.

The question was taken (and, on a division demanded by Mr. O'MALLEY), there were—ayes 60, noes 46.

Mr. NICHOLS. Mr. Chairman, I demand tellers.

Tellers were ordered.

The committee again divided and the tellers reported—ayes 65, noes 42.

So the amendment was agreed to.

Mr. O'MALLEY. Mr. Chairman, I offer the following privileged motion, which I send to the desk.

The Clerk read as follows:

Mr. O'MALLEY moves that the committee do now rise and report the bill back to the House.

The CHAIRMAN. The question is on the motion of the gentleman from Wisconsin that the committee do now rise and report the bill back to the House.

The question was taken (and, on a division, demanded by Mr. O'MALLEY), there were—ayes 19, noes 49.

Mr. O'MALLEY. Mr. Chairman, I make the point of order that there is no quorum present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and twenty-seven Members are present—a quroum.

The Clerk will read.

The Clerk read as follows:

TITLE VIII—TAX ON PRIVILEGE OF DOING BUSINESS

SECTION 1. Where used in this title—

(a) The term "person" includes any individual, firm, copartnership, joint adventure, association, corporation (domestic or foreign), trust, estate, receiver, or any other group or combination acting as a unit, but shall not include railroad companies which report to and are subject to regulation by the Interstate Commerce Commission under the provisions of the Interstate Commerce Act of 1887, as amended.

(b) The term "taxpayer" means any person liable for any tax hereunder.

(c) The term "Commissioners" means the Commissioners of the District of Columbia or their duly authorized representative or representatives.

(d) The term "business" shall include the carrying on or exercising for gain or economic benefit, either direct or indirect, any trade, business, profession, vocation, or commercial activity in the District of Columbia not including, however, labor or services rendered by any individual for wage or a salary.

(e) The term "gross receipts" means the gross receipts received from any business in the District of Columbia, including cash, credits, and property of any kind or nature, without any deduction therefrom on account of the cost of the property sold, the cost of materials, labor, or services or other costs, interest, or discount paid, or any other expenses whatsoever.

(f) The term "fiscal year" means a year beginning on the 1st day of July and ending on the 30th day of the June following.

SEC. 2. No person shall engage in or carry on any business in the District of Columbia after 60 days from the approval of this act without first having obtained a license so to do from the Commissioners. All licenses issued shall date from the 1st day of July in each year and expire on the 30th day of the June following, and no license may be transferred to any other person.

All licenses granted under this title must be conspicuously posted on the premises of the licensee and said license shall be accessible at all times for inspection by the police or other officers duly authorized to make such inspection. Licensees having no located place of business shall exhibit their licenses when requested to do so by any of the officers above named.

Licenses shall be good only for the location designated thereon, except in the case of licenses issued hereunder for businesses which in their nature are carried on at large and not at a fixed place of business, and no license shall be issued for more than one place of business without a payment of a separate fee for each.

The Commissioners may, after hearing, revoke any license issued hereunder for failure of the licensee to file a return or corrected return within the time required by this title or to pay any installment of tax when due.

SEC. 3. Each application for license shall be accompanied by a filing fee of $10 and shall be upon a form prescribed and furnished by the Commissioners.

SEC. 4. Every person subject to the tax hereunder shall, within 30 days after the passage of this title and on or before the 1st day of July of each succeeding year, furnish to the assessor, on a form prescribed by the Commissioners, a statement under oath showing the gross receipts of the taxpayer during the preceding

calendar year, which said return shall contain such other information as the Commissioners may deem necessary for the proper administration of this title.

The Commissioners, for the purpose of ascertaining the correctness of any return filed hereunder, or for the purpose of making a return where none has been made, are authorized to examine any books, papers, records, or memoranda bearing upon the matters required to be included in the return and may summon any person to appear and produce books, records, papers, or memoranda bearing upon the matters required to be included in the return, and to give testimony or answer interrogatories under oath respecting the same, and the Commissioners shall have power to administer oaths to such person or persons. Such summons may be served by any member of the Metropolitan Police Department. If any person having been personally summoned shall neglect or refuse to obey the summons issued as herein provided, then, and in that event, the Commissioners may report that fact to the District Court of the United States for the District of Columbia, or one of the justices thereof, and said court or any justice thereof hereby is empowered to compel obedience to such summons to the same extent as witnesses may be compelled to obey the subpenas of that court.

The Commissioners are authorized and empowered to extend for cause shown the time for filing a return for a period not exceeding 30 days.

SEC. 5. For the privilege of engaging in business in the District of Columbia each person so engaged shall pay to the collector of taxes of the District of Columbia for the fiscal year 1937–38 a tax equal to three-fifths of 1 percent of the gross receipts derived from such business for the calendar year 1936 and shall, for each fiscal year thereafter, pay to the collector of taxes a similar tax measured by the gross receipts derived from such business for the calendar year immediately preceding the beginning of such fiscal year.

If a taxpayer was not engaged in business during the whole of any calendar year, he shall pay the tax imposed by this title measured by his gross receipts during the period of 1 year from the date when he became so engaged; and if such taxpayer shall not have been so engaged for an entire year prior to June 30 of any year, then the tax imposed shall be measured by his gross receipts for the period during which he was so engaged, multiplied by a fraction, the numerator of which shall be 365 and the denominator of which shall be the number of days during which he was so engaged.

If a person liable for the tax during any year or portion of a year for which the tax is computed acquires the assets or franchises of or merges or consolidates his business with the business of any other person or persons, such person liable for the tax shall report, as his gross receipts by which the tax is to be measured, the gross receipts for such year of such other person or persons together with his own gross receipts during such year.

SEC. 6. National banks and all other incorporated banks and trust companies, street-railroad, gas, electric-lighting, and telephone companies, companies incorporated or otherwise, who guarantee the fidelity of any individual or individuals, such as bonding companies, companies who furnish abstracts of titles, incorporated savings banks, and building and loan associations which pay taxes under existing laws of the District of Columbia upon gross receipts or gross earnings, and insurance companies which pay a tax upon premiums shall be exempt from the provisions of this title.

SEC. 7. The taxes imposed hereby shall be due 30 days after the approval of this act and thereafter shall be due July 1 of each fiscal year following the calendar year for which said taxes are computed and may be paid without penalty to the collector of taxes of the District of Columbia in equal semiannual installments in the months of September and March following. If either of said installments shall not be paid within the months when the same is due, said installments shall thereupon be in arrears and delinquent and there shall be added and collected to said tax a penalty of 1 percent per month upon the amount thereof for the period of such delinquency, and said installments with the penalties thereon shall constitute a delinquent tax.

SEC. 8. If a return required by this title is not filed, or if a return when filed is incorrect or insufficient, and the maker fails to file a corrected or sufficient return within 20 days after the same is required by notice from the assessor, the assessor shall determine the amount of tax due from such information as he may be able to obtain, and, if necessary, may estimate the tax on the basis of external indices such as number of employees of the person concerned, rentals paid by him, stock on hand, and other factors. The assessor shall give notice of such determination to the person liable for the tax. Such determination shall finally and irrevocably fix the tax unless the person against whom it is assessed shall within 15 days after the giving of notice of such determination apply to the Board of Equalization and Review of the District for hearing and review and the burden of proving the incorrectness of the assessor's determination shall be upon the taxpayer. After such hearing said Board shall give notice of its decision to the person liable for the tax. The decision of said Board may be reviewed by application to the District Court of the United States for the District of Columbia, if the said application be filed within 20 days after said notice: *Provided, however*, That the amount of any tax sought to be reviewed shall, with interest and penalties thereon, if any, be first deposited with the clerk of said court.

SEC. 9. Any person failing to file a return or corrected return within the time required by this title shall be subject to a penalty of 10 percent of the tax due plus 5 percent of such tax for each month of delay or fraction thereof.

SEC. 10. Any notice authorized or required under the provisions of this title may be given by mailing the same to the person for whom it is intended by registered mail addressed to such person at the address given in the return filed by him pursuant to the provisions of this title or if no return has been filed then to his last-known address. The mailing of such notice shall be presumptive evidence of the receipt of the same by the person to whom addressed. Any period of time which must be determined under the provisions of this title by the giving of notice shall commence to run from the date of mailing such notice.

SEC. 11. The taxes levied hereunder and penalties may be collected by the collector of taxes of the District of Columbia in the manner provided by the law for the collection of taxes due the District of Columbia on personal property in force at the time of such collection.

SEC. 12. Any person engaging in or carrying on business without first having obtained a license so to do, or failing or refusing to file a sworn report as required herein, or to comply with any rule or regulation of the Commissioners for the administration and enforcement of the provisions of this title shall, upon conviction thereof, be fined not more than $1,000 for each and every failure, refusal, or violation, and each and every day that such failure, refusal, or violation continues shall constitute a separate and distinct offense; that all prosecutions under this title shall be brought in the police court of the District of Columbia on information by the corporation counsel or his assistant.

SEC. 13. The Commissioners are authorized to make such rules and regulations relating to the administration and enforcement of this title as may be necessary and proper.

SEC. 14. The Bureau of Internal Revenue of the Treasury Department of the United States is authorized and required to supply such information as may be requested by the Commissioners relative to any person subject to the taxes imposed under this title.

SEC. 15. Except in accordance with proper judicial order or as otherwise provided by law, it shall be unlawful for the Commissioners or any person having an administrative duty under this title to divulge or make known in any manner the receipts or any other information relating to the business of a taxpayer contained in any return required under this title. The persons charged with the custody of such returns shall not be required to produce any of them or evidence of anything contained in them in any action or proceeding in any court, except on behalf of the United States or the District of Columbia, or on behalf of any party to any action or proceeding under the provisions of this title, when the returns or facts shown thereby are directly involved in such action or proceeding, in either of which events the court may require the production of, and may admit in evidence, so much of such returns or of the facts shown thereby, as are pertinent to the action or preceeding and no more. Nothing herein shall be construed to prohibit the delivery to a taxpayer, or his duly authorized representative, of a certified copy of any return filed in connection with his tax, nor to prohibit the publication of statistics so classified as to prevent the identification of particular returns and the items thereof, or the inspection by the corporation counsel of the District of Columbia, or any of his assistants, of the return of any taxpayer who shall bring action to set aside or review the tax based thereon, or against whom an action or proceeding has been instituted for the collection of a tax or penalty. Returns shall be preserved for 3 years and thereafter until the Commissioners order them to be destroyed. Any violation of the provisions of this section shall be subject to the punishment provided by section 12 of this title.

SEC. 16. If any provision of this title, or the application thereof to any person or circumstances, is held invalid, the remainder of this title, and the application of such provisions to other persons or circumstances, shall not be affected thereby.

SEC. 17. This title shall not be deemed to repeal or in any way affect any existing act or regulation under which taxes are now levied.

SEC. 18. This title shall become effective immediately upon approval.

Mr. KENNEDY of Maryland. Mr. Chairman, I offer the following committee amendment which I send to the desk and ask to have read.

The Clerk read as follows:

Committee amendment offered by Mr. KENNEDY of Maryland: Page 43, line 7, strike out the period, insert a comma, and add the following: "*Provided*, That the term 'gross receipts' when used in connection with or in respect of financial transactions involving the loan or advance of money, discounting notes, bills, or other evidences of debt, shall be deemed to mean the gross interest, discount, commission, or other income earned by means of or resulting from said financial transactions: *Provided further*, That in connection with commission merchants or brokers the term 'gross receipts' shall be deemed to mean the gross amount of such commissions."

Mr. KENNEDY of Maryland. Mr. Chairman, this is to take care of those people who would be doubly taxed in

many instances, taxed four or five times, possibly; for instance, where a concern would borrow some money and loan it, and have the money returned to it, and have the money taxed each time it was returned.

The CHAIRMAN. The question is on the adoption of the committee amendment.

Mr. O'MALLEY. Mr. Chairman, will the gentleman yield?

Mr. KENNEDY of Maryland. Yes.

Mr. PALMISANO. Mr. Chairman, I have a substitute for the committee amendment.

Mr. LUTHER A. JOHNSON. Mr. Chairman, I have an amendment to the amendment.

Mr. O'MALLEY. Mr. Chairman, I was under the impression that the time of the gentleman from Maryland [Mr. KENNEDY] had not expired, and that he had yielded to me for a question.

Mr. KENNEDY of Maryland. That is correct.

The CHAIRMAN. The gentleman from Maryland [Mr. KENNEDY] has the floor.

Mr. O'MALLEY. Mr. Chairman, in the instance of a small-loan company or a brokerage concern which borrows money and then loans it out, would the gentleman's amendment exempt it from a tax on the profits it made from those loans?

Mr. KENNEDY of Maryland. No; it will only exempt them in cases where they borrow money and where the money borrowed after it is returned is loaned out. For instance, the profit, commission, and interest will be taxed.

Mr. O'MALLEY. All the profits they make will be taxed?

Mr. KENNEDY of Maryland. Yes. It is to keep from taxing as many times as they loan the money out.

Mr. LUTHER A. JOHNSON. Mr. Chairman, I have an amendment to the committee amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment offered by Mr. LUTHER A. JOHNSON to the committee amendment:

In line 3, after the word "loan", insert the word "collection"; and in line 7 of the committee amendment strike out the word "or", after the word "brokers", insert a comma and insert the words "attorneys or other agents"; and in line 9 of the committee amendment, strike out the period and insert "or gross fees received by them."

Mr. LUTHER A. JOHNSON. This amendment simply classifies and, I think, makes the meaning intended by the amendment clear. It is to make it apply not only to brokers but to attorneys or other agents who collect money, so that the tax will be laid on the commissions they receive and not on the amount they collect.

I do not think there is any objection to the amendment, so I will not argue it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas to the amendment offered by the gentleman from Maryland [Mr. KENNEDY].

The amendment to the amendment was agreed to.

The CHAIRMAN. The question is upon the committee amendment offered by the gentleman from Maryland [Mr. KENNEDY].

The committee amendment was agreed to.

Mr. KENNEDY of Maryland. Mr. Chairman, I offer another committee amendment.

The Clerk read as follows:

Committee amendment: Page 43, line 14, change the period to a comma and insert the following: "except no license shall be required of any person selling newspapers, magazines, or periodicals, whose sales are not made from a fixed location and which sales do not exceed the annual sum of $1,000."

Mr. KENNEDY of Maryland. Mr. Chairman, the language of the amendment explains itself, the purpose being not to tax such people as newsboys and those selling newspapers and magazines other than those who have fixed stands.

Mr. BULWINKLE. Mr. Chairman, will the gentleman yield?

Mr. KENNEDY of Maryland. I yield.

Mr. BULWINKLE. I want to ask the gentleman, with all these committee amendments, what it is contemplated will be the revenue produced under this title VIII?

Mr. KENNEDY of Maryland. Under title VIII it will be approximately $3,000,000, as near as we can estimate now.

Mr. BULWINKLE. Does not the gentleman think this is one of the most unjust forms of taxation, when gross revenues are taxed? As an illustration, a man might have a small grocery store, and his gross sales might be $15,000 or $20,000 a year. He might be just breaking even, yet upon that he is required to pay three-fifths of 1 percent. I have seen this tax before. A gross tax placed upon business as a privilege tax is manifestly unjust, and this House should not pass it. The small man is hit. Does it take in newspapers? Does it take in lawyers? Does it take in doctors? It takes in merchants. It is one of the worst forms of taxation I ever saw.

Mr. KENNEDY of Maryland. Mr. Chairman, I decline to yield further. I may say that certainly we take in all those people. We hear all this hue and cry about not taxing the people of Washington. That is what this particular section accomplishes. The very complaint we hear made about these people escaping taxes will be cured by this section.

Mr. DIES. In just a few minutes I will have an amendment here that will get the big establishments, the chainstores tax amendment.

Mr. KENNEDY of Maryland. This will get them.

[Here the gavel fell.]

The CHAIRMAN. The question is on the committee amendment offered by the gentleman from Maryland [Mr. KENNEDY].

The committee amendment was agreed to.

Mr. KENNEDY of Maryland. Mr. Chairman, I offer another committee amendment.

The Clerk read as follows:

Committee amendment: Page 44, lines 11 to 13, inclusive, strike out all of section 3 and insert in lieu thereof the following:

"SEC. 3. Each application for license shall be accompanied by a filing fee of $10: *Provided, however,* That no license fee shall be required of any person if he shall certify under oath that his gross receipts during the year immediately preceding his application, if he was engaged in business during all of such period of time, or his gross receipts as computed in the manner provided in section 5 of this title, if he was engaged in business for less than 1 year immediately preceding his application shall be not more than $1,000. Such application shall be upon a form prescribed and furnished by the Commissioners."

Mr. DIES. Mr. Chairman, I have an amendment to the committee amendment.

The CHAIRMAN. The gentleman from Maryland [Mr. KENNEDY] is recognized. Does the gentleman desire to be heard on the committee amendment?

Mr. DIES. Mr. Chairman, I am going to offer an amendment to the committee amendment.

The CHAIRMAN. Does the gentleman desire to be heard on the amendment?

Mr. KENNEDY of Maryland. Yes. This amendment simply excludes those who have gross receipts less than $1,000. At the same time, however, it requires them to obtain a license from the District Commissioners, which license does not cost them anything.

Mr. NICHOLS. Mr. Chairman, will the gentleman yield?

Mr. KENNEDY of Maryland. I yield.

Mr. NICHOLS. As a matter of fact, this exempts all business $1,000. In other words, if a man had a business which earned $5,000 gross he paid on only $4,000. This exempts $1,000 of all business and provides that a business which does less than $1,000 a year must have a license but will not have to pay therefor.

Mr. PALMISANO. Mr. Chairman, will the gentleman yield?

Mr. KENNEDY of Maryland. I yield.

Mr. PALMISANO. In reference to this $1,000 exemption the gentleman means gross receipts and not profits.

Mr. KENNEDY of Maryland. That is correct.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

Mr. KENNEDY of Maryland. Mr. Chairman, I offer another committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. KENNEDY of Maryland: On page 43, line 1, insert after the word "receipts" the following: "in excess of $1,000."

Mr. KENNEDY of Maryland. Mr. Chairman, this is simply a perfecting amendment.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

Mr. KENNEDY of Maryland. Mr. Chairman, I offer a further committee amendment.

The Clerk read as follows:

Amendment offered by Mr. KENNEDY of Maryland: Page 46, line 4, insert after the word "receipts" the following: "in excess of $1,000."

The committee amendment was agreed to.

Mr. KENNEDY of Maryland. Mr. Chairman, I offer a further committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. KENNEDY of Maryland: Page 47, line 6, strike out the word "incorporated."

The committee amendment was agreed to.

Mr. KENNEDY of Maryland. Mr. Chairman, I offer a further committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. KENNEDY of Maryland: At the end of section 6, page 47, add the following: "Any tax levied by the District of Columbia on tangible personal property owned by a taxpayer on July 1 of any year and paid by such taxpayer shall be credited upon the tax due under this title."

The committee amendment was agreed to.

Mr. PALMISANO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PALMISANO: Page 42, beginning with line 3, strike out all of title VIII.

Mr. NICHOLS. Mr. Chairman, I ask unanimous consent that all debate on this title and all amendments thereto close in 20 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

Mr. O'MALLEY. Mr. Chairman, I object.

Mr. NICHOLS. Mr. Chairman, I move that all debate on this title and all amendments thereto close in 20 minutes.

The CHAIRMAN. The question is on the motion of the gentleman from Oklahoma.

The motion was agreed to.

Mr. PALMISANO. Mr. Chairman, during general debate I called the attention of the Members to a proposed amendment to be offered by my colleague, the gentleman from Maryland, exempting banks and other financial institutions from this provision with the exception of their interest.

This is strictly a sales tax that the consumer must pay, call it what you will. In the thirty-fourth session of the Legislature of Maryland such a tax was passed, but the very men who passed it, hold-overs, because they are elected for 4 years, gladly removed it at the next session. If this tax applied in your State you would not vote for it.

In the Seventy-first Congress, in order to balance the Budget, a sales tax was reported by the Ways and Means Committee under the able leadership of the gentleman from North Carolina [Mr. DOUGHTON].

Mr. KENNEDY of Maryland. Mr. Chairman, will the gentleman yield?

Mr. PALMISANO. I yield, but my time is very limited.

Mr. KENNEDY of Maryland. Will not the gentleman explain how this tax can be passed on to the consumer?

Mr. PALMISANO. All I know is that it is done. Everyone knows that it is passed on to the consumer.

According to the report there would be a deficit of $6,149,000. According to the gentleman from Oklahoma the taxes which would be received under this bill would amount to over $8,000,000.

Mr. NICHOLS. Will the gentleman yield?

Mr. PALMISANO. I yield to the gentleman from Texas.

Mr. NICHOLS. The gentleman knows that by reason of appropriations which have been put back in the bill by the Senate, the deficit has been increased to approximately $8,000,000?

Mr. PALMISANO. I am referring to the report and to the statement of the gentleman from Oklahoma, but be that as it may, every one will admit that the amendment offered by the gentleman from Texas will increase the revenue one or two million dollars, so there is no necessity of placing on the people of the District of Columbia a sales tax, pure and simple and nothing else, and at the same time exempt financial institutions.

I asked this question: If a man purchased $10 worth of merchantable goods and was compelled to sell those goods for $9, would he be compelled to pay a gross receipt tax? The gentleman representing the District of Columbia said "Yes." But if a bank made a loan of a million dollars, and it received $999,999 back, it pays nothing. However, the little merchant must pay.

[Here the gavel fell.]

Mr. O'MALLEY. Mr. Chairman, I offer a privileged motion.

The Clerk read as follows:

Mr. O'MALLEY moves that the Committee do now rise.

The CHAIRMAN. The question is on the motion offered by the gentleman from Wisconsin [Mr. O'MALLEY].

The question was taken, and on a division (demanded by Mr. O'MALLEY) there were—ayes 31, noes 57.

So the motion was rejected.

Mr. NICHOLS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, it is rather a delicate position to find myself opposing the ranking majority member of the Committee on the District of Columbia. The gentleman took this position yesterday in Committee and was voted down in his position by the District of Columbia Committee.

The title which the gentleman attempts to strike from the bill adds, as has been said, a three-fifths of 1 percent tax upon the gross income of business in the District of Columbia. It is a business privilege tax.

May I read some of the taxes that have been paid by the businessmen of the District of Columbia for the privilege of doing business in the District of Columbia:

Druggists, $12 per annum; auctioneers, $5 per annum; barber shops, $5 per annum; public bathhouses, $5; keepers of stores and moving-picture films, $65; gasoline stations, kerosene, etc., $5; owners and managers of establishments where explosives are kept, $5—

And so on.

Laundries, $18—

I am skipping through these as they appear in the statute—

mattress manufacturers, $75; theaters, moving pictures, skating rinks, dancing exhibitions, lecturers, entertainers, etc., $50; owners and managers of buildings in which skating rinks are located, $8; baseball, $5 per annum.

And so on. I am surprised, and have been all day, that Members would rise and attempt to strike from this bill provisions which make the citizens of the District of Columbia pay the cost of their own government, particularly when I have heard so many times on the floor of the House Members complain that the citizenship of the District of Columbia pay no taxes. Of course, if we vote to strike this title from the bill, then we must subscribe to the theory that the citizenship of the District of Columbia should not pay a tax to take care of the cost of their government, even if this tax is passed on down to the ultimate consumer. I may say to the Members that I know of very few taxes that are not passed on to the ultimate consumer.

Mr. BULWINKLE. Will the gentleman yield?

Mr. NICHOLS. I yield to the gentleman from North Carolina.

Mr. BULWINKLE. Did the gentleman's committee give consideration to increasing the privilege taxes as he read them?

Mr. NICHOLS. We did. We gave consideration to that matter for 4 full days and arrived at the opinion that this was the better way to do it.

Mr. BULWINKLE. Does the gentleman agree with me when I say that a gross tax upon business is unfair?

Mr. NICHOLS. I am sorry, but I cannot agree with my distinguished friend.

Mr. BULWINKLE. How about the man who is barely breaking even in his business or losing a little money?

Mr. NICHOLS. I may say to the gentleman, if there is a business in the District of Columbia that is surviving upon the very narrow margin of three-fifths of 1 percent, it will not be long before the poor fellow will go broke anyway. I do not think a tax of three-fifths of 1 percent is going to break any businessman in the District of Columbia.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland [Mr. PALMISANO].

The amendment was rejected.

Mr. HOBBS. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

Mr. DIES. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DIES. We agreed on 20 minutes. How much of that time remains?

The CHAIRMAN. Ten minutes remain, and the Chair may say he has noted Mr. RICH, Mr. DIES, and Mr. HOBBS.

Mr. DIES. When 20 minutes were agreed upon it was distinctly understood I would have 5 minutes to present my chain-store amendment.

The CHAIRMAN. The time was set at 20 minutes. Ten minutes of that has already been consumed, leaving 10 minutes. The Chair will be glad to apportion it at three and a half minutes to each Member.

Mr. RICH. Mr. Chairman, I ask unanimous consent that the time be extended 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

Mr. O'MALLEY. Mr. Chairman, reserving the right to object, I wanted some time. The motion made by the gentleman from Oklahoma cut off any possibility of my getting that time.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

Mr. MICHENER. Mr. Chairman, reserving the right to object, it is now 10 minutes to 6. We are on page 42 of a bill containing 79 pages.

The regular order was demanded.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

Mr. MICHENER. I object, Mr. Chairman.

Mr. HOBBS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HOBBS: Page 46, line 6, change the period to a semicolon and add immediately thereafter the following: "*Provided, however,* That the tax imposed by this section shall be payable only upon the gross commissions of any person engaged in the business of a broker or agent, and shall not be payable upon the funds of his principal, of which he is a mere conduit."

Mr. HOBBS. Mr. Chairman, this is a very simple amendment, with which the committee is in hearty accord, I understand. The amendment simply corrects an abuse of the taxing power, which was no part of the purpose of this committee. Let me give you an example. Section 5 purports to levy a tax of three-fifths of 1 percent upon gross receipts. But as applied to real-estate men, agents, or brokers, it would be a tax of 12 percent.

Mr. KENNEDY of Maryland. Mr. Chairman, to save time, I may say the amendment is acceptable to the committee.

Mr. HOBBS. I wish to thank the committee for that expression and ask that this amendment be adopted without a dissenting vote.

Mr. Chairman, I yield back the remainder of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama.

The amendment was agreed to.

Mr. DIES. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DIES: Page 44, line 13, after the word "Commissioners" insert, "*Provided, however,* That upon stores or mercantile establishments operated in the District of Columbia and belonging to a chain or group, having more than one store, an annual license fee shall be paid for each store operated in the District of Columbia, as follows:

"(1) $10 for each retail store or business in excess of one but not in excess of five.

"(2) $15 for each retail store or business in excess of five but not in excess of 10.

"(3) $20 for each retail store or business in excess of 10 but not in excess of 15.

"(4) $50 for each retail store or business in excess of 15 but not in excess of 25.

"(5) $75 for each retail store or business in excess of 25 but not in excess of 30.

"(6) $100 for each retail store or business in excess of 30 but not in excess of 50.

"(7) $550 for each retail store or business in excess of 50.

"It is further provided that this annual license fee shall be based on the number of stores or mercantile establishments included under the same general management, supervision, ownership, or control whether operated in the District of Columbia or not."

Mr. DIRKSEN. Mr. Chairman, I reserve a point of order on the amendment.

Mr. PATMAN. Mr. Chairman, a point of order. The gentleman's reservation came too late. The gentleman from Texas had already commenced to discuss the amendment.

The CHAIRMAN. The gentleman was on his feet and reserved the point of order in proper time.

Mr. DIES. Mr. Chairman, the language of this amendment is taken verbatim from the language used by the Legislature of the State of Louisiana, which was upheld in the case of the Great Atlantic & Pacific Tea Co. against Alice Lee Grosjean, so the Supreme Court has passed upon the validity of this and held that we are within our constitutional rights in imposing this tax on chain stores in the District of Columbia.

There are approximately 1,150 chain stores in the District. In the grocery business chain stores control 84 percent of the business. In the drug business chain stores control approximately 65 percent of the business. In other words, the number of independents in the District far outruns the number of chain stores, but the chain stores have a virtual monopoly of the business in the District of Columbia. As the gentleman from Texas [Mr. PATMAN] has pointed out, despite the fact they have this monopoly, prices for food and other necessities are higher in the District than in any other city in the United States, at least, any city of which I have seen any record.

If we are to restore equality of opportunity and open the doors of equal chance which have been shut to ambition, energy, and thrift, we must fulfill the pledge we have made to our constituents and to the American people that we believe while the Government cannot guarantee a man a living, it should guarantee him a chance to make a living. Today every door of opportunity is being closed to the youth of the land. If a man undertakes to go into the grocery business there is hovering above him the shadow of the Great A. & P. If he undertakes to go into any other line of business, there stands before him a gigantic corporate enterprise which controls a large percent of the business in his particular field.

Therefore, it seems to me that while this tax will yield $750,000, it will accomplish more than that, it will be an expression on the part of the Congress of the United States that we are in favor of independent business in the United States and in favor of affording an opportunity to the people of this country to earn a livelihood. Most of the chain

stores in the District of Columbia belong to national organizations. The majority of them will be subject to the tax in the higher bracket. However, these chain stores are making tremendous profits. As the Supreme Court states in its decision, competitively they are in an advantageous position which enables them to whip to death their smaller competitors. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. Does the gentleman from Illinois press his point of order?

Mr. DIRKSEN. With the indulgence of the Chair, I should like to make the observation with respect to the point of order that I noticed the language of the amendment offered by the gentleman from Texas calls for a tax upon stores being a part of a chain or group having more than one store, but the amendment does not say whether they have more than one store in the District of Columbia or in the United States of America, and the reason for reserving the point of order was because I thought we were passing on a question which is beyond the jurisdiction of the committee.

Mr. DIES. I may say to the gentleman that the Supreme Court held that this language is necessary in order to hold the act valid. The language was copied from the Supreme Court decision.

Mr. DIRKSEN. Mr. Chairman, I withdraw the point of order.

The CHAIRMAN. The point of order is withdrawn. The question is on the amendment offered by the gentleman from Texas [Mr. DIES].

The amendment was agreed to.

Mr. RICH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RICH: On page 42, in line 22, after the word "in", insert "or on privately owned property in or on property owned by the United States Government."

Mr. RICH. There is no pleasure in taxes.

"It was as true," said Mr. Barkis, "as taxes is—and nothing's truer than that."

Thus wrote Charles Dickens.

Benjamin Franklin stated it thus:

But in this world nothing is sure but death and taxes.

Man recognizes death as sure, but he has managed, with some success, to dodge it for longer periods than did his ancestors. He has not been so successful with taxes, to his great regret.

Mr. Chairman, we have a number of restaurants, newsstands, cigar stores, and so forth, in Government buildings in the District of Columbia that pay no rent and have no expenses for light, heat, or anything of that sort. If it is right for the owners of restaurants and merchants in the District of Columbia to pay a tax, why should not such an establishment in a Government building pay this three-fifths of a cent tax in order to raise enough revenue to help finance the government of the District of Columbia along with other restaurant owners and merchants in the District of Columbia?

As the Members know, visitors are patronizing the House restaurant, the Senate restaurant, the Supreme Court restaurant, the Congressional Library restaurant, as well as restaurants in almost every large Government building here. These restaurants are feeding from 1,500 to 2,000 people at every meal and they are in direct competition with the men who are trying to make a living by running restaurants here in the District of Columbia.

It is not fair or right to try to run the owners of such establishments out of business by this kind of competition, and I appeal to the membership of the House, if you are going to tax other people for the purpose of doing business here, it is certainly right to tax everyone engaged in a similar business.

It may be said by some that these establishments are not run for profit. They are run for profit, because they are feeding the visitors who are flocking to these restaurants because they can buy meals cheaper than they can in a privately owned restaurant. You are making it so difficult for people in business here that they are unable to operate their business at a profit. Why should we give any consideration to one class of businessmen that is not given to all of them?

I believe the Committee will agree that this amendment ought to be adopted. It certainly should be satisfactory to the people in the District whom you are trying to help, because you will be treating all of them alike.

Mr. KENNEDY of Maryland. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield.

Mr. KENNEDY of Maryland. As I understand the gentleman's amendment, it only taxes private individuals who own or operate stands in Government buildings?

Mr. RICH. I want to tax every restaurant and every person in the District of Columbia who is doing business here, regardless of whether the business is in Government-owned or privately owned buildings.

Mr. KENNEDY of Maryland. That is exactly the question I asked.

Mr. RICH. Then I misunderstood the gentleman.

Mr. NICHOLS. The question of the gentleman from Maryland was whether or not it was the object of the gentleman's amendment to put the same tax upon restaurants operating in Government buildings as would be imposed upon other restaurants.

Mr. RICH. That is right.

Mr. O'MALLEY. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield.

Mr. O'MALLEY. Section 6 of the bill exempts national banks and utilities from the tax provided in that title. Does the gentleman think that is right?

Mr. RICH. I believe that everyone should be treated exactly alike.

Mr. O'MALLEY. Then the gentleman will support my amendment to stop these exemptions.

Mr. RICH. I certainly will if all are not to be treated in the same manner.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania.

The amendment was agreed to.

Mr. O'MALLEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. O'MALLEY: Page 47, line 1, strike out all of section 6.

The amendment was rejected.

The Clerk read as follows:

TITLE IX—INCOME TAXES

DEFINITIONS

SECTION 1. The following terms in this title are for the purpose hereof defined as follows:

(a) The term "taxpayer" includes any person, corporation, partnership, trust, or estate subject to a tax imposed by this title.

(b) The term "person" shall mean all natural persons whether married or unmarried, and also all trusts, estates, and fiduciaries acting for natural persons; it does not include corporations or partnerships acting for or in their own behalf.

(c) The term "corporation" includes foreign or domestic corporations, joint-stock companies, associations, and all enterprises operated by trustees, the interest in which is evidenced by shares of stock, whether with or without par, face, or nominal value.

(d) The term "engaged in business" as applying to corporations shall mean, if the entire business of the corporation be transacted within the District, the tax imposed by this title shall be upon the entire net income of such corporation for each taxable year, subject, however, to any correction. If the business of such corporation be transacted both within and without the District, the tax imposed by this title shall be upon the portion of such entire net income for each taxable year as is derived from sales, wherever made, of goods, wares, and merchandise, manufactured, or which originated, in this District, and from other business done or property located within this District, which may be determined by an allocation and separate accounting when the books of the corporation show income derived from business done and property located within this District; otherwise the tax imposed by this title shall be on such proportion of the entire net income of such corporation as the fair market value of the real estate and other physical assets in this District on the date of the close of the taxable year and the amount of the gross

receipts in this District during that year, of such corporation, bears to the total fair market value of all the real estate and other physical assets within and without this District on the date of the close of the taxable year and the amount of the total gross receipts within and without the District during that year, of such corporation. The term "gross receipts in this District" shall include all receipts from persons, firms, corporations, partnerships, and associations, who or which are in the District, wherever paid, and all receipts from sales, wherever made, of goods, wares, and merchandise manufactured, or which originated in this District.

(e) The term "partnership" includes a syndicate, group, pool, joint venture, or other incorporated organization, through or by means of which any business, financial operation, or venture is carried, and which is not, within the meaning of this title, a trust or estate or a corporation; and the term "partner" includes a member in such a syndicate, group, pool, joint venture, or organization.

(f) The term "District" means the "District of Columbia."

(g) The term "resident" in its application to individuals shall mean any natural person who is either domiciled in the District of Columbia or one who maintains a permanent place of abode within the District of Columbia and spends in the aggregate more than 3 months of the taxable year within the District of Columbia. When a person domiciled without the District of Columbia maintains a place of permanent abode within the District of Columbia, and spends more than 3 months of the taxable year within the District of Columbia, he is a resident for the entire period during which he maintains said permanent place of abode. But any person who, on or before the last day of the taxable year, changes his place of abode to a place without the District of Columbia, with bona-fide intention of continuing actually to abide permanently without the District of Columbia, shall be taxable the same as a nonresident is taxable under this law. The fact that a person who has so changed his place of abode, within 6 months from so doing, again abides within the District of Columbia, shall be prima-facie evidence that he did not intend permanently to have his place of abode without the District of Columbia.

(h) The term "gross income" wherever it appears in this title shall mean and include gains, profits, and income derived from salaries, wages, or compensation for personal service, of whatever kind and in whatever form paid, or from professions, vocations, trades, business, commerce or sales or dealings in property, whether real or personal, growing out of the ownership, or use of or interest in such property, also from interest, rent, dividends, securities, or the transaction of any business carried on for gain or profit or gains or profits, and income derived from any source whatever, unless exempt from tax by law: *Provided*, That if a nonresident or a partnership with nonresident members carries on business both within and without the District of Columbia, the income therefrom must be apportioned so as to allocate to the District of Columbia a proportion of such income on a fair and equitable basis, in accordance with approved methods of accounting.

SEC. 2. The term "net income" as herein used shall mean the gross income less the following deductions.

(a) All interest paid during the taxable year on indebtedness, except on indebtedness incurred or continued to purchase or carry obligations or securities the interest upon which is exempt from taxation under this title.

(b) Debts ascertained to be worthless and charged off within the taxable year.

(c) Taxes paid during the taxable year, except inheritance taxes, taxes on intangible personal property paid the District, taxes paid under the provisions of this title, Federal taxes on income and profits, and special taxes imposed for property betterments.

(a) All ordinary or necessary expenses paid or incurred during the taxable year in carrying on business, or a profession or occupation, including a reasonable allowance for salaries of personal service actually rendered; also rentals or other payments required to be made as a condition to the continued use or possession for business purposes of property to which the taxpayer has not taken or is not taking title or in which the taxpayer has no equity: *Provided*, That the provisions of this subdivision shall not be construed to include payment as a premium to an occupant to vacate such property for the benefit of the taxpayer wishing possession of such premises.

(e) Losses sustained during the taxable year and not compensated for by insurance or otherwise: *Provided*, That no loss resulting from the operation of business conducted without the District may be allowed as a deduction unless the income derived from the operation of business without the District is subject to taxation: *And provided further*, That no loss may be allowed on the sale of property purchased and held for pleasure or recreation and which was not acquired or used for profit, but this proviso shall not be construed to exclude losses due to theft or to the destruction of property by fire, flood, or other casualty.

(f) A reasonable allowance for the exhaustion, wear and tear, and obsolescence of property used in the transaction of business may be deducted from gross income, provided such depreciation is actually charged off.

(g) Contributions or gifts made within the year to the United States or the District of Columbia, or to corporations operating within the District of Columbia and organized and operated exclusively for religious, charitable, scientific, benevolent, or educational purposes, or to societies operating within the District conducted exclusively for the prevention of cruelty to children or animals, no part of the net income of which inures to the benefit of any private stockholder or individual.

(h) Dividends or incomes received by any persons from stocks or interest in any corporation the income of which shall have been assessed under the provisions of this title: *Provided*, That when only part of the income of any corporation shall have been assessed under this title only a corresponding part of the dividends or income received therefrom shall be deducted.

(i) The gains and profits of a nonresident from the sale, exchange, or other disposition of stocks, bonds, and other securities, except to the extent to which the same shall be a part of the income from a business carried on in the District of Columbia.

ITEMS NOT DEDUCTIBLE

In computing net income no deduction shall in any case be allowed in respect of—

(a) Personal, living, or family expenses;

(b) Any amount paid out for new buildings or for permanent improvements or betterments made to increase the value of any property or estate;

(c) Any amount expended in restoring property for which an allowance is or has been made; or

(d) Premiums paid on any life-insurance policy covering the life of any officer or employee or of any individual financially interested in any trade or business carried on by the taxpayer, when the taxpayer is directly or indirectly a beneficiary under such policy.

TAX ON CORPORATE INCOME

SEC. 3. Upon every corporation a tax is levied upon the net income as defined by this title. The rate of taxation shall be 5 percent per annum upon the net income. The net income shall be the gross income less the following deductions:

(a) All ordinary or necessary expenses paid or incurred during the taxable year in the operation and maintenance of its business, including a reasonable allowance for the exhaustion, wear and tear, and obsolescence of property used in the transaction of its business: *Provided*, That such depreciation is actually charged off.

(b) All moneys disbursed within the taxable year for personal service and salaries of officers: *Provided*, That such disbursements shall be reasonable in amount and that such services have been actually rendered in producing the income of the taxpayer: *Provided further*, That there be reported to the assessor of the District the name, address, and amount paid each employee and officer who receives a compensation of $1,000 or more during the taxable year.

(c) Losses sustained during the taxable year and not compensated for by insurance or otherwise: *Provided*, That no loss resulting from the operation of business conducted without the District, or the ownership of property located without the District, shall be allowed as a deduction unless the income derived from the operation of business without the District is subject to taxation.

(d) Taxes paid during the taxable year, except inheritance taxes, taxes on intangible personal property paid the District, taxes paid under the provisions of this title, Federal taxes on income, and profits and special taxes imposed for property betterments.

(e) Contributions or gifts made within the year to the United States or the District of Columbia or to corporations operating within the District of Columbia and organized and operated exclusively for religious, charitable, scientific, benevolent, or educational purposes, or to societies operating within the District conducted exclusively for the prevention of cruelty of children or animals any part of the income of which inures to the benefit of any private stockholder or individuals.

(f) Debts ascertained to be worthless and charged off within the taxable year.

(g) Dividends or incomes received from stocks or interest in any corporation the income of which shall have been assessed under the provisions of this title: *Provided*, That when only part of the income of any corporation shall have been assessed under this title only a corresponding part of the dividends or income received therefrom shall be deducted.

SEC. 4. Net income shall be computed on the basis of the taxpayer's annual accounting period, fiscal or calendar year, as the case may be, in accordance with the method of accounting regularly employed in keeping the books of the taxpayer; but if no such method of accounting has been so employed, or if the method employed does not clearly reflect the income, the computation shall be made in accordance with such method as shall, in the judgment of the assessor of the District, clearly reflect such income.

ASCERTAINMENT OF GAIN OR LOSS

SEC. 5. For the purpose of ascertaining the gain derived or loss sustained from the sale or other disposition of property, real, personal, or mixed, the basis shall be, in case of property acquired on or after January 1, 1937, the cost thereof, or the inventory value if the inventory is made in accordance with this title.

(2) In case of property acquired prior to January 1, 1937, and disposed of thereafter—

(a) No profit shall be deemed to have been derived if either the cost or the fair market price or value on January 1, 1937, exceeds the value realized.

(b) No loss shall be deemed to have been sustained if either the cost or the fair market price or value on January 1, 1937, is less than the value realized.

(c) Where both the cost and the fair market price or value on January 1, 1937, are less than the value realized, the basis for computing profit shall be the cost or the fair market price or value on January 1, 1937, whichever is higher.

(d) Where both the cost and the fair market price or value on January 1, 1937, are in excess of the value realized, the basis for computing loss shall be the cost or the fair market price or value on January 1, 1937, whichever is lower.

Whenever in the opinion of the assessor of the District the use of inventories is necessary in order to determine clearly the income of any taxpayer, inventories shall be taken by such taxpayer upon such basis as the assessor may prescribe as conforming as nearly as may be to the best accounting practice in the trade or business and as most clearly reflecting the income.

PARTNERSHIPS

SEC. 6. Individuals carrying on business in partnerships shall only be liable in their individual capacity for the income tax provided in this title. There shall be included in computing the taxable income of each partner his distributive share, whether distributed or not, of the net income of the partnership for the taxable year, or for any fractional part of a taxable year; or, if his taxable income for such taxable year is computed upon the basis of a period different from that upon the basis of which the net income of the partnership is computed, then his distributive share of the net income of the partnership for any accounting period of the partnership ending within the fiscal or calendar year upon the basis of which the partner's income is computed.

INFORMATION AT THE SOURCE

SEC. 7. Every person, corporation, or partnership, in whatever capacity acting as withholding agent, including lessees, or mortgagors of real or personal property, fiduciaries, employers, and all officers and employees of the Federal or Municipal Government, having the control, receipt, custody, disposal, or payment of interest, rent, salaries, wages, premiums, annuities, compensations, remunerations, emoluments, or other fixed or determinable annual or periodical gains, profits, and income taxable under this title shall, when required by the Commissioners of the District, file with the assessor, at such time or times as the Commissioners may designate, a statement showing the amount of salaries, wages, or compensation in any form whatever, as outlined above, paid to any person during any taxable year in excess of $1,000, such statement to be in such form as the Commissioners may prescribe.

SEC. 8. The following individuals, whether residents or nonresidents, having income subject to taxation under this title, shall each make under oath, a return stating specifically the items of his or her gross income, and the deductions and credits allowed by this title.

(a) Every individual having a net income for the taxable year of $1,000 or over, if single, or if married and not living with husband or wife;

(b) Every individual having a net income for the taxable year of $2,500 or over, if married and living with husband or wife; and

(c) If the taxpayer is a minor or a person under legal disability, the return shall be made by the guardian, committee, duly authorized agent, or other person charged with the care of the person or property of such taxpayer.

Every corporation, trust, or estate, joint-stock company, partnership, or association organized for profit (except these herein specifically exempted), shall make a return, stating specifically the items of its gross income and the deductions and credits allowed by this title. The return shall be sworn to by the president or other principal officer and by the treasurer or assistant treasurer.

The assessor of the District of Columbia may grant a reasonable extension of time for filing income-tax returns whenever in his judgment good cause exists and shall keep a record of every extension. No such extension shall be granted for more than 3 months.

If any taxpayer, subject to this title, shall fail to make and file a sworn return to the assessor's office within the time prescribed by law, unless the time for filing such return be extended by the assessor of the District of Columbia, and upon all returns filed with or assessed by the assessor of the District of Columbia after the time herein prescribed for filing returns, the assessor shall assess a penalty equal to 20 percent of the amount of the tax assessed thereon, but in no case shall such penalty be less than $2. Any penalty imposed shall be collected at the same time and in the same manner as a part of the tax, unless the tax has been paid before the discovery of the neglect, in which case the amount so added shall be collected in the same manner as the tax. When the time for payment of any tax is postponed at the request of the taxpayer interest at the rate of 6 percent per annum is added from the original due date to the date of payment, but not beyond the due date under such extension.

EXEMPTIONS

SEC. 9. The following items shall be exempt from taxation under this title:

(a) The income of a single person or a married person not living with husband or wife, up to but not in excess of $1,000; the income of a married person living with husband or wife, or a single person who is the head of a family, up to but not in excess of $2,500: *Provided*, That if a husband and wife make separate returns or have separate incomes the exemption for each shall be $1,000; plus $400 for each person (other than husband or wife) who is actually supported by and entirely dependent upon the taxpayer for his support.

(b) The credit for dependents shall be determined by the status of the taxpayer on the last day of his taxable year. The personal exemptions (other than those for dependents) allowed by subsection (a) of this section shall, in case the status of a taxpayer changes during his taxable year, be the sum of an amount which bears the same ratio to $1,000 as the number of months during which the taxpayer was single bears to 12 months, plus an amount which bears the same ratio to $2,500 as the number of months during which the taxpayer was a married person living with husband or wife, or was the head of a family, bears to 12 months. For the purposes of this paragraph a fractional part of a month shall be disregarded unless it amounts to more than half a month, in which case it shall be considered as a month.

(c) In the case of an individual who dies during the taxable year, the personal exemption and the credit for dependents shall be determined by his status at the time of his death, and in such case full credits shall be allowed to the surviving spouse, if any, according to his or her status at the close of the taxable year.

(d) Amounts received under a life-insurance contract paid by reason of the death of the insured, whether in a single sum or in installments (but if such amounts are held by the insurer under an agreement to pay interest thereon, the interest payments shall be included in gross income). Amounts received (other than amounts paid by reason of the death of the insured and interest payments on such amounts) under a life-insurance, endowment or annuity contract, but if such amounts (when added to amounts received before the taxable year under such contract) exceed the aggregate premiums or consideration paid (whether or not paid during the taxable year) then the excess shall be included in gross income.

(e) The value of property acquired by gift, bequest, devise, or descent received in 1 year the aggregate of which does not exceed $5,000.

(f) Any amount received through accident or health insurance or under Workmen's Compensation Acts, as compensation for personal injuries or sickness, plus the amount of any damages received whether by suit or agreement on account of such injuries or sickness, or through the War Risk Insurance Act or any law for the benefit or relief of injured or disabled members of the military or naval forces of the United States.

IMPOSITION OF TAX

SEC. 10. A tax is hereby annually levied for each taxable year upon every legal resident of the District of Columbia, as herein defined, upon and with respect to his entire net income as herein defined for the purposes of taxation, at the following rates:

(a) One percent of the amount of net income not exceeding $2,000.

(b) One and one-half percent of the amount of net income in excess of $2,000 but not in excess of $5,000.

(c) Two percent of the amount of net income in excess of $5,000 but not in excess of $10,000.

(d) Two and one-half percent of the amount of net income in excess of $10,000 but not in excess of $15,000.

(e) Three percent of the amount of net income in excess of $15,000 and not in excess of $20,000.

(f) Three and one-half percent of the amount of net income in excess of $20,000 but not in excess of $30,000.

(g) Four percent of the amount of net income in excess of $30,000 but not in excess of $50,000.

(h) Five percent of the amount of net income in excess of $50,000.

(i) If, for any taxable year, it appears upon the production of evidence satisfactory to the assessor that a taxpayer has sustained a net loss, the amount thereof shall be allowed as a deduction in computing the net income of the taxpayer for the succeeding taxable year, and if such net loss is in excess of such net income (computed without such deduction), the amount of such excess shall be allowed as a deduction in computing the net income for the next succeeding taxable year, the deduction in all cases to be made under regulations prescribed by the Commissioners.

(j) A like tax is hereby imposed and shall be levied, collected, and paid annually at the rate specified in this section upon and with respect to the entire net income as herein defined, except as otherwise herein provided, from all property owned and from every business, trade, or profession carried on and salaries and wages received for services rendered in the District of Columbia by persons not residents of the District.

Whenever a nonresident taxpayer of the District of Columbia has become liable to income tax to the State where he resides upon his net income for the taxable year, derived from sources within the District of Columbia and subject to taxation under this title, the assessor shall credit the amount of income tax payable by him under this title with such proportion of the tax so payable by him to the State where he resides, as his income subject to taxation under this title bears to his entire income upon which the tax so payable to such other State was imposed: *Provided*, That such credit shall be allowed only if the laws of said State (1) grant a substantially similar credit to the residents of the District subject to income tax under such laws, or (2) impose a tax upon the personal incomes of its residents derived from sources within the District, and exempt from taxation the personal incomes of residents

of the District. No credit shall be allowed against the amount of the tax on any income taxable under this title which is exempt from taxation under the laws of such other State.

SEC. 11. The tax herein provided shall be computed and levied under direction of the assessor of the District of Columbia, and the collections made by the collector of taxes of the District of Columbia, and the revenue derived therefrom shall be turned over to the United States Treasury for credit to the District in the same manner as other revenues are turned over to the United States Treasury for credit to the District.

TIME AND PLACE OF FILING RETURNS

SEC. 12. The tax herein provided shall be first levied, collected, and paid in the year 1938 upon and with respect to the taxable income for the calendar year 1937, or for any fiscal year ending during the year 1937. Returns of income due in the year 1938 shall be made to the assessor of the District of Columbia on or before the last day of April 1938. Thereafter annual returns of income as provided in this title shall be made to the assessor of the District of Columbia on or before the last day of April of each year. One half of the tax computed on the net income by the taxpayer shall be paid at the time of filing the return and the second half of the tax shall be paid in the following month of October. Blank forms of returns shall be furnished by the assessor upon application, but failure to secure the form shall not relieve any taxpayer from the obligation of making any return herein required.

SEC. 13. Upon the filing of the income-tax return provided herein, it shall be the duty of the assessor of the District to examine it, or cause it to be examined, as soon as it is practicable to do so. If upon such examination it shall be disclosed that the amount of tax is more or less than the amount shown in the return, a proper adjustment shall be made upon final payment by the person taxed.

SEC. 14. If a return required by this title is not filed or if a return when filed is incorrect or insufficient, and the maker fails to file a corrected or sufficient return within 20 days after the same is required by notice from the assessor, the assessor shall determine the amount of the tax due from such information as he may be able to obtain. The assessor shall give notice of such determination to the person liable for the tax. Such determination shall finally and irrevocably fix the tax, unless the person against whom it is assessed shall file a protest with the Board of Personal Tax Appeals in accordance with the provision of section 19 hereof.

SEC. 15. If any tax imposed by this title or any portion of such tax be not paid within the time prescribed herein or within such additional time as may be allowed by the assessor, the same shall bear interest at the rate of 1 percent per month or fraction thereof until paid. The taxes levied hereunder, together with interest and penalties thereon, may be collected by the collector of taxes of the District of Columbia in the manner provided by the law for the collection of taxes due the District of Columbia on personal property, in force at the time of such collection.

FIDUCIARIES

SEC. 16. Every person acting in a fiduciary capacity shall make, under oath, a return, during the period prescribed in this title, for the individual or estate or trust for whom he acts, of all taxable income received by him on his fiduciary capacity for the preceding taxable year, or for any fractional part thereof.

The income paid or accrued to estates of deceased persons before a fiduciary shall have been appointed for such estate, or before he has qualified to act in such capacity, shall be assessed to the estate.

If an estate has more than one fiduciary and any one of them shall be a resident of the District of Columbia such assessment shall be made to the fiduciary who is a resident of said District, and he shall be liable for that proportion of the tax on the net income as is paid to beneficiaries who are or were during the taxable period residents of the District of Columbia.

A fiduciary shall, in all cases where an estate extends over one taxable period, give the names and addresses of each beneficiary and the amount paid to each since the last return was made. Upon termination of his duties as a fiduciary he shall furnish the assessor of the District, in such form as said assessor may prescribe, a complete list of the names and addresses of the beneficiaries and the amounts paid, or ordered to be paid, by him to each beneficiary.

If an estate is to be distributed and terminated before the date set for making returns, the fiduciary may request from the assessor of the District permission to make a return for the expired portion of the taxable year and, if such request is granted, shall file with the assessor of the District a return for such unexpired portion of the taxable year. After verification as to the correctness of the return, a bill may be rendered for the amount of tax due, which tax shall within 30 days after the bill is rendered be paid to the collector of taxes.

STATUTE OF LIMITATIONS

SEC. 17. Except in the case of a willfully false or fraudulent return with intent to evade the tax, the amount of tax due under any return shall be determined by the assessor within 3 years after the return was made and no proceeding in court without assessment for the collection of such taxes shall be begun after the expiration of such period. In the case of a willfully false or fraudulent return or where no return has been filed the amount of tax due may be determined and collected at any time.

If within 3 years after the payment of taxes it appears from the records of the assessor that moneys have been erroneously or illegally collected from any taxpayer or other persons, pursuant to the provisions of this title, the Commissioners shall have power upon making a record of the reasons therefor in writing, to cause such moneys to be refunded.

RECORDS OF INCOME TO BE KEPT

SEC. 18. Every person liable to any tax imposed under this title, or for the collection thereof, shall keep such records, render under oath such statements, make such returns, and comply with such rules and regulations as the Commissioners may reasonably require.

SPECIFICATION OF APPEAL PROCEDURE

SEC. 19. The Board of Personal Tax Appeals of the District of Columbia shall have power to hear and determine controversies arising in connection with taxes imposed under this title. Within 60 days after the notice of the determination of the tax liability shall have been mailed by the assessor (not counting Sunday or a legal holiday as the sixtieth day) the taxpayer may file a protest in writing with said Board requesting a hearing: *Provided*, That the grounds of the appeal must be stated in the protest. The Board of Personal Tax Appeals shall, after affording a hearing to the taxpayer, ascertain the correct tax, whether greater or less than the amount determined by the assessor. If the taxpayer is aggrieved by the decision of said Board, he may thereafter appeal to the District Court of the United States for the District of Columbia.

ADMINISTRATION

SEC. 20. The Commissioners of the District shall have the power to prescribe such rules and regulations as may be necessary to carry out the purpose of this title.

The assessor or his designated agent, or the Board of Personal Tax Appeals, or any member thereof, for the purpose of ascertaining the correctness of any return filed hereunder, or for the purpose of making a return when none has been made, is authorized to examine any books, papers, records, or memoranda bearing upon the matters required to be included in the return, and may summons any person to appear before him to produce books, records, papers, or memoranda bearing upon the matters required to be included in the return, and to give testimony or answer interrogatories under oath respecting the same, and the said assessor or his designated agent, and the Board of Personal Tax Appeals or any member thereof, shall have power to administer oaths to such person or persons. Such summons may be served by any member of the Metropolitan Police Department. If any person, having been personally summoned, shall neglect or refuse to obey the summons herein issued as provided, then, in that event, the Commissioners may report that fact to the District Court of the United States for the District of Columbia, or one of the justices thereof, and said court or any justice thereof is empowered to compel obedience to such summons to the same extent as witnesses may be compelled to obey the subpenas of that court.

SEC. 21. Any individual, corporation, or partnership, or any officer or employee of any corporation or member or employee of any partnership, who with intent to evade any tax or any requirement of the law, or lawful requirement of the assessor of taxes for the District of Columbia thereunder, shall fail to pay the tax, or to make, render, sign, or verify any return, or to supply any information within the time required, or with like intent shall make, render, sign, or verify any false or fraudulent return or statement, or shall supply any false or fraudulent information, shall be liable to a penalty of not more than $1,000 and shall be guilty of a misdemeanor, and shall upon conviction be fined not to exceed $1,000 or be imprisoned not to exceed 1 year, or both, at the discretion of the court.

PENALTIES

SEC. 22. Any taxpayer as herein defined whose duty it is to file the income-tax return required hereby and who shall refuse or neglect to file such income-tax return shall be liable to a penalty of not to exceed $1,000 which may be recovered in an action brought by the corporation counsel of the District in the name of the District.

SECRECY REQUIRED OF OFFICIALS AND EMPLOYEES

SEC. 23. Except in accordance with proper judicial order or as otherwise provided by law, it shall be unlawful for the Commissioners or any person having an administrative duty under this title to divulge or make known in any manner whatever the amount or source of income, profits, losses, expenditures, or any particulars thereof set forth or disclosed in any income-tax return filed with the said assessor by any person subject to taxation under this title. The persons charged with the custody of such returns shall not be required to produce any of them or evidence of anything contained in them in any action or proceeding in any court except on behalf of the United States or the District of Columbia, or on behalf of any party to any action or proceeding under the provisions of this title when the returns or facts shown thereby are directly involved in such action or proceeding, in either of which events the court may require the production of, and may admit in evidence, so much of such returns or of the facts shown thereby as are pertinent to the action or proceeding and no more. Nothing herein shall be construed to prohibit the delivery to a taxpayer, or his duly authorized representative, of a certified copy of any return filed in connection with his tax, nor to prohibit the publication of statistics so classified as to prevent the identification of particular returns and the items thereof, or the inspection by the corporation counsel of the District or any of his assistants of the return of any taxpayer who shall bring

action to set aside or review the tax based thereon, or against whom an action or proceeding has been instituted for the collection of a tax or penalty. Returns shall be preserved for 3 years and thereafter until the Commissioners order them to be destroyed. Any violation of the provisions of this section shall be punished by a fine of not more than $500 or by imprisonment for not more than 90 days, or both. This section shall not apply to any authorized representative of the United States Government or any authorized representative of any State government. Such representatives upon written request shall be permitted to examine such returns at such times as the assessor of the District may designate, provided a like privilege is granted to representatives of the government of the District of Columbia.

BUREAU OF INTERNAL REVENUE AUTHORIZED TO SUPPLY INFORMATION

SEC. 24. The Bureau of Internal Revenue of the Treasury Department of the United States is authorized and required to supply such information as may be requested by the Commissioners relative to any person subject to the taxes imposed under this title.

EXEMPT CORPORATIONS

SEC. 25. All corporations or associations organized and operated exclusively for benevolent, charitable, religious, and eleemosynary purposes, mutual savings banks, building and loan associations, insurance companies, and railroad companies which report to and are subject to regulation by the Interstate Commerce Commission under the provisions of the Interstate Commerce Act of 1887, as amended, shall be exempt from the tax imposed under this title.

TAX ON INTANGIBLE PROPERTY CREDITED

SEC. 26. Any tax levied by the District of Columbia upon intangible personal property owned by a taxpayer on July 1 of any year and paid by such taxpayer shall be credited upon the income tax due hereunder by such taxpayer for the following year.

SAVING CLAUSE

SEC. 27. If any section or provision of this title shall be declared to be invalid or unconstitutional, such adjudication shall not affect the validity of this title as a whole, or any section, provision, or part thereof not adjudged invalid or unconstitutional.

Mr. KENNEDY of Maryland. Mr. Chairman, I offer the following committee amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment offered by Mr. KENNEDY of Maryland: Strike out all of title IX and insert a new title IX as follows:

"TITLE IX—TAX ON TANGIBLE PROPERTY

"For the fiscal year ending June 30, 1938, the rate of taxation imposed for the District of Columbia on real and tangible personal property shall not be less than 1.7 percent on the assessed value of said property.

Mr. KENNEDY of Maryland. Mr. Chairman, this amendment simply increases the real-estate tax and the tax on tangible property from $1.50 to $1.70 per hundred dollars. The amendment also strikes out all of title IX in the bill.

Mr. BULWINKLE. Mr. Chairman, will the gentleman yield?

Mr. KENNEDY of Maryland. Yes.

Mr. BULWINKLE. How much does this produce?

Mr. KENNEDY of Maryland. Approximately $2,500,000.

Mr. BULWINKLE. With these amendments that have been adopted this afternoon, how much revenue will the whole thing produce?

Mr. KENNEDY of Maryland. In round figures, about $8,000,000.

Mr. BULWINKLE. I am wondering whether the gentleman can tell us whether we are going to vote on this bill tonight?

Mr. KENNEDY of Maryland. I hope we are. We are at the end of the bill now.

Mr. BULWINKLE. I call the gentleman's attention to the fact that I doubt if he will find a quorum present.

Mr. NICHOLS. Mr. Chairman, will the gentleman yield?

Mr. KENNEDY of Maryland. Yes.

Mr. NICHOLS. Let me say to the gentleman that I have just been talking to the majority leader, and it is the hope of the committee that we can get up to the point of the previous question on the bill and leave the vote until tomorrow.

Mr. BULWINKLE. Will the gentleman guarantee to me that we are not going to vote on this until tomorrow?

Mr. NICHOLS. I will say to the gentleman that that will be the purpose of the committee. I cannot tell what the House will do.

Mr. O'MALLEY. Mr. Chairman, I move to strike out the last word.

Mr. DIES. Mr. Chairman, I have an amendment that I desire to offer to the committee amendment.

Mr. DIRKSEN. Mr. Chairman, I rise in opposition to the committee amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois, a member of the committee.

Mr. NICHOLS. Mr. Chairman, will the gentleman yield to me to present a unanimous-consent request?

Mr. DIRKSEN. Yes.

Mr. NICHOLS. Mr. Chairman, I ask unanimous consent that all debate upon this title and all amendments thereto close in 30 minutes.

The CHAIRMAN. Is there objection?

Mr. MARTIN of Massachusetts. Mr. Chairman, I reserve the right to object. Will the gentleman tell us how long he intends to run tonight?

Mr. NICHOLS. That will complete the bill, and if I can get unanimous consent to close debate upon this title, it will end in 30 minutes.

Mr. MARTIN of Massachusetts. Why not come in tomorrow and finish the bill then?

Mr. NICHOLS. This is the last title of the bill, and another committee has the day tomorrow.

Mr. MICHENER. It is now 10 minutes after 6, and if we begin on this title now, we will not be through in less than an hour.

Mr. NICHOLS. If I get unanimous consent to this request, we will be through in 45 minutes.

Mr. MICHENER. I do not want to object, but we have an important bill here and it should receive proper consideration from the House. The House is in no attitude to pass properly on legislation now.

Mr. NICHOLS. The final passage of the bill will not come until tomorrow.

The CHAIRMAN. Is there objection?

Mr. O'MALLEY. Mr. Chairman, a good many Members would like to be heard on these amendments.

Mr. MICHENER. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. DIRKSEN. Mr. Chairman, the proposal now pending before the Committee is to strike out the income-tax title of the bill and to substitute therefor an additional tax of 20 cents on real estate so that the aggregate tax on real property will be $1.70 per $100 instead of $1.50. I have been very much interested in this income-tax title and I had hoped sincerely that it would be retained in the bill.

It is rather illuminating in connection with any discussion of the income tax to go away back to 1895 or 1896 and read the account of the action of the Supreme Court when an income tax was first proposed. One of the most celebrated barristers in American history, the Honorable Joseph Choate, was the man who made the argument. It was a classic, but the thing I remember best at the time is that he talked about millions of men, women, and children who would be hanging breathlessly upon the action of the Supreme Court and indicated that such a tax amounted to confiscation of property.

The contention of the appellants in that case was upheld and it became necessary then to carry on a Nation-wide movement for the purpose of amending the Constitution. Men like William Jennings Bryan, whose statue was dedicated not so long ago in the rotunda of the Capitol; men like Senator La Follette, of Wisconsin; and other leaders of thought in the country, spoke early and late, here, there, and everywhere, and as the fruition of their efforts there was written into the Constitution in 1913 a provision that the Federal Government could derive a direct tax from any source. So the stamp of legality was placed upon the income tax.

Twenty-five years ago, as I pointed out, when I was a college student, Professor Seligmann, an outstanding authority on taxation, reaffirmed again and again the position that every jurisdiction ought to have an income tax, because

it is the fairest tax that can be devised. It cannot be handed down to somebody else. It attaches after the money has been earned.

In line with those progressive tendencies there are today 31 States which have an income tax. In 1931 we enacted an income tax for the Federal Government, and nobody has ever challenged the fundamental premise of that tax, because it is conditioned upon capacity and ability to pay. It puts the burden upon the shoulders of those who have been more blessed than others with the hand of fate and who have ability to pay.

The President said the other afternoon in his press conference that there ought to be an income tax in the District of Columbia. Right now we hear rumblings in the press about diffusing purchasing power by income taxes, and I submit this question to the committee today: Are you going to fly in the face of precedent; are you going to fly in the face of the best opinions of the times; are you going to fly in the face of good, sound tax premises and vote down an income tax and place an extra burden upon the property owners, particularly the home owners, of the District of Columbia?

[Here the gavel fell.]

Mr. BIGELOW. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. BIGELOW to the committee amendment: Strike out all of line 2, after the word "on" in the committee amendment, and insert: "tangible personal property shall not be less than 1.7 percent on the assessed value of such property, and a rate of taxation shall be imposed on land value sufficient to produce the same revenue as would be produced by a rate of 1.7 percent on the assessed value of real property, including land and improvements."

Mr. NICHOLS. Mr. Chairman, I should like to reserve a point of order against the amendment.

Mr. BIGELOW. I do not want to talk on this. I want a vote. If the gentleman wants to make a point of order, he should make it.

Mr. NICHOLS. I reserve the point of order, Mr. Chairman.

Mr. BIGELOW. Mr. Chairman, I am going to ask for a division on this. I just want a count of noses, to see how we come out as compared with the vote 43 years ago.

This has to do merely with the tax on real estate. It does not affect anything else in the bill. Without my amendment the tax on real estate will be $1.70 per $100. If my amendment passes, you will raise the same amount of money from real estate; but you will raise it, not by a tax of $1.70 per $100 on the land and the house but you will raise it by increasing the tax on the land alone. You will have to take my word for it that that will mean, instead of 1.7 percent on the land and buildings, you will impose just about 3-percent tax on the land and nothing on the building.

Mr. O'CONNOR of New York. Mr. Chairman, will the gentleman yield?

Mr. BIGELOW. Yes; I yield.

Mr. O'CONNOR of New York. This provision proposed, of course, puts this 1.7-percent tax on real estate, tangibles, and intangibles?

Mr. BIGELOW. Yes.

Mr. O'CONNOR of New York. Under the gentleman's proposal, how do you levy a tax on the building?

Mr. BIGELOW. This would levy 1.7 percent on intangible personal property.

Mr. O'CONNOR of New York. What tax goes on the buildings, for instance?

Mr. BIGELOW. Nothing will go on the building, under my amendment.

Mr. O'CONNOR of New York. That will be free from taxation?

Mr. BIGELOW. That will be free from taxation, but an increased rate will go on the land.

Mr. O'CONNOR of New York. A sort of Henry George tax?

Mr. BIGELOW. Yes; certainly. I was about to say this will be about 3 percent on the land and nothing on the house. Now, two-thirds of all the residences in this District have an average value of $7,500. If you do not pass my amendment you will place a tax of $127.50 on a $7,500 home. If you pass my amendment, exempting the building and putting a 3-percent tax on the land value, you will reduce that tax from $127.50 to $75.

That, Mr. Chairman, is one way of reducing the burden on the small-home owner.

I hope the amendment will be considered favorably.

Our ideal in this country has been an industrial society which should be permitted to run itself, spurred on by the profit motive, giving wide range to individual initiative, and free play to the laws of supply and demand.

But now we are going in for a planned economy. The laws of supply and demand are falling into disrepute. We are reaching out to agriculture, manufacturing, and mining to control production, fix prices, and regulate labor relations. But I wish that some thought were given to less socialistic remedies. We might not need so many bureaus and boards to manage things, if we would cut out some of the glaring abuses of our disordered capitalism.

It happens that the District of Columbia government faces a deficit and Congress is looking around to see where we can pick up some additional revenue. This gives Congress a chance to show some light and leading on the subject of taxation. Here is a chance to set an example of sound taxation to the cities of the Nation. Some Congressmen were favoring a sales tax, the most vexatious and villainous form of taxation that economic ignorance has yet devised. I am glad that the taxation committee of the District Committee backed away from a sales tax, but a nondescript list of other taxes are proposed which are second cousins to the sales tax.

I propose an extra tax upon the land values of the District. I do not mean to raise the present tax on buildings, but merely on the value of land, irrespective of improvements, if any, on the land.

Canberra is Australia's District of Columbia. When the District of Canberra was laid out, it was provided that, as the land values increased with the growth of population and the development of Australia's capital city, the rising ground rents should go, not to private owners, but to the public treasury.

Suppose that policy had been adopted when the District of Columbia was chosen as the seat of our Government. Since that day, the value of this land area has risen steadily with the growth of the city.

This land value of the District of Columbia is, of course, socially created value. It is not, like houses or other things, the product of private industry. This is value which in every city comes in spite of owners, as cream rises to the top of a pan of milk, according to a law of its own. The heirs of the old families who got here first skim the cream. They reap these socially created land values.

Here is a ground-rent income of some $25,000,000 a year that by right should be going to the Public Treasury. But the most of it is allowed to go into private pockets. This is one of the leakages of the capitalist system. With the loss of this revenue of its own, the city has to make tax raids on private property. If the city had, year by year, collected this ground rent, in lieu of taxes, it would have kept down the speculative price of land. Those who wanted to use land could have gotten it on more reasonable terms. But, instead of collecting its own ground rent and thus keeping the price of land down, the city has put the $25,000,000 tax burden on houses and all productive enterprises. This tax burden on houses and other forms of wealth adds to prices. Instead of collecting our own publicly earned income and keeping the price of land down, we tax privately produced wealth, thereby raising the price of land and everything that is produced on land.

Why do we have, as the President asserts, a third of our people ill-clad, ill-housed, and ill-fed?

I think that one of the reasons is our failure to distinguish correctly between private property and public property.

If one man was the first to stake out a claim around some trees in a desert, he was permitted to charge the famished and belated travelers for the water of his private oasis. If a man came upon a coal field or an oil pocket, he was free to monopolize his findings and to put on all the royalties the traffic would bear. If one's great-grandfather invested the profits of his fur business in lots in a Manhattan village, his heirs were free to collect princely fees from the luckless people who came too late on the scene.

The price of land is due to the pressure of population against the Nation's resources. It is sheer tribute that owners can levy on users. The owners hold the land against a growing population. The more the population grows, the greater the tribute. The land of the Nation is now capitalized at something like one hundred and fifty billions. This is not labor-produced value. This is monopoly value.

We could not cut up the continent into little pieces and give everybody a piece. But everybody who owns a piece of land in city or in country could be required to pay a ground rent proportionate to the location and value of his land.

If this ground rent were collected from all owners of land and then used to pay the expenses of government, it would thus get distributed to all in the benefits of government. This would not be an injustice to the owner, for, if he used his ground properly, the tax exemptions on his improvements and industry would more than balance his ground rent. The system I propose would penalize the evil of holding land without using it properly, and, in justice to all of us, this should be penalized.

This is one reason why one-third of our people are ill-clad, ill-housed, and ill-fed.

Here is just one exhibit: A small merchant, after making a living for himself and family for 25 years, has landed on the dole. For 25 years he was engaged in a small retail business on the same premises. At first his store rent was $80 a month. No improvements were made on the building in the 25 years. But his rent was jacked up from year to year, until finally $450 a month was exacted of him. More than that, with devilish ingenuity, the governments of city, State, and Nation were thinking up new taxes to heap upon him. So he landed on the dole. He was crushed between the upper millstone of taxes and the lower millstone of ground rent. He was ground down to poverty. That is what is happening to the free citizens of America.

The trouble is not with capitalism—it is with the privilege which permeates capitalism.

We should use the taxing power, as a surgeon's knife, to cut out the privilege.

In that way we might pull ourselves out of the swamps of socialism into which we are sinking—and realize our better dream of a free industrial society.

But, my friends, it is a tough job, here in Congress, to get the minds of Members so far out of the beaten track. Congressmen and other people, too, are like passengers on an airplane.

The members of the crew on an airplane are provided with parachutes. If the machine goes bad, they jump. But the passengers are not provided with parachutes. That is not because the lives of passengers are disregarded. Experience has shown that passengers, who have not been broken in to the use of parachutes, just will not use them. They are parachute shy. They stick to the machine and perish.

On this machine which we call our social order it is the same way. The passengers have a terror of new ideas. They will not do any jumping. They clutch the seat and await the crack-up.

Here I am offering them a perfectly good parachute, but what can I do if they will not use it?

I am happy to have the privilege of presenting to the readers of the CONGRESSIONAL RECORD the following article on the Pittsburgh graded-tax plan. This, with modifications, is the plan I am seeking with H. R. 6872 to apply to the District of Columbia:

LXXXI——375

PITTSBURGH'S PROGRESS IN TAX REFORM, RESULTING IN TAX RELIEF AND ENCOURAGEMENT OF REAL-ESTATE IMPROVEMENT

By Percy R. Williams, Chief Assessor, city of Pittsburgh

Never before, perhaps, in the world's history has the subject of taxation occupied so important a place in the public mind as it does today, with millions and billions of dollars collected annually to meet the cost of government—national, State, and local. As the extension of government service is inevitable with the rapid growth of population and the marvelous progress in inventions, the problems of raising public revenues must grow in importance from year to year and will demand, increasingly, the serious attention of all thoughtful men.

Students of municipal taxation will probably agree that the Pittsburgh tax plan is the most significant experiment in taxation that has been undertaken by any American city. It is something unique and has attracted widespread attention. Inquiries concerning its nature and its operation have come from all sections, and it has recently been a prominent subject of discussion at national and international conferences dealing with fiscal and economic questions.

REFORM IN METHODS RATHER THAN REDUCTION

The Pittsburgh tax plan has to do with reform in tax methods rather than with tax reduction. Nevertheless, it has meant lower taxes for the great majority of the taxpayers—not lower in comparison with the taxes of pre-war days but much lower than they would necessarily be were the tax system of 25 years ago in effect today. We are apt to see little if any actual reduction in taxes, municipal, State, or National. Economies can be effected by the introduction of greater efficiency in government, but these will be more than offset by the necessity of meeting new conditions that must call for greater and greater public service. This is strikingly illustrated by the recent development of the automobile, which has so revolutionized traffic conditions as to require great expenditures of public money for improved streets, boulevards, subways, viaducts, and highways, to say nothing of the increased cost of police traffic regulation necessary to deal with the new conditions incident to modern rapid transit.

The Pittsburgh plan is an effort to apply sound economic principles to the raising of public revenue. It is in harmony with the declaration of Theodore Roosevelt that the "burden of municipal taxation should be so shifted as to put the weight of taxation upon the unearned rise in value of the land itself rather than upon the improvements." Pittsburgh is the outstanding example of adoption by a great city of a definite policy of concentrating the principal burden of taxation upon land values.

TWO NOTABLE FEATURES

Briefly described, the Pittsburgh plan has two notable features: (1) The entire tax revenue for municipal purposes is derived from taxes upon real estate, this general policy having been followed for many years. (2) The municipal tax rate on buildings is fixed at one-half of the tax rate upon land. This latter and more significant feature was introduced by the "graded tax" law enacted in 1913.

The graded tax was devised to promote Pittsburgh's prosperity. It is frankly aimed at land monopoly and is a recognition of the fact that the land question is fundamental in any scheme for building better business, for solving the housing problem, or bettering living and working conditions generally. But it is a moderate tax reform and has been applied in a very conservative manner, step by step.

Twenty-five years ago Pittsburgh was extremely liberal in offering encouragement to land speculators; it actually placed a premium on holding land idle or underimproved by the old classification system then prevailing. Under this system real estate within the city was classified as "built up", rural, or agricultural. Not only were lands in the latter two classes assessed at relatively lower values, which one might naturally expect in most instances, if not all, but after the fair assessed values were determined, "rural" real estate (where houses were surrounded by trees and shrubbery) was automatically reduced for purposes of taxation to two-thirds of this fair value, while large tracts of vacant land held out of use for speculation were classified as "agricultural", and these assessed values reduced by half for purposes of taxation. This antiquated and absurd classification system was abolished in 1912, this action marking the first important step in the progress toward better conditions. All real estate was then placed on the same basis, subject to assessment at full market value, whether improved, underimproved, or entirely vacant. This cleared the way for the operation of the graded-tax law, enacted 1 year later, which did not disturb the sound principle of full-value assessments but provided for varying tax rates on land and buildings, land and building assessments, of course, being separated on the tax records under the Pittsburgh system.

The graded-tax plan is, of course, equivalent to the partial exemption from taxation of improvements, with the ratio of exemption increasing at each triennial assessment. The method, however, is superior to any scheme involving manipulation of assessments. The tax rates being fixed by the city council annually with a higher rate on land and a lower rate on buildings, uniformity is guaranteed and nothing left to the discretion of individual assessors.

The graded tax has been in process of evolution since 1913, when the law was passed by the Pennsylvania Legislature. It became effective January 1, 1914, and there have been five successive

steps, corresponding to the triennial assessment periods, in each step a certain proportion of the tax burden being shifted from buildings to land; in the first period, 1914–15, the building rate being 90 percent of the land rate; in the second period, 1916–18, 80 percent; 1919–21, 70 percent; 1922–24, 60 percent; and in 1925 and thereafter, 50 percent. (Note exhibit A.)

EXHIBIT A

Comparative statement of city tax rates under graded-tax plan

Year	Land tax (mills)	Building tax (mills)	Flat tax rate required to raise same revenue
1914	9.4	8.46	9.05
1915	10.2	9.18	9.8
1916	12.6	10.08	11.63
1917	11.5	9.2	10.6
1918	14.5	11.6	13.3
1919	15.7	10.99	13.6
1920	19	13.3	16.6
1921	20	14	17.5
1922	20	12	16.5
1923	20	12	16.58
1924	20	12	16.46
1925	19.5	9.75	15.15
1926	22.4	11.2	17.25
1927	22.4	11.2	17.2
1928	25	12.5	19
1929	25	12.5	19
1930	26	13	19.439
1931	25.5	12.75	19
1932	23	11.50	17.1
1933	20.6	10.3	15.28
1934	20.6	10.3	15.24
1935	20.6	10.3	15.242
1936	20.6	10.3	15.245
1937	20.6	10.3	15.509

With the graded-tax plan now fully effective, it is possible to tell, in general terms, just what the new tax system means to Pittsburgh and its taxpayers.

SHIFTING THE SOURCE OF REVENUE

There is, of course, no loss in revenue through the graded-tax law. The law of 1913 has no effect whatever on revenues or upon expenditures, except to make possible the collection of ample public revenues with less burden on the general body of taxpayers. It simply brings about a shifting in sources of revenue. Its effect is upon the respective tax rates on land and buildings, which are fixed annually by the city council at such figures as will produce the sum estimated as necessary to meet the expenditures set forth in the budget.

The graded tax has meant the shifting for this year, 1937, of approximately $2,833,000 in taxes from buildings to land. The total assessed valuations for 1937 are:

Land	$556,552,050
Buildings	543,891,880
Total valuation	1,100,443,930

Under the graded-tax law land valuations in Pittsburgh pay a total city tax in 1937 of approximately $11,464,000 while at the rate of $15.509, which would prevail under the old tax system, the tax on land would be only about $8,631,000. Buildings under the graded tax pay this year in taxes $5,602,000, while at the rate of $15.509 this figure would be raised to approximately $8,435,000. These figures confirm the fact there has been a shifting from buildings to land of about $2,833,000, a very considerable item out of a total city tax revenue of approximately $17,067,000.

It is important, however, to note that the foregoing figures, though very significant, relate only to city taxes in the strict sense of the term. This $17,067,000 raised by the city from real estate is by no means the entire tax revenue that is obtained from Pittsburgh real estate. The board of education raises from taxes on Pittsburgh real estate the approximate sum of $12,380,000 this year by a flat rate of $11.25 per thousand. Of this total sum approximately one-half is obtained from land assessments and one-half from building assessments.

When school and county taxes are added to the city taxes we find that the total tax levy on land is $40.10 per thousand and on buildings it is $29.80.

These figures demonstrate that Pittsburgh has carried land-value taxation to quite a high point, but they also make it clear that buildings in Pittsburgh are very far from complete tax exemption due to the fact that school districts and the county are not included in the operation of the graded-tax system.

HAS STIMULATED IMPROVEMENT OF REAL ESTATE

It is not easy to accurately analyze the economic effects of the Pittsburgh tax plan, but it is possible to discover certain definite economic tendencies attributable to the operation of this system. The graded tax has undoubtedly tended to stimulate the improvement of real estate, not perhaps so much through keeping down building taxes as by increasing land taxes. Friends and opponents of the graded tax alike agree that the higher land tax has been influential in inducing those who had held large tracts of land idle to sell at more reasonable prices, because the holding of vacant land for long periods has now become unprofitable.

Another valuable index to the improvement of real estate in Pittsburgh is provided by the record of the assessed valuations over the period that the graded tax has been in operation, and when we examine this record we find that the total of building assessments has been rapidly gaining on the total land assessments. The assessed value of buildings has gone up from 282 millions in 1914 to 544 millions, approximately, in 1926, while the assessed value of land has only increased in the same period from 480 millions to 556 millions.

PREVENTS INFLATION OF LAND VALUES

The Pittsburgh Civic Commission, in its tax-revision bulletin of 1912, contended that high land prices, with accompanying high land rents, were one of the chief obstacles to Pittsburgh's progress, and a survey made at that time brought out the fact that the average value of land per acre in Pittsburgh, as shown by assessments, was second only to that of New York City. This indicated that Pittsburgh's land prices were abnormally high and therefore were discouraging industries from locating in this city. It was an avowed purpose of the graded-tax plan to lower land prices or to retard the rising process. It now seems beyond doubt from the evidence at hand that the higher land tax has had the effect which all economic authorities agree that it must have; that is to say, that, while land values must constantly rise in all growing communities, the higher land tax has checked the rise in the selling value of land. It has prevented such inflation of values as we have witnessed in our own community in times past and such as has taken place in other large cities during more recent years. Yet it is fair, in speaking of the higher land tax, to point out that the increased cost of local government has been responsible for this higher land tax to a greater extent than the graded-tax law itself.

TAX SAVINGS

Since the graded tax became fully effective in 1925, a study has been made from the official records of the department of assessors which reveals some very interesting facts. This study of the actual tax situation has gone far enough to clearly indicate that the great majority of real-estate owners are saving money in taxes through the graded-tax law. In most cases this saving amounts to a very substantial percentage of their city taxes. It follows, of course, that the owners of vacant or underimproved land, who, however, are greatly in the minority, are paying higher taxes, as contemplated by the sponsors of the law. This, as already intimated, means that such land, where valuable enough to pay a considerable tax, is not likely to remain vacant or underimproved for a long period.

ALL CLASSES OF IMPROVED PROPERTY BENEFIT

Owners of improved property of all classes are benefiting in lower taxes by reason of the graded-tax law. This is not true, of course, in all instances, as land values sometimes exceed building values even when the property is fairly well improved. But our survey of a large number of typical cases shows very great annual savings in taxes paid by various office buildings, manufacturing plants, warehouses, apartment buildings, and single-family dwellings, the degree of the saving varying with the size and type of building in relation to the value of the land upon which it stands. Three of the larger downtown office-building properties show tax savings by reason of the graded tax of 18, 21, and 21.6 percent, respectively; in each of these instances the actual savings in taxes for the 1 year being in excess of $13,000.

Apartment houses almost uniformly show substantial savings in taxes under the graded tax for the reason that they are usually structures of some size and value erected upon land of moderate price such as is to be found in residential districts. Three of the newly erected apartments show savings of 23, 29, and 30 percent, respectively, in one case the actual tax saving being over $8,000 for 1 year. On the other hand, a number of manufacturing plants and department stores occupying valuable land may be found which will not show any direct benefit in lower taxes from the graded tax. As an offset to this, however, it should be remembered that very substantial savings have been made by manufacturers through the complete exemption of machinery from taxation, while the big department store is entirely free of taxation upon its stock of goods, whereas in other cities such stores often pay very heavy taxes on their stocks of goods under the head of personal property.

But it is the home owner who stands out as the chief direct beneficiary of the graded tax. Only in rare instances do we find a home owner who has not been benefited to some degree by lower taxes through the operation of the graded-tax law. The most striking example of the effect upon taxes on homes is afforded by an analysis of the taxes paid by all property owners of the thirteenth ward, a typical residence ward, which shows that out of a total of 4,252 assessments there were 3,250 cases where the taxes paid under the graded tax are less than would be paid under the old flat-rate system, these savings ranging from 5 to 30 percent. Of the remaining 1,002 assessments where the taxes paid under the graded-tax system are higher, it is interesting to note that 980 of these represent vacant lots. This leaves only 22 improved properties that were not paying lower taxes, and these 22 are properties that are not very adequately improved.

SOME FALSE IMPRESSIONS

One of the familiar arguments against the graded-tax law is based on the false impression that the owners of large office build-

ings profit by the graded tax at the expense of the home owners because of the relatively small building investment of the latter. This assumption, however, is quite contrary to the facts. It is the relative value of each individual taxpayer's investment in land and buildings which determines the question of benefit, and nothing else has any bearing on the case. The high land values in the downtown business district, known as the Golden Triangle, much more than offset and cancel the partial exemption of the skyscrapers and other large structures in that section, while the home owner, through possessing a structure that seems insignificant by comparison with the skyscraper, is apt to find the value of his building from two to five times greater than the value of the land upon which it stands. Of course, every property owner whose building value exceeds his land value on the assessment books is paying lower taxes through the operation of the graded tax.

The city building tax rate is now about 33 percent lower by reason of the graded tax than it would be under the old system, and this has made a substantial difference in the tax bill of the average home owner, who is more concerned with building taxes than he is with the taxes on land.

Our survey develops the fact that it is only the exceptional business structure in the downtown district that has a value sufficient to offset the high land value and thus show a saving through the graded tax. A study of approximately 1,200 property assessments in the Golden Triangle (comprised of the first and second wards) shows that only 8 percent, or about 1 out of 12, pay lower taxes by reason of the graded tax. Since high land values are always to be found in the heart of the business district of a city, it is obvious that, under either the old or new system, the downtown wards must pay the greater share of real-estate taxes, but the higher the land tax the greater is the proportion paid by the downtown section.

The expediency of the Pittsburgh tax plan lies in the fact that it means tax relief for the majority of taxpayers and that it greatly encourages the improvement of real estate, thus stimulating the development of the community. When land is put into use the prosperity of the community is always enhanced, since the use of land brings employment to those who would otherwise be unemployed, and thus increases the wealth of the community.

The justice of the Pittsburgh tax plan rests upon the principle of equal rights to the earth that has been recognized by such great statesmen and philosophers as Thomas Jefferson, Abraham Lincoln, and Henry George, and upon the fact that land values are socially created, growing with the growth of population and the extension of public improvements, and are therefore, in a peculiar sense, a natural and logical source of public revenue.

THE FUTURE

Naturally, the Pittsburgh tax plan has not been without opposition. It has been fought by some who are largely interested in unimproved land, as well as by a few who are opposed to the plan in principle. The repeal of the graded-law tax has been attempted on several occasions, but its friends have rallied on each occasion and frustrated these efforts. It has been defended by the leading civic organizations, and the daily press is practically unanimous in declaring for the maintenance of the law upon the statutes. The Pittsburgh Chamber of Commerce is using the advantages of the Pittsburgh tax plan as one of the principal inducements to bring new industries to this city.

When Pittsburgh taxpayers generally awaken to the realization that the repeal of the law would mean a substantial increase in taxes for the great majority of real-estate owners as well as adversely affecting the prosperity of the community, they are sure to present effective resistance against any future efforts to upset the system now well established. As the graded tax grows in public favor, it seems unlikely that there will be any backward step. In fact, there are even now indications that steps may soon be taken to extend the partial exemption of improvements beyond the present point through new legislation, and the complete untaxing of buildings is a possibility in the not distant future. Whether or not this will actually be brought about is, of course, largely a question of the development of public opinion as to the advantages and as to the justice of concentrating taxation upon land values.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio.

Mr. DIRKSEN. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The time has been fixed, and those who requested time have been noted. The Chair, therefore, thought it best to vote on the amendment.

Mr. BIGELOW. I would have used my time, only I wanted to save the time of the House.

The CHAIRMAN. The time of the gentleman from Ohio had expired.

Mr. DIRKSEN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DIRKSEN. Has any member of the committee been recognized in opposition to the amendment?

The CHAIRMAN. No.

Mr. DIRKSEN. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The Chair may state to the gentleman from Illinois that the time for debate on this title has been fixed.

Mr. O'MALLEY. Mr. Chairman, I have some time reserved, I believe. I shall be glad to yield my time to the gentleman from Illinois. I do not wish to use it.

The CHAIRMAN. The gentleman from Illinois [Mr. DIRKSEN] is recognized for 3 minutes.

Mr. DIRKSEN. Mr. Chairman, I shall not take the 3 minutes, but there is one thing I do want to say to my friend from Ohio. I recognize that the modified single tax as it now obtains in Pittsburgh, where the rate on improvements is one-half of the rate on real-estate values, seems to have worked out very satisfactorily. But here in Washington we have a situation that is quite different from that which obtains in any other city of its size in the country. Only 45 percent of the land in the District of Columbia is privately owned and is taxable. The rest of it has been preempted by the Federal Government for parks and building sites. If you are going to throw all this tax burden upon the 45 percent of the acreage of the District I doubt very much whether it will work out.

I am very much interested in the gentleman's plan, but I think it is a matter that ought to be submitted in the form of a bill. I think there should be ample hearings so that we can determine those things that have not yet been determined. So, with all due respect to the gentleman from Ohio, I feel that his amendment ought to be voted down.

Mr. BIGELOW. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. BIGELOW. The rates that I have quoted were on the basis of $480,000,000 land values privately owned. It ignores altogether the $343,000,000 value of the land the Government owns.

Mr. DIRKSEN. That may be so, but still I think it is a very essential factor in the calculations. I think it is a matter that ought to be gone into exhaustively before we change the basic tax structure.

Mr. BIERMANN. The only difference between the proposition of the gentleman from Ohio and the proposition of the gentleman from Illinois is that the gentleman from Ohio wants to tax 45 percent of the land and the gentleman from Illinois wants to tax 45 percent of the land plus the improvements. The gentleman from Ohio wants to take the tax off the improvements.

Mr. DIRKSEN. I know exactly what he wants to do, but it should not be done until we can give the matter due and proper consideration.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio.

The question was taken; and on a division (demanded by Mr. BIGELOW) there were—ayes 21, noes 64.

So the amendment was rejected.

Mr. DIES. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DIES to the committee's amendment: "There is hereby exempted from all taxation so much of any real property occupied solely by the owner thereof as a homestead which does not exceed in assessed valuation the amount of $5,000, and where any homestead exceeds in assessed valuation the amount of $5,000 only the amount in excess of $5,000 shall be subject to tax. A tax is hereby annually levied upon any real property in the District of Columbia which is not herein exempted, at the following rates:

"(1) 1½ percent of the amount of assessed valuation not exceeding $10,000.

"(2) 2 percent of the amount of assessed valuation in excess of $10,000 but not in excess of $500,000.

"(3) 2½ percent of the amount of assessed valuation in excess of $500,000.

"Where, however, the owner or lessee of any apartment house, hotel, or lodging place can show to the satisfaction of the Commissioners of the District of Columbia that the rents or rates charged by such owner or lessee are approximately the same as the rents or rates charged in the majority of other cities in the United States of comparable size, taking into consideration the accommodations and services provided by the owner or lessee

of such apartment house, hotel, or lodging place, the Commissioners of the District of Columbia shall have the right and it shall be their duty to reduce the tax rate on such apartment, hotel, or lodging place: *Provided, however,* That such reduction shall not exceed in any case ½ percent of the amount of assessed valuation and in no event shall the tax rate be reduced below 1½ percent of the amount of assessed valuation."

Mr. DIES. Mr. Chairman, this amendment exempts the first $5,000 of any homestead solely occupied by the owner. From $5,000 to $10,000 it provides for a tax of 1.7 percent, the rate proposed by the pending bill. From $10,000 to $200,000 it provides a tax of 2 percent of the assessed value. On property in excess of $500,000 it provides a tax of 2½ percent of the total amount.

This is not a very great increase; in fact, those who own property in excess of $200,000 would not be paying as much tax as they pay in the majority of the cities and States in the Union now. Not only is this true, but the amendment contains a provision to protect the renters in the District of Columbia. It provides that wherever the owner of an apartment house or hotel can show that he has charged rents or rates that are approximately the same as in the majority of cities, taking into consideration accommodations and services rendered, then in that event, the Commissioners can reduce the rate not more than one-half of 1 percent. That is for the purpose of discouraging owners of apartment houses, renting places, and hotels from charging exorbitant rents and rates and passing it on to the renters or to the lodgers. [Applause.]

Many States have passed provisions to exempt homesteads in order to encourage people to own their own homes and to live in their own homes.

It is a question whether or not this Congress is in favor of the principle of exempting these small homes from taxation and placing the burden of the tax, insofar as real property is concerned, upon the owners of tremendous property holdings. Not only am I in favor of this principle in the District of Columbia, but I believe it should apply in every State in the United States. The time is coming, regardless of what this House does today, when small homes and farms in the United States will be exempt from taxation. [Applause.]

[Here the gavel fell.]

Mr. NICHOLS. Mr. Chairman, I dislike taking up the time of the House at this late hour, but may I point out again to the Members of the House that even though this amendment might be possessed of merit—and I do not know that I am prepared to say it is or not—the subcommittee having charge of this bill has been holding hearings since March 17 until yesterday afternoon. Never during that time has this proposition been submitted to the subcommittee by the gentleman who has just offered the amendment or by anybody else.

Mr. SACKS. Will the gentleman yield?

Mr. NICHOLS. I yield to the gentleman from Pennsylvania.

Mr. SACKS. Did I not bring it up in committee the other day?

Mr. NICHOLS. Not in the form of an amendment.

Mr. SACKS. I moved that the bill be amended in this respect.

Mr. NICHOLS. Yes. The gentleman did suggest that yesterday afternoon, and he was defeated by vote of the Committee.

Mr. Chairman, this is a serious proposition that confronts the District of Columbia. We have tried to minutely calculate how much revenue would be returned from the taxes that have been levied by this bill. I am sure that the gentleman from Texas would not attempt to say how much revenue would be secured if his amendment was adopted. May I say to the House in all seriousness, that this is too serious a proposition to consider in this short time.

Mr. DIES. Will the gentleman yield?

Mr. NICHOLS. I yield to the gentleman from Texas.

Mr. DIES. What is so serious and novel about this proposition when it has been adopted by many States of the Union?

Mr. NICHOLS. I may say to the gentleman, if we are going to pick up every law that has been adopted by the several States of the Union to write it into the District Code for that reason and no other reason, we could no longer be termed a legislative body.

Mr. McFARLANE. Will the gentleman yield?

Mr. NICHOLS. I yield to the gentleman from Texas.

Mr. McFARLANE. May I make the observation that in the State of Texas we have a $3,000 homestead exemption. This law was passed for the purpose of encouraging home ownership and has worked out very satisfactorily.

Mr. NICHOLS. In the State of Oklahoma we have a $1,500 homestead exemption, but we did not write that provision into the law on a minute's consideration.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. DIES].

The question was taken; and on a division (demanded by Mr. DIES) there were—ayes 35, noes 57.

Mr. O'MALLEY. Mr. Chairman, I ask for tellers.

Tellers were refused.

So the amendment was rejected.

Mr. MICHENER. Mr. Chairman, I make the point of order that there is not a quorum present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and fourteen Members are present, a quorum.

The question is on the committee amendment.

The question was taken; and on a division (demanded by Mr. DIRKSEN) there were—ayes 88, noes 10.

So the committee amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. RAYBURN] having resumed the chair, Mr. MEAD, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 7472) to provide additional revenue for the District of Columbia, and for other purposes, pursuant to House Resolution 243, he reported the same back to the House with sundry amendments agreed to in Committee.

The SPEAKER pro tempore (Mr. RAYBURN). Under the rule, the previous question is ordered on the bill and amendments to final passage.

Is a separate vote demanded on any amendment?

Mr. NICHOLS and Mr. DIRKSEN rose.

Mr. NICHOLS. Mr. Speaker, I shall demand a separate vote on several amendments, but, due to the lateness of the hour, I reserve that until in the morning.

EXTENSION OF REMARKS

Mr. BIGELOW. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a statement from the assessor at Pittsburgh as to the success of the Pittsburgh plan.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

TRIALS OF AND JUDGMENTS UPON THE ISSUE OF GOOD BEHAVIOR IN THE CASE OF CERTAIN FEDERAL JUDGES

Mr. SUMNERS of Texas. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD to submit for the information of the House what will be presented as H. R. 2271, to provide for trials of and judgments upon the issue of good behavior in the case of certain Federal judges, with the amendments proposed to be offered to the bill. I think the Members of the House would like to have this printed in the RECORD at this point.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The matter referred to follows:

A bill to provide for trials of and judgments upon the issue of good behavior in the case of certain Federal judges

Be it enacted, etc., That whenever a resolution of the House of Representatives is directed to the Chief Justice of the United

States, stating that in the opinion of the House there is reasonable ground for believing that the behavior of a judge to whom this act applies, as provided in section 6, has been other than good behavior within the meaning of that term as used in section 1 of article III of the Constitution, the Chief Justice shall convene, or cause to be convened, the circuit court of appeals of the circuit in which the judicial district of the judge is situated in special term for the trial of the issue of good behavior of such judge. The Chief Justice shall designate three judges of the circuit courts of appeal (one of whom he shall designate as presiding judge and any one or more of whom may be judges of the circuit court of appeals of circuits other than the one convened in special term) to serve on such court. Such court shall have jurisdiction to determine the right of such judge to remain in office.

SEC. 2. All of the facilities, services, and equipment of the United States in the circuit in which any such court may sit which may be appropriate and useful for the purposes of such court, are hereby made available for its use, and every officer of the United States is hereby required to cooperate with each such court and its several members and to make available all necessary courtroom and office facilities, stenographic and other services; and the clerk and marshals of the circuit court of appeals in any circuit in which any such court may sit are each hereby required to serve such court in the same manner, and as fully as they are, respectively, required to serve the United States Circuit Court of Appeals of that circuit.

SEC. 3. It shall be the duty of the Attorney General, by himself or by counsel designated by him, to institute on behalf of the Unitd States, and to represent the United States in a civil action in such court to determine the right of such judge to remain in office. In any such action, the United States shall be a party to such controversy and shall have all the rights and duties of a plaintiff in a civil action in the Federal courts and the judge shall have all the rights and duties of a defendant in such an action. All matters of procedure in any such action shall be governed by rules prescribed by the Supreme Court, but the trial shall be without a jury.

SEC. 4. If the court determines that the behavior of the judge has been other than good behavior within the meaning of that term as used in section 1 of article III of the Constitution, the judgment of the court shall be that the judge is thereupon removed from office, but no other penalty shall be imposed by the court.

SEC. 5. From the judgment of any such court, either the United States or the defendant, may, within 30 days after its rendition, but not later, appeal to the Supreme Court of the United States. Notice in writing of the taking of such appeal must be filed in the office of the clerk of the trial court and also of the clerk of the Supreme Court of the United States, and a copy thereof must be served on opposing counsel. Such appeals shall be subject to and governed by the rules of practice and procedure now regulating appeals to the Supreme Court of the United States, or such rules as may hereafter be adopted by the Supreme Court of the United States. The judgment appealed from shall remain in full force and effect, and shall be final and binding, unless or until it be reversed by the Supreme Court of the United States upon appeal. If the judgment appealed from be that of removal from office, the appellant shall forthwith cease to have any power, authority, or right to act as judge, but his salary shall be paid him until the determination of such appeal.

SEC. 6. This act shall apply to all judges of courts of the United States, the District of Columbia, and the Territories and possessions, who hold their offices during good behavior, except the judges of the United States Court of Appeals for the District of Columbia, the judges of the circuit courts of appeals, and the Justices of the Supreme Court of the United States.

EXTENSION OF REMARKS

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a statement I made before the Joint Philippine Affairs Committee this morning.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HEALEY. Mr. Speaker, I ask unanimous consent to extend my own remarks at this point in the RECORD on the life, character, and public service of my late beloved colleague, WILLIAM P. CONNERY, Jr.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

THE LATE WILLIAM P. CONNERY, JR.

Mr. HEALEY. Mr. Speaker, I was returning to the Capitol when news of the sad and untimely passing of my beloved friend and colleague, the late Hon. WM. P. CONNERY, JR., reached me.

Mr. Speaker, this news completely saddened me, but I have asked for these brief moments to pay just a word of tribute to the memory of this noble and courageous man. His loss to his district and the Commonwealth of Massachusetts and the Nation is irreparable. His unfaltering devotion to his duties here; the hours of sincere labor and effort expended toward human betterment had taken their toll so that when he was stricken with this dread affliction, his physical reserves were unable to cope with it.

His cheerful and happy nature and his warm personality, endeared him to all who were fortunate enough to enjoy his friendship. With ready wit and a sparkling sense of humor, he pursued his busy life among us. His inimitable ability as a storyteller and raconteur brought cheer to many in a dull moment. Strong in his convictions, he fought vigorously and courageously for the right as he saw it. Yet never did he resort to a word of contempt or bitterness, however intense the debate may have waged. He died on the eve of achievement of a great endeavor which he pioneered but which has long been close to his heart, the Black-Connery wage and hour bill. However, Mr. Speaker, he established an enviable record in Congress, one which has contributed to the happiness for the masses of toilers and the underprivileged in our country—and one which has stamped him as one of the greatest progressives of our times. His loss is mourned by countless friends and by the thousands who, although not fortunate enough to enjoy his acquaintance, yet looked upon him as their great friend and leader. While his loss to the Nation overshadows all else, Mr. Speaker, I have lost a staunch and inspiring friend, one that it is yet difficult to realize has passed from our midst.

EXTENSION OF REMARKS

(Mr. REES of Kansas, Mr. HANCOCK of New York, Mr. VOORHIS, Mr. KING, Mr. DIRKSEN, Mr. MAVERICK, and Mr. CHANDLER asked and were given permission to extend their own remarks in the RECORD.)

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. ELLENBOGEN, for 2 days, on account of official business.

To Mr. REILLY (at the request of Mr. BOILEAU), for the rest of the week, to attend the funeral of a friend of his family.

To Mr. DREW of Pennsylvania, for 5 days, on account of official business.

BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did, on Wednesday, June 16, 1937, present to the President, for his approval, bills and joint resolutions of the House of the following titles:

H. R. 1277. An act for the relief of William Hayes;

H. R. 2080. An act for the relief of Eleanora S. Richardson;

H. R. 2705. An act to provide for the manner of inflicting the punishment of death;

H. R. 2887. An act to amend the provisions of the pension laws for peacetime service to include Reserve officers and members of the Enlisted Reserves;

H. R. 2924. An act for the relief of certain officers and employees of the Foreign Service of the United States who, while in the course of their respective duties, suffered losses of personal property by reason of war, catastrophes of nature, and other causes;

H. R. 3203. An act for the relief of Rosalie Rose;

H. R. 3557. An act for the relief of the Coast Fir & Cedar Products Co., Inc.;

H. R. 4213. An act to amend the Inland Waterways Corporation Act, approved June 3, 1924, as amended, authorizing the Secretary of War to extend the services and operations of the Inland Waterways Corporation to the Savannah River;

H. R. 4575. An act for the relief of A. R. Netterville, Sr.;

H. R. 5721. An act to amend the Federal Register Act;

H. R. 5880. An act to amend Private Act No. 210, approved August 13, 1935, by substituting as payee therein the Clark Dredging Co. in lieu of the Bowers Southern Dredging Co.;

H. J. Res. 335. Joint resolution authorizing the Secretary of War to receive for instruction at the United States Military Academy at West Point, Olmedo Alfaro, a citizen of Ecuador; and

H. J. Res. 339. Joint resolution granting permission to George E. Ijams, a civilian employee of the Veterans' Administration, to accept and wear the decoration bestowed upon him by the Republic of France.

ADJOURNMENT

Mr. NICHOLS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 35 minutes p. m.), the House adjourned until tomorrow, Friday, June 18, 1937, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON FLOOD CONTROL

The Committee on Flood Control will continue hearings on Friday, June 18, 1937, at 10 a. m., on emergency and priority projects in the lower Ohio Basin.

COMMITTEE ON NAVAL AFFAIRS

There will be an open hearing before the full Committee on Naval Affairs, Friday, June 18, 1937, at 10:30 a. m., for the consideration of S. 2193, to authorize the construction of certain auxiliary vessels for the Navy.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce, at 10 a. m., Friday, June 18, 1937.

Business to be considered: Continuation of hearing on H. R. 6968—securities amendments bill.

There will be a meeting of the Firearms Subcommittee of the Committee on Interstate and Foreign Commerce, at 10 a. m., Tuesday, June 22, 1937, for the consideration of S. 3—the firearms bill.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

664. A communication from the President of the United States, transmitting a draft of a proposed provision pertaining to an appropriation for the Veterans' Administration for the fiscal year 1938 (H. Doc. No. 267); to the Committee on Appropriations and ordered to be printed.

665. A letter from the Secretary of the Navy, transmitting a draft of a proposed bill to authorize the Secretary of the Navy to remove a floating drydock from the United States naval station, New Orleans, La.; to the Committee on Naval Affairs.

666. A letter from the Acting Secretary of the Interior, transmitting a draft of a proposed bill to authorize the Secretary of the Interior to permit the payment of the costs of repairs, resurfacing, improvement, and enlargement of the Arrowrock Dam in 20 annual installments, and for other purposes; to the Committee on Irrigation and Reclamation.

667. A letter from the Comptroller, Near East Relief, transmitting a report for the year ending December 31, 1936; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mrs. O'DAY: Committee on Immigration and Naturalization. H. R. 7206. A bill to permit the temporary entry into the United States under certain conditions of alien participants and officials of the World Association of Girl Guides and Girl Scouts Silver Jubilee Camp to be held in the United States in 1937; without amendment (Rept. No. 1038). Referred to the Committee of the Whole House on the state of the Union.

Mr. VINSON of Georgia: Committee on Naval Affairs. H. R. 6547. A bill to authorize the Secretary of the Navy to proceed with the construction of certain public works in or in the vicinity of the District of Columbia, and for other purposes; with amendment (Rept. No. 1039). Referred to the Committee of the Whole House on the state of the Union.

Mr. CHANDLER: Committee on the Judiciary. H. R. 6963. A bill to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto; with amendment (Rept. No. 1042). Referred to the Committee of the Whole House on the state of the Union.

Mr. McREYNOLDS: Committee on Foreign Affairs. H. R. 7512. A bill to amend the act approved March 26, 1934; without amendment (Rept. No. 1043). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLOOM: Committee on Foreign Affairs. House Joint Resolution 379. Joint resolution authorizing Federal participation in the New York World's Fair 1939; with amendment (Rept. No. 1044). Referred to the Committee of the Whole House on the state of the Union.

Mr. CROWE: Committee on the Territories. H. R. 7378. A bill to authorize the Legislature of the Territory of Hawaii to create a public corporate authority authorized to engage in slum clearance and housing undertakings and to issue bonds of the authority, to authorize said legislature to provide for financial assistance to said authority by the Territory and its political subdivisions, and for other purposes; without amendment (Rept. No. 1045). Referred to the House Calendar.

Mr. CROWE: Committee on the Territories. H. R. 7489. A bill to amend an act entitled "An act to enable the Legislature of the Territory of Hawaii to authorize the issuance of certain bonds, and for other purposes", approved August 3, 1935; without amendment (Rept. No. 1046). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. CLAYPOOL: Committee on Immigration and Naturalization. H. R. 1474. A bill for the relief of Agatha Milauskas Yakavonis, nee Agatha Milauskas; without amendment (Rept. No. 1040). Referred to the Committee of the Whole House.

Mr. CLAYPOOL: Committee on Immigration and Naturalization. S. 779. An act for the relief of Mrs. Zeba Shargabian; without amendment (Rept. No. 1041). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CELLER: A bill (H. R. 7550) to amend the Revenue Act of 1936 with respect to the surtax on undistributed profits; to the Committee on Ways and Means.

By Mr. DEMPSEY: A bill (H. R. 7551) to provide for the acquisition and dissemination of information concerning the quantity and character of crude petroleum in storage, and for other purposes; to the Committee on Mines and Mining.

By Mr. DIMOND: A bill (H. R. 7552) to protect and preserve the salmon fishery of Alaska, and for other purposes; to the Committee on Merchant Marine and Fisheries.

Also, a bill (H. R. 7553) to amend the laws of Alaska imposing taxes for carrying on business and trade; to the Committee on the Territories.

By Mr. JONES: A bill (H. R. 7554) to amend the Federal Farm Loan Act, to amend the Emergency Farm Mortgage Act of 1933, to amend the Farm Credit Act of 1933, to amend the Federal Farm Mortgage Corporation Act, to amend the Agricultural Marketing Act, and for other purposes; to the Committee on Agriculture.

By Mr. KERR: A bill (H. R. 7555) to authorize the preparation of a comprehensive plan for controlling the floods, regulating the flow of waters, land reclamation, and conserving water for beneficial uses, in the basin of the Neuse River, and for other purposes; to the Committee on Rivers and Harbors.

By Mr. RAMSPECK: A bill (H. R. 7556) to provide for the right of election by employees, subject to the provisions of the Civil Service Retirement Act, of a joint and survivorship annuity upon retirement; to the Committee on the Civil Service.

By Mr. RAMSEY: A bill (H. R. 7557) to amend the National Labor Relations Act of the Seventy-fourth Congress, first session, chapter 372, Code of Laws of the United States, title 29, by the addition of sections 165A, 165B, and 165C, and to grant to the National Labor Relations Board certain powers as to trade disputes; to the Committee on Labor.

By Mr. SHEPPARD: A bill (H. R. 7558) to extend the mining laws of the United States to the Joshua Tree National Monument in California; to the Committee on the Public Lands.

Also, a bill (H. R. 7559) to provide for the selection of certain lands in the State of California for the use of the California State park system; to the Committee on the Public Lands.

By Mr. VINSON of Georgia: A bill (H. R. 7560) to authorize alterations and repairs to certain naval vessels, and for other purposes; to the Committee on Naval Affairs.

By Mr. KING: A bill (H. R. 7561) to amend the act entitled "An act to provide for the complete independence of the Philippine Islands, to provide for the adoption of a constitution and a form of government for the Philippine Islands, and for other purposes", approved March 24, 1934; to the Committee on Insular Affairs.

By Mr. JONES: A bill (H. R. 7562) to encourage and promote the ownership of farm homes and to make the possession of such homes more secure, to provide for the general welfare of the United States, to provide additional credit facilities for agricultural development, and for other purposes; to the Committee on Agriculture.

By Mr. EICHER: A bill (H. R. 7563) for the improvement of the Mississippi River between Missouri River and Minneapolis; to the Committee on Rivers and Harbors.

By Mr. SECREST: A bill (H. R. 7564) to permit the erection of the Shenandoah Memorial in or near Ava, Ohio; to the Committee on the Library.

By Mr. MAGNUSON: A bill (H. R. 7565) to provide for Government ownership and operation of shipbuilding facilities and plants for the manufacture of Army and Navy ordnance and other war materials, and for other purposes; to the Committee on Military Affairs.

By Mr. VINSON of Georgia: A bill (H. R. 7566) to authorize the Secretary of the Navy to remove a floating drydock from the United States naval station, New Orleans, La.; to the Committee on Naval Affairs.

By Mr. WHITE of Idaho: A bill (H. R. 7567) to authorize the Secretary of the Interior to permit the payment of the costs of repairs, resurfacing, improvement, and enlargement of the Arrowrock Dam in 20 annual installments, and for other purposes; to the Committee on Irrigation and Reclamation.

By Mr. HOFFMAN: Resolution (H. Res. 244) recommending the redesignation of the American Federation of Labor as the principal workers' organization in the United States and entitled to name any representative of the American workers in the International Labor Conference; to the Committee on Labor.

By Mr. KERR: Joint resolution (H. J. Res. 416) to authorize the preparation of a comprehensive plan for controlling the floods, regulating the flow of waters, land reclamation, and conserving water for useful purposes, in the basin of the Roanoke River, and for other purposes; to the Committee on Rivers and Harbors.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Michigan, memorializing the President and the Congress of the United States to consider their House Concurrent Resolution 43, with reference to a bridge across the Straits of Mackinac; to the Committee on Interstate and Foreign Commerce.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States to consider their Acts 3 and 23 of the Session Laws of Hawaii, 1937, with reference to form and sale of bonds; to the Committee on the Territories.

Also, memorial of the Legislature of the State of Massachusetts, memorializing the President and the Congress of the United States concerning an act making uniform the law securing the attendance of witnesses from without a State in criminal proceedings; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of Massachusetts, memorializing the President and the Congress of the United States concerning an act making uniform the law as to extraterritorial arrest on fresh pursuit and authorizing this Commonwealth to cooperate with other States in connection therewith; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANDREWS: A bill (H. R. 7568) for the relief of Howard Whiles; to the Committee on Military Affairs.

By Mr. DELANEY: A bill (H. R. 7569) for the relief of Frank Thomas; to the Committee on Naval Affairs.

By Mr. DEMPSEY: A bill (H. R. 7570) for the relief of the Women's Board of Domestic Missions; to the Committee on Claims.

By Mr. DIES: A bill (H. R. 7571) for the relief of Sophrania Holmes; to the Committee on Claims.

By Mr. KOPPLEMAN: A bill (H. R. 7572) conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Order of Xaverian Brothers; to the Committee on Claims.

By Mr. SHEPPARD: A bill (H. R. 7573) for the relief of Elizabeth Seymour Hodgson; to the Committee on War Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2657. By Mr. CURLEY: Petition of the Chamber of Commerce of the State of New York, urging Congress to pass legislation to establish a 2-cent rate on first-class mail for delivery within the corporate limits of the city of New York; to the Committee on the Post Office and Post Roads.

2658. Also, petition of the Maritime Association of the Port of New York, protesting against the towing of laid-up ships from New York Harbor to the James River, Va., and also against the removal of these ships from New York Harbor; to the Committee on Rivers and Harbors.

2659. By Mr. DALY: Petition signed by 157 citizens and voters of the Fourth Congressional District of Pennsylvania, supplementing petitions presented May 25, June 7 and 15, 1937, endorsing the President's proposal to enlarge the Supreme Court; to the Committee on the Judiciary.

2660. By Mr. EATON: Resolution adopted by the New Jersey State Federation of Women's Clubs, representing 40,000 women of the State of New Jersey, declaring their objection to the implications and the intent of the President's plan for the reorganization of the Supreme Court; to the Committee of the Judiciary.

2661. By Mr. FORAND: Petition of the American Institute of Architects, supporting the Wagner-Steagall bill; to the Committee on Banking and Currency.

2662. By Mr. KEOGH: Petition of the Waste Material Sorters, Trimmers, and Handlers, Union Local No. 18445, A. F. of L., Brooklyn, N. Y., concerning Senate bill 2025 and House bill 6278; to the Committee on Military Affairs.

2663. By Mr. LEAVY: Petition of the International Union of United Brewery, Flour, Cereal, and Soft Drink Workers of America, Local Union 228, Spokane, Wash., protesting against the activities of the United States Chamber of Commerce and the National Manufacturers Association in the opposition that these organizations take toward the National Labor Relations Act and setting forth the fact that the National Labor Relations Act provides its workers with a means by which a majority vote of the employees will result in the employer dealing collectively with his employee; to the Committee on Labor.

2664. Also, petition of the International Union of United Brewery, Flour, Cereal, and Soft Drink Workers of America, Local Union 228, Spokane, Wash., protesting against House bill 6704, on the grounds and for the reason that the legislation sought to be enacted into law would foster and promote fascism in war emergencies and would tend toward making war more probable and that it is inimical to the best interests of labor and the fundamental principles of freedom and democracy; to the Committee on Military Affairs.

2665. Also, petition of the International Union of United Brewery, Flour, Cereal, and Soft Drink Workers of America, Local Union 228, Spokane, Wash., protesting against Senate bill 1710, known as the Guffey bill, on the grounds and for the reason that said bill tends to deprive organized labor of the right to strike against unscrupulous employers; to the Committee on Labor.

2666. Also, petition of the Hillyard (Wash.) Post, No. 1474, Veterans of Foreign Wars of the United States, protesting against any and all acts that have a tendency to impair the benefits or emoluments to the veterans, his widow or orphans, if the effect of such legislation would be to impair and ultimately destroy the welfare of the veteran himself; to the Committee on World War Veterans' Legislation.

2667. By Mr. WITHROW: Joint Resolution No. 63–S, passed by the Wisconsin Legislature, relating to the need for retaining Civilian Conservation Corps camps on State and county forests; to the Committee on Agriculture.

2668. Also, Joint Resolution No. 80–A, passed by the Wisconsin Legislature, petitioning the Honorable Franklin D. Roosevelt, President of the United States, to adopt agricultural and tariff policies in furtherance of the welfare of the Wisconsin farmer; to the Committee on Agriculture.